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Drawing inspiration from best European practices to improve our performance on social issues

Summary, recommendations and comments concluding information report
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In October 2010, the Commission for the Assessment and Monitoring of Public Policies, the CEC (*Comité d'évaluation et de contrôle des politiques publiques*) decided to include **the assessment of the performance of social policies in Europe** in its work programme. This assessment, which is essential to the improvement of managing public actions, was **a genuine challenge** that was, to say the least, ambitious, not to mention audacious. In order to meet the challenge, this report first comprises several elements dealing with a transversal analysis of the performance of social policies in Europe, and then, in the second part, the purpose is to assess the compared performance both of support provided to jobseekers and two social policies aimed at supporting families.

It is based on two comparative studies covering five European countries⁽¹⁾ other than France, which were carried out by external service providers selected through a competitive bidding process. The work group also interviewed over 80 people, during 40 interviews and roundtable discussions. The rapporteurs also went to Stockholm, Brussels, London and Berlin where about forty representatives from different stakeholder groups were heard. At the same time, questionnaires were sent by the rapporteurs to embassies and parliaments in fifteen European countries.

⁽¹⁾ Germany, the Netherlands, Portugal, the United Kingdom, Sweden.

**PERFORMANCE OF SOCIAL POLICIES IN EUROPE:
WHAT ARE THE ISSUES, WHAT ARE THE POLITICAL ANSWERS?**

● *Performance* was first defined as being the capacity to reach previously established objectives, especially in terms of socio-economic **effectiveness** (for the citizen), **efficiency** (for the taxpayer) and **service quality** (for the user). It also seemed necessary to carry out its assessment over a **sufficiently long period of time** in order to take into account, for example, the savings that a reform might generate in the more or less long term. Monitoring the performance of social policies is, today, **imperative** in order to improve their management and clarify the public decision. For this purpose, numerous lessons can be drawn from observing good practices in other countries, even if international comparisons call for certain precautions with regard, for example, to the interpretation of different indicators.

● *Compared to other European countries*, France has a **particularly high level of social expenditure**, which today represents over **31% of the GDP** (gross domestic product), that has also **grown significantly more** than the average of the OECD countries during these last decades.

In the social domain, French performance is most often above OECD average. The **demographic dynamics** of French society, **life expectancy** at birth, **length of life in retirement** or the **effectiveness of the fiscal-welfare redistribution system in its entirety** appear to be the strengths of the French model in comparison to international ones. Other less favourable results raise issues, particularly regarding **low employment rates** in relation to other countries and European targets. Even in areas where French performances are good, the assessments highlight that progress is possible, especially in the field of health, **progress in the fight against inequalities in health care, treatment coordination and the reduction of administrative costs**. Finally, detailed analysis of French and European indicators – established as part of the new “Europe 2020” strategy, which has made the fight against poverty and exclusion one of the flagship objectives of the European Union – show **a trend towards increasing inequality and social exclusion** in France, even though inequality in terms of income are lower in France than the average for OECD countries. Whereas **the rate of poverty** in relation to the threshold of 60% of median income is at **13.5% according to INSEE (2009)**, the more comprehensive European indicator, which also takes into account poverty and

living conditions in workless households, reveals that **with 18.4% of the French at risk of poverty or social exclusion** in 2009, France is performing better than the average European Union country but is **only in 9th position after the Czech Republic, the Netherlands and Sweden, notably.**

● *In order to strengthen the performance of social policies*, the report first recommends improving their management and assessment, especially with regard to practices observed in several European countries, and to:

→ hold an annual **Parliamentary debate on the effectiveness of social policies**, which would, for example, cover subjects corresponding to certain objectives established in the quality and efficiency programmes, (*PQE - programmes de qualité et d'efficience*), the choice of which would be shared between the majority and the opposition;

→ develop the use of **social experimentation** by defining a programme of experiments lasting several years, submitted for review by the Social Affairs Committee and by regularly holding public debates at the National Assembly on the results of the experimentations; and to improve **the assessment** of policies and to draw lessons from them for pragmatic management of reforms over time based on a process of ongoing improvement of the mechanisms;

→ increase the **assessment of local policies** and encourage the exchange of good practices through the creation of a shared monitoring dashboard for the comparison of decentralised social actions and a “research and development” fund for local social policies, jointly financed by the State and local authorities.

The report also suggests using “Social Europe” tools, which are only too often neglected, and to:

→ redeploy **European Social Funds**, in relation to the European objective of lifting 20 million Europeans out of poverty and social exclusion by 2020, and in France to facilitate access to this funding by innovative associations in the social field;

→ maintain a **European food aid programme for the most vulnerable** after 2014 as part of European Union commitments expressed in the Europe 2020 strategy.

Second part: analysis of the compared performance of different public policies in five European countries

PERFORMANCE FACTORS FOR EMPLOYMENT POLICIES IN EUROPE

● *Transversal issues pertaining to the assessment of employment policies:* the burden of social contributions on employment in France has given rise to the necessity for reflection on **the financing of social welfare** and on the tax system. Moreover, the effectiveness of employment policy is intrinsically linked to economic growth, and calls for **a proactive policy on industrial development and innovation.**

At the request of the rapporteurs, Euréval carried out a comparison of employment policies in five European countries (Germany, France, Portugal, the United Kingdom and Sweden) and drew up a summary of the work done in these countries to assess the effectiveness of support and the mechanisms in place to promote the return to employment.

● *Compared to its European neighbours, France* is characterized by the **complexity and dispersion of structures** supporting job seekers, by the **low number of employees in job centres assigned to job placement** and by **lesser adaptation** of human and financial resources. The other European countries studied seem to be more reactive than France in **adjusting means to the circumstances.** Jobcentre advisors have **more tools**, services and social aids at their disposal and **greater autonomy** than French advisors. The rapporteurs recommend that:

→ **an experiment be launched** with willing local authorities **to bring together interested parties in Employment, Business and Vocational Training under joint management** in order to identify and promote best practices.

● *The summary of research work carried out in the field of employment policies* has highlighted a few but robust lessons on the effectiveness of employment policies. **Exemption from social contributions on salaries paid to lesser qualified employees has proven to be effective** but might constitute a low wage trap and limit career progress. **Reinforcement and personalisation of support** for job-seekers has a favourable impact on the return to work that is likely to generate savings in unemployment insurance benefit. Several mechanisms **must be better targeted: vocational training** should be encouraged in periods of recession, by focusing on sandwich courses and to

increase employment quality in the longer terms. **Government-assisted contracts** are useful for those structurally distanced from employment or to provide a temporary “helping-hand”. Finally, European assessments concurrently show that **private service providers are no more effective** than public operators for the same missions. The rapporteurs stress the need to:

→ **end the legal and financial instability relating to government-assisted contracts**, which are detrimental to the effectiveness of these mechanisms, and ensure that contract durations are sufficient in order to provide support and training to the beneficiaries and their enduring integration.

The rapporteurs suggest the following measures to improve the performances of French public employment services:

→ **consolidate and personalise support** for jobseekers by quickly organising a first interview covering allowances, followed by a second one dealing with professional support, and by intensifying contact;

→ **adopt a holistic approach of the jobseeker**, by consolidating coordination between the professional entities for the return to work and those involved in social integration, by using back-to-work grants (to help obtaining driving licence and paying child care) and by interceding as early as possible prior to the end of temporary mechanisms such as government-assisted contracts;

→ **consolidate the proficiency, expertise and autonomy of *Pôle Emploi* advisors** by renouncing the generalisation of a single profession while encouraging versatility and flexibility for those who wish to be involved and by developing advisor training and autonomy;

→ **adapt the means of the *Pôle Emploi* to the circumstances and unemployment rate** by increasing the number of advisors in order to maintain the quality of service in periods of crisis by allowing greater recourse to fixed term contracts;

→ **be more attentive to customers** by confirming the role and importance of platforms for communication between customers and the *Pôle Emploi* and by putting the *Pôle Emploi* Ombudsman in charge of drawing up a comprehensive annual report on customers’ satisfaction.

COMBINING WORK AND FAMILY LIFE: A PERSONAL CHALLENGE, A COLLECTIVE ISSUE

The report includes an analysis of two social policies for families that is based on a comparative study carried out at the request of the rapporteurs by Sciences Po at the Centre of European Studies (CEE - *le Centre d'Études Européennes*), the Interdisciplinary Laboratory for the Evaluation of Public Policy (LIEPP - *le Laboratoire Interdisciplinaire d'Évaluation des Politiques Publiques*) and the French Economic Observatory (OFCE - *l'Observatoire Français des Conjonctures Économiques*).

- *Some major issues pertaining to policies intended to encourage balance between work and family life, in economic, social and societal terms. Indeed, with regard to the difficulties sometimes encountered in this respect, which can be even more acutely experienced by single parents, these policies are likely to facilitate an increase in parents' **rate of activity**, particularly mothers, and encourage improved **job quality** and **equality between men and women**. They may also contribute to the **consolidation of welfare systems** and the business performance.*

France is the **leading OECD country in terms of different welfare support provided to families**, which represent 3.7% of GDP; significant means are especially allocated to measures intended to encourage a balance between work and family life, which today is a clearly identified objective of public policies.

- *The comparative analysis of work/family reconciliation policies first highlights several French specificities, particularly a socio-tax system that is less individualised than in certain other countries and predominantly female **parental leave lasting longer and less well paid** than in some countries, notably Sweden and Germany. Otherwise, it was noted that France provides **very good childcare for children between the ages of three and six**, but in contrast, there is a **lack of places for children under the age of three**, with an unfulfilled demand for about 350,000 places. In any case, access to quality childcare is paramount in terms of equal opportunities, academic success and in the fight against social inequality.*

In the analysis of performance of work/family balance policies, France can be singled out for **good results** in certain domains, particularly **birth rate** and **professional integration of women**, which is mostly **in full-time employment**. Nevertheless, there is **room for improvement** in order to promote **gender equality**, access or return to **work by mothers** and to provide

a better response to **difficulties** that are sometimes experienced by parents in reconciling work with family life.

It should also be pointed out that gender pay differences persist: a recent OFCE study showed that a cohort of men, in their forties, earns 17% more than a cohort of women with the same profile (same age, with children, no career interruption to bring them up, equal diplomas and experience, even higher for women) and that the greater part of this difference (70%) remained unexplained.

● *To create conditions for **better work/family balance***, the report consequently recommends:

→ to head progressively towards **shorter parental leave**, lasting fourteen months, by **including two “equality months”**, which are non transferable and would be reserved for the parent who had not taken the rest of the parental leave, and **better paid parental leave**, for example up to two-thirds of previous salary, drawing inspiration from mechanisms in place in Sweden and Germany;

→ to continue to **develop the childcare offer**, particularly collective childcare which is very developed in Nordic countries, such as Sweden, and by **at least maintaining the current level of schooling for children under the age of three**;

→ to encourage **the development of collective negotiation and good practices in the occupational environment** in terms of combining work and family responsibilities, especially with regard to the involvement of companies in Germany in this aspect. Human resource managers should think of organising work schedules (hours, taking childcare into account, etc.) in the aim of better reconciliation of work/family life, which aims at encouraging active fathering and a better sharing of family tasks, including housework, by the couple through greater involvement of men (women’s “double shift” of work and household duties).

The rapporteurs therefore want to offer better career opportunities to mothers and more family time to fathers.

SINGLE-PARENT FAMILIES: BETWEEN TARGETING AND UNIVERSALISM, SOME RESPONSES ADAPTED TO PARTICULAR SITUATIONS OF VULNERABILITY

● *In France, as in Europe, single-parent families are particularly exposed to the risk of poverty and insecurity* and the vast majority involve single mothers. The employment rate of lone parents is higher in France than in the average of OECD countries, contrary to the poverty rate, which is clearly lower. Nevertheless, in the five European countries studied, including France, the rate of unemployed single mothers is higher than mothers as a whole in all these countries.

● *In the five countries reviewed, public policies covering single-parent families* show a certain diversity that illustrates the different contemporary scenarios of the social State. Some countries, such as France or the United Kingdom, have thus adopted specific mechanisms in support of lone parents, unlike other countries, such as Sweden, which have adopted a universalistic approach. In addition, reforms have been made in several countries in order to encourage access to employment and fight against single-parent poverty, the forms of social welfare thus developing progressively from “maternalism” to activation.

● *From the assessment of the compared performance of different public policies*, it first emerges that there is an absence of any real model of success, even though **Sweden, then France, appear to be rather better positioned** in relation to the principal socio-economic indicators. This comparative analysis also enables several public action leverage mechanisms to be identified to fight against poverty and to support lone parents’ access to employment, especially: the **remunerative benefit of going back to work**, the importance of **adapted support** and the taking into account of expenses incurred and difficulties encountered with regard to **childcare**, as well as access to **quality jobs**. At the same time, voluntaristic and universalistic policies should be deployed in the aim of promoting the employment of mothers in general.

● *In order to improve social and professional support of lone parents in situations of vulnerability*, the rapporteurs suggest:

→ **improving information** on family support allowance and the **Revenu de Solidarité Active (RSA)** allowance;

→ carrying out **an assessment of support** by social workers and the **conditions of access to infant childcare establishments** for the recipients of minimum welfare benefits;

→ **consolidating coordination** between stakeholders, making employment agencies aware of the issues of lone parents and **undertaking experiments** to offer specific support to lone parents, on a voluntary basis, by drawing inspiration from good practices observed especially in the United Kingdom and Germany.

LIST OF PROPOSITIONS

Recommendation n° 1: consolidate Social Europe instruments.

- Continue negotiations towards the redeployment of European Social Funds in support of new Europe 2020 strategy objectives, in particular “lifting” 20 million Europeans out of poverty and social exclusions by 2020, and social experimentation.
- Maintain a food aid programme for the most vulnerable after 2014 and encourage thought processes with regard to funding this programme through European Social Funds during current negotiations on 2014-2020 financial outlook.

In France:

- Increase information and legal support for French associations that are candidates for ESF funding in *Directe* platforms through the creation of a workgroup involving recipient associations with the specific mission of suggesting methods of simplification.
- Encourage social experimentation by providing financial support to innovative projects that may be co-financed by the ESF.

Recommendation n° 2: organise a Parliamentary debate in a “control week”, for example in the spring, on the effectiveness of social policies, which could be based on certain objectives in the quality and efficiency programmes (*PQE*), the choice of which would be shared between the majority and the opposition, as well as on a Government report to Parliament.

Recommendation n° 3: by especially drawing inspiration from practices observed in Sweden, the Netherlands, and the United Kingdom:

- define a programme of experiments lasting several years, which could be submitted for review by the Social Affairs Committee;
- holding debates in Parliament on the results of the experiment, for example during the National Assembly “control weeks”;

- move towards a requirement of systematic prior experimentation, at least for major social reforms;
- improve ongoing and *ex post facto* assessment of social policies in order to be able to adapt them as necessary, for example by earmarking an *a priori* budget for assessment, even limited in proportion to expenditure, and by ensuring that interested parties, including researchers, and possibly other European countries are involved.

Recommendation n° 4: encourage setting up an “open method of coordination” between general councils, by promoting the Swedish example.

- Encourage the development of the Decentralised Social Action Observatory (*ODAS - Observatoire de l'action sociale décentralisée*) by reinforcing its assessment capacities.
- Bring about the adoption of a shared monitoring dashboard for the comparison of decentralised social actions.
- Create a "research and development" fund for local social policies, jointly financed by the State and local authorities.

Recommendation n° 5: launch an experiment with willing local authorities to bring together interested parties in Employment, Business and Vocational Training under joint management in order to identify and promote best practices.

Recommendation n° 6: end the legal and financial instability relating to government-assisted contracts, which are detrimental to the effectiveness of these mechanisms, and ensure that contract durations are sufficient in order to provide support and training to the beneficiaries and their enduring integration.

Recommendation n° 7: set up improved support measures

- Schedule two interviews very soon one after the other at the beginning of the personalised programme, one dealing with allowances, and the other with the professional project.
- Ensure that the first interview takes place five days after registering at the *Pôle Emploi*.
- Intensify contact with jobseekers.

Recommendation n° 8: adopt a holistic approach to the jobseeker.

- Consolidate coordination between social welfare entities and professional entities for the return to work through high level management bringing together *Préfets*, local *Pôle Emploi* managers and chairmen and chairwomen from general councils.
- Continue to fund back-to-work grants, such as help in obtaining a driving licence and paying childcare in order to effectively combat obstacles to coming back to work, and give more latitude to advisors and social workers when attributing these grants.
- Provide job search support to the beneficiaries of government-assisted contracts prior to the end of their contract.

Recommendation n° 9: consolidate the proficiency, expertise and autonomy of *Pôle Emploi* advisors.

- Renounce the generalisation of a single profession while encouraging versatility and flexibility for those who wish to be involved.
- Improve initial training and develop the expertise of advisors in local labour market.
- Grant greater autonomy to advisors and encourage the exchange of good practices.

Recommendation n° 10: adapt the means of the *Pôle Emploi* to the circumstances and level of unemployment.

– Adapt *Pôle Emploi* means to needs arising from economic circumstances by allowing the rapid increase in the number of advisors when unemployment rises.

– In order to achieve this, allow greater recourse to fixed term contracts at the *Pôle Emploi*.

Recommendation n° 11: be more attentive to customers.

– Confirm the role and importance of platforms for communication between associations of unemployed and the *Pôle Emploi* (liaison committees) both locally and nationally.

– Put the *Pôle Emploi* Ombudsman in charge of drawing up a comprehensive annual report on customers' satisfaction.

Recommendation n° 12: drawing inspiration from mechanisms in place especially in Sweden and Germany:

– head progressively towards an increased parental leave allowance (CLCA) that is proportional to previous salary, two-thirds, up to a maximum amount and for a shorter period of 14 months ;

– make provision for a non-transferable period of two months reserved for one of the parents as part of the parental leave (“equality month”), and at the same time organise awareness campaigns concerning male parenting.

Recommendation n° 13: set up improved support for employment and training of CLCA beneficiaries, and increase cooperation between the *Pôle Emploi* and the family welfare establishments (CAF – *Caisse d’Allocations Familiales*), particularly providing for the transmission by the latter of lists of CLCA recipients to the *Pôle Emploi*, in order to enable them to offer specific services.

Recommendation n° 14: with regard to practices observed especially in Nordic countries, particularly Sweden, continue developing the childcare offer, and:

– reach objectives set by the Government in terms of the number of places created, being 200,000 extra places, half of which are in collective childcare establishments;

– define ambitious objectives in this area during the next objectives and management convention (*Cog - Convention d'objectifs et de gestion*) held by the State and the family branch of the social security system (CNAF – *Caisse Nationale des Allocations Familiales*);

– maintain schooling for children under the age of three at least at its current level so that the places created are truly additional places.

Recommendation n° 15: improve knowledge and carry out a study providing not only in-depth analysis of needs but also territorial disparities concerning childcare quality and offer, particularly in Overseas Departments and Territories, and gather data on extracurricular facilities.

Recommendation n° 16: in order to encourage the development of collective negotiation concerning work/family life balance and continuing recommendations made in Mrs. Brigitte Grésy's June 2011 report:

– raise the question of work/family life reconciliation within the scope of the triennial branch level negotiation on professional equality;

– consequently, define pertinent indicators for work/family life reconciliation issues for the triennial branch level negotiation on professional equality (*by statutory means*), and improve monitoring of actions that promote work/family life reconciliation within the framework of the annual collective negotiation report.

Recommendation n° 17: drawing inspiration especially from the involvement of companies in the field of work/family life reconciliation in Germany, support the development of good practices, and:

– carry out an in-depth assessment of family tax credit (Cif - *Crédit d'impôt famille*) for companies that incur certain expenses to help their employees better reconcile work and family life ;

– entrust the National Agency for the Improvement of Work Conditions (Anact - *Agence nationale pour l'amélioration des conditions de travail*) with the task of disseminating good practices and support companies in the domain of work/family life reconciliation ;

– provide for training and raise awareness of management with regard to issues relating to work/family life balance; human resource managers should think of organising work schedules (hours, taking childcare into account, etc.) according to objectives of better reconciliation of work/family life, which aims at encouraging active male parenting and genuine sharing of family tasks;

– encourage gender diversity within executive boards of companies by envisaging that it be explicitly detailed that the annual meetings of boards of directors on the administration of policies of gender equality should especially include the issue of gender diversity within executive bodies and to provide for the transmission of a comparative report on the situation of men and women at the shareholders' general meeting.

Recommendation n° 18: in order to improve information and access to rights:

– organise an information campaign on the *Revenu de Solidarité Active* (RSA) allowance, targeting potential beneficiaries as well as the public at large, and closely study the reasons for limited recourse to the RSA activity ;

– improve information for families on all existing welfare allowances, for example by disseminating a guide for single parents;

– generalise practices that consist in simplifying forms and administrative correspondence by systematically involving beneficiary representatives.

Recommendation n° 19: in order to better assess current practices so that support for RSA allowance recipients is improved, especially for lone parents:

- draw up a report on the application of legislative provisions that provide for preferential access to infant childcare establishments for recipients of minimum welfare benefits, and in particular lone parents on low income;
- carry out a study on the number of social workers, their training and current support practices.

Recommendation n° 20: concerning policies aimed at lone parents, support the employment of mothers in general and at the same time, with a view to improving support for lone parents in order to respond to particular situations of vulnerability:

- consolidate cooperation between social workers, local authorities and job centres (more developed in Norway and the United Kingdom, for example);
- envisage experimentation to offer improved support to lone parents, on a voluntary basis with, for example, an integrated inclusion programme especially comprising increased allowances for childcare and the return to employment, and even other options and specific rights, such as greater access to training and childcare services (drawing inspiration from certain aspects of support mechanisms implemented in the United Kingdom);
- set up a national experimentation assessment committee through wide reaching involvement of interested parties and associations, and by providing for scrutiny of experimentation results by Parliament;
- raise awareness of job centres to the specific issues of lone parents and, in consultation with union organisations, by studying the possibilities of setting objectives for agents in public employment services in this domain (drawing inspiration from certain practices observed in Germany).