

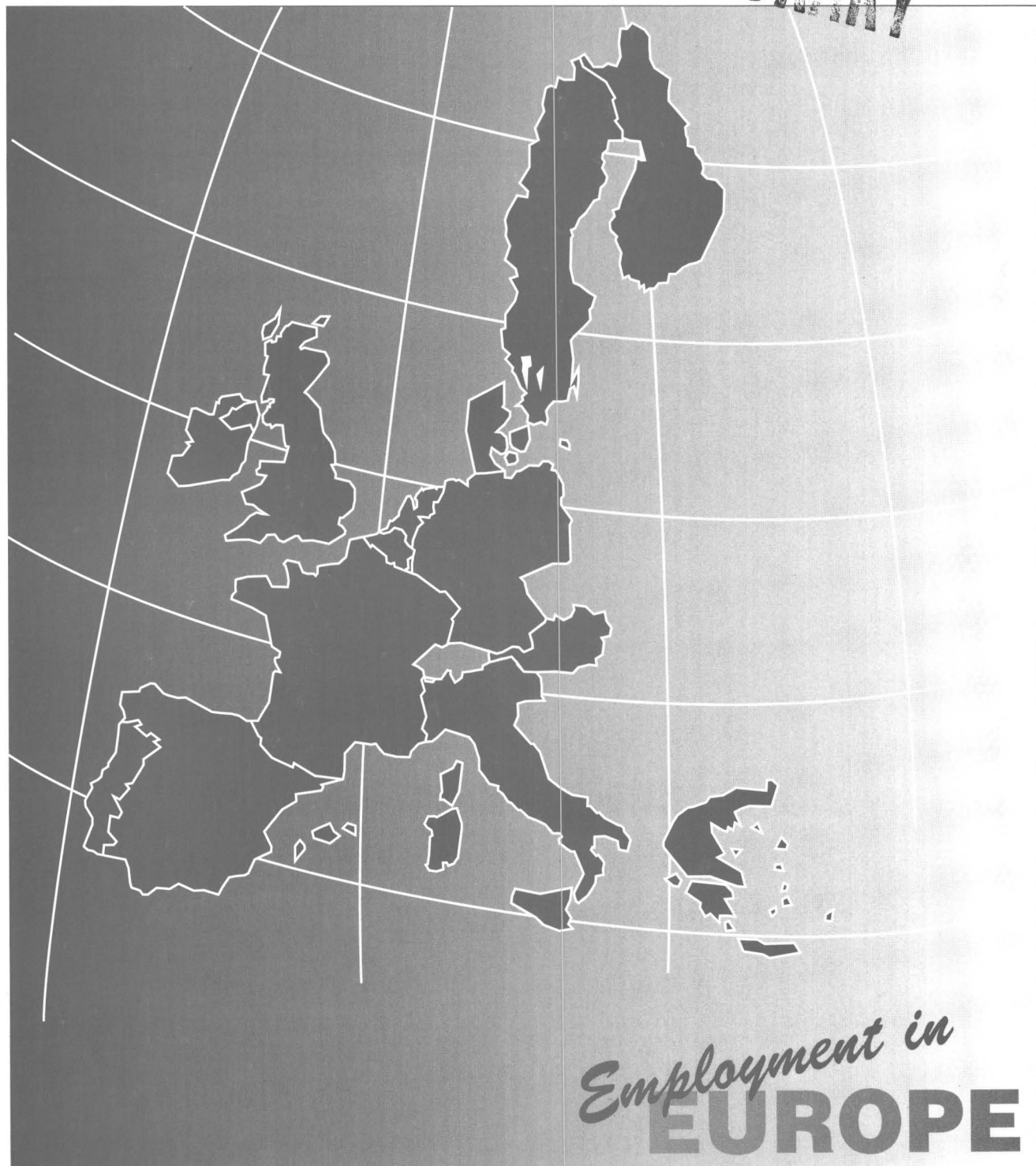
# EMPLOYMENT OBSERVATORY

## Basic Information Report

on employment policies in Europe.  
Series produced by the MISEP network.

## France

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EUROPEAN COMMISSION  
DIRECTORATE-GENERAL FOR EMPLOYMENT  
INDUSTRIAL RELATIONS  
AND SOCIAL AFFAIRS

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MISEP



**Mutual Information System  
on Employment Policies (MISEP)**

**Basic Information Report**

**FRANCE**

**Institutions, Procedures and Measures**

**1996**

**European Commission**

CEE: V/96

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Published in March 1996

On the basis of an agreement of the directors general for employment, the European Commission created a Mutual Information System on Employment Policies (MISEP) in 1982.

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States or from employment services. The centralised secretariat is fully accountable to the Commission.

MISEP was set up by the Commission in response to a need voiced by the delegations of the Member States in the Council for a mutual information exchange on developments in national employment policy measures and structures. The definition of MISEP's objective is to gather, synthesise, translate and disseminate relevant information in the Member States, serving each of the responsible national ministries and agencies in their daily decision-making, and aiding the Commission in its co-ordinating role at Community level.

The Basic Information Reports describe the structure and content of employment policy in each Member State. The reports all have a common structure and contain basic information which is essential for an understanding of how employment policies are conceived and implemented.

The material in this Basic Information Report has been provided by the French correspondents and is correct as of 31 July 1995. It is intended as a guide and an explanation of national policy measures in force at that date in France and is not a substitute for the corresponding legal texts. It is designed to describe the policies and practices in France without value judgements either on the part of the Commission or the national correspondent.

While these reports will be updated periodically, further information and regular updating of measures are published in the system's quarterly policy bulletin, inforMISEP.

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## BENCHMARK STATISTICS

<b>The Land</b>	
Area	549,200 km <sup>2</sup>
<b>The People</b>	
Population	58 million
<b>Production</b>	
Gross Domestic Product at market prices (1994)	FF 7.376 billion
<b>Labour Market</b>	
Working age population (16-65 years, March 1994)	46.123 million
<b>Labour force</b> (March 1994)	
– of which women	25.137 million
	11.238 million (44,7%)
<b>Activity Rate</b> (March 1994)	
– women	54,5%
– men	47,0%
	62,7%
<b>Employment</b>	
	22.022 million
of which:	
– women	9.626 million
By Sector:	
– agriculture	5.1%
– industry	19.3%
– construction	6.6%
– tertiary sector	69.0%
<b>Unemployment</b> (March 1994) (BIT)	
	3.115 million
of which:	
– women	1.612 million (52%)
<b>Unemployment Rate</b>	
	12,4%
by Education:	
– primary school or without certificate	17,8%
– secondary education (BEPC, CAP, BEP)	11,6 %
– higher education	7,9%
– university	6,4%
<b>Long-term Unemployment</b>	
(according to l'ANPE, March 1994 – gross)	3.327 million





# CONTENTS

	Page
<b>Chapter I</b>	
<b>Institutions</b>	<b>1</b>
1. Employment Delegation ( <i>Délégation à l'Emploi</i> )	1
1.1 Legal status and constitutional competence	2
1.2 Areas of activity	2
1.3 Organisation	2
1.4 Organisational structure	2
1.5 Operational budget	2
1.6 Activities	2
2. National Employment Agency ( <i>Agence National Pour l'Emploi – ANPE</i> )	4
2.1 Legal status and constitutional competence	4
2.2 Decision-making bodies	5
2.3 Organisational structure	6
2.4 Personnel	6
2.5 Operational and investment budget	6
2.6 Cooperation and coordinated activities	9
2.7 International relations	9
3. National Association for the Vocational Training of Adults ( <i>Association Nationale pour la Formation Professionnelle des Adultes – AFPA</i> )	10
3.1 Legal status and constitutional competence	10
3.2 Governing bodies	10
3.3 Advisory commissions	10
3.4 Geographical and functional organisation	11
3.5 Personnel and Budget	11
4. UNEDIC and ASSEDIC	11
4.1 Legal status and constitutional competence	11
4.2 Decision-making bodies	12
4.3 Personnel	12
<b>Chapter II</b>	
<b>Legal Framework and Procedures</b>	<b>13</b>
1. Legal Sources Governing Labour and Employment	13
1.1 State sources	13
1.1.1 Constitutional sources	13
1.1.2 Legislation: Laws and Ordinances	13
1.1.3 Decrees	13
1.1.4 The Labour Code	14
1.2 Contractual and customary law sources	14
1.2.1 Collective labour agreements and collective accords	14
1.2.2 Customs and practices	14
1.2.3 The individual employment contract	14
1.2.4 Internal regulations	15
1.3 International sources	15

2. Summary of the Main Legislation	15
2.1 Regulations pertaining to the employment contract	15
2.1.1 The permanent employment contract (Article L 121-1 et seq.)	15
2.1.2 The fixed-term employment contract (Article L 121-1 et seq.)	16
2.1.3 The temporary employment contract (Article L 124-2)	16
2.1.4 The part-time employment contract (Articles L 212-4-2, L 212-4-3)	17
2.1.5 The apprenticeship contract (Articles L 115-1 to L 119-5)	18
2.2 Termination of the (open-ended) employment contract	18
2.2.1 Rules governing individual dismissals (Articles L 122-6 to L122-14)	18
2.2.2 Dismissal on economic grounds (Article L 321-1 et seq.)	20
2.3 Regulations pertaining to pay	22
2.3.1 Determination of the minimum wage (Article L 141-1 et seq.)	22
2.3.2 Equal pay for men and women (Article L 140-2)	22
2.3.3 Collective bargaining (Article L 132-12 and L 132-27)	22
2.3.4 Wages for apprentices (L 117-10)	22
2.3.5 Payment of overtime (Cf. 2.4)	22
2.4 Regulations pertaining to working time (Article L 212-1 et seq.)	22
2.4.1 Statutory working hours	22
2.4.2 Adjustment of the working week	23
2.5 Committees for health and safety and working conditions (Article L 236-1)	24
2.6 Regulations pertaining to collective agreements (Article L 131-1 et seq.)	24
2.7 Regulations pertaining to training, further training and retraining	25
2.7.1 The Law of 1971	25
2.7.2 The reform of the Law of 24.2.1984 ( <i>Journal Officiel</i> of 25.2.1984)	26
2.7.3 Decentralising vocational training	28
3. Institutions and Functioning of the Labour Market	28
3.1 Employers' associations	28
3.2 Trade unions	29
3.2.1 Principles	29
3.2.2 Representativeness of trade unions	30
3.3 Bodies for representing workers within the company	30
3.3.1 Workers' representatives ( <i>Les délégués du personnel</i> )	30
3.3.2 The works council ( <i>Le comité d'entreprise</i> )	31
3.3.3 Trade union delegates ( <i>Les délégués syndicaux</i> )	32
3.3.4 Committees for health and safety and working conditions ( <i>CHSCT</i> )	32
3.3.5 Integrated worker representation ( <i>La délégation unique du personnel</i> )	32
4. Jobseekers and Legal Regulations in the Event of Unemployment	33
4.1 Categories of jobseekers	33
4.2 The current system of unemployment benefits	33
4.2.1 The unemployment insurance system	34
4.2.2 The solidarity system	35
4.3 Monitoring the jobseeker	36

	Page
5. Matching Labour Supply and Demand	37
5.1 Legislation and regulations as regards placement (Article L 311 of the Labour Code)	37
5.1.1 Extending the public placement service ( <i>Service Public de Placement – SPP</i> )	37
5.1.2 Notification and advertisement of vacancies	38
5.1.3 General rules concerning placement	38
5.2 Registration procedure	38
5.3 Placement procedure	39
5.3.1 Matching supply and demand	39
5.3.2 Publicising vacancies	40
5.4 Computer-aided placement	40
5.4.1 The systems of internal administration	40
5.5 Placement of special categories	42
<b>Chapter III Measures</b>	<b>45</b>
1. General Measures	47
2. Employment Maintenance	53
3. Aid to the Unemployed	69
4. Training, Retraining and Occupational Mobility	71
5. Job Creation	83
6. Special Categories of Workers	103
7. Working Time	135
8. Other Measures	145
<b>Chapter IV Information and Research</b>	<b>149</b>
1. Employment Statistics ( <i>Les Données statistiques sur l'Emploi</i> )	150
2. Institutional Organisation ( <i>L'Organisation institutionnelle</i> )	150
2.1 Employment Studies Centre – CEE	151
2.2 Qualifications Study and Research Centre – CEREQ	151
<b>Appendices</b>	
Appendix 1: Abbreviations	152
Appendix 2: National Correspondents	156



# CHAPTER I INSTITUTIONS

The term Public Employment Service (*PES*) encompasses a group of institutions which operate in the field of employment. The main institutions include:

- an administrative centre: the Ministry of Labour, Social Dialogue and Participation, through:
  - on a central level, the Employment Delegation (*Délégation à l'Emploi*);
  - on a regional level, the External Services for Labour and Employment (*Services Extérieurs du Travail et de l'Emploi – SETE*);
- a national public body under ministerial supervision: the National Employment Agency (*Agence Nationale pour l'Emploi – ANPE*);
- a national association under ministerial supervision: the Association for Adult Vocational Training (*Association pour la Formation Professionnelle des Adultes – AFPA*);
- private bodies with a joint structure (trade unions, employers and the Association for Employment in Industry and Commerce (*Association pour l'Emploi dans l'Industrie et le Commerce – ASSEDIC*); the National Union for Employment in Industry and Commerce (*Union Nationale d'Emploi dans l'Industrie et le Commerce – UNEDIC*).

In addition, there are other public and private bodies which contribute to the tasks of the *PES*.

## 1. Employment Delegation (*Délégation à l'Emploi*)

### 1.1 Legal status and constitutional competence

Set up in 1975, the Employment Delegation is one of the four directorates of the Ministry of Labour. It operates at the heart of the *PES* and manages its various networks including the External Services for Labour and Employment (Regional and Département Directorates for Labour, Employment and Vocational Training), *ANPE-AFPA*. It is responsible for employment policy and is thus located at the cross-roads of policies on social, economic, industrial, training and national and regional development matters.

Its task is to promote employment policy. Operating under the authority of the Minister, it makes proposals to the government on trends, plans of action and measures; it devises the legal framework for these, disseminates them and coordinates them within the *PES*; it also manages the financial resources.

### 1.2 Areas of activity

- Integration or reintegration and training of jobseekers (particularly people in difficulty: young people, women, long-term unemployed, the disabled);
- unemployment compensation;
- employment difficulties in firms and the development of corporate plans;
- modernisation of firms, with anticipatory management of employment, staff training;
- job creation and local development;
- participation in the social policy of the European Union and international cooperation.

### 1.3 Organisation

The Employment Delegation comprises three Subdirectorates and one Division, which together employ more than 200 staff:

- The Subdirectorate Employment Protection and Promotion which administers the activities of the National Employment Fund, develops relations with companies and deals with promotion of employment and vocational integration of disabled workers.
- The Subdirectorate of the Labour Market which ensures that the labour market is functioning properly through supervision of the *ANPE*; helps with training and retraining of jobseekers through supervision of the *AFPA*; and deals with issues relating to the administration of unemployment benefit and the vocational integration of young people.
- The Subdirectorate of Finance and General Affairs which is responsible for the budget of the Employment Delegation and for its general operation.
- The "Syntheses" Division, a research division which deals with general aspects of employment policy and studies developments on the labour market; it also monitors the international relations of the Employment Delegation.

### 1.4 Organisational structure

(Cf. Organisation Chart 1, p. 3)

### 1.5 Operational budget

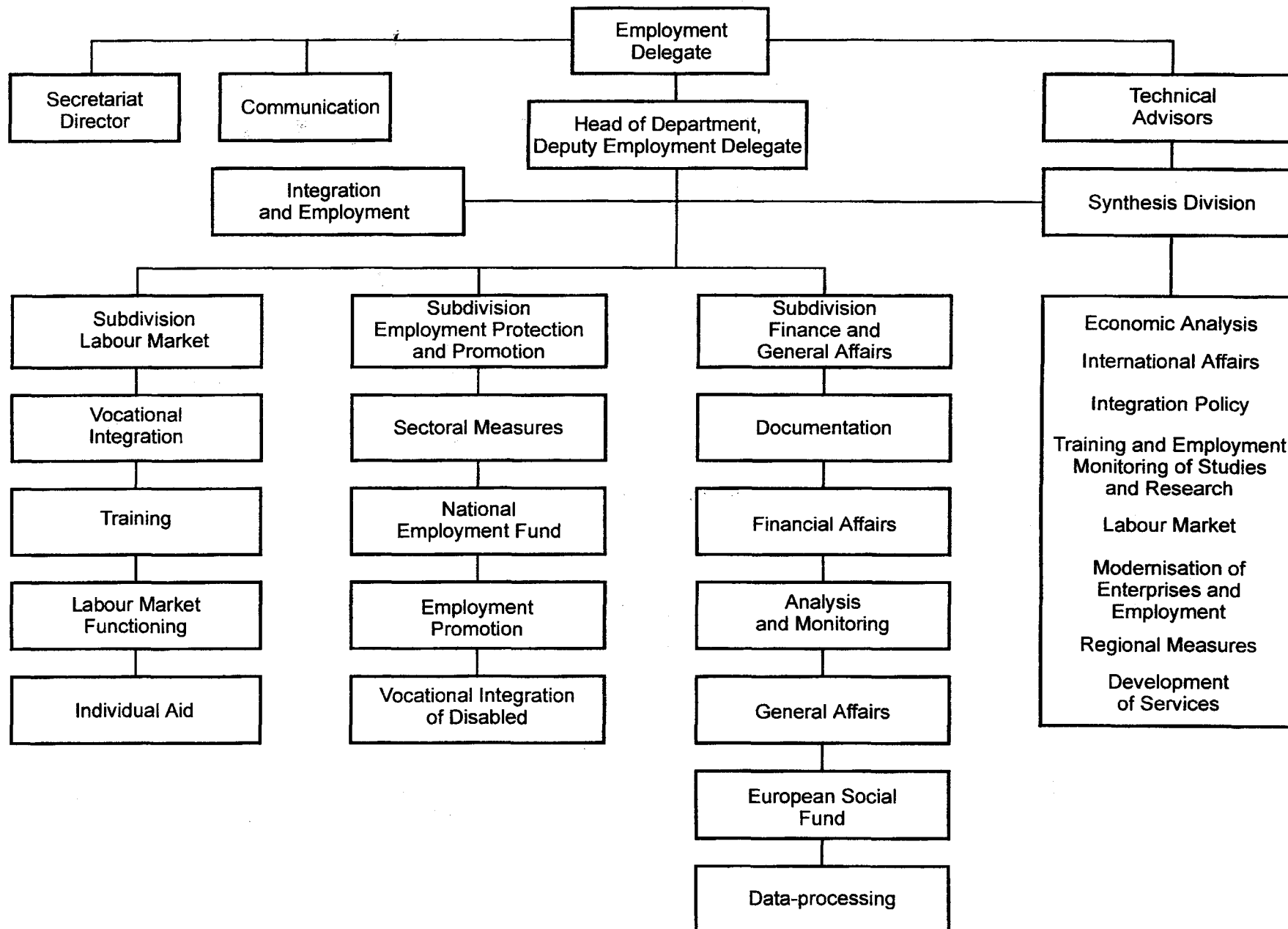
The Employment Delegation administers a very sizeable budget: FF 67 billion in 1991, i.e. over 80% of the total budget of the Ministry of Labour. Although the so-called "passive" expenditure (unemployment and early retirement benefits) still represents a large proportion of the budget, it has, however, been decreasing for several years now to the advantage of the "active" expenditure (training and integration, exemptions from social security contributions, etc.).

### 1.6 Activities

The activities of the Employment Delegation directly affect many citizens (1993 figures):

- 1,838,000 jobseekers claiming integration and reintegration aid;
- 52,000 founders or rescuers of assisted companies;
- 95,000 disabled people working in sheltered workshops or in "aid-through-work" centres (*Centres d'aide par le Travail – CAT*).

# Ministry of Labour, Social Dialogue and Participation



## 2. National Employment Agency (*Agence National Pour l'Emploi – ANPE*)

### 2.1 Legal status and constitutional competence

The *ANPE* was created in 1967 by Ordinance (Ordinance no. 67-578 of 13.7.1967; Order no. 80-92 of 23.1.1980, amending Book III of the Labour Code; Ordinance no. 86-1612 of 20.12.1986; Order no. 86-442 of 24.6.1987, amending the 1st Chapter of Book III of the 2nd part of the Labour Code (Order in Council of State) and relates to the placement of jobseekers). Its remit within the public placement service (*Service Public de Placement – SPP*) was reviewed in 1986 with a view to better adapting public activities to the realities of the labour market and increasing its resources. The Ordinance does not change the status of the *ANPE*. It remains a national public body with legal status, financially autonomous but under the authority of the Minister responsible for employment. However, its tasks which have, until now, been defined not by Law but by Decree, will henceforth fall within the scope of the law. In this respect the Ordinance extends the *ANPE*'s remit by adding to its existing tasks that of general intervention on the labour market.

Thus, the *ANPE*:

- assists persons who are looking for a job, training or vocational advice so as to promote their redeployment or career advancement;
- assists employers with the hiring of personnel or the retraining of their employees. It takes part in implementing public aids designed to facilitate these operations and special measures aimed, in particular, at small and medium-sized enterprises.

The *ANPE* also has other functions:

- management of the register of jobseekers;
- compiling statistics;
- instrument of employment policy.

Agreements can be concluded between the *ANPE* and public institutions, bodies jointly run by employers' associations and trade union organisations as well as the organisations mentioned in Article L 311-1, to lay down the conditions under which jobseekers register with a local office of the *ANPE*, or with a local office of these bodies. These agreements:

- provide for the method of representation of these bodies to sit on the decision-making or consultative authorities of the *ANPE*;
- ensure the coordination or joint use of the networks of facilities;
- determine, if necessary, the respective contribution by the *ANPE* and by these bodies towards the reception of jobseekers and the provision of information and guidance to them.

Currently, the *ANPE* has signed 500 placement agreements and many collaboration agreements, as well as other partnership agreements with various bodies and 40 framework agreements with the professional sectors and large-scale enterprises in order to make the tasks of training and integrating jobseekers easier.

Given the problems that will emerge for employment policy in the 1990s, the *ANPE* is seeking to adapt its services to its users, taking into account their changing needs. In this spirit a "Progress Contract" (*Contrat de Progrès*) and a "Progress Contract no. 2" were drawn up between the *ANPE*



and the State in July 1990; in the initial Progress Contract the objectives for the period 1991 to 1993 and the funds earmarked for their achievement are cited; the same are defined in Progress Contract no. 2 for the period 1994 to 1999. In order to implement these Progress Contracts, an internal development plan has been prepared by the Directorate-General and adopted by the board of management, which will monitor its implementation and can propose the necessary modifications.

## 2.2 Decision-making bodies

The *ANPE* is governed by a board of management and headed by a Director-General who is appointed by in the Council of Ministers by Order of the Minister responsible for employment.

A tripartite board of management was introduced in the *ANPE* in 1980 which ensured the representation of the users of the *PES* (workers, employers and certain administrations). The tripartite Regional, or, where applicable, Département Committees were introduced by Ordinance in 1986. The *ANPE*'s board of management consists of:

- a chairman appointed by Decree;
- 5 members representing the employers;
- 5 members representing the workers;
- 5 members representing, respectively, the Ministers of Employment, Education, Finance, Industry and the Minister responsible for the local authorities.

The representatives of the employers and workers are appointed by the most representative employers' and workers' organisations.

The board of management deliberates, in particular, on:

- determining the general strategies for actions to be conducted by the *ANPE* to carry out its remit, and the development plans of its activities;
- cooperation agreements at national level with the State, the institutions and organisations set out in Article L 351-21 of the Labour Code, notably the private law organisation(s) which administer the unemployment benefit system;
- applications to conclude agreements originating from public institutions, bodies administered jointly by employers' and workers' organisations and by associations when their activities exceed the limits of the region (Article L 311-1 of the Labour Code);
- the programme for setting up local agencies at the proposal of the regional committees of the *ANPE*;
- the budget;
- the annual report.

Before making any decisions, the board of management enlists, should it deem it useful, the opinions of the Regional and Département committees for vocational training, social promotion and employment.

The Director-General of the *ANPE*, who acts as its legal and civilian representative, is in charge of implementing the board of management's decisions and takes all decisions which do not fall within the board's competence.

To carry out its tasks, the *ANPE* can draw on 22 Regional Delegations and 99 Département Delegations. About 850 units assure a service close to the users, consisting of: 750 local agencies, 90 technical reintegration teams, 21 specialised task units.

The *ANPE* is represented in 500 large communes.

## 2.3 Organisational structure

(Cf. Organisation Chart 2, p. 7)

## 2.4 Personnel

A new personnel statute of 29.6.1990 gives staff of the *ANPE* the status of public sector employees. This statute forms the regulatory framework for personnel planning, it defines the rights and obligations of staff and the conditions for the development of their career. It divides the work of the 16,034 staff, of whom 15,363 are full-time employees, into eight categories:

- management assistants (1,730 *assistants de gestion*);
- deputy counsellors (1,896 *conseillers adjoints*);
- counsellors (6,430 *conseillers*);
- principal counsellors (3,672 *conseillers principaux*);
- "normal" administrators (1,202 *administrateurs de classe normale*);
- Class 1 administrators (361 *administrateurs de 1ère classe*);
- administrators without class (48 *administrateurs hors classe*);
- others (26 *personnel hors grille*).

Almost 75 % of these people are employed in the local network at the service of users.

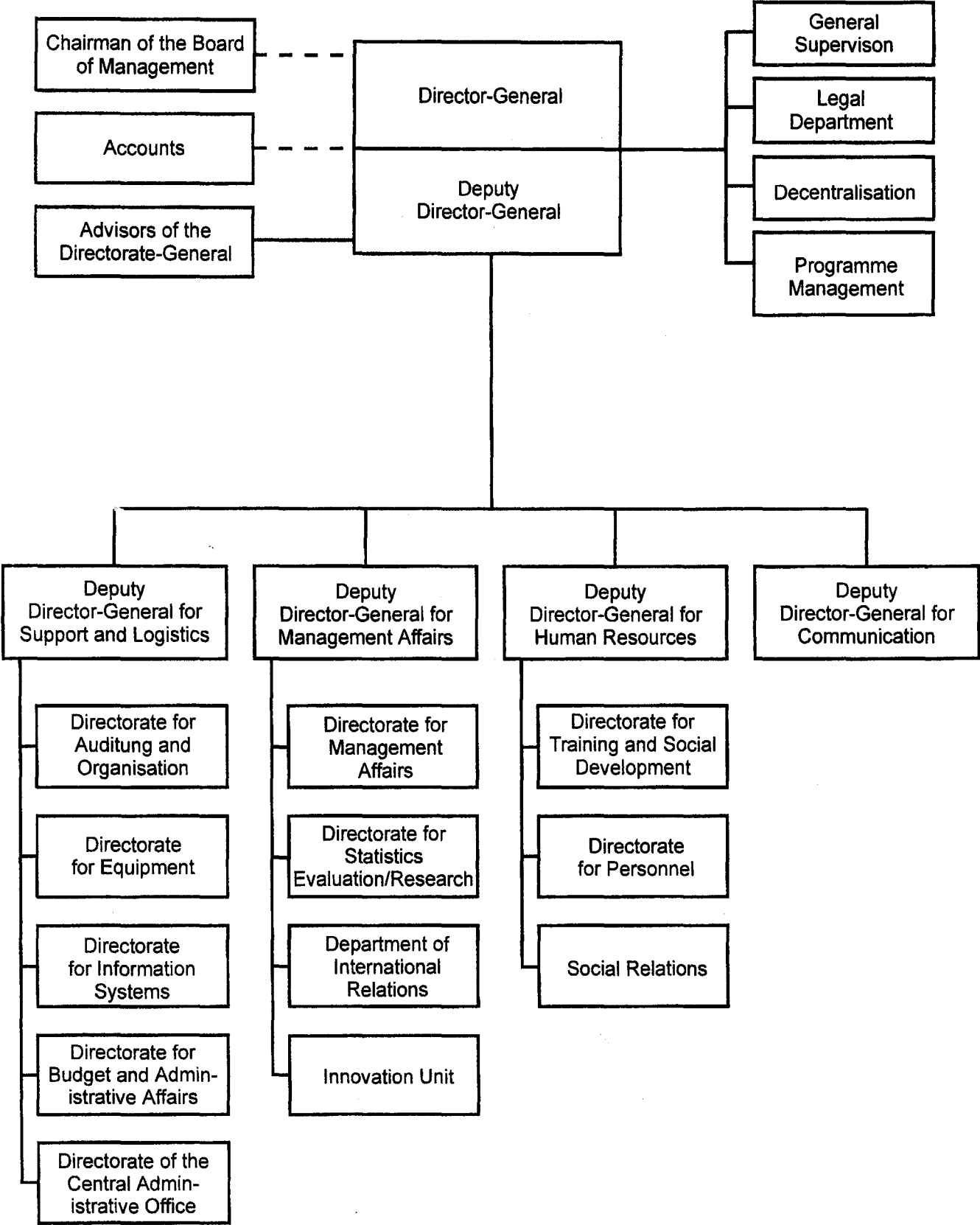
## 2.5 Operational and investment budget

The majority of the budget of the *ANPE* comes from the State. It mainly consists of an annual subsidy, voted on in Parliament as part of the Finance Law. This includes operational and investment loans. Added to this subsidy are funds made available to the *ANPE* by other ministries (especially by the Ministry of Employment) in order to finance employment measures which the Agency is responsible for promoting amongst its users. The budget is augmented from other sources which, however, only account for less than 2% of the total. 75% of the operational budget of the *ANPE* (except staff salaries) is reallocated to the regions.

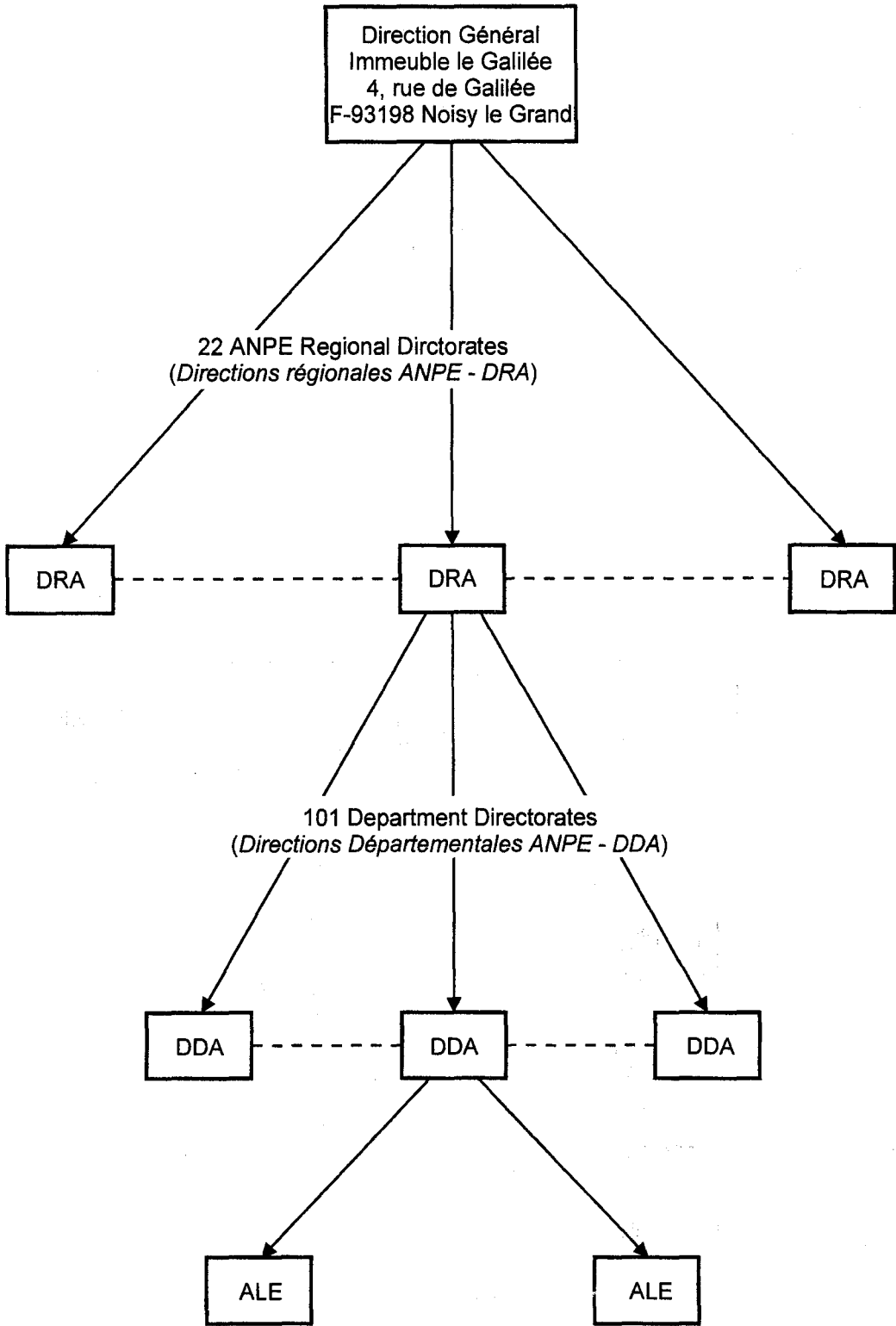
In 1994, the starting budget of the *ANPE* amounted to FF 7.13 billion. The State subsidy amounted to FF 4.94 billion (an increase of 4.3% compared with the previous year).

During 1994 the *ANPE* was allocated additional funds for employment promotion measures amounting to FF 1.14 billion (of which 0.92 billion were for the new scheme to promote the first-time recruitment of young persons).

General organisational structure



Regional organisation of the ANPE



760 local employment offices (*Agences Locales pour l'Emploi - ALE*)  
including specialised task units (*unités spécialisées*)  
122 technical training teams (*Equipes Techniques de Reclassement - ETR*)  
222 jobseekers circles (*Cercles de Recherche d'emploi*)

## 2.6 Cooperation and coordinated activities

*ANPE* cooperates closely with the External Services of the Ministry of Employment as regards the implementation of employment policy. In this context it also collaborates with other partners, public or private, in particular for setting up training-cum-work schemes (*AFPA* training organisations) or retraining measures. The *ANPE* also lends support to State-initiated integration and training measures by assigning staff to operators such as Prefectures and local units for youth integration (*missions locales d'insertion des jeunes*).

With the implementation of the first Progress Contract (1991-1993), the *ANPE* planned a significant increase in the number of service centres for users and concluded agreements to this end with local authorities and State-approved vocational training centres. These facilities represent a basis for *ANPE* service centres.

One of the objectives of the second Progress Contract (1994-1998) is to develop partnerships targeting three goals:

- improved geographical access for jobseekers and enterprises;
- improved support for individuals (social support, analysis and evaluation, tutoring, etc.);
- creation, in particular, of geographical coherence as regards the various providers of additional services.

To this end the *ANPE* will establish a partnership charter according to which it can delegate some of the services it provides. In addition, the *ANPE* will – also within the spirit of the charter – clarify its relationship to public facilities and local authorities, and will place special emphasis on rural and disadvantaged areas.

## 2.7 International relations

The *ANPE* is charged with placing manpower at European Union level and with all operations working towards the free circulation of workers within the EU.

To this end, it participates in the work of Directorate-General V of the European Commission on implementing the EURES system, in particular, the network of 27 Euro-advisors and support and promotion of the EURES facilities in the border regions (*EURES transfrontalier*).

The *ANPE* participates in various projects concerning bilateral technical cooperation with Tunisia, Morocco and eastern European countries. In addition, the *ANPE*'s incipient cooperation with Vietnam, Cambodia and Laos, which goes back to the implementation of a French-financed IAA Programme, deserves mention.

The *ANPE* participates in programmes financed by the European Union (PHARE and TACIS) and the World Bank (Ukraine, Russia, Madagascar, Rumania, Dschibouti). It contributes to the work of various international institutions which deal with employment problems and it advances, within the framework of its own cooperation with the Managerial Employment Agency (*Agence Pour l'Emploi des Cadres – APEC*) and the International Immigration Office (*Office des Migrations Internationales – OMI*) the compilation and dissemination of cross-border vacancies.

### **3. National Association for the Vocational Training of Adults (*Association Nationale pour la Formation Professionnelle des Adultes – AFPA*)**

#### **3.1 Legal status and constitutional competence**

The *AFPA* was created in January 1966. It is a national association which is answerable to the Ministry of Employment, which in turn also sets its tasks.

The *AFPA* has the following tasks:

- to train skilled manpower in various branches of the economy mainly to the first level of qualification recognised in the professional activities sectors and in collective agreements;
- to facilitate the retraining of unemployed workers or those threatened with redundancy, notably on behalf of the National Employment Fund;
- to intervene in favour of the most disadvantaged groups, young jobseekers and foreign workers;
- to contribute to the development of further training;
- finally, within the framework of international activities, to provide technical aid either through training in France of foreign instructors or through direct action abroad, in particular, through the establishment of training institutes.

#### **3.2 Governing bodies**

The *AFPA* has a tripartite governing structure. The General Assembly consists of 35 members divided into three boards of equal importance, in which are represented the Ministries concerned, the employers' associations and the most representative trade union organisations. The Assembly is in principal responsible for all issues relating to the administration and functioning of the *AFPA*, as well as for other various tasks within its remit.

The Assembly elects from its members a presiding committee, which reflects in its composition the tripartite organisational form. It also appoints the president, who is responsible for implementing the decisions of the committee and for the day-to-day operation of the association, and the director, whose appointment is subject to the approval of the Minister of Employment.

#### **3.3 Advisory commissions**

The *AFPA* avails of technical and educational support from the advisory Employment Commissions established by the Minister: these fulfil an advisory role in the definition of policy for the vocational training of adults:

- At national level:
  - The Advisory Vocational Commissions (*Commissions Professionnelles Consultatives – CPC*), which draft recommendations and proposals on the development of the content of training.
  - The National Subcommissions (*Sous-Commissions Nationales Spécialisées – SCNS*) are based on the *CPCs* and specialise in individual economic sectors; they have the task of designing tailor-made training courses for specific areas. Thus, they contribute to the evolution of the schemes.
- At regional level:
  - Commissions which specialise in adult training are active within the Département committees for vocational training, social development and employment: they draw up opinions and proposals concerning vocational training within the Département.

### 3.4 Geographical and functional organisation

- 22 Regional Directorates have general responsibility for the activities of the *AFPA* in their respective regions.
- 22 Regional Centres for Applied Psychology (*Centres Psychotechniques Régionaux – CPR*) and 135 service centres are entrusted with informing, classifying and counselling jobseekers;
- 131 training centres and 47 additional centres train apprentices, to whom they normally also provide full board and lodging;
- 7 Pedagogical and Technical Support Centres (*Centres Pédagogiques et Techniques d'Appui – CPTA*) are, similar to departments for development, involved in technical management, design of schemes and training of instructors.

### 3.5 Personnel and Budget

At the end of 1994 the *AFPA* employed 10,800 persons. During 1994 the entire operational budget of the *AFPA* amounted to FF 5.26 billion. The operating subsidy from the State was FF 3,82 billion.

## 4. UNEDIC and ASSEDIC

### 4.1 Legal status and constitutional competence

*UNEDIC* at the national level and the *ASSEDICs* at the regional level are non-profit associations which manage the unemployment insurance system.

*UNEDIC* is charged with the following tasks:

- to implement studies on a national and international level in the area of employment;
- to ensure that the necessary links exist to the public offices and institutions whose activities are relevant to employment, and to offer them their support as far as is necessary;

- to comprehensively administer the system of unemployment insurance and the financial resources necessary to fulfil its present and future tasks, while complying with the system's regulations;
- to seize every initiative suitable for promoting vocational reorientation or retraining for unemployed persons;
- to provide the *ASSEDICs* with all necessary guidelines, to ensure that they are generally informed and to supervise the coordination of their activities;
- to fix the number of facilities and determine their territorial responsibilities;
- to control the *ASSEDICs* by ensuring their administration operates in accordance with the regulations;
- to appoint the directors of the facilities.

The *ASSEDICs* are charged with the following:

- to accede to *UNEDIC*, to undertake to observe its statutes and rules of procedure, to implement its resolutions and submit to its control;
- to manage the funds that have been or will be allocated to them by *UNEDIC* and which are required for the fulfilment of their functions and to administer the "solidarity allowance" on behalf of the State;
- to seize every initiative suitable for promoting vocational reorientation or retraining for unemployed persons, within the framework of the guidelines established by *UNEDIC*.

## 4.2 Decision-making bodies

Because the unemployment insurance system originates from an agreement between the social partners, the managing and decision-making bodies are partite structures.

A national partite commission examines all questions relating to the interpretation of the rules and their scope of application.

*UNEDIC* is governed by a joint council which every two years appoints from among its members a partite presiding committee. The committee's chairmanship is occupied alternately by a representative of the employers' associations and a representative of the trade union organisations and has the task of managing the day-to-day operation of *UNEDIC*.

The council is assisted by two commissions, one administrative and the other technical, which have advisory roles.

The *ASSEDICs* are similarly structured.

## 4.3 Personnel

A total of 12,364 persons were employed in the unemployment insurance system in 1993.



# **CHAPTER II      LEGAL FRAMEWORK AND PROCEDURES**

## **1.      Legal Sources Governing Labour and Employment**

### **1.1      State sources**

#### **1.1.1      Constitutional sources**

The present Constitution of 1958 refers to the Preamble of the 1946 Constitution, which lays down a number of social rights:

- the right to work;
- non-discrimination on grounds of origin, opinions and beliefs when exercising this right;
- the right to organise;
- the right to strike within the framework of the Law governing strikes;
- the right to collective bargaining and to monitor the management of the company.

The Constitution also indicates (Article 34) that the fundamental principles of labour law, trade union law, and social security law are laid down by law.

The Constitutional Council can check whether bills passed by Parliament are in accordance with the Constitution, both as regards general principles (such as the principle of equality of all citizens before the law) and the boundaries of the respective fields of the law and the regulatory authority.

Verification of the constitutionality of bills occurs prior to promulgation. It can be called for by the President of the Republic, the Prime Minister, the President of the National Assembly or of the Senate or by a group of Members of Parliament.

#### **1.1.2      Legislation: Laws and Ordinances**

In addition to the bills passed by Parliament, which set out the fundamental principles in the fields of labour law, trade union law and social security law, the Ordinances defined by Article 38 of the Constitution are part of the legislation.

Ordinances can be passed when the Government has obtained for a limited period authorisation by Parliament, by means of an enabling act, to decide on measures which normally fall within the scope of the law. Ordinances are agreed on within the Council of Ministers after consultation with the Council of State. They come into force immediately and become definite after a ratifying act has been tabled. Their provisions can subsequently only be altered by law as regards matters which come within the legislative field.

#### **1.1.3      Decrees**

Council of State Decrees and simple Decrees. The former are issued after consultation with the Council of State. Simple Decrees are usually issued for highly technical issues. Ministerial Decrees are issued to extend collective agreements.

### 1.1.4 The Labour Code

This is not itself a source of law, but rather a compilation of legislative and statutory texts classified in three parts: L-D-R. The "L" part brings together legislative texts dealing with principles; the "R" part consists of provisions resulting from Council of State Decrees (general directives); and the "D" part consists of the provisions of simple Decrees (technical issues, such as the rate of an allowance). Articles are given a letter (L, R or D and a number; the same number may be found in each part when an issue has been the subject of the three types of texts mentioned above.

New legislative and statutory texts are integrated into the Code in the year following their publication in the official gazette (*Journal Officiel*).

## 1.2 Contractual and customary law sources

### 1.2.1 Collective labour agreements and collective accords

These are agreements or accords which determine collective relationships between employers and workers, notably their employment and working conditions and their social guarantees. The collective agreement is intended to deal with all these issues for all occupational categories, whereas the collective accord is limited to one or more specified subjects of the whole.

The collective agreement or accord must be in writing. It is concluded between one or more trade union organisations which are nationally recognised (*CGT, CGT-FO, CFDT, CFTC* and *CGC*) and one or more employers' associations or one or more individual employers. The provisions of agreements or accords can be more favourable to workers than those of laws and regulations and cannot depart from the public provisions of these laws and regulations. The agreement or accord can be extended, i.e. made compulsory for all workers and employers within its scope of application; this is done through a Decree of the Minister responsible for labour after substantiated consultation with the National Commission for Collective Bargaining. The scope of application of an agreement or accord can be enlarged (the procedure is the same as for an extension) to incorporate another territorial or occupational sector within one or more branches of activity not included in the initial scope of an extended agreement or accord.

Since 1982 collective bargaining has been defined as an obligation: that of negotiating at regular intervals on wages and working conditions without the negotiations necessarily having to lead to an agreement. The National Commission for Collective Bargaining is charged with making proposals and giving its opinion. It drafts an annual report on the state of collective bargaining.

### 1.2.2 Customs and practices

There are some long-standing customs and practices in some occupations, often, but not always, taken up in collective agreements and accords. Customs and practices can be mandatory, i.e. workers can demand that they be maintained against the wish of the employer.

### 1.2.3 The individual employment contract

(Cf. Chapter II, 2.1 below)

### 1.2.4 Internal regulations

Drafted unilaterally by the employer, internal regulations are only recognised as a source of law by jurisprudence in as far as they are considered as a mere annex to individual employment contracts.

## 1.3 International sources

As of 1.1.1995, France has ratified a total of 114 International Labour Organisation (*ILO*) agreements. It is also bound by the European Social Charter as well as the European Code of Social Security and by the regulations and directives of the European Union and, finally, by the jurisprudence of the European Court of Justice.

These various sources of labour law combine in French law along the lines of optimising the conditions for workers. Deviations from the hierarchically higher norms can only, as a rule, be more favourable to the worker. The international rules are a minimum, the law and regulations define a base and collective agreements may contain more favourable provisions, which can be improved on by an enterprise or plant agreement; the ultimate level is that of the employment contract.

## 2. Summary of the Main Legislation

### 2.1 Regulations pertaining to the employment contract

The contract of employment can take the form of:

- an open-ended contract;
- a fixed-term contract;
- a fixed-term employment contract;
- a temporary employment contract;
- a part-time employment contract;
- a contract for capacity-oriented employment;
- an apprenticeship contract.

#### 2.1.1 The permanent employment contract (Article L 121-1 et seq.)

An open-ended employment contract (*Contrat à Durée Indéterminée – CDI*) is subject to the rules of the ordinary law of contracts. It can be established in whatever form the contracting parties choose to adopt. When it is established in writing, it has to be drawn up in French. When the worker is a foreigner and the contract is established in writing, a translation will be made if the worker so desires. (Cf. Chapter II, 2.2 below on termination of the *CDI*).

### 2.1.2 The fixed-term employment contract (Article L 121-1 et seq.)

A fixed-term employment contract (*Contrat à Durée Déterminée – CDD*) may be concluded for performing a specific task. Its purpose cannot be to permanently fill a job connected with the normal on-going activity of the company. It must comprise a term which is clearly specified at the time of the conclusion of the contract, except in the following cases:

- replacement of an absent worker or one whose employment contract has been suspended;
- seasonal employment;
- jobs in specified sectors where it is standard practice not to make use of permanent contracts because of the nature of the work and the short-term nature of the job in question. These sectors have been listed and can be augmented by extended collective agreement or accord.

In each of these three situations a minimum duration must nevertheless be set and the contract expires with the return of the worker or with the fulfilment of the aim for which the contract was concluded.

#### *Duration of the CDD and renewal*

The *CDD* can be renewed twice, each time for a duration at the most equal to that of the initial period (without exceeding 2 years altogether).

#### *Calculating size of workforce*

Workers with a *CDD* will be taken into account in the total number of workers on a pro rata basis of the time they have been at work over the last 12 months. If they replace an absent worker, they are not included in the count.

#### *Waiting period*

To fill the job of a worker whose contract has expired, use cannot be made either of a *CDD* or a temporary employment contract before a period equal to one-third of the term of this contract has elapsed, including renewal.

#### *No fixed-term contracts during strikes*

Under no circumstances can a worker with a *CDD* or a temporary employment contract be called upon to replace a worker whose employment contract has been suspended because of an industrial dispute.

### 2.1.3 The temporary employment contract (Article L 124-2)

A user can call on the services of an employee of a temporary employment agency "to carry out a fixed-term task called an assignment". The "objective (of the temporary work contract) cannot be to permanently fill a position connected with the normal on-going activity of the user enterprise".

*Expiry of the contract*

The date of expiry must be clearly specified at the moment the contract is concluded. The three cases of exemptions are the same as those for *CDDs*.

*Renewal and duration*

The temporary employment contract can also be renewed – but only once – for a length of time at most equal to that of the initial period. The conditions for the renewal must be provided for from the very outset of the contract or be the subject of a codicil to this contract which must be put to the worker concerned before the expiry of the contract. The total duration of the contract, including renewal, cannot exceed 24 months.

*Calculating the size of the workforce*

Employees are taken into account on a pro rata basis of their presence during the 12 preceding months. However, these workers are excluded from the total headcount when they replace an absent worker or one whose employment contract has been suspended.

#### 2.1.4 The part-time employment contract (Articles L 212-4-2, L 212-4-3)

Part-time employment is understood to be employment where the hours worked are at least one-fifth less than the statutory working hours or the collectively agreed working hours stipulated for the sector or the company.

Part-time contracts of employment can be applied after consultation with the works council or, in the absence of this, with the workers' representatives; their opinion is passed on to the labour inspectorate within 14 days.

Workers are also considered as being in part-time employment if they alternate between periods of employment and periods of non-employment, and if their annual hours of work are at least one-fifth less than those working hours which would arise from the application of the statutory working hours for the same period, or from the application of the collectively agreed working hours for the sector or enterprise, minus the statutory or collectively agreed working hours that correspond to holidays. Part-time employment contracts may also be concluded in the absence of workers' representatives, provided that the labour inspectorate has been notified in advance.

A worker's refusal to work part-time constitutes neither a misdemeanour nor grounds for dismissal.

Part-time workers enjoy the same rights as those conferred on full-time workers by law, company and plant-level collective agreements and accords; however, these rights are subject to more specific conditions provided for in collective contracts and agreements, provided that such conditions are admissible under the law on collective agreements.

Taking their working hours and years of service in the company into account, the remuneration of part-time workers is proportional to that of a worker with the same skills who holds an equivalent position in the plant or company and works full time.

As regards determining the rights connected with length of service, the duration will be calculated for part-time workers as if they had been employed full time.

The part-time contract of employment is a written contract specifying the worker's qualifications and remuneration and the weekly or monthly working hours. It also summarises the distribution of working hours over the days of the week or, where appropriate, over the weeks of the month, and, where appropriate, states at which times of the year the labour of the worker is required or not required and how working hours are organised during these periods. Furthermore, it lays down the conditions for a possible modification of this organisation; in the event of a modification the worker must be notified at least 7 days in advance.

The employment contract also determines, within the framework possibly provided for in a collective company or plant-level agreement or accord, the limits in which overtime may be worked in excess of the contractually agreed working hours.

As regards calculating the size of the workforce, part-time workers are taken into account on a pro rata basis of their hours of work.

### 2.1.5 The apprenticeship contract (Articles L 115-1 to L 119-5)

The apprenticeship contract is a special type of employment contract by which an employer commits him/herself, besides payment of a wage according to the conditions laid down by law, to ensure that a young worker is given vocational training to be delivered partly in the company and partly in a training centre for apprentices; in return, the young worker commits him/herself to working for the employer for the duration of the contract.

#### *Duration*

Two years, sometimes three years and, in exceptional cases in certain sectors, one year.

Entry to apprenticeships is restricted to young people aged between 16 and 25 and, exceptionally, to young people of at least 15 years of age having completed the first cycle of secondary education.

The apprenticeship contract is described in more detail in Chapter III (F-vi.10).

## 2.2 Termination of the (open-ended) employment contract

### 2.2.1 Rules governing individual dismissals (Articles L 122-6 to L122-14)

A distinction can be drawn between rules of form and of substance. Table 1 summarises the rules applying when the dismissal is neither collective nor economic. The French system is characterised by the fact that the rules relating to form (aimed at improving workers' legal position) and those relating to substance (defining the contents of their rights) differ as regards the level of constraint, which depends on two thresholds: a length of service threshold of the worker and a company size threshold (set at 10 employees).

Although they are not always compulsory, the stages of the dismissal procedure are as follows:

- a registered letter to summon the person to a preliminary interview;
- an interview during which the employer must set out the genuine and serious reasons for the contemplated dismissal; at this interview the worker is entitled to be assisted by another employee of the company or by an external counsellor in the absence of a body representing the personnel of the company;
- a letter of dismissal, registered with acknowledgement of delivery, which cannot be sent before the day following the interview and which stipulates the reasons for dismissal.

The substantive rules relating to dismissals have evolved gradually. Initially, they hinged around the notion of "abuse of rights", which resulted in restricting the discretionary power of unilateral termination on the part of the employer (as a result of the application of the usual rules of civil law relating to contracts). Subsequently, a genuine and serious reason was required; under the terms of a law passed in 1973, whether such a reason exists is decided by a judge (the worker has the benefit of the doubt). The burden of proof of the genuineness of the reason is on the employer. This requirement is based on recognising the worker's right to job security.

In cases of dismissal, workers are entitled to:

- a minimum period of notice defined by law: 2 months for more than 2 years' service, otherwise 1 month. In practice, collective agreements or customs and practices are often more favourable to workers. Non-observance of the period of notice confers the right to special compensation separate from all other allowances;
- a dismissal allowance, the amount of which is based on the real wage, including fringe benefits, and on the worker's length of service within the company. At the same time as providing the dismissed worker with compensation, this allowance is intended to protect employment by perhaps representing a financial disincentive for the employer.

Should the dismissal take place for a reason which does not meet the requirements of the law ("genuine or serious reason"), the court can propose that the worker be reinstated in the company, maintaining his/her acquired rights. Should one or the other party refuse, the court grants an allowance which cannot be less than the wages/salary received in the preceding 6 months; this allowance is separate from the dismissal allowance as such. The law also provides for the employer at fault having to pay back to the bodies concerned all or part of the unemployment benefit paid to the dismissed worker from the day of his/her dismissal to that of the court's verdict.

These provisions, brought in by the 1973 Law, do not apply to workers in companies employing fewer than 11 persons or to workers with less than 2 years of service. These persons can, however, claim compensation in cases of unfair dismissal, the compensation being calculated on the basis of the wrong done.

The regulations relating to dismissal are complemented by rules extending special protection to certain categories of workers: to workers' representatives on account of their union activity, to principal labour counsellors or company doctors on account of their professional activity or to pregnant women on account of their condition.

*Table 1: Rights of the dismissed worker according to the length of service and the size of the workforce*

Rights of the worker	Enterprises that usually employ less than 11 workers			Enterprises that usually employ more than 10 workers			
	Length of service of the dismissed worker						
	Less than 6 months	6 months to 2 years	2 years and longer	Less than 6 months	6 months to 1 year	1-2 years	2 years and longer
Procedure prior to dismissal	Yes	Yes	Yes	Yes		Yes	Yes
Notice of dismissal by registered letter	Yes	Yes	Yes	Yes		Yes May be sent at the earliest one working day after the date set for the preliminary interview	Yes
Citation of genuine, serious reasons by the employer	Yes					Yes	Yes
Period of notice	Collective agreements or customs	1 month	2 months	Collective agreements or customs	1 month	1 month	2 months
Legal settlement	No	No	Yes	No	No	No	Yes
Unlawful or inadmissible termination – formal irregularity	Compensation for damages incurred		Compensation	Compensation for damages incurred			Compensatory settlement: maximum of 1 month's wages
– failure to cite genuine and serious reasons	Compensation for damages incurred		Compensation	Compensation for damages incurred			reinstatement or settlement: at least 6 months' wages

### 2.2.2 Dismissal on economic grounds (Article L 321-1 et seq.)

A dismissal on economic grounds is given if the employer, for one or more reasons unconnected with the worker's person, dismisses a worker based on the suspension of or fundamental amendment to the contract of employment, in particular, if this is the result of economic difficulties or technical reorganisation. Instead of the official approval for dismissal on economic grounds previously required, since 1986 notification of the competent authority or, in some cases, *ex post* notification now suffices. This can occur in three cases:

#### *Individual dismissal on economic grounds*

In these cases, besides the conditions outlined under 2.2.1 above, the procedure has to include informing the competent public authority of the dismissal. This is therefore a matter of providing information subsequent to the event, which has to be done within 8 days of sending the letter of dismissal.



*Dismissal of between 2 and 9 workers within a period of 30 days*

In this case, in addition to the conditions set out under 2.2.1 above, the law lays down that the company must inform and consult the works council (*comité d'entreprise*) or the workers' representatives on the proposed reduction in numbers and the way in which it will be implemented. The nature of the information which the company must disclose is described in the law. The company must also inform the competent public authorities of the declared dismissals.

*Dismissal of 10 or more employees within a period of 30 days*

The employer must inform and consult the works council or, in its absence, the workers' representatives on proposed redundancies and on the social plan, including measures envisaged to avoid redundancies or limit the number of workers concerned and to facilitate the retraining of workers made redundant.

The employer must furthermore study and, within the time span indicated below, give a substantiated response to the suggestions put forward by the works council.

When the redundancy takes place in a company employing at least 50 people, the works council must hold two meetings separated by an interval of up to 7 days if the redundancy concerns fewer than 100 workers, 14 days if it concerns between 100 and 250 workers, and 21 days if it concerns more than 250 workers. Collective agreements or accords can extend these intervals. Furthermore, a third meeting must take place if the works council decides to call in a chartered accountant.

The employer must notify the competent public authorities of the proposed redundancy at the earliest the day after the date planned for the first meeting of the workers' representatives.

The authorities check that the workers' representatives have been informed, brought together and consulted, that the regulations for drawing up the social measures envisaged to reduce the number of dismissals and facilitate the retraining of the persons dismissed have been respected and that the measures will actually be implemented.

The public authority is bound to make these checks within 14 days for less than 100 dismissals, 21 days for between 100 and 250 dismissals, and 30 days for upwards of 250 dismissals.

When the public authorities discover any irregularity in the procedure, they send written notice to the employer setting out the nature of the irregularity, a copy of which is sent to the workers' representatives. The employer is bound to reply and to send a copy of his reply to the representatives. Should the employer be late in replying, the time period for notifying the persons concerned of their dismissal (see below) is extended until the date this reply is sent.

The employer must notify the workers concerned of their dismissal within a time period starting from the date the public authorities are notified, which cannot be less than 30 days when the number of dismissals is less than 100, 45 days when the number is between 100 and 250, and 60 days when it is at least equal to 250. These periods can be extended by collective agreement.

The public authority has the right to reduce the notice period applicable in companies where there is an appropriate collective agreement on redundancy conditions.

Henceforth, the settlement of disputes over redundancy on economic grounds (individual or collective redundancy) will be the responsibility of the conciliation board (*conseils de prud'hommes*).

In the three cases mentioned above the employer must propose a retraining contract to the worker if the latter has at least 2 years of service (unless there are more favourable provisions in the agreement) and is aged under 56 years and 2 months.

## **2.3 Regulations pertaining to pay**

### **2.3.1 Determination of the minimum wage (Article L 141-1 et seq.)**

The statutory, indexed minimum wage (*salaire minimum de croissance – SMIC*) guarantees the lowest-paid workers their purchasing power. The guarantee is provided by indexing the *SMIC* to the movements of the national consumer price index. Each year the Government fixes the new rate after consulting the National Commission for Collective Bargaining.

### **2.3.2 Equal pay for men and women (Article L 140-2)**

Every employer has to ensure equal pay for men and women where they do the same job or work of equal value.

### **2.3.3 Collective bargaining (Article L 132-12 and L 132-27)**

Pay is one of the elements of annual negotiations between the social partners at sector level, on the one hand, and company level, on the other.

### **2.3.4 Wages for apprentices (L 117-10)**

A minimum wage is fixed for every 3 months of apprenticeship. It is equal to a certain percentage of the *SMIC*, which is determined by Decree (cf. Chapter III, F-vi.10).

### **2.3.5 Payment of overtime**

Cf. 2.4 below on the regulations relating to working hours.

## **2.4 Regulations pertaining to working time (Article L 212-1 et seq.)**

### **2.4.1 Statutory working hours**

The statutory working week is 39 hours. The actual daily working hours per worker may not exceed 10 hours except for exemptions laid down by Decree. The actual maximum working week is 46 hours over 12 weeks and 48 hours over 1 week.

Overtime hours worked over and above the statutory working week give rise to increased pay:

- 25% for the first 8 hours (from the 40th to the 47th hour);
- 50% for subsequent hours (from the 48th hour onwards).

The payment of overtime at the increased hourly rate can be replaced entirely or partially by the granting of compensatory periods of rest if this is provided for by contractual agreement or if the works council raises no objections.

An annual quota of overtime hours is allowed after simply informing the labour inspectorate, the works council or, if the company does not have a works council, the workers' representatives (the quota is fixed by Decree at 130 hours).

A higher or lower quota of overtime hours can be fixed by an extended collective agreement or accord.

Hours worked over and above the statutory or collectively agreed quota and within the limits of the statutory weekly maximum need prior authorisation from the labour inspectorate after consulting the works council or, in the absence of this, the workers' representatives.

Furthermore, the law provides for:

- 20% time off in lieu for quota overtime over and above 42 hours;
- 50% time off in lieu for overtime over and above the statutory or collectively agreed annual quota.

#### 2.4.2 Adjustment of the working week

The law allows for the adjustment of the working week over all or part of the year without the hours worked over and above 39 (within the statutory limit) giving rise to bonuses, time off in lieu or being counted towards the annual "free" overtime quota. In other words, hours worked in excess of 39 per week will be compensated by hours not worked under 39.

Flexible working hours can be put into effect not only by an agreement or accord extended to the entire sector but also by a company or a plant-level agreement. However, to come into force the company or plant-level agreement must not have been opposed by the non-signatory trade union(s) which have received more than 50% of the votes cast in the most recent workplace elections.

The adjustment of the working week:

- shall, in principle, be limited to 44 hours a week;
- may exceed this limit of 44 hours a week, on condition that this is the result of an agreement or accord extended to the entire sector, explicitly stipulating that this limit may be exceeded.

The adjustment must be compensated for by a clause which the signatories of the agreement or accord have to agree to ("reduction of working hours or any other compensation, in particular, financial or training").

If the average working week calculated on an annual basis exceeds 39 hours per week actually worked, the excess hours are paid for at the latest at the end of the annual period defined in the

agreement or accord. These excess hours give entitlement to increased pay of 25% and 20% time off in lieu.

The Law has also introduced a second possible way of calculating overtime based on the work cycle. Provided that the working hours of a company or plant are spread over a cycle of "a few weeks", organised on a fixed and repetitive basis "from one cycle to the next", only hours exceeding the average of 39 hours a week over the course of the cycle are considered as overtime.

However, this approach is only possible in three cases:

- continuous operation (as is already provided for in certain Decrees implementing the 40 hour working week which are temporarily in force);
- in cases authorised by Decree;
- when recourse to cycles is envisaged by a collective agreement or accord extended to an entire sector. In this case the agreement will set the maximum length of the cycle.

Furthermore, a simplified form of adjustment is provided for, whereby the stipulated working time can be reduced.

## **2.5 Committees for health and safety and working conditions (Article L 236-1)**

Committees for health and safety and working conditions (*Comité d'Hygiène, de Sécurité et des Conditions de Travail – CHSCT*) are set up in companies employing at least 50 people. Their tasks are described in more detail in 3.3.4 below.

## **2.6 Regulations pertaining to collective agreements (Article L 131-1 et seq.)**

The purpose of a collective agreement is to deal with all matters relating to conditions of work and employment and social guarantees for all occupational groups concerned.

The collective agreement or accord is a written document concluded between:

- on the one hand, one or more trade union organisations recognised as being representative at national level, or associations affiliated to these organisations which have proved their representativeness within the scope of application of the agreement or accord;
- on the other, one or more employers' associations or any other employers' group or one or more individual employers.

The collective agreement or accord may contain provisions which are more favourable to workers than those fixed by laws and regulations in force. However, they may not depart from the obligatory provisions of these laws and regulations.

Collective agreements and accords set out their geographical and occupational scope of application. The occupational scope of application is defined in terms of economic activities.

The collective agreement or accord is concluded for a fixed or indefinite period. Failing stipulations to the contrary, the fixed-term agreement or accord which expires continues to operate as an indefinite agreement or accord.

When an agreement or accord is concluded for a fixed duration, this period cannot exceed five years.

The signatories can give notice of termination of the agreement or accord according to conditions which have to be laid down in the agreement itself.

## **2.7 Regulations pertaining to training, further training and retraining**

### **2.7.1 The Law of 1971**

The 1971 Law sought to extend to all workers the benefits of an agreement concluded directly between trade union and employers' associations one year previously, in 1970, on a new right given to workers: the right to further training during working time, whether for the needs of the company or for personal motivations (individual training leave).

The Law has an institutional provision characterised by "inter-ministeriality" and coordination between the social partners (see below). It further specifies the division of obligations financed by the State and by companies:

- companies with 10 or more employees are required to devote a minimum percentage of 0.8% (1.1% in 1976) of their wage bill to the training of their employees;
- the State provides training and further training for the unemployed, very long-term training and training aimed at correcting the effects of the school system (programmes for young people).

The State and companies have a joint agreement concerning individual training leave.

The Law has had considerable effects: the numbers of persons demanding their right in this matter rose from 600,000 in 1972 to 3 million in 1982 (i.e. one worker in seven).

However, its implementation also revealed some weaknesses:

- very unequal distribution:
  - by the level of initial training of the persons concerned: managers benefited to a much greater extent than those with lesser qualifications;
  - by branch of industry;
  - by the size of companies: large companies devoted much more than their statutory training contribution (from 5% to 10%), considering training to be a productive investment. By contrast, smaller firms have been less sensitive to the value of a training policy, and they have hardly the funds for setting up a training policy. For them, the statutory contribution of 1.1% was as an additional tax.

- Individual training leave, which represented an important social achievement, has remained relatively unexploited: 60,000 people in 1982. Several factors contributed to this state of affairs: lack of information, precarious employment situation and, finally, difficulties in finding replacements. This has been particularly true for small firms, which are in fact quite numerous; in France firms with fewer than 50 persons employ 45% of the workers.
- Finally, on the overall level the State was unable, due to a lack of instruments for carrying out analyses, to target its financial outlay on well-chosen priorities.

### 2.7.2 The reform of the Law of 24.2.1984 (*Journal Officiel* of 25.2.1984)

#### *Framework*

As for the 1971 Law, the 1984 Law is based on a coordination with all the social partners. It takes up the main part of the contents of two agreements between employers and trade unions (one dealing with individual training leave and the other with the vocational training of young people).

It also takes into account statutory rights as regards collective bargaining within the company (the so-called "Auroux Law" of 13.11.1982) and occupational equality between men and women (Law of 23.7.1983).

Finally, it integrates the new division of responsibilities between the State and the regional authorities in the wake of the decentralisation which took place in the area of vocational training on 1.6.1983 (cf. 2.7.3 below).

The main points of the reform concern four major objectives:

- To develop individual training leave. The definition of individual training leave has not been changed (maximum length: 1 year, full time); authorisation for absence has been made more flexible; however, the essence of the innovation is in the financing.

The employers-trade unions supplementary agreement of 21.9.1982 was aimed at giving a new impetus to training leave. By this agreement it was decided to set aside a part of the statutory 1.1% (set at 0.1% of the wage bill) to finance individual training leave and to entrust joint collecting bodies approved by the State and created at the level of either the sector or the region with the management of the earmarked funds.

The Law took up the provisions of this agreement and broadened them for the benefit of the workers in firms which, employing fewer than 10 employees, are not required to pay the 1.1%.

- To enable a training policy to emerge, particularly as regards two aspects:

Within firms: the 1971 Law provided for consultation with workers' representatives. In this respect, the aim of the reform of the 1971 Law is for the training policy carried on both at sector level (there are some 40 sectors) and at the level of the individual firm to be the subject of an indepth debate. To this end, it brings in the obligation for the social partners to negotiate (but not to reach an agreement on) the definition of a "training plan" within one year.

At sector level, this negotiation deals with priorities, recognition of qualifications acquired, the resources which trade union representatives can draw on to perform their tasks in this respect, and the conditions for the reception and integration of young people. It also spells out the term of the agreement concluded. The same points are taken up at company level (of at least 50

employees), but more specific areas are also dealt with: the size and distribution of financial resources set aside for training and the conditions for entitlement to training leave.

Finally, the works council must be regularly consulted on the directions decided upon as regards vocational training from the viewpoint of employment trends, investments and technologies. Each year it is required to give its opinion on the implementation of the training plan defined.

Between the State and companies: the Law opens up a new possibility as regards the compulsory participation of employers by substituting, in specific cases, a qualitative objective for the simple quantitative objective of the annual 1.1%.

Commitment agreements signed by the State and a company or group of companies will henceforth enable training objectives to be set over several years, notably by taking into account the vocational integration of young people and occupational equality between men and women.

#### *To ensure the vocational integration of young people*

The regulations thereon endorse the arrangements contained in the agreements concluded between the social partners. The latest agreement of this type is the Additional Agreement of 5.7.1994 to the *Accord National Interprofessionnel* of 3.7.1991 on vocational training and further training. These texts have come into being as a result of increased awareness that it is difficult for this section of the population to find access to employment, and that measures implemented in previous years for these persons have proven successful. On the basis of the agreements and laws extending from these texts, three types of contract have been defined: orientation contracts (*contrats d'orientation*), settling-in contracts (*contrats adaption*) and qualification contracts (*contrats de qualification*) (cf. Chapter III, Measures).

#### *Regulating the training market*

Without wishing to call into question the pluralist and liberal character of the training market, the Law of 4.2.1995, with its various socially oriented conditions, and augmenting the previous declaration (the only existing regulation on training centres up to that point), introduced obligatory licences for training centres, which are issued after a probationary period of 3 years. Such licences are granted in consideration of the financial, personnel and technical resources at the disposal of the centres and the quality of the training given.

Since 1990 the training centres have also been obliged to establish internal regulations which shall apply to all participants. These rules in writing, as well as documentation on the training programme, a list of participants, including their titles or qualifications, timetables and the conditions of the certification procedure are given to the trainees before their training commences.

Should the legal regulations listed above not be observed, penal sanctions can be imposed.

### 2.7.3 Decentralising vocational training

The Five-Year Law of 20.12.1993 endorses the competence of the Regions as geographical entities in matters relating to vocational training. The measures to decentralise vocational training follow two aims:

- the 1983 regulations, which gave the Regions general legal responsibility for matters related to vocational training, are to be endorsed;
- the Regions' desire to be able to develop a coherent approach to vocational training for young people is to be met.

Consequently, the State will gradually transfer those funds to the Regions which it has raised for the benefit of young persons aged under 25. Responsibility for qualification schemes was deferred to the Regions with effect from 1 July 1994, and that for prequalification measures will be deferred at a point in time decided upon by the Regions themselves, though not later than 31 December 1998, as laid down in the agreements concluded with the State.

Furthermore, a Regional plan for the promotion of vocational training of young persons will be established. It will be conceived by the individual Regions following consultation of the economic and social partners concerned and will require the approval of the State. The aim of this plan is to define the medium-term guidelines for the promotion of training courses for young people.

Finally, the above-named Law also widens the sphere of competence of the regional committees for vocational training, social progress and employment, and it extends the powers of the national coordination committee for regional apprenticeship and vocational training schemes.

Besides decentralising vocational training, the Five-Year Law also introduces a series of regulations following three main aims:

1. revaluation of vocational training for young people by promoting alternating training courses, rejuvenating the apprenticeship system and reforming alternating integration contracts;
2. rationalisation of the various means of financing vocational training by reducing the number of partite bodies which collect apprenticeship tax (*organismes collecteurs*) and optimising the flow of resources available for funding alternating vocational training courses;
3. integrating training into working life by promoting the occupational mobility of the gainfully employed and by amending the law on vocational training to conform to the development of new technologies.

## 3. Institutions and Functioning of the Labour Market

### 3.1 Employers' associations

Approximately 90% of French companies are affiliated to the Confederation of French Employers (*Conseil National du Patronat Français – CNPF*) and its related sectoral organisations. The *CNPF* deals with general business and economic issues, as well as employment and personnel management matters. The *CNPF* sometimes negotiates on major issues related to working conditions, but not on wages. Collective wage bargaining is handled by the sectoral confederations. State-owned companies do not belong to the *CNPF*, and there is no special body established for the purpose of



negotiating with employees in the public sector, either the employees of State-owned industrial companies or of the public administration.

The *CNPF* embraces 83 sectoral employers' associations of various types in manufacturing, commerce and services, as well as 163 Regional associations at Département or local level. The largest sectoral association is the metalworking and mining employers' federation (*Union des Industries Métallurgiques et Minières – UIMM*), whose 15,000 member companies employ 2.7 million people. Besides the *CNPF* there is also the *CGPME* (*Confédération Générale des Petites et Moyennes Entreprises*), mainly comprising owners of small and medium-sized enterprises.

## 3.2 Trade unions

### 3.2.1 Principles

The principle of trade union freedom is enshrined in the preamble to the French Constitution. This guarantees:

- the freedom to establish a trade union, on the sole condition of not contravening the provisions of the Labour Code;
- the freedom to belong to a trade union, or not to belong to one, irrespective of sex, age or nationality;
- the freedom to withdraw from a trade union at any time.

At company level, Article L 412-2 of the Labour Code prohibits any employer from taking into consideration membership of a trade union or the exercise of trade union activities in making decisions about, in particular, hiring, pay, the provision of social benefits, disciplinary measures and dismissal.

According to Article L 414-1 of the Labour Code, the sole purpose of trade unions is the study and defence of the rights and the material and moral interests, both individual and collective, of the persons for whom they are intended by law. Under the terms of Article L 411-2 of the Labour Code, trade unions or associations can be freely constituted of persons carrying out the same occupation, similar or related trades contributing to establishing specific products or the same liberal profession.

Representative trade unions either on the national or on the company level enjoy certain privileges, in particular, as regards trade union rights within the company (trade union delegations, union representatives, etc.), elections of workers' representatives and collective bargaining.

The trade unions affiliated to the following trade union confederations are representative by right: CGT (*Confédération Général du Travail*), CGT-FO (*Confédération Général du Travail-Force Ouvrière*), CFDT (*Confédération Française Démocratique du Travail*), CGC (*Confédération Général des Cadres*) and CFTC (*Confédération Française des Travailleurs Chrétiens*).

According to Article L 412-6 of the Labour Code, each representative trade union can decide to set up a trade union section within the company which ensures that the material and moral interests of its members are represented.

No conditions as regards size of the workforce, form or advertising are required.

### 3.2.2 Representativeness of trade unions

There are three main instruments for determining the membership of each of the five trade union confederations that are representative at the national level:

- the results of elections to works councils; however, these results only concern companies with more than 50 employees and do not provide figures for trade union membership within the public service;
- the results of elections to conciliation boards; however, these do not concern public employees;
- the results of elections to the managing boards of the social security funds; these concern not only all workers but also all other insured persons: pensioners, the unemployed, students, housewives, those personally insured, etc.

## 3.3 Bodies for representing workers within the company

There are four distinct bodies which represent workers in a company.

### 3.3.1 Workers' representatives (*Les délégués du personnel*)

Article L 421-1 of the Labour Code provides for the election of workers' representatives in all establishments with at least 11 employees.

Under the terms of Article L 422-1 of the Labour Code, the workers' representatives are to:

- submit to employers all individual or collective complaints relating to labour regulations;
- refer all complaints and observations concerning these regulations to the labour inspectorate.

The Labour Code also requires that the representatives be informed or consulted on certain issues concerning the future of the company, in particular, when dismissals are being envisaged.

Under the terms of Article L 422-5 of the Labour Code, the workers' representatives can communicate to their employer any suggestion regarding the improvement of turnover and the general organisation of the company; they also assure, together with the managing director of the company, the operation of all social institutions within the company irrespective of their form or nature.

In the absence of a *CHSCT*, they carry out its tasks. Nevertheless, they only have the resources of the said Committee in companies which are legally bound to set up such a body.

In companies which are legally bound to set up a works council, but this body does not exist, the workers' representatives collectively carry out the economic functions of the works council and can ask the company to explain the financial situation.

The workers' representatives receive a certain number of hours of leave in order to fulfil their functions. Their dismissal is subject to the authorisation of the labour inspectorate.

### 3.3.2 The works council (*Le comité d'entreprise*)

Article L 431-1 of the Labour Code lays down that works councils are mandatory in companies employing at least 50 employees (in all their plants).

According to Article 431-4 of the Labour Code, the purpose of the works council is to ensure the collective expression of the workers, allowing the permanent consideration of their interests in decisions relating to the management and economic and financial development of the company, to work organisation, to vocational training, and to production techniques.

It drafts, on its own initiative, and examines, at the request of the managing director of the company, any proposal likely to improve the working, employment and vocational training conditions of the workers as well as their living conditions within the company.

The interests of workers carrying out their jobs outside the company or within dispersed units must be taken into account.

Article L 431-5 of the Labour Code specifies that the decision of the employer is preceded by consultation with the works council: this body must have a sufficient period of time in which to study communicated information and the stipulated, written information provided by the employer and to study the reasoned response of the employer to its observations.

The Council holds regular meetings with the employer and has material and financial resources, including an operational subsidy from the employer.

Moreover, in application of Article L 432-8 of the Labour Code, the works council organises and monitors the management of all social and cultural activities within the company, or participates in their management. The main activities are sports and leisure activities, canteens, crèches and libraries.

The Council chooses from the possible activities and can make free use of a sum given for this purpose by the employer called the employer's contribution to social and cultural activities (Article L 432-9 of the Labour Code); each year the Council supplies a detailed report of the financial management of the activities.

The Council is informed and consulted on vocational and economic matters. In certain cases, the employer must communicate the council's advice to the labour inspectorate (plans to dismiss workers' representatives and members of the works council, members of the board of management or supervisory board and associates; the right to issue an alert concerning the financial situation of the company).

The works council consists of the employer or his deputy and the elected workers' representatives. The ballot is in two rounds, using weighted proportional representation. In the first round only trade union organisations can submit lists. If the number of those who vote is less than half of the electors registered, there is a second round which is open to lists other than those submitted by the trade union sections.

The members of the Council receive paid time off and have freedom of movement. Their dismissal is subject to the authorisation of the labour inspectorate.

### 3.3.3 Trade union delegates (*Les délégués syndicaux*)

Article L 421-11 of the Labour Code lays down that each representative trade union which sets up a trade union section within a company having at least 50 employees can appoint one or more trade union delegates to represent it towards the employer within the following limits:

- from 50 to 999 employees            1 delegate
- from 1,000 to 1,999 employees    2 delegates
- from 2,000 to 3,999 employees    3 delegates
- from 4,000 to 9,999 employees    4 delegates
- more than 10,000 employees       5 delegates

In companies with fewer than 50 employees the representative trade unions can appoint a shop steward as a trade union delegate for the duration of his/her term of office. This mandate does not confer the right to additional paid time off unless stipulated in a contractual clause. The time available to the shop steward for exercising his/her own mandate can be used under the same conditions for exercising his/her function as union delegate.

### 3.3.4 Committees for health and safety and working conditions (*CHSCT*)

*CHSCTs* are set up in plants employing at least 50 employees (Article L 236-1 of the Labour Code).

The labour inspectorate can impose the creation of a *CHSCT* in plants employing fewer than 50 persons when such a measure is necessary, in particular, because of the nature of the work, the lay-out or the equipment of the premises.

The task of the *CHSCT* is to contribute to protecting the health and the safety of the workers of the plant and those placed at its disposal through an external company, including temporary workers, as well as improving working conditions, in particular, with a view to facilitating access of women to all jobs and to respond to problems connected with maternity. It is also entrusted with ensuring that the legislative provisions and legal regulations pertaining to these matters are carried out.

The *CHSCT* is consulted before any important decision is taken modifying health and safety conditions or working conditions and, in particular, before any significant change in the workplace resulting from changes in equipment, in products or work organisation, and before any changes in work cycles and productivity standards, whether or not they are linked with pay.

The workers' representatives on *CHSCTs* can avail of paid time off and specific training.

### 3.3.5 Integrated worker representation (*La délégation unique du personnel*)

Since recently, in enterprises with less than 200 employees an integrated body for worker representation can be established, fulfilling both the functions of the shop stewards and the works council.

Thus, the enterprise can decide that the shop stewards are to represent the workers on the works council:

- the responsibilities of the shop stewards and the works council remain unchanged; the same elected representatives take on the responsibilities of both bodies;
- both bodies are subject to the same terms governing the shop stewards and the works council.

However, before the employer can decide that the shop stewards are to adopt the duties of the workers' representatives in the works council, he/she must consult the existing representative committees; in any case, this possibility is only available when the works council is being established or renewed: the term of an existing works council's mandate may not be reduced.

## **4. Jobseekers and Legal Regulations in the Event of Unemployment**

### **4.1 Categories of jobseekers**

As soon as they are registered at the *ANPE*, jobseekers' applications are filed in a specific statistical category.

This classification is made according to a combination of three criteria, which correspond to the situation of the jobseeker: the situation as regards employment, availability and the type of contract sought.

Thus, five categories were defined by the Administrative Directive of 5.2.1992. They are adapted to the structures of the labour market and are in accordance with the international definition of unemployment:

- Category 1: persons without work, who are immediately available in the sense of Article R 311-3-3, are obliged to actively seek employment, and are seeking permanent full-time work;
- Category 2: persons without work, who are immediately available in the sense of Article R 311-3-3, are obliged to actively seek employment, and are seeking permanent part-time work;
- Category 3: persons without work, who are immediately available in the sense of Article R 311-3-3, are obliged to actively seek employment, and are seeking work of fixed-term duration or temporary or seasonal work (including work of very short duration);
- Category 4: persons without work, who are not immediately available and are seeking work;
- Category 5: persons with work, who are looking for other work.

It should be noted that only jobseekers belonging to statistical categories 1, 2 and 3 are required to renew their claim, which is submitted via an update document sent to jobseekers each month.

### **4.2 The current system of unemployment benefits**

The system of unemployment benefits established on 31.12.1958 was amended on 1.4.1984. The system brought in on that date is legally based on Ordinance 84-198 of 21.3.1984, which was passed by virtue of the Enabling Act of 20.12.1983.

This Ordinance, which ends the uniform system of support, introduces a new division of the unemployment benefits system into an unemployment insurance system, financed by employee and employer contributions, and a solidarity system covered by the State, and ratifies the draft agreements concluded between the social partners (for the insurance system) and between the social partners and the State (for the solidarity system).

The new agreement between the social partners on unemployment insurance concluded on 1.1.1994 (which lays down the new regulations for the period from 1.1.1994 to 31.12.1996) has not affected this division.

#### 4.2.1 The unemployment insurance system

The agreement between the social partners of 1.1.1994 set out the methods of implementing the unemployment insurance system for the period between 1.1.1994 and 31.12.1996.

The amount of contribution is set at 6.60% of the gross remuneration (employer's share: 4.18%; worker's share: 2.42%) with a supplementary contribution of 0.55% for those wage levels of between one and four times the social security ceiling for the statutory pension insurance system.

On the other hand, the employer pays a supplementary contribution to the unemployment insurance system for any breach of contract of a worker older than 50 years of age, thus giving entitlement to a one-off degressive allowance.

The unemployment benefit system, in the form of a one-off degressive allowance, has nine categories according to the length of membership and age as follows:

Category	Duration of membership	Duration of support		
		Normal rate	Degressive rate (for a period of 4 months)	
	4 months during the previous 8 months		4 months	- 25%
2	6 months during the previous 12 months	4 months	3 months	- 15%
3	8 months during the previous 12 months			- 17%
4	- less than 50 years of age	4 months	11 months	
	- 50 years of age and older	7 months	14 months	- 15%
5	14 months during the previous 24 months			- 17%
	- less than 25 years of age	7 months	23 months	
6	- 25 to 49 years	9 months	21 months	- 17%
7	- 50 years of age and older	15 months	30 months	- 15%
8	27 months during the previous 36 months			
	- 50 to 54 years of age	20 months	25 months	- 15%
9	- 55 years of age and older	27 months	33 months	- 8%

The daily benefit (*allocation journalière*) consists of the following sum:

- a proportional portion of the reference daily wage set at 40.4%;
- plus a fixed share of FF 55.29 per day (as of 1.7.1994).

When this sum amounts to less than 57.4% of the reference daily wage, the benefit is set at this percentage.

Furthermore, the full benefit may not be less than FF 133.76 per day.

After applying the decreases, the amount of the benefit may not be less than FF 85.25 per day (FF 118.17 per day for beneficiaries older than 52 years of age who can prove 20 years of dependent employment).

#### *Training allowance*

Beneficiaries of unemployment benefits have the option of receiving compensation during training aimed at promoting their vocational reintegration. They can receive:

- Retraining allowance (*Allocation de Formation Reclassement – AFR*). This is equal to the amount of the insurance allowance due on the day before the training starts and remains fixed at this level until the company training ends. It may not be less than FF 136.43 per day.
- End-of-training allowance (*Allocation de Formation de Fin de Stage – AFFS*). This succeeds the *AFR* and is of the same type and amount.

The State finances about 80% of the *AFR* and the unemployment insurance system covers 60% of the fixed allowance rate. The *AFFS* is paid in full by the State.

#### 4.2.2 The solidarity system

The unemployment benefits of the solidarity system are intended for jobseekers who are excluded from the unemployment insurance system because of inadequacies in their work references or because they have exhausted their entitlement.

The integration allowance was abolished from 1.1.1992 for young jobseekers from 16 to 25 years of age and single mothers. This measure was taken to allow actions to develop which particularly enable young people and jobseekers to raise the level of their qualifications and promote their vocational integration (to the detriment, where appropriate, of passive allowances granted for a limited period and without compensation).

It is still applicable for certain special categories of jobseekers: expatriates, repatriates, prisoners released after a minimum period of detention, refugees, persons seeking asylum.

As of 1.7.1994, the amount was FF 43.70 per day.

The integration allowance is granted after means-testing at 6-monthly intervals for a maximum period of 1 year.

The specific solidarity allowance (*Allocation de Solidarité Spécifique – ASS*) is paid, after means-testing, to the long-term unemployed who have exhausted their entitlement to unemployment insurance and who can prove five years of dependent employment during the 10 years previous to the termination of the last employment contract. This allowance is granted for 6-month periods, without any limitation of duration, provided that the beneficiary continues to fulfil the conditions of entitlement (seeking employment, means, etc.).

As of 1.7.1994:

- the basic ASS rate is FF 74.01 per day;
- the increased ASS rate is FF 106.30 per day (for beneficiaries of 55 years of age and older who can prove 20 years of dependent employment and for beneficiaries of 57 and a half years of age or older with 10 years of dependent employment);
- the ceiling is set at FF 5,180.70 per month for a single person and FF 10,361.40 for a married couple.

### 4.3 Monitoring the jobseeker

Legal basis:

- Articles L 311-5, L 311-6, L 351-16, L 351-17, L 351-18, L 361-2, L 365-1 of the Labour Code;
- Articles R 311-3-1 to R 311-3-10, R 351-27 to R 351-34 of the Labour Code.

Jobseeking activities are monitored as far as registration as a jobseeker and maintaining replacement income are concerned.

The criteria for monitoring are identical for registration as a jobseeker or maintenance of replacement income.

Recent legal and regulatory texts (Law no. 91-1405 of 31.12.1991 and Decree no. 91-117 of 5.2.1992), without fundamentally amending the provisions for monitoring jobseeking activities, have clarified the applicable rules concerning the management of the register of jobseekers and reinforced the legal basis for decisions to suspend replacement income.

Jobseekers must undertake positive steps to seek employment. These jobseeking activities must be permanent and must be genuine and serious. Jobseekers are also subject to certain obligations (reply to summons from employment services, not to refuse employment or training without a legitimate reason, not to make false declarations).

The absence of or an insufficient amount of positive jobseeking activity, not respecting the obligations, or fraud, can give rise to sanctions, i.e. removal from the register of jobseekers, suspension replacement income.

- The *ANPE*, which provides the public placement service and with which every jobseeker must register, is responsible for the management of the register of jobseekers and is therefore entrusted with the removal of jobseekers from the register who no longer meet the conditions set for inclusion in the register of jobseekers. Removal from the register of jobseekers can only be temporary (from 2 to 6 months and 6 months to a year in the case of fraud). If the jobseeker is in receipt of an allowance, the payment of the allowance is suspended during the period he/she is removed from the register.
- Monitoring jobseekers claiming benefit is the sole responsibility of the Département director of labour, employment and vocational training. If the conditions for maintaining entitlement to replacement income are no longer met by the unemployed beneficiary, payment of replacement income will be suspended. The exclusion of an unemployed person claiming benefit can be temporary or absolute, depending on the seriousness of the failure to meet the obligations set for receiving replacement income.



- The institutions of the unemployment insurance system (*ASSEDIC*) which pay unemployment benefits and manage solidarity allowances on behalf of the State also carry out checks on the genuineness of the jobseeking activities of persons claiming benefits from the unemployment insurance system. Within the framework of this procedure, the situation of those persons aged under 55 who are entitled to support is monitored every 4 months. These institutions cannot decide to exclude a jobseeker from replacement income, but if they doubt the genuineness of the jobseeking activities of the persons concerned they can refer the matter to the Département directors of labour, employment and vocational training so that a decision can be taken.

## 5. Matching Labour Supply and Demand

### 5.1 Legislation and regulations as regards placement (Article L 311 of the Labour Code)

#### 5.1.1 Extending the public placement service (*Service Public de Placement – SPP*)

The regulations concerning the *SPP* were amended (Ordinance of 20.12.1986 and Decree of 24.6.1987) to adapt the service to the current economic context. There are four main objectives:

- to extend the range of measures provided by the placement service;
- to facilitate action by local authorities in the employment field;
- to adapt the *SPP* to local realities;
- to encourage closer links between the *ANPE* and *UNEDIC*.

To achieve this, the placement monopoly brought in by the Ordinance of 24.5.1945 and assigned to the *ANPE* has given way to a controlled expansion of the *SPP*.

#### *Bodies contributing to the SPP (Article L 311-1)*

The activities of the *ANPE* are the pivotal point of the *SPP*. They are consolidated by the activities of other bodies which are authorised to make placements, provided that they have concluded an agreement with the *ANPE* or have been approved by the State.

These bodies are public institutions, bodies managed jointly by employers, trade unions and associations. Such bodies must respect the basic principles of the *SPP*: no charge for services, permanence of services and equality of treatment among the users.

#### *Role of the communes (Articles L 311-9, L 311-10 and L 311-11 of the Labour Code)*

In areas where the *ANPE* does not have an office, the mayors remain in charge of collecting applications for employment and forwarding them to the competent local office. Furthermore, if they have an agreement with the State and the *ANPE* to do this, the communes are allowed to receive vacancies and undertake placement for jobseekers who are subject to the authority of their administration.

More broadly, local authorities, in addition to placement, can contribute to the social and vocational integration of jobseekers by implementing training, information or reintegration activities under conditions defined by agreement with the State and, if necessary, the *ANPE*.

Finally, to carry out all these activities, mayors can have access free of charge to the register of jobseekers domiciled in their commune. How this register shall be communicated is defined by the data-protection commission, thereby providing the necessary guarantees and maintaining confidentiality.

#### *Closer links with UNEDIC*

The Ordinance specifies that agreements can be concluded between the *ANPE* and *UNEDIC* to combine their separate activities for jobseekers and to determine the conditions under which jobseekers can register either at the *ANPE* or *ASSEDIC*, with the *ANPE* retaining responsibility for the register of jobseekers. Similarly, an agreement between the *ANPE* and *UNEDIC* can specify the ways in which the social partners who administer *ASSEDIC* can participate in the *ANPE*'s decision-making or advisory bodies at regional level.

In accordance with the conclusion of the *IGAS* report (*Inspection Générale des Affaires Sociales* – General Inspectorate for Social Affairs), the *ANPE* and the unemployment insurance system are at present experimenting with a registration procedure for jobseekers.

#### 5.1.2 Notification and advertisement of vacancies

"The directors of the publication service are required to immediately inform the offices of the *ANPE* of the vacancies they are asked to publish and to do so under the conditions laid down by Decree. In cases of anonymous job vacancies, the Département Directorates for Labour and Employment (*Direction Départementale du Travail et de l'Emploi* – *DDTE*) and the *ANPE* offices can, by simple request, obtain the information on the employer mentioned above from the director of the publication service. This information can be given to potential applicants for the vacancy" (Article L 311-4).

#### 5.1.3 General rules concerning placement

- Placement is free of charge;
- every worker looking for a job is required to register at the *ANPE*;
- approved bodies can participate in placement but are not responsible for managing jobseekers' files or job vacancies which are the exclusive responsibility of the *ANPE*.

## 5.2 Registration procedure

The procedure for registration at the *ANPE* is laid down by Articles L 311-5 and R 311-3-1 of the Labour Code, with further details being provided by ministerial and *ANPE* instructions.

The jobseeking categories 6, 7 and 8 are defined in the Administrative Directive of 5.5.1995 on the application of Article 1311-5 of the Labour Code. Thus, registration requires that a specified procedure be followed, which is subject to three conditions:

### *Reporting to the ANPE*

The worker must report personally to the *ANPE* or, in areas where there is no local employment agency, to the town hall in his/her place of residence. He/she must prove his identity and his/her residence and any changes in these. Foreign workers must also prove that they are officially authorised to carry out professional activities.

### *Declaration of job search (Articles L 311-5, L 341-4 and L 361-2)*

The worker fills out a form (F 19), which he/she signs under his/her penal liability (Article 153 of the Criminal Code and Article R 365-1 of the Labour Code). The information provided helps in processing the application for employment. Some of the information is also for administrative purposes: relating to civil status, occupation, availability for work and type of employment sought.

### *Formalisation of the application for employment*

The application for registration is formalised by an application form for employment, which the worker collects at the *ANPE*, fills out, signs and returns to the *ANPE*. On return of the form a registration card (F 08) is issued. *ASSEDIC*, the body entrusted with the possible compensation of the worker, is immediately informed of the registration through the common register. This notification significantly enhances the efficiency of the mutual information system.

## **5.3 Placement procedure**

### **5.3.1 Matching supply and demand**

A careers guidance officer is responsible within the local agencies for matching labour supply and demand according to their respective criteria: level of qualifications, location, remuneration, etc. Such matching can be carried out:

- by matching files of job vacancies and jobseekers. The jobseeker will then be summoned;
- during the interview between the jobseeker and the careers advisor by investigating vacancies on the basis of the characteristics of the jobseeker. The computerisation of the files of vacancies and jobseekers, in particular (cf. 5.4 below), is of considerable help in the work of the careers advisor. Matching labour supply and demand remains the exclusive competence of the careers advisor;
- or at the initiative of the jobseeker who, on the basis of a vacancy advertised through one of the channels used by the *ANPE* (hanging up announcements, notification by telephone or newspaper advertisement), applies for a job. A number of jobseekers are then short-listed and sent to the company.

### 5.3.2 Publicising vacancies

Vacancies are communicated to users by various approaches:

- By hanging up announcements of vacancies in the local agencies the vacancies available can be examined by all. For example, vacancies belonging to the same employment catchment area or bordering catchment areas to which transport links exist are displayed on the same notice board;
- computerised transmission of vacancies (cf. 5.4.2 below);
- specialised vacancies journals: some vacancies are disseminated nationally because of their special characteristics. This is the case for:
  - vacancies for managers (*ATOOUT CADRES*);
  - vacancies abroad in the European Union as well as overseas (*ANPE INTERNATIONAL*) via the EURES Network for the broadcasting of EU-wide relevant vacancies;
  - in some employment offices vacancies are broadcast per telephone, Minitel 3615 *ANPE*, or per television on channel FR3.

## 5.4 Computer-aided placement

The *ANPE* has invested a large modernisation effort into its data-processing tools which facilitate, on the one hand, the internal administration and matching of vacancies and jobseekers and, on the other hand, targeting of groups for better implementation of employment policy measures.

### 5.4.1 The systems of internal administration

#### *Managing labour supply*

Through the application of *GIDE* (*Gestion Informatisée de la Demande d'Emploi* – computerised administration of labour supply), job offers by enterprises will be better met as a result of improved ascertainment of jobseekers' profiles. Such aspects as primary employment in certain sectors, existing experience, level of education and *ANPE* benefits received are recorded. The entire *ANPE* network is equipped with this administration system.

The system is applied in cooperation with *UNEDIC*, the administrative body for unemployment insurance. It enables jobseekers to be entered and administered in real time in the local agencies; unemployment benefits received through *ASSEDIC* are also entered.

#### *Administration of vacancies, relationships with companies and placement*

*SAGE* (*Système d'Aide à la Gestion de l'Emploi* – computerised administration of labour demand) is a data-processing tool for:

- the administration of vacancies;
- the management of business contacts;
- broadening knowledge of the economic environment in order to improve the service for the user.

All information is structured in three databases: by company, by job offer and by business contact.

The databases can be combined so that a complete overview of the information is achieved, which can then be made accessible to the user.

Through this inter-relation of data:

- the various job offers and business contacts and intended follow-up support are automatically specified and updated with information compiled from external data;
- information about an enterprise can be accessed on-screen during a query;
- job-offer and business contact criteria are available in all business-data interrogation modes.

#### *Optimum candidate searches (Optimisation de Recherche Candidatures – ORCA)*

ORCA is a computer tool for administering the curricula vitae of applicants in local employment offices. This system will be tested in 1995 on PCs and will be used on applications for employment-intensive projects, for example, the EURALILLE Shopping Centre, the Journalists' Retraining Centre (*Centre de Reclassement des Journalistes – CNRJ*), the St. Denis grand stadium, etc.

#### *Directory of occupations and jobs (Répertoire des Métiers et des Emplois – ROME)*

The ROME register is a computer tool with the primary purpose of vitalising the daily activities of the ANPE. It is one of the future-oriented approaches used within the framework of setting up scenarios for the advanced planning of job and competence management. With the aid of the ROME register vacancies sought and offered may be recorded and classified in a technically more refined fashion.

The ROME register is used to:

- redefine the occupational spheres in which changes have occurred by virtue of the economic environment;
- achieve dialogue on a more professional basis between the various actors (ANPE, user, enterprise, etc.) on the nature of business activities and the abilities needed to carry them out;
- record with more technical exactness and so enhance the value of the most minor of abilities the worker has gained in the context of his/her professional experience;
- facilitate ascertainment of individual or collective training needs so that measures can be taken to prepare for the integration or reintegration of users whose abilities do not correspond to the demands of the labour market;
- extend the occupational scope of mobile workers.

#### *A support tool for computer users (Aide pour l'Utilisateur Informatique – APUI)*

APUI is a type of software with a local graphical interface between SAGE and GIDE. It enables transfer of information between individual systems, especially SAGE and GIDE, as well as administration of an agenda component.

#### *Service and Measures (Prestations et Mesures)*

*Prestations et Mesures* is a nation-wide utility provided through the APUI central computer with the aim of enabling all ALE (*Agences Locales pour l'Emploi* – local employment agencies) levels and the Département and Regional Directorates to carry out budgetary administration of services such

as individual training and employment promotion schemes (back-to-work contracts – *Contrats de Retour à l'Emploi* – CRE, employment contracts for RMI beneficiaries, etc.).

#### *Training opportunities (Offres de Formation)*

*Offres de Formation* is a small-scale SAGE system for training opportunities compiled by the ANPE or fed in by regional bodies or partner organisations.

#### *Utility to administer transitional contracts (Application de Gestion des Conventions de Conversion – AGCC)*

The AGCC is a local computer utility based on a microcomputer with which enterprises and participants (workers laid off on economic grounds) can be administered before they are transferred to the normal status of unemployment.

#### *Computer-aided administration of transition cases (Gestion Informatisée de Conversion d'Adhérents – GICA)*

This project is already in operation. It has the same aim as the AGCC but is run through the GIDE system.

#### *Computer-aided instruction (Enseignement Assisté par Ordinateur – EAO)*

This local microcomputer utility is used by instructors and local staff. There are three versions of the EAO: one each for the new ROME register, APUI and "Prestations Mesures".

## **5.5 Placement of special categories**

As a general rule, local agencies deal with all occupations. However, because of the problems raised by integrating or reintegrating specific categories of occupations (executives and disabled workers in particular) into working life, certain services and agencies have been specialised and are now only competent for one category of jobseeker.

### **Executives**

Jobseekers whose level of training and/or function meets the ANPE definitions of executives, engineers and technicians can avail of the services of one of the 20 *espaces cadres* (Orléans, Montpellier, Bordeaux, Clermont-Ferrand, Grenoble, Lille, Lyons, Marseilles, Nancy, Nanterre, Nantes, Nice, 4 in Paris, Rennes, Rouen, Strasbourg and Toulouse). The *espaces cadres* offer a basic service encompassing all occupations and an "extra" service (*Service "plus"*) for special services which are to benefit acknowledged managerial staff, young people who have completed training courses and enterprises which employ managerial staff.

## Youth

Establishment of *espaces jeunes* (service centres for young people): structures such as local service centres (*missions locales*), stand-by centres for reception, information and counselling as well as every type of body with the task of providing support and advice to young people seeking jobs or training positions. They all come under the *espaces jeunes*, as has been agreed between the partners involved (State, Region, ANPE Regional Directorate). This measure is aimed at easing accessibility for users to the services of the ANPE.

## Establishment of Jobseekers' Clubs

The Jobseekers' Club is a new service to aid in the search for employment. The initial entry of school-leavers and young people who have completed training to the labour market is to be facilitated through organised and supported job search. Additionally, registered vacancies are to be made generally accessible, thus to increase the chances of success.

## Disabled workers

French legislation in favour of the disabled has brought in a system of rights and duties which is mainly based on:

- The requirement for companies employing more than 20 employees, the State and the Regional authorities, as well as their respective public institutions, other than industrial and commercial, to allocate 6% of their posts to disabled workers, war invalids and persons of similar status (Articles L 323-1 and L 323-2 of the Labour Code); in 1993, 254,400 disabled workers in 89,000 establishments subject to this Law benefited from the legislation.
- The right of disabled persons (as regards their personal situation recognised as having priority), to be guided towards a specialised reception centre for vocational rehabilitation, training or employment and to be able to claim a special allowance should this be justified by their "condition" (Law no. 75-534 of 30.6.1975; Law no. 87-517 of 10.7.1987).

The ANPE has established basic guidelines for the implementation of this legislation as well as State measures to promote the employment of disabled workers: every local employment office is responsible for supporting and placing disabled workers in its own area.

- At the Regional level a *chargé de mission* supports and coordinates the activities of special employment counsellors for the disabled (*CSTH – Conseiller d'emploi Spécialisé Travailleurs Handicapés*) whose area of responsibility extends to the Département.
- At the Département level there is a *CSTH* who is responsible, as a full-time or part-time function, for the vocational integration or reintegration of disabled workers. His/her activities comprise three elements:
  - support, information, coordination and follow-up at the level of the local employment offices;
  - relations with the partners, as well as, in particular, participation in the work of *COTOREP*; Article L323-11 of the Labour Code);
  - direct activity at user level (plant visits, reception of jobseekers).
- At the local level, the job of the local agencies' staff is to inform disabled workers of their rights, the steps to be taken, and the openings available to them as regards training or sheltered employment, to inform and make companies aware of their duties and of schemes which can help them to hire disabled workers, and to match vacancies and disabled jobseekers.

To complement this structure, rehabilitation preparation and follow-up teams (*Equipes de Préparation et de Suite du Reclassement – EPSR*) have been created at the initiative of either the public authorities or associations. They bring together the social workers of several administrations. In addition to their common task of integrating or reintegrating disabled workers, they provide the latter with support at the social level in order, in particular, to reinforce this (re)integration.

In addition to this, the *ANPE* has concluded agreements with various bodies for the disabled, such as the Association for the Paralysed of France (*Association des Paralysés de France – APF*), the League for the Adaptation to Work of the Physically Disabled (*Ligue pour l'Adaption des Diminués Physiques au Travail – LADAPT*), and regional inter-professional groups promoting employment of the disabled (*Groupeements interprofessionnels régionaux pour l'emploi des handicapés*).

The *ANPE* has also concluded a cooperation agreement with the National Association for the Administration of the Support Fund for the Integration of the Disabled (*Association de Gestion du Fonds de Développement pour l'Insertion Professionnelle des Handicapés – AGEFIPH*; Article L 323-8-2 of the Labour Code), according to which the two bodies will combine their efforts within the following spheres:

- integration aid;
- financial support for training measures;
- implementation of schemes to educate and increase awareness in enterprises;
- implementation of studies.



# CHAPTER III MEASURES

## 1. General Measures

- F-i.1 Progress Contract between the State and the *ANPE* for the period 1994 to 1998

## 2. Employment Maintenance

- F-ii.1 Short-time working  
F-ii.2 *FNE* agreement on short-time working  
F-ii.3 Agreement on company and inter-company retraining units  
F-ii.4 Agreement on degressive temporary allowances  
F-ii.5 *FNE* retraining leave  
F-ii.6 Retraining agreements  
F-ii.7 Brief analysis within the company  
F-ii.8 Aid for enterprise consultation (A.C.E.)  
F-ii.9 Long-term subsidy for working-time reduction (*TRILD*)

## 3. Aid to the Unemployed

Cf. Chapter II, 4.2

## 4. Training, Retraining, Occupational Mobility

- F-iv.1 Adult vocational training  
F-iv.2 Jobseeker status in vocational training  
F-iv.3 Commitment to develop in-plant training  
F-iv.4 *FNE* agreement on training and adaptation  
F-iv.5 *FNE* agreement on mobility allowance  
F-iv.6 Courses for admission to enterprises

## 5. Job Creation

- F-v.1 Agreement on the promotion of employment  
F-v.2 Assistance for unemployed persons setting up or rescuing a company (*ACCRE*)  
F-v.3 Consultancy cheque-book for enterprise foundation  
F-v.4 Exemption from social charges on hiring a first employee  
F-v.5 Exemption from social charges on hiring a second and third employee  
F-v.6 Economic integration enterprises  
F-v.7 Intermediary associations  
F-v.8 Domestic positions  
F-v.9 Temporary integration contracts  
F-v.10 Services cheques  
F-v.11 Exemption from employers' contributions to the family allowance

## 6. Special Categories of Workers

### *Disabled*

- F-vi.1 Aid granted by the National Association for the Administration of the Support Fund for the Vocational Integration of the Disabled (*AGEFIPH*)
- F-vi.2 Sectoral, enterprise and company agreements
- F-vi.3 Sheltered workshops
- F-vi.4 Income guarantee for disabled workers
- F-vi.5 Technical Commission for Vocational Guidance and Reintegration of Disabled Workers (*COTOREP*)

### *Women*

- F-vi.6 Vocational equality scheme
- F-vi.7 Contract to promote mixed employment in SMEs and SMIs

### *Young people*

- F-vi.8 Apprenticeship contract
- F-vi.9 Settling-in contract
- F-vi.10 Qualification contract
- F-vi.11 Orientation contract
- F-vi.12 Community-work and funded-employment contracts (*CES* and *CEC*)
- F-vi.13 Youth training credit
- F-vi.14 Assistance for the first-time recruitment of young people (*APEJ*)

### *Long-term unemployed; recipients of the AUD, ASS or RMI; unemployed persons over 50*

- F-vi.15 Retraining allowance (*AFR*)
- F-vi.16 Employment-initiative contract (*CIE*)
- F-vi.17 Integration and training-for-employment courses (*SIFE*)

### *Executives*

- F-vi.18 *FNE* courses for unemployed managerial staff

## 7. Working Time

- F-vii.1 Promotion of collectively agreed working-time organisation and reduction
- F-vii.2 Phased early retirement agreement
- F-vii.3 *FNE* agreement on special redundancy allowance
- F-vii.4 Reduction of employers' social security contributions for part-time employment

## 8. Other Measures

- F-viii.1 Minimum Integration Income (*RMI*)

## 1. General Measures

- F-i.1 Progress Contract between the State and the ANPE for the period 1994 to 1998 (*Contrat de progrès entre l'Etat et l'ANPE pour 1994-1998*)

F-i.1

**Progress Contract between the State and the ANPE for the period 1994 to 1998**  
**(Contrat de progrès entre l'Etat et l'ANPE pour 1994-1998)**

This agreement is aimed at introducing new strategic guidelines in order to make the *ANPE* the most important actor in the respective segment of the labour market and the only contact for all public placement services, so that recruitment policy can be extended to also accommodate job-seekers in difficult circumstances.

The development of the *ANPE* into a modern and efficient authority will comprise four elements:

- More intensive disclosure and matching of "situations wanted".

*Registration of job advertisements*

The role of the *ANPE* as a public body for placement-oriented employment measures will be strengthened with respect to the employer. From 1994 onwards the *ANPE* will register 1.5 million job advertisements and by 1995, 2 million. By 1998 the *ANPE* will increase its market share to 40% (share of vacancies registered by the *ANPE* with respect to the total number of recruitments).

*Improving ANPE services to the employer*

The *ANPE* commits itself to carrying out a profound renewal of the way it deals with and intervenes in enterprises. To this end it will offer enterprises new services in response to the following challenges:

Speed, in order to increase the number of available vacancies. Enterprises will be offered an "on-the-spot" service. For this purpose the *ANPE* will train professional teams, which will serve the enterprises in the entire catchment area of each labour market segment, that is, one team for each of the predominant occupational areas.

Quality, through the selection of those jobseekers who best meet the requirements of the enterprise. The *ANPE* will offer all enterprises this preselection service prior to sending applicants for interview in the enterprise. The *ANPE* will make use of its assessment system (assessment of the level of competence, assessment in the work environment, etc.) in order to be able to make a more exact preselection.

Measures for the qualitative improvement of contacts established. Contractually regulated relations are to be established with enterprises. The *ANPE* makes a contractual commitment to offer a special service to those enterprises which entrust their recruitments in whole or in part to the *ANPE*, namely, processing of applications. The *ANPE* will step in with support if workers have to be retrained due to a work-force reduction. Its Technical Retraining Teams (*Equipes Techniques de Reclassement – ETR*) will develop this service and their activities will be more closely linked with those of the local employment offices.

The *ANPE* promotes job creation generally; specifically, jobs near the domicile of the worker, jobs in the services sector and jobs in fields which are better suited to the characteristics of the job-seeker.

These measures were tested in 20 labour market areas; they will be evaluated at the end of 1995 and will possibly be introduced on a general level.

*Chosen indicators*

Quantitative results: the number of vacancies the *ANPE* has exposed, the *ANPE*'s market share.

High-quality processing of applications: number of vacancies matched; percentage of vacancies matched; length of time required to match qualifications to vacancies.

Satisfaction of the enterprises: surveys are to be carried out among the employers in order to ascertain the degree to which they are satisfied and how highly they value the services rendered, especially with regard to speed and quality.

Improved support for individual jobseekers.

The *ANPE* must adapt its services to the diversity found among jobseekers if it is to serve each as well as possible and with regard to individual situations.

The *ANPE* has set itself two targets:

1. Greater efficiency in the disclosure of vacancies through increased responsibility for jobseekers.

The *ANPE* will make use of the following methods to this end:

General availability of telematic aids: jobseekers will be able to view job offers, avail of external services, receive assistance in drawing up a curriculum vitae and carry out simple administrative tasks through the development of a telematic target programme at the *ANPE*, that is, universal introduction of telematic aids (Minitel, computer terminals, voice-message services and interactive interfaces).

Modernisation and further development of the services of the *ANPE*: the *ANPE* will further develop its individual and collective benefits and services for vocational retraining so that jobseekers can avail of the following: competence reports, on-the-spot tests, jobsearch techniques, jobseeker circles, job clubs, careers guidance, business start-up assistance, immediate training in preparation for retraining.

2. Efforts to combat marginalisation.

Long-term unemployed: the *ANPE* will reinforce its efforts on behalf of the long-term unemployed and will promote their integration. The share of those who have been looking for work for over 2 years is to be reduced by least 1% per annum between 1994 and 1998 (LTUs numbered 1,290 in 1993).

Youth projects: The *ANPE*, together with the national educational system and the *espaces jeunes*, will organise information for young people on the job market and training in jobsearch techniques. Young school-leavers and those who have completed training should be encouraged to join a jobseekers' club.

Specific measures will be developed for managerial employees in cooperation with *APEC*, the managerial employment agency; for example, job services provided by alumni associations from all disciplines of the *Grandes Ecoles*. The aim is more effective support for managerial staff.

The *ANPE* will, within the framework of partnerships, develop projects for special target groups, in particular, for the disabled.

Chosen indicators:

- follow-up of those jobseekers who are in receipt of benefits;
- reintegration of the long-term unemployed;
- integration of young people;
- reintegration of managerial staff;
- surveys to achieve (calculable) improvements in *ANPE* services for jobseekers.

#### *Promoting partnerships*

The *ANPE* is to become the central hub of the network that embraces all the actors in the labour market. This partnership structure is intended to improve the services for enterprises as well as for jobseekers:

- concentration and perfection of *ANPE* measures;
- mobilisation of know-how and specific external resources;
- ensuring high-quality services.

#### *Establishing the ANPE Partnership Charter*

A charter will be formed as a result of the collaboration between the *ANPE* and its partners; the charter will form the starting point for special agreements which the *ANPE* is to conclude with the individual partners in so far as it will define the conditions for cooperation. The partners can make human or financial resources available to the *ANPE*.

Partnership with public institutions. Within the framework of this charter, the staff of *ANPE* bodies such as local centres (*missions locales*), permanent reception, information and advisory services (*Permanences d'Accueil, d'Information et d'Orientation – PAIO*) and the *espaces jeunes* can be placed at the disposal of the *RMI* scheme, bodies for the disabled, the institution for "personalised training contracts" (*contrat formation individualisé*), the assessment centres, etc.

The *ANPE* will forge close contacts in rural regions, in disadvantaged areas and within the frameworks of all projects for the benefit of young people.

Partnerships with the social partners who administer the unemployment insurance system (*ASSEDICs*) with the aim of reconciling the measures of both systems (permanent availability on a mutual basis, updating the register of jobseekers, joint management plan, etc.).

Partnerships with the Association for Adult Vocational Training (*AFPA*).

#### *Modernising the ANPE*

The modernisation of the *ANPE* is expected to lead to better services through the deferment of more responsibility to the individual *ANPE* levels. The following means are intended for this purpose:

#### *Decentralisation of decision-making and administrative structures*

All decisions and all possible measures, such as personnel management, work organisation within the local employment office, choice of suppliers and services, establishment of partnerships, budget management and evaluation of results of employment office projects, are taken at the level of the local employment office.

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*Territorial organisation*

The territorial organisation of the *ANPE* is to be adjusted, the size of its structures is to be standardised and the peculiarities of local labour markets are to be given greater consideration.

*Modernisation of administrative instruments*

Data-processing resources will be extended within the framework of a new scheme equipping the employment offices with telematic aids and office technology.

*Decentralisation of budget funds*

In 1995 every employment office will have a general administrative budget which it can manage independently. The employment office will make its own decisions on allocation of services or employment benefits.

*Modernisation of human resource management*

The *ANPE* will improve the quality of its services by increasing the responsibility and motivation, and by improving the training of its staff. An evaluation system will be introduced in order to promote the transferral of responsibilities to individual members of staff.

*Chosen indicator*

Operational grade and examination of reasons for operational deficiencies.

An encouraging start for the Progress Contract: in the first five months of 1994 the number of registered vacancies from all categories has risen by 43% in comparison to the first five months of 1993. The vacancies matched have increased by 37% during the same period.





## 2. Employment Maintenance

- F-ii.1 Short-time working (*Chômage partiel*)
- F-ii.2 *FNE* agreement on short-time working (*Convention de chômage partiel du Fonds National de l'Emploi*)
- F-ii.3 Agreement on company and inter-company retraining units (*Convention de cellule de reclassement entreprise et interentreprise*)
- F-ii.4 Agreement on degressive temporary allowances (*Convention d'allocation temporaire dégressive*)
- F-ii.5 *FNE* retraining leave (*Congés de conversion du Fonds National de l'Emploi*)
- F-ii.6 Retraining agreements (*Convention de conversion*)
- F-ii.7 Brief analysis within the company (*Diagnostic court en entreprise*)
- F-ii.8 Aid for enterprise consultation – A.C.E. (*Aide au conseil aux entreprises – A.C.E.*)
- F-ii.9 Long-term subsidy for working-time reduction – *TRILD* (*Temps réduit indemnisé de longue durée – TRILD*)

F-ii.1

### Short-time working (*Chômage partiel*)

#### *Aim*

To diminish, through financial compensation, the repercussions in a company of occurring and unforeseeable work-force reductions on wages/salaries.

#### *Legal basis*

- Articles L 351-25 and R 351-50 to R 351-53 of the Labour Code;
- Articles L 322-11 and D 322-11 to D 322-16 of the Labour Code;
- Decree no. 91-265 of 8.3.1991;
- Decree no. 91-768 of 7.8.1991;
- Decree no. 91-1377 of 30.12.1991;
- Decree no. 92-354 of 1.4.1992;
- Collectively agreed basic principles;
- Agreement of 21.2.1968 in its regularly updated form.

#### *Contents*

The persons targeted are workers on short-time work, with the exception of:

- workers who have an occasional income (regular weekly wage 18 times less than the statutory indexed minimum wage – *SMIC*);
- workers in a company affected by a labour dispute;
- persons seasonally unemployed;
- workers involved in a total stoppage for at least 4 working weeks.

Public assistance is granted to every company compelled to reduce the working hours of its employees below the legal minimum, or even to interrupt its operations temporarily because of:

- economic circumstances;
- difficulties with supply of raw materials or energy, with the exception of supply difficulties caused in any way by a labour dispute;
- accidents or bad weather of an exceptional nature;
- conversion, restructuring or modernisation of the company;
- any other circumstances of an exceptional nature.

The financial assistances comprise:

- the Specific Allowance (*Allocation Spécifique – AS*): this is provided by the State and amounts to an hourly rate of FF 22 (as at 10.4.1995). Payment of this allowance is limited to an annual quota of hours set by Decree; for 1995 the quota was 600 hours for industrial branches as a whole, and 700 hours for the textile and clothing industries;
- the supplementary allowance (*indemnité complémentaire*): this is paid by the employer to complement the specific allowance and guarantees the worker 50% of his/her gross hourly remuneration while assuring him/her a minimum allowance of FF 29 per hour (as at 10.4.1995). Every worker bound by an employment contract comprising a working schedule of at least 39 hours per week qualifies for guaranteed remuneration, even in the event of short-time working.

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*Financial resources*

State, employer.

*Institutional support*

Prefecture, DDTEFP.

*Duration*

Maximum of 600 hours per annum.

*Effects*

73 million hours qualifying for compensation in 1994.

F-ii.2

***FNE agreement on short-time working  
(Convention de chômage partiel du Fonds National de l'Emploi)***

*Aim*

An agreement on short-time working is concluded between the State and the company with the aim of ensuring that the State takes on responsibility for the additional compensation arising from the Agreement of 21.2.1968, for which the employer would normally be liable. The intention is to prevent or limit intended redundancies.

*Legal basis*

- as for short-time working (cf. F-ii.1);
- principles of legal ordinances;
- Articles D 322-11 to D 322-16 of the Labour Code.

*Contents*

The agreement only comes into force if:

- the conditions for granting the AS are met;
- it involves an appreciable and durable "effect on employment": the number of jobs maintained should be significant.

Conclusion of the agreement and the rate of assistance secured are dependent on the company's difficulties, anticipated reductions in manpower, the solutions chosen for the company's economic recovery, and the unemployment terms and conditions.

Agreements on short-time working are submitted to the works council for advice.

The enterprise undertakes to retain the respective workers for the duration of the agreement.

*Financial resources*

State.

*Institutional support*

Prefecture, DDTEFP.

*Duration*

Maximum 6 months with one renewal possible; the employer pays 80% of the supplementary benefit, as laid down in the inter-professional agreement (*accord inter-professionnel*) of 21.2.1968.

F-ii.3

**Agreement on company and inter-company retraining units**  
**(Convention de cellule de reclassement entreprise et interentreprise)**

*Aim*

To promote the establishment of support structures for the reemployment of workers who have been made redundant or are threatened with redundancy on economic grounds.

There are three principles when concluding such agreements:

- will of companies to undertake retraining of workers;
- integration in the social plan (diversification of measures);
- link with retraining agreements (cf. F-ii.6).

*Legal basis*

- Decree no. 89-653 of 11.9.1989;
- Article R322-1 (7th) of the Labour Code.

*Contents*

The project for agreement is submitted for advice to the works council or, in the absence of this, to the shop steward. The conditions for financing and implementing a retraining unit are the subject of an agreement signed by the Département Prefect or, by proxy, the Département Director of Labour and Employment, and the managing director of the company. Preliminary advice on setting up an inter-company retraining unit is requested from the department responsible for employment at the Ministry of Labour.

The target group is surplus personnel, with the exception of workers who have benefited from age-related measures, and those for whom internal redeployment through job transfer has been secured.

The organisations involved are public or private agricultural, industrial or commercial companies or establishments, the liberal professions and associations with fewer than 2,000 workers which are not active in any group of companies on a national level.

With a view to providing individual monitoring of workers in their search for employment, the agreement shall specify:

- the intervention programme of the unit and the plan which it will follow;
- the anticipated budget and its source of financing;
- the procedures for liaison between the External Services for Labour and Employment (SETE) and the ANPE.

The amount of the State's contribution to the total costs of the administrative budget per unit amount to between 0% and 50% for retraining units and between 0% for 75% for inter-company retraining. The subsidy has a ceiling of FF 7,000 per recipient (depending particularly on the company's capacity to contribute and the situation in the labour market segment concerned).

*Financial resources*

Enterprises, National Employment Fund (*Fonds National de d'Emploi – FNE*).

*Institutional support*

**Prefecture, DDTEFP.**

*Duration*

**The beneficiaries are monitored for between 3 and 12 months.**

*Effects*

**1994: 525 agreements concluded; 22,500 potential beneficiaries.**

F-ii.4

### **##Agreement on degressive temporary allowances (Convention d'allocation temporaire dégressive)**

#### *Aim*

The aim of this agreement is to provide for compensation of workers who have been retrained for a new job following mass redundancy and who now earn a lower wage than previously.

The allowance makes up, wholly or partially, the difference between the workers' old and new wage level.

It constitutes one of the measures in the compulsory social plan within companies with at least 50 employees when the number of redundancies is at least 10.

#### *Legal basis*

- Articles L 322-4 (1st), R 322-6 and R 322-6 of the Labour Code;
- Administrative Directive of 11.9.1989.

#### *Contents*

The conditions for financing and implementing the degressive temporary allowance are the subject of an agreement signed by the Département Prefect or, by proxy, the Département Director of Labour, Employment and Vocational Training, and the managing director of the company.

If the agreement involves several plants in several Départements, it is signed by the Minister of Labour.

It is submitted to the works council or to the shop stewards for advice.

Beneficiaries should:

- have been laid off on economic grounds, including redundancy following restructuring or termination of the employment contract by common consent; however, this redundancy or termination should occur during the period in which the agreement applies;
- have been redeployed and agreed to the redeployment within the period provided for in the agreement (maximum 1 year from notification of redundancy or from becoming party to a redeployment agreement). In addition, the redeployment should entail a loss of wages in comparison with former wages. Redeployment must be to dependent, open-ended employment in a company other than the company which has signed the agreement, and which does not belong to the same enterprise group.

The companies involved are those covered by the field of application of Article L 321-2 of the Labour Code concerning workers whose redundancy for economic reasons is anticipated.

Regarding the amount of assistance, the degressive temporary allowance guarantees to beneficiaries that their former nominal wage will be maintained within the limit of a ceiling. It may not be supplemented by the starting-up subsidy for workers, and may not be awarded when the worker hired is the spouse of the employer or his/her fiscal dependent.

The assistance is calculated on the basis of the amount of wage loss.

The agreement between the State and the enterprise must define the share contributed by each.

The State contribution, which is subject to a deduction of 1.4% for social security and the general social charge (*Contribution Sociale Généralisée* – CSG), depends on two parameters:

- It has a flat-rate ceiling:
  - FF 1,500 per month and per person for workers made redundant from enterprises and firms situated within so-called "regions of structural adjustment";
  - FF 1,000 per month and per person for workers from other enterprises and firms.
- The State's contribution may not exceed 75% of the total sum of the allowance.

#### *Financial resources*

State, employer.

#### *Institutional support*

Prefecture, DDTEFP.

#### *Duration*

Maximum 2 years.

#### *Effects*

1994: 1,017 agreements and 5,950 beneficiaries.



F-ii.5

**FNE retraining leave (*Congés de conversion du Fonds National de l'Emploi*)***Aim*

Retraining leave is intended as an external aid to prepare workers who will be made redundant for new employment. The workers are given:

- support through an external employment unit (*cellule emploi*);
- the opportunity to take advantage of certain schemes, notably training schemes, with a view to rapid reintegration into employment.

*Legal basis*

Articles L 322-4 and R 322-1 (4th and 5th) of the Labour Code.

*Contents*

The enterprise is responsible for setting up and running the operation, undertaking to deploy all the human, technical and financial resources necessary to the successful functioning of the employment unit, and to the realisation of assistance strategies for redeployment provided for through the agreement (evaluation and orientation review, training schemes).

The company must develop an in-depth and personalised system for supervising workers, while conducting an active search for vacancies. Any financial commitments made are taken into consideration when fixing the rate of the State's contribution.

The employers involved are all enterprises introducing economic redundancies. Recourse to this measure is particularly advisable in cases of large-scale social plans affecting workers for whom redeployment is difficult owing to the local employment situation or their professional profile.

It is voluntary for workers to be covered by the agreement. The redundant worker signs a contract on retraining leave which suspends his/her employment contract until after the redundancy period due to restructuring, and/or during the redundancy period in cases of retraining.

The worker whose redundancy has been postponed can claim an allowance, set by the agreement at a minimum of 65% of his/her former gross wage (with a ceiling of double the highest social security rate), for the duration of the postponement. The allowance may not be less than 85% of the *SMIC* and is subject to a 1.4% deduction for health insurance. The company's contribution to the allowance paid to the worker is exempted from income taxes and social security contributions. The worker may be laid off during retraining leave, in the case of redeployment, or at the end of this leave. He/she is then entitled to all the associated guarantees (entitlement to notice, statutory and contractually agreed redundancy allowances, unemployment benefits).

The *FNE* contributes to financing the allowance as well as to the costs of training, for a maximum period of 10 months. The contribution towards the training costs amounts to between 0% and 50%.

*Financial resources*

*FNE*, enterprise.

*Institutional support*

Prefecture, *DDTEFP*.

*Duration*

Minimum 4 months and maximum 10 months.

*Effects*

2,903 individual agreements in 1994.

## Retraining agreements (*Convention de conversion*)

### *Aim*

To contribute to the rapid redeployment of workers made redundant on economic grounds; to initiate an analysis allowing a worker to confirm the choice of job he/she is seeking, or, failing this, to modify his/her search; to define professional goals.

### *Legal basis*

- Articles L 143-10, L 321-4 to L 321-6-1 and D 322-1 to D 322-6 of the Labour Code;
- Law no. 86-1320 of 20.12.1986;
- Law no. 89-549 of 2.8.1989;
- Decree no. 89-603 of 31.8.1989;
- Decree no. 87-710 of 28.8.1987.

### *Contents*

The employers involved are all companies, including those in a state of recovery or legal liquidation. There are two cases:

1. Companies not obliged to implement a social plan and companies in a state of recovery or legal liquidation (in this case the liquidator is to be consulted for information):

It is compulsory for retraining leave to be proposed:

- for all economic redundancies involving fewer than 10 employees irrespective of the size of the company concerned;
- for all economic redundancies involving at least 10 employees occurring in a company with fewer than 50 employees.

2. Companies obliged to draw up a social plan:

- for all redundancies on economic grounds involving at least 10 workers in a company with fewer than 50 employees with or without worker representation. The social plan can provide for recourse to the system of retraining agreements; otherwise, the employer is required to inform the workers of their entitlement to take advantage of such agreements.

The persons targeted (who become a party to a retraining agreement) include everyone affected by economic redundancy, or any workers whose employment contract expires at the end, for example, of a building project, and whose collective agreements or contracts make provision for a retraining agreement. The participants must:

- be able to prove at least 2 years of service in a company (unless branch or company agreements state otherwise);
- be no older than 57 years of age;
- be physically fit for work.

A training scheme is possible, if required; this is generally limited to 300 hours and involves:

- assistance with orientation and jobsearch;
- expansion and updating of knowledge of the occupational field and skills.

The amount of allowance paid by *ASSEDIC* to participants is equivalent to 83.4% of previous gross wage during the first 2 months, and 70.4% during the subsequent 4 months.

Employers who hire a worker who is party to a retraining agreement in the first two months of the agreement can apply to be reimbursed for the remaining 2 months of the worker's period of notice. This payment is then made by the *ASSEDICs*.

#### *Financial resources*

Financing is structured in three parts:

- the enterprise pays *ASSEDIC* the compensation it owes the worker concerned for the 2 months, plus the employer and employee social security contributions. The enterprise also pays a flat-rate sum of FF 4,500 per participant for the administrative costs;
- the State pays FF 5,000 per worker;
- *UNEDIC* (unemployment insurance system) pays the differential amount.

#### *Institutional support*

*ANPE, ASSEDIC, DDTEFP.*

#### *Duration*

Retraining agreements have a duration of six months.

#### *Effects*

149,420 new participants were recorded in 1994.

F-ii.7

**Brief analysis within the company (*Diagnostic court en entreprise*)***Aim*

The brief analysis precedes intervention by a consultant or a negotiated campaign of modernisation leading, should the need arise, to aid from the State.

It is aimed at companies which envisage a change and are aware of problems, without being able to clearly identify these, in the area of working conditions and hours, employment and training.

*Legal basis*

- Circular of 2.2.1990;
- CAB/TEFP Circular no. 492 of 3.3.1992;
- CDE Circular no. 93-5 of 9.2.1993.

*Contents*

The brief analysis takes the form of a consultant being present for one to three days in the company, whose time there is spent on meetings with the directors, the hierarchy concerned and workers' representatives, and on observing production and employment situations.

This results in a report, delivered to the managing director of the company, the conclusions of which must be presented, following the appropriate procedures, to the works council or, in the absence of this, to the workers' representatives. This report is the property of the company concerned. Consultants are bound by the rules of normal confidentiality.

This measure applies primarily to small and medium-sized companies with fewer than 500 employees, but can equally be used in the case of larger companies, subject to their situation and the benefits of the operation justifying application of this measure.

The State assumes responsibility for the total cost of the brief analysis.

*Financial resources*

State.

*Institutional support*

DDTEFP, Regional Directorate for Vocational Training (*Direction Régionale de la Formation Professionnelle – DRFP*), National Agency for the Improvement of Employment Conditions (*Agence National pour l'Amélioration des Conditions de Travail – ANACT*).

*Duration*

One to three days.

*Effects*

402 analyses in 1993.

F-ii.8

**Aid for enterprise consultation – A.C.E. (*Aide au conseil aux entreprises*)***Aim*

To assist enterprises facing significant changes in work organisation, in particular:

- anticipation of risks and improvement of working conditions;
- social aspects of changes in technology, production or production organisation;
- anticipatory administration of employment and retirement;
- development of abilities and hence the possible generation of new qualifications;
- definition of training needs, drafting of training plans and technical and financial planning of training measures.

*Legal Basis*

- *TEFP* Cabinet Circular no. 04-94 of 3.3.1992;
- *CDE* Circular no. 93-5 of 9.2.1993.

*Type of Assistance*

Partial or full financing of the costs of hiring an external enterprise consultant as well as the additional internal costs, for example, the analysis of the enterprise's situation or the drafting of a plan of procedure.

*Rate of aid*

The subsidy is allocated after the authorities and the enterprises have reached agreement on the contents of the plan and the possible publication of the results.

The amount of the subsidy is negotiated on a case-by-case basis and depends on the degree of interest in the plan, its innovative character, the degree of agreement and internal involvement.

The State's involvement may not amount to less than 20% or more than 50% of the basic total costs, and may not exceed 80% of the costs for the external enterprise consultant. The subsidy is limited in all cases to a maximum of FF 400,000 before tax.

*Institutional Support*

*DDTEFP, DRTE, DRFP.*

*Financial Resources*

State.

*Effects*

288 beneficiaries in 1993.

F-ii.9

**Long-term subsidy for working-time reduction – TRILD**  
**(Temps réduit indemnisé de longue durée – TRILD)***Aim*

The TRILD subsidy is a measure to prevent or avoid redundancies in the event of a sustained decline in the business operations of an enterprise.

A TRILD subsidy is granted on the basis of an agreement with the FNE. Workers who are subject to long-term working-time reductions receive benefits if these reductions have been implemented as a normal measure throughout the entire enterprise.

*Legal Basis*

- Five-Year Law no. 93-1313 of 21.12.1993 (*Journal Officiel* of 22.12.1993);
- Decree no. 94-448 of 20.6.1994 (*Journal Officiel* of 21.6.1994);
- Administrative Directive of 20.6.1994 (*Journal Officiel* of 21.6.1994);
- DE Circular no. 94-34 of 28.7.1994.

*Beneficiaries*

All enterprises which:

- are members of UNEDIC;
- are experiencing sustained cyclical difficulties;
- are planning long-term working-time reductions in violation of statutory working hours.

*Duration*

TRILD agreements have a duration of between 12 and 18 months.

*Rate of aid*

- The subsidy is a compensatory payment per hour paid to the worker by the employer;
- the amount of the subsidy is calculated as an hourly rate based on the normal hourly wage paid in the enterprise;
- it is equal to 50% of the gross remuneration also taken as the basis for calculating paid holidays;
- since 16 March 1993 the subsidy has been set by Government Law at FF 29 for the minimum hourly rate that complies with the inter-professional agreement on short-term working (*accord interprofessionnel relatif au chômage partiel*);
- the subsidy is limited to 1,200 hours per worker;
- the employer pays the subsidy on the usual pay-day;
- the TRILD subsidy is exempted from employers' social security contributions;
- the amount paid to the worker is subject to social security contributions of 1.4% for health insurance, maternity insurance, invalidity insurance and demise, and of 2.4% for the CSG.

Regulations on crediting TRILD periods for additional pension entitlement against payment of contributions can be negotiated with the enterprise.

*Reimbursement*

Employers who have concluded a *TRILD* agreement with the State are reimbursed with a flat-rate amount for every hour by which working time has been reduced, for a maximum of 1,200 hours.

This reimbursement is equal to:

- FF 22 per hour of working-time reduction for the first 700 hours paid by the State; the employer pays FF 7;
- FF 15 from the State, FF 10 from *UNEDIC* and FF 4 from the employer per hour of working-time reduction for the following 500 hours.

The employer must pay an additional contribution to *UNEDIC* for every worker who is registered as unemployed following redundancy on economic grounds subsequent to a *TRILD* period. This regulation also applies for the 6 months following the *TRILD* period. The additional contribution is calculated on the basis of FF 2.50 per hour subsidised by *TRILD* from the 701st hour onwards.

*Financial Resources*

*FNE*, employer, State.

*Institutional Support*

*DDTEFP*, workers' representatives in the enterprise.



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### **3. Aid to the Unemployed**

Cf. Chapter II, 4.2.



## 4. Training, Retraining and Occupational Mobility

- F-iv.1 Adult vocational training (*Formation professionnelle des adultes*)
- F-iv.2 Jobseeker status in vocational training (*Statut du demandeur d'emploi en formation professionnelle*)
- F-iv.3 Commitment to develop in-plant training (*Engagement de développement de la formation dans les entreprises*)
- F-iv.4 FNE agreement on training and adaptation (*Convention de formation et d'adaptation du Fonds National de l'Emploi*)
- F-iv.5 FNE agreement on mobility allowance (*Convention d'aide à la mobilité du Fonds National de l'Emploi*)
- F-iv.6 Courses for admission to enterprises (*Les stage d'accès à l'entreprise*)

## **Adult vocational training (*Formation professionnelle des adultes*)**

### **1. The Association for Adult Vocational Training (*Association pour la Formation Professionnelle des Adultes – AFPA*)**

The most important institution in the system for adult vocational training is the Association for Adult Vocational Training, which is the primary instrument for employment policy. The *AFPA* is an association which is subject to the Law of 1901. Since July 1984 the *AFPA* has been placed under the supervision of the Ministry of Labour.

The principal task of the *AFPA* is the vocational training of jobseekers. It is responsible for retraining, further training and advanced vocational training schemes; its courses were also opened in 1979 to employed workers taking individual training leave.

The *AFPA* also provides further training in response to demand from companies, establishing either specific courses or training schemes similar to those which already feature in its organisation.

Finally, the *AFPA* operates training schemes within the framework of *FNE*-supervised industrial restructuring or conversion.

The geographical and functional organisation of the *AFPA* is as follows:

- the organisation's headquarters is in Montreuil;
- 22 Regional Directorates assume general responsibility for *AFPA* activities in their Region;
- 22 Regional Centres for Applied Psychology (*Centres Psychotechniques Régionaux – CPR*) and 135 service centres inform, classify and counsel jobseekers;
- 131 training centres and 47 additional centres train apprentices, to whom they normally also provide full board and lodging;
- 7 Pedagogical and Technical Support Centres (*Centres Pédagogiques et Techniques d'Appui – CPTA*) are, similar to departments for development, involved in technical management, design of schemes and training of instructors.

In 1994 the *AFPA* budget was FF 5.26 billion for operating costs, and FF 357.6 million for investments.

In March 1991 the *AFPA* concluded a "target" contract with the State in which the guidelines for the support and further development of the *AFPA* administration for the period 1991 to 1993 were laid down. By signing this contract, the relationship to the State was clarified and a modernisation plan for the administration of the *AFPA* implemented.

The object of the Progress Contract which the *AFPA* concluded with the State on 7 March 1994 is to enhance the flexibility of the *AFPA*, to modernise its facilities and to improve its services in the medium term (1994 to 1998), and, thus, to extend the administrative competence of the *AFPA*.

As a strategic framework for the quantitative and qualitative objectives the *AFPA* intends to achieve within a period of five years, this contract formalises the relationship between the *AFPA* and the State within the context of a public mandate and replaces the previous system of prior control through the conferment of independent responsibility and obligation to produce results. Furthermore, the contract clearly and plainly confirms the *AFPA*'s status as a public employment authority and its non-profit-making function within the field of adult vocational training.

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## *2. Schemes agreed contractually with the Ministry of Employment*

These allow financial aid to be granted to private centres for the implementation of training courses directed towards the vocational integration or reintegration of workers and jobseekers.

In 1993, 7,472 people were trained by virtue of such agreements.

## *3. Vocational training schemes in national collective centres (centres collectifs nationaux) not managed by the AFPA*

These private organisations receive subsidies from the Ministry of Employment which cover a major part of their operating costs and costs of investment for adult vocational training schemes.

In 1993, 1,414 persons were trained in these centres.

## *4. Innovative training schemes*

The policy of binding agreements enables training establishments and enterprises to develop innovative training schemes in those sectors not covered by the AFPA. By virtue of these activities concepts can be developed and innovative methods and course contents defined, which it may be possible to disseminate to other training organisations.

12 contracts were concluded in 1993.

F-iv.2

### **Status of jobseekers in vocational training** **(Statut du demandeur d'emploi en formation professionnelle)**

#### *Aim*

The intention of conferring the status of trainee on jobseekers undergoing vocational training is to secure their social protection and grant them an allowance.

#### *Legal basis*

Articles L 920-5-1 to L 920-5-3 and L 961-1 to L 962-7 of the Labour Code.

#### *Contents*

Jobseekers who are undergoing training agreed by contract or that is approved by the State, the Region or a local authority are given the status of trainees. As such, they receive remuneration during their training, the amount of which depends on the situation they were in prior to commencing training.

1. Unemployed workers who can prove a minimum period of previous dependent employment (six months within a 12-month period, or 12 months over the course of a 24-month period):
  - Jobseekers admitted to long-term training (between 1 and 3 years) and who can prove three years of dependent employment:
    - recipients of the one-off degressive allowance receive remuneration until the end of the course equalling the amount of the allowance they drew before commencing training;
    - those persons who are not receiving the one-off degressive allowance receive remuneration which is calculated using the same criteria as for recipients of the one-off degressive allowance.
  - Jobseekers who are admitted to a training scheme lasting less than one year and who are in receipt of the one-off degressive allowance; for the duration of the scheme they acquire entitlement to remuneration which is calculated using the same criteria as for recipients of the one-off degressive allowance;
  - other unemployed workers receive FF 4,070.40 per month, provided they fulfil the conditions noted in point 1.
2. Disabled jobseekers who do not fulfil the conditions in point 1 or who are looking for their first job receive a remuneration of FF 3,803 per month.
3. Housewives with three or more children who have been divorced, legally separated or widowed for the past three years receive FF 4,070.40 per month.
4. Single parents receive FF 3,803 per month.
5. Other jobseekers aged between 16 and 17 receive FF 580 per month for the first six months, and then FF 798 per month; those aged between 18 and 25 receive FF 2,002 per month.

#### *Financial resources*

Financial support is ensured by the State, the Regions and *UNEDIC*.

#### *Institutional support*

*DRTEFP*, Regional Councils, *ASSEDICs*.

### **Commitment to develop in-plant training** **(Engagement de développement de la formation dans les entreprises)**

#### *Aim*

The commitment to develop in-plant training has two objectives:

- Economic efficiency and competitiveness. Enterprises facing extremely rapid economic and technological changes, especially in the area of international competition, are to be assisted in intensifying their training endeavours, which are necessary in order that the skills of the workers can be rapidly adjusted to accommodate the new circumstances.
- Social solidarity. Enterprises are to ensure that the intensification of training contributes to the wider measures for the improvement of human resource administration. To this end, the skills of the workers are to be improved, the level of acquired qualifications raised and the occupational mobility of the workers increased.

#### *Legal basis*

Article L 951-5 of the Labour Code.

#### *Contents*

The commitment to develop in-plant training generally leads to the signing of framework agreements between the State and the professional organisations. The agreements specify the following:

- the aims in the respective areas of training;
- the amount of financial support;
- the follow-up and evaluation procedures.

In this case, implementation agreements are signed at Regional level which adapt the regulations in the framework agreements to the local context. Agreements which foster territorial development can, however, also be concluded directly at Regional level. The enterprises may enter into such agreements having sought the opinion of the works council or, in its absence, the shop stewards; enterprises with less than 500 employees are specifically targeted by this measure. The subsidy is granted for a part of the enterprise's additional expenditure, which is evaluated in relation to expenditure on training in previous years. The rate of the subsidy varies according to the type of project pursued; in enterprises with less than 500 workers it can amount to up to 70% of the teaching costs; in larger enterprises up to 50% of these costs are subsidised.

#### *Financial resources*

The European Union (European Social Fund), the State and the Regions finance this measure.

#### *Institutional support*

DDTEFP.

#### *Duration*

The duration of the commitment can be between two and three years. In enterprises with less than 500 employees the maximum duration of the measure is one year.

F-iv.4

**FNE agreement on training and adaptation**  
**(Convention de formation et d'adaptation du Fonds National de l'Emploi)**

*Aim*

To resolve isolated employment problems resulting from technological developments, the decline of business activities in enterprises or the state of the economy; The principle characteristic of these agreements is the urgency and the temporary nature of the measures to be implemented.

*Legal basis*

- Articles L 322-1 et seq. of the Labour Code;
- Articles R 322-1 et seq. of the Labour Code.

*Contents*

The conditions for financing and implementing schemes for vocational training or adaptation are the subject of an agreement signed by the Département Prefect or, by proxy, the Département Director of Labour, Employment and Vocational Training, and the managing director of the company. The application is to be submitted to the works council, or, in its absence, to the shop stewards. The company undertakes to not fill the worker's position with another worker for a period of at least six months after the conclusion of training or adaptation.

The agreement may be concluded:

- With companies in difficulty:
  - to ensure the retraining of personnel on the premises, whose employment must be maintained in the case of a total or partial change in activity;
  - in order to counter inappropriate employment qualifications which would be effective in the short term.
- With companies undergoing resettlement or carrying out new recruitments, in particular, when they employ jobseekers who are in difficulty, provided that the required qualifications are not already available on the local labour market.
- With enterprises with a low level of business activity:
  - in order to offer an incentive for the implementation of training measures in the place of short-time working, or long-term subsidies for working-time reduction or transition to part-time contracts;
  - in order to ensure external training of workers (who have been made redundant on economic grounds) in other firms.

The training schemes should be of level V (*Certificat d'Aptitude Professionnelle* – Certificate of Vocational Training – CAP; *Brevet d'Etudes Professionnelles* – Certificate of Vocational Studies – BEP) or lower, with priority targeting for production personnel who rapidly need to acquire new professional skills. There are two types of scheme:

- training schemes that are operated outside the production process, follow a structured programme, and at the end of which an assessment of new skills/knowledge, a diploma or a qualification recognised by the adaptation agreements is awarded;
- adaptation schemes are conducted wholly or in part at the workplace and encompass a percentage of production time.



The costs that are quoted on an expert basis are of two kinds:

- operating costs: these may comprise the wage/salary and social security contributions of instructors, the costs of hiring and fitting out classrooms, any depreciation of equipment, expenses for tools, etc.;
- training allowance for workers: this consists of a gross salary (without bonuses or compensation) and social security contributions, of which 32% (flat rate) is borne by the employer.

The amount of the reimbursable administration expenses and remuneration varies. The average rates set for 1993 were approximately:

- 50% for small and medium-sized companies;
- 30% for enterprises with more than 500 employees.

#### *Financial resources*

State, enterprise.

#### *Institutional support*

Prefecture, DDTEFP.

#### *Duration*

The agreements are concluded for a duration of one year. The training schemes must encompass a minimum of 50 and a maximum of 1,200 hours. In the case of adaptation schemes at least 120 non-productive training hours should be provided.

#### *Effects*

1,076 contracts signed in 1993;  
54,392 potential beneficiaries in 1993.

F-iv.5

**FNE agreement on mobility allowance**  
**(Convention d'aide à la mobilité du Fonds National de l'Emploi)**

*Aim*

To pay a financial allowance to workers made redundant on economic grounds, or who are party to a retraining agreement, when they accept new employment entailing geographical mobility.

To enable social plans to be improved and to encourage companies to participate in the redeployment of their redundant workers.

*Legal basis*

Articles L 322-2, R 322-1 and R 322-5-1 of the Labour Code.

*Contents*

Projects involving agreements on mobility allowances are the subject of consultation procedures with workers' representatives and organisations representing the social partners. The conditions for financing and implementing the mobility allowances are the subject of an agreement signed by the managing director of the company and either the Minister responsible for employment or the Département Prefect or, by proxy, the Département Director for Labour, Employment and Vocational Training.

The persons targeted are workers made redundant on economic grounds, or who are party to a retraining agreement, who have been redeployed into a new job and have changed their domicile (no conditions regarding age or service).

The parties involved are those employers who fall within the range of application of Article L 322-2 of the Labour Code.

The amount of allowance depends on the location of the enterprise:

- companies situated outside "structural adjustment regions" or areas with serious employment difficulties (Limousin, with the exception of Aubusson): the ceiling for the State's contribution is FF 20,000 per recipient, plus FF 30,000 per dependent child under 16;
- companies situated in "structural adjustment regions" or areas with serious employment difficulties: ceiling of FF 30,000 per recipient, plus FF 3,000 per dependent child under 16.

The measure is jointly financed by the State and the enterprise (when the latter is able to underwrite its financial responsibility).

The State participation rate may vary between:

- 0% and 50% for companies with 500 or more employees;
- 0% and 70% for companies with fewer than 500 employees.

Variation of the rate depends on the size of the company, its economic and financial situation, and the quality of the social plan being implemented by this company.

Payment by the State takes the form of reimbursement to the company, on presentation of appropriate supporting documentation relating to hiring the worker and the costs associated with his/her relocation.

*Financial resources*

State, employer.

*Institutional support*

Prefecture, *DDTEFP*.

*Effects*

1,297 individual contracts in 1994.

## **Courses for admission to enterprises (*Les stage d'accès à l'entreprise*)**

### *Definition*

Courses for admission to enterprises (*Stages d'Accès à l'Entreprise* – SAE) are intended to offer the chance for the following persons to answer difficult job advertisements and to meet their requirements through training measures negotiated with the enterprise:

- jobseekers (SAE 1);
- an employee of the enterprise concerned, if a jobseeker is recruited at the same time and takes over his/her position (SAE 2);
- an employee of the enterprise concerned and an applicant for the position that the employee is leaving (SAE 3).

### *Legal Basis*

- Law no. 91-1 of 31.1.1991 (*Journal Officiel* of 5.1.1991);
- CE Circular no. 91-55 of 30.12.1991;
- Law no. 93-1313 of 20.12.1993 (Article 16 thereof).

### *Aim*

1. To provide jobseekers with vocational skills which will give them access to one of the vacancies handled by the *ANPE*.
2. To make additional training elements accessible to workers for the furthering of their skills and to enable them to benefit from better qualifications giving them access to other positions within the enterprise; in this case, however, the enterprise must recruit a jobseeker to fill the position which the further trained worker has vacated.

### *Duration*

Recruitment of a jobseeker to fill the position that the further trained worker has vacated on the grounds of internal mobility must occur, where possible, in the form of an open-ended employment contract. If the SAE contract is concluded for a fixed term, this term may not be less than six months.

### *Target Group*

1. Jobseekers registered with the *ANPE* whose skills, knowledge or qualifications come close to those required for the vacancy concerned.
2. Workers who can attain a better qualification within the company by way of additional training as long as the position vacated by this person is filled by a jobseeker.

### *Employers entitled to assistance*

1. Enterprises which have submitted a vacancy to be processed by the *ANPE* and who wish to employ the course participant after completion of training.

2. Enterprises which wish to offer an employee access to a better position within the enterprise after an improvement in the employee's qualifications, provided that the position vacated by this person is filled by a jobseeker.

### *Training*

The training measure is a full-time vocational training scheme that can be offered on an individual basis or in groups within the company or in a training establishment.

Training lasts between 40 and 500 hours, on average 300 hours; its maximum duration is to 750 hours for the long-term unemployed.

### *Legal status and remuneration*

The participating jobseekers have the legal status of a vocational trainee.

Remuneration: State, ASSEDICs (*AFR* or *AFRE*); payment occurs through the enterprise.

### *Administration and measures*

The *ANPE*:

- decides on the appropriateness of the course and the possible type of contract (*SAE 1*, *SAE 2*, *SAE 3*);
- lays down, in agreement with the enterprise, the training requirements which the enterprise or the training centre must fulfil;
- carries out the preselection process and introduces the applicant or applicants to the enterprise;
- negotiates the training costs and partially or entirely finances the administrative costs as well as a flat-rate subsidy amounting to FF 28 per completed training hour in order to diminish the cost of remunerating the participants;
- concludes a special agreement with the enterprise and the training establishment. In the case of *SAE 3* schemes two agreements are concluded: one on the administrative costs for the training of the worker and the flat-rate remuneration subsidy, and another on the administrative costs for the jobseekers; the remuneration of the latter group is financed by the *AFR*, the enterprise or the State;
- follows up the integration of the participants in the enterprise on completion of training.

### *Financial resources*

The budget assumes a basic amount of FF 5,400 (300 hours at FF 18 per hour) for administrative costs.

On this basis the proportional costs that are taken on can be adapted and adjusted in accordance with the real costs and possibilities for co-financing.



## 5. Job Creation

- F-v.1 Agreement on the promotion of employment (*Convention pour la promotion de l'emploi*)
- F-v.2 Assistance for unemployed persons setting up or rescuing a company (*Aides aux Chômeurs Créateurs ou Repreneurs d'Entreprise – ACCRE*)
- F-v.3 Consultancy cheque-book for enterprise foundation (*Chèque conseil création d'entreprise*)
- F-v.4 Exemption from social charges on hiring a first employee (*Exonération des charges sociales pour l'embauche d'un premier salarié*)
- F-v.5 Exemption from social charges on hiring a second and third employee (*Exonération des charges sociales pour l'embauche d'un deuxième et d'un troisième salarié*)
- F-v.6 Economic integration enterprises (*Entreprise d'insertion par l'économie*)
- F-v.7 Intermediary associations (*Association intermédiaire*)
- F-v.8 Domestic positions (*Emplois familiaux*)
- F-v.9 Temporary integration contracts (*Les entreprises d'intérim d'insertion*)
- F-v.10 Services cheques (*Chèque emploi service*)
- F-v.11 Exemption from employers' contributions to the family allowance (*Exonération des cotisations patronales d'allocations familiales*)

F-v.1

**Agreement on the promotion of employment  
(Convention pour la promotion de l'emploi)***Aim*

To promote innovative projects involving:

- investigation and appraisal schemes, or feasibility studies with a view to creating jobs;
- supervisory schemes (counselling, monitoring projects);
- schemes to create jobs arising from a local initiative or overall development scheme for a specific area.

*Legal basis*

- Circular no. 91-7 of 13.2.1991;
- Circular no. 95-5 of 10.4.1995.

*Contents*

Targets all private entities (association, cooperative, limited liability companies, joint-stock companies) or public entities, with the exception of State administrations.

State assistance is provided via an agreement concluded between the Département Prefecture and the organisation running the project.

The assistance is paid in three portions:

- 30% on signature;
- 30% on delivery of an interim implementation report;
- 40% on delivery of the final report.

When the total amount does not exceed FF 60,000, two payments may suffice.

*Financial resources*

State.

*Institutional support*

Prefecture, DDTEFP.

*Effects*

400 agreements concluded with Départements in 1994.



F-v.2

**Assistance for unemployed persons setting up or rescuing a company  
(Aides aux Chômeurs Créateurs ou Repreneurs d'Entreprise – ACCRE)***Aim*

To encourage, by granting financial assistance, jobseekers who have a concrete project to set up or rescue a company shortly after their registration with the *ANPE*.

*Legal basis*

- Law of 20.12.1993;
- Decrees no. 94-224 and 94-225 of 21.3.1994.

*Contents*

The persons targeted by this measure are:

- jobseekers receiving one of the unemployment benefits paid by *ASSEDIC* or their former employer in the public sector and beneficiaries of the Specific Solidarity Allowance (cf. Chapter II, 4.2.2) or the Integration Allowance (*Allocation d'Insertion – AI*);
- workers who are party to a retraining agreement;
- recipients of the Minimum Integration Income (*RMI*, cf. F-viii.1) and their spouses or common-law partners;
- unemployed persons who are registered with the *ANPE* and who have not been receiving benefits for the previous 6 months.

The precondition for obtaining this assistance is to create a company conducting any economic activity and of any legal form, with the exception of economic interest groups and associations.

The *ANPE* offers its support to jobseekers interested in this scheme (awareness, guidance, information) and assists them in compiling a dossier. A written application must be submitted to the *DDTEFP* of the Département where the company's head office is located. The decision must be made within 1 month as of the application date.

The allowance amounts to FF 32,000, paid in a single lump sum on the date the company commences business operations.

*Financial resources*

State.

*Institutional support*

*ANPE*, *DDTEFP*, Prefect.

*Effects*

79,000 beneficiaries in 1994.

F-v.3

## **Consultancy cheque-book for enterprise foundation (*Chèque conseil création d'entreprise*)**

### *Aim*

1. Prior to enterprise foundation: the aim is to provide an incentive to seek advice as early as possible before the beginning of the project so that the suitability of the human resources in relation to the proposal as well as the viability of the future enterprise can be better assessed. Thus, persons for whom it appears that the foundation of an enterprise is not the appropriate solution for their employment problem can be given alternative advice at the same time.
2. Subsequent to enterprise foundation: the new entrepreneur can seek advice from specialist institutions which are able to deal with his/her requirements in getting the enterprise off the ground and the special technical problems encountered in setting up or restructuring an enterprise, should these represent problems.

### *Legal basis*

- Five-Year Law no. 93-1313 of 20.12.1993 (Article 6);
- Decree no. 94-225 of 21.3.1994 (Article R 351-47 of the Labour Code);
- Administrative Directive of 5.5.1994;
- Circular no. 94-23 of 1.7.1994;
- CAB/TEFP Circular no. 05/95 of 24.3.1995.

### *Contents*

The following persons are entitled to assistance:

- all persons who have withdrawn an application to found an enterprise and who meet the requirements set out in Articles L 351-24 and R 351-41 of the Labour Code are entitled to a maximum of two consultancy cheque-books;
- all persons who have applied for ACCRE are entitled to a maximum of three consultancy cheque-books, including, however, those cheque-books that were obtained prior to the foundation of the enterprise.

In order to receive a new cheque-book the previous one must have been completely used up. Cheque-books are obtainable by written application to the DDTEFP.

Consultancy cheque-books contain 6 cheques with a nominal value of FF 300, corresponding to one hour's consultation. The fee for one hour of consultation is fixed at FF 400, of which FF 300 is financed by the State; FF 100 of the contracted consultant's fee is borne by the owner of the cheque-book. The State covers the entire fee of FF 400 per hour of consultation for the first consultancy cheque-book for beneficiaries in receipt of RMI and ASS.

### *Financial resources*

State.

### *Institutional support*

Prefecture, DDTEFP.

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*Duration*

The consultancy cheque-book is issued at the earliest from the date of withdrawal of the application for *ACCRES* and at the latest within 12 months after the actual foundation of the enterprise, provided approval has been granted under *ACCRES*.

The cheques are valid for 12 months after the date of issue.

*Effects*

61,500 cheques cashed in 1994.

F-v.4

### **Exemption from social charges on hiring a first employee (*Exonération des charges sociales pour l'embauche d'un premier salarié*)**

#### *Aim*

To grant to the self-employed and farmers full exemption from social security contributions on the recruitment of a first employee on an employment contract.

#### *Legal basis*

- Law no. 89-18 of 13.1.1989;
- Decree no. 89-392 of 14.6.1989;
- Law no. 90-1260 of 31.12.1990;
- Law no. 91-1405 of 31.12.1991;
- Law no. 92-1446 of 31.12.1992;
- Five-Year Law no. 93-1313 of 20.12.1993 (Article 4);
- CDE Circular no. 94-12 of 10.3.1994;
- CDE Circular no. 95-24 of 10.5.1995.

#### *Contents*

The scheme applies to:

- every person hired, regardless of age and whether or not they are registered as a jobseeker;
- trainees in a company who are hired on completion of training under an open-ended or fixed-term employment contract;
- first apprentice or first worker hired on a qualification contract, if he/she is the first employee recruited when this contract expires.

#### *Enterprises concerned*

- persons who are not registered as being in dependent employment at the institutions responsible for collecting family allowance contributions, irrespective of the chosen legal structure (traders, craftspersons, members of the liberal professions and agricultural enterprises);
- managers of limited liability companies (SARL) with minority or equal share;
- approved associations (registered before 1 August 1992) in the social sector and in training, mutual associations, agricultural production cooperatives (*Coopérative d'Utilisation du Matériel Agricole – CUMA*) and, under certain conditions, amalgamations of enterprises.

Enterprises which have been operating without employees for 12 months before recruiting a worker with entitlement to assistance – apart from young persons with apprenticeship or qualification contracts – are eligible for exemption.

#### *Legal status*

Workers with open-ended or fixed-term (minimum 12 months, maximum 18 months) contracts, which were concluded on account of a temporary increase in business activity.

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*Exemption*

Full exemption from employers' contributions to social security, occupational accident insurance and family allowance. No exemption from all other employer and employee contributions.

*Duration of exemption*

- open-ended employment contracts: exemption is granted for a maximum of 24 calendar months as of the date on which the contract of employment comes into effect, provided that entitlement is not suspended. This period must fall within the first 36 months after the date of recruitment of the first employee;
- fixed-term employment contracts with a minimum duration of 12 months: exemption is granted for the initial intended duration of the employment contract; no exemption is granted if the contract is extended; thus, the duration is a minimum of 12 and a maximum of 18 months.

These new measures are in force until 31 December 1998. Contracts concluded before 1 January 1994 are subject to the old regulations.

*Financial resources*

State.

*Institutional support*

DDTEFP, Social Security and Family Allowance Association (*Union de Recouvrement de Sécurité Sociale et d'Allocations Familiales – URSSAF*).

F-v.5

**Exemption from social charges on hiring a second and third employee**  
**(Exonération des charges sociales pour l'embauche d'un deuxième et d'un troisième salarié)**

*Aim*

To encourage employment in certain structurally weak rural areas and problem areas, and to facilitate the development of small crafts businesses by increasing the benefits that certain employers can enjoy from being exempt from social security contributions on hiring a second and third employee.

*Legal basis*

- Law no. 91-662 of 13.7.1991;
- Law no. 91-1405 of 31.12.1991;
- Law no. 92-1446 of 31.12.1992;
- Decree no. 93-202 of 5.2.1993;
- Five-Year Law no. 93-1313 of 20.12.1993;
- CDE Circular no. 94-13 of 10.3.1994;
- Law no. 95-116 of 4.2.1995;
- CDE Circular no. 95-24 of 10.5.1995.

*Target group*

- every newly recruited worker, regardless of age or whether he/she is registered as a jobseeker;
- course participants in enterprises if they are recruited on an open-ended employment contract at the end of the course;
- apprentices or persons who are entitled to a qualification contract if they are recruited as a second or third employee on an open-ended employment contract.

*Enterprises concerned*

- self-employed persons;
- managers of limited liability companies (SARL) with minority or equal share;
- agricultural production cooperatives;
- corporations of employers if their members are exclusively active as farmers or crafts workers.

At the time of the recruitment, the employer's business activities must be carried out in areas which qualify for aid – in accordance with the schemes implemented for the planned development of rural areas – or in mountain regions or rural areas in the overseas Départements, or in housing developments or run-down residential areas (as they are defined under application of the orientation law of the respective city).

Employers can claim exemption if they have operated their business with at least one or two employees, or two or three employees, respectively, if one of the latter held an apprenticeship contract, a qualification contract or a vocational integration contract 12 months prior to recruitment.

Such employers can claim the exemptions concurrently or successively for a first, a second and a third employee.

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*Legal Status*

Workers with open-ended employment contracts or fixed-term contracts with a duration of at least 12 months which were concluded on the grounds of a temporary increase in business activity.

*Exemption*

Full exemption from employers' contributions to social security, occupational accident insurance and family allowance for a duration of 12 months for recruitments before 31 December 1995. No exemption from all other employer and employee contributions.

*Duration of exemption*

Exemption is granted for a duration of 12 calendar months as of the date on which the contract of employment comes into force and subject to suspension of the entitlement to exemption.

*Financial resources*

State.

*Institutional support*

DDTEFP, URSSAF.

F-v.6

## **Economic integration enterprises (*Entreprise d'insertion par l'économique*)**

### *Aim*

This measure is aimed at improving the vocational and social integration of jobseekers, in particular, of young persons aged under 26; the enterprises are encouraged to work out plans for their integration to this end.

### *Legal basis*

- Law no. 94-43 of 18.1.1994 (*Journal Officiel* of 19.1.1994);
- Articles L 322-4-13, L322-4-14 and R351-43-1 of the Labour Code;
- Decree 91-421 of 7.5.1991 (*Journal Officiel* of 11.5.1991);
- Decree 91-422 of 7.5.1991 (*Journal Officiel* of 11.5.1991);
- Decree 91-747 of 31.7.1991;
- *DE* Circular no. 53/91 and *DAS* Circular no. 91/40 of 30.12.1991.

### *Enterprises concerned*

All enterprises which produce tradable goods or services. However, they must be able to prove economic viability and be able to provide those persons in difficulty with effective support with regard to their vocational integration.

### *Target group*

The target group consists of persons who find themselves in immense difficulties and for whom the normal measures for social and vocational integration have proven ineffective:

- young people aged under 26 in extreme difficulties;
- long-term unemployed;
- *RMI* beneficiaries;
- persons who have completed a period of imprisonment or detoxification.

The State enters into an agreement with the integration enterprise. By virtue of the agreement, the enterprise can avail of assistance as regards State financing.

The application to conclude an agreement must be submitted to the Prefecture and to the Département Directorate for Health and Social Affairs (*Direction Départementale des Affaires Sanitaires et Sociales – DDASS*).

The agreement signed by the *DDTEFP* defines, in particular, the enterprise's obligation to integrate the jobseekers and lists all State aids that the enterprise can claim. It has a maximum duration of 24 months and can be extended twice within this period.

The agreement lays out in detail that the enterprise is obliged to cooperate closely with the *ANPE*, both with regard to recruitment and the support of the person hired.

### *Financial resources*

The Ministry of Social Affairs pays a flat-rate subsidy of FF 38,000 per annum per position filled by a worker seeking integration. This subsidy is calculated proportionally to the length of time the



position is filled. It can be combined for the same position with other subsidies financed out of the budget of the above Ministry. The rate of the subsidy is adjusted on 1 January of each year.

The aim of the subsidy is to:

- promote the recruitment of persons seeking integration and compensate for their lower productivity;
- take over the financing of preliminary studies prior to enterprise foundation;
- train persons setting up enterprises or support existing integration enterprises;
- provide support to the nodes of the network of integration enterprises.

The Ministry of Social Affairs grants a subsidy which is calculated in accordance with the effective duration of business operations in the financial year being considered. This is to finance:

- subsidies to start up or develop the enterprise;
- additional costs for supervising and providing social support to the persons to be integrated;
- subsidies for the network to coordinate the integration enterprises.

The remaining Ministries, in particular, the Ministry of Justice, provide special services and, in particular, all manner of assistance to the integration enterprises employing the target groups in question.

The local authorities can be included in the support measures for the participating enterprises. A combination of subsidies for administrative costs from the budgets of the Ministry of Employment and the Ministry of Social Affairs may not exceed FF 76,000 per year and per position serving an integration purpose.

A fund for loan guarantees has been created in order to be able to meet the needs of the integration enterprises for liquid assets and investment resources. This fund is administered by the Institute for the Development of the Social Economy (*Institute de Développement de l'Economie Sociale – IDES*). The purpose is to ensure partial guarantees for loan contracts concluded by the integration enterprises as well as for the organisations affected.

A 50% reduction in employers' contributions to social security, family allowance and occupational accident insurance has been introduced for the benefit of integration enterprises and enterprises which have entered into fixed-term integration contracts.

The exemption is, however, only granted for those working hours that are paid above or at most at the *SMIC* hourly rate.

The Département Committee for Economic Integration:

- enables mutual information between the various financing bodies;
- allocates and coordinates public financial resources;
- inspects the quality of the enterprise's social project as well as the economic guarantees for its viability;
- drafts an opinion on the access of the integration enterprises to the guarantee fund.

## **Intermediary associations (*Association intermédiaire*)**

### *Definition*

Intermediary associations contribute to the social and vocational integration of jobseekers in immense difficulties. They offer them the opportunity to be recruited with a contract of employment having been made available to a user.

An intermediary association becomes an institution recognised by the State following a hearing by the professional organisations. The approval is granted for a period of one year and can be extended. The application for approval must be submitted to the Prefecture. In order to be approved, the intermediary association must serve the purpose of recruiting unemployed persons and making them available for paid work, must contribute to the social and vocational integration of such persons, must be administered by unpaid volunteers and must have human, financial and material resources at its disposal.

### *Aim*

The main duty of an intermediary association consists in managing the relations between the jobseeker in difficulties and the client offering a position and the authorities where the jobseekers are compulsorily registered and to whom they pay their taxes and contributions.

### *Legal basis*

- Law no. 87-39 of 27.1.1987;
- Decree no. 87-303 of 30.4.1987;
- Law no. 89-905 of 19.12.1989;
- Decree no. 90-418 of 16.5.1990;
- Decree no. 91-747 of 31.7.1991;
- Decree no. 92-331 of 30.3.1992;
- Decree no. 95-447 of 25.4.1995;
- CDE/DRT Circular no. 95-20 of 28.4.1995.

### *Contents*

The role of the intermediary association is to hire out workers by recruiting unemployed jobseekers and making them available to third parties against payment. The intermediary association concludes two contracts for every activity they arrange for the jobseeker:

- A written contract is concluded with the recruited person (open-ended part-time employment contract or temporary employment contract). This contract can be renewed twice within a maximum period of 24 months.
- A contract on manpower transfer is concluded with the client, in which the name of the worker, the location where the agreed activities are to be carried out and the type of activity are stipulated.

An intermediary association can also conclude contracts for community work. It must be in a position to run a permanent contact office and be able to help work out plans for personal development (within the framework of support and observation of the beneficiary).

Its sphere of activity ranges from small jobs for individuals to offers of assistance to housewives, older persons, the disabled, etc., casual labour for craftspersons, farmers and shopkeepers, for communities, jobs in social housing, for organisations, work for improving the environment, and new types of customer services in transport or in trade, in public services, in enterprises, etc.

Numerous areas of activity are open to the intermediary associations, as long as they do not become excessively competitive with other businesses.

### *Target Groups*

Jobseekers with special integration difficulties, in particular:

- RMI beneficiaries and their spouses or common-law partners;
- the long-term unemployed over 50 years of age;
- single women;
- disabled workers;
- ex-convicts.

The persons recruited have the legal status of a worker. Thus, they have equivalent legal status to other employees and have social insurance cover if they work at least 200 hours per quarter. Health insurance, in line with their status as employee, is retained for those who work less than 200 hours per quarter; they acquired this protection while they were registered as unemployed at the ANPE.

### *Financial resources*

The intermediary associations pay:

- the wages and social charges of the persons they recruit;

Further resources, contributions, gifts and subsidies are possible.

Exemption from social charges: the State subsidy consists of a partial exemption from social charges: for employees who work less than 750 hours per calendar year or during one uninterrupted year of employment the employers' contribution is remitted for health insurance, maternity insurance, invalidity insurance, insurance in case of death, old-age and widows' pensions, family allowance, traffic taxes and the national housing construction fund.

The general legal obligations for contributions are in force for employees who work more than 750 hours per calendar year or during one uninterrupted year of employment.

Tax advantages: the intermediary associations pay neither turnover tax, trade tax, corporation tax nor apprenticeship tax. However, they remain subject to the obligatory contributions for further vocational training.

The starting-up subsidy amounts to between FF 50,000 and FF 100,000.

The intermediary associations can conclude agreements with the ANPE in order to make the services of the ANPE accessible to their jobseekers.

F-v.8

## **Domestic positions (*Emplois familiaux*)**

### *Aim*

To meet the needs of families and improve their quality of life through a domestic help while encouraging job creation through tax relief.

### *Contents*

This measure involves a reduction of taxes on income for 1995 of 50% of the total expenditure committed, with a ceiling of FF 90,000 per year, i.e. a maximum fiscal advantage of FF 45,000 per year when other domestic allowances (disabled people, persons aged over 70) are being claimed, as well as a reduction in child-care expenses, although allowances for child-care facilities outside the home (crèche, child-minder, etc.) are possible in addition.

This fiscal allowance is open to everyone, including private individuals who employ one or more workers. It is possible to apply to authorised associations; these can help a jobseeker to find an employer and for a fee will assume responsibility for administrative costs. These associations can equally provide services to families, in which case their role is more that of an employer.

The employer, whether a family or an association, submits a request to *URSSAF* for information on the employee and the employer, which enables the employer to be registered. Hiring of the employee takes the form of an employment contract or a letter of hiring (in the case of full-time permanent employment).

The employer has to choose the method for calculating employers' contributions: either on the basis of the actual wage/salary or on the basis of a flat rate amount equal to the *SMIC*.

### *Financial resources*

State.

### *Institutional support*

Prefecture, *DDTEFP*, local authority, *CAF*, *CPAM*, *URSSAF*, Post Office.

### *Duration*

One year.

**Temporary integration contracts (*Les entreprises d'intérim d'insertion*)***Aim*

The aim of this measure is to facilitate the social integration of those unemployed persons who have particular difficulty integrating, by offering them the opportunity to work.

*Legal basis*

- Law no. 94-43 of 18.1.1994 (*Journal Officiel* of 19.1.1994);
- Articles L 322-31-3, L 322-41-4, L 322-41-6 and R 351-43-1 of the Labour Code;
- Decree no. 91-421 of 7.5.1991 (*Journal Officiel* of 11.5.1991);
- Decree no. 93-247 of 22.2.1993 (*Journal Officiel* of 26.2.1993);
- Decree no. 91-747 of 31.5.1991.

*Enterprises concerned*

The enterprises which can avail of the measure are temporary employment agencies which are exclusively concerned with facilitating the integration of persons in difficulties by offering them work in a commercial enterprise.

A written temporary contract of employment is concluded, which is handed to the employee at the latest within 2 working days of his/her labour being transferred; the conditions for his/her transfer as well as the prescribed clauses are stipulated in this contract. The employment contract is signed by the temporary employment agency. The duration of the contract amounts to a maximum of 24 months, including extensions. A contract on manpower transfer is concluded between the temporary employment agency and its client (the commercial enterprise). The contract stipulates the conditions for transfer of the temporary worker (remuneration, bonuses, etc.). Observation and support of the worker occur during out-of-work hours via a training scheme, which is subject to the following requirements:

- drafting of a training assessment;
- implementation of catching-up and training schemes;
- planning of further vocational development;
- being put into contact with employers;
- support for the unemployed person with a view to stabilisation;
- advice as required on the activities of social institutions for health and accommodation problems;
- reinvigorating the search for employment.

*Target group*

The target group are persons with severe difficulties for whom the traditional measures for social and vocational integration have proven inappropriate:

- young persons under 26 years of age with severe difficulties;
- long-term unemployed persons;
- *RMI* beneficiaries.

The persons in this target group must already be in a position to work as temporary employees in a normal commercial enterprise with the appropriate support.

### *Administrative implementation of measures*

The State concludes an agreement with the temporary employment agencies concerned, setting out the modalities as regards public funding for the agencies. The agreement is available by application to the Prefecture of the Département (*DDTEFP*).

The agreement is signed by the *DDTEFP*. It contains, in particular, the obligations undertaken by the temporary employment agency and lists all public assistance available to the agency.

The duration of the agreement concluded between the State and temporary employment agency is one year. This agreement:

- details the categories of persons to be recruited for integration by the temporary employment agency and the general characteristics of the enterprise;
- stipulates the regulations according to which the beneficiaries are to be remunerated;
- defines the measures for social and vocational observation and support of the persons to be integrated, and details the modalities for cooperation with other institutions and services in pursuit of social and vocational integration of the same group of persons;
- lists the types of expenditure for which financial assistance is granted;
- details the information to be passed on to the signing authority.

### *Financial resources*

The Ministry of Labour grants a flat-rate financial subsidy of FF 180,000 per support centre. The rate is based on the number of workers:

- who are to be integrated (based on full-time employment);
- who are responsible for the support measures.

Additionally, the Ministry may grant a subsidy for the training of the founders or the care assistants of the temporary employment agency. Public funding of temporary employment agencies may not exceed a total of FF 300,000 per supported worker per annum. The temporary employment agency may apply for support from the Social Action Fund (*Fonds d'Action Sociale – FAS*) in accordance with its internal regulations.

The remaining Ministries, in particular, the Ministry for Justice, grant all types of assistance to those temporary employment agencies who take on persons from a target group falling within their jurisdiction. Local authorities can likewise be called on to support the temporary work companies.

The temporary employment agencies are also entitled to services from the guarantee fund under the same conditions as for economic integration enterprises and intermediary associations. This fund is administered by the Institute for Development and the Social Economy, whose purpose it is to grant partial guarantees for loan contracts concluded by integration enterprises.

A 50% reduction of employers' contributions to social security, family allowance and statutory accident insurance has been introduced for the benefit of integration enterprises and temporary employment agencies.

The Département Committee for Integration through the Economy (*Comité Départemental de l'Insertion par l'Economique*):

- ensures mutual information between the various financing bodies;
- ensures the best possible allocation and coordination of public funds;
- examines the social orientation of the enterprise and the economic guarantees for its viability;
- provides its opinion on applications by integration enterprises to receive financial resources from the guarantee fund.

F-v.10

## Services cheques (*Chèque emploi service*)

### Aim

Promotion of employment for individuals in the service sector through the greatest possible simplification of existing administrative procedures, especially in the area of temporary casual work.

### Legal Basis

- Five-Year Law no. 93-1313 of 20.12.1993 (Article 5);
- Decree no. 94-974 and Administrative Directive of 10.11.1994;
- Circular no. DSS/AAF/A1/94-85 of 22.11.1994.

### Contents

The services cheques were introduced as a means of payment and registration for domestic workers (domestic help, help for the sick – excluding care, child-care – excluding *AGED* beneficiaries, helping the aged, helping school-goers, casual gardening work). It is limited to a maximum working week of 18 hours or 1 month per year.

Each cheque-book contains 20 cheques in two parts: one actual cheque, which the employee receives on starting work, and the social counterfoil.

The employer can calculate the incurred social security contributions either on the basis of real income or as a flat-rate sum based on the *SMIC*.

The national processing centre for services cheques, the *Centre National de Traitement du chèque emploi service* (under the *URSSAF* in Saint-Etienne), calculates the incurred social security contributions; they are automatically debited from the account of the employer. Employers who are over the age of 70 are exempted from employer's social security contributions. The national processing centre for services cheques sends written confirmation of employment to the employee, which performs the function of a pay slip. This can be used to prove his/her entitlement to benefits from social security, unemployment insurance and additional pension.

Persons who use the services cheques as a means of payment receive a tax reduction amounting to 50% of their expenditure (wage and social charges) up to a maximum of FF 90,000, i.e. the tax advantage amounts to a maximum of FF 45,000 in 1995.

### Financial resources

State.

### Institutional support

Banks, Post Office, savings banks, *Trésor Public* (highest French financial authority), *URSSAF* Saint-Etienne.

### Duration

Nation-wide test period on the French mainland until 31 December 1995.

F-v.11

### **Exemption from employers' contributions to family allowance (*Exonération des cotisations patronales d'allocations familiales*)**

#### *Aim*

Reduction in employment costs for the low skilled as a contribution to the maintenance and creation of jobs, in particular, for labour-intensive economic sectors which are most severely exposed to competition from low-wage countries.

#### *Legal Basis*

- Law no. 93-1313 of 27.7.1993;
- Five-Year Law no. 93-1313 of 20.12.1993;
- Technical memorandum (*note technique*) DE/DRT no. 94-10 of 14.2.1994.

#### *Target group*

All workers with fixed-term or open-ended contracts of employment, independent of working hours, data of recruitment or duration of employment. Student trainees and school-goers are excluded. The measure applies to workers who were appointed after 1 July 1993.

#### *Enterprises concerned*

All private sector employers who are compulsory contributors to insurance against job loss:

- industry, trade, craft and agricultural enterprises, including temporary employment agencies;
- public and ministerial bodies, liberal professions, civil law associations, professional associations, associations, social security institutions except for those formed under public law;
- public industrial or commercial enterprises, mixed-economy enterprises;
- State enterprises;
- employers in the sea-fishing industry;
- public institutions.

#### *Exemption mechanisms*

The full or partial exemption from contributions to family allowance occurs automatically as soon as the rate of the contribution falls below a legally fixed threshold during the course of a calendar month.

A full exemption is granted for remuneration of or below 169 times the *SMIC* hourly rate plus 10% in the course of a calendar month.

This instrument will be gradually extended in the following phases up to 1998:

	100% exemption	50% exemption
as of 1.1.1995	Wages < 1.2 <i>SMIC</i>	1.2 < Wages < 1.3 <i>SMIC</i>
as of 1.1.1996	Wages < 1.3 <i>SMIC</i>	1.3 < Wages < 1.4 <i>SMIC</i>
as of 1.1.1997	Wages < 1.4 <i>SMIC</i>	1.4 < Wages < 1.5 <i>SMIC</i>
as of 1.1.1998	Wages < 1.5 <i>SMIC</i>	1.5 < Wages < 1.6 <i>SMIC</i>

*SMIC* basis of calculation: Legally fixed minimum wage (*SMIC* = FF 36,98 per hour on 1.7.1995).



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*Financial resources*

State.

*Institutional support*

DDTEFP, URSSAF.



## 6. Special Categories of Workers

### *Disabled*

- F-vi.1 Aid granted by the National Association for the Administration of the Support Fund for the Vocational Integration of the Disabled – AGEFIPH (*Aide de l'Association Nationale de Gestion du Fonds pour l'Insertion Professionnelle des Handicapés – AGEFIPH*)
- F-vi.2 Sectoral, enterprise and company agreements (*Accords de branche, d'entreprise ou d'établissement*)
- F-vi.3 Sheltered workshops (*Ateliers protégés*)
- F-vi.4 Income guarantee for disabled workers (*Garantie de ressources des travailleurs handicapés*)
- F-vi.5 Technical Commission for Vocational Guidance and Reintegration of Disabled Workers – COTOREP (*Commission technique d'orientation et de reclassement professionnel – COTOREP*)

### *Women*

- F-vi.6 Vocational equality scheme (*Plan d'égalité professionnelle*)
- F-vi.7 Contract to promote mixed employment in SMEs and SMIs (*Contrat pour la mixité des emplois dans les PME-PMI*)

### *Young people*

- F-vi.8 Apprenticeship contract (*Contrat d'apprentissage*)
- F-vi.9 Settling-in contract (*Contrat d'adaptation à l'emploi*)
- F-vi.10 Qualification contract (*Contrat de qualification*)
- F-vi.11 Orientation contract (*Contrat d'orientation*)
- F-vi.12 Community-work and funded-employment contracts – CES and CEC (*Contrat emploi-solidarité et emploi-consolidé*)
- F-vi.13 Youth training credit (*Crédit formation jeunes*)
- F-vi.14 Assistance for the first-time recruitment of young people – APEJ (*Aide au premier emploi des jeunes – APEJ*)

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*Long-term unemployed; recipients of the AUD, ASS or RMI; unemployed persons over 50*

F-vi.15      Retraining allowance – *AFR (Allocation de formation reclassement – AFR)*

F-vi.16      Employment-initiative contract – *CIE (Contrat initiative emploi – CIE)*

F-vi.17      Integration and training-for-employment courses – *SIFE (Stage d'insertion et de formation à l'emploi – SIFE)*

*Executives*

F-vi.18      *FNE* courses for unemployed managerial staff (*Stage du Fonds National de l'Emploi pour cadres privés d'emploi*)

F-vi.1

**Aid granted by the National Association for the Administration of the Support Fund for the Vocational Integration of the Disabled – AGEFIPH  
(Aide de l'Association Nationale de Gestion du Fonds pour l'Insertion Professionnelle des Handicapés – AGEFIPH)**

*Aim*

To promote all types of measures targeting the integration of disabled workers into a normal working environment.

*Legal basis*

- Law no. 87-517 of 10.7.1987;
- Decree no. 88-76 of 22.1.1988.

*Contents*

The following are eligible for aid:

- enterprises which are obliged to employ disabled persons, war casualties and workers of similar status (enterprises employing more than 20 workers);
- enterprises which are not obliged to employ disabled persons and nonetheless recruit such workers for whom aid is available;
- disabled workers in dependent employment;
- disabled workers;
- employers' associations and trade union organisations;
- organisations and institutions working towards the employment and integration of disabled persons.

Those applying for aid must compile documentation containing technical details which they submit to the AGEFIPH. The applicants and the AGEFIPH sign an agreement stipulating:

- the goals pursued;
- the contents of the scheme;
- proposals concerning implementation;
- the financial modalities.

*The following programme has been in force since September 1995*

Measures	Financial resources
Diagnosis and consultancy for enterprises and groups of enterprises:	Negotiable participation in: <ul style="list-style-type: none"><li>– a qualitative and quantitative analysis of the situation as regards compulsory employment of disabled persons;</li><li>– the development of measures and the assessment of their feasibility.</li></ul>
Recruitment premium:	<ul style="list-style-type: none"><li>– Lump-sum grant of FF 15,000 to enterprises on recruitment of a disabled person;</li><li>– one-off lump-sum grant of FF 10,000 to the disabled worker on recruitment.</li></ul>

<i>Measures</i>	<i>Financial resources</i>
Job retention and job change:	<ul style="list-style-type: none"> <li>– Lump-sum grant of FF 50,000 for a solution that permits employment maintenance;</li> <li>– co-funding through the services of a body specialising in facilitating job change for disabled persons who are to be laid off for economic reasons.</li> </ul>
Business start-up:	<ul style="list-style-type: none"> <li>– Aid for a disabled person starting up a business or an enterprise amounting to 50% of total project costs, though not exceeding FF 70,000;</li> <li>– up to 250 hours' cooperation in training;</li> <li>– in addition to the Government grant, participation in enterprise support.</li> </ul>
Job design:	<p>Co-funding of:</p> <ul style="list-style-type: none"> <li>– a study on the technical and organisational resources which would serve to diminish the gap between the demands of the job and the abilities of the disabled person;</li> <li>– adaptation of the workplace and working conditions to meet the abilities of the disabled person.</li> </ul>
Accessibility of the workplace:	<p>Co-funding of:</p> <ul style="list-style-type: none"> <li>– a study on the technical and organisational resources which would serve to diminish the gap between the demands of the job and the abilities of the disabled person;</li> <li>– the implementation of the findings of the study.</li> </ul>
<p>Alternating contract:</p> <ul style="list-style-type: none"> <li>– enterprise grants:</li> </ul> <ul style="list-style-type: none"> <li>– aid to disabled workers:</li> <li>– aid to the training centres:</li> </ul>	<p>Lump-sum subsidy of FF 10,000 plus FF 5,000 at the end of the 12th month.</p> <p>Training of tutors who function as contact persons for the disabled workers and provide pedagogical support.</p> <p>Lump-sum grant of FF 10,000.</p> <p>Participation in the adaptation of training materials and course content;</p> <p>training of instructors;</p> <p>as required, cooperation in improving the accessibility of the training centres;</p> <p>lump-sum grant to service centres for young disabled persons, provided the establishment is recognised within the framework of a regional training programme developed by the AGEFIPH.</p>
Assessment of ability:	<p>Co-funding of training and of specific services to ascertain the capabilities of the disabled person.</p>

<i>Measures</i>	<i>Financial resources</i>
Catch-up measures and remotivation:	Co-funding of training and of specific services connected with the disability.
Vocational training: – aid to enterprises:  – aid to disabled persons:   – aid to training centres:	Co-funding of training and of the costs of assistance during the settling-in phase. Aid to disabled persons consists of co-funding of a training measure within the framework of an integration programme or within the framework of a career-plan project during school education; Aid to training centres consists of co-funding of: – training and follow-up measures for disabled workers; – training for instructors who function as contact persons for the disabled workers. – Co-funding of special individual assistance to help disabled persons compensate for their disability: technical aid, vocational aid, technical configuration of vehicles, transport in special vehicles for disabled persons, etc. – Co-funding of expenditure on the implementation of follow-up contracts as they are concluded between enterprises and special establishments in order to facilitate rapid intervention by an integration specialist in the event of the disabled person encountering difficulties.
Placement of disabled persons:	– Cooperation within the framework of "target" contracts through participation in administrative costs for placement services ( <i>EPSE and OIP</i> ), which are guaranteed under the terms of the agreement between the French Government and the <i>AGEFIPH</i> ; – participation in the expansion of technical resources and competencies in order to enhance placement through the <i>IMPROs</i> , the system of sheltered employment and the structures for integration in the economic sector.
Secondment to enterprise:	– Grants to enterprises for training of an in-firm instructor; – grant to the enterprise in which the sheltered job is available, for training of a disabled person according to the requirements of his/her job.

<i>Measures</i>	<i>Financial resources</i>
Diminishing the gap between normal and sheltered working environments: – enterprise grants:	Participation in the purchase of equipment which is made available to the enterprise where the sheltered job is available or directly used by the enterprise.
In-plant training of the supervising personnel in the sheltered workplace. – aid for the sheltered workplace:	Cooperation in preliminary technical studies on implementing the "quality" approach.
Training of disabled participants. – aid to enterprises with sheltered jobs:	– Aid in the acquisition of know-how and qualification of disabled persons.
Information et sensibilisation:	– Participation in the provision of colloquiums, plant visits and public relations campaigns by the enterprises or their representatives; – Co-funding of practicums, training courses and conferences on awareness and training that are organised and provided by trade union organisations.



F-vi.2

**Sectoral, enterprise and company agreements**  
**(Accords de branche, d'entreprise ou d'établissement)***Aim*

- To launch a policy of agreements in the area of vocational integration for disabled workers;
- through the application of sectoral, enterprise and company agreements to assist in the fulfilment of their obligation to provide work for disabled workers those employers who are covered by the Law of 20.7.1987 on promoting the employment of disabled persons.

*Legal basis*

- Law no. 87-517 of 10.7.1987;
- Decree no. 88-76 of 22.1.1988.

*Contents*

Agreements of this kind must contain at least two of the following four support plans for disabled workers:

- recruitment plan;
- integration and training plan;
- plan for adjustment to technological change;
- plan to retain the employment relationship in the event of redundancy.

*Decision-making bodies*

The agreements require the approval of the competent administrative body:

- in the case of sectoral agreements, prior to approval the opinion of the Council for the Vocational and Social Integration of Disabled Workers (*Conseil Supérieur pour le Reclassement Professionnel et Social des Travailleurs Handicapés*) must be obtained through the Minister of Employment;
- in the case of enterprise or company agreements, prior to approval the opinion of the Département Committee for Disabled Workers, War Invalids and their Equivalents (*Commission Départementale des Travailleurs Handicapés, des Mutilés de Guerre et Assimiliés*) must be obtained through the Prefect or, on his/her recommendation, through the Director of the Département Directorate for Labour, Employment and Vocational Training (*Direction Départementale du Travail, de l'Emploi et de la Formation Professionnelle*).

*Procedure*

The agreements are concluded in accordance with the principles of public law for a duration of one or more years by:

- in the case of sectoral agreements, the representative employers' associations and trade union organisations for the workers in the relevant sector;
- in the case of enterprise and company agreements, the employer and the trade union organisation which is active in the enterprise.

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*Financial resources*

State.

*Institutional support*

Ministry of Labour, *DDTEFP*.

*Effects*

In 1994 70 agreements were concluded for 1,700 companies.

## **Sheltered workshops (*Ateliers protégés*)**

### *Aim*

To provide disabled workers with the working conditions they require in order to be in a position to practise their occupation and which facilitate their advancement in working life; this aim is to be achieved, in particular, by providing disabled persons with access to jobs in the ordinary production environment.

### *Legal basis*

- Labour Code, Articles L 323-30 to L 323-32;
- Decree no. 78-76 of 17.1.1978;
- Administrative directive of 2.3.1978;
- Law no. 87-517 of 10.11.1987;
- Decree no. 87-1018 of 17.12.1987;
- Decree no. 91-1275 of 18.12.1991;
- Decree no. 91-1302 of 24.12.1991.

### *Target group*

- Persons who are recognised as disabled by and receive counselling from the Technical Commission for Vocational Guidance and Reintegration of Disabled Workers (*Commission Technique Chargée de l'Orientation et du Reclassement Professionnel des Travailleurs Handicapés – COTOREP*), and whose capacity for work is at least equal to one-third the capacity of an able-bodied employee.
- Able-bodied workers who make up no more than 20% of the employees in the sheltered workshop.

Sheltered workshops may be established by:

- local authorities;
- public institutions;
- private establishments, especially enterprises, irrespective of their legal structure.

The approval of the respective Regional Prefect must be obtained, for which the following criteria are to be met:

- the project must be both economically and financially transparent;
- the initiator of the sheltered workshop must be trustworthy.

### *Legal status and remuneration of the disabled workers*

Under public law disabled workers in sheltered workshops have the legal status of "workers" as regards the legal and contractual stipulations and regulations in force.

The remuneration that disabled workers receive directly from the sheltered workshop may on no account be less than 35% of the *SMIC*; this also applies to the probationary period. Remuneration must be adjusted in accordance with an increase in productivity. Should the wages paid by the employer amount to between 35 and 45% of the *SMIC*, the disabled worker receives an additional

55% of the *SMIC* from the State. Above this percentage, the wage supplement paid by the State may amount to up to 130% of the *SMIC* (see the form on income guarantee for disabled workers).

#### *Financial incentives*

- under public law:  
Sheltered workshops may avail of all types of public aid at the Département, Regional or local level for the purpose of promoting the establishment of new enterprises and creating new jobs.
- specific incentives:  
Grants are allocated by the Regional Prefect through the Regional Directorate of Labour and Employment (*Direction Régionale du Travail et de l'Emploi*):
  - as investment grants: Allocated towards the costs connected with establishing the building infrastructure and/or with the equipment in the production units.
  - as administrative grants: their purpose is to compensate for excessive workload resulting from the employment of workers with limited vocational abilities and may be allocated on the basis of annual agreements without automatic extension.

#### *Financial resources*

State, local authorities.

#### *Institutional support*

Regional Prefecture, *DDTEFP*, Département Prefecture.

#### *Effects*

450 sheltered workshops with 12,000 disabled workers.

F-vi.4

**Income guarantee for disabled workers  
(*Garantie de ressources des travailleurs handicapés*)***Aim*

- The State reimburses the income loss suffered by disabled workers due to their disability and consequent lower productivity.
- The purpose is to guarantee a minimum income, which is calculated with reference to the *SMIC* and is equal to the difference between the sum of earnings and the wages paid.

*Legal basis*

- Article 32 of Law of 30.6.1975;
- Decree no. 77-1465 of 28.12.1977;
- Decree no. 86-350 of 14.3.1986;
- Decree no. 90-448 of 31.5.1990;
- Decree no. 91-1275 of 18.12.1991;
- Decree no. 93-87 of 22.1.1993.

*Target group*

Persons recognised as disabled by *COTOREP* who are employed in an ordinary working environment or in sheltered jobs (sheltered workshops or aid-through-work centres – *Centres d'Aide par le Travail: CAT*).

*Rate of aid*

- In an ordinary working environment: if the disabled worker's wage has been lowered (by maximum 20%), a supplementary wage is payable, which, however, may not exceed 20% of the *SMIC*; the beneficiary's resulting guaranteed income may not exceed 130% of the *SMIC*.
- In sheltered working environments: the wage paid directly by the employer may not be less than half the wage an able-bodied employee would receive for the same job. The guaranteed income is equal to the *SMIC*.
- In sheltered workshops or distribution centres for outwork (*centres de distributions de travail à domicile – CDTD*): the minimum wage is equal to the *SMIC*, less the same percentage by which the work performed by the beneficiary is less than normal productivity. The minimum wage may amount to 35% of the *SMIC*. The supplementary wage is equal to the difference between 90% (guaranteed income) and 35% of the *SMIC*.

In *CAT* establishments remuneration subsequent to the probationary period is dependent on the productivity of the recipient, but may not be less than 5% of the *SMIC*.

In the normal case the supplementary wage is equal to the difference between the guaranteed income (70% of the *SMIC*) and the wage actually paid; it may not, however, exceed 50% of the *SMIC*.

*Payment*

The employer pays the supplementary wage and related social security contributions and is reimbursed by the State on presentation of proof of payment.

Applications for reimbursement consist of a statement of sums paid, which is to be submitted to the *DDTEFP*.

#### *Premium system*

The purpose of the premium system is to supplement the income of disabled persons employed in a sheltered working environment with reference to their actual productivity. Payment is conditional on receipt of a wage amounting to:

- over 45% of the *SMIC* for disabled persons employed in sheltered workshops or by *CDTDs*;
- over 20% of the *SMIC* for disabled persons employed in *CATs*.

Ceilings: The total remuneration from guaranteed income plus premium may not exceed the following rates:

- 130% of the *SMIC* in the case of sheltered workshops or *CDTDs*;
- 110% of the *SMIC* in the case of *CATs*.

#### *Financial resources*

State.

#### *Institutional support*

Ministry of Labour, *DDTEFP*.

F-vi.5

**Technical Commission for Vocational Guidance and Reintegration  
of Disabled Workers – COTOREP**  
*(Commission technique d'orientation et de reclassement  
professionnel – COTOREP)*

*Aim*

All enquiries and applications relating to employment, training and financial and social assistance for disabled adults are submitted to COTOREP, which is empowered to make decisions in these areas.

*Legal basis*

- Briefing Law no. 75-534 of 30.6.1975 in the interests of disabled persons;
- Decree no. 76-478 of 2.6.1976;
- Decree no. 76-707 of 21.7.1976.

*Contents*

COTOREP comprises:

- a permanent secretariat charged with the acceptance and registration of applications;
- a technical team composed of specialists (doctors, psychologists, social workers and placement officers), who handle the applications;
- the actual Commission, which takes decisions on all measures relating to counselling for the disabled person and to allocation of the various aids and supplements.

*Financial resources*

State.

*Institutional support*

DDTE, FP, DDASS.

### **Vocational equality scheme (*Plan d'égalité professionnelle*)**

#### *Aim*

To reduce the discrepancies in the treatment of men and women through exemplary measures bringing significant improvement to the position of women in companies. These measures are contained in a collective company agreement.

#### *Legal basis*

Decree no. 84-69 of 30.1.1984.

#### *Contents*

The persons targeted are wage-earning women, with the exception of temporary workers, domestic staff, doorkeepers (*concierges*), caretakers (*gardiennes d'immeubles*) and childminders. The employers concerned are all private enterprises, except employers of domestic staff.

Before implementing the plan, the employer and the trades unions should negotiate and consult the works council or employees' representatives. A contract is then concluded between the company and the State, represented by the Secretary of State with responsibility for women's rights.

The status of a woman eligible for aid is that of a female employee in the company.

The State's assistance amounts to:

- 50% of the cost of training;
- 50% of other costs associated with carrying out the plan;
- 30% of the total wages paid during training.

#### *Financial resources*

State.

#### *Institutional support*

State.



F-vi.7

**Contract to promote mixed employment in SMEs and SMIs  
(*Contrat pour la mixité des emplois dans les PME-PMI*)***Aim*

To encourage the recruitment, transfer or promotion of women in occupations within companies where women are very poorly represented, by improving working conditions or training conditions.

*Legal basis*

- Ministry of Social Affairs Circular Order CF-4-87 of 27.7.1987;
- Circular Order CF-11-88 of 3.3.1988;
- SEDF Circular Order 89.06.12/002 of 12.6.1989;
- SDF Circular Order 92 of 26.2.1992.

*Contents*

This measure is an individual measure for the employee concerned. There is no condition regarding the employee's age or level. The companies involved are all private companies with fewer than 600 employees.

Before signing the contract, the works council or employees' representatives should be consulted. A contract is signed by the Regional Prefect, the company and the employee concerned. The State assumes responsibility for:

- 50% of the teaching costs in training;
- 50% of other costs (adaptation of workplaces and/or classrooms);
- 30% of the wage costs during the training period. It is not possible to supplement this with any other public allowances to the company.

*Financial resources*

State.

*Institutional support*

State.

## **Apprenticeship contract (*Contrat d'apprentissage*)**

### *Aim*

The object of an apprenticeship is to provide young people with the opportunity to undergo theoretical and practical general training, which leads either to a vocational qualification confirmed by a technical or vocational diploma, or a recognised certificate.

### *Legal basis*

Article L 115-1 of the Labour Code.

### *Contents*

The apprenticeship contract is a special employment contract for young people aged between 16 and 25, which is provided by employers who are recognised by the competent public bodies, to whom the apprenticeship contract must be submitted. In the absence of more favourable, collectively agreed regulations, the apprentice receives a training wage which is equal to a certain percentage of the *SMIC*. The wage is dependent on the age of the apprentice and is calculated with reference to length of service in the enterprise.

Employers who recruit young people on an apprenticeship contract are exempted from social charges. The exemption applies to all contributions (employer and employee) if less than 10 workers are employed in the enterprise and to a share of the contributions (employer and employee social security contributions) if more than 10 workers are employed.

### *Duration*

The duration of an apprenticeship contract may vary between one and three years, depending on the qualification pursued, but it is always equal to the duration of training. Training is provided either in the enterprise or in a specialised establishment, usually a training centre for apprentices. Training has a minimum duration of 400 hours per annum.

### *Financial resources*

State (Regions, by virtue of decentralisation) and employers.

### *Institutional support*

DDTEFP, Regional Councils.

### *Effects*

160,236 apprenticeship contracts were concluded in 1994.

**Settling-in contract (*Contrat d'adaptation à l'emploi*)***Aim*

The settling-in contract is intended for young people who, following additional training, have the prospect of rapidly finding employment.

*Legal basis*

- Article L 981-6 of the Labour Code;
- Article 30 of the Finance Law of 1985.

*Contents*

The settling-in contract is a special contract for young people aged between 16 and 25 who, having undergone technical training for the first time, have concluded the primary training system, or who have completed a general training and require complementary vocational and technical instruction. The contract must be submitted to the competent public office immediately after its signing. Young people employed on a settling-in contract receive remuneration amounting to 80% of the collectively agreed wage for their job, though not less than the *SMIC*.

*Duration*

The contract may be concluded for a fixed term or may be open ended. A fixed-term contract has a duration of between 6 and 12 months. Young people employed to carry out a long-term task may receive an open-ended contract. The training comprises 200 hours.

*Financial resources*

The scheme is financed by the employer, who has recourse to recognised partite bodies which collect apprenticeship taxes (*organismes collecteurs*) and which contribute FF 50 per hour of training.

*Institutional support*

*DDTEFP.*

*Effects*

61,126 contracts were concluded in 1994.

## **Qualification contract (*Contrat de qualification*)**

### *Aim*

To allow a young person to acquire a vocational qualification which leads to a technical diploma (*diplôme d'enseignement technologique*) or a recognised qualification, or to one of the qualifications listed by the national partite employment commission for the respective occupational category, or to a qualification classified in a sectoral agreement.

### *Legal basis*

- Article L 981-1 to L 981-5 of the Labour Code;
- Article 30 of the Finance Law of 1985.

### *Contents*

The qualification contract is a special employment contract for young people aged between 16 and 25 who have either acquired no qualification during the course of their education or have acquired a qualification with which they were unable to find employment. The contract may only be concluded with enterprises empowered to do so. Authorisation must be sought before the young person is recruited. The contract is submitted to the competent public offices following its conclusion. In the absence of more favourable, collectively agreed regulations the young person receives remuneration calculated with reference to the *SMIC*, the amount of which depends on the age of the young person and his/her length of service.

Employers who recruit young people on the basis of a qualification contract are entitled to exemption from their social security contributions up to a specific ceiling.

### *Duration*

The contract has a duration of between 6 months and 2 years. The duration of training must be at least 25% of the total duration of the contract.

### *Financial resources*

The State and the employer finance the scheme. The latter has recourse to recognised partite bodies which collect apprenticeship taxes (*organismes collecteurs*) and which contribute FF 60 per hour of training.

### *Institutional support*

*DDTEFP.*

### *Effects*

115,442 qualification contracts were concluded in 1994.

F-vi.11

**Orientation contract (*Contrat d'orientation*)***Aim*

To promote the vocational integration of unskilled young people with limited access to employment by providing them with initial on-the-job experience.

*Legal basis*

- Articles L 981-7 to L 981-9 of the Labour Code;
- Finance Law of 1985.

*Contents*

The orientation contract is a special contract for young people aged between 16 and 21 who at most have completed a general, technical or vocational secondary education at the senior level (*second cycle de l'enseignement secondaire*), without obtaining a diploma. The contract can be signed after the employer has entered into an agreement with the State and must then be submitted to the competent public office. In the absence of more favourable, collectively agreed regulations the young person receives remuneration calculated with reference to the *SMIC*, the amount of which depends on the age of the young person and his/her length of service.

Employers who recruit young people on the basis of an orientation contract are entitled to exemption from their social security contributions.

*Duration*

The contract has a duration of 6 months and is non-renewable. The employer is obliged for the duration of the contract to enable the young person to participate in counselling and training measures comprising at least 52 hours during the 3 following months.

*Financial resources*

The scheme is financed by the State and the employer. The latter has recourse to recognised partite bodies which collect apprenticeship taxes (*organismes collecteurs*) and which contribute FF 50 per hour of training and counselling.

*Institutional support*

DDTEFP.

*Effects*

6,495 orientation contracts were concluded in 1994.

F-vi.12

**Community-work and funded-employment contracts – CES and CEC  
(Contrat emploi-solidarité et emploi-consolidé)***Legal basis*

- Law no. 92-322 of 29.7.1992;
- Decree no. 92-1076 of 2.10.1992;
- Decree no. 94-265 of 5.4.1994.

The community-work contract and the funded-employment contract are elements of an approach which is intended to lead to permanent employment. The community-work contract constitutes the first step, that is, to find work. The second phase, the funded-employment contract, has the objective of long-term integration.

**Community-work contract***Aim*

The community-work contract (*Contrat Emploi-Solidarité – CES*) is conceived of as a temporary integration measure which will help unemployed persons find employment through a short-term job.

*Contents*

The following are authorised to conclude community-work contracts: local authorities (communes, Départements, Regions), public institutions at the national and local level, non-profit-making organisations, works councils and cooperatives.

Those persons who are considered priority cases within employment policy and young people in severe difficulty are to be given preference. The scheme targets long-term unemployed persons aged over 50, unemployed persons who have been in receipt of *RMI* for over one year, disabled workers, young unemployed experiencing severe difficulties and young people from disadvantaged areas. Other long-term unemployed, *RMI* beneficiaries and young people who have completed schooling without acquiring a vocational qualification or who have attained only a low qualification level may also benefit from such contracts.

Community-work contracts take the form of part-time employment contracts with no more than 20 working hours per week and a duration of between 3 and 12 months. The term of the contract may be extended to 24 months for persons who are in a particularly difficult situation.

The gross monthly wage is calculated on the basis of the *SMIC* hourly rate.

*State aid*

Exemption from employers' social security contributions (except the contribution to *ASSEDIC*) for the entire duration of the contract.

The subsidy is paid on a monthly basis: between 65 and 100% of wage costs (calculated on the basis of the *SMIC*) are reimbursed.

In certain cases a training subsidy of FF 22 per hour may be paid for up to 400 hours.

## Funded-employment contract

### *Aim*

The object of the funded-employment contract (*Contrat Emploi-Consolidé – CEC*) is to provide the possibility of long-term integration to certain persons employed on *CES* contracts, who on expiry of their contract have absolutely no prospect of employment or training. As workers, they temporarily hold a status similar to the public-law status enjoyed by a permanent employee, especially in the event of a working week of 39 hours. In addition, this measure offers special advantages to those employers who plan to create a permanent job within the next five years.

### *Contents*

Those employers authorised to conclude *CES* contracts may also conclude *CEC* contracts.

The scheme targets:

- long-term unemployed who have been registered with the *ANPE* for over three years;
- persons aged over 50 who have been registered as unemployed for over one year;
- *RMI* beneficiaries who have been without employment for at least one year;
- disabled workers; their situation is assessed on commencement of the *CES* contract;
- *CEC* contracts may also be concluded in situations where the applicable conditions are not met.

The funded-employment contract may be of unlimited or limited duration, in the latter case for maximum 60 months. It can be a part-time contract (at least 16 hours per week) or be concluded on the basis of 39 weekly working hours. The gross monthly wage is calculated with reference to the *SMIC* hourly rate.

### *State aid*

Five-year total exemption from employers' contributions with the exception of contributions to unemployment insurance, supplementary pension insurance, the National Fund for Housing Aid (*Fonds National d'Aide au Logement – FNAL*) and the transport contribution (*versement transport*).

For a period of 5 years the State co-finances the remuneration paid on the basis of the net wage, the contributions to unemployment insurance and the social charges from which the employer is not exempt: 70% of the worker's remuneration is financed in the first year, 60% in the second year, 50% in the third year, 40% in the fourth year and 30% in the final year.

However, this subsidy only applies to remuneration which does not exceed 130% of the *SMIC* and is for a working week of maximum 30 hours.

A training subsidy of FF 22 per hour for no less than 400 training hours per worker: the worker is thus enabled to partake in long-term training, which commences under a *CES* contract and is later continued under a *CEC* contract.

### *Financial resources*

Employer and State.

### *Institutional support*

DDTEFP, *ANPE*.

F-vi.13

## **Youth training credit (*Crédit formation jeunes*)**

### *Aim*

The object of the youth training credit is to enable young people without any qualification to shape their own career on the basis of a range of training measures. Their choice must lead to a recognised qualification of level V (*CAP* or *BEP*) and/or employment. The young people receive individual supervision from a correspondent during the training period.

### *Legal basis*

Articles L 900-3 and L 982-1 to 982-5 of the Labour Code.

### *Contents*

At the focus of the youth training credit for young people aged between 16 and 25 is their individual career. It encompasses a range of measures and training provided by the State or the Region and special employment contracts (apprenticeship contract, orientation contract, qualification contract, etc.). The legal status of the young person depends on the measure applied. He/she does not acquire any specific status throughout the duration of his/her training.

The initiation of the youth training credit scheme brought about the establishment of a structure of referral offices, the provision of employment and training coordinators, who are responsible for certain geographical areas, and of correspondents, who are charged with supervising the young people.

As part of the decentralisation thrust, since 1 July 1994 responsibility for qualification measures has been deferred to the Regions. As provided for in agreements with the State, competence for prequalification measures will be deferred at a date specified by the Regions themselves, though not later than 31 December 1998.

### *Duration*

The average duration of training is 666 hours per young person.

### *Financial resources*

The scheme is financed by the European Union (European Social Fund), the State and – in view of decentralisation – the Regions.

### *Institutional support*

DDTEFP, Regional Councils.

### *Effects*

155,000<sup>1</sup> young people benefited from training in 1994, of which 131,565 were financed by the State.

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1 Estimate.



F-vi.14

**Assistance for the first-time recruitment of young people – APEJ**  
**(Aide au premier emploi des jeunes – APEJ)**

The APEJ subsidy is payable as of 5 April 1994 for the first-time recruitment of young people on an employment contract.

*Aim*

To promote the vocational integration of young people with or without a qualification by providing them with work experience through employment; the employment should be of a duration which constitutes real integration.

*Legal basis*

- Decree no. 94-281 of 11.4.1994 (*Journal Officiel* of 12.4.1994);
- DE Circular no. 94/18 of 14.4.1994.

*Target group*

- Young people aged between 16 and 25 who are not entitled to receive the one-off degressive allowance (*Allocation Unique Dégressive – AUD*) or similar State benefits because they are unable to provide proof of sufficient employment periods;
- young people whose CEC contract has expired may benefit from the APEJ subsidy, irrespective of whether they are in receipt of an AUD allowance or another State benefit.

*Employers with entitlement:*

- industrial, commercial, craft and agricultural enterprises;
- public and ministerial offices, liberal professions, civil-law companies, employers' and other associations;
- employers in the sea-fishing industry;
- government-owned industrial or commercial enterprises, mixed-economy enterprises;
- government-owned enterprises.

*Advantages to the employer:*

- State subsidy of FF 2,000 monthly for 9 months if the new recruitment takes force between 5.4.1994 and 30.9.1994, inclusively.
- FF 1,000 monthly for 9 months if the new recruitment takes force between 1.10.1994 and 31.12.1998, inclusively.
- Exemption from social charges may be claimed in addition to the APEJ subsidy for the recruitment of a first, second and third employee.

The ANPE is charged with the administration of all aspects of the measure, that is, from payment of the subsidies to reclamation of unjustified payments made.

*Legal status of the beneficiaries:*

The beneficiaries of the scheme have the legal status of workers with a fixed-term contract for 18 months or an open-ended contract.

*Training*

Not prescribed.

*Administrative implementation*

The *ANPE* accepts and inspects applications for the subsidy from enterprises. Notification is given within one month of submission.

**Retraining allowance – AFR (*Allocation de formation reclassement – AFR*)***Aim*

The aim of the retraining allowance is to enable jobseekers registered with the *ANPE*, who at the same time are in receipt of the one-off degressive allowance (cf. Chapter II, 4.2.1) from *ASSEDIC*, to conclude a training contract, which will help them to develop and increase their prospects of vocational reintegration. The jobseekers receive the retraining allowance for the duration of their training; however, it is taken into consideration when calculating the *AUD* allowance.

*Legal basis*

- Council of State Decree of 15.4.1988;
- Law no. 88-811 of 12.7.1988;
- Protocol of Agreement of 18.7.1992 on unemployment insurance;
- Agreement of 1.1.1993 on unemployment insurance.

*Contents*

The scheme targets jobseekers who, prior to commencing training, were either in receipt of an *AUD* allowance from *ASSEDIC* or would have been entitled to claim it. The choice of training is determined by the *ANPE* on the basis of a procedure first followed by the jobseeker.

*AFR* may be claimed for the following training courses:

- courses that are the subject of an agreement between a training centre or an establishment bound by contract to a training centre and the State, or a Region, or the Social Action Fund, or a local authority other than a Region;
- courses or training measures provided by State-subsidised organisations (*AFPA*, etc.);
- courses or training measures provided by teaching establishments, the operating expenses of which are wholly or partly incorporated in the State budget;
- certain courses provided by university establishments;
- courses that do not come within the above categories but appear in the list of courses approved by the State.

See the section on "participants in vocational training" for details regarding the amount of the allowance.

*Financial resources*

*UNEDIC*.

*Institutional support*

*DDTEFP, ANPE, ASSEDIC*.

*Duration*

The training programme should have a duration of at least 40 hours and entail a minimum 20 hours a week. The maximum duration is three years; however, training of more than one year's duration is only granted to applicants who have been registered as jobseekers for at least three of the previous six years.

F-vi.16

**Employment-initiative contract – CIE (*Contrat initiative emploi – CIE*)***Aim*

To promote the long-term vocational integration of the following groups: long-term unemployed, *RMI* beneficiaries, disabled workers and other persons entitled to aid without an obligation to work, unemployed workers aged over 50, single mothers and ex-convicts.

*Legal basis*

- Law no. 95-881 of 4.8.1995;
- Decree no. 95-925 of 19.8.1995.

*Social charges*

The State grants a flat-rate subsidy of FF 2,000 monthly to employers who recruit a claimant, as defined above, for an unlimited period or for a fixed term of between 12 and 24 months; the employer is also exempted for maximum 24 months from the social security contributions payable on that part of the remuneration which exceeds the *SMIC*; this exemption is granted for the entire duration of the contract for workers aged over 50 and for disabled persons who have been unemployed for more than one year.

The claimants may also avail of training encompassing between 200 and 400 hours; the State co-finances the cost at a rate of FF 50 per hour of training. In addition, a tutoring subsidy of FF 3,500 per claimant is payable on recruitment of a person who has been either unemployed or in receipt of *RMI* for at least two years.

A *CIE* contract may be on a part-time basis with a minimum working week of 16 hours (with the exception of disabled workers).

Applications for a *CIE* contract must be submitted to the local *ANPE* office either before or not later than one month after recruitment. Enterprises which have laid off workers during the previous six months may not receive *CIE* subsidies.

The employment initiative programme replaces the old back-to-work contract (*Contrat de Retour à l'Emploi – CRE*) and the *CERMI* back-to-work contract for *RMI* beneficiaries (*Contrat de Retour à l'Emploi des Allocataires du RMI*).

*Financial resources*

State.

*Effects*

350,000 *CIE* recruitments per annum are planned.

### **Integration and training-for-employment courses – SIFE (*Stage d'insertion et de formation à l'emploi – SIFE*)**

#### *Aim*

The aim of *SIFE* courses is to increase the integration prospects of those long-term unemployed persons or workers threatened by long-term unemployment who show a training deficit.

#### *Legal basis*

- Question-time Circular no. 94/28 of 1.8.1994;
- *DE/DFP* Circular no. 94/74 of 12.12.1994;
- Five-year Law no. 93-1313 of 10.10.1993 (*Journal Officiel* of 21.12.1993);
- *DE* Circular no. 93-52 of 1.12.1993.

#### *Contents*

*SIFE* courses are designed for jobseekers aged over 26, the long-term unemployed, workers who are severely threatened by long-term unemployment (according to certain characteristics), long-term unemployed aged 50 and over, unemployed *RMI* beneficiaries and single women.

Claimants either participate in vocational training courses and are supported by the State, or they are *AFR* participants supported by the *ASSEDICs*.

*SIFE* courses comprise training which is tailored to the claimants needs and is provided as far as is possible in the enterprise.

The *DDTEFPs* are responsible for the administration of the budgetary funds for collective *SIFE* measures; the *ANPE* administers the budgetary funds for individual measures.

*SIFE* courses may be offered as an individual or a collective training measure. In order to facilitate the participants' return to employment, the location of the courses should alternate as far as possible between the training establishment and the workplace.

The *ANPE* instructs the jobseekers it has found in need of training to participate in an integration and training course.

The three parties concerned – the participant, the training establishment and the director of the *DDTEFP* – sign an agreement prior to the participant's registration for an *SIFE* course.

Collective *SIFE* courses are the responsibility of the *DDTEFP*, with the cooperation of the *ANPE*. The *DDTEFP* designs and negotiates the measures and signs the training agreements.

Individual *SIFE* courses are negotiated by the local employment office, which defines the conditions applying to the participant and the training establishment and signs the agreement.

Average costs per unit of training:

- FF 20 per hour for individual *SIFE* courses;
- FF 26.42 per hour for collective *SIFE* courses (6.65% of these are individual *SIFE* measures at an average costs of FF 75 per hour).

Duration: between 40 and 1,200 hours, that is, 430 hours on average for collective courses and 150 hours on average for individual courses.

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*Financial resources*

State.

*Institutional support*

DDTEFP, ANPE.

**FNE courses for unemployed managerial staff**  
**(Stage du Fonds National de l'Emploi pour cadres privés d'emploi)**

*Aim*

To enable unemployed managerial staff with bad prospects of vocational reintegration to refresh or augment their skills in training courses tailored to the needs of the labour market.

*Legal basis*

- Book IX of the Labour Code;
- DE Circular no. 21-77 of 21.6.1977;
- DE Circular no. 29-79 of 21.6.1979;
- CDE Circular no. 91-18 of 3.4.1991;
- CDE Circular no. 92-05 of 11.2.1995;
- CDE Circular no. 93-01 of 8.1.1993;
- CDE Circular no. 94-05 of 19.1.1994.

*Target group*

Unemployed engineers, executives, technicians and white-collar employees at senior level with several years' work experience who wish to augment their skills or undergo retraining in order to find employment or achieve reintegration.

This measure is targeted, in particular, towards managerial staff in severe difficulty who have been unemployed for longer than 1 year and towards those who have a qualification of level IV or less.

As of recently, individual training courses may also be financed under this scheme.

The participants attend vocational training courses followed by training partly provided in an enterprise.

*Legal status, remuneration and social security*

AFR beneficiaries and participants in vocational training courses:

- financed by ASSEDIC for those beneficiaries who are already in receipt of or have applied for ASSEDIC benefits;
- financed by the CNASEA for those participants who are not in receipt of any benefits; these receive the remuneration granted to participants in vocational training courses (see brochure on the legal status of jobseekers attending vocational training courses).

*Procedure*

FNE agreements for managerial staff (*convention FNA-Cadres*) are concluded with training establishments at Regional level on the recommendation of the Regional Directorate for Labour, Employment and Vocational Training (*Direction Régionale du Travail, de l'Emploi et de la Formation Professionnelle – DRTEFP*) through the Regional Prefect and with the cooperation of the ANPE and the Managerial Employment Agency (*Agence Pour l'Emploi des Cadres – APEC*). The costs of training are covered in full by the State (with exceptions).



### *Courses*

*FNE* courses for managerial staff are:

- short-term courses with vocational content, which offer the participant additional training units;
- further training courses intended to consolidate knowledge and augment skills;
- vocational training measures in areas where deficits are apparent.

### *Institutional support*

*DRTEFP*, *ANPE*, *APEC*, employment initiative officers.

### *Duration*

The duration of the courses varies, depending on whether the participant is attending specialised short-term training, further training courses or medium-term vocational training courses. In general, course units are provided both in training establishments and in the enterprise.



## 7. Working Time

- F-vii.1 Promotion of collectively agreed working-time organisation and reduction  
*(Incitation à l'aménagement conventionnel de l'organisation et de la réduction du temps du travail)*
- F-vii.2 Phased early retirement agreement *(Convention de préretraite progressive)*
- F-vii.3 FNE agreement on special redundancy allowance *(Convention d'allocation spéciale licenciement du Fonds National de l'Emploi)*
- F-vii.4 Reduction of employers' social security contributions for part-time employment *(Abattement de cotisations sociales patronales pour les emplois à temps partiel)*

F-vii.1

**Promotion of collectively agreed working-time organisation and reduction  
(*Incitation à l'aménagement conventionnel de l'organisation et de la réduction du temps du travail*)**

*Aim*

The scheme has two aims:

- economic: to support enterprises or firms which are negotiating the introduction of new working-time regulations, which will lead to the organisation of working time on an annual basis and at the same time to working-time reductions;
- social: to reduce working hours and increase the workforce.

*Legal basis*

- Article 39 of Law no. 93-1313 of 20.12.1993 on labour, employment and vocational training, as amended by Article 74 of Law no. 95-116 of 4.2.1995;
- Decree no. 94-395 of 18.5.1994.

*Contents*

In order to be eligible for the State subsidy, the enterprises or firms must comply with the following conditions:

- negotiate a new, collective regulation of working time on a yearly basis under the terms of Article L 212-2-1 of the Labour Code;
- reduce the original working time by at least 15%;
- within 6 months of the date on which the agreement on working-time reduction was signed, recruit a number of unemployed persons which is equal to at least 10% of the annual average workforce in order to compensate for the reduction in working hours. The number of recruitments is based, on the one hand, on the annual average workforce – calculated in accordance with Article 421-2 of the Labour Code – and, on the other hand, on the new, collective working-time regulations;
- wage reduction:
  - the workers affected by the reduction in working hours must be retained for the three years following the new recruitments;
  - an agreement on working-time reduction must be concluded with the State before 31 December 1996.

The State subsidy comprises a partial compensation for the enterprise's social charges, amounting to 50% in the first year and 30% in the following 2 years, which is calculated as a flat-rate charge (contributions to social security, occupational accident insurance and the Family Allowances Fund). The estimate is fixed for 1 year and adjusted before payment for the following year commences.

*Procedure*

The enterprise or firm enters into an agreement or an enterprise or company agreement on a new, collective organisation of working-time on an annual basis under the terms of Article L 212-2-1 of the Labour Code (type 3).

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The enterprise or firm signs an agreement on working-time reduction with the State before 31.12.1996.

*Financial resources*

State.

*Institutional support*

DDTEFPIURSSAF or MSA (for agricultural enterprises).

### **Phased early retirement agreement (*Convention de préretraite progressive*)**

#### *Aim*

To allow extra recruitment in a company through the conversion of full-time positions into part-time positions. The employee who accepts such a conversion receives an allowance which partially compensates for his/her loss of wages. The company or establishment undertakes to recruit a number of unemployed persons which corresponds to the number of vacancies created by the conversion to part-time contracts, or to reduce the number of planned redundancies on economic grounds.

#### *Legal basis*

- Law no. 92-1446 of 31.13.1992;
- Law no. 93-1313 of 20.12.1993 (Article L 322-4 of the Labour Code);
- Decrees no. 93450 and 93451 of 24.3.1993 (Article R 322-7 of the Labour Code);
- Decree no. 93-1371 of 30.12.1993;
- Decree no. 94-227 of 27.3.1994.

#### *Contents*

The persons targeted are those aged between 55 and 65 whose job is being converted from a full-time to a part-time position. Furthermore they should:

- be personally party to the contract and be in agreement with the conversion of their employment;
- provide proof of at least 10 years' participation in one or more social security schemes for dependent employees;
- if aged over 60, have accumulated less than 160 quarters validated for the State pension scheme as specified in Article L 351-15 (2°) of the Social Security Code;
- be physically fit for work;
- provide proof of 1 year of service in the company when becoming party to the contract;
- not be persons unemployed on a seasonal basis.

The companies involved are:

- all employers in the private sector with the exception of:
  - employers of caretakers and homeworkers;
- employers in the public sector with the exception of:
  - the State;
  - public administrative institutions;
  - administrative bodies in the social security system.

The company undertakes to replace those eligible for early retirement within a period of three months by recruiting unemployed persons on open-ended contracts such that all the vacancies created are filled. A certain percentage of the new recruitments are to be reserved for priority categories of jobseekers. The conversion of a full-time position into a part-time position must be counterbalanced by an equal number of part-time recruitments or by a reduction in the number of redundancies on economic grounds.

If phased early retirement is counterbalanced by recruitments, the organisation of the early retiree's working hours may be extended over the years during which the allowance is payable, provided that two conditions are met:

- the early retiree's working time for the entire period is 50% less than average working time;
- the early retiree's annual working time may not exceed an upper limit of 80% of the original working time in a full-time position or a lower limit of 20%.

With regard to remuneration, the part-time wages paid by the employer are supplemented by the special allowance (paid by the State) which represents 30% of the reference daily wage, within the limit of the social security ceiling, plus 25% of the reference wage for the portion between one and four times the social security ceiling. This portion may not be less than a minimum fixed by Decree.

In the event of sickness or accident, the early retiree receives daily allowances calculated on the basis of the part-time wages and the special allowance. Payment of the phased early retirement allowance is interrupted as soon as the beneficiaries show proof of the number of quarters validated for the general State pension scheme required to be eligible for full retirement. The phased early retirement allowance is subject to a social security contribution of 5.5% and a general social charge of 2.4% (CSG).

State assistance and company undertakings are the subject of an agreement signed by the Département Prefect or, by proxy, the Département Director of Labour, Employment and Vocational Training, and the managing director of the company, the opinion of the works council having been sought.

#### *Financial resources*

State, enterprise.

#### *Institutional support*

Prefecture, DDTEFP.

#### *Effects*

15,900 claimants in 1994.

F-vii.3

**FNE agreement on special redundancy allowance**  
**(Convention d'allocation spéciale licenciement du Fonds National de l'Emploi)**

*Aim*

To offer employees aged over 57 who were laid off on economic grounds and are considered impossible to reemploy, a guaranteed source of income until they are fully entitled to their old-age pension, that is, until the age of 65 at most.

*Legal basis*

- Articles L 321-2, 322-2 and 322-4 of the Labour Code;
- Articles R 322-1 and 322-7 of the Labour Code;
- Law no. 92-1446 of 31.12.1992;
- Decree no. 93-450 of 24.3.1993;
- Decree no. 93-451 of 24.3.1993, as amended by Decree no. 93-1371 of 30.12.1993.

*Contents*

The conditions for financing and implementing the special redundancy allowance are the subject of an agreement concluded between the Département Prefect or, by proxy, the Département Director of Labour, Employment and Vocational Training, and the managing director of the company concerned.

The conditions required for the employee to be party to the agreement are:

- to be voluntarily party to the agreement concluded between the State and the employer;
- to be aged between 57 (common-law age) (56 in exceptional cases: derogative age) and 65;
- for persons aged over 60, and subject to the stipulations on transition provided for in Article R-351-45 of the Social Security Code, to have accumulated less than 160 quarters validated for the State pension scheme;
- to have belonged for at least 10 years to one or more social security schemes for dependent employees;
- on termination of their employment contract to show proof of 1 year of service;
- not to be unemployed on a seasonal basis;
- not to be eligible to claim an old-age pension on the grounds of incapacity for work;
- not to have any other vocational activity.

The beneficiary receives (from ASSEDIC) 65% of the reference daily wage within the limit of the ceiling used for social security contributions, plus 50% of the portion of the salary between this ceiling and the ceiling for contribution to the complementary scheme for retirement of managerial staff. A guaranteed minimum income is fixed by Decree on 1 January and 1 July of each year; a daily rate within the limit of 85% of the reference wage is set on the occasion of each revaluation.

Financing is secured through contribution by the State, ASSEDIC, the employee and the employer:

- the employee contributes through surrender of a portion of the difference between the redundancy allowance and the retirement severance pay (at least equal to statutory severance pay). The contribution of employees who avail of the regulation at common-law age is fixed at 40



times the daily reference wage, and that of employees who avail of the regulation at derogative age at 50 times the daily reference wage;

- the employer's contribution is an average 13.5% of the reference wage for companies with fewer than 500 employees, and 16.5% for those with more than 500. A 3% increase in this rate is applicable in the case of employees aged between 56 and 57 (derogative age).

#### *Financial resources*

State, ASSEDICs, employer, employee.

#### *Institutional support*

Prefecture DDTEFP, ASSEDICs.

#### *Duration*

Until commencement of eligibility for retirement benefits.

#### *Effects*

37,911 potential beneficiaries and 8,558 agreements concluded in 1994.

F-vii.4

**Reduction of employers' social security contributions for part-time employment  
(*Abattement de cotisations sociales patronales pour les emplois à temps partiel*)**

*Aim*

To create incentives for employers to introduce part-time regulations by:

- providing for a reduction in employers' social security contributions when part-time employment is created or when full-time positions are converted into part-time positions;
- encouraging enterprises to make greater use of part-time regulations while at the same time endeavouring to protect the rights of the workers, who are to be fully incorporated in the life of the enterprise;
- facilitating the vocational integration of young people through the introduction of phased early retirement for older workers.

*Legal basis*

- Article L 322-12 of the Labour Code;
- Law no. 92-1446 of 31.12.1992 (*Journal Officiel* of 1.1.1993);
- Decree no. 93-238 of 22.2.1993 in its amended form (*Journal Officiel* of 24.2.1993);
- Five-year Law no. 93-1313 of 20.12.1993 (Article 43-VII);
- Decree no. 94-226 of 5.4.1994 (*Journal Officiel* of 6.4.1994).

*Target group*

- workers on open-ended part-time contracts;
- workers who have expressly agreed to the conversion of their open-ended full-time contract into a part-time contract.

*Bodies involved*

Employers who are subject to compulsory unemployment insurance.

*Conditions for entitlement to reductions*

The creation of part-time employment must lead to either:

- new recruitments on open-ended part-time employment contracts (even in the case of premature termination of fixed-term contracts on a full-time or part-time basis);
- the conversion of full-time positions into part-time positions with the explicit agreement of the worker concerned. Such conversions must be counterbalanced by new recruitments on open-ended employment contracts, such that the volume of working hours provided for in the converted full-time contracts is retained in full. (This condition does not apply in the case of mass redundancies on economic grounds, irrespective of the existence of a social plan).

*Lump-sum allowance*

In order to qualify for a reduction, working time must amount to between 16 hours per week (70 hours per month) at the least and 32 hours per week (139 hours per month) at the most.

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Exemption from contributions is only granted if the annual working-time, including all overtime and extra work, stipulated in the employment contract amounts to:

- no more than four-fifths and
- no less than half of statutory working hours.

The reduction in social security contributions (social insurance, occupational accident insurance, Family Allowances Fund) is granted to the employer for an unlimited period, provided that the conditions relating to the employment contract and the additional agreement are met.

The reduction amounts to 30% as of 8 April 1994.

*Institutional support*

*DDTEFP, URSSAF.*



8. Other Measures

F-viii.1 Minimum Integration Income – *RMI* (*Revenu Minimum d'Insertion – RMI*)

**Minimum Integration Income – RMI (*Revenu Minimum d'Insertion* – RMI)**

Established by a Law of 1.12.1988, the *RMI* serves two aims: to guarantee to all people a minimum income to meet basic needs, and to facilitate the social and vocational integration of the most needy. Thus, the following key elements for integration are considered: access to health services, access to training and employment, acquisition and maintenance of housing, participation in social life, etc.

The *RMI* is principally financed by the State, all *RMI* benefits being covered by the State budget. The benefits are paid by the Family Allowances Fund (*Caisses d'Allocations Familiales* – CAF) and the Mutual Social Security for the Agricultural Sector (*Mutualité Sociale Agricole*). The State also covers the costs of vocational integration measures for *RMI* beneficiaries.

The *Départements* are also involved in financing the *RMI*. Each *Département* is bound to provide 20% of the payments made to *RMI* beneficiaries within its territory. In addition, the *Départements* finance the health insurance costs of *RMI* beneficiaries who do not enjoy full insurance cover.

Three years after its inception, the *RMI* scheme was assessed, as had been laid down in the 1988 Law. The proposals presented in the evaluation committee's report became the basis for the Law of 27.2.1992, modifying the scheme and improving on the integration opportunities offered to *RMI* beneficiaries.

The following conditions must be met for receipt of *RMI* benefits:

*RMI* beneficiaries are:

- persons aged over 25; persons aged under 25 may draw *RMI* benefits if they have or are expecting a dependent child;
- persons resident in France;
- foreign nationals in possession of identification proving they are citizens of a Member State of the European Union; citizens of other countries must be in possession of a valid ten-year residence permit or a temporary residence permit either allowing or prohibiting dependent employment, and in this capacity be able to provide proof of regular, uninterrupted residence in France of at least three years.

*RMI* beneficiaries are dependent employees and the self-employed (farmers, craftsmen, etc.), but not school-goers, students or participants in training courses, unless the course being taken represents an integration activity for which provision has been made in the integration contract.

Benefit rate (1.1.1995):

	Single beneficiaries		Household beneficiaries	
Number of dependants	Mainland France	Overseas Départements	Mainland France	Overseas Départements (1)
None	2,325.66 FF	1,860.52 FF	3,488.49 FF	2,790.78 FF
1 child	3,488.49 FF	2,790.78 FF	4,186.18 FF	3,348.93 FF
2 children	4,186.18 FF	3,348.93 FF	4,883.87 FF	3,907.08 FF
3 children	5,116.44 FF	4,093.13 FF	5,814.13 FF	4,651.28 FF
Each additional child	+930.26 FF	+744.20 FF	+930.26 FF	+744.20 FF

(1) The amount of the *RMI* in the overseas *Départements* is 80% of the rate paid in mainland France.

### *Reckonable income*

In calculating the amount of *RMI* payable, the total resources of the members of a household are taken into consideration: work-derived income, training allowances, income from goods and property, family allowances, daily social security and unemployment benefits, pensions, retirement benefits, child benefits, alimony. The following income is excluded from the evaluation, however:

- entirely, social allowances for a specific purpose, for example, special education allowance, back-to-school allowance, moving premiums, allowances connected with sickness insurance, allowance for a child-minder at home;
- partially, housing allowances;
- partially, allowances connected with integration.

The reckonable income is reviewed on a quarterly basis and the rate of *RMI* benefit adjusted as required. *RMI* beneficiaries submit a quarterly income statement to the CAF for this purpose.

### *Associated entitlements*

#### Access to health services:

The *RMI* brings eligibility for sickness insurance and medical aid. The costs of illness (doctors' fees, examinations, hospital fees) are fully covered for *RMI* beneficiaries and their dependants (within the limits laid down by agreement), who are not required to pay for such services.

#### Housing allowance:

The *RMI* brings eligibility for the maximum housing allowance; in addition, the Housing Solidarity Fund (*Fonds de Solidarité Logement*) intervenes in the event of unpaid rent or energy bills.

### *Integration contract*

Another aim of the *RMI* is to facilitate integration and reintegration. During the first three months the social worker processing the application for *RMI* must, in cooperation with the applicant, prepare a plan for reintegration and define the procedure to which the applicant commits him/herself: to commence training, to reenter employment, to improve his/her health, to search for accommodation, to learn to spend resources sensibly, etc. The various measures proposed and the allowances paid from the solidarity fund are the subject of the integration contract concluded between the beneficiary and the chairperson of the Local Integration Commission (*Commission Locale d'Insertion – CLI*). On each renewal the CLI will advise on the fulfilment of the contract and propose changes as required. The entire contract may be evaluated at the request of the beneficiary, the CLI or the State's representative. If the beneficiary is clearly not fulfilling his/her commitments, or refuses to fulfil them, payment of the *RMI* may be suspended.

### *Integration measures*

- Integration measures are managed at Département level, with responsibility shared between the Département Prefect and the President of the General Council. A programme for integration is annually drawn up for the Département (*Programme Départemental d'Insertion – PDI*), analysing existing needs and laying down appropriate measures and related financial resources. The programme for integration is approved by the Département Integration Council (*Conseil Départemental d'Insertion – CDI*), which comprises elected politicians, the State administrations, federations of enterprises and CLI representatives.
- Integration measures are implemented at local level through the CLIs, which seat the various partners involved: representatives of the State and the General Council, communes, associa-

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tions, training establishments and enterprises. There is a network of 700 *CL/s* distributed nationwide. Their role was initially limited to approval of integration contracts and additional agreements, but was extended by the 1992 Law. The *CL/s* are now also charged with mobilising all local actors and encouraging them to increase the range of opportunities for integration. For this purpose they prepare local programmes of integration (*Programmes Locaux d'Insertion – PLI*). In carrying out their duties the *CL/s* are assisted by technical crews placed at their disposal by the bodies responsible for the areas where integration is being pursued (health, housing, employment, etc.). Many of these structures are co-financed by the General Councils.



# CHAPTER IV INFORMATION AND RESEARCH

The Ministry of Labour has a Department for the Promotion of Research, Studies and Statistics (*Direction de l'Animation de la Recherche, des Etudes et des Statistiques – DARES*).

This Department produces statistical data and studies on labour, employment and vocational training and coordinates research in these areas, furnishing all public offices and ministerial bodies with improved opportunities for analysis, specialised knowledge, and future research and evaluation. Thus, the strategic analyses on which the Ministry bases its policy are enriched by the efforts of *DARES* and their effectiveness increased.

## Study centre

The activities of *DARES* embrace the entire functional area of the Ministry of Labour. The Department represents a focal point where social policy discussion finds expression, points of reference and stimulation. In addition, *DARES* is charged with issuing alerts, initiating ideas and drawing up proposals within the Ministry.

*DARES* is active in five main areas:

- design, collection, evaluation and dissemination of statistical data in the areas of labour, employment and vocational training. The Department also arranges for studies in these fields to be initiated, conducted and published;
- stimulation and enhancement of the status of research;
- preparation or coordination of studies;
- preparation of macro- or microeconomic analyses;
- promotion of evaluation activities;
- organisation.

*DARES* has two subdepartments and three cross-departmental task units:

- subdepartment for the labour market, employment policy and vocational training;
- subdepartment for labour, vocational qualification, remuneration and labour relations.

Of the three cross-departmental task units, the first is responsible for stimulating research and coordinating studies, the second for macro- and microeconomic analyses and the third for regional measures in connection with the independent ministerial offices, to which it provides support.

*DARES* has 150 employees, who are primarily executives, researchers and statisticians from various disciplines.

## 1. Employment Statistics (*Les Données statistiques sur l'Emploi*)

The first employment survey was carried out in the 1950s. The instruments used by the National Institute of Statistics and Economic Studies (*Institut National de la Statistique et des Etudes Economiques – INSEE*) to compile statistics are:

- the census of the population;
- sample surveys on employment;
- surveys of vocational training and skills.

Various administrative sources also produce statistics:

- statistics of the establishments affiliated to the *UNEDIC* system;
- surveys of the structure of employment;
- analysis of the annual declarations of wages and salaries (*INSEE*);
- surveys of manpower activities and conditions of employment (Ministry of Labour);
- information system on employment and salaries in the public sector (*INSEE*);
- labour market statistics (*ANPE*);
- data compiled by the pension funds and the Family Allowances Fund provide information on the changing numbers of employers and self-employed;
- the statistics of the International Migrations Office (*Office des Migrations Internationales – OMI*).

Various catalogues are also produced, those particularly relevant for employment being:

- the catalogue of trades and individual activities (*Nomenclature des Activités Individuelles – NAI*);
- the code of status indicating for whom a person works (self-employed, public sector, etc.);
- the job catalogue (*INSEE* in collaboration with the Ministry responsible for employment) classifies mainly private sector employees;
- the French directory of jobs. A detailed catalogue of some 400 jobs grouped into 300 categories will be compiled for census requirements.

## 2. Institutional Organisation (*L'Organisation institutionnelle*)

The central role in the operation of the employment statistics system is played by *INSEE* and the Ministry responsible for employment. The division of tasks is approximately as follows:

- within the framework of its general coordinating role, *INSEE* defines the concepts, compiles the catalogues, instigates the major data-collection operations (census, etc.) and publishes syntheses;
- the Ministry produces cyclical statistics on the situation of employment and that of the labour market as well as results and studies in this field.

The Employment Studies Centre (*Centre d'Etudes de l'Emploi – CEE*) and the Qualifications Study and Research Centre (*Centre d'Etudes et de Recherches sur les Qualifications – CEREQ*) complement the work of the public statistical system, notably as regards studies and research.

## 2.1 Employment Studies Centre – CEE

The CEE is a public research institution established as a public office which comes under the joint supervision of the Ministers responsible for employment and research, respectively (Decree no. 86-399 of 12.3.1986).

The Centre is charged with conducting research in the field of 'employment and enterprises' and with providing information to public authorities and economic and social actors in these areas.

The CEE issues the following publications: research reports (*Dossiers de recherche*), CEE information circulars (*Lettres d'information du Centre d'Etude de l'Emploi*) and CEE announcement circulars (*Cahiers du Centre d'Etude de l'Emploi*).

Areas of research:

1. Evaluation of State employment policy measures.
2. Personnel administration in enterprises (recruitments, lay-offs), labour market, local enterprise networks.
3. Labour relations, agreements and regulations, qualifications.
4. New technology, working conditions.

## 2.2 Qualifications Study and Research Centre – CEREQ

The Qualifications Study and Research Centre was established in 1970 within the National Office of Information on Education and Occupations (*Office National d'Information sur les Enseignements et les Professions – ONISEP*). It was set up as an autonomous public body of an administrative nature on 1 July 1985 (Decree no. 85-634 of 25.6.1985.). The Centre is under the supervision of the Minister of Education and the Minister of Labour.

CEREQ has the task of developing studies and research, and of collecting and making use of original data in the fields of the employment-training interface and occupations, through monitoring relations in the world of labour and companies, notably in order to meet the needs of the administrations.

CEREQ is administered by a board of directors comprising 36 members representing the principal administrations, the social partners, individuals with special qualifications and staff members. The board of directors lays down CEREQ's budget and programme of activity. The Centre is managed by a director appointed by Decree on the recommendation of the two supervisory Ministers, and assisted by a Scientific Council which comprises 14 members, bringing together individuals chosen for their skills and experience in research fields, representatives of study and research organisations interested in the activities of CEREQ, and employees' representatives. The role of this Council is to evaluate the Centre's scientific policy.

## Appendix 1: Abbreviations

ACCRE	Assistance for unemployed persons starting up or taking over a company ( <i>Aide aux chômeurs créateurs ou repreneurs d'entreprise</i> )
AFFS	End-of-training allowance ( <i>Allocation de Formation de Fin de Stage</i> )
AFPA	Association for Adult Vocational Training ( <i>Association pour la Formation Professionnelle des Adultes</i> )
AFR	Retraining Allowance ( <i>Allocation de Formation Reclassement</i> )
AGCC	Utility to administer transitional contracts ( <i>Application de Gestion des Conventions de Conversion</i> )
AGEFIPH	National Association for the Administration of the Support Fund for the Vocational Integration of the Disabled ( <i>Association Nationale de Gestion du Fonds de Développement pour l'Insertion Professionnelle des Handicapés</i> )
AI	Integration Allowance ( <i>Allocation d'Insertion</i> )
ALE	Local Employment Agency ( <i>Agence Locale pour l'Emploi</i> )
ANACT	National Agency for the Improvement of Working Conditions ( <i>Agence Nationale pour l'Amélioration des Conditions de Travail</i> )
ANPE	National Employment Agency ( <i>Agence Nationale Pour l'Emploi</i> )
APEC	Managerial Employment Agency ( <i>Agence Pour l'Emploi des Cadres</i> )
APF	Association for the Paralysed of France ( <i>Association des Paralysés de France</i> )
APUI	Support tool for computer users ( <i>Aide pour l'Utilisateur Informatique</i> )
AS	Specific Allowance ( <i>Allocation Spécifique</i> )
ASS	Specific Solidarity Allowance ( <i>Allocation de Solidarité Spécifique</i> )
ASSEDIC	Regional association which administers the unemployment insurance system ( <i>Association pour l'Emploi Dans l'Industrie et le Commerce</i> )
AUD	One-off degressive allowance ( <i>Allocation Unique Dégressive</i> )
BEP	Certificate of Vocational Studies ( <i>Brevet d'Etudes Professionnelles</i> )
CAF	Family Allowances Fund ( <i>Caisse d'Allocations Familiales</i> )
CAP	Certificate of Vocational Training ( <i>Certificat d'Aptitudes Professionnelles</i> )
CAT	Aid-through-work centres ( <i>Centre d'Aide par le Travail</i> )

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CDD	Fixed-term contract ( <i>Contrat à Durée Déterminée</i> )
CDI	Open-ended contract ( <i>Contrat à Durée Indéterminée</i> )
CDTD	Distribution centres for outwork ( <i>Centres de distributions de travail à domicile</i> )
CEC	Funded-employment contract ( <i>Contrat Emploi Consolidé</i> )
CEE	Employment Studies Centre ( <i>Centre d'Etudes de l'Emploi</i> )
CEREQ	Training Research Centre ( <i>Centre d'Etudes et de Recherches sur les Qualifications</i> )
CERMI	Back-to-work contract for RMI beneficiaries ( <i>Contrat de Retour à l'Emploi des Allocataires du RMI</i> )
CES	Community-work contract ( <i>Contrat Emploi Solidarité</i> )
CFDT	French Democratic Labour Confederation ( <i>Confédération Française et Démocratique du Travail</i> )
CFTC	French Confederation of Christian Workers ( <i>Confédération Française des Travailleurs Chrétiens</i> )
CGC	General Confederation of Managerial Staff ( <i>Confédération Générale des Cadres</i> )
CGPME	General Confederation of Small and Medium-sized Enterprises ( <i>Confédération Générale des Petites et Moyennes Entreprises</i> )
CGT	General Confederation of Labour ( <i>Confédération Générale du Travail</i> )
CGT-FO	General Confederation of Labour – Labour Force ( <i>Confédération Générale du Travail – Force Ouvrière</i> )
CHSCT	Committee for health and safety and working conditions ( <i>Comité d'Hygiène, de Sécurité et des Conditions de Travail</i> )
CLI	Local Integration Commission ( <i>Commission Locale d'Insertion</i> )
CNPF	Confederation of French Employers ( <i>Conseil National du Patronat Français</i> )
CNRJ	Journalists' Retraining Centre ( <i>Centre de Reclassement des Journalistes</i> )
COTOREP	Technical Commission for Vocational Guidance and Reintegration of Disabled Workers ( <i>Commission Technique Chargée d'Orientation et du Reclassement Professionnel des Travailleurs Handicapés</i> )
CPAM	Health insurance fund ( <i>Caisse Primaire d'Assurance-Maladie</i> )
CPC	Advisory Vocational Commission ( <i>Commission Professionnelle Consultative</i> )
CPR	Regional Centre for Applied Psychology ( <i>Centre Psychotechnique Régional</i> )
CPTA	Pedagogical and Technical Support Centre ( <i>Centre Pédagogique et Technique d'Appui</i> )
CRE	Back-to-work contract ( <i>Contrat de Retour à l'Emploi</i> )

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CSG	General social contribution ( <i>Contribution Sociale Généralisée</i> )
CSTH	Special employment counsellor for the disabled ( <i>Conseiller d'emploi Spécialisé Travailleurs Handicapés</i> )
CUMA	Agricultural production cooperatives ( <i>Coopérative d'Utilisation du Matériel Agricole</i> )
DARES	Department for the Promotion of Research, Studies and Statistics ( <i>Direction de l'Animation de la Recherche, des Etudes et des Statistiques</i> )
DDASS	Département Directorate for Health and Social Affairs ( <i>Direction Départementale des Affaires Sanitaires et Sociales</i> )
DDTE	Département Directorate for Labour and Employment ( <i>Direction Départementale du Travail et de l'Emploi</i> )
DDTEFP	Département Directorate for Labour, Employment and Vocational Training ( <i>Direction Départementale du Travail, de l'Emploi et de la Formation Professionnelle</i> )
DRFP	Regional Directorate for Vocational Training ( <i>Direction Régionale de la Formation Professionnelle</i> )
DRTE	Regional Directorate for Labour and Employment ( <i>Direction Régionale du Travail et de l'Emploi</i> )
DRTEFP	Regional Directorate for Labour, Employment and Vocational Training ( <i>Direction Régionale du Travail, de l'Emploi et de la Formation Professionnelle</i> )
EAO	Computer-aided instruction ( <i>Enseignement Assisté par Ordinateur</i> )
EPSR	Rehabilitation preparation and follow-up team ( <i>Equipe de Préparation et de Suite du Reclassement</i> )
ETR	Technical Retraining Teams ( <i>Equipes Techniques de Reclassement</i> )
EU	European Union
FAS	Social Action Fund ( <i>Fonds d'Action Sociale</i> )
FNAL	National Fund for Housing Aid ( <i>Fonds National d'Aide au Logement</i> )
FNE	National Employment Fund ( <i>Fonds National de l'Emploi</i> )
GICA	Computerised administration of transition cases ( <i>Gestion Informatisée de Conversion d'Adhérents</i> )
GIDE	Computerised Administration of Labour Supply ( <i>Gestion Informatisée de la Demande d'Emploi</i> )
IDES	Institute for the Development of the Social Economy ( <i>Institute de Développement de l'Economie Sociale</i> )
IGAS	General Inspectorate for Social Affairs ( <i>Inspection Générale des Affaires Sociales</i> )
ILO	International Labour Organisation
INSEE	National Institute of Statistics and Economic Studies ( <i>Institut National de la Statistique et des Etudes Economiques</i> )
LADAPT	League for the Adaptation to Work of the Physically Disabled

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	<i>(Ligue pour l'Adaptation des Diminués Physiques au Travail)</i>
LTU	Long-term unemployed
MISEP	Mutual Information System on Employment Policies
MSA	Mutual Social Security for the Agricultural Sector <i>(Mutualité Sociale Agricole)</i>
NAI	Catalogue of trades and individual activities <i>(Nomenclature des Activités Individuelles)</i>
OMI	International Migrations Office <i>(Office des Migrations Internationales)</i>
ONISEP	National Office of Information on Education and Occupations <i>(Office National d'Information sur les Enseignements et les Professions)</i>
ORCA	Optimum candidate searches <i>(Optimisation de Recherche Candidatures)</i>
PAIO	Permanent reception, information and guidance service <i>(Permanence d'Accueil, d'Information et d'Orientation)</i>
PES	Public Employment Service
PME	Small and medium-sized enterprises <i>(Petites et Moyennes Entreprises)</i>
RMI	Minimum Integration Income <i>(Revenu Minimum d'Insertion)</i>
ROME	Directory of Occupations and Jobs <i>(Répertoire des Métiers et des Emplois)</i>
SAE	Courses for admission to enterprises <i>(Stages d'Accès à l'Entreprise)</i>
SAGE	Computerised administration of labour demand <i>(Système d'Aide à la Gestion de l'Emploi)</i>
SARL	Limited liability company <i>(Société Anonyme à Responsabilité Limitée)</i>
SCNS	Specialised National Subcommission <i>(Sous-Commission Nationale Spécialisée)</i>
SETE	External Services for Labour and Employment <i>(Services Extérieurs du Travail et de l'Emploi)</i>
SIFE	Integration and training-for-employment course <i>(Stage d'Insertion et de Formation à l'Emploi)</i>
SMIC	Statutory indexed minimum wage <i>(Salaire Minimum Interprofessionnel de Croissance)</i>
SPP	Public placement service <i>(Service Public de Placement)</i>
TRILD	Long-term subsidy for working-time reduction <i>(Temps Réduit Indemnisé de Longue Durée)</i>
UIMM	Metalworking and Mining Employers' Federation <i>(Union des Industries Métallurgiques et Minières)</i>
UNEDIC	National Union for Employment in Industry and Commerce <i>(Union Nationale d'Emploi Dans l'Industrie et le Commerce)</i>
URSSAF	Social Security and Family Allowance Association <i>(Union de Recouvrement de Sécurité Sociale et d'Allocations Familiales)</i>

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