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**IMPLEMENTATION OF THE INTERNATIONAL COVENANT ON  
ECONOMIC, SOCIAL AND CULTURAL RIGHTS**

**Third periodic reports submitted by States parties under  
articles 16 and 17 of the Covenant**

**FRANCE\* \*\* \*\*\***

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\* The second periodic report submitted by the Government of France concerning rights covered by articles 1 to 15 of the Covenant (E/1990/6/Add.27) was considered by the Committee on Economic, Social and Cultural Rights at its 27th meeting in November 2001 (see documents E/C.12/2001/SR.67 and 68; E/C.12/1/Add.72).

\*\* The information submitted by France in accordance with the guidelines concerning the initial part of reports of States parties is contained in the core document (HRI/CORE/1/Add.17/Rev.1).

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## **Part I**

### **RESPONSES TO THE OBSERVATIONS AND RECOMMENDATIONS OF THE COMMITTEE RELATING TO THE SECOND REPORT (SECTION E - 30 NOVEMBER 2001)**

#### **Recommendation 21**

**1. Results of the framework law to combat social exclusion, the national action plan to combat domestic violence and the campaign against alcohol and tobacco abuse.**

- Detailed results of the framework law to combat social exclusion will be presented in the second part of this report.
- Results of the national action plan to combat domestic violence.

2. In response to the observations made by the Committee and certain associations, France is endeavouring to improve its knowledge of and its efforts to combat violence against women and children. Several measures have therefore been taken to improve the means of combating such violence alongside measures dealing with domestic violence.

**(a) Towards better knowledge and handling of domestic violence**

3. The Government has launched several research studies and projects in order to improve its understanding of the phenomenon of conjugal violence. In November 2005, a preliminary national estimate of violent deaths occurring within the couple in 2003 and 2004 was carried out by the National School of Statistics and Applied Economics (ENSEA) Junior Studies at the request of the Ministry for Social Solidarity and Parity, in conjunction with the Ministry of the Interior and Regional Planning, from which it emerged that almost 150 women die each year as a result of conjugal violence.

4. In addition, the Ministry for Women's Rights alerted the National Crime Monitoring Centre (OND), a department of the National Institute for Higher Studies on Security (INHES), to the need for statistics on violence which are aggregated by gender. The OND, together with the National Institute of Statistics and Economic Studies (INSEE), is preparing to launch a proper crime victim survey in 2007 in the style of Anglo-Saxon national surveys.

5. Lastly, the Ministry for Women's Rights commissioned a study in 2006 from the Economic, Social and Management Research Centre (CRESGE) in order to examine the feasibility of a study on the economic cost of conjugal violence in France.

**(b) Comprehensive Plan of Action on "10 Steps Towards Women's Autonomy"**

6. On 24 November 2004, the Government adopted a three-year comprehensive plan of action (2005-2007) to tackle violence against women, entitled "10 Steps Towards Women's Autonomy". The following substantial improvements have already been made thanks to the plan.

### **Improvement of accommodation and housing mechanisms**

7. With regard to accommodation, although in principle the removal of the perpetrator of the violence is favoured, several measures have been introduced to meet the accommodation needs of the victims of domestic violence. "Violence/Accommodation" officers have been nominated by the prefects in each department with the task of identifying places available in real time. In addition, the circular of 24 March 2005 provides that in future all women victims of violence be given priority access to new places in reception and social reintegration centres (CHRS) and in departmental action plans to house disadvantaged persons (PDALPD).

8. A working group was also set up in July 2006 under the Department of Women's Rights and Equality (SDFE), with the task of developing a system for monitoring the supply of and especially the need for accommodation and housing for women victims of violence in order to improve awareness of supply and demand in that area.

9. At the same time, a working group directed by the Ministry of Housing and in which SDFE participates has given consideration to the legal difficulties faced by women victims of violence looking for housing or rehousing.

10. Lastly, the range of accommodation facilities for women victims of violence has been extended by a new method of family placement. A trial is currently being conducted in the Drôme, Ardèche and Réunion departments for women victims of violence to be placed with families on a paying basis.

### **Access to social rights following acts of violence**

11. An agreement signed by the unions and management on 18 January 2006 provides that the National Union for Employment in Industry and Commerce (UNEDIC) will henceforth recognize resignation resulting from the change of residence of an employee who has been the victim of conjugal violence as valid and justifying lodging a complaint with the State prosecutor. Resignation in this case entitles any victim of this type of violence to unemployment benefit.

### **Development of partnerships with local entities and institutions**

12. The Departmental Commissions on action to combat violence against women have encouraged the mobilization of local entities by establishing several departmental protocols for preventing and combating violence against women, with the aim of creating a network for local entities to combine their efforts.

13. Institutional partnerships with the Ministries of Justice, Interior, Defence, Housing and National Education and Health have given rise to a series of initiatives and facilities in the areas of prevention, court proceedings dealing with cases of violence and care for women victims.

14. A circular from the Minister of Justice of 19 April 2006 was sent out to judges, including those of the State Prosecutor's Office, setting out the provisions of criminal law and criminal procedure of the Act of 4 April 2006 on the prevention and punishment of conjugal violence and violence against children. This text reflects the Government's wish to see this type of violence



treated more firmly by urging judges to adopt a stricter approach. Victims will be given greater care and support by associations, whose work will be coordinated. The State Prosecutor's Office will automatically be able to summon the relevant victim support associations to assist.

15. The Ministries of the Interior (for the police) and Defence (for the gendarmerie) will henceforth give priority in their work to:

- Receiving and hearing victims in police stations and on gendarmerie premises;
- Setting up duty offices for victim support associations or social workers on police or gendarmerie premises (under an agreement signed with the National Institute for Victim Support and Mediation (INAVEM), the National Federation of Women's Solidarity and the National Centre of Information on the Rights of Women and Families). A commission for victims was created in October 2005.

16. Lastly, in collaboration with the Ministry of Health and Solidarity, coordination between health-care professionals dealing with women who have been the victims of violence (including doctors, emergency and judicial services, and municipal and departmental social services) is being improved with the creation of reception networks run by health-care professionals on an experimental basis.

#### **Increased awareness of society as a whole**

17. A national publicity campaign under the title "Stop Violence - Your Words *Are* Actions" was launched in November 2004. For the occasion, 100,000 copies of a national "Stop Violence - Your Words *Are* Actions" leaflet were printed giving details of existing facilities and resources and social minimum benefits. A corresponding map was also printed in a run of 100,000. A new departmental leaflet is intended to provide local solutions for women victims of violence.

18. The awareness of professionals has also been heightened. Initial and further training is given to police officers, gendarmes, judges, health-care professionals and social workers. A brochure, produced in 2005 and updated in 2006, aimed at explaining the mechanisms and the seriousness of violence and convincing professionals to become more involved was also widely circulated.

19. Awareness-raising work also targets children under an agreement reached with the Ministry of National Education.

#### **Increased subsidies**

20. With regard to financial support, the grants to associations were increased by almost 20 per cent in 2005, and again by the same proportion in 2006.

#### **(c) Stricter legislation on conjugal violence**

21. In recent years legislation against conjugal violence has been made stricter. One example is Act No. 2006-399 of 4 April 2006, on strengthening the prevention and punishment of conjugal violence and violence against children.

22. One measure that has considerably reinforced penalties for conjugal acts of violence has been to consider it as an aggravating circumstance if the offender is the spouse, cohabitee or partner in a civil solidarity pact of the victim. The aggravating circumstance also applies when the acts are committed by a former spouse, cohabitee or partner in a civil union. Furthermore, the aggravating circumstance arising from the status of the perpetrator now applies in cases of murder (art. 221-4, para. 11, of the Criminal Code), rape or other forms of sexual assault (art. 222-24, para. 11, and 222-28, para. 7, of the Criminal Code). While theft between spouses was not punishable in the past, the new legislation creates a limited exception for the theft of particularly important objects or documents, such as identity documents relating to residence permits for foreign nationals or means of payment.

23. Act No. 2006-399 of 4 April 2006 has added to and clarified the provisions of Act No. 2005-1549 of 12 December 2005 concerning the treatment of repeated offences, which provides for the removal of the perpetrator of domestic violence from the conjugal home or residence. From now on, at all stages of the criminal proceedings and for the victim's protection, the courts may propose (as part of settlement or other alternative to prosecution) or order (as part of court supervision, probation or remission of sentence) that the perpetrator of violence should live away from the conjugal home and, if necessary, refrain from returning there or to its immediate vicinity. Health, social or psychological care may also be offered to or imposed on the perpetrator.

24. Lastly, the draft legislation on crime prevention, currently under discussion in the Senate, includes several measures concerning conjugal violence, such as:

- Extending of the scope of application of social and judicial supervision to the perpetrators of conjugal violence;
- Allowing a doctor to inform the State prosecutor of suspected conjugal violence against one of his patients, without the latter's consent;
- Permitting associations to stand as complainants in cases of incitement to serious or ordinary offences of sexual assault or such offences committed within the couple.

**(d) Strengthened criminal policy with regard to conjugal violence**

25. At the national level, the number of cases registered rose from 39,156 in 2003 to 42,400 in 2004. According to Ministry of Justice statistics, the rate of non-prosecution response has improved, rising from 68.9 per cent in 2004 to 76.2 per cent in 2005.<sup>1</sup> According to the figures provided by the national information centre which covers the seven regional courts of the Paris region,<sup>2</sup> 41 per cent of prosecutable cases in 2004 led to measures other than prosecution, such as

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<sup>1</sup> The non-prosecution response rate corresponds to the proportion of proceedings in lieu of prosecution compared with total prosecutable cases.

<sup>2</sup> The Tribunaux de Grande Instance of Evry, Paris, Bobigny, Créteil, Nanterre, Pontoise and Versailles.

reminders of the law or penal mediation while 34.9 per cent gave rise to court proceedings. At the same time, the number of cases where proceedings are discontinued is falling significantly. The number of convictions for conjugal violence, whether for serious or ordinary offences, has increased markedly, from 656 convictions in 1994 to 9,030 in 2004. Convictions for violence which did not result in total unfitness for work have been increasing each year and the greatest number of convictions are handed down for violence which resulted in total unfitness for work for eight days or less (5,827 in 2004). The sentence handed down the most frequently is imprisonment, with immediate imprisonments increasingly frequent.

26. The circular of 19 April 2006 of the Directorate of Criminal Affairs and Pardons explains the provisions of the above-mentioned Act of 4 April and details criminal policy on the matter. That circular takes into account legislative changes and reiterates the main objectives of criminal policy already laid out in the prosecution guide on the efforts to combat domestic violence, which was distributed in September 2004. That guide establishes a scale of prosecutions and alternatives to prosecution by drawing on the best practices of the State Prosecutor's Office. In order to improve the efficiency of alternatives to prosecution for acts of conjugal violence, the circular advocates dealing with cases on the spot and sets out the most appropriate methods of prosecution for this type of action. State prosecutors are asked to require the removal of the perpetrator of the violence from the conjugal home or residence, regardless of the stage of proceedings. Lastly, the circular recommends coordinated action by State prosecutors in order to improve the care afforded to victims of violence and to the couple's children, and to ensure that the perpetrator of the violence is removed from the home.

27. In that context, it is worth noting the methods applied by some public prosecutors, such as Mr. Frémot at Douai, where cases of violence against women have been given priority since 2003. Police officers to whom cases of violence are reported automatically inform the prosecutor directly and enquire into the matter; they also refer victims to the forensic emergency services and even accompany them if necessary, and they contact an association which can provide care and assistance.

28. Lastly, in July 2006, following the report by Dr. Coutanceau on the treatment of perpetrators of conjugal violence submitted to the Minister for Parity, a working group on the issue was set up to monitor the progress made and the effectiveness, in terms of repeated offences, of existing methods for dealing with and supervising the men responsible for violence.

## **Results of the campaign against alcohol and tobacco abuse**

### **(a) The campaign against alcohol abuse**

29. As part of a policy of stricter enforcement of speed limits, increased breathalyser testing of car drivers and motorcyclists has proved to be one of the most effective ways to prevent alcohol abuse. The results of the campaign have been particularly impressive in terms of bringing down the number of people killed and injured as a result of road accidents, which, after declining by an average of 2.3 per cent per year between 1974 and 2001, fell by an average of 10 per cent per year during the last four years. Between 2001 and 2005, the number of road deaths due to alcohol abuse fell by 35.6 per cent, and the number of people injured by 29.6 per cent.

30. According to some estimates, alcohol is the second biggest cause of avoidable deaths in France, and the Government is determined to pursue its efforts to curb this problem. Under the 2007-2011 addiction prevention plan, more resources are to be devoted to prevention, especially of alcohol abuse, to information campaigns directed at the general public and health professionals and to the creation of a cheap rate telephone helpline.

31. The outcome in terms of public health will become apparent in the longer term, but is likely to be most significant for those in lower income groups, who are most affected by addictions.

32. It is worth noting that one of the unintended economic and social consequences of this campaign was an unprecedented slump in wine sales and a social crisis in the French wine industry.

### **(b) The campaign against tobacco abuse**

33. The anti-smoking campaign that began several years ago is based on three main measures: a steep rise in taxes, starker health warnings (all cigarette packets must carry warnings in large print), and a ban on smoking in public places. The campaign has led to a steep drop in tobacco sales in France; the number of cigarettes sold per month fell by over 30 per cent, from over 7.3 million in July 2000 to 4.7 million in March 2006. These figures demonstrate an increased awareness of the dire health consequences of the habit. The most significant reductions in smoking have reflected the priorities set out in the Cancer Plan: 1 woman in 10 has quit smoking (26.5 per cent of women still smoke), and the proportion of under 15s who smoke has been nearly halved, from 14.4 per cent in 2000 to 8.6 per cent in 2005. One indication of how this change is affecting society in general is the enactment of a ban on smoking in all public places, the terms of which were announced in October 2006, in Decree No. 2006-1386 of 15 November 2006. Under this decree, smoking will be prohibited from 1 February 2007 in primary schools, high schools and colleges, on public transport, and in enclosed spaces that are open to the public or constitute a place of work. From 1 January 2008, the ban will be extended to all establishments that sell drinks for on-site consumption (bars, restaurants, casinos, etc.). The decree also imposes a €68 fine for any infringement. At the same time, more help centres are being created for people wishing to give up smoking, offering free advice on how to start treatment.

34. It will take some time before the consequences of this policy in public health terms can be measured precisely, but they will undoubtedly be significant. There is likely to be an impact on the prevention of certain forms of cancer. Once again, the main progress is expected to be achieved among the poorer sections of society, where addiction to smoking is most prevalent.

## **Recommendation 22**

### **The criminalization of trafficking in persons**

35. Trafficking in persons is criminalized by a battery of legal measures enacted by France in 2003, against a background of spreading criminal networks, in order to suppress modern forms of slavery and reaffirm the fundamental importance of respect for human dignity.

36. The Penal Code defines trafficking in persons as “the recruitment, transport, transfer, accommodation, or reception of a person in exchange for remuneration or any other benefit or for the promise of remuneration or any other benefit, in order to put the person at the disposal of a third party, whether identified or not, so as to permit the commission against the person of offences of procuring, sexual assault or attack, exploitation for begging, or the imposition of living or working conditions inconsistent with human dignity, or to force the person to commit any felony or misdemeanour”. Article 706-73 of the Criminal Procedure Code treats trafficking in persons as an organized criminal offence where there are aggravating circumstances, including cases in which the offence was committed against a minor, a particularly vulnerable person, more than one person, or a person who was outside the territory of the French Republic, with the use of violence, threats or coercion against the person concerned or the person’s family.

37. The Act of 9 March 2004 gave judicial authorities and investigators new legal powers to combat what are often tentacular international networks by authorizing the use of special investigation techniques (infiltration, sound and image detection technology used in certain places or vehicles, interception of telephone calls once an investigation is opened, etc.). Specialized inter-regional courts are responsible for investigating, prosecuting and judging offences related to organized crime.

38. Since trafficking in persons was made an offence by the Act of 18 March 2003, no convictions have been entered in the national criminal records. This does not imply that there have been no prosecutions for this offence, merely that no definitive conviction has been handed down since the law came into force, a fact mainly attributable to the lengthy investigative and judicial procedures that arise in such complex cases.

39. In addition to trafficking in persons in the strict sense, the Penal Code considers as offences aggravated procuring, the exploitation of begging, and insufficient or non-existent payment for work done by a vulnerable person. Operations are regularly conducted against prostitution, as part of a strategy developed jointly with the Central Office for the Repression of Human Trafficking, the prefecture and the judicial authorities. In 2005, 34 sentences<sup>3</sup> were handed down for the exploitation of begging and insufficient payment for work (compared with 28 sentences in 2003 and 2004), as well as 550 sentences for aggravated procuring (compared with 638 in 2004 and 693 in 2003). Of the cases of aggravated procuring, 5 involved particularly vulnerable victims, 74 were related to victims forced into prostitution upon arrival in France, and in 28 cases the victims were minors.

40. In addition to these sanctions, the Act of 18 March 2003 established a procedure for granting entry permits to foreign nationals who have lodged complaints or who have testified in criminal proceedings against persons suspected of procuring or trafficking in persons.

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<sup>3</sup> The criminal record figures for sentences handed down in 2005 are provisional because of the time required to transfer and input data from conviction records.

### **Recommendation 23**

#### **Training for the judiciary and other legal professions to raise awareness of the International Covenant on Economic, Social and Cultural Rights**

41. The judiciary are familiarized with aspects and mechanisms of international law throughout their careers, from the time they join the National College of Magistratas as legal trainees. Apart from the option of a 10-week external placement during their initial training (either abroad or with a court, an international organization or an embassy), law students are trained in international law, more specifically aspects of civil and criminal cooperation, certain aspects of comparative law, European law and the European Convention on Human Rights. The recruitment competitions for barristers also require candidates to be familiar with international human rights treaties.

42. The entry into force of the revised European Social Charter, which France is the only country to have ratified in its entirety and which provides for a collective complaints procedure, has led to the development in the last few years of quasi-legal litigation and a body of case law that has quite often related to France, prompting greater interest in economic, social and cultural rights and the international instruments that protect these rights, including the Covenant. Lastly, the French Government's clear support for the Draft Optional Protocol to the Covenant, led to the organization of a seminar of experts in Nantes in September 2005 and subsequent publication and dissemination of the minutes of the seminar under the title "Economic, social and cultural rights for the ordinary citizen", has greatly contributed to raising awareness of the Covenant.

### **Recommendation 24**

#### **Increasing France's official development assistance**

43. The French Government has undertaken a very clear commitment to meet the target of contributing 0.7 per cent of its gross domestic product (GDP) to official development assistance. This target is expected to be reached in 2012, after an intermediate target of 0.5 per cent for 2007. France's official development assistance (ODA) had already risen from 0.32 per cent to 0.45 per cent between 2001 and 2005, and is expected to reach 0.47 per cent in 2006, making France the world's third largest bilateral donor after the United States of America and Japan. France has also proposed a significant initiative to increase international ODA by introducing a levy on airline tickets, which will be applied from this year in a small number of countries, including France.

### **Recommendation 25**

#### **Legal recognition of minorities**

44. Under the French Constitution, the nation is defined as being composed of persons with equal rights: "France is an indivisible, secular, democratic and social Republic. It guarantees equality of all citizens before the law without distinction as to origin, race or religion" (art. 2). It follows from the French position that minorities are not recognized as holders of collective rights, but this position does not prevent the public manifestation or expression of diversity.

45. Moreover, the French position has not prevented social, educational and cultural policies based on systematic and sophisticated surveys from being directed against all forms of discrimination and from providing targeted support to vulnerable persons. These policies were described in the updated report that France submitted and presented to the Committee on the Elimination of Racial Discrimination in February 2005.

46. The French concept of the nation has not prevented France either from seeking to respect local specificities, especially in the overseas departments and regions (DOM/ROM) and the overseas communities (COM). Thus, the French position does not deny overseas indigenous populations the right to lead their own cultural activities in common with other members of their group, to profess and practise their own religion or to use their own language. France prefers to take local specificities into account through legislation. As a result, the overseas departments, regions and communities have developed *sui generis* regimes, in which the codified civil code coexists alongside local custom based on oral traditions. These regimes govern specific levels of social organization, and conflicts of law are settled by precedent.

47. Personal status law is the area in which France has given its most clear-cut recognition of overseas indigenous populations by enshrining personal status in article 75 of the Constitution, which stipulates that “citizens of the Republic who do not enjoy civil status under ordinary law, the only status recognized in article 34, shall retain their personal status unless they decide to renounce it”. Personal status is a concept whereby a person is subject to a local personal status law rather than ordinary law. In practice, this dual regime takes the form of two separate categories of civil status, which still exist in New Caledonia, Wallis and Futuna, and Mayotte.

48. Although the concept of rights of indigenous and local communities is alien to French law, the State has nonetheless acknowledged community practices and customs and popular local knowledge for some time, for instance in the area of biodiversity conservation policies. Thus, article 8 (j) of the Convention on Biological Diversity recognizes the contribution of local and indigenous communities to the conservation and sustainable use of biological diversity and is now almost fully reflected in national positive law by Overseas General Principles Act No. 2000-1207 of 13 December 2000 (art. 33).

## **Recommendation 26**

### **Preservation and teaching of regional and minority cultures and languages**

49. These two concerns have been taken into account in the policies that France has vigorously pursued since the 1980s. Many museums and cultural centres focusing on regional cultures have been established; festivals celebrating these heritages are supported by the Ministry of Culture and Communication and local authorities. The Ethnological Heritage Council and Mission established by the Ministry of Culture in 1980 have been tasked with preserving key constituents of the identity of local cultures and helping to coordinate ethnological research policy throughout metropolitan France and its overseas departments, regions and communities. In addition, the Government supports many research projects on regional languages and local customs and provides assistance for publishing projects. The Overseas General Principles Act of 3 December 2000 provides for action in support of regional languages and cultures in the overseas departments and article 34 recognizes the regional languages used in overseas departments as part of the nation’s linguistic heritage.

50. In the education system, regional and minority languages are taught as optional subjects and special competitive examinations are held to recruit first- and second-level teachers of the languages concerned, which include Basque, Breton, Catalan, Corsican and Occitan within metropolitan France and Creole, Tahitian and Melanesian languages overseas. Some educational establishments have launched experimental initiatives and courses in other local languages, such as Amerindian languages. A number of private schools under contract offer intensive language training, including in foreign languages spoken by migrants. Detailed information about these different subjects has been provided in the aforementioned report submitted to the Committee on the Elimination of Racial Discrimination in February 2005.

### **Recommendation 27**

#### **Minimum age for marriage**

51. Article 1 of Act No. 2006-399 of 4 April 2006, which reinforces the prevention and punishment of domestic violence and violence against minors, gave effect to the Committee's sensible recommendation to raise the legal minimum age for marriage for girls to 18 years, thereby eliminating a distinction which nowadays is unacceptable. The new article 144 of the Civil Code, which is fully applicable throughout French territory, including overseas departments, regions and communities now stipulates that a man or a woman cannot marry before the age of 18.

### **Recommendation 28**

#### **Policies to combat job insecurity**

52. This area will be addressed in detail in the second part of the report.

### **Recommendation 29**

#### **Trade union representativity and freedom of association**

53. In view of the risk that the very low level of union membership in France might lead to the establishment in certain sectors of trade unions which are not independent of the employers, specific criteria of representativity were introduced and the right to put forward candidates in elections entitling them to participate in joint management mechanisms, particularly in judicial matters, or in protection and insurance mechanisms was restricted to five major trade unions. Nevertheless, freedom of association remains intact, as guaranteed under the Constitution.

##### **(a) Representativity criteria**

54. Only if representativity is challenged are criteria applied. De jure representativity can be irrefutably presumed or proven and a debate is under way to consider possible developments.

##### **Irrefutable presumption of representativity**

55. The concept of de jure representativity was introduced by the Decree of 31 March 1966 concerning organizations designated to discuss and negotiate collective agreements. The decree



recognizes five trade unions as being representative de jure at the national level: CGT, CFDT, CGT-FO and CFTC for all staff categories, and CFE-CGC for executive staff. Therefore, there is an irrefutable presumption that these employee trade unions are representative.

56. The Act of 27 December 1968 concerning trade union sections provides for an irrefutable presumption of representativity at enterprise level (article L.412-4, paragraph 2, of the Labour Code) with regard to trade unions affiliated to an organization recognized as representative at national level. Under the Act of 13 July 1971, which reformed the right to collective bargaining, such representativity was extended to the conclusion of collective agreements (article L.132-2 of the Labour Code) and the same principle is applied to de jure representativity at staff elections (article L.423-2 and L.433-2 of the Labour Code).

57. With regard to the representativity of employers' organizations, a presumption of representativity exists in practice for organizations represented on the National Commission on Collective Bargaining (CNNC), even though it has not been established by law. It can be inferred from Decree No. 97-80 of 30 January 1997, codified in article R. 136-3 of the Labour Code, which restricts the representation of employers on the CNNC to MEDEF, CGPME, UPA and UNAPL.

### **Proven representativity**

58. When their representativity is challenged, trade unions may offer proof of their representativity either at enterprise or branch level.

59. At enterprise level, trade unions that consider themselves to be representative may act as such and, in particular, may establish a trade union section, appoint a trade union representative, help prepare staff elections, put forward candidates in the first round of elections, and take part in mandatory annual negotiations.

60. While neither the employer nor other trade union organizations in the enterprise are entitled to assess a union's representativity, they may challenge it before a judge. In order to be recognized as representative, a trade union must prove that it meets all the criteria in the enterprise established by law (article L.133-2 of the Labour Code) and by case law. The legal criteria stipulated in the Act of 11 February 1950 concerning collective agreements and the settlement of collective bargaining disputes are: number of members, independence, membership fees, level and length of experience, and patriotic attitude during the Occupation (this last criterion having become outdated). The scope of activity, the electoral base and the ability to mobilize employees are additional criteria developed in case law. These criteria are not cumulative.

61. At branch level, the established principle is the mutual acceptance of all the trade unions that participate in collective bargaining. The need to determine which trade unions are entitled to take part in negotiations arises only therefore when a trade union or unions present disagree about their representative status or if another trade union applies to participate in the negotiations. In this particular context, the labour minister is responsible for determining which organization or organizations are representative at branch level (article L.133-3 of the Labour Code). The representativity criteria are the same as those considered by a judge in the case of the enterprise.

### **Current debate**

62. The question of the need to reform representativity criteria and on the form and content of potential reform has been debated in France over the last few years. The recent Hadas-Lebel report on the representativity and funding of trade unions, submitted to the Prime Minister in May 2006, gives an overview of the situation in France and proposes possible developments with regard to the representative status of professional and trade union organizations. In particular, it explores the possibility of an assessment based on electoral results (elections for industrial tribunals, staff representatives, and union representation at branch level). The Economic and Social Council (CES), which is currently examining this report, is expected to issue an opinion by the end of 2006.

#### **(b) Respect for freedom of association**

63. Freedom of association and the right to pursue trade union activities are guaranteed under the Constitution (paragraph 6 of the Preamble to the Constitution of 27 October 1946 and the corresponding provision in the Constitution of 4 October 1958). The Preamble to the Constitution provides that all persons are entitled to defend their rights and interests through trade union activities and to join the trade union of their choice.

64. The rules governing trade union rights codified in articles L.410-1 to L.413-2 of the Labour Code provide that:

- Trade unions may be formed freely, provided that the relevant legal conditions and the requirement to register statutes are fulfilled;
- Their sole purpose shall be to study and defend the rights and the moral and material interests, both collective and individual, of their members (article L.411-1);
- Professional unions and associations of persons exercising the same occupation, or similar or related trades, contributing to the production of specific products or practising the same liberal profession may be freely constituted (article L.411-2). The founders of a trade union shall file its statutes and the names of all persons who are responsible in any capacity whatsoever for its administration or management (article L.411-3);
- All persons are entitled to join a trade union of their choice (article L.411-5). This also implies that every trade union member is free to withdraw from a trade union at any time, notwithstanding any clause to the contrary (article L.411-8). There are only three procedures for dissolving a trade union: voluntary, statutory and by court decision (article L.411-9);
- Lastly, the exercise of freedom of association is recognized in all enterprises (article L.412-1) and the Labour Code prohibits any form of union discrimination on the part of employers (L.412-2) and in general (article L.122-45 of the Labour Code) for reasons of union membership or the exercise of union activity.

65. All these rules, which guarantee freedom of association apply equally to all lawfully established trade union organizations. Consequently, small or new trade unions may as a matter of principle exercise their activities freely. They have to prove their representativity in order to justify their actions only when their representative status is challenged.

66. Thus, although not perfect, the current representativity criteria make it possible to determine objectively whether a trade union can act legally on behalf of the group of employees it claims to represent. The right of small or new trade unions to exercise their activities freely is therefore not restricted by representativity criteria.

### **Recommendation 30**

#### **Ratification of ILO Conventions 117 and 174**

- **Convention No. 174 concerning the Prevention of Major Industrial Accidents**

67. The provisions of Act No. 2003-699 of 30 July 2003 on the prevention of technological and natural hazards and compensation for damages meet the requirements of ILO Convention No. 174. This Convention is now in the process of being ratified, together with four other ILO Conventions (173, 176, 184 and 181). The legal department of the Ministry of Foreign Affairs is dealing with the matter but the normal procedure, which is subject to approval by the Council of State, will take some time.

- **Convention No. 117 on Social Policy (Basic Aims and Standards)**

68. The French Government does not consider it appropriate to ratify Convention No. 117. Although in general there are no objections to the content of the articles of this Convention, most of them seem completely outdated or inadequate because the situations they address either no longer or rarely exist.

69. The Convention has outlived its purpose for the following reasons: the grounds for and date of its drafting and adoption (1962, i.e., 44 years ago); the changing lifestyle of the populations concerned (rural societies of the 1950s and 1960s); outdated proposals; an outdated form.

**(a) The grounds for and date of its drafting and adoption (1962)**

70. The aim of the Convention's proposals is to revise the Social Policy (Non-Metropolitan Territories) Convention of 1947 in order to ensure that it would continue to be applied by the independent States which succeeded the territories, as stated in the Preamble. This latter Convention was designed for a period of history marked by decolonization. The adoption of basic social aims and standards by the newly independent States seemed important at the time. The Convention also presupposes that major population movements may occur (mainly in the

regions of the newly independent States). Despite these special circumstances, it was deemed necessary in 1962 to codify these proposals regarding basic standards of social policy in an international convention.

**(b) The changing lifestyle of the populations concerned (rural society in the 1950s and 1960s)**

71. Generally speaking, the Convention primarily applies to countries in which the majority of the population is rural and agricultural activities predominate. It mostly deals with the working conditions of “farmers” and agricultural workers in terms which no longer really correspond to the reality of our country. Examples include:

“The control, by the enforcement of adequate laws or regulations, of the ownership and use of land resources [...] with due regard to customary rights [...]” (art. 4);

“All practicable measures shall be taken for the protection of wage earners and independent producers against usury [...]” (art. 13);

“The supervision of tenancy arrangements and of working conditions with a view to securing for tenants and labourers the highest practicable standards of living and an equitable share in any advantages which may result from improvements in productivity or in price levels” (art. 4).

**(c) Outdated proposals**

72. The Convention contains provisions and expresses concerns that are not applicable in a modern working context. The following are some examples:

Article 11 (2): “Wages shall normally be paid in legal tender only”;

Article 11 (3): “Wages shall normally be paid directly to the individual worker”;

Article 11 (4): “The substitution of alcohol or other spirituous beverages for all or any part of wages for services performed by the worker shall be prohibited”;

Article 11 (5): “Payment of wages shall not be made in taverns or stores, except in the case of workers employed therein”.

**(d) An outdated form**

73. A lot of the vocabulary used in this Convention seems outdated. Although some terms may still appear pertinent, they are no longer used nowadays. For example, reference is made to discrimination for reasons of “colour”. The term “public education” used in the Preamble would probably have to be replaced by “education and training”.

74. For the reasons mentioned above neither France nor most of the European countries have ratified Convention No. 117.

### **Recommendation 31**

#### **The phenomenon of homelessness**

75. Homelessness is, at least in part, one of the consequences of job insecurity and the obstacles encountered by policies to combat exclusion. The issue will be addressed in detail in the second part of the report.

### **Recommendation 32**

#### **The role of France on the governing bodies of the Bretton Woods Institutions**

76. In view of its mandate as a member of the Boards of Governors of the World Bank and the International Monetary Fund, France, which has made the promotion of human rights an integral part of its foreign policy, is well aware of the leverage exerted by these institutions. The positive developments that have occurred in the policies of their institutions in the past few years, which reflect a growing respect for human rights, are to a great extent due to the influence of one of the first countries to draw attention to the impact of structural adjustment plans on the ability of vulnerable populations to exercise their rights, in particular economic, social and cultural.

77. In 2001, the French High Council for International Cooperation, jointly with the United Nations Committee on Economic, Social and Cultural Rights, had the honour to organize a seminar on the responsibility of international economic and financial institutions with regard to the respect for human rights, which helped raise the latter's awareness of the issue. It may be noted that the World Bank has since launched the "Business Partners for Development" initiative designed to promote model partnerships between enterprises, States and non-governmental organizations (NGOs), covering the various aspects of development, including human rights.

78. The World Bank, through its International Finance Corporation arm, also promoted the launch of the "Equator Principles", adopted in 2003, which investment banks (currently about 30) have agreed to, thereby undertaking to give consideration to the impact of the infrastructures they finance on the environment and on human rights. Since the infrastructure projects sponsored by the World Bank have often been criticized for their adverse effects on the nearby environment, especially human, the World Bank has developed a very strict methodology for prior impact assessments. Those related to large dams are now closely monitored by the World Commission on Dams, an independent institution supported by the World Bank. In the case of the Nam Theun 2 dam in the Lao People's Democratic Republic, for example, aid programmes have been financed, at France's request, to enable local authorities to introduce specific measures to alleviate poverty. France has particularly insisted on the need to monitor the construction and exploitation of this dam very clearly.

79. In 2005, the World Bank Institute published several studies on the links between human rights violations, poor governance and weak development, which indicate that the issue of human rights is being gradually incorporated into the Bank's strategies.

80. Since 1998, the French Government has been publishing an annual report giving an overview of France's activities in the World Bank and the International Monetary Fund. The

foreign affairs committee discusses the report, sometimes at a public meeting, which gives French parliamentarians an opportunity to assess France's commitment to human rights in international financial institutions.

### **Recommendation 33**

#### **Dissemination of the concluding observations of the Committee on Economic, Social and Cultural Rights**

81. The Internet site of the Ministry of Foreign Affairs, which includes a "Human Rights" section accessible from the home page, introduces the International Covenant on Economic, Social and Cultural Rights and offers links to France's last report and the observations issued by the Committee regarding the report.

82. The Committee's observations following the presentation of the second periodic report were widely distributed among the departments concerned. Several of the above responses indicate that they are being taken seriously by many departments. The third report was prepared in close cooperation with the National Consultative Commission on Human Rights, as are all reports to treaty bodies. The Commission's international subcommittee devoted several sessions to discussing the guidelines of the report with departments; the present note was prepared in consultation with the subcommission, which held a joint session with other subcommissions on 18 December 2006.

## Part II

### **COMBATING PRECARIOUSNESS AND EXCLUSION IN FRANCE, WITH PARTICULAR REFERENCE TO THE SPECIFIC DIFFICULTIES OF YOUNG PEOPLE AND THE HOMELESS**

83. The Committee on Economic, Cultural and Social Rights, following consideration of France's second periodic report in 2001, addressed three recommendations to the French Government, all concerned with combating the most striking forms of precariousness and exclusion:

Recommendation 21: requesting information on the results of the implementation of the framework law to combat social exclusion;

Recommendation 28: calling for urgent steps to be taken to address the problem of job insecurity, as well as the serious problem of suicides relating to it;

Recommendation 31: requesting that, in addition to the campaigns being undertaken to aid the homeless, especially during the winter months, particular attention should be given to raising awareness of this phenomenon and to developing policies on how to address the problem adequately, not only as a matter of emergency.

84. These three recommendations refer to crucial and complex issues currently confronting numerous societies in the industrialized countries, particularly in Europe. They are core concerns of the French Government, which has developed concerted and purposeful policies to respond to the social challenges they pose.

85. This second part of the periodic report will describe successively the situations of precariousness and exclusion in France, the causes that can be identified, and the policies pursued by the French Government to overcome them. The conclusion reports on the initial results stemming from the latest public initiatives.

#### **I. DESCRIPTION OF THE SITUATIONS OF PRECARIOUSNESS AND EXCLUSION IN FRANCE**

86. Since the 1970s, France has experienced a rise in precariousness and exclusion. Despite the public policies put into effect and regularly reviewed, these phenomena continue to be a matter of concern and to affect a sizeable part of the French population. While the number of poor people has remained relatively stable, the gaps are widening and the poor are remaining poor longer.<sup>4</sup> Those most vulnerable to unemployment and insecurity include young people, single-parent families, women living alone and the elderly. These five categories, while separate, have a number of features in common, not least the dynamics of exclusion.

87. There are various aspects to the phenomenon of increasing precariousness in France today. We identify six such aspects with a view to presenting an objective assessment of the situation

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<sup>4</sup> Report of the *Secours Catholique* 2005.

and grasping its complexity: (a) growing inequalities, (b) the number and profile of those receiving basic social benefits, (c) the growing phenomenon of the “working poor”, (d) the large number of unemployed persons among certain at-risk categories, particularly young people, women and recent foreign immigrants from certain countries, (e) the problems of access to housing and (f) the growing phenomenon of the homeless.

### **A. Growing inequalities**

88. Assessing trends in inequalities within a developed society is essential to an understanding of poverty and precariousness. Inequalities manifest themselves in various forms.

89. While they have changed little in France between 1996 and 2004, inequalities of income have played a significant role. According to the report of the Council for Employment, Income and Social Cohesion (CERCS), published in November 2006, in 2005 those in the wealthiest decile of the population had an income three times higher than those in the poorest decile, and increases in the incomes of the deciles at the two extremes had progressed more rapidly than those of the rest. That means that the poorest reduced the gap between themselves and the middle classes, but the rich widened the gap in relation to all other categories. More specifically, inequalities of income were broken down by socio-professional category, training, age and location. In that regard, agricultural and unskilled workers are overrepresented in the poorest decile relative to their proportion of the total population. The same is true of individuals with low qualifications (they constitute 61.8 per cent of the lowest decile, whereas they represent only 40.6 per cent of the total population), of young people under the age of 30 (10 per cent of the lowest decile compared with 8.2 per cent of the total population) and of individuals living outside urban areas (29.5 per cent in the lowest decile compared with 24.1 per cent of the total population).<sup>5</sup>

90. Assets (financial and property) are more concentrated than income and represent an even greater source of inequality. According to the same CERCS report, 10 per cent of the wealthiest households possessed almost half (46 per cent) of national assets, while the wealthiest 1 per cent owned 13 per cent of the assets. In comparison, 50 per cent of the least well-off households shared only 7 per cent of the assets.

91. The “barometer of inequalities and poverty” or BIP40 shows that from 2004 onwards the gaps in unemployment rates between managerial staff and workers and between young and older people started to widen again, matching the steady increase in the number of those receiving minimum social benefits. In 2003, 34 per cent of the jobless were long-term unemployed, the unemployment rate for workers being three times higher than for managerial staff. Inequalities were also apparent with regard to health, the gap in life expectancy between workers and managerial staff being 8.3 years in 2003.

92. Inequalities also exist in territorial terms. The proportion of people living below the poverty line is higher in France in a “northern crescent” stretching from Seine-Maritime to the Ardennes and along the edge of the Mediterranean. In a number of sectors, particularly

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<sup>5</sup> CERCS report “*La France en transition, 1993-2005*”, November 2006.



employment, education and health, the problems are also greater in the overseas departments, regions and communities (DOM, ROM and COM). For example, the number of people receiving the minimum income allowance (RMI) is much higher in several overseas territories than in metropolitan France.<sup>6</sup> Inequalities are also more marked in towns and cities: the proportion of households living below the poverty line is 21 per cent in sensitive urban zones (ZUS), i.e. almost double the average poverty rate.<sup>7</sup>

93. Almost 35 per cent of French people believe that social injustice has increased.<sup>8</sup> All these factors contribute to a growing sense of precariousness. Ninety-three per cent of those canvassed in 2005 said they were personally worried by poverty, and 90 per cent by unemployment. Eighty-two per cent felt that poverty had increased in the course of the year - 14 per cent more than in 2002. The main reason quoted was over-indebtedness (79 per cent), followed by shortage of work (57 per cent).<sup>9</sup>

#### **B. The number and profile of those receiving minimum social benefits**

94. In a society well-equipped with public solidarity mechanisms, the impoverishment of a section of the French population can be measured in part by trends in the number of those receiving minimum social benefits.

95. On 31 December 2004, 3.4 million people were receiving one of the nine minimum social benefits or the solidarity benefit (specific overseas department provision).<sup>10</sup> The main and most representative benefits are the minimum income allowance (RMI), the single-parent benefit (API) and the disabled adults allowance (AAH).

96. The RMI, created in 1988, guarantees a minimum income to everyone who is over 25 or has one or more dependent children. It is defined on a regulatory basis having regard to the composition of the household and the number of dependants. The amount of the benefit is fixed by decree and revised annually in step with the movement in prices.<sup>11</sup> It was set up to provide for those without means, lacking social security cover and having difficulty integrating in a society where access to employment was increasingly difficult. The number of persons receiving this

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<sup>6</sup> *Conseil économique et social*, Dider Robert “*L'accès de tous aux droits de tous*”, 2003.

<sup>7</sup> *Deuxième Plan National d'Action pour l'Inclusion (PNAI)*, 2003-2005, *Rapport de la France*.

<sup>8</sup> *Eurobaromètre* (S. Paugam) quoted in the Report of the Commission *Familles, vulnérabilité, pauvreté*, April 2005, p. 106.

<sup>9</sup> BVA opinion poll, quoted in the report of the Commission *Familles, vulnérabilité, pauvreté*, April 2005, p. 106.

<sup>10</sup> *DREES, Etudes et résultats*, No. 447, “*Les allocataires de minima sociaux en 2004*”, November 2005.

<sup>11</sup> Article L262-2 of Act No. 2003-1200 of 18 December 2003, *Journal Officiel* of 19 December 2003, effective 1 January 2004.

benefit, totalling 1,276,800<sup>12</sup> on 31 March 2006, had increased very markedly in the preceding years: whereas in 2002 the number of beneficiaries increased by only 1.3 per cent, it rose by 5 per cent in 2003 and by 8.5 per cent in 2004.<sup>13</sup> The increase continued in 2005 at a rate that was sustained if slightly reduced, namely 6.2 per cent between September 2004 and September 2005.

97. It is necessary however to qualify this finding by noting that these increases are to some extent the result of a tightening up of the rules governing unemployment benefits, aimed at encouraging claimants to be more active in their search for work. From the start of 2003, the length of the entitlement period was reduced for many of those registering as unemployed and the rules governing entitlement to unemployment benefit were made stricter. The number of job seekers not receiving benefit consequently increased by 9 per cent in 2004,<sup>14</sup> which produced a corresponding increase in those receiving minimum income allowance. Forty per cent of job seekers benefited from income support in 2005, i.e. 500,000 people, whereas 1.2 million received neither unemployment nor general solidarity benefits.

98. At the same time, the significant increase in the number of those receiving the single-parent allowance (API) and disabled adults allowance (AAH) reveals the groups most at risk. The single-parent allowance - a state benefit paid for a limited period - is granted, subject to means testing, to people without a spouse having the sole custody of children. The number of people benefiting from the API has risen steadily since its introduction. On 31 December 2004, the figure stood at 175,600, i.e. an increase of 3.3 per cent compared with the previous year.<sup>15</sup> The number of single-parent families in receipt of minimum income support (RMI) also increased significantly, by 53 per cent between 1994 and 2003 (involving 259,900 such families in 2003), whereas the total number of RMI beneficiaries increased by only 26 per cent.<sup>16</sup> This reflects the fact that single-parent families are increasingly numerous and that their income is not at all sufficient to meet the needs of their children.

99. The number of those receiving the disabled adults allowance (AAH) has also risen steadily since the 1990s. This state-funded allowance is intended for disabled persons who cannot claim either age allowance or work-accident benefit. Its amount is reassessed every year. At 1 July 2005, the full-rate of the AAH stood at €599.49 per month (which with supplementary

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<sup>12</sup> CNAF-DSER-DREES-DARES.

<sup>13</sup> *Rapport 2005/2006 de l'Observatoire national de la précarité et l'exclusion sociale*, by Jean-Louis BORLOO and Catherine VAUTRIN, p. 22.

<sup>14</sup> *Rapport 2005/2006 de l'Observatoire national de la précarité et l'exclusion sociale*, BORLOO/VAUTRIN, p. 23.

<sup>15</sup> DREES, *Etudes et résultats*, No. 447, "Les allocataires de minima sociaux en 2004", November 2005.

<sup>16</sup> *Publication électronique de la Caisse nationale des allocations familiales, Direction des Statistiques, des Etudes et de la Recherche*, No. 33, January 2005.

allowances can reach €766 per month). In 2004, the number of those receiving the AAH rose by 2.5 per cent, totalling 760,100 by the end of the year.<sup>17</sup> This increase, equivalent to the average increase between 2001 and 2003, highlights the special difficulties of the disabled in finding employment and their increased precariousness as the result of being offered poorly qualified and low-paid employment. A total of 63.2 per cent of beneficiaries receive the AAH at the full rate, showing that many of those concerned had no resources of their own.

100. The growing use made of minimum social benefits is a measure of the increasing recourse to welfare provisions and reveals major changes in French society. While it does not imply a symmetrical increase in the number of people living in financial poverty, since it partially reflects the substitution of welfare allowances for other benefits (unemployment benefits), it suggests that the situation of individuals on very low incomes in part worsened between 2003 and 2005 and, with it, poverty and precariousness.

### **C. The growing phenomenon of the “working poor”**

101. A third situation, which has come to the fore particularly since 2002, is that of growing poverty among the employed, or the phenomenon of the “working poor”.

102. This concept is something of an oxymoron, the terms “employment” and “poverty” being antithetical in European societies. Employment is supposed to provide individuals with the financial resources needed to live and secure their long-term future. Poverty is usually identified with the economically inactive and with retirees. This stereotyped perception has had the effect of delaying provisions to adapt access to certain minimum social benefits and policies to deal with the problem.

103. It has now become clear that work is not always a guarantee against poverty. The “working poor” are a reality - those who work but fail to earn enough from their activity to keep their families above the poverty line, defined as 50 to 60 per cent of median income.<sup>18</sup> In 2004, median income came to €1,320 per month, which set the 50 per cent poverty line at €657 and the 60 per cent line at €788 per month, corresponding to 3.6 million poor people in the first case and 6.8 million in the second.<sup>19</sup> Poverty particularly affects young people, people living alone and single-parent families. In 2001, among the poor there were 0.99 million or 1.97 million “working poor”, depending on the adopted threshold.<sup>20</sup> Moreover, while gross disposable

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<sup>17</sup> DREES, *Etudes et résultats*, No. 447, *ibid*.

<sup>18</sup> *Quatrième rapport national de la pauvreté et de l'exclusion sociale*.

<sup>19</sup> *Conseil de l'emploi, des revenus, et de la cohésion sociale (CERCS)*, Report “*La France en transition, 1993-2005*”, November 2006.

<sup>20</sup> *Conseil de l'emploi, des revenus, et de la cohésion sociale (CERCS)*, Report “*La France en transition, 1993-2005*”, November 2006.

household income increased on average by 1.7 per cent between 1993 and 2005, purchasing power on the other hand stagnated - reinforcing the sense of poverty in the workplace.<sup>21</sup>

104. This situation covers a number of possible scenarios in terms of the labour market: alternating periods of work and unemployment, low-paid part-time work, and full-time work remunerated at the level of the SMIC (indexed-linked guaranteed minimum wage).

105. Poverty in the workplace is determined by several interlinked factors. The risk of poverty among workers is determined firstly by the situation of the labour market, which has undergone significant changes over the last 15 years, affecting conditions of work and remuneration.<sup>22</sup> The quest for flexibility has encouraged employers to adjust the work force in response to demand, evaluated in the short term, by offering employees contracts that do not necessarily cover basic household necessities (e.g. poorly paid part-time or short-term jobs), setting them on a path to progressive impoverishment.

106. Changes in the composition of households are a second factor that can lead to poverty in the workplace. Single-parent and large families are particularly at risk, unlike households where there are two incomes or few dependent children. France has experienced a marked increase in the number of single-parent families in recent years.

107. A third factor determining poverty at work is level of training: 34 per cent of the “working poor” lack qualifications. These are not however a guarantee against this form of precariousness: the proportion of poor workers possessing advanced qualifications rose from 7 to 9 per cent between 1997 and 2001. A third of the “working poor” were working in 2001 (33 per cent) compared with 29 per cent in 1997.<sup>23</sup> While unemployment has fallen since the end of 2005, the trend towards full employment can be synonymous with precariousness. Full employment no longer means what it did during the “thirty glorious years” (the years of reconstruction following the Second World War). It today implies a diversity of contracts, uncertainty and part-time working consequent upon the increased flexibility of the labour market.

108. Finally, it is worth mentioning that poverty in the workplace is particularly noticeable at the time of returning to work following a shorter or longer period of unemployment. Loss of the entitlements that go with minimum social benefits (e.g. tax concessions, special rates for certain services, priority social housing) means that the workers concerned face increased costs, which have not always been properly taken into account.

109. The links between precariousness and work have therefore become very complex, since employment no longer provides a guarantee against insecurity.

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<sup>21</sup> Report of the Commission *Familles, vulnérabilité, pauvreté*, April 2005, p. 26.

<sup>22</sup> Report 2005/2006 of the *Observatoire national de la précarité et de l'exclusion*, p. 66.

<sup>23</sup> Report of the Families, Vulnerability and Poverty Commission, Martin Hirsch, April 2005, p. 27.

#### **D. Unemployment, particularly among young adults**

110. Since 1998, France has alternated between periods of falling and rising unemployment. The tendency until 2003 was for unemployment to stabilize or even decline slightly, in close step with economic recovery in the country and the impact of measures to combat unemployment. Early in 2003, the situation took a downturn, with unemployment approaching 10 per cent among the working population. Since the start of 2006, however, France has seen a decline in the number of unemployed, which fell below 9 per cent in September.

111. Identifying the groups most at risk helps to throw light on the different forms of precariousness linked to unemployment in French society today.

112. Unemployment affects young people particularly: 22 per cent of the 18-29 year age-group not pursuing further studies are unemployed, more than twice the national average. Since young people without children do not qualify for minimum social benefits before the age of 26, many of them begin their adult life by experiencing poverty as a result of being out of work. What used to be a brief transition from study to the workforce has become a longer journey, attended by many uncertainties and marked by traineeships or temporary jobs. While the majority of young people who work hold indefinite contracts, 21 per cent of them are employed on the basis of temporary contracts.<sup>24</sup>

113. Young people, despite the intentions expressed by government since 1998 to promote their integration in the world of work, have long fallen between two stools, neglected by family policies on the one hand and largely overlooked by redistributive policies on the other. Whereas families are assisted when they have young children, their entitlements diminish when their children become adults, although they often remain dependent and continue to live at home - a frequent occurrence given the housing shortage.

114. Another relevant development is the widespread tendency for young people to prolong their studies. Qualifications are regarded in France as a vital asset to enable the young hopefully to take their place in society and the world of work. While higher qualifications are not a sure guarantee of stable employment, they do reduce the risk of unemployment. Young people possessing the school-leaving certificate plus two years of further study (bac+2) have a 68 per cent chance of a permanent post, whereas those without qualifications have only a 43 per cent chance.<sup>25</sup> However, qualified young people today find it more difficult to find work, 40 per cent of those with university diplomas starting out on their professional careers with a temporary job. On the other hand, 63 per cent of those without diplomas find themselves in this situation, which explains the continued interest in initial training.<sup>26</sup>

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<sup>24</sup> *Observatoire des inégalités*, February 2006, “*Emploi: les jeunes au régime précarité*”.

<sup>25</sup> *Ibid.*

<sup>26</sup> *Ibid.*

115. Young people without qualifications experience greater difficulties. Although some of the temporary contracts offered to qualified young people amount to trial periods offering a springboard to permanent employment, the same contracts entail persistent job insecurity in the case of less qualified or unqualified employees, particularly when they are offered only fixed-term contracts.

116. Another aspect of unemployment among young people is that it is concentrated in sensitive urban zones (ZUS). Forty per cent of young people living in such areas are unemployed, i.e. four times more than the overall unemployment rate while benefiting less from available integration mechanisms.<sup>27</sup> Disparities in terms of age are therefore compounded by disparities in terms of place of residence.<sup>28</sup>

117. This disparity is explained by the effects of urban segregation. The peripheral “neighbourhoods” most affected by poverty have seen a massive exodus of the middle classes since the 1980s, having increasingly come to be perceived as a focus of social problems and low economic attractiveness. Their residents today experience major difficulties in obtaining employment. We shall be returning to this point.

### **E. The problems of access to housing**

118. France’s current “housing crisis” is very different from the one it faced after the Second World War. It is mainly characterized by a mismatch between housing supply and demand and by high rents. The growing concentration of economic activity in the large cities has triggered considerable property price inflation over the last decade (with annual rises sometimes in excess of 10 per cent), rendering the situation of low-income households even more precarious. Local authorities, which have a legal responsibility for building social housing, find themselves hampered by this explosion in the price of building land, which places a corresponding burden on their construction budget.

119. This housing crisis can be broken down into several components: inadequate supply of social housing, poor housing, and insalubrious housing.

120. On 1 January 2004, the number of social housing units in France totalled 4,258,362.<sup>29</sup> Out of the total number of households living in France, 17.6 per cent were tenants in the social sector. The percentage was higher for immigrant households, with 30.1 per cent occupying social housing.<sup>30</sup> A 2002 housing survey by the National Institute for Statistics and Economic Studies (INSEE) estimated the unsatisfied annual demand for social housing at 1.3 million units, compared with the annual available supply of 433,000 units (in 2004). In other words, only one

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<sup>27</sup> *Connaissance de l'Emploi*, “*De l'école à l'emploi: quel chemin dans la ZUS ?*”, No. 10, December 2004.

<sup>28</sup> *Observatoire des inégalités*, November 2005, “*Le chômage dans les quartiers dits sensibles*”.

<sup>29</sup> Ministry of Equipment, SG-DAEI SESP-EPLS, January 2004.

<sup>30</sup> Seventh report of the *Haut comité pour le logement des personnes défavorisées*, 2001.

application in every three can be satisfied each year. While substantial, the budget provision for 800,000 housing units over the next five years under the construction and refurbishment programme will not suffice to bridge the shortfall. According to the *Fondation Abbé Pierre*, spending on social housing by the State, local authorities and social partners amounted to 1.9 per cent of GDP, i.e. a lower percentage than in 2000 (2.07 per cent), which can be explained by the corresponding increase in other types of social expenditure.<sup>31</sup>

121. Poor housing affected some 3 million French people in 2001.<sup>32</sup> These mostly belonged to poor households, which have to make do with cramped accommodation offering few comforts because of their inadequate income, despite the social benefits they receive. Increasingly, households turn to relatives and friends to accommodate them: almost a million people, 50,000 more than in 1996, were in that situation in 2002, including 150,000 to 300,000 in very precarious conditions.<sup>33</sup> The 1948 Act that froze the rents in the aftermath of the Second World War, enabling many modest households to remain in neighbourhoods that had become very expensive, has become virtually obsolete following the death of the beneficiaries or their departure to retirement homes. Rental costs today account for a large part of the incomes of modest households, despite the availability of welfare assistance (6 million households receive a personal housing grant (APL)). According to one study,<sup>34</sup> the average value per square metre of the rents paid by poor households has increased faster since the beginning of the 1970s than that of median-income households. The study goes on to say that the rents of poor households are today on average 20 per cent higher than those of middle-class households. As a consequence of housing costs today being beyond the reach of the poorest sections of society, 16 per cent of those accommodated in emergency centres have fixed or precarious employment.<sup>35</sup>

122. New social categories are experiencing housing difficulties, in particular wage earners whose professional situation has become more insecure, young people and members of foreign or immigrant communities. The latter face a twofold difficulty since they are frequently also subject to actual - albeit illegal - discrimination regarding access to housing. The emergence of social exclusion “neighbourhoods” adds a spatial dimension to the problem of poor housing: specialization by neighbourhood is allowed to occur even though it increases precariousness and exclusion.

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<sup>31</sup> Tenth annual report of the *Fondation Abbé Pierre*, “*L’État du mal-logement en France*”, February 2005.

<sup>32</sup> *Observatoire des inégalités*, 7 February 2006: “*Le mal-logement en 2006*”.

<sup>33</sup> Eleventh annual report of the *Fondation Abbé Pierre*, “*L’État du mal-logement en France*”, 2006.

<sup>34</sup> G. Fack, after INSEE housing survey 2002, quoted by the *Rapport de la Commission Familles, vulnérabilité, pauvreté*, April 2005, p. 58.

<sup>35</sup> *Libération*, “*Réfractaires et sédentaires grâce aux tentes*”, Thursday, 8 August 2006.

123. Insalubrity is another aspect of the French housing situation, even if levels of comfort are improving and overcrowding has been decreasing for a number of years.<sup>36</sup> The 1948 Act had some significant adverse effects, which have persisted to some extent: with the freezing of rents, landlords often refused to undertake any improvements, including bringing the property up to health and safety standards. As a result, there are between 400,000 and 600,000 insalubrious properties in France, not including furnished hotels and makeshift accommodation, occupied by poor households unable to find any other solution: 44 per cent of occupants live on their own and 40 per cent are elderly households.<sup>37</sup>

124. The sense of precariousness generated by this social “housing crisis” is reflected in the fact that for one French person in three poverty means having “nowhere to live”.<sup>38</sup>

### F. The phenomenon of the homeless

125. The homeless population is particularly hard to evaluate since, as a group, they are drifting and isolated.<sup>39</sup> For the purposes of its statistical studies, INSEE considers a homeless person to be anyone who has passed the previous night in a hostel or a place not intended for habitation. In its 2001 study on those regularly using hostel or hot-meal services, INSEE put the number of homeless at 86,000 out of the 93,000 persons using the services in the course of a week. This estimate excludes the cases of persons having difficulty in finding accommodation, the homeless who do not use hostel or meals services, and those living in towns or villages of less than 20,000 inhabitants.<sup>40</sup> Others put the number of homeless people at between 300,000 and 800,000.

126. Out of the more than 1.2 million calls dealt with annually by the 115 national freephone emergency service for the homeless, it is estimated that two thirds involve requests for accommodation. In the large cities, where most of the homeless are concentrated because of the makeshift shelters offered by urban architecture, the temporary accommodation provided for them in winter is not sufficient, despite a substantial increase in reception facilities. Between April 2002 and April 2006, overall capacity in the Paris region increased from 17,211 to 26,642 places in reception facilities (including emergency accommodation, hostels and social rehabilitation centres, reception centres for asylum-seekers, and hotel rooms).<sup>41</sup> Nationally, reception facilities have a capacity of some 95,000 places. The 2006-2007 winter plan was supposed to create 4,273 extra places, which should eventually be available all year round.

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<sup>36</sup> INSEE *première* No. 885 et INSEE *résultats, société* No. 20.

<sup>37</sup> Source : *Pôle national de lutte contre l'habitat indigne*, quoted by the *Rapport de la Commission Familles, vulnérabilité, pauvreté*, April 2005, p. 63.

<sup>38</sup> Report of the Commission *Familles, vulnérabilité, pauvreté*, April 2005, p. 106.

<sup>39</sup> CNIS, “*Pour une meilleure connaissance des sans-abri et de l'exclusion du logement*”. Final report of the working group on the homeless, No. 29, 1996.

<sup>40</sup> INSEE, *Economie et statistique*, No. 391-392, “*Les sans-domicile*”, November 2006.

<sup>41</sup> *Libération*, “*Réfractaires et sédentaires grâce aux tentes*”, Thursday, 8 August 2006.



127. The situation of the homeless is an extreme form of exclusion that affects all aspects of a person's life. The profiles of the homeless reveal very different situations. These people have usually gone through a gradual process of desocialization, during which they have lost their bearings and social codes. Others become "SDF" (persons of no fixed address) overnight following a misfortune: marriage or family break-up, job loss, health problems, etc. Most of those who take to the street are hoping to find a way out. Others say that they have deliberately chosen to live rough, their self-declared voluntary exclusion being a way of avoiding certain constraints of social life.<sup>42</sup> These seek neither assistance nor resettlement. Their marginalization is presented as a personal and political act, signalling a rejection of the society in which they live - a stance that poses to varying degrees the difficult question of whether this interiorization of their condition is not really due to seeing themselves as victims: failed bosses who think they have suffered from a lack of understanding, divorced husbands (or wives) deprived of their children, unmarried mothers, former prison inmates, elderly persons who have lost their bearings, and so on.

128. Some categories of people are more affected than others. Alongside younger and older urban dwellers, we find foreigners, women on their own and single-parent families. Associations such as the "Restos du Cœur" (offering free meals) note the increasing presence of single young mothers with their children, young people under 26 who do not yet qualify for minimum income benefit, and elderly people whose retirement pension is no longer sufficient to pay rents that spiral higher every year. They report a new tendency for the homeless to join together not just in twos or threes but in groups of a dozen or more, recreating a degree of sociability with their own codes. These groups have the effect of perpetuating marginalization, however, and therefore complicate the task of welfare organizations.

129. Even where the homeless claim that they have chosen to live rough, the authorities cannot simply ignore them because they often suffer from ill-health. According to a 2001 study by INSEE, 16 per cent of the homeless consider themselves to be sick, compared with 3 per cent of those having their own accommodation. It is estimated that 1 in 10 homeless persons suffers from respiratory illness, the after-effects of an accident or a serious disease. These accumulated risk factors compound the difficulties for public policy, which must combine emergency measures with multidimensional assistance and rehabilitation programmes.

130. The spectacular phenomenon of the homeless, drifting on the margins of the affluent society, is revealing in terms of the failings of urban society. It is also a mirror that can help to increase awareness among the population at large. During the summer of 2006, the attention of the press was focused partly on the problems posed in Paris by the camps set up by the homeless, using tents supplied by an association, on the banks of the Seine, at a place where the city authorities had chosen to extend the leisure area offered to middle-income and poor people who could not afford to go on holiday, and partly on the risks to the homeless caused by the summer heat wave in view of their poor state of health. The question resurfaced at the start of the following winter, when a group of people decided to call on Parisians to come and share the tents

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<sup>42</sup> *Libération*, "Pourquoi ils couchent dehors", by Nicole Maestracci (President of the *Fédération Nationale des Associations d'Accueil et de Réinsertion*) and Eric Pliez (Director-General of the Association Aurore), 4 August 2006.

of the homeless as a gesture of solidarity and protest against the inadequate response to the problem by the authorities. This mirror can also present a distorted image by tending to focus attention on housing problems whereas the issues involved are much more complex.

## **II. WHAT EXPLAINS THE RISE OF PRECARIOUSNESS IN FRANCE?**

131. Having identified the problems, and before presenting the public policies designed to address them, it is appropriate to analyse the causes of the rise of precariousness and exclusion, since only a sound diagnosis can provide the basis for effective remedies.

132. A distinction will be drawn between the general causes pertaining to society as a whole, and the more specific causes for particular categories.

### **A. General international and national causes**

133. Economic globalization produces undeniable social effects, both positive and negative, which warrant examination in the French case. In this context, the French social model and the education system encounters certain difficulties in reacting and adapting.

#### **1. The effects of globalization**

134. In the age of globalization, all sorts of external actors now play a role in national economic life.

135. Multinational enterprises wield growing power and, through intragroup trade, control a substantial share (estimated at between one and two thirds) of world trade.

136. Globalization organizes an international distribution of labour between countries in accordance with Ricardo's Law, theoretically maximizing comparative advantage for everybody. This principle sidelines some and serves to strengthen relative competitiveness. The impact on the labour market is significant, particularly in the case of industrial and agricultural jobs whose products are subject to increasing competition. Wages in these sectors are under downward pressure accentuated by the threat of delocalization.

137. The delocalization phenomenon is not new in France. Already in the 1980s and 1990s, delocalizations massively affected the industrial sectors of iron and steel, coal, shipbuilding and textiles, throwing some regions into a profound crisis which structural conversion assistance from the European Union has not always enabled them to surmount: this is why the unemployment rates in the Lorraine and Nord-Pas de Calais regions are above the national average, notwithstanding the high number of early retirements.

138. In recent years, delocalizations have continued in a broader range of sectors, affecting low-technology and usually unskilled activities. In the industrial sector, following the delocalization of textiles<sup>43</sup> and electronics, there has been a partial delocalization of metallurgy

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<sup>43</sup> The lifting of Chinese quotas on textile exports in early 2005 led to an immediate boom in European imports, causing new quantitative barriers to be imposed.

and plastics technology to the countries of Central and Eastern Europe, with more and more firms transferring some of their operations to developing countries or European countries where labour is less expensive.

139. A new wave of delocalization is threatening: the access of a number of newly industrializing countries to a high level of research risks affecting the industrial and tertiary sectors with a strong research component which had hitherto thought themselves safe. In its World Investment Report 2005, the United Nations Conference on Trade and Development (UNCTAD) states: “There are some fundamental reasons why the current trend towards R & D internationalization is set to continue.” Already more than half of multinational corporations have delocalized part of their research and development to China, India or Singapore. Globalization has given rise to a rather complex structure for the geographical distribution of activity: enterprises arrange themselves into international networks and seek partners and subcontractors at the global level.<sup>44</sup>

140. Delocalizations have major economic consequences for the countries and regions concerned, first among which are the job losses that they often entail. They are frequently cited as one of the explanations for the persistence of structural unemployment affecting mature, largely untrained individuals whom it is difficult to redeploy, particularly in depressed areas. Delocalizations are also accompanied by the expansion of compensatory social benefits - supplements to inadequate early retirement pensions, or various types of social assistance and unemployment benefits - which are a burden on social budgets and limit the possibilities for public authorities to engage in more proactive policies.

141. In addition, delocalizations of industries and services have a significant psychological impact, reinforcing feelings of job insecurity. According to a French Broadcasting Authority (CSA)/L’Expansion/France Inter survey of October 2004, 88 per cent of French people regard the delocalization of French companies as a “grave” phenomenon and 70 per cent think that it will be “lasting”. Yet it is well known that pessimism is an impediment to investment.

142. Whereas the Nordic economies, which are also affected, seem, on the whole, to have managed to reconcile social policies with the maintenance of high employment, France has a less satisfactory record. It is difficult to measure the impact of delocalizations in France. Trade globalization is said to have destroyed some 300,000 jobs<sup>45</sup> over the last 20 years. The European Foundation for the Improvement of Living and Working Conditions, for the second quarter of 2004, found 163 cases of company restructuring leading to nearly 60,000 job losses, compared to the creation of some 16,000 new jobs.<sup>46</sup> Of the 3,718 jobs delocalized in France between 2002

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<sup>44</sup> Celerant Consulting study conducted by Pascal Ansart, Director-General, in 2005.

<sup>45</sup> Daniel Cohen, *Richesse du monde, pauvretés des nations*, Flammarion, 1997.

<sup>46</sup> “Jobs and Globalisation: promise or threat”, *OECD Observer*, 2003.

and 2004, telecommunications and metallurgy were the sectors most concerned.<sup>47</sup>

Delocalizations mostly result in unskilled job losses: “1.3 million concrete production jobs lost, with a simultaneous increase in design, management and marketing jobs (0.9 million), industrial jobs, many of them in manufacturing (0.7 million) and community-service jobs (1.3 million)”.<sup>48</sup>

143. This gloomy picture is lightened somewhat by the fact that “the majority of direct foreign investments leaving France go to other developed countries with the aim of supporting exports of manufactures in net job-creating sectors in France”.<sup>49</sup> France is relatively well off for sectors which structurally escape delocalization: “activities requiring a very Western culture and knowledge of our way of life (marketing/advertising, artistic professions), neighbourhood services (civil service, building, maintenance, hotel and catering industry and tourism), community organizations (almost 2 million jobs), agriculture and stock raising, world-renowned luxury brands”<sup>50</sup> and neighbourhood services for individuals that are bound to expand with the average increase in life expectancy. “The 10 industrial sectors that invested most abroad created 100,000 jobs in France between 1997 and 2000.”<sup>51</sup>

144. Globalization, to which industrialists react by seeking increased productivity, has a different effect on the labour market - greater demands regarding qualifications, placing persons without them in an increasingly vulnerable position. On average, unskilled workers experience two to three times higher unemployment than skilled workers and suffer a relative decline in their remuneration.<sup>52</sup> Developments in production techniques also lead firms to select workers who can be used in a versatile and flexible manner - hence the demand for increasingly qualified staff, even if their skills may be little used.

145. Enterprises also adapt to the economic changes taking place in the world through just-in-time production designed to reduce stocks to a minimum and process orders as quickly as possible, which results in production methods emphasizing flexibility among workers. Companies adjust the volume of work so as to be able to cope with temporary fluctuations in demand, which is subject to unpredictable variations, over a month, a week or even a day.

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<sup>47</sup> Study by the European Monitoring Centre on Change cited by Arnaud Leparmentier, “*Un phénomène dont l’impact reste marginal à l’échelle de l’Union européenne*”. *Le Monde*, September 2004.

<sup>48</sup> Hélène Erkel-Rousse (Forecasting Department) and Lionel Fontagné (*Centre d’Etudes Prospectives et d’Informations Internationales - CEPII*), “*Commerce international, présentation générale*”, 2004.

<sup>49</sup> *Ibid.*

<sup>50</sup> “*Mondialisation et délocalisations: menaces et réalités*”, April 2004, [www.mediasetdemocratie.net](http://www.mediasetdemocratie.net).

<sup>51</sup> CDC IXIS study, Patrick Artus.

<sup>52</sup> *Ibid.*

Consequently, depending on the sector of activity and the type of firm involved, employment displays varying characteristics and marked disparities between wage earners. In many service activities, the service provided is of such short duration that neither full-time nor long-term employment can be guaranteed. Flexibility in the volume of work is obtained either internally, through fixed-term, temporary or part-time contracts, or externally through subcontracting.

146. There are marked and growing disparities in employment stability according to category: unskilled or skilled, young or more experienced. Increasing job insecurity particularly affects population groups that are already vulnerable, i.e. women and young adults. In the hope of not finding themselves out of work, such persons accept all sorts of jobs and any kind of working conditions as long as they survive.

## **2. The decline in States' economic and social power**

147. Another effect of globalization, which is subject to certain rules such as those laid down by the World Trade Organization, is the limitation of States' powers of intervention in the economy through instruments that have forged their historic sovereignty, such as customs duties and capital controls, but also more recent ones such as industrial policy.

148. The reduction of the French State's sovereignty in regard to economic intervention is also explained by its membership of the European Union, particularly since the ratification of the Stability and Growth Pact by the European Council at Amsterdam in June 1997.

149. This Pact comprises two elements: first, a preventive element provides for surveillance of the budgetary positions of member States and coordination of their economic policies; second, a corrective element triggers an "excessive deficit procedure" if the budget deficit of a member State exceeds a reference value of 3 per cent of gross domestic product (GDP). The Stability and Growth Pact responds to a logic of budget discipline aimed at limiting the risk of "free rider" conduct, so as to enable the European Union to react effectively to a genuine external crisis and ensure the monetary solvency of member countries.

150. So far, the Pact has not produced all the desired effects. The economic performance of the euro zone has often been mediocre, despite a favourable international environment. In the space of 15 years (1990-2004), the relative weight of the euro zone declined by 16 per cent in relation to the United States and 9 per cent vis-à-vis the United Kingdom.<sup>53</sup> In general, the euro zone has combined a low economic growth rate with a rate of inflation which is similar to that of its international partners<sup>54</sup> and an unemployment rate which is higher overall (about 9 per cent in the euro zone). Some have expressed regret that the rigidity of the Pact does not allow member countries to take advantage of the external economic situation to build up reserves, or to increase a country's budget deficit in order to stimulate growth.

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<sup>53</sup> Jean-Paul Fitoussi (President of the *Observatoire Français des Conjonctures Économiques*), "Les piètres performances de la zone euro", *Le Monde*, 31 December 2004.

<sup>54</sup> [www.diplomatie.gouv.fr](http://www.diplomatie.gouv.fr).

151. In view of the shortcomings noted, in both its preventive and corrective elements, and the difficulties experienced by some members in achieving the budget objectives, the Pact was revised slightly at the request of the European Council in March 2005. The changes made are, in particular, provision for the possibility of differentiating between medium-term budget objectives in order to take account of the diverse economic and budgetary situations of member countries, and strengthening of the corrective element so as to better reflect the realities of a Union enlarged to 25 member States.<sup>55</sup> The fact remains that France's economic and social policy is henceforth limited by the budgetary balance and external debt obligations entailed by its membership of the euro zone.

### **3. The structural weakness of growth**

152. The insufficiently active relationship between growth and employment is one of the classic explanations given by economic science for the existence of mass employment. The correlation between these two phenomena could be observed in the 1970s, when France's growth, highly dynamic during the "30 glorious years", was slowed down by the 1973 and 1979 oil crises. The new growth rate was not enough to absorb the expansion of the active population. The market gradually deteriorated, leading to increased job instability and insecurity affecting both wage earners and job seekers.<sup>56</sup>

153. Since the 1980s, the continuing low growth rate has perpetuated the difficulty in reducing unemployment, with minor fluctuations: the unemployment exit rate reached its low point in 1993-1994, when the GDP growth rate was negative; the trend was reversed between 1997 and 2001, with the recovery; the two curves then went into further decline, although the unemployment exit rate has again been rising since January 2006, partly as a result of an improvement in the European economy.

154. This relationship is, however, a complex one: the Council for Employment, Income and Social Cohesion (CERCS) reports a rise in instability since 1997, due to the fact that skilled wage earners who had accepted jobs beneath their level of competence took advantage of the recovery in growth to seek jobs corresponding to their expectations, with consequent impact on the employment market. Account must also be taken of the less than stimulating effect on the unemployment exit rate, despite the ongoing reforms, of certain unemployment insurance mechanisms. These factors, together with the continuing low growth rate, explain why the number of long-term unemployed remains high in France.

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<sup>55</sup> General Report 2005 - Europa.

<sup>56</sup> The distinction between job instability and job insecurity should be emphasized. According to the Council for Employment, Income and Social Cohesion (CERCS), "job stability" refers to continuity between a wage-earner and a firm. Instability occurs when the wage-earner has resigned or the firm dismisses him or terminates his contract. "Job insecurity" refers, rather, to the fact that there is a "durable" interruption in the individual's professional life where there is a change of firm. In other words, job insecurity is measured by the rate of exit from unemployment to employment which, in this case, must be low.

#### 4. Urban segregation as an exclusion factor

155. During the years 1950-1970, the French urban landscape was marked by the emergence of large housing developments on the outskirts of the major cities as part of post-War reconstruction, the elimination of slums and a special effort to provide housing for the families of immigrants taken in to compensate for the labour shortage. This spatial organization, which was originally conceived as a modernizing factor, has been transformed into a pernicious instrument of social segregation with negative effects for the population cloistered in these “neighbourhoods”.

156. Conceived following the War by the architect Le Corbusier, inventor of the “Cité Radieuse”<sup>57</sup> and his disciples of the Athens School, the policy of large housing developments contributed to a major improvement in the general hygiene of housing in France: in the early 1970s, 39 per cent of housing had no amenities, a figure which had dropped to 2.6 per cent by 2002.<sup>58</sup> As will be seen, the State quickly sought to rise to the serious challenge posed by the utopia of the “new towns”. While the efforts were not matched by the results, the consensual choice of a policy of progressive liberalization of the property market and decentralization developed from 1982 on (leading to a decline in the share of housing in the State budget from 5.2 per cent in 1984 to 2.8 per cent in 2004)<sup>59</sup> played a key role, along with the changing tastes of the middle classes.

157. Originally, the construction of these major housing complexes drew heavily on innovative town-planning theories calling for the construction of vertical cities that were supposedly more functional and more conducive to human contact. The large housing developments were designed on the basis of this concept. At the time, architects built in the context of rapid economic and population growth.

158. In the 1960s, moreover, town planners and town councillors were also motivated by the more specifically French concern of avoiding congestion in the town centres, so that urban development was designed to be multipolar. Rather than a radial system, they conceived polycentric networks in which every major complex was itself to become a town, owing to the combination of jobs, public services, shops and leisure centres (the “Houses of Culture” introduced by André Malraux). These “new towns” were based on a proactive model which ran into two obstacles: the slowdown in growth, and hence employment, and the changing tastes of the middle classes in favour of individual, low-rise housing.

159. Since they failed to incorporate all the expected functions of a town, principally diversified jobs, the large housing developments gradually became “dormitory towns” which were deserted first by young managers and then by the middle classes. The first scientific studies centred

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<sup>57</sup> *Le Corbusier*.

<sup>58</sup> “*Quels remèdes pour en finir avec le mal-logement?*” interview with Jean-Claude Driant, Professor at the Paris Town-Planning Institute (IUP): *Le Monde*, 3 September 2006.

<sup>59</sup> *Ibid.*

around Paul-Henri Chombart de Lauwe began, in the 1960s already, to query the possibility of a social life in this collective environment. Sociological and psychological surveys already detected a tendency towards marked demographic, social and professional homogeneity, giving rise to cultural identity withdrawal, alcohol problems and physical and nervous fatigue.

160. The image of the large housing complexes continued to deteriorate in the 1970s, when immigration policies admitted immigrant workers' families. These complexes, deserted by the middle classes, became mass residential centres par excellence for poor immigrant families. Employment difficulties aggravated the situation. At the same time, major restoration work in the old central districts conducted under the aegis of the Ministry of Culture radically altered the situation by giving these districts a very positive image and encouraging the middle and upper classes to return to town centres. A veritable craze for modern individual houses swept the middle classes, fuelled by the policy of assisted housing loans. New outlying neighbourhoods sprang up, but consisting only of individual, residential and socially homogenous housing. In the 1990s, the property ownership phenomenon spread among the middle classes with the aid of lower (even negative) interest rates and longer loans, which enabled households to incur debts of up to 25 to 30 years. Private rented accommodation diminished accordingly, declining by 900,000 units between 1978 and 1988.<sup>60</sup>

161. The outlying large housing developments abandoned by the middle classes, where most rented social housing is to be found, became the urban archetypes of exclusion, or at any rate of visible segregation. They also underwent a physical deterioration: firstly, the agencies in charge of social housing faced growing problems in rent collection because of the concentration of the poorest population groups in their buildings; and, secondly, the space standards designed for French families proved inadequate for the often large families resulting from immigration, leading to overutilization of the apartments and spontaneous unforeseen and aggressive occupation of common space.

162. Although not all the inhabitants in these large housing estates are excluded and not all those excluded are to be found in these neighbourhoods, the exaggerated image of them which is presented in turn produces a marked social distancing effect: living in such places is a handicap in seeking employment. The security issue, added to the image of these districts, legitimizes the effect of segregation. The "suburban riots" of November 2005 gave rise to a widespread feeling of unease focused on these areas, now synonymous with insecurity, and accelerated the social marginalization of their inhabitants and their separation from the "outside world". Social practices, people's self-image and the place where they live are increasingly in contradiction with each other. What sociologists call a "self-fulfilling prophecy" occurs: the inhabitants are so influenced by their outside image that they reproduce these portrayals and stereotypes, even if they do not accord with realities. The address on the curriculum vitae is seen as a stigma.

163. Owing to a lack of financial resources and the "housing crisis", particularly in town centres, the inhabitants' spatial mobility possibilities are very limited. The gap between the average rent in the ZUS (sensitive urban zones) and the average rent in the private rental sector is growing. According to the quarterly survey of rents and charges conducted by the National

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<sup>60</sup> Ibid.



Institute of Statistics and Economic Studies (INSEE), the private rent figure was almost twice as high as the ZUS rent as of 1 January 2005.<sup>61</sup> The lack of residential mobility entails a certain social specialization in the ZUS: some speak of a “ghettoization” of these neighbourhoods. Among young people, the self-fulfilling prophecy is reflected in underestimation of their capacities and apprehension of unemployment as an inevitability. The existence of a culture specific to the ZUS stems from the development of their own particular socialization constructed from borrowings and social codes reflecting the difficulties and discrimination suffered.

164. “The most vulnerable population groups tend to remain in these neighbourhoods, whereas upward social mobility is usually accompanied by departure from the sensitive urban zones.”<sup>62</sup> Residential immobility thus extends to social immobility. The population of this living environment has an unemployment rate more than twice as high as the national average, schooling difficulties and a lower proportion of qualified persons.<sup>63</sup> The links between housing, space and professional situation form a vicious circle, and the individual’s social and professional situation deteriorates.

165. The excessive level of unemployment and precariousness in the ZUS is partly due to the existence of this spatial segregation.

### **5. The inadequacy of schooling for a more diverse society**

166. Unemployment and precariousness reflect a substantive problem which does not begin with the completion of studies at the age of 16 or 25. Integration in active life and choice of conditions also depend on upstream input for achieving success. School failure in France can today be seen as one of the major obstacles to future professional integration and one of the causes of precariousness and exclusion.

167. In 2005, 150,000 young people between the ages of 15 and 24 had left school without the least professional qualification or general education certificate. Fifteen per cent of them did not master basic skills and 10 per cent experienced serious reading difficulties.<sup>64</sup> These problems usually concern pupils from disadvantaged social classes. Realization of the scale of school failure measured at the end of the period of compulsory schooling is a relatively recent development.<sup>65</sup> Long considered to be the sole responsibility of the pupil himself, school failure is today perceived as directly involving the education system itself. The national identity was in part constructed on the myth of the “republican melting pot” school guaranteeing everyone equal

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<sup>61</sup> Office of the Secretary of State for Housing, *Rapport sur l'évolution des loyers*, 2004.

<sup>62</sup> 2005 report of the *Observatoire des zones urbaines sensibles* (Monitoring Centre for Sensitive Urban Areas).

<sup>63</sup> Ibid.

<sup>64</sup> France5, 2006, “*Ripostes*” Magazine.

<sup>65</sup> Opinion of the *Haut Conseil à l'Évaluation de l'École* (High School Evaluation Council), November 2004.

access to the “social ladder”. The first successor of General de Gaulle as President of the Fifth Republic, Georges Pompidou, the son of provincial teachers, who passed one of the highest civil service examinations, was one of the heroes of this myth.

168. Yet at a very early stage the sociologist Pierre Bourdieu<sup>66</sup> identified the existence of a correlation between school failure and social environment, calling for the implementation of proactive policies to offset social handicaps: the lack of inherited intellectual skills despite being an omnipresent and essential part of institutional expectations, seemed to him to be one of the basic explanations for the fact that so few children of workers and farmers acceded to higher education or to senior posts. The teaching methods and cultural references of the elite had remained exactly the same as when only a tiny minority of people received schooling, whereas since the 1960s, the “baby boom generation” had given rise to education on a mass scale.

169. A second element in the analysis is the unsuitability of part of the training dispensed in so-called vocational training courses for business needs. According to INSEE’s job survey for 2003, some five years after the completion of initial training, young people holding a CAP (Certificat d’Aptitude Professionnelle) or a BEP (Brevet d’Études Professionnelles) have twice the unemployment level of higher-education graduates. Between 1975 and 2003, the unemployment rate among holders of the CAP, BEP and baccalaureate increased from 8 per cent to 17 per cent, with a peak of 26 per cent in 1997, and that of pupils who left without a diploma from 10 per cent to more than 35 per cent, whereas the corresponding rate among higher-education graduates rose by only 4 to 10 per cent during the same period. Children who fail at school are oriented at a very early age towards the “vocational” stream. The system is therefore a machine producing a threefold exclusion: cultural (non-access to the theoretical dimension of knowledge), social (orientation towards low-status occupations) and economic (unemployment).

170. The reality is that the “republican model” of school, synonymous with equal opportunity, is exclusive.<sup>67</sup>

171. Moreover, children of foreign origin coming from certain countries and belonging to a disadvantaged background are even more seriously affected by its shortcomings. In the absence of official statistics by ethnic origin, which are prohibited by the French Constitution, researchers aggregate several types of data in order to assess the segregative effects of the French school system - data on foreigners’ school results and data on persons living in disadvantaged areas - knowing that they are much the same. When results are measured on entry into the sixth grade, in national examinations, the gap between foreign and French pupils is six points in mathematics and nine points in French.<sup>68</sup>

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<sup>66</sup> P. Bourdieu, J.C. Passeron, *Les héritiers*, Paris, Ed. de Minuit, 1964.

<sup>67</sup> Louis Weber, “L’école républicaine mise en bière”, *Le Monde diplomatique*, March 2005.

<sup>68</sup> Study by the Evaluation, Forecasting and Performance Department (DEPP) of the Ministry of National Education based on a sample of 18,000 pupils.

172. However, in its 2005 report, the Higher Council for Integration demonstrated that it is not nationality as such which influences success,<sup>69</sup> but personal experience of immigration and socio-economic living conditions. Given equal social conditions, pupils of immigrant origin have the same level of success as French pupils. Of course, the fact of having been born and attended school abroad can impede schooling in France, particularly at the primary level, but when immigrant families are economically disadvantaged, they cannot overcome this social handicap, which the French school system is not organized to deal with. A study by the Evaluation, Forecasting and Performance Department (DEPP) of the Ministry of National Education has found that pupils of foreign origin often lag behind in their command of the French language and are underrepresented in specialized streams for students with schooling difficulties. There is a pernicious interplay between several factors:<sup>70</sup> place of residence, lack of mobility and choice of school.

173. The available information on children of foreigners can be extrapolated to all children suffering from social and cultural handicaps. Despite the existence of specific policies, such as the establishment of zones of educational priority (ZEP), the French school system does not adequately correct underlying social and economic inequalities.

174. The high concentration of disadvantaged persons in the increasingly homogeneous outlying districts also prevents the social intermingling needed for integration, which State schools are supposed to ensure. The lack of social mixing in schools has cumulative adverse consequences in terms of school learning and success. This situation is exacerbated by the existence of private (subsidized) schools not subject to observance of the “school map”, where middle-class and upper-class families often prefer to send their children rather than placing them in State schools with a preponderance of pupils from disadvantaged backgrounds. This situation produces a vicious circle compounding the “ghetto” effect of certain State schools. So far, public policies for breaking this vicious circle have produced only modest results.

175. The education system does not prevent the perpetuation of inherited social situations and does not curb precariousness and exclusion. Even if some find a place in the world of work and integrate socially without obtaining qualifications, the lack of a diploma is a genuine social risk which the school does not succeed in minimizing. Awareness of this problem is recent but is now particularly acute in France; this realization has profoundly shaken the historical model of the Republic achieving integration through the school. Today, the subject is at the centre of a public debate.

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<sup>69</sup> “*La Documentation française, lutte contre les discriminations: faire respecter le principe de l'égalité: rapport au Premier ministre*”.

<sup>70</sup> Georges Felouzis and Joëlle Perotton, “*un 'new deal' pour l'école*”, *Le Monde diplomatique*, December 2005.

## **B. Explanatory factors specific to particular population groups**

176. This section will examine unemployment among young adults, the malaise among them, discrimination and the causes of homelessness.

### **1. Unemployment among young adults**

177. Young French adults form a special and particularly vulnerable group on the labour market: high unemployment rate, substantial proportion of very short-term employment, displacement on the job market, etc. There are several factors which serve to explain this vulnerability.

178. As already mentioned, one of the phenomena specific to young people on the job market is the displacement effect to which they are subject. In lasting periods of employment shortage, firms choose candidates with higher qualifications than the posts require.<sup>71</sup> This displacement has the effect of evicting less qualified persons, whose employment rate thus overreacts to movements in economic activity: they find only jobs relinquished by the more highly qualified, when the economy is expanding.<sup>72</sup>

179. Moreover, young people are more exposed than their elders to legal developments in the area of employment, which takes far more numerous forms than previously. Employment has been in constant evolution for the last 20 years, resulting in the creation of numerous types of contract to meet corporate requirements and invigorate the labour market. While the indefinite contract (CDI) remains the norm, there has been a great variety of other types of contract since the early 1980s, such as the fixed-term contract (CDD), the temporary contract, the part-time contract, etc. Specific types of contract have often been created to encourage firms to hire members of more vulnerable groups, particularly the long-term unemployed and young people. These legal innovations are partly responsible for the fact that two thirds of young people start off in an unstable job and that half of them are paid the statutory minimum wage (SMIC) and they thus foster precariousness and exclusion, particularly as they limit the prospects for professional and social advancement.

180. The difficulties of young people in finding a place in the labour market are also to be explained by the shortcomings of vocational training offered by university institutions, where education remains highly theoretical.

181. These structural difficulties are compounded by the image of young people in the rest of society. In France, the moment when young adults start work is traditionally considered as the time they achieve full social integration. However, the social perception of young people makes this transition particularly difficult at the present time. According to various surveys, instead of

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<sup>71</sup> *Revue de l'IREs* (Economic and Social Research Institute), No. 31.

<sup>72</sup> *Economie et statistique*, No. 378-379, 2004.

being regarded as a dynamic and motivating element for the economy and society, young people are often viewed as unformed adults in need of further training, to whom it is better not to entrust important responsibilities.

182. This distinct perception of young people in France results from its history. Since the late 1960s, young people have been seen as a vulnerable group imbued with and vocally upholding revolutionary sentiments, and quick to demonstrate and go on strike. The vehement rejection of the “contrat première embauche” (first job contract), in spring 2006, brought out the comprehension gap between young people and the public authorities. Public policies for fostering employment among young people, which were supposed to meet companies’ need for flexibility, can also be perceived by those concerned as confirming the fact that it is risky and expensive to hire a young person and as detrimental to their image in society.

183. Accordingly, young people in France encounter difficulties in the labour market which are a reflection of general employment problems but are also related to a rather unfavourable cultural image.

## **2. The malaise among young people**

184. The Committee on Economic, Social and Cultural Rights expressed concern over the increase in the suicide rate among the population of working age, which it saw as a consequence of increased job insecurity. It should first be said that, according to a study by the Department of Research, Studies, Evaluations and Statistics (DREES) concerning suicide and suicide attempts, the overall suicide rate has declined slightly since 1993.<sup>73</sup> The situation nevertheless continues to be cause for concern, and it is appropriate to examine the possible links between difficulties encountered in the labour market, such as loss of a job or recurrent job insecurity, and the decision to commit suicide.

185. Whereas suicide was previously regarded as a highly personal act, the sociologist Émile Durkheim<sup>74</sup> established that it could also have social causes. His multivariable analysis showed that suicide figures were determined by social, and more particularly family, professional, political and religious, background. In general, Durkheim demonstrated the link between suicide and deterioration of the social bond which occurs as a country becomes richer and clashes and disturbances of the collective order become more intense. Today, this analysis is widely accepted.

186. In modern societies, the job is the basis of the individual’s social integration. It is mainly in the professional sphere that an individual’s socialization is enhanced, since it is there that the individual acquires the financial means to establish himself not only geographically but also socially. With the rise in job insecurity, particularly the emergence of unstable jobs, the individual’s social situation deteriorates. For some, when employment is lacking or unstable, it is

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<sup>73</sup> DREES, *Études et résultats*, “Suicide et tentatives de suicide en France”, No. 488, May 2006.

<sup>74</sup> Émile Durkheim, *Le Suicide*, 1897.

no longer a means of recognition or socialization but a source of permanent tension. A process of desocialization occurs which causes the individual to lose his bearings and may lead to suicide.

187. In France, suicide is a phenomenon that affects the whole of the population, particularly since the 1970s, when mass unemployment emerged. It is the leading cause of mortality among young people.<sup>75</sup> The first study conducted by the Epidemiology Centre on the medical causes of death found that there were 10,664 deaths from suicide in 2003, or 2 per cent of total deaths in metropolitan France; 7,943 involved men and 2,721 women. Although there are no statistics on work-related suicides, there are concordant studies linking certain suicides to job situation. Some professions, where violence and death are confronted, are more vulnerable than others. Fear of restructuring or dismissal or excessive competition between wage earners is another factor. Some studies<sup>76</sup> point to the fact that, in a situation of mass unemployment, each 1 per cent increase in unemployment is accompanied by a 4 to 5 per cent rise in suicides. Suicide becomes the last resort when the professional future is gloomy and the family cannot deal with the situation.

188. Of course, job insecurity is not the only reason for a phenomenon whose multiple causes are emphasized by the experts. Another explanatory factor can be found in the specific housing problems encountered by young people: as has been seen, the private housing stock has tended to shrink since the 1970s, while landlords in the comfortable position of being able to choose their tenants have stepped up their demands for guarantees; as a result, young people, and particularly the most vulnerable among them, have considerable difficulties in finding housing, and are driven either to "Tanguyism"<sup>77</sup>, or to homelessness or to suicide, or in any event to a certain malaise.

### 3. Discrimination

189. Despite being strictly prohibited by law, there are various types of discrimination which disadvantage certain population groups. France submitted its fifteenth periodic report, extensively updated, to the Committee on the Elimination of Racial Discrimination in February 2005 and its sixth periodic report to the Committee on the Elimination of Discrimination against Women in April 2006. These documents are a useful source of information on significant developments in the situation regarding these two types of discrimination and on the policies aimed at remedying them. Here we will confine ourselves to a few brief facts.

190. Gender discrimination is noticeable in access to employment. In 2001, 29.7 per cent of girls aged 15 to 24 who had completed their schooling were unemployed, or nearly 50 per cent

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<sup>75</sup> DREES, *Études et résultats*, "Suicides et tentatives de suicide en France", No. 488, May 2006.

<sup>76</sup> *Source*: AES (Economic and Social Administration).

<sup>77</sup> Term derived from the title of a film about a family whose grown-up son continues to live with his parents.

more than their male counterparts. Thirty-one per cent of the active female population work only part-time, largely not as a matter of choice, since 36 per cent of part-time women workers stated that they wanted to work full-time.<sup>78</sup> However, there is a steady improvement in conditions for women on the labour market, an indication of the growing similarity in employment paths between men and women.

191. Although discrimination against foreigners and recent immigrants is also illegal, a survey conducted by the Population and Immigration Department in 2005 showed that 58 per cent of human resource managers of French firms admitted that they did not want to hire foreign workers. Fifty per cent of young foreigners from outside the European Union were unemployed in 2004 - twice as many as nationals.<sup>79</sup> While the success rate of young immigrants is comparable to that of French youths of the same social level, this fact is not reflected in the labour market.<sup>80</sup> For example, persons of Algerian origin holding a baccalaureate or higher qualification have an unemployment rate of 32 per cent, whereas the average is 15 per cent.<sup>81</sup> To take another finding, 50 per cent of young foreigners with a “bac + 4” are occupying jobs intended for persons with a “bac + 1”<sup>82</sup>

192. Discrimination is thus a source of precariousness particularly affecting women and persons of foreign origin. The fact that it is devious and concealed makes its elimination all the more difficult.

#### **4. The reasons for becoming homeless**

193. Homelessness in French cities is not a new phenomenon. Previously, French society experienced “tramps”, “beggars” and “vagrants”. Every society has a de-socialized fringe forming part of extreme poverty. The novelty is that, as has been seen, the phenomenon has reached considerable proportions and acquired greater visibility through the sharing of space required for other uses; it becomes intolerable for the rest of French society because of the haunting images of precariousness that it conveys.

194. An analysis of the various components of the homeless population reveals a sort of condensed version of society as a whole from which no social category is absent. The reasons for which a former executive and an unqualified young person take to the street obviously differ, but they have a common root: the undermining of professional and social status.

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<sup>78</sup> INSEE, employment survey, 2000.

<sup>79</sup> *Observatoire des inégalités* (Inequality Monitoring Centre), “*Étrangers: l’ampleur de la discrimination*”, 14 February 2004.

<sup>80</sup> “*L’échec scolaire en trompe-l’oeil des enfants d’immigrés*”, *Libération*, 2005.

<sup>81</sup> INSEE, employment survey, 2000.

<sup>82</sup> *Ibid.*

195. Beyond this common denominator, an examination of the main mechanisms giving rise to homelessness allows the existence, but also the limitations, of possible prevention and reintegration policies to be discerned. As has been seen, the homeless are no longer just mature unemployed men, but also young people, families with children and the very old.

196. Firstly, a person who is already very poor can be driven into the street because he can no longer afford to pay higher and higher rents to landlords demanding guarantees such as possession of stable employment. Twenty per cent of the poorest households live in over-occupied housing.<sup>83</sup> Thus, the homelessness phenomenon is a reflection of other problems such as the housing crisis, unemployment and inadequate qualifications. The combination of these problems leads already vulnerable population groups to fall into a situation of extreme poverty.

197. In addition to economic and institutional causes, there are also sociological and psychological causes which may concern persons who previously belonged to more well-to-do social classes. People who live in the street do not always do so because of poverty strictly speaking: this may also result from a sudden change in their emotional situation (households torn apart in a context of high housing prices and shortage of social housing combined with the loosening of broader family ties) or their social situation (dismissal, termination of compensatory allowances), or from psychiatric problems, drug addiction, or inextricable administrative situations, such as the case of persons who are not eligible for asylum but cannot be deported and are prohibited by law from taking employment, etc. Such persons suddenly or gradually descend into homelessness because of the lack of social structures adapted to their needs which could have helped them at the right time. Sometimes they put together their own mutual aid society by organizing themselves into small reciprocal support groups. Such groups recreate some social guidelines and codes and take over and enliven parts of the street.<sup>84</sup>

198. In some ways, the homelessness phenomenon is an indicator of the complexity of the social problems of a developed country today. Large-scale exclusion is in part the reflection of individual personal history, but it is also a phenomenon illustrating the deep-seated difficulties of a society as a whole.

199. The development and persistence of forms of precariousness in France originate in a multiplicity of factors. Some have to do with increasingly powerful external constraints, others with sociological or psycho-sociological elements, and still others with economic elements. The responses to these different factors are by nature highly diverse and, in particular, are not capable of producing results within the same time frame: for instance, the sociological factors identified by Pierre Bourdieu back in the 1960s entail long-term societal change.

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<sup>83</sup> Interview with Jean-Claude Driant, Professor at the Paris Town-Planning Institute, “*Quels remèdes pour en finir avec le mal-logement?*”, *Le Monde*, 3 September 2006.

<sup>84</sup> Ibid.



### **III. GOVERNMENT POLICIES TO COMBAT UNEMPLOYMENT, PRECARIOUSNESS AND EXCLUSION IN FRANCE**

200. It was with these difficulties and this complexity in mind that the French Government undertook to carry out programmes, in the form of multifaceted and regularly updated action plans, to address each of the causes identified.

201. Many groups in France have been trying for some time to become acquainted with and to understand the phenomena associated with precariousness, in order to enable the State to develop policies opposing the shift away from the “republican pact”, which guarantees “liberty, equality and fraternity” for all. The interconnected and complex nature of the causes of unemployment and precariousness has required the efforts of many government agencies, which has led to close cooperation between ministries, organized by regularly convened inter-ministerial committees. Among the most recent initiatives, the Framework Act on Measures to Combat Exclusion and the Social Cohesion Programme demonstrate the French Government’s willingness to assume its responsibilities and to deal with these problems in depth, while involving the social partners and associations in its efforts.

202. Unemployment, precariousness and exclusion have for long been dealt with through policies that are updated regularly in the light of performance indicators. These policies are designed to deal primarily with the structural causes of precariousness and exclusion, within the limits of flexibility permitted, on the one hand, by a society that has opted for a system of economic liberalism tempered by a “social model”, and on the other by the external constraints imposed by both European rules and the concerted liberalization of international trade. The policies are also intended for certain target populations, such as the elderly, the long-term unemployed and young people. They take into account their specific problems and attempt to provide them with the “social capital” they need to re-enter the comfortable and progressive society that France has been striving to build for more than 200 years.

203. The last part of the present summary will describe these policies, focusing on the most recent among them. Government policies dealing with the structural causes of social inequality will be presented first, followed by those relating to efforts to combat precariousness and the forms of exclusion which affect certain segments of the population.

#### **A. Measures that deal with the structural causes of inequality**

204. The specific constraints related to an increasingly liberalized labour market have prompted a number of reforms of mechanisms designed to help unemployed persons return to work, accompanied by the development of major experiments involving private sector participation. At the same time, owing to the rapid urbanization that occurred in the second half of the twentieth century, which, as we have seen, despite planning strategies proved conducive to social and economic exclusion, active policies were undertaken to “requalify” discriminatory urban environments. Lastly, the realization of the diminished role of schools as agents of integration, at a time when on the contrary so much more was expected of “schoolmasters”, led to the development of major reforms and innovative experiments aimed at responding to the diversity of the situations involved.

## **1. Government policies offering employment incentives, particularly for young people**

205. Employment has been a major concern of successive governments since the end of the 30-year post-war boom, aggravated by the gradual appearance of pockets of exclusion. It has given rise to regularly re-evaluated and redirected public policies involving the participation of numerous government agencies, and, more recently, civil society, and targeted primarily at young people, the long-term unemployed and elderly persons. This report will look back at the main policies of the 1997 Youth Employment Plan, followed by those of the 1998 National Plan of Action for Employment. It will then outline the most recent initiatives, which include the Social Cohesion Plan amending the State Employment Service (2005) and the employment component of the Planning Act for Social Cohesion (2005).

### **(a) The Youth Employment Plan (1997)**

206. Youth employment has for a long time been one of the prime objectives of the French Government. A youth employment plan was first designed and implemented in the autumn of 1997. Its objective was to encourage youth employment by providing financial support to employers for limited periods of time. It offered five-year fixed-term contracts to young people between the ages of 18 and 26 in priority sectors, showing new requirements or high demand, such as culture, sport and the environment, or local services, such as security or transport. The State assumed the expense of the wages paid to the young recruits up to 80 per cent of the statutory minimum wage (SMIC). The Plan's stated objective was to facilitate the recruitment of 350,000 young people, whether or not they held diplomas, over the course of a three-year period. According to an assessment carried out in 2002, 280,000 jobs had been created for young people since the Plan's inception, representing 80 per cent of the expected number.

207. Associations were the first to take advantage of the terms of the Youth Employment Plan, with 190,000 young recruits.<sup>85</sup> Given the fact, however, that this sector has traditionally been quite poor in France and that many of the jobs could not be extended beyond five years, "leaving" the Plan proved to be difficult in some cases. A number of government agencies also benefited from the Youth Employment Plan, such as the Ministry of National Education, which, under the Plan, hired 67,282 young people over four years. These were mainly teachers' assistants and school support facilitators. In addition, the police force was able to recruit 20,000 young people, thereby responding to a strong demand for "neighbourhood police". Following some uncertainties, it has proved possible, for the most part, to extend these jobs.

208. The environment sector has been the third largest job provider for young people: 12,000 recruits were hired in 1999, mainly by territorial authorities, for tasks such as selective refuse clearance, environmental education and the upkeep of natural areas.<sup>86</sup> The jobs

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<sup>85</sup> Ministry of Social Affairs, Labour and Solidarity - end 2002.

<sup>86</sup> [www.ifen.fr](http://www.ifen.fr).

were offered primarily to young men at risk with low qualifications holding either a CAP (Certificat d'Aptitude Professionnelle) or a BEP (Brevet d'Études Professionnelles) at the first level of secondary education. In other words in the public sector and among associations the Youth Employment Plan did yield tangible results.

209. On the other hand the component of the Youth Employment Plan aimed at the profit oriented private sector was not very successful. It produced disappointing results that led to several successive adaptations and, ultimately, to the implementation of other mechanisms better suited to the characteristics of the private sector and capable of enhancing employment opportunities for young people.

**(b) The National Plan of Action for Employment: a coordinated strategy for employment since 1998**

210. The European Council meeting in Luxembourg in November 1997 decided to take new and ambitious measures to expand employment and to combat unemployment in Europe. This convergence of views between all States members of the European Union reflected the fact that the problem of employment with economic and social globalization, had outgrown not only State borders but also the ability of governments to deal with it in isolation. In response, a principle of "multilateral supervision" and evaluation was developed, accompanied by exchanges of views in order to identify good practices. In March 2000 in Lisbon the European Council confirmed this European approach by launching a "Lisbon Strategy" with specific objectives: a rise by 2010 of employment rates to 70 per cent for employed persons, 50 per cent for workers between the ages of 55 and 64, and 60 per cent for women. One way of achieving this would be to increase the rate of investment in research and development to 3 per cent of GDP. The aim of the Lisbon Strategy was to make Europe "the most competitive and dynamic knowledge-based economy in the world". Since the strategy was launched, its objectives have been raised, especially at the meeting of the European Council held in Göteborg in 2001, when the environment was added as a third component of the strategy. The European Union has thus equipped itself with an integrated and proactive strategy, founded on three pillars (economic, social and environmental) and fostering competitiveness and growth on the basis of sustainable development.

211. This declared European will encouraged governments to formulate action plans for the purpose of stimulating employment. France did this initially with its National Plan of Action for Employment (PNAE), which was adopted in 1998. This Plan is the periodically updated multi-year master plan and the source of all components of French policy aimed at combating unemployment, including youth unemployment. France launched a general strategy designed on the basis of three closely coordinated themes: stronger and more durable growth, generating more jobs in an economy characterized by a highly productive labour force, and benefiting all socio-professional categories, both sexes and all generations alike.

212. The meeting of the European Council held in Nice in 2001 and chaired by France sought to strengthen the objectives set in Lisbon. The new National Plan of Action for Employment (PNAE) put forward by France involves numerous government ministries and agencies, including the Ministry of Employment and Solidarity, the Ministry of the Economy, Finance and Industry, the Ministry of National Education, the Office of the Minister of State for Women's Rights and the Office of the Minister of State for Vocational Training, as well as a number of French social partners, territorial authorities and private professionals. The 2001 National Plan of

Action for Employment adds prevention against exclusion to the objectives set by its predecessors, and pays greater attention to the problems of certain categories of persons, such as young people without job skills.

213. The National Plan of Action for Employment for the period 2006-2010 also aims to increase the employment rate among older people, which is one of the lowest in Europe. Since the end of the 1990s, the labour market in France has lost many workers over 50, particularly as a result of redundancy plans linked to industrial restructuring and relocation. This adverse development for an increasingly knowledge-based economy has prompted the authorities and the social partners to respond. The new National Plan of Action for Employment recalls the provisions of the agreement on this subject signed in October 2005 between the French Government and the social partners. Designed for longer term application, the Plan aims to counteract the factors that exclude older workers, to enhance their employability and to safeguard their accumulated work experience.

**(c) The Social Cohesion Plan reforming the State Employment Service (2005)**

214. In France, the State Employment Service is organized primarily around three bodies: the National Employment Agency (ANPE), the National Union for Employment in Industry and Commerce (UNEDIC) and the Associations for Employment in Industry and Commerce (ASSEDIC). The ANPE, established pursuant to an ordinance issued in July 1967, is a State agency that provides for public intervention in the labour market through job search activities and job seeker placement. UNEDIC and ASSEDIC are two private bodies that were established pursuant to a national inter-occupational agreement, whose objective was to set up an unemployment insurance scheme and provide financial support to unemployed workers. They were established at the instance of General Charles de Gaulle in 1958 with the aim of offsetting the most serious effects of unemployment on people's lives. Since the Planning Act for Social Cohesion was promulgated in January 2005, these two bodies have been incorporated into the State Employment Service.

215. The poor coordination between ANPE, UNEDIC and ASSEDIC has been linked to the persistence of high unemployment in France for the past two decades. The policies of these three agencies dedicated to helping individuals return to work have sometimes been contradictory. For example, high unemployment insurance benefits discouraged people from returning to work. Many local initiatives were also added to these policies, particularly as part of urban policy (Neighbourhood Service Boards, Employment Missions, etc). The French Government has consequently, and not without difficulty, decided to undertake an in-depth reform of the State Employment Service in order to adapt it to changes in the labour market and to the needs of job seekers.

216. This reform was part of the Social Cohesion Plan set out in the Act of 18 January 2005. It was based on two priorities: on the one hand the creation of single inquiry points attached to Employment Centres (*Maisons de l'Emploi*), which combined the efforts of State institutions, territorial authorities and other bodies; and on the other hand better targeting of catchment areas

by bringing together all employment partners in order to coordinate their action. These local single inquiry points are gradually being made available to job seekers. By the end of 2006, 200 Employment Centres had become operational.<sup>87</sup> The objective is to set up 300 more by the end of 2007.

217. The requirement for the State, the National Employment Agency (ANPE), the National Union for Employment in Trade and Industry (UNEDIC), the Associations for Employment in Trade and Industry (ASSEDIC) and the National Association for Adult Vocational Training (AFPA) to conclude multi-year agreements is intended to improve coordination between them. From the functional standpoint, this coordination will henceforth take the following forms:

- As of 1 July 2006, UNEDIC and ANPE must consider new job applications within eight days at most, during which time a Personalized Return-to-Work Plan must be offered to each job seeker;
- A single job seeker file must be established and made available to the main agencies of the State Employment Service, thereby facilitating exchanges of information between them;
- ANPE and UNEDIC share a common structure, with merged information systems and a more rational geographic distribution.<sup>88</sup>

218. Since 2002, ANPE has been encouraging other types of initiatives, using State-aided Contracts (contrats aidés) and agreements with enterprises, especially public enterprises, such as the French National Railways (SNCF), and the temporary employment agency, Adecco. In June 2006, the fourth ANPE Progress Contract signed with the State established the financial terms and conditions of this project.

**(d) The employment component of the Planning Act for Social Cohesion (2005) and the third employment plan**

219. The aim of the Planning Act for Social Cohesion, which was promulgated on 18 January 2005, was to coordinate policy in all areas where social cohesion could be improved, such as housing and equal job opportunities. Endowed with a budget of €12.7 billion for five years (2005-2009), the Act encompasses 20 programmes of action.

220. The main initiatives launched under the Act include: “enhanced” job placement assistance for 800,000 young people at risk through tax incentives for employers; better pay and an improved status for apprentices; assistance to unemployed persons in setting up micro-enterprises; the introduction of contracts for the future for recipients of social minimum benefits who combine work and training; Personalized Redeployment Agreements enabling employees dismissed for economic reasons to benefit for eight months from a set of measures

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<sup>87</sup> [www.cohesionsociale.gouv.fr](http://www.cohesionsociale.gouv.fr).

<sup>88</sup> [www.travail.gouv.fr](http://www.travail.gouv.fr).

designed to facilitate quicker redeployment; State-aided Contracts (contracts for the future and guidance contracts), which are offered to enterprises; support for the development of personal services with the aim of creating 500,000 jobs in three years in this growing sector; and the development of on-the-job training through apprenticeships to be extended to the “*grandes écoles*”.

221. The Act has led to the development of the Access to Employment programme (TRACE), which is provided for in article 5 of the Framework Act on Measures to Combat Exclusion of 29 July 1998. The Programme’s objective is to facilitate the entry into the labour market of young people at risk between the ages of 16 and 25; these young people receive training and follow-up for a maximum period of 18 months in order to help them find stable employment. The Programme was also extended to extremely vulnerable young people who attend Local Missions or Job Information, Guidance and Placement Centres either rarely or not at all. In the Paris area alone, 3,539 young people, or 59.47 per cent of applicants, successfully benefited from this Programme between 1999 and 2003, 37 per cent of whom found long-term employment. The Access to Employment (TRACE) programme is gradually being replaced by the Social Integration Contract (CIVIS) that offers similar arrangements (personalized attention and job-related contract or career training).

222. On 31 August 2006, a third employment plan was introduced as part of efforts to reinforce a virtuous employment circle. The new measures are aimed at the most vulnerable segments of the population. Young people from sensitive neighbourhoods are offered paid training courses with an accompanying tutor, as well as job placement assistance from the private sector. This Employment Plan is also aimed at very long-term unemployed workers who have been receiving the “specific solidarity allowance” for more than two years. Other innovative measures under the third Plan are an exemption from the payment of social security contributions in respect of the statutory minimum wage (SMIC) for enterprises with fewer than 20 employees, and the offer of 50,000 “Pre-recruitment” courses for unemployed persons not receiving benefits, to be carried out in enterprises for a maximum training period of three months.<sup>89</sup>

**(e) The new commitment of enterprises in favour of employment and against racial discrimination**

223. No public support measure can be effective without the accompanying commitment of enterprises, which play a key role in reducing exclusion in the labour market and are one of the most important integration and social cohesion factors. As a form of encouragement, the public authorities launched a campaign to create awareness among enterprises concerning the importance of hiring young people, particularly those from peripheral areas.

224. A Charter of Diversity in the Enterprise was introduced in November 2004, initially by 40 enterprises and the Institut Montaigne, in order to demonstrate the commitment of society as a whole to cultural, ethnic and social diversity. Today, more than 2,000 enterprises have signed the Charter, which promotes diversity through equal opportunities in the labour market and the

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<sup>89</sup> Ibid.

proactive recruitment of “visible minorities”. The parties undertake to inform and train their staff along these lines, to respect and implement the principle of non-discrimination and to include in an annual report a description of the practices used and the results obtained.

225. In accordance with the recommendations of the report submitted by Bernard Stasi (former Ombudsman of the Republic until 2004) to the Prime Minister in February 2004, and those of the Committee on the Elimination of Racial Discrimination, as well as to give effect to the European Directive of June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin, a High Authority against Discrimination and in favour of Equality (HALDE) was established under the Act of 30 December 2004. HALDE, chaired by the former head of a major car manufacturer, handles individual complaints from victims of discrimination, drafts recommendations for legislative, regulatory or procedural amendments, and has launched several initiatives involving enterprises. By the end of February 2006, 108 enterprises had responded to the proposal of the High Authority to participate in its efforts to combat discrimination through the adoption of a methodology for evaluating job candidates based on an objective analysis of skills, without any photograph or mention of origin, or even through the experimental use of anonymous resumés (AXA enterprise).<sup>90</sup> The French National Railways (SNCF) have, for example, set up a Diversity and Recruitment Committee along these lines.

226. The Association “Our Neighbourhoods have Talent” launched an innovative project in close cooperation with the National Employment Agency (ANPE) and the Movement of French Enterprises (MEDEF) to organize forums in sensitive urban zones (ZUS) in order to enable enterprises to recruit young people under the age of 26 holding diplomas - a measure it claims is likely to benefit the young people from disadvantaged neighbourhoods as much as it does the enterprises. The association makes a pre-selection of resumés based on the needs expressed by employers, and subsequently arranges meetings between job seekers and employers. A database enables the Association to track each candidate’s career path. A monthly group coaching session offered to job seekers and carried out by a team of professionals identifies candidates’ strengths and weaknesses and prepares individual diagnoses of employability in consultation with ANPE.

227. The 2003 report submitted by Didier Robert to the Economic and Social Council (CES) reviewed the increasing involvement of companies in exemplary initiatives taken by many associations and local authorities, such as exchanges, seminars or integration programmes, particularly benefiting young people.<sup>91</sup>

228. These initiatives show that all categories of public and private partners are committed to creating jobs for young people from difficult neighbourhoods and promoting cultural and social diversity in companies.

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<sup>90</sup> Annual report of HALDE 2005.

<sup>91</sup> Didier Robert, *L'accès de tous aux droits de tous*, Conseil économique et social, 2003.

**(f) Policies to combat gender discrimination**

229. Since the Treaty of Amsterdam, which made the principle of equal treatment for men and women an objective under all community policies, a great many laws and regulations have provided encouragement and support for such initiatives. Further details can be found in the reports recently submitted by France to the Committee on the Elimination of Racial Discrimination and the Committee on the Elimination of Discrimination against Women, and therefore only a few of these initiatives are mentioned below:

- The Professional Equality Act of April 2001 furthered social dialogue on the subject so as to bridge the gap between family life and working life at a time when a negotiated reduction in working hours was taking place;
- Care services for young children were expanded in order to relieve parents of time-consuming duties, with the objective of providing care for 250,000 extra children in 2001-2004;<sup>92</sup>
- In March 2004, all the employers' and trade union organizations of France signed a "national inter-professional agreement on mixed employment and equality of opportunity for men and women";
- In June 2004, the Government launched an equality label (*label égalité*), awarded by the Ministry for Parity and Equal Opportunity to recognize companies that had introduced exemplary practices. Companies cannot keep this label unless they organize regular, dynamic assessment based on eight criteria in three areas: (a) action taken by the company to promote professional equality; (b) administration of human resources and management; (c) consideration given to parenting in working conditions;
- This policy was reinforced by the Act on Equal Pay for Men and Women of 23 March 2006, which aimed to close the pay gap between men and women by 31 December 2010. Women's wages are currently 11 per cent lower in equivalent professions.<sup>93</sup>

230. While the long-term policy of French economic development focuses on excellence, it abides by the principle of equality that underpins the social contract on which the French nation is founded, according to which everyone is entitled to a share of national wealth. That is why the State applies a policy comprising two complementary components: on the one hand, helping as many people as possible to access the skills required to compete internationally, by introducing structural reforms to education, training and urban policies; on the other, redistributing a part of national wealth to the vulnerable sections of the population that would otherwise remain marginalized (young people, the elderly, the homeless, and so on).

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<sup>92</sup> [www.europemploi-centre.org](http://www.europemploi-centre.org).

<sup>93</sup> *Premières Synthèses Informations: les écarts de salaires horaires entre hommes et femmes en 2002* (DARES, June 2006).



## 2. Policies to combat territorial discrimination: “urban policy”

231. Government policies launched in the late 1970s aimed to improve environmental and housing conditions in neighbourhoods where structural problems of exclusion were affecting young people in particular. In the late 1990s, the relative failure of the “urban policy” cast doubt on the usefulness of such policies, which required considerable amounts of public funding. Following extensive consultations, it was decided to relaunch urban policy with the 2003 Framework Act on Town Planning and Urban Renewal. Perhaps the main innovation is that it emphasizes the potential for economic and social development in unstable or ghettoized urban areas.

### (a) Policies to benefit Sensitive Urban Zones (ZUS)

232. The Interministerial Agency for Urban Affairs was created by decree on 3 March 1977 to develop social relations within major housing developments. Its objective was to promote cooperation between the State, local authorities and social housing agencies in an attempt to tackle the segregation that had emerged two decades after the *cités radieuses* (large-scale social housing complexes) were first built. In the early 1980s, the agency drew up a Programme for Social and Urban Neighbourhood Development to “rehabilitate” housing estates in 23 neighbourhoods. The aim was to improve the living conditions of residents by promoting socio-economic activities. At the same time, “State-towns agreements” were implemented to prevent delinquency, with the participation of the Ministries of the Interior, Justice, Social Affairs, Culture, Youth and Sport, as well as territorial authorities. The transfer of powers to the regions - a result of the decentralization policy launched in 1982 - led to the involvement of regional authorities in the social and urban development of neighbourhoods through the “State-regions planning contracts”.

233. In 1984 the Inter-ministerial Committee for Urban Affairs (CIV) was set up to play a key long-term role in urban policy, with the Inter-ministerial Agency for Urban Affairs (DIV), which was attached to the Ministry of Social Affairs in 1993 (and then several years to the Ministry for Urban Affairs), as its executive arm. The Committee is comprised of a multidisciplinary team and organizes activities by subject (citizenship/prevention/safety; integration/employment/economic development; urban management) or by territory.

234. Urban policies were initially redefined by the Town Planning Act (LOV) of 13 July 1991, which set out the measures needed in order to ensure that all French citizens enjoyed a “right to the city”, and called upon local authorities to provide living conditions that would be conducive to social cohesion and prevent segregation.

235. In 1996, the concept of “urban integration” was the focus of an Urban Regeneration Pact focused on four main areas: “bringing the State and public services to urban neighbourhoods”, with particular emphasis on the safety of residents; creating favourable conditions for

employment and economic activities, with provision for local shops and jobs for young people; and increasing social diversity and networking. An Economic Revitalization Fund (FRE) was created to allocate aid directly to businesses and local economic urban policy partners.

236. A body of legislative and regulatory texts accompanied the Pact and defined the geographical areas where tax incentives were to be introduced. It identifies 700 ZUS, 350 Urban Regeneration Zones (ZRU) and 38 Urban Free Zones (ZFU). It was proposed that a local police force should be created to tackle increasing insecurity more effectively, and 4,000 police officers were redeployed to suburban areas. Stricter education facilities were also set up to reintegrate persistent young offenders.

237. In 1997, the Ministry of Urban Affairs was abolished and its staff was transferred to the Ministry for Employment and Solidarity, which focuses on six core areas - work and employment, health, social protection, immigration and urban policy - with the aim of strengthening the mechanisms of the Urban Regeneration Pact.

238. The purpose of the Solidarity and Urban Renewal Act of 2000 was to ensure consistency between earlier urban policies while promoting mechanisms to enhance solidarity in cities. In order to link issues relating to town planning, housing conditions and transport, it simultaneously amended the town planning, construction and housing conditions code, the general territorial collectivity code, the public health and social security codes, the general tax code and the expropriation code. It sought to improve the distribution of social housing on the national territory and to encourage greater social diversity by creating more varied living conditions. Under this Act, every municipality must devote at least 20 per cent of its territory to low-rental housing.

239. The Inter-ministerial Committee for Urban Affairs (CIV) is responsible for the implementation of this policy, which brings together key public partners. It draws up critical assessments of the large-scale urban projects submitted to it, and conducts an intensified programme to demolish large obsolete buildings and re-establish urban continuity. The Economic Revitalization Fund (FRE), which was initially restricted to ZUS, was extended to cover priority areas under town contracts between the State and territorial authorities. The circular of 13 December 2000 of the Office of the Secretary for the State Budget and the Ministry for Urban Affairs, which redefined the purpose of such contracts, identifies four components: business start-up assistance; investment assistance; assistance in supporting and activating the existing economic fabric; and engineering support.

240. A Framework Act for Town Planning and Urban Renewal was adopted on 1 August 2003, leading to the creation of a National Observatory to study and reduce inequality in the ZUS. The Act also established an Urban Renewal Programme for ZUS, with a five-year budget of €30 billion, to intensify restructuring works in the most run-down neighbourhoods in ZUS and priority areas. The aim was to achieve social diversity and sustainable development, bring back local shops, attract new business and improve the quality of life. This programme has

been extended until 2011. Its quantitative objective for the period 2004-2011 is to build 250,000 leased residences, demolish 250,000 dilapidated ones and restore another 400,000.<sup>94</sup> The final component of the Act was the establishment of a National Agency for Urban Renewal (ANRU) responsible for implementing these objectives.<sup>95</sup>

241. The evaluation committee that was created has made a number of recommendations, one of which resulted in a charter drawn up by the ANRU, recommending that some of the jobs created by the renovation works should be given to local residents, particularly young people.

**(b) The attraction of Urban Free Zones (ZFU)**

242. The ZFU were created in 1996 under the Urban Regeneration Pact in order to combat unemployment in the most critically deprived neighbourhoods with over 10,000 inhabitants situated in Urban Regeneration Zones (ZRU).

243. ZFU are based on the principle of positive discrimination and aim to “provide more for those areas which are most in need”. In practice, this means that considerable social security and tax exemptions are granted to small businesses in these zones, in order to promote economic activity and create jobs. The Amending Finance Act of 30 December 2002 extended ZFU for a further five years.

244. Moreover, these zones enable the companies and institutions that establish themselves there to benefit from special conditions for the hire of employees, such as exemption from social security contributions.

245. State-aided contracts (*contrats aidés*) are a mechanism for ensuring that those living in ZUS, who are often at risk of unemployment (particularly unskilled young workers), are given priority access to employment. The purpose of these contracts is to integrate job seekers through economic activity and, in the long term, to help them find traditional, steady jobs. There are several types of State-aided contract: some of them target specific sections of the population, while others are aimed at job seekers generally. They may be used by businesses in both the market sector and the non-market sector. They frequently offer training and qualification opportunities.

**(c) Policies to combat dilapidated housing**

246. A National Commitment to Housing Act was adopted on 13 July 2006, establishing legal and regulatory measures for the removal of “unfit housing”. It sets out the rules governing the safety of common facilities in apartment buildings, schedules the work required in order to ensure compliance with safety standards in more than 500 accommodation centres, and prohibits the cut-off of electricity, gas, water and heating supplies in winter. Article 60 of the Act

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<sup>94</sup> *Lettre d'informations bimensuelle de la Délégation à la Ville*, 13 August 2003.

<sup>95</sup> [www.ville.gouv.fr/infos/dossiers/anru-un-apres.html](http://www.ville.gouv.fr/infos/dossiers/anru-un-apres.html).

consolidates the role of the Departmental Action Plans for Housing Deprived Persons (PDALPD) in removing unfit housing. The State is committed to mobilizing land in the public domain for the construction of 30,000 new residences over the next three years.<sup>96</sup>

247. An Inter-ministerial Committee to Combat Exclusion, convened on 12 May 2006, adopted 23 measures for combating precariousness and exclusion.<sup>97</sup> The main objective of the measures relating to unfit housing is to uphold basic rights by eliminating the worst housing conditions. In broad terms, there are three operational methods for achieving this. Under the Civil Code, housing regulations have been modified to place greater emphasis on the notion of “decency” (Solidarity and Urban Renewal Act, article 187). Control measures can now be applied to oblige landlords to renovate unsafe, unhygienic living conditions, while public funding provides landlords and tenants with incentives for ensuring that accommodation is of a decent standard. The National Housing Improvement Agency allocates grants for improving insalubrious conditions; housing benefit may now be claimed only if decent accommodation is provided, and may be withdrawn if it is deemed insalubrious or dangerous.

### **3. Policies to restore the role of the education system in promoting social cohesion**

248. Historically, the republican school system in France has played a crucial role in social development and integration. Once its shortcomings had been duly acknowledged, the public authorities came to view it as a cornerstone of government policies to combat exclusion and discrimination. Such policies are implemented throughout the system, from primary school to the top-ranking higher education establishments (*grandes écoles*) and universities. At all levels, the main objective is to overcome differences and equalize opportunities for academic success by ensuring access to flexible training programmes, including the highly selective courses required for entry to the *grandes écoles*. Support measures ensure that lecturers and teachers are better equipped to tackle the difficulties encountered by pupils (special modules providing training in serious poverty issues offered by the Teacher Training Institutes (IUFM), distribution of pamphlets and leaflets, etc.).<sup>98</sup>

#### **(a) Measures to combat school failure starting with primary school**

249. Since poor families and those of immigrant origin are more likely to underachieve at school, the French Government has proposed a number of reforms to address the weaknesses of a system which now struggles to promote cohesion. Several measures have sought to remedy specific problems such as the language difficulties affecting children of immigrant origin.

250. A Framework and Planning Act on the Future of Education was promulgated in April 2005 with the aim of ensuring the academic success of all schoolchildren. Those who have difficulty

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<sup>96</sup> *Comité Interministériel de Lutte Contre l'Exclusion*, 12 May 2006, press file.

<sup>97</sup> [www.logement.gouv.fr](http://www.logement.gouv.fr).

<sup>98</sup> Didier Robert, *L'accès de tous aux droits de tous* (Conseil économique et social, 2003).

in acquiring the core knowledge and skills deemed essential are offered a support system known as a personalized academic success programme. Measures affecting primary and lower secondary schools entered into force from the start of the 2006/07 school year.

251. Annual benchmarks were introduced in order to assess whether schoolchildren have acquired the common core of knowledge and skills and the syllabus has now been divided into different parts so that teachers can complete it at their own pace. The personalized academic success programme is launched as soon as it becomes apparent that a child may be unable to master the basic skills corresponding to their level of education. Teaching staff must monitor the situation and decide on a case-by-case basis.

252. These measures should produce a virtuous circle. While there are no measures explicitly targeted at the children of immigrants, the personalized academic success programmes concern them above all, in view of their high failure rate. By paying particular attention to assessments of their command of French from grade 1, and even earlier, the Government has tacitly defined the integration of the children of immigrants as a priority.

253. The new provisions to ensure the success of all pupils in lower secondary schools are similar to those for primary schools. Under the Act, the “*lycées labellisés*” (Quality upper secondary schools) experiment aimed at promoting vocational education is being continued. The Act lays down four criteria required to obtain this label of quality: training courses geared towards potential occupations, a broad intake of pupils, availability of a wide range of diplomas and services for validating qualifications.<sup>99</sup>

254. A High Council of Education was established under article 14 of the Act, as an independent advisory body. It issues opinions and draft proposals on the teaching, syllabuses, organization and results of the education and teacher training system.

**(b) Policies of integration through education as part of urban policy**

**(i) Priority Education Zones (ZEP) - first government measures to improve school performance**

255. Despite the fact that the principle of equal opportunity is upheld by French law, there are social disparities among children, in part as a result of their spatial segregation owing to the selective process of urbanization. This fact, which was established when the foundations of urban policy were being laid, gave rise to policies to improve the academic performance of people living in underprivileged areas.

256. Priority Education Zones (ZEP), on which these policies are based, were established in 1982, and represented a departure from the principle of equal treatment for all citizens. Initially, they were set up in a few regions only, and were subsequently spread to the other

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<sup>99</sup> Website of the Ministry of National Education, Higher Education and Research.

regions. Considerable resources were mobilized in order to encourage schools in these districts to develop original education projects and local partnerships. The resources in question are approximately 10 per cent more than those at the disposal of schools in other districts. In addition, allowances are paid to teachers to compensate for the difficult working conditions.

257. According to assessments carried out in the early 1990s by the Priority Zones Monitoring Centre (OZP), the resources invested in these schools were not sufficient to carry out the tasks assigned them. It was found that the size of classes fell only slowly,<sup>100</sup> that a high proportion of young teachers had little experience and that the social homogeneity of children was tending to increase. The schools essentially became centres specialized in children with learning difficulties. Over time, Priority Education Zones became more of a political symbol than an effective tool to help the most disadvantaged; yet they catered for one in five children and absorbed a significant portion of the national education budget.

258. In view of this unsatisfactory assessment of those ZEP, it was decided to make some radical shifts in policy in order to remedy their shortcomings. On 8 February 2006, a plan to relaunch priority education was put forward by the Ministry of Education.<sup>101</sup> It proposes to increase and diversify the resources available to ZEP, and identifies a number of priorities: close contact between the administration and teaching staff with respect to all schoolchildren; the implementation of differentiated programmes for mixed classes;<sup>102</sup> the provision of more public services in areas where their availability is limited (as part of the revival of urban policy). In addition, the Ministry of Education decided to focus its budget allocations on fewer institutions known as “ambition-success schools”, in response to the justified criticism of an excessive dispersal of priority education resources. This policy entered into force at the start of the 2006/07 school year, and an additional 1,000 teachers and 3,000 teaching assistants were recruited.

#### **(ii) The Local Education Contract (CEL) - integration through education**

259. Children’s general education is a determining factor in academic success, integration and the prevention of exclusion. This is why the Ministry of Education and other ministries joined forces to draw up a comprehensive policy to combat exclusion. The inter-ministerial circulars of 9 July 1998 and of 25 October 2000 set forth a joint response to the learning difficulties faced by children. While the public targeted children and young people from nursery and primary schools right through to higher general and vocational education, priority is given to problem urban and rural areas.

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<sup>100</sup> *Economie et statistique*, 2004, No. 380.

<sup>101</sup> “*Les positions de l’observatoire des zones prioritaires*”, *Revue Ville, Ecole, Intégration*, March 2006, No. 114.

<sup>102</sup> *Ibid.*

260. At the national level, the Department of Youth, Popular Education and Voluntary Associations within the Ministry of Youth introduced a measure, approved by the other ministries, entitled “Local Education Contract” (CEL). This allows for the establishment, monitoring, assessment and joint funding of school, extra-curricular and out-of-school activities offered by local partners on the basis of a joint assessment of social welfare needs in a given area. The main purpose of the CEL is to encourage the broadest possible access to cultural, educational, sporting and leisure activities. In 2004, the budget for such activities stood at €36.5 million, funded, inter alia, by the Ministry of Youth and Sports, the Ministry of National Education and Research and the Ministry of Urban Affairs, as well as by local authorities, the Family Allowance Fund, and the Action and Support Fund for Integration and the Prevention of Discrimination (FASILD).

**(c) For equal opportunities at university and for admission to the *grandes écoles* (higher professional schools)**

261. Admission to the *grandes écoles*, specifically French institutions which recognize the academic elite, is of particular interest on account of its symbolic and strategic impact. Two *grandes écoles* have recently launched a very important process, each one with a different approach to equal opportunities. The debate within universities on the need for these changes in policy are equally of interest.

**(i) The example of the Lycée Henri-IV**

262. It was found not only that few applications for preparatory classes for the *grandes écoles* were received from pupils from the underprivileged sectors of society, but also that they were decreasing in number, since the families themselves tended to shy away from these ivory towers.

263. At the start of the 2006/07 school year, the Lycée Henri-IV upper, one of the schools whose preparatory classes give pupils the best chance of passing entrance exams to the *grandes écoles*, admitted around 30 scholarship pupils from deprived areas. This initiative comes under the Framework Act of April 2005, and was supported by the chief education officer of Paris (representing the Ministry of Education). It was approved on 1 December 2005 by a decision of the Prime Minister to launch a “pilot class”.<sup>103</sup> Under the initiative, ZEP pupils receive high-quality personalized training, special tuition on general culture and the basic knowledge required to pass the entrance exams for preparatory classes.

**(ii) The Paris Institute for Political Studies (IEP) and its role in education**

264. The Paris Institute for Political Studies (IEP) is a higher education institution with a special status, which since its establishment has been a pathway for access to prestigious careers in the national and international civil service, finance and the media. In particular, however, the Institute came in for severe criticism by Pierre Bourdieu, who demonstrated that it actively contributed to France’s self-perpetuating elite: very few children of limited means could gain access to it on account of its selection criteria. On the initiative of its director, since the

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<sup>103</sup> *Le Monde*, 16 May 2006.

year 2000, IEP has entered into agreements with upper secondary schools situated in ZEP in order to select and prepare schoolchildren with strong potential so that children from deprived areas have a greater chance of gaining admission to this very prestigious higher education institution.

265. A reciprocal arrangement has been made between secondary schools and the Institute: students and teachers from IEP go regularly to selected lycées to organize information campaigns and training courses; some 600 lycée students visit the Institute every year to attend courses and to meet IEP students and teachers. The IEP administration also worked on the establishment of the first upper secondary school of excellence, to open in the suburbs by the end of 2007. The aim of this initiative is to help schoolchildren from depressed areas overcome the psychological barrier that subconsciously prevented them from accessing a prestigious academic career via the entrance exam to the Institute. IEP has diversified its selection procedures and qualification requirements, by introducing new conditions that are better suited for people of modest origins<sup>104</sup> with different cultural traditions. In addition, when it is expected that the families concerned will not have sufficient financial means, the Institute offers children who have been admitted a Ministry of Education merit scholarship as well as assistance with accommodation. All the students concerned are offered a Priority Education Agreement (CEP).

266. The initiatives taken by the Paris Institute have had a significant impact. Several dozen *grandes écoles* and higher education institutions recently announced that they were going to set up arrangements for tutoring and assisting pupils from upper secondary schools in Priority Education Zones in the three years leading up to the baccalaureate. The ESSEC Higher Business School offers lycée pupils from ZEP who so wish the possibility of following a preparatory training course<sup>105</sup> in their final years of school. Furthermore, by recruiting former IEP students who benefited from priority education agreements companies have shown their serious intent to become involved in the experiment. BNP-Paribas and the French National Railway Company (SNCF) have concluded agreements in this respect.

### **(iii) The universities-employment debate**

267. According to the current demands of the labour market, the quality of university education and the value of diplomas are the main factors determining young people's real professional integration. The Government therefore decided, starting early June 2006, to hold a series of debates throughout the country on the theme of university and employment. The proposals discussed during these debates were the enhancement of vocational development; the promotion of apprenticeships and sandwich courses in universities.

268. In order to ensure that students acquire vocational development tools, seven reforms are envisaged: vocational development courses from the third year of university, for students who are interested (professional training courses, sandwich courses, apprenticeships); holding meetings with professionals for a better understanding of the business world; identifying skills

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<sup>104</sup> *Libération*, Saturday 7 and Sunday 8 January 2006.

<sup>105</sup> “*Comment ouvrir les grandes écoles aux lycéens de banlieue?*”, *Le Monde*, 4 October 2005.



expected upon completion of diplomas; ensuring the traceability of students so that their progress can be followed up three years after graduation; improving and supervising professional training courses; and combining professional and research masters courses.<sup>106</sup> This movement is run by a debates commission and the main concern is students and their entry into the labour market.

**(d) Defence integration establishments (EID)**

269. The Public Defence Integration Institution (EPID), placed under the joint supervision of the Ministry of Defence and the Ministry of Employment, Social Cohesion and Housing, was established by Ordinance No. 2005-883 of 2 August 2005.<sup>107</sup>

270. Every year call-up and preparation for defence days help to identify around 60,000 young people with problems out of the 800,000 who attend them. The purpose of the EPID is to assist young people (boys and girls) aged between 18 and 21 who have failed at school, are unemployed and risk marginalization to find their place in society and to encourage their entry into working life through appropriate training. The EPID establishes and runs training centres (defence integration institutions); it organizes the training dispensed in these centres and provides accommodation for young people during these periods of training, which may last from six months to two years.

271. The objective of the EPID is to open 50 integration defence institutions catering for 20,000 young persons by the end of 2007. The EPID is empowered to develop partnerships and national and international cooperation activities with public authorities, companies and public or private training institutions. The establishment and purpose of the EPID are in line with the “Battle for employment” and social cohesion plans launched by the Government, which focus on the vulnerable sector of the population composed of young people who are being given a “second chance”.

272. The training dispensed in defence integration establishments (EID) by a motivated and fairly large teaching staff comprises four modules: upgrading basic education skills; civic and behavioural education combining daily lessons and practical experience; vocational training to encourage recruitment in sectors with a shortage of manpower (such as the hotel and catering business, personal and business services, the construction industry, and transport and logistics); first aid training. In addition, there are physical activities, helping with everyday community tasks, and courses on respect for authority. The aim is to ensure that after six months’ training volunteers have the general knowledge required to learn a trade and the opportunity to continue learning through a traditional course of study or to find employment through an internship in a company or an apprenticeship contract.

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<sup>106</sup> *Débat-université-emploi.education.fr : rapport d’étape*, 29 June 2006.

<sup>107</sup> Ordinance No. 2005-883 of 2 August 2005 on the establishment in defence institutions of a system to assist the social and professional integration of young people in difficulty.

## **B. Government measures to combat precariousness and exclusion for the most vulnerable sectors of the population**

273. Redistribution policies in favour of the most vulnerable sectors of society through inclusive measures aimed at reintegrating them into society are derived from a basic law adopted in 1998, the Framework Act on Measures to Combat Exclusion. The aim of this flagship legislation is to guarantee everyone access to basic economic, social and cultural rights. This report will focus in particular on rights relating to employment, social welfare, health and housing.

### **1. Framework Act on Measures to Combat Exclusion (1998)**

274. Promulgated on 29 July 1998, the Framework Act on Measures to Combat Exclusion was the result of a growing awareness of the importance of preventing the rise of exclusion. Article 1 of the Act states that “measures to combat exclusion are a national necessity based on respect for the equal dignity of all human beings and must be accorded priority in every sphere of national policy”.

275. The aim of the Act was to deal with all forms of exclusion, in the areas of employment, housing, health, justice, culture, etc. The new rationale behind the Act was to take into account the overall situation of poor people and to guarantee their access to rights. Hence the indivisibility of rights is one of the underlying principles of the Act.

276. The Act was built on four main goals:<sup>108</sup>

- To guarantee access to basic rights, namely access to employment, housing, health care, education and culture;
- To prevent exclusion by improving the procedure for dealing with overindebtedness, preventing evictions, guaranteeing an income for the most disadvantaged, combating illiteracy and ensuring widespread access to sports and the exercise of citizenship;
- To respond effectively to situations of emergency, through the welfare alert system and the improvement of the network of emergency shelters;
- To strengthen and increase partnerships so as to ensure consistency among the tools to prevent exclusion.

277. The Framework Act, which laid down general guidelines, was subsequently clarified and supplemented by several laws and regulations. These are the Act on Access to Rights and the Amicable Settlement of Disputes of 18 December 1998; the Act establishing Universal Health-Care Coverage (CMU) of 27 July 1999; the Act on the Rights of Citizens in Their Relations with the Administration of 12 April 2000; the Act on Solidarity and Urban Renewal of 13 December 2000; the second Programme to Combat Exclusion of July 2001 intended to

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<sup>108</sup> *Exposé des motifs de la loi du 29 juillet 1998 d’orientation relative à la lutte contre les exclusions*, 29 July 1998.

strengthen the provisions of the Act of 29 July 1998; the Act renewing Social Welfare and Medical Social Work of 2 January 2002; the Framework and Planning Act on Urban Policy and Renewal of 1 August 2003; and the Act on Improving Social Cohesion in All Sectors Concerned of 18 January 2005.<sup>109</sup>

278. A National Monitoring Centre on Poverty and Exclusion (ONPES) was established in 1999 in order to follow up and assess the implementation of the Framework Act on Measures to Combat Exclusion. The ONPES provides regular analyses of the causes of poverty and exclusion.<sup>110</sup> In February 2002, the Ministry of Justice established a Service for Access to the Law, Justice and Urban Policy with a view to ensuring greater consistency between the different components of the Framework Act.<sup>111</sup>

279. The implementation of the Act gave rise to several joint training and knowledge exchange programmes and practices, through which academics, specialists and people who had experienced great economic insecurity had the opportunity to share their experiences and to seek solutions for innovative projects aimed at combating precariousness and exclusion. These programmes were the subject of publications and a presentation to the Economic and Social Council (CES) on 7 February 2002. The report of the Economic and Social Council entitled “Universal access to all rights”, which dates from 2003, also describes some of these initiatives.

280. According to the assessment of the Framework Act on Measures to Combat Exclusion, which was conducted by the General Inspectorate of Social Affairs,<sup>112</sup> the resources mobilized by the Act ensured that the needs of priority groups were better catered for, which resulted in particular in more people in receipt of the minimum income allowance returning to employment. The assessment nonetheless indicates that the objectives have not been fully met.

281. The Finance Laws Organization Act (LOLF) promulgated on 1 August 2001, which overhauled the whole public funds management system, was intended to deal with methodological problems identified by the General Inspectorate’s assessment: in future every public policy must be clearly defined, with objectives and cost estimates together with evaluation criteria and an annual performance report, so as to allow careful monitoring.

## **2. The right to work in relation to the right to social protection**

282. Since 1945, the welfare state has played an active role in promoting economic growth and at the same time ensures that all citizens are provided with social protection, starting with the most vulnerable, with a view to remedying the social injustices of the market economy. The

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<sup>109</sup> Maryse Fourcade, Valérie Jeske and Pierre Naves (Members of the General Inspectorate of Social Affairs), *Synthèse de bilans de la loi d’orientation du 29 juillet 1998*, May 2004.

<sup>110</sup> *Synthèse de bilans*, *ibid.*

<sup>111</sup> *Ibid.*

<sup>112</sup> *Ibid.*

welfare state is closely related to the notion of “social contract” inherited from the eighteenth century. The rise in precariousness and exclusion in the 1970s prompted the French Government to develop new schemes.

283. A national system of minimum social benefits has gradually been built up, which comprises nine elements. Their principal aim is to guarantee a minimum income for people in need or their families, namely persons whose incomes are below the poverty threshold. Each of the nine minimum social benefits caters for a specific population group or a particular situation. The main benefit is the minimum income allowance (RMI), which 1,276,800 persons receive. In 2003 and 2004, several reforms were aimed at changing entitlements and the conditions of access to minimum social benefits.

284. The provisions of the Framework Act on Measures to Combat Exclusion relating to employment ensured that minimum social benefits were linked to incentives to return to employment. It was considered important to give the unemployed an incentive to seek employment more actively by giving them the possibility if they received the minimum social benefit to draw part of it concurrently with the income earned from their job.<sup>113</sup> To this end, two priorities were established: to strengthen employment assistance mechanisms and target them at people in need, and to provide better assistance to job seekers.

285. Support measures were introduced through the Programme of Personalized Actions for a New Start (PAP-ND) and the TRACE programme (for young people in need, now replaced by CIVIS). The PAP-ND programme was established in order to reintegrate job seekers into the market, regardless of their profile, by offering them a personalized service and follow-up until their return to employment. It formalizes a mutual commitment between the job seeker and a public service before return to employment.

286. In addition, as we have seen above, there are several other employment assistance mechanisms for people who have difficulty entering the job market.<sup>114</sup> At the time of recruitment, a person receiving a benefit retains the rights associated with the minimum income allowance (RMI) system, such as access to Universal Health-Care Coverage (CMU) introduced in 1999 (see below).

287. An employment bonus (PPE) for people who are resuming an activity and who are paid the statutory minimum wage (SMIC) was introduced by the Act of 30 May 2001, extended in 2003 and amended by the Finance Act of 2007, in part to meet the financial needs of “poor workers”. The purpose of the bonus is to increase the income of low-paid workers so as to provide an incentive for them to keep their jobs.

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<sup>113</sup> *Rapport du Conseil de l'Emploi, des Revenus et de la Cohésion Sociale*, 2005.

<sup>114</sup> “*Conjoncture de l'emploi et du chômage au quatrième trimestre 2005: le recul du chômage se poursuit malgré le tassement de la croissance*”, *Premières synthèses*, April 2006, No. 16.1.

288. The decentralization of the minimum income allowance system to the general councils, implemented by the Act of 18 December 2003, was accompanied by the creation of a new tool: the Minimum Income-Integration Contract. This enables an employer who recruits a person in receipt of the RMI to claim a subsidy, which is paid on condition that the employee has drawn up a Personal Project for Social or Professional Integration.<sup>115</sup>

289. Lastly, a Contract for the Future, intended to facilitate the social and professional integration of persons receiving the RMI, the Specific Solidarity Allowance (ASS) or the Single Parent Allowance (API), was introduced by the Social Cohesion Planning Act of 2005. This contract was extended to persons receiving the Disabled Adult Allowance (AAH) in July 2005,<sup>116</sup> giving them the right to draw the allowance at the same time as income from employment.

### 3. The right to health

290. Poverty has many effects on health, including susceptibility to epidemics, obesity and addiction to alcohol and tobacco. On the other hand, it hinders people's career development and social integration. Hence the importance of a public health policy as part of efforts to combat exclusion.

#### (a) Access to health care

291. Precariousness is a situation in which social, professional and health problems are very often combined. It consists in the deterioration of a person's professional and social life, which in turn leads to personal decline. The deterioration of social conditions and health are interrelated. For example, depending on its quality, does housing protect against the deterioration of a person's health or not, and is it favourable or detrimental to recovery?<sup>117</sup> It is therefore in the Government's interest to devise measures to improve the health of the underprivileged, who often are, and feel, less healthy than the population as a whole. According to a study conducted by the Department of Research, Studies, Evaluation and Statistics (DREES), 12 per cent of the beneficiaries of Universal Health Coverage (described above) claim that they are in poor health, and 4 per cent of them in very poor health.<sup>118</sup>

292. Measures intended to improve access to health care for the underprivileged had long been in existence in France. They were consolidated as a result of the Framework Act on Measures to Combat Exclusion of 1998: progress in the area of health was recognized as an intrinsic part of efforts to combat precariousness and exclusion, since it helped people to rebuild their lives.

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<sup>115</sup> *Rapport du Conseil de l'Emploi, des Revenus et de la Cohésion Sociale*, *ibid.*

<sup>116</sup> “*Les allocataires de minima sociaux en 2004*”, DREES, *études et résultats*, November 2005.

<sup>117</sup> Emmanuelle Cambois, *Rapport à l'Observatoire National de la Pauvreté et de l'Exclusion Sociale*, 2004.

<sup>118</sup> Survey of CMU beneficiaries, DREES, March 2003.

293. The purpose of Universal Health-Care Coverage (CMU), established by the Act of 27 July 1999, was to meet the increasing demand for health care by the underprivileged in France. It is a two-tier system consisting of Basic Universal Health-Care Coverage (CMU) and Supplementary Universal Health-Care Coverage (CMUC).

294. Universal Health-Care Coverage allows any person who is continuously and legally resident in France to join the health-insurance system, on condition that they are not eligible for another health-insurance scheme, and that they have been legally resident in France for at least three months. People whose taxable income exceeds a given threshold<sup>119</sup> must pay an annual contribution of 8 per cent of the amount of income exceeding the threshold.<sup>120</sup>

295. Supplementary Coverage is available free of charge to people who are continuously and legally resident in France with the lowest incomes, for which the means threshold was established by decree. As at 1 July 2006, the applicable threshold was €598.23 in metropolitan France.<sup>121</sup>

296. Furthermore, Regional Prevention and Care Programmes (PRAPS) were launched and targeted at the poorest sectors of society. Coordination between health-care workers and social services was stepped up.<sup>122</sup> The establishment of health-care access points (PASS) in public hospitals improved the quality of health care and social services and ensured better integration of individuals, in both their internal and external environments.<sup>123</sup>

297. The third recent scheme, which is intended to provide medical care for the disadvantaged sectors of society, is State Medical Assistance (AME). This covers the health-care costs of people who do not meet the conditions of continuous and legal residence allowing them access to CMU, and whose income is lower than the threshold for entitlement to CMUC. Since 2003, foreign minors without identity documents and unaccompanied minors are also covered by AME, and are no longer eligible for the national health-insurance scheme. In view of the resulting unprecedented rise in expenditure for this part of the budget, in particular in certain overseas departments, the Finance Act of 30 December 2003 made access to AME conditional

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<sup>119</sup> This threshold was €6,849 for the period 1 October 2004 to 30 September 2005, and €6,965 from 1 October 2005 to 30 September 2006.

<sup>120</sup> “*Les bénéficiaires de la CMU au 31 décembre 2005*”, *Etudes et résultats*, DREES, August 2006.

<sup>121</sup> “*L'accès aux soins des plus démunis en France en 2006*”, *Dossier de presse-Médecins du Monde*, October 2006.

<sup>122</sup> Maryse Fourcade, Valérie Jeske and Pierre Naves (Members of the General Inspectorate of Social Affairs), *Synthèse de bilans de la loi d'orientation du 29 juillet 1998*, May 2004.

<sup>123</sup> An opinion poll was conducted by DREES, which is described in part D on social welfare.

upon continuous residence of three months in France.<sup>124</sup> As at 31 December 2005, approximately 180,000 people were covered by AME, in other words an increase of 20 per cent in one year.

**(b) Government measures to prevent suicide**

298. Because it reflects social isolation, suicide is still a hidden and underestimated problem. It is thus difficult to understand the significance of attempted suicide. However, it is known that there are often social reasons underlying suicide, such as long-term employment or difficulties in gaining access to housing, which is further proof of the link between social and health problems. Given that suicide is the second cause of death among people aged between 15 and 44, the prevention of suicide is one of the priorities of public health.

299. The National Union for the Prevention of Suicide (UNPS), one of the main organizations responsible for awareness-raising and preventing suicide, was formed in 1996 following the merger of six associations working for the prevention of suicide. It has launched a national day for the prevention of suicide, which each year mobilizes all the partners involved.

300. Since 1998, 13 regions have introduced a regional health and suicide prevention programme, which under a new approach tackles both attempted suicide and suicide itself, since previously the two were dealt with separately. In 2000, the Ministry of Health gave fresh impetus to the suicide prevention policy, with the National Action Strategy to Deal with Suicide 2000-2005, which lays emphasis on information, sharing experiences and on prevention. There are four main objectives for health institutions and health workers:<sup>125</sup> to promote prevention through greater screening for suicide risks; to reduce access to lethal means commonly used to commit suicide; to improve the quality of care and follow-up in the medium and long term; and to improve epidemiological knowledge.

301. The Public Health Act of 9 August 2004 confirmed and strengthened the desire for tangible results by setting the goal of reducing deaths by suicide in France by 20 per cent in the five years following its promulgation. In addition, the Psychiatric and Mental Health Plan 2005-2008, promulgated in 2005, contains a specific suicide prevention programme, which emphasizes the fact that prevention must be part of a more comprehensive prevention and mental health-care policy. In accordance with the Plan, the Ministry of Health is currently conducting an assessment of the Strategy for 2000-2005 before drawing up a new national plan.

302. The Ministry of Health also joins forces with the Ministry of National Education as part of a Public Health Partnership in order to identify cases of depression in education establishments. The National Action Strategy to Deal with Suicide 2000-2005 was initially targeted chiefly at young people. It was extended to prisoners in 2002 and to the elderly in 2005.

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<sup>124</sup> Ibid.

<sup>125</sup> Ibid.

#### **4. The right to housing: policies to deal with homelessness**

303. As we have seen, there are many complex reasons why tens of thousands of people live on the streets in a country where the winters are fairly harsh. The Government's response, which for a long time was limited to emergency humanitarian assistance in the form of night shelters, has changed in recent years, in particular thanks to an in-depth dialogue with the associations involved. In 2006, the problem was given considerable coverage in the media, which resulted in greater mobilization and the development of new measures.

##### **(a) Government measures in favour of the homeless**

304. The General Framework Act on Measures to Combat Exclusion of 1998 also contained provisions relating to the homeless, including a programme to increase the number of emergency shelters. According to an assessment conducted by the General Inspectorate of Social Affairs,<sup>126</sup> not enough effort had been made: all the available emergency shelters were constantly full, since their supply was not keeping pace with the growing demand owing to the increasing poverty of part of the population and a steady rise in housing costs.

305. Since 1998, having realized the magnitude of the phenomenon and understood the wishes of those concerned, the authorities have created a variety of mechanisms for assistance to homeless persons, coordinated under a Reception, Accommodation and Integration scheme (AHI). This scheme was set up by the Government in cooperation with the local authorities and associations concerned and its action has been regularly extended, within the framework of the Act on Social Cohesion and the implementation of plans developed by the Ministry for Social Affairs. The AHI scheme aims to organize rapid, comprehensive and qualified responses to the needs of various groups, while ensuring respect for the dignity of aid recipients and the protection of their privacy and safety. It combines emergency actions and integration measures.

306. Emergency situations are dealt with in four ways:

- A 115 call connects to a round-the-clock answering service, with specialized teams standing by to provide information to the homeless, advise them and find them shelter.
- Mobile teams go out to make contact with the most isolated cases. These teams are made up of members of associations such as Médecins du Monde, the "SAMU" social emergency motorized services and the Red Cross, which play a key role of psychological support and contact with the homeless, many of whom never seek

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<sup>126</sup> Maryse Fourcade, Valérie Jeske and Pierre Naves (Members of the General Inspectorate of Social Affairs), *Synthèse de bilans de la loi d'orientation du 29 juillet 1998*, May 2004.



assistance. While respecting the wishes of homeless persons, these mobile teams can transport them to emergency accommodation centres or daytime or night-time shelters and provide them with food aid and blankets.<sup>127</sup>

- Emergency accommodation centres provide shelter for homeless persons for a short time, during which their situation can be assessed and they can be urged to claim their entitlements and oriented toward an appropriate placement facility.
- A supplementary service bolsters the capacity of emergency accommodation centres in wintertime, when the vulnerability of street people, some of whom are no longer capable of making a request for assistance, is particularly acute. Depending on the severity of weather conditions, evaluated on a scale of one to three, several steps may be taken. At level one, which applies from 1 November to 31 March, the capacity of emergency accommodations is extended; facilities are open non-stop and mobile care teams are deployed. At level two, in conditions of “intense cold”,<sup>128</sup> a “national watch unit” responsible for monitoring developments is alerted and additional access to accommodation is released. At level three, “extreme cold”, potential accommodation sites are identified and requisitioned to extend the offer of shelter even further. The 2006-2007 winter plan provides for the supply of 5,929 additional places at level one, which are subsequently to be made available year-round, 4,075 at level two, and the possibility of mobilizing 3,875 extra places at level three. This amounts to 4,273 places more than for the 2005-2006 winter plan.

307. The AHI also includes long-term measures to promote integration:

- Reception and social reintegration centres (CHRS) offer care for homeless persons and families to help them regain their independence through social guidance and assistance with employment and housing. In most cases the centres are run by associations, social guidance being provided by a multidisciplinary team (composed of social workers, psychologists, etc.), which offers other assistance with social reintegration such as access to vocational training. In 2005, 763 centres had more than 30,600 places available throughout the country.
- “*Maisons-Relais*” and “*Pensions de Famille*” (boarding houses) are small facilities that can accommodate about 30 people and provide a housing option and ongoing support for people in “severe exclusion” situations, who are too fragile to be able to live in

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<sup>127</sup> [www.social.gouv.fr](http://www.social.gouv.fr), dossiers thématiques: *politiques d’insertion et lutte contre les exclusions*.

<sup>128</sup> “Very cold” means temperatures between -5° in the daytime and -10° at night.

individual housing. A “host” receives them and plays a prime role in organizing their daily lives, particularly by helping them to live independently with access to cooking, gardening, computers and literacy courses. One hundred and forty of these boarding houses, in 80 départements, had 2,262 places available in 2005.<sup>129</sup>

- Social housing units provide isolated individuals or families with temporary accommodation before they acquire independent lodgings. They help them gain access to such rights as residential status and individualized housing assistance. They had 1,200 places available in 2005.

308. The Planning Act for Social Cohesion, the objectives of which include yearly expansion of reception, accommodation and reintegration facilities, envisages an increase in the number of available social housing facilities: 3,800 new places were created in 2005, 800 of them in reception and social reintegration centres (CHRS), 1,000 in “*Maisons-Relais*” and 2,000 in centres for asylum-seekers.<sup>130</sup>

309. While the aim of these facilities is to provide assistance to individuals in their social reintegration efforts and to take into account their overall situation in order to accommodate their needs, their effectiveness has been questioned, and they have come in for more criticism as a result of the recent upsurge in cases of expulsion, including of families, young people and unsuccessful asylum-seekers. Despite the major efforts made by the authorities over the past 10 years to increase the number and quality of housing facilities, the demand cannot be met, either in qualitative or quantitative terms. Emergency shelters are overcrowded, and social integration through them does not seem to offer a lasting solution for a large number of homeless people.

310. In the summer of 2006, following the distribution of 300 tents by “*Médecins du Monde*”, the Ministry of Social Affairs called for a report assessing the situation of the homeless.<sup>131</sup> Several of the report’s proposals were officially approved by the Government, which undertook to implement them. They included:

- Emergency accommodation facilities open all year round on a 24-hour basis;
- Experimental readaptation facilities in a number of medium-sized institutions offered to highly alienated and insecure persons, through a close partnership between the associations concerned and the Department of Health and Social Services (DASS). This form of “stabilization accommodation” is to serve as a bridge between existing emergency accommodation and social integration facilities. As from

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<sup>129</sup> Catherine Vautrin, *Plan hiver 2005-2006: dispositif national d’accueil, d’hébergement et d’insertion*, 2 November 2005.

<sup>130</sup> 2005-2006 winter plan, *ibid.*

<sup>131</sup> Mission report by Agnès de Fleurieu and Dr. Laurent Chambaud at the request of Catherine Vautrin (Deputy Minister for Social Cohesion and Parity), 9 August 2006.

August 2006, 103 new places of this kind were made available on the outskirts of Paris; by the end of 2006, 700 more had been added and 300 more will be by the end of the winter of 2006-2007 through the transformation of existing emergency night-time shelters into stabilization accommodation;

- Quicker access will be provided to independent lodgings or a room in a shelter to enable homeless people to apply with less delay to reception and social reintegration centres (CHRS) for resettlement aid.

311. New measures announced on 27 December 2006, prompted by another spectacular initiative carried out by the “*Enfants de Don Quichotte*” Association, provide yet further support for the mechanisms set up to provide shelter for the homeless. The emergency housing centres will henceforth remain open longer and the number of stabilization accommodation places is to be quadrupled by 31 March 2007. The Government has established the objective of turning 80 per cent of emergency accommodations (13,000 altogether) into stabilization accommodation by the end of 2007. Lastly, the number of places available in “*Maisons Relais*” and “*Pensions de Famille*”, now totalling 3,000, will be increased to 12,000 by the end of 2007. These places, in small housing units providing nearly autonomous accommodation, will be allocated on a priority basis to persons who are employed but without fixed residence, i.e., the “working poor”.

**(b) Actions by associations and charities in favour of the homeless**

312. Associations are recognized as playing a key role in providing assistance suited to the needs of the homeless, since their local presence enables them to appreciate the full range of such needs and they can use their experience to offer health and social services and resocialization assistance. Associations, in their activities on behalf of the homeless, assist the authorities in the struggle against exclusion, thanks to their experience in reception and reintegration work, but they also take advantage of their freedom to speak to denounce the failings of government mechanisms. The French Government provides financial support for the activities of a great many of them, through a scheme known as “Aid to associations providing temporary accommodation for disadvantaged individuals” (ALT)<sup>132</sup> and through active dialogue.

313. These are three examples:

(a) Médecins du Monde, an international humanitarian NGO operates in France through 24 care and guidance centres, 72 mobile outreach posts and 18 risk reduction programmes.<sup>133</sup> Since people who are especially marginalized and vulnerable have difficulty undertaking formalities on their own, Médecins du Monde provides mobile outreach services for the homeless and for people living in makeshift shelters. The objective is twofold: to inform people about their right of access to care in order to bring them into the normal channels and to receive in the centres those who have no access rights, until such time as they acquire them.

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<sup>132</sup> [www.emmaus.assoc.fr](http://www.emmaus.assoc.fr).

<sup>133</sup> [www.medecinsdumonde.org](http://www.medecinsdumonde.org).

(b) Cœur des Haltes focuses more on the exclusion suffered by the homeless by proposing long-term support services and aid in regaining employment. This association also engages in vocational training, particularly of young people.<sup>134</sup> Since 2001, two facilities have been available to receive young people at risk aged 16 to 25, as part of pre-TRACE measures, and to provide medical diagnoses prior to referral to care centres. Since 2002, training has also been available to help young people look for jobs. The “prowling” operating methods (“*les maraudes*”) of its volunteers give them an opportunity temporarily to share the lives of the homeless on the spot in order to bring them psychological support and to obtain a close-up understanding of their personal plight.

(c) Emmaüs was founded as an association in 1953 by Abbé Pierre to cope with the problems of people in extreme difficulty. It offers both humanitarian aid and “integration work through mutual assistance, solidarity and civic action”. A mobile team goes out every night to meet people sleeping rough and who cannot or will not attend care centres. Its workers offer to take the homeless to emergency shelters in reception and social reintegration centres or other types of shelter until they obtain permanent legal lodgings, for which they prepare them. Emmaüs offers health care in its centres, with tuberculosis screening, information about the adverse effects of alcohol and AIDS prevention, as well as normal medical check-ups. Lastly, “rest beds” are available night and day for people who will not be hospitalized but whose state of health necessitates rest.

314. Associations in general coordinate the efforts of volunteers offering essential care for the homeless and provide a variety of services suited to their needs. Forty-one associations have joined together to create the “ALERTE group” on the grounds that the institutional system does not take sufficient account of their expertise because individual action by associations fails to make a mark and remains marginalized and hence ineffective. On 26 May 2005, the National Union of Private Health and Social Works and Organizations (UNIOPSS) and the ALERTE group concluded a cooperative agreement with the social partners “to join forces to combat and prevent exclusion and to promote the access of all to basic rights”.<sup>135</sup> Their common objective is to address the causes of exclusion in all areas of life, especially in terms of resources, employment, housing, health, education, training, justice, etc. The issues of unemployment benefits and housing policy are also being discussed.

315. At the same time, the national and local authorities have expressed a willingness to cooperate with associations that facilitate the implementation of the most practical social policies. The report by parliamentary representative Jean-Paul Decool, carried out at the Government’s request and published in May 2005,<sup>136</sup> underscored the Government’s desire “to enhance the role of associations in developing public policies in order to enable them to

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<sup>134</sup> [www.lecoeurdeshaltes.com](http://www.lecoeurdeshaltes.com).

<sup>135</sup> The social partners comprise trade unions of workers (CGT, CFDT, FO, CFTC, CGC) and two employers’ unions (MEDEF, CGPME).

<sup>136</sup> Report by Jean-Paul Decool (representative of the Nord region), parliamentary mission for Jean-François Lamour (Minister for Youth, Sports and Associations), May 2005.

undertake tasks of general interest".<sup>137</sup> The Prime Minister has accordingly released funds for associations that had been frozen as part of economy measures, with effect from 1 September 2005. ALERTE now takes part in inter-ministerial conferences and meetings aimed at coordinating activities.

316. In France, both the authorities and the associations join forces, in a spirit at times of frank mutual criticism, in order to guarantee the right to all to housing.

317. All the above factors need to be combined in order to develop a policy for the homeless, which must be diversified in its actions and actors, and to evaluate its results.

## CONCLUSION

318. The problems of unemployment, precariousness and exclusion raise a great many complex issues.

319. While unemployment is a component of precariousness, the latter and exclusion more broadly testify to a process of escalating degradation in all areas of an individual's life. This triple problem is thus related just as much to the worsening inequity and divisions in society as to the efficiency of government policies, which for 30 years have been seeking, through a series of legislative guidelines, action plans and other measures, to improve the situation but which are circumscribed by increasingly intrusive international rules and external factors.

320. The main difficulties involved include the unattractiveness of peripheral urban areas, difficulties of adaptation in the French republican school system, and new standards of employability among the workforce.

321. The policies implemented in response to preliminary diagnoses take effect in very diverse time frames, ranging from very short-term emergency measures (to meet the urgent needs of the homeless in winter) to long-term economic restructuring and school reform. Every problem in fact requires practically immediate responses, when human lives are at stake, and more long-term solutions. Here again, the case of the homeless is revealing: while emergency measures are unavoidable, they are not sufficient, since restoring destroyed lives requires patient effort.

322. It is not easy, therefore, to assess the policies implemented by the authorities with the assistance of civil society (which is increasingly seen as vital to their success), since the answer will depend on distinguishing between short-term responses and reliable longer-term solutions.

323. While retaining the generally cautious approach adopted in this report, this conclusion will attempt to highlight the main results observed.

324. With regard to employment, we had occasion to comment on the strong correlation between employment and the GDP growth rate, which is one of the factors restricting the action the authorities can take. In its 2004 assessment of the Framework Act on Measures to Combat

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<sup>137</sup> Ibid.

Exclusion of 29 July 1998, the General Inspectorate of Social Affairs attributes part of the unsatisfactory results of this legislation to the economic downturn after 2001, which led to a rise in the poverty rate and to an increase in the number of people drawing the minimum income allowance (RMI). The economic situation also had an adverse effect on public finances, and State-aided contracts have accordingly been left short of funding.<sup>138</sup>

325. There are several signs that some of the policies have started to yield results:

- There has been a clear drop in unemployment overall since the beginning of 2005. In December 2006, the number of job seekers had declined by 10 per cent compared with the previous year, despite a lower GDP growth rate than in the major neighbouring countries. Job seekers accounted for less than 9 per cent of the working population. The number of young job seekers decreased by 1.6 per cent during the year, 1.3 per cent in the case of men and 1.1 per cent in that of women.<sup>139</sup> The main branches in which a strong rise in employment occurred are services to individuals and enterprises, hotels and restaurants and transport. The Government aims to reduce unemployment to below 8 per cent in 2007. A more rapid reintegration of persons made redundant for economic reasons has also been observed.
- The Urban Free Zones (ZFU) have fulfilled their role, since many residents of such zones have been hired since 2003.
- Simplified and expanded “State-aided contracts” have led to the recruitment of 188,507 persons since such contracts were introduced in April 2005.<sup>140</sup> By February 2006, 42,000 people had signed “Personalized Redeployment Agreements”. By June 2006 altogether 10,295 persons had already successfully left the scheme. In addition, the promotion of services to individuals contributed 97,700 more jobs between February 2005 and February 2006.
- The social integration contract (CIVIS) has been an outstanding success: by 31 July 2006, 231,492 young people had joined the scheme, nearly half of them in 2006.<sup>141</sup>

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<sup>138</sup> Maryse Fourcade, Valérie Jeske and Pierre Naves (Members of the General Inspectorate of Social Affairs), *Synthèse de bilans de la loi d’orientation du 29 juillet 1998*, May 2004.

<sup>139</sup> *Premières Synthèses Informations*, DARES, June 2006.

<sup>140</sup> [www.travail.gouv.fr](http://www.travail.gouv.fr).

<sup>141</sup> *Le Monde*, “M. Borloo cible les oubliés de la reprise de l’emploi”, 31 August 2006.

- As from 2007, the State will provide the entire funding for “Contracts for the Future” for the long-term unemployed, as a follow-up to the “support contracts” which, in 2006, were subscribed to by 280,000 workers.<sup>142</sup>
- Since it was set up in 1998, and especially since 2002, the ACCRE support scheme for enterprise creation by unemployed persons has progressed significantly, increasing by 32 per cent<sup>143</sup> in 2003 alone. This scheme allows entrepreneurs to pay either no or reduced social security contributions for a period of one year, on the understanding that they may continue to receive a specific welfare allowance. It is all the more effective in that it is used by a growing number of long-term unemployed, whose ranks grew by 6 percentage points between 2002 and 2003.<sup>144</sup> In late 2005, the scheme was supplemented and extended by the EDEN (Encouragement for the Development of New Enterprises) scheme.

326. Even though developments in the job market have been satisfactory over the past year, the Government intends to remain vigilant regarding the quality and durability of the jobs created, the objective also being to reduce precariousness.<sup>145</sup>

327. With regard to school performance, a factor that continues to play a key role in access to employment and, more generally, proper integration into society:

- “Educational success” teams have been set up to help prevent school failure among children and adolescents. Individualized support for young people at risk makes it possible to identify their educational, social and cultural weaknesses and to help them reinstate successful performance. At the start of the 2006 school year, 1,000 extra teachers were recruited for the 249 secondary schools and 1,600 primary schools in the “ambition-success” category, designed to deal with the worst social and educational problems.<sup>146</sup> These establishments have also been allocated 3,000 additional teaching assistants.
- On 31 December 2004, 195 vocational secondary schools were singled out for the suitability of their training with respect to possible jobs for the variety of students they admitted, the wide range of diplomas they offered and their follow-up to new experience.

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<sup>142</sup> Ibid.

<sup>143</sup> *Premières Synthèses*, DARES, April 2005, No. 15.2.

<sup>144</sup> Ibid.

<sup>145</sup> Report of the Commission *Familles, vulnérabilité, pauvreté*, April 2005.

<sup>146</sup> *Le Monde*, 29 July 2006: “900 professeurs expérimentés déjà recrutés pour les collèges ‘ambition réussite’”.

- Equality of opportunity is becoming an accepted national goal, which is clearly reflected in the contributions of several top-quality higher educational institutions, 4 lycées in sensitive zones and 19 major French enterprises, besides those of a growing number of economic actors.<sup>147</sup> In five years, 33 secondary schools in various parts of the country have become partners of the Paris Institute for Political Studies (IEP), and 189 of their students have been taken on by the Institute, 57 in 2007 alone.<sup>148</sup> Two thirds of the students admitted through the priority education agreement have at least one parent born outside France. Once they have been admitted, their academic results are comparable to those of students who entered through other admissions procedures, and it is found that 9 out of 10 students move up successfully to the next year. The students are likewise well integrated socially. In 2003-2004, 20 out of 37 of them were elected student delegates, which attests to their personal commitment and the confidence accorded to them by their fellow students.<sup>149</sup>
- By 1 January 2004, 2,686 Local Education Contracts (CEL) had been initiated by the Ministry of Youth and Sports, the Ministry of National Education and local authorities, involving 13,747 schools, or about 20 per cent of all schools in France. These contracts created a link between 55,300 participants and 9,934 associations in 9,275 municipalities throughout the national territory, including overseas departments, regions and collectivities. Most of the activities proposed under these local education contracts are extra-curricular in nature, one third of them being held during the school day. The contracts involve 4,069,000 children and young people, of whom 51.8 per cent are girls, and 369,000 young people over 16 years of age. They give priority to sociologically and geographically disadvantaged areas and are increasingly being applied in the priority education zones (ZEP): in 2004, 15.3 per cent of local education contracts involving schools were situated in such zones (i.e. 2,103 establishments). It may nevertheless be regretted that few of these contracts are organized jointly with peripheral areas and large towns, where most major cultural facilities are located. Assessments of the contracts have also shown that the experiences of children and participants may differ considerably, depending on whether the contract is implemented in an urban or a rural setting.
- With regard to housing, the measures to prevent eviction and to facilitate access to housing for disadvantaged persons have so far had little effect.<sup>150</sup> Poor families remain especially affected by the general shortage of housing and rising rents. There are some signs of success, however:

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<sup>147</sup> *Le Monde Diplomatique*, “Retour sur la grande révolte des banlieues françaises”, Denis Duclos (sociologist), August 2006.

<sup>148</sup> *Convention, éducation prioritaire*, updated October 2005, website of Science Po, Paris.

<sup>149</sup> *Ibid.*

<sup>150</sup> Maryse Fourcade, Valérie Jeske and Pierre Naves (Members of the General Inspectorate of Social Affairs), *Synthèse de bilans de la loi d’orientation du 29 juillet 1998*, May 2004.



- Urban policies to combat the lack of housing security have become priorities in efforts to overcome exclusion. In 15 years, a whole range of measures and alternatives have been introduced to help the most disadvantaged to acquire or retain lodgings. They include requisitioning of vacant buildings, eviction prevention procedures, plans for renovation and construction of social housing, etc. In five years, the number of low rent housing units (HLM) funded by State and local authorities doubled, from around 42,000 in 2000 to 86,000 in 2005. These results are essentially due to support for investment in rental accommodation (subject to rent ceilings) organized since 2003 and to the 2005 Social Cohesion Plan.<sup>151</sup>
- Despite the amount and the growth of housing construction in France, the supply of housing for disadvantaged people still remains insufficient. There was a shortage of around 900,000 assisted housing units in mid-2006. The National Federation of Reception and Social Integration Associations (FNARS) has complained that as a result a growing proportion of wage-earners have to be accommodated in reception centres. The issue of effective recognition of an “enforceable right to housing”, as recommended in the recent reports of the High-Level Committee for Housing of Disadvantaged Persons in 2002 and 2003, is currently the subject of much discussion and reflection.
- The Government has asked the Caisse Nationale des Dépôts et Consignations, one of its principal instruments of economic policy, to allocate a greater portion of its resources to social housing.
- Suburbs are gradually becoming more attractive, thanks to the Solidarity and Urban Renewal Act, which thoroughly reformed the relevant legislation. The landscape of suburban areas is just beginning to change and sometimes local inhabitants feel exasperated by the slow pace of progress, as reflected in the riots in 2005, but there are signs of significant improvements in and diversification of the suburban habitat and the emergence of truly multifunctional townships. By mid-July 2005, a total of 124 projects had been approved by the National Urban Renewal Agency, with works planned over the next five years in 224 priority neighbourhoods, including 58,500 demolitions, over 55,000 constructions and 108,000 renovations.
- Since 2005, the approach to aiding the homeless has shifted towards the aim of achieving lasting reintegration of the individual, through suitable long-term accommodation, vocational training, regular monitoring of progress and information on fundamental human rights. The situation of the “working poor” was definitely taken into account in the very proactive policy instituted for the homeless in two stages in the course of 2006, giving them priority access to the “*Maisons-Relais*” and the “*Pensions de Famille*”.

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<sup>151</sup> *Le Monde*, “*Droit au logement, un mirage pour les pauvres?*”, 31 August 2006.

329. As regards health, although results are expected to materialize in the longer term, some are already measurable. The surveys conducted recently by the Institute for Research and Documentation on Health Economics (IRDES) and the Department of Survey Research and Statistical Evaluation (DREES), attached to the Ministry of Health, provide an overall view of the state of health of disadvantaged groups and the way it is evolving.

- Improved statistics have confirmed that Universal Health Care Coverage (CMU) is indispensable and yields good results: in 2005, the number of basic CMU beneficiaries grew by over 60,000, an increase of 3.5 per cent compared with 2004. In 2005, 1,692,000 persons were affiliated to basic CMU,<sup>152</sup> while 70,000 received complementary health-care coverage, an increase of 2 per cent.<sup>153</sup> The public reaction to the CMU scheme has gradually improved since 2000, as 80 per cent of people questioned considered that it made it easier to access medical treatment.
- Thanks to the introduction of universal health-care coverage and State medical aid, Médecins du Monde has reported a noticeable reduction in the number of French nationals requesting free consultations at its emergency centres. On the other hand, the total number of persons, including French nationals and foreigners, who have solicited such consultations has increased by a factor of 2.5 in 5 years. The association estimates that 82 per cent of those entitled to health care are not registered when they go for treatment because the most disadvantaged have the greatest difficulty in gaining access to State medical aid and universal health-care coverage. In order to qualify, persons must provide proof of domicile or of three-month residence in France and must resubmit their applications regularly. Access to treatment is further impeded by financial problems, lack of knowledge of rights and support mechanisms, the complexity of administrative formalities and, in some cases, a language barrier. Médecins du Monde reports, moreover, that in many cases persons entitled to CMU were refused treatment by general practitioners.<sup>154</sup>
- While the objective of reducing the suicide rate by 20 per cent is still some way off, the fact that the upsurge recorded for the past two years had been slow gives cause for some optimism.
- The programme against alcohol abuse, which rests on stricter breathalyser checks for car drivers (see reply to recommendation 21), reports progress thanks to the targeting

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<sup>152</sup> DREES, *études et résultats*, “les bénéficiaires de la CMU au 31 décembre 2005”, August 2006, sources CNAMTS, CANAM, CCMSA.

<sup>153</sup> Ibid.

<sup>154</sup> Press release, *Médecins du Monde*, “L'accès aux soins des plus démunis en France en 2006”, October 2006.

of the working classes, who are traditionally the heaviest drinkers. In a country where domestic violence under the influence of alcohol is another cause of concern for the authorities and associations, more very positive side effects are expected from this improvement.

330. The overall situation in France regarding access to health care seems fairly satisfactory thanks to nearly universal health insurance and the extension of health-care coverage. Nevertheless, problems remain with regard to access to health care. This information is currently being processed by the Government and should soon give rise to new initiatives.

331. The campaign against gender and racial discrimination was stepped up with the establishment of the High Authority to Combat Discrimination and in favour of Equality (HALDE).

- The High Authority has the power to investigate (using the “testing” method where necessary) and to initiate court proceedings. Through its initiatives it generates good practices in order to convince enterprises both of the risks of infringing the law (several have already been brought to justice) and of the advantages of diversifying the recruitment of their human resources. Over 100 enterprises have subscribed to the Diversity Charter it has launched, including leading companies. Its powers were extended by the Equal Opportunities Act of 31 March 2006, which allowed it to mediate.
- Since 2005, 11 “equality” labels have been issued by the Ministry for Parity and Professional Equality to 11 enterprises and some of their subsidiaries, the most notable being PSA Peugeot Citroën, followed by EADS and Eaux de Paris, for their model practices in combating all forms of gender discrimination.

332. But since exclusion is a generalized phenomenon, the effects of these policies should be gauged from a generalized point of view. Precariousness and exclusion tend to produce cumulative effects, with their own dynamic that can be triggered by an accident such as the loss of a job or housing, or overindebtedness, with a possibility of serious consequences in many areas, such as health. As confirmed by many official reports and testimonies by associations, and recalled by the Consultative Commission on Human Rights (CNCDH) in its opinions on the issue, precariousness and exclusion can engender “a vicious circle of deprivation”, which prevents individuals and families from assuming their responsibilities and enjoying their fundamental rights.<sup>155</sup> The studies of Serge Paugam show moreover that poverty “is a multidimensional phenomenon which nowadays is not so much a condition as a process of social disqualification”.<sup>156</sup>

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<sup>155</sup> CNCDH “*Avis sur le suivi de la loi contre les exclusions*”, adopted on 18 December 2003 and “*Avis sur l’indivisibilité des droits face aux situations de précarisation et d’exclusion*” adopted on 25 June 2006.

<sup>156</sup> Serge Paugam: *Rapport Précarité et risque d’exclusion en France*.

333. An interesting indicator in this respect is the regular growth in the number of RMI (minimum income allowance) recipients since 2001, which had reached 1,276,800 by January 2006.<sup>157</sup> Fortunately this number levelled out after the beginning of 2006, largely thanks to the improvement in the employment situation over the last year or so. Although the number of those over 40 years of age, who have tended to be the longest-term recipients of RMI, rose by 5.7 per cent in 2005,<sup>158</sup> the number of those entitled under the age of 40 declined considerably in 2005.

334. Since existing minimum social benefits are a frequently used method of combating poverty, it is worth comparing the results achieved in France with those of other European Union countries. It would appear from Eurostat statistics that for the same level social welfare expenditure in France appears generally less effective as a way of reducing poverty than in other European countries.<sup>159</sup> This is probably due in part to the complexity of the system: while France has no less than nine minimum social benefits, Finland has only one.<sup>160</sup> In the light of these findings, the Act of 23 March 2006 on return to employment and the rights and obligations of minimum social benefit recipients was passed to make the return to work of minimum social beneficiaries simpler and financially more attractive.<sup>161</sup>

335. According to the General Social Affairs Inspectorate, the poor results obtained are due to the way the public authorities operate when combating exclusion. The measures deployed by the various ministerial departments, territorial authorities and associations involved have not been sufficiently coordinated, even though such coordination is essential.<sup>162</sup> While the problems of overindebtedness have been better dealt with, not enough efforts have been made by government departments to prevent the situation from worsening. In this respect several associations have denounced the fact that banks often fail to respect the rules governing the right to open accounts and the exemption from seizure of certain benefits, which has led to bank exclusions.

336. Despite the establishment of the National Monitoring Centre on Poverty and Social Exclusion (ONPES), not enough effort went into analysing the requirements arising under the new law and the results produced. The available information systems showed up marked weaknesses due to too many indicators and a lack of clarity in the definitions. The aims pursued by government policies were not clearly enough defined, so that the assessments made shed little light on the nature of the problems. Once they had realized that policies could not be clearly set

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<sup>157</sup> There were 1,276,800 RMI recipients in January 2006.

<sup>158</sup> DREES, “*Études et résultats, les allocataires de minima sociaux en 2004*”, November 2005.

<sup>159</sup> Report by the Commission *Familles, vulnérabilité, pauvreté*, April 2005.

<sup>160</sup> DREES, *études et résultats, “Un panorama des minima sociaux en Europe”*, February 2006.

<sup>161</sup> Inter-ministerial Committee to Combat Exclusion, 12 May 2006.

<sup>162</sup> Maryse Fourcade, Valérie Jeske and Pierre Naves (Members of the General Inspectorate of Social Affairs), *Synthèse de bilans de la loi d’orientation du 29 juillet 1998*, May 2004.

out without precise indicators related to specific objectives and results, the public authorities attempted to close the gaps in the statistics, in order to obtain a clearer picture of the unusual lifestyles and precarious living conditions they were dealing with. Several departments developed the necessary analytical tools and began to combine their efforts.

337. In the light of these conclusions, a new strategy was launched under the Social Cohesion Plan and the Planning Act for Social Cohesion of 18 January 2005, aimed at restoring social relationships by dealing simultaneously with interconnected social problems, which until then had been dealt with separately. And this lent new impetus to the process of renovating the public employment service, making it possible to give better support to job seekers, with steadier and more careful monitoring of individual cases, in order to facilitate their return to employment. Government policies on minimum social benefits and care, providing financial and social “safety nets”, were also overhauled along the same lines. Among RMI recipients, by the end of March 2006 around 145,100 were receiving at least one specific form of employment assistance, such as the “Contract for the Future” which rose by 4.5 per cent over one year.<sup>163</sup> The latest development was the announcement on 28 August 2006 by the Government of two new benefits to supplement the low income of the poorest households. The employment bonus for people paid the minimum wage (SMIC), introduced in 2001, was nearly doubled from €538 to €940 between 2005 and 2007.<sup>164</sup> The second measure was the offer of “transport vouchers” covering the whole of French territory. These vouchers are to be introduced from 1 January 2007, and may be used to pay for the transport costs of private-sector wage earners, with employers paying for half the costs up to a limit of €200, free of social security liability.<sup>165</sup>

338. Generally speaking, precariousness and exclusion are both related to a common problem, which is access to fundamental rights for deprived persons. Access to rights is recognized as being an effective factor to enable the destitute to recover and to rejoin society. The public policy in favour of access to rights therefore aims to ensure access for everyone, and especially for those in the greatest difficulty, to personalized legal information. The law on the overindebtedness of households and the measures to prevent exclusion by safeguarding housing are all part of this strategy. Back-up measures can be provided by associations and local authorities, especially in the case of homeless individuals who are completely cut off from society.

339. This is why combating exclusion and poverty remains a priority for France, which continues to develop new schemes to complement the measures already implemented under legislation and plans to combat exclusion and promote social cohesion. In this respect France’s efforts are compatible with its international commitments. Besides international agreements, the Copenhagen Declaration on Social Development, the Millennium Goals and the guiding

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<sup>163</sup> DREES, *études et résultats*, “Le nombre d’allocataires du RMI au 31 mars 2006”, June 2006.

<sup>164</sup> *Le Monde*, “M. de Villepin annonce des aides aux plus modestes”, 30 August 2006.

<sup>165</sup> *Ibid.*

principles of the United Nations in the resolution of the Sub-Commission on the Promotion and Protection of Human Rights of 24 August 2006 make it clear that the elimination of poverty and the fight against exclusion are international objectives, to which France is particularly attached, as shown by its support for the preparation of an additional protocol to the International Covenant on Economic, Social and Cultural Rights aiming at improving access to these rights.

340. The proliferation of measures introduced to combat precariousness and exclusion demonstrates the French Government's commitment and its determination to find long-term solutions to the causes involved. The involvement of all the ministries and public bodies in ever-closer partnership with the private sector, enterprises and associations, is a sign that French society has become aware that a major issue is at stake, which can only be solved by means of a collective response.

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