Barriers to and triggers of innovation and knowledge transfer in France

Mark Smith, Maria Laura Toraldo, Vincent Pasquier
Grenoble Ecole de Management, France

WP4 - Policy Transfer and Comparative Frameworks
Version - 1.0

31 August 2015

This project has received funding from the European Union’s Seventh Framework Programme for research, technological development and demonstration under Grant Agreement no. 613256.
**STYLE Working Papers** are peer-reviewed outputs from the [www.style-research.eu](http://www.style-research.eu) project. The series is edited by the project coordinator Professor Jacqueline O’Reilly. These working papers are intended to meet the European Commission’s expected impact from the project:

i) to ‘advance the knowledge base that underpins the formulation and implementation of relevant policies in Europe with the aim of enhancing the employment of young people and their transition to economic and social independence’, and

ii) to engage with ‘relevant communities, stakeholders and practitioners in the research with a view to supporting employment policies in Europe.’ Contributions to a dialogue about these results can be made through the project website [www.style-research.eu](http://www.style-research.eu), or by following us on Twitter @STYLEEU.

To cite this report:


© Copyright is held by the authors

**About the authors**


**Maria Laura Toraldo**  -  Grenoble Ecole de Management, France

**Vincent Pasquier**  -  Grenoble Ecole de Management, France

**Acknowledgements**

The research leading to these results has received funding from the European Union’s Seventh Framework Programme for research, technological development and demonstration under grant agreement no. 613256.
Executive Summary

The French policy making environment can be characterised by having a strong central role for the state although this state ‘dirigisme’ has, to some extent, evolved over recent decades towards a more decentralized policy-making system. Regardless of the complexion of political leadership youth (un)employment issues are an important policy area and the high level of youth unemployment keeps the topic central in the political debate.

Segmentation of the job market in France is a particular challenge for young people. This high level of polarization creates a « two speed system » of highly protective CDI (contrat à durée indéterminée) on the one hand and more precarious contracts on the other hand (CDD - Contract Duration Determinée, interim). A complex array of “stages”, internships and training contracts means that many young people experience a prolonged transition to secure employment. Those with low qualifications or none are the most affected by unemployment and job precariousness. As a result contract to help new entrants, though not only directly focused on young people, have been inspired by flexibility principles and introduced a trial period for new employees : for example the Contrat Nouvelle Embauche (CNE).

In France, the education system can be classified as a traditional state-centered one, being mostly subsidized by public money with the State playing a major role in programs definition, recruiting, evaluation, control and financing. This system was inspired by enlightened and democratic ideals and is characterised by being mass and general education with a “supply-push” logic. The model tends to reinforce social differentiation linked to background and families' social status. As a consequence, the educational system is characterized by a clear divide between a major group who enters the labour market relatively easily and a marginal fringe facing stronger difficulties in accessing market. These challenges created by the stratified nature of the system have led to initiatives to open up access to the elite “grand ecole” system for groups of society who are underrepresented. The VET system on the other hand is increasingly decentralized and can now be considered more akin to a vocationally governed system more decentralized / regionalized and more company-regulated system.

Thus the context for policy learning in France with respect to youth unemployment needs to be considered against the background of the employment-centred transition regime ‘characterized by a strong public sector and broad access options’. The prominence of the youth employment challenge has led to a plethora of initiatives thus analysing policies in this field is a major endeavour. A variety of schemes have been put into place by successive governments. We identify a number of tensions linked to policy innovation and learning in the school to work transition system. These include a fragmentation of the system, stakeholders bounded by their own logic, the accumulation of policies creating a lower receptivity to innovation and the tendency for French employers to be less involved in the school to work system. However, there has been a slow cultural shift reducing the gap between the education and private sector worlds and a shift of social partners toward ‘negotiation’ culture.

Nevertheless a key driver for innovation in the policy arena has been the situation on the youth labour market during the crisis having a significant impact on the topic that was already part of the political agenda prior to 2007. The role and the extent of economic crisis is also an enabler for policy transfer as the government adopts policy in response to a worrisome situation. A number of key symbolic measures have been introduced to address the crisis on the youth labour market -- including the “emplois d’avenir” and the “contrat de generation” The data collected from our interviewees suggests that stakeholders are at best sceptical about the impact of these initiatives since they do not address the roots of the
problem of youth unemployment and are likely to be expensive and inefficient. By contrast more long-standing measures are more favourably received such as those centred on training and skills acquisition in the firm. The ‘Alternance-based training’ – with the Apprenticeships and Professionalisation Contract – have been the subject of widespread implementation and interest from policy-makers.

The French policy environment is also shaped by European-level influences. The introduction of the ‘Youth Guarantee’ has accelerated measures aimed at tackling youth unemployment. Established more than a decade earlier, the Ecole de La Dieuxieme Chance (E2C) was also a European-based innovation. This innovation targets young people with no qualifications and weak chances of insertion on the labour market.

France is also a pioneer in some policy areas in own right – for example in relation to interns – where a new law aims to increase the juridical penalties for companies, with the idea of reinforcing inspection for in order to increase protection for young people. In this sense France remains both a recipient and innovator of policy for the EU.

**Key words:**

Policy innovation; France; internships; alternance
Table of Contents

1. Introduction ........................................................................................................................................... 8

2. Dynamics of Policy change/innovation: the macro level perspective .................................................. 9
   2.1. Structural obstacles and enable of governance system ................................................................. 9
   2.2. Knowledge information creators and brokers favouring policy transfer. Role of a decentralized structure on promoting knowledge diffusion ...................................................... 11
   2.3. Major socio-economic structural shifts reducing the number of jobs for young people, framing of the problem and solutions by major stakeholders .............................................. 11
   2.4. Polarization of job market ............................................................................................................ 12
   2.5. Supply-push education policy ..................................................................................................... 13

3. The policy learning framework ............................................................................................................ 15
   3.1. Policy learning framework in the policy agenda .......................................................................... 15
   3.2. Triggers for policy implementation ............................................................................................ 15
       3.2.1. Structural triggers ............................................................................................................. 15
       3.2.2. Main channels of policy diffusion from supranational bodies ...................................... 16
       3.2.3. Policy learning/transfer triggered by social partnership and expert knowledge .......... 18
   3.3. Barriers to Policy Implementation .............................................................................................. 19
       3.3.1. Structural obstacles .......................................................................................................... 19
       3.3.2. Cognitive barriers from within the Education system .................................................... 20

4. Policy change within and across institutions ....................................................................................... 23
   4.1. Institutional structure of the labour market affecting policy change and innovation ................ 23
       4.1.1. Employment Protection Legislation ................................................................................. 23
       4.1.2. Programme policies aimed at young people ................................................................. 23
       4.1.3. Reforms and youth-specific initiatives in France ........................................................... 26
   4.2. ALMPs ........................................................................................................................................... 27
       4.2.1. Labour contracts ............................................................................................................. 31

5. Institutional structure of VET and behind transition processes ......................................................... 32
   5.1 Dominant issues regarding VET in France .................................................................................... 32
   5.2 Recent path shift in VET system .................................................................................................. 33
       5.2.1 Incremental changes ............................................................................................................ 33
       5.2.2 The University system and recent reforms: toward more autonomy and vocationalization .......................................................................................................................... 33
       5.2.3 VET system .......................................................................................................................... 34
       5.2.4 Key actors pushing change: technocrat insiders and disruptive outsiders ...................... 34
5.2.5 Implication of social partners in VET institutional system: a low implications of employers and unions as compared to the “German model” ........................................34
5.2.6 Changes with VET governance system: some minor incremental changes.......35
5.2.7 Barriers within VET system preventing the integration of disaffected youth........35
5.3 Issues of flexibility for education and training systems .......................................35
5.3.1 Prevalence of ‘mismatch’ or ‘production of low employability’ discussion ..........35
5.3.2 Specific sector recruiting directly from education ..............................................36
5.3.3 Issues of participation and achievement in education and training? ..........36

6 Conclusions ..............................................................................................................37

7 Bibliography .........................................................................................................41

8 Recent titles in this series .......................................................................................47

9 Research Partners ...............................................................................................52

10 Advisory Groups ................................................................................................53
### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALMP</td>
<td>Active labour market policies</td>
</tr>
<tr>
<td>CDD</td>
<td>Contract à durée Déterminée</td>
</tr>
<tr>
<td>CDI</td>
<td>Contrat à durée indéterminée</td>
</tr>
<tr>
<td>CFDT</td>
<td>Confédération Française Démocratique du Travail</td>
</tr>
<tr>
<td>CGE</td>
<td>Conference des Grande Ecole</td>
</tr>
<tr>
<td>CNE</td>
<td>Contrat Nouvelle Embauche</td>
</tr>
<tr>
<td>CNFPTLV</td>
<td>Conseil national de la formation tout au long de la vie</td>
</tr>
<tr>
<td>CCREFP</td>
<td>Comité de coordination régional de l’emploi et de la formation professionnelle</td>
</tr>
<tr>
<td>CPE</td>
<td>Contrat première embauche</td>
</tr>
<tr>
<td>CUCS</td>
<td>Contrat Urbain de Cohésion Sociale</td>
</tr>
<tr>
<td>E2C</td>
<td>Ecole de la Deuxième Chance</td>
</tr>
<tr>
<td>EPL</td>
<td>Employment Protection Legislation</td>
</tr>
<tr>
<td>NEETs</td>
<td>Young people not in employment, education or training</td>
</tr>
<tr>
<td>OPC</td>
<td>Organismes paritaires collecteurs agréés</td>
</tr>
<tr>
<td>PES</td>
<td>Public Employment Service</td>
</tr>
<tr>
<td>STW</td>
<td>School-to-work</td>
</tr>
<tr>
<td>VET</td>
<td>Vocational education training</td>
</tr>
<tr>
<td>ZUS</td>
<td>Zone Urbaine Sensible</td>
</tr>
</tbody>
</table>
1. Introduction

The report provides an overview on the dynamics of policy learning and the institutional framework regarding School-To-Work transition in France. The report is based on a review of secondary literature on French policy available. It is corroborated by a set of interviews with eight key stakeholders including representatives from the Conference des Grande Ecole (CGE), Confédération Française Démocratique du Travail (CFDT), Ecole de la Deuxième Chance, the Responsable Pole Stage-Alternance at Grenoble Ecole de Management and Lycée Argouges at Grenoble. The interviews were undertaken between mid-November 2014 and mid-February 2015.

The report is organised in six sections. The first section provides an overview of the dynamics of policy change/innovation, looking in particular at the French macro-level framework. The second section focuses on the policy learning in France and it investigates barriers and triggers to policy innovation. The third section analyses the institutional structure of the labour market affecting policy change and innovation and it considers the evolution of employment protection legislation and labour contracts. Section four delves into an analysis of the institutional structure of VET, examining recent path shifts in VET system. The fifth section provides an overview of the Welfare policies in France, whilst the last session offers a concluding discussion.
2. Dynamics of Policy change/innovation: the macro level perspective

2.1. Structural obstacles and enable of governance system

By adopting a varieties of capitalism approach to comparative research (Hall and Soskice, 2001), French system can be described as a ‘statist’ regime, as opposed to the German “cooperative” capitalism and the Anglo-Saxon liberal and market oriented system. However, from a clear state ‘dirigisme’, France has, to some extent, evolved over the past three decades towards a more decentralized policy-making system. As a consequence of deregulation, privatization and decentralization, the role of the French State has become less prominent. Notwithstanding, it remains a key stakeholder. It detains a pivotal role in defining education and labour market objectives for young people. As such, it contributes to ‘enhance’ and actively orchestrate relations between the different actors of the economic, educational and labour relations fields (Verdier, 2008).

The French centralized approach influences the Education-To-Work transition for young people. Inspired by enlightened and democratic ideals, French education system is characterised by being mass and general education, where the state plays a central role. However, the general and mass education model tends, eventually, to create a greater social differentiation, deeply influenced by background families’ social status. As a consequence, the French educational system is characterized by a clear divide between a major group who relatively easily enters the labour market and a “marginal” fringe facing stronger difficulties in accessing market. In the light of these system characteristics and main outcomes, we can identify the following list of major obstacles and enablers to innovation.

First, resulting from the French cultural and systemic configuration, the four major obstacles to innovation are:

i) The fragmentation of the school-to-work system: a system without a pilot. The stakeholders of the STW system are bounded by their own logic. As Cahuc (2013) points out, the SWT system in France is characterized by the lack of an overarching coordinating structure.

ii) Resistance to Change: actors with imprinted logics are less receptive to innovation. Youth unemployment issue arose in France more than 30 years ago and is considered a key political challenge. Nonetheless, the accumulation of policies and the long-standing efforts to address these issues has created a lower receptivity to innovation from the various actors involved.

iii) The “cultural barriers” between public and private sectors. There is a relatively low degree of implication from the private sector compared notably to their
German counterparts for example. French employers tend to be less involved in the STW system, since they do not perceive to possess social responsibility for that responsibility (CEREQ, 2012)

iv) The “cultural barriers” between the educational system and the organization. The education system is at a critical distance from the private sector. The philosophy of education in France is infused by the academic (theory oriented) and universalist (mass education) model. The French national educational culture tends to be more focused on the building of critical citizens rather than employable workers, thus widening the gap between education and labour cultures.

v) Limited financial leeway for public actors. As a proportion of GDP, the investment in Education in France is about the same as the OECD average: 5,9% in 2010 in France vs 5,8% in OECD countries. However, public money injected in the educational system has been in decline, falling from 7,6% of the GDP in 1995 to 5,9% in 2011 (in parallel with the drop in PISA results, OECD 2014a). Concerning job market oriented policies, the French State injects a significant proportion of its GDP in active labour policies as compared to other OECD countries: 0,9% of its GDP as compared to 0,6%, in average in OECD countries. Even if the French state remains an active actor in the job market, its involvement has significantly decreased over the last decades. In 2000, 31% of employed young people aged under-26 years benefited from a sponsored job and this had fallen to 26% in 2010.

Despite these obstacles to innovation, the French STW governance system also offers some facilitators for change. We consider the four following aspects as the more salient enablers to innovation:

i) The structurally high level of youth unemployment keeps the issue central in the political debate. Youth unemployment remains particularly high in France: 23,8% in France and 16,3% in OECD countries in 2013 (OECD 2014b).

ii) A wealth of knowledge, data and expertise concerning the STW system. The various actors can rely on both the quality and quantity of expertise regarding this topic may it be within concerned ministries, and within independent agencies.

iii) The slow shift of social partners toward ‘negotiation’ culture. As pointed out by Thiébaut Weber, the climate between social partners is slowly shifting toward a ‘negotiation culture’ as exemplified by the last inter-professional round of negotiation (ANI 2013).
iv) The slow cultural shift reducing the gap between the education and private sector worlds. (see IGAS, 2013).

2.2. Knowledge information creators and brokers favouring policy transfer. Role of a decentralized structure on promoting knowledge diffusion.

France can rely on a wealth of institutionalized expertise regarding the youth unemployment issue. Parallel to its centralized governance system, most knowledge and information’s “creators” operate at the national level.

Firstly, France benefits from institutions producing statistical and qualitative studies at the State and ministerial level (general: INSEE; Ministry of Labor (DARES); Ministry of education (DEPP)). In addition, there is a concentration of expertise and institutes producing quality reports on youth unemployment and school-to-work transition – notably CEREQ. These institutions play an active role in producing analysis at the national level and integrating international comparative analysis. These various institutions are also in charge of policies monitoring and evaluation.

France is much less equipped at the regional level (the relevant level for the VET system). Nonetheless, regions loosely coordinate VET policies through various institutions such as CNFPTLV (« Conseil national de la formation tout au long de la vie ») and CCREFP (« comité de coordination régional de l’emploi et de la formation professionnelle »).

2.3. Major socio-economic structural shifts reducing the number of jobs for young people, framing of the problem and solutions by major stakeholders

Youth unemployment has been seen as a central issue for over 30 years in France. If the crisis had a significant impact in worsening an existing problem, youth unemployment was already part of the political agenda prior to the crisis. The policy making environment has been characterised by many initiatives to ease the transition from school to work with resistance and controversy surrounding some measures (see section 3).

Indeed, the unemployment rate of young people in France is relatively high as compared to the European average: around four percentages points higher prior to the crisis in 2006 and 1.3 percentage points higher in 2014 (Eurostat 2015). This high proportion of young unemployed needs to be contextualized, taking into consideration two main elements. First, the general unemployment rate in France is higher than in average in other OECD countries (9.9% in France vs 8.2% in OECD, 2014b). Next, the ratio of unemployed young people is 2.4 times higher than the general unemployment rate in France (23.8% as compared to 9.9%). In this sense, France has an “average” youth unemployment rate that is relatively high as compared to the general level of unemployment: indeed, in average in OECD countries youth unemployment is “only” twice as high as general unemployment. To that extent, youth access to job market thus seems more problematic in France than in other OECD countries (op cit).
On the other hand the problem of young people not in education, employment or training (NEET) is somewhat less severe than elsewhere in the EU. The proportion of NEET in France in 2013 (18.3% of the 15-24 population) is slightly below the European average -- 20.7% for the UE-15 and 20.5% for the UE-27. (OECD, 2014b)

To tackle NEET and more generally youth unemployment, the two most symbolic measures taken by the current Hollande government are the following. First, 150 000 jobs for youth in non-market sector have been created (“emplois d’avenir”). The second initiative aims to push companies to hire youngsters while retaining senior employees (“contrat de generation”) in order to ease knowledge and competences transfer between generations.

Our interviews conducted for this report suggest that for the perspective of the labour unions, these policies represent superficial solutions without attacking the roots of the problem of youth unemployment in France (interview #1). Similarly the view of Employers’ associations also tends to be that these proposed solutions are both expensive and inefficient in the long run for youth employability (Roger, 2011).

2.4. Polarization of job market

The most important lines of segmentation on the French job market is not its divide according to the qualification level (low skilled versus highly skilled) but the divide regarding job contracts (secure job contracts versus precarious job contracts).

While France is regarded as a higher security job market when compared to other OECD countries, the French labour market reality features a « two speed system » with the highly protective CDI (contrat à durée indéterminée) on the one hand (about 85% of total job contracts in France) and more precarious contracts (CDD - Contract Duration Determinée, interim) on the other hand. Even during the current economic downturn, the fixed term contract rate remained at 16% in 2013 in France, compared to the average of 14% within the other 28 EU countries.
This general divide in the labour market is particularly striking for youth, where the majority of young people enter the job market relatively easily and smoothly and a reduced minority faces strong issues to enter the market. Furthermore a complex array of stages, internships and training contracts means that many young people experience a prolonged transition to secure employment (Romani, 2012).

People with low qualifications or none are the most affected by unemployment and job precariousness. On average, 72% of young people find a job three years after leaving school (with or without diploma), whilst 17% of a cohort is unemployed and remain as such (11%) (CEREQ, 2014). In particular, they either return to training or remain inactive.

Three years after completion or dropping school, unemployment and employment conditions among young people strongly varies according to their educational level (idem):

- 33% of people without diploma remain unemployed. Those who found a job, most of the time face job precariousness and alternate several short-term contracts with periods of unemployment: 55% of people without a diploma work under precarious contract.
- 22% of people with secondary vocational diploma (CAP or BEP) remain unemployed.
- Unemployment is lower among young graduates from higher education (from Bac +2 to doctorate). Here unemployment varies from 9% to 10% according to the diploma level (CEREQ 2014).

The high level of security associated with the permanent employment contract (CDI) in France is seen as a particular challenge for the recruitment of new inexperienced workers from the perspective of employers. On the other hand employees see CDI status as a key goal in gaining security both on the labour market and for key life course decisions. If employers push for the creation of more flexible youth job contract, labour and student unions firmly reject this perspective, as exemplified by the large-scale protests in 2006 associated with the CPE (“contrat première embauche”).

### 2.5. Supply-push education policy

The French education system can clearly be considered as driven by a supply-push logic. The general approach is to offer a mass and general – rather than vocational – education. The education is wide-ranging and undifferentiated until students finish high school (“collège” - from 9 to 15 years old). The orientation toward mass education is exemplified by the aim since the 1980s for 80% of students to achieve the baccalaureate level (from 16 to 18 years old). Thus, the baccalaureate has become in France the dominant goal for education (Duru-Bellat and Kieffer, 2008). With the introduction of vocational baccalaureate complementing the general baccalaureate, the proportion of a group holding a baccalaureate rose from 25% in the 1975 to 72% in 2011 (Ministry of National Education, DEPP). In effect, the objective of providing mass education is further exemplified by the high proportion of people holding a higher education diploma (43% in France vs 39% in other OECD countries).
The education system can thus be regarded as being effective at providing mass general education to many young people before they enter the labour market and the difficulties arise for those who fall out of the system – particularly those don't achieving the baccalaureate. Once on the labour market young people are faced with the polarised job market and range of “training” and temporary contracts but it is those with the lowest levels of education who experience greater difficulties. These groups are the focus of specific policy innovations in section 4.

Source: Authors’ elaboration 2014
3. The policy learning framework

3.1. Policy learning framework in the policy agenda

The concept of policy transfer has not found a univocal definition within the literature (Bennet and Howlett, 1992) and this definitional ambiguity is both related to, and led to, a variety of uses of the concept by different authors. A useful conceptualization is for instance provided by Piana (2007), who defines policy transfer framework as: ‘the process by which knowledge about policies, administrative arrangements, institutions and ideas in one political system is used in the development of policies, arrangements, institutions and ideas in another political system’ (p.36). As observed by Evans (2009), policy transfer has become pivotal for national policy makers. However, forms of policy transfer as well as approaches adopted by policy makers vary across countries. For example Evans (2009: 238) goes on to argue that different forms of policy transfer have been identified across diverse literatures. Approaches to policy transfer includes “bandwagoning” (Ikenberry, 1990), convergence (Bennett, 1992), diffusion (Majone 1991), emulation (Howlett, 2000), policy-learning (May 1992), social learning (Hall, 1993) and lesson-drawing (Rose 1991).

Institutional changes in terms of policy adoption across member countries vary for the nature and degree of adaptation often linked to the capacity for introducing best practice and implementing specific policies at different levels: national, regional and local level (e.g. OECD, 2014c; Froy et al., 2010). In France, the context for policy learning with respect to youth unemployment needs to be considered against the background of the employment-centred transition regime ‘characterized by a strong public sector and broad access options’ (Walther, 2006: 127). As we have seen in the previous section, the “varieties of capitalism” perspective frames the French policy making system as traditionally State-centered (in opposition for example with the voluntarist or coordinated policy-making systems). France sits in the middle between different routes towards innovative policies. The country takes inspiration from existing policies and yet such policies are moulded and adapted to the domestic context.

3.2. Triggers for policy implementation

3.2.1. Structural triggers

In France, the local context is an important trigger for innovation. For example the expansion of the initiative to open up access to the Grand Ecole system to young people from more deprived backgrounds was partly inspired by a an article on the newspaper le Figaro (2014) on the initiative run by the ESSEC « Une grande école, pourquoi pas moi ? ». The cabinet of the prime minister identified this particular project. This initiative prompted a reflection on the chances for young people in education and fostered debate at the policy level. Originated within the Business School ESSEC, this initiative was replicated in similar educational contexts.

One of the main considerations is that the importance of the local context and particularly of different actors, networks, think-tanks and other parties involved towards innovative policy cannot be underestimated. For example, one interviewee observed that good practices
come often from ‘experiences on the field’ and to diffuse these practices and encourage replication of initiatives requires movement from the bottom.

The role and the extent of economic crisis is also an aspect worth underlining. The economic crisis can act as enabler for policy transfer. It is an enabler when government adopts policy as a response to worrisome situations related to helping young people. In effect, to respond to the severe economic crisis, which has touched France with severe unemployment rate (see above), France has adopted a number of measures, some of them inspired by measures and practices available in other Member Countries. For example, several observers in France have long been fascinated by the German vocational training system (Géhin and Méhaut, 1995).

The dual apprenticeship system developed in Austria, Switzerland and Germany has been widely debated in France. Particularly, questions have been raised on the adaptability of such model within the French context (Cahuc et al., 2013).

However, building on the recommendations of the European Commission, France has developed measures directly targeting the specificity of the French situation.

For example, in 2008 three employment plans were launched by the French government: 1. ‘The hope for Suburbs plan’, 2. The Emergency Plan for Youth Employment’, and 3. ‘Acting for Youth’ plan. For example, the ‘hope for Suburbs plan’ targeted young people from underprivileged areas and included education, transport and employment measures. The ‘Emergency Plan for Youth Employment’ introduced schemes combining work experience with formal training aimed at disadvantaged young people, especially early school-leavers, those from a migrant/ethnic minority background, and those who live in disadvantaged neighbourhoods (banlieues). The Emergency Plan has also envisioned places for young people in Second Chance Schools, targeted at early school-leavers, or other disadvantaged young people (Eurofound, 2014).

Another theme emerging from the interviews is the role of specific social tensions as a further facilitator to policy innovation. An example is the 2005 French suburbs crisis, which created tensions within some French ‘banlieue’. The difficult situation on the ground was represented by major unrest of youth in some areas and this was an important trigger for action. As one interviewee said: “it boosted changes on equal opportunities programs”. The interviewee continued: “if we do not finally give opportunities to young people who have the potential or we do not create the conditions for them to find a job with equal opportunities with others, then we can imagine that legitimately they will rebel”. It can legitimately be argued that social unrest gave origin to policy changes and represented a trigger for innovation.

### 3.2.2. Main channels of policy diffusion from supranational bodies

An important trigger for the implementation of policies is certainly represented by the European Commission programmes and the availability of European funding in promoting dynamism of policies. In France, the role of the European Union in transferring policies from one country to another and in influencing the adoption of specific plans is certainly crucial for policy innovation (Radaelli, 1997).

The introduction of the ‘Youth Guarantee’ has accelerated measures aimed at tackling youth unemployment, ensuring that all young people under 25 would get a good-quality offer of
employment, continued education, an apprenticeship within a period of 4 months after leaving formal education or becoming unemployed (European Commission, 2014). France was the first member country to benefit from its part of the €6 billion from the European Union to help fight youth unemployment in the worse hit regions. Their share will amount to €620 million for 2014 and 2015 (Euractiv website, 2015).

In the 2013, country-specific recommendations for economic and structural reform policies for France, the Commission encouraged the state to implement Youth Guarantees. This recommendation provided the opportunity for France to develop responses for young people and in December 2013, France responded by introducing a ‘National Youth Guarantee Implementation Plan’, composed of a set of measures delivered by the public employment service (the missions locales, Pôle emploi, CAP emploi) and specific schemes such as CIVIS, the écoles de la seconde chance, the emplois d’avenir, the service militaire adapté in overseas territories, NACRE for entrepreneurship and with the objective of guiding and supporting young NEETs.

Schemes such as the garantie jeunes, aiming to help disadvantaged young people to access labour market through social benefits, guidance services and work experience are also part of the Youth Guarantee. Initially launched in 10 departments, the French government aims to enlarge the scheme across a further 61 departments in 2015 (Euractiv, 2015).

However, the Commission has recently remarked that "France has not introduced one-stop shops providing a single information point" (EU Commission, 2014, http://ec.europa.eu/social/ajax/countries.jsp?langId=de&intPageId=2323).

In particular, the Commission recommends that coordination mechanisms between different Youth Guarantee actors are being put in place.

Different recommendations from the European Commission can be interpreted as drivers for innovation. An example of this is represented by the response of France to the 2014 Quality Framework for Traineeships, introduced in March 2014 by European Commission to enable trainees to acquire high-quality work experience (European Commission, 2014).

France is one of the Member Countries that engaged in a large-scale programme for the improvement, development and modernisation of apprenticeship. The country was one of the most active (European Commission, 2012) in implementing policies for quality assurance of traineeships/internships. Since 2006, France has adopted an explicit ‘regulated’ approach to traineeships/internships through a raft of laws. As explained by one interviewee public policies for internships and traineeships in France are very restrictive. The new law aims to increase the juridical penalties for companies, with the idea that reinforcing inspection for companies is likely to have an increase of gratification for young people (i.e. payment and travel expenses). In July 2011 the French government introduced, a law (Loi Cherpion) aimed at reinforcing existing regulations and safeguarding trainees from abuse.

A further example of European-based innovation implemented in France is the Ecole de La Deuxième Chance” (E2C). This innovation targets young people with no qualifications and weak chances of insertion on the labour market. The “Second Chance School” pilot project was launched in 1997 by the European Commission and since then found fertile ground in France, particularly in recent years. The E2C project was an initiative aiming at reducing the number of young people who did not receive education. It targets young people aged 18 to 25 years who have left the school without qualifications. The first E2C was funded in Marseille in 1997, followed by seven other schools. These eight E2C formed a group of pioneer schools. In 2004, these schools federated around the E2C Network France. The E2C is funded by the regional council. However from 2009, the State took on part of the
finances of such schools as part of the Plan Espoir Banlieues, launched in 2008, and that promoted the dissemination of the initiative. The E2C has been extremely successful in France and received nearly 14,000 young people in 2013, with successful growth each year.

European Commission’ recommendations gave considerable impetus to the promotion of the integration of young people in the labour market. As the above case show, EU recommendations were taking into account by France, which implemented such recommendation in its active labour market policies (ALMPs). Furthermore, it is worth noting that bodies such as OECD, ILO as well as different European-actors, such as ETUI, CEEP, Eurofound can be considered as drivers to innovation insofar as they produce recommendations, materials and broader discussions on sectorial topics (e.g. Boulhol, 2013; Quintini, 2006; Schömannm 2014).

3.2.3. Policy learning/transfer triggered by social partnership and expert knowledge

Another major trigger of policy transfer is represented by social partnership. In France, social partners are involved in various programmes, policies and measures aimed at young people. For instance, the ‘contrat de professionnalisation’ was initiated by social partners for those with low-level skills, where a key role was played by the social partners’ Organismes paritaires collecteurs agréés, OPC (Joint Commission for Collective Training). These are sectorial and inter-professional funding organisations and accredited joint registered collection agencies set up and managed by the social partners (EUROFUND, 2014). In effect, these organisations can act as enablers to policy transfer in the area of STW transitions. For example, some of these organisations are involved in collecting and administering the sectorial training funds paid by companies in order to finance continuing vocational training. Sectorial and cross-sectorial actors include a variety of different organizations, which are active in promoting schemes to improve transition to the labour market. Along the same lines, France has a story of union activism, which often mobilise for categories’ rights. Unions can facilitate the introduction of policies, acting as a key actor for diffusing knowledge about schemes and measures for supporting young people. Peer-to-peer policy learning, between different levels of administration and with other non-governmental bodies is therefore, an important aspect to consider.

A peculiar role in terms of triggers is covered by academic expert knowledge. Many academic journals host debates for public policy research. They encourage the advancement of public policy theory, by conducting theoretically and empirically grounded research on policy process and policy analysis. Production of knowledge within academic circles can sensitize national governments and contribute to good practices dissemination. In France there is a strong tradition represented by research bodies producing quality reports on youth unemployment as for example, the Centre d’Etudes et de Recherche sur les Qualifications (CEREQ). Such bodies play an active role in producing comparative analysis and giving a spin towards specific policies.

Moreover, among the triggers for policy transfer in France is the strong monitoring and evaluation tradition. Similarly to Sweden and the UK, the focus on policy monitoring can represent an important trigger for enhancing policy transfer in this country.
3.3. Barriers to Policy Implementation

3.3.1. Structural obstacles

France also experiences ingrained barriers to policy transfer. Among the factors affecting policy transfer in France, ‘institutional stasis’ is important. As part of western continental countries group, France is characterized by an ‘employment centred transition regime’ in which ‘educational and training frameworks are more selective and standardized’ (Eurofund, 2014). The central state in France is largely perceived as provider and supporter of social services. It provides financial and social support to citizens for accessing basic services. At the same time, policies are mainly introduced through a top-down approach and therefore promoted by state bodies. A bottom-up approach, characterised by the abstention of the state from direct intervention is less evident. In the French context, institutional stasis can lead to a less dynamic and responsive approach to transferability of policies.

In this vein, an administrative culture persists where public policies are often administered from the central level. On the other hand, one interviewee underlined that the communitarian as well as the territorial level is acquiring a more important role insofar as local levels have a more direct understanding of the situation within a specific area. The interviewees noted, in the so-called ZUS (Zone Urbaine Sensible) or within the “territoires à forte concentration de difficultés sociales”, specific measures are adopted. For example le CUCS (Contrat Urbain de Cohésion Sociale) is a measure that was originally implemented from the initiative of the national or city level but that is being increasingly managed at the ‘intercommunalités’ level.

A further barrier in policy learning regarding the SWT system is a relatively poor coordination between different institutional actors. Barriers are not represented by behaviour of actors, for example learning versus not-learning actors, but by the weakness of a single pilot actor. The issue becomes evident at the systemic level, when difficulties relate to the development of a comprehensive policy implementation system.

Similarly, the lack of a ‘focal information points’ is one of the main issues. Educational counselling is a key aspect for supporting young people. In France, a network of youth-related centres (Missions locales) distributed across the regions act in cooperation with job centres (Pôle emploi), the Drop-In Centres for Guidance and Employment (Permanence d’accueil, d’information et d’orientation, PAIO), regional authorities and other public and private organizations, operate to promote the integration of young people. On the one hand, this decentralised structure diffuses information/knowledge for adoption and the spread of innovative practices and programmes. On the other hand, this fragmented network of organizations represents a barrier to triggers of policy transfer insofar as they may decelerate the process of learning.

In general terms, economic crisis can also be seen as a barrier. Young people are sensitive to economic fluctuations and this has been significant in France (OECD, 2013). To counterbalance these difficulties, the national government can introduce special measures and schemes that can interfere with the adoption of European recommendations, thus slowing the process of policy learning.

A further barrier is represented by the high level of segmentation. Labour market is highly segmented with groups differing in terms of age, education, sex, etc. It is difficult to introduce labour policy targeting the right group.

Among the barriers to policy transfer is the high tax burden on labour. A high level of labour taxation may have detrimental effects on employment creation. Employers in France pay 28.7% of total labour costs in social security contributions, the highest amongst OECD
countries (Boulhol, 2013). This aspect can represent an obstacle, which both leads to the creation of specific programmes (with reduced social costs) and reluctance to engage in employment and/or training, aimed at young people.

### 3.3.2. Cognitive barriers from within the Education system

In addition to the structural issues outlined above, the development of policy transfer in France is characterized by a number of “cognitive barriers” intrinsic to the French education system. For example, a study by the Inspection Générale des Affaires Sociales (2013), reported that cultural barriers are among the reasons for the slow development of the apprenticeship in France. Even if France has been encouraged to develop the combination of training and education, this is still perceived with certain scepticism. The French academic model revolves around giving relevance to theoretical knowledge over the experience. As such, training in France is still surrounded by an image not related to excellence in education (Powell et al., 2012). Cognitive barriers can be thus considered as slowing down, or conflicting to a certain degree, with specific EU orientations.

Related to the specificities of the French education system, a further barrier to policy transfer is represented by ‘credentialization’. Having the right ‘credentials’ is ingrained in French society and institutions. This is a point underlined in many interviews and interactions with interviewees. As such, this can represent a major barrier in receiving or ‘borrowing’ policies that goes in different direction. As reported by the OECD (2009:2) ‘successfully entering the labour market in France depends to a great extent on following a linear educational trajectory to obtain initial selective diploma. Initial selective diploma (from a grande école or a university institute of technology) affects future careers (please refer to section 2).

Alongside ‘credentialization’, a further factor that creates barriers for the reception of policy is that ‘academic trajectories’ tend to be standardised. ‘Years of delay’ in leaving the school are not well regarded and individuals who graduate with years of delay upon leaving the school are usually penalised. The consequence is that students tend to be less inclined to combine study and work. In France, the proportion of students who combine work and education is well below the EU average. This represents a structural barrier as it creates rigidity to the implementation of policies that tend to encourage the combination of study and work. As such this can act as a barrier to effective innovation.
### Table 1 Triggers of policy innovation and policy transfer

<table>
<thead>
<tr>
<th>Level</th>
<th>Type of trigger</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural</td>
<td>Local context</td>
<td>Good practices from ‘experiences on the field’. To spread practices and encourage replication of these initiatives is eventually a movement from the bottom.</td>
</tr>
<tr>
<td></td>
<td>Economic crisis</td>
<td>It is a potential enabler when government adopts policy as a response to the situation of young people</td>
</tr>
<tr>
<td></td>
<td>Social tensions</td>
<td></td>
</tr>
<tr>
<td>Supranational</td>
<td>European Commission programmes (f.e. Youth Guarantee) and availability of funding</td>
<td>EU central policies are a channel of innovation and of knowledge transfer/dissemination</td>
</tr>
<tr>
<td></td>
<td>Independent research bodies (OECD, ILO) and Euro-actors (ETUI)</td>
<td>Produce recommendations and materials on sectoral topics that foster the implementation of specific policies</td>
</tr>
<tr>
<td>Technical/ Specialists</td>
<td>Academic expert knowledge dissemination</td>
<td>Production of studies on youth employment within academic circles can inform governments and contribute to the adoption of good practices</td>
</tr>
<tr>
<td></td>
<td>Social partnership in France</td>
<td>France has a history of union activism which has often mobilised for categories’ rights. Unions can facilitate the introduction of policies, acting as a key actor for diffusing knowledge about schemes and measures among young people</td>
</tr>
<tr>
<td></td>
<td>Monitoring and evaluation of policies</td>
<td>Policy monitoring and evaluation can represent an important trigger for enhancing policy transfer in this country.</td>
</tr>
</tbody>
</table>

Source: Author’s elaboration
Table 2 Barriers to policy innovation and policy transfer

<table>
<thead>
<tr>
<th>Level</th>
<th>Type</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural</td>
<td>Institutional stasis</td>
<td>Institutional stasis can lead to a less dynamic and responsive approach to transferability of policies.</td>
</tr>
<tr>
<td></td>
<td>Weakness of a single pilot actor</td>
<td>Existing poor coordination between different institutional actors</td>
</tr>
<tr>
<td></td>
<td>High tax burden on labour</td>
<td>High level of labour taxation may have detrimental effects on employment creation</td>
</tr>
<tr>
<td>Economic Crisis</td>
<td></td>
<td>To counterbalance economic difficulties, the national government can introduce special measures and schemes that can work with or against the adoption of European recommendations.</td>
</tr>
<tr>
<td></td>
<td>High level of segmentation</td>
<td>Labour market is highly segmented with groups differing in terms of age, education, etc. creating difficulties in introducing labour policies to targeting the right group</td>
</tr>
<tr>
<td></td>
<td>Lack of ‘focal information points’</td>
<td>Educational counselling is a key aspect to support young people. There are multiple information points to provide information to young people creating potential complexity</td>
</tr>
<tr>
<td>Cognitive/Cultural</td>
<td>Credentialization: right diploma/right time</td>
<td>Having the right credentials (the good diploma, right age) is key in France.</td>
</tr>
<tr>
<td></td>
<td>Standardization of academic path</td>
<td>The French system tends to have standardised academic paths and can penalise delay upon leaving the school. This represents a barrier to the implementation of new pathways that tend to encourage the combination of study and work</td>
</tr>
</tbody>
</table>

Source: Author’s elaboration
4. Policy change within and across institutions

4.1. Institutional structure of the labour market affecting policy change and innovation

The French institutional configuration is characterised, as in other modern economies, by the combined forces of employment protection legislation, welfare arrangements and educational institutions. These institutions shape the outcomes for young people as well as the environment in which new policies are formed and implemented. Here we treat each set of institutions in turn.

4.1.1. Employment Protection Legislation

In France Employment Protection (EPL) legislation is characterised by significant differences for workers hired under permanent contracts and those working under temporary contracts. The EPL is generally very strict in terms of firing restrictions for permanent contracts (CDI). Nevertheless recently a number of initiatives have been adopted to reform the employment protection legislation, notably to promote job creation and lower the structural unemployment rate, for example the Contrat Nouvelle Embauche (CNE) was implemented in 2005. This approach was inspired by flexibility principles and introduced a trial period for new employees of up to two years. At the end of the two-year trial period, a CNE would be converted to a CDI if not terminated. The use of this contract is however, restricted to small enterprises with fewer than 20 employees. A version of this contract aimed at workers under 26 years old (contrat première embauche) was introduced but quickly withdrawn after weeks of protests in 2005-06.

4.1.2. Programme policies aimed at young people

Analysing the French policies in this field is a major endeavour as a result of the variety and the extent of the schemes that have been put into place. Policies aimed at the young in France have been changing over time both in nature and scope of their application. Since the mid-seventies, around 80 different schemes have been put into place (Lefresne, 2012), but such schemes have also been changing or been replaced by successive governments and political parties in power. Regardless of the complexion of political leadership youth employment has remained a key policy issues. One interviewee reported that this was surprising given the greater risks faced by other in society such as older workers without work and to some extent the concern around young peoples' position was disproportion to the scale of the problem.

To navigate the intricate net of schemes and measures available in France, it is helpful to group them accord to their fundamental features and characteristics. A useful approach for classification is provided by Fougère, Kramarz and Magnac (2000) who grouped policies according to 1) the characteristics of eligible participants, 2) the level of implementation (local or national), 3) the employment sector (market or non-market), and 4) the legal status (training course or employment contract).
In effect, a first major feature that distinguishes the numerous unemployment policies and measures to facilitate labour market integration concerns the targeted category. Policies may mainly be directed at employers or directed towards specific categories of the population, such as young people. The first type of support aims to reduce the total labour cost to the private sector, based upon the assumption that young people suffer a lack of professional experience upon entering the labour market (Aeberhardt, Crusson & Pommier, 2011). The principle being that matching the labour market skills requirements with the availabilities of young people is an issue that requires state intervention in order to be rebalanced. Since 1994, reductions in labour cost have taken the form of payroll tax subsidies for minimum wage workers (Fougère et al., 2000). By supporting employers (for example by reducing social charges for hiring part-time employees), the state provides incentives for youth employment. The effect is thus twofold. On one side, the labour cost of young people is reduced and this makes recruiting young people more attractive for employers. On the other hand, young people have the chance of acquiring skills and abilities essential for becoming competitive on the labour market. The second type of policy – those specifically directed at young people – is the most critical. This group of policies aims to facilitate youth access and integration on the labour market and improve the labour market prospects of young.

A further major distinction that differentiates policies relates to their application to the market or non-market sector. Measures addressed at the market sector access represent the most numerous group (Lefresne, 2012), and these comprise state subsidised financial incentives for the employers as well as measures that directly support young people. On the other hand, non-market sector policies – most common during the mid-80s and 90s and heavily funded by the state during those years – aimed to encourage employment at broader level within the society. Policies grouped within this category are considered of ‘utilité collective’ and are introduced to support diverse social groups in need.

Figure 4.1 tracks the major reforms directed at combatting youth unemployment and it covers the most important reforms from 1975 to 2010. It also shows the policies non-specifically directed to the youth both on the market and the non-market sector.
A number of other schemes have been implemented since 2010 that are not included in the above figure. These include ‘Emplois d’avenir contract’ ‘les contrats de generation’ and ‘le dispositif d’accompagnement’ implemented by the local missions following the national intersectoral agreement (ANI) of 7 April 2011 to support young people and their access to the labour market.

By examining the table above, some considerations can be made. First, it is clear that policies directed at improving employment opportunities and working conditions for young entrants to the labour market are characterised by a large variety both in terms of legal status (for example ‘alternance-based training’ or ‘the single integration contract’) and level of implementation (for example state or regional level). Second, such policies are part of a broader approach aimed at reducing unemployment in France. As a consequence, schemes specifically directed to the young and measures directed to the broader public employment might appear to be overlapping in certain cases. By looking at the figure 2, a further aspect also becomes apparent concerning the changing types of measures over times. It is evident that between 1984 and 2005, the major focus was on policies specifically directed at young people, implemented outside the market. For instance, the so-called ‘Community jobs’
Smith, Toraldo and Pasquieri

(Travaux d’Utilite Collective, TUC), were a major measure and were highly subsidised between 1984 and 1990, when they were suppressed. These were subsequently replaced by the ‘Employment-Solidarity Contract’ (Conseil Emploi Solidarite CES) that lasted until the first decade of the 2000s.

More recently a major development has been the increased role for measures centred on training and skills acquisition. The ‘Alternance-based training’ – with the Apprenticeships and Professionalisation Contract – has been object of widespread implementation and interest from policy-makers and national government. Along the same lines, schemes as the ‘Training Accompaniment Contract’ (Contrat d’Accompagnement Formation – CAF) and the Integration Contract in Social Life (Contrat d’Insertion dans la Vie Sociale – CIVIS) have also grown in popularity. The latter were developed in order aid disadvantaged young people so that they could benefit from guidance and accompaniment and facilitate their access to employment.

An explanation for the implementation of training-centred and inclusion initiatives can certainly be traced back to the broader impulse coming from the European Union to develop common legislative frameworks across member states. For example, the European Commission has been actively seeking the promotion of work-based learning through work placements, including high-quality traineeships. Recent EU policies in this direction include the ‘Youth Opportunities Initiative’, adopted in December 2011 and the ‘Youth on the Move Initiative’ launched in 2010. France responded by assimilating these initiatives, into existing approaches to blend working and learning. For example in 2009 the ‘Emergency Plan for Youth Employment’ was launched, with the objective to promote a number of schemes which combine work experience with formal training.

Alongside, the assimilation of EU policies at the national level, a further explanation for the rapid introduction in France of certain schemes, their revision or suppression is certainly ascribed to the orientation of different government coming into power. In effect, the social treatment of youth unemployment in France has following different route through times following the advent of new parties and cabinets. New strategies and action plans have been devised by different governments. Some interventions aimed at increasing the employability of young people while others have been aimed at facilitating the transition from school to work and others still include policies to remove persistent barriers faced by young people. The latter in particular will be object of our analysis in this Report below.

4.1.3. Reforms and youth-specific initiatives in France

In France, a number of different schemes have been designed to aid young people with the aim to ameliorate their chances to access the labour market. Initial measures of inclusion in the labour market are pivotal for the early career pathways in order to avoid the risk of losing contact with the job market (Boulhol, 2013). As a consequence providing suitable support to youth has been identified as an area of action deserving much attention.

As discussed in the previous section, education rests a highly-valued resource for access to high quality employment. At the same time, organisations such as the International Labour Organization (ILO, 2010) have underlined that a key aspect in building effective policies directed at young people is combining different programmes, which include skills acquisition, vocational and job training, income-generating opportunities job search assistance and other support services. Below we have grouped the different measures according to the employment sector (market or non-market) and the legal status (training or employment). For the sake of simplicity, we did not include schemes which have been discontinued but we mentioned in certain cases if these were replaced by new schemes.
4.2. ALMPs

As a policy learning mechanism ALMPs are a key mechanism for diffusion and inspiration among European countries. Active labour market programs represent key measures to address high structural unemployment (Brodaty, 2007).

Here we carry out a brief review of policies with the aim to provide an overview of the different French schemes introduced in recent years and open to young people. This overview will also examine policies aimed at creating job opportunities for young people in the market and non-market sectors.

I. Les contrats en alternance (Alternance-based training)

The ‘formation en alternance’ is a measure that allows young people to alternate between work and ongoing study. Work-study contracts are nowadays crucial and they have been variously applied within different European countries. The main rationale behind these measures is in that on-the-job training can increase labour market experience and provide advice, guidance and employment assistance to young people. Within the French context there are two key forms of alternance-based training: Le contrat d’apprentissage (Apprenticeships) and le contrat de professionnalisation (Professionalization Contract).

a) Le contrat d’apprentissage (Apprenticeships)

The French apprenticeship system is the most common scheme under the category of the ‘formation en alternance’. According to the law, an apprenticeship is available for young people aged 16-26 who wish to continue their initial vocational education and training with the aim of obtaining a vocational title or qualification (EC2012). Apprenticeships are based on alternating periods of on-the-job-placements (usually within a company) and part-time education in a public training centre. The funding for this type of alternating placements is provided by the State, the regions and the enterprises.

In 2008, 320,000 apprenticeship contracts were signed, whilst about 426,000 apprentices were in apprenticeship training in 2009 across all sectors of the economy (EC 2012).

b) Le contrat de professionnalisation

Alongside the apprenticeship contract, the other important contract within the alternance-based training is the Professionalisation Contract. This contract has gone by various names over the years: contrat de qualification and contrat d’adaptation created in 1983, then replaced in 2005 by the professionalisation contract under the Social Cohesion Law.

The Professionalization contract has the objective to allow young people under the age of 26 and without professional qualification, or those who wish to complete their training at any level, including job-seekers aged 26 years and over to obtain a Vocational Qualification Certificate (CQP: Certificat de Qualification Professionnelle), a title or a qualification referenced by the collective agreement (EC2012:429). Unlike, apprenticeship, this is a special ‘employment’ contract, where private sector companies are offered a one-off subsidy of €1,000 if they employ a person aged up to 26 for a specified period of time six to 24 months (Ibid, 2012).

One of the main criticism of the ‘contrats de professionnalisation’ is that they are not promoted particularly actively by the French public employment service and they face competition from alternative schemes, such as contrats d’apprentissage.
II. Market Sector (Les contrats aidés du secteur marchand)

Policies included within this category aim to stimulate demand for young workers by introducing a reduction in labour costs. Reductions in labour cost often take the form of payroll tax subsidies for minimum-wage workers. As observed by Bowers, Sonnet and Bardone (1999) youth payroll costs can be reduced in two ways: 1) direct alteration of wage structures, e.g. through lower minimum wages; 2) reductions in non-wage costs, whether through lower payroll taxes or wage subsidies to firms. In the private sector, programs aim to encourage companies to hire are based on financial incentives (both tax cuts and bonus). In 2007, the program dedicated to youth support (SEJE) is suppressed and the program is merged with a larger plan dedicated at the general reduction in unemployment. In the 90’s, public sector job policy was active, with two major programmes: CES (contrats emploi solidarités) and EJ (emploi jeunes). Since 2002, these programs have been stopped in favour of private sector oriented policy.

a) Le contrat initiative emploi (CIE):
Contrat Unique d'Insertion (Single Integration Contract - CUI) goes by the name contrat initiative emploi (CUI-CIE) in the market sector and Contrat d’accompagnement dans l’emploi (CUI-CAE), in the non-market sector.

The CEI is a market-sector employment contract the purpose of which is to encourage the recruitment of persons in difficulty on the employment market by reducing the cost of labour. (INSEE, 2014). This can be ‘a fixed-term or a non-fixed-term contract on the basis of which the employer pays reduced social charges up to the value of 47 per cent of the gross minimum wage (SMIC)’ (Lefresne, 2012: 13). In 2008, 1200 young people benefited from the Contrat initiative emploi.

b) Le contrat jeunes en entreprise (CJE)
The Youth-in-Business Contract (Contrat Jeune en Enterprise - CJE) was introduced in 2002 and suppressed in 2008. This contract is within the framework of private employment subsidy. The objective was to focus on integrating young people with few or no qualifications into private sector employment. The contract targeted young people under 22 years old, who had dropped out of school before passing the baccalauréat --, the secondary school examination that qualifies for entry to university in France’ (Roger and Zamora, 2011: 7). Employers could receive subsidy when they hired a young workers, with the subsidy changing according with the wage paid. From 2002 to 2005, 269,500 young workers were hired on a CJE contract.

Several other schemes have been introduced and suppressed over time, among which: Contrat de retour à l'emploi (CRE) Contrat employ consolide (CEC). Due to space limitations, only some of the suppressed contracts are listed here.
Barriers to and triggers of policy innovation and knowledge transfer in France

Figure 4.2: Evolution of State funded jobs for young people

Evolution of "state sponsored" job for young people

Source: DARES

III. Non-market sector (Les contrats aidés du secteur non marchand)

Job creation in the non-market sector, takes the forms of wage subsidies, directed at low-skilled unemployed young adults. The most representative program of this type in France is the so-called Contrat emploi solidaire' (Employment-solidarity contract - CES). This program replaced the Travaux d'Utilite Collective' (Community jobs - TUC) which was set up in 1984 and suppressed in 1990.

a) Le contrat d'avenir

The Contract for the future (CAV) targeted primarily individuals living on minimum social benefits. This scheme is also dedicated to young people of 16-25 age with low education and living in sensitive neighbourhoods (Brunel, 2013). Employers from the non-commercial sector are eligible to access the Jobs for the Future scheme and its funding. The employer will supervise, counsel and train the young beneficiaries. The state subsidises 75% of the young person’s gross wage for a period of three years. In 2013 100,000 contracts for the future were planned to be put into place were, increasing to 150,000 in 2014. Government expenditure was supposed to be of €2.3 billion over the two years (Tissandier, 2012).

b) Le contrat d’accompagnement dans l’emploi (CUI-CAE)

The Accompaniment Contract is the only contract of this kind within the non-market sector. Employers eligible for this subsidy must be in the non-profit sector, this tends to be local authorities. The employer is entitled to various forms of support: exemption from social security contributions up to the value of the minimum wage, salary support fixed as a percentage of the minimum wage (up to 95% of the minimum wage)

At the end of September 2010, 81,000 young people under the age of 26 benefited from subsidised ‘Accompaniment Contracts to Employment
The Training Accompaniment Contract employment as well as the Contract for the future substituted the contrats emploi-solidarité and the contrats d’emplois consolidés from 1 May 2005. From 1 January 2010, the CAE (Accompaniment Contract) was replaced by the single integration contract in the non-market sector (CUI-CAE).

c) Le Contrat d’Insertion dans la Vie Sociale (CIVIS)

The integration contract in social life was introduced in 2005. It targets young people between 16-25 years old. Young individuals without qualifications benefit from a personalised support, accompaniment and guidance by an adviser from the local mission’s service which continues for a year after the young person secures employment (EC, 2012). CIVIS is not an employment contract. The logic behind it is to support young people within their employment trajectory. During the year 2010 alone, about 174,000 benefited from CIVIS (European Commission, 2012). Below figure 4.2 represent in detail young people below 26 who benefited of employment policies in 2012 in percentage.

Table 4 – Young people below 26 years old benefiting of Employment Policy between 2010-2012

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011 (r)</th>
<th>2012 (p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternance-based training</td>
<td>569</td>
<td>592</td>
<td>584</td>
</tr>
<tr>
<td>Apprentissage</td>
<td>419</td>
<td>428</td>
<td>433</td>
</tr>
<tr>
<td>Contrat de professionnalisation</td>
<td>150</td>
<td>164</td>
<td>152</td>
</tr>
<tr>
<td>Market-sector employment outside alternance</td>
<td>29</td>
<td>15</td>
<td>8</td>
</tr>
<tr>
<td>Contrat initiative emploi (CIE ancien et nouveau)</td>
<td>28</td>
<td>15</td>
<td>8</td>
</tr>
<tr>
<td>Soutien à l’emploi des jeunes en entreprise (SEJE)</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Autres mesures</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Non-market-sector employment</td>
<td>68</td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td>Contrats-emploi solidarité</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Emplois jeunes</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contrats-emploi consolidé</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Emplois d’avenir (non marchands)</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Contrat d’accompagnement vers l’emploi et contrats uniques d’insertion - CAE</td>
<td>68</td>
<td>51</td>
<td>48</td>
</tr>
<tr>
<td>Contrat d’avenir</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>666</td>
<td>658</td>
<td>642</td>
</tr>
<tr>
<td>Part des emplois aidés parmi les emplois occupés par des jeunes (en %)</td>
<td>24,7</td>
<td>25,3</td>
<td>25,2</td>
</tr>
</tbody>
</table>

p: provisional data.
r: revised data.
Champ: France métropolitaine; hors abattement temps partiel, Accre, et insertion par l’activité économique.
Sources: Dares (mesures pour l’emploi) ; Insee, enquêtes Emploi (emplois occupés par les jeunes).
4.2.1. Labour contracts

The characteristics of the employment contract of young people on labour the market influences youth unemployment and career paths. The structural transformation of the labour market has led to a high concentration of young people in temporary jobs (CDD) without access to the benefits associated with a permanent contract (CDI). In France, the CDD-to-CDI conversion rate (fixed-term to indefinite contracts) is generally decreasing (ref).

However, in France concern around contractual status on the labour market is not isolated to young people. One of the most recent labour contract to tackle youth unemployment was the so called Generation Contract, introduced in 2012 by François Hollande. The contract combines job-creation for young people aged between 16 and 25 with a drive to keep older workers aged 57 and over in active employment. A component of this initiative includes a scheme to encourage older workers to help train young entrants to the labour market (Eurofound, 2015)
5 Institutional structure of VET and behind transition processes

5.1 Dominant issues regarding VET in France

In France, the education system can be classified a traditional State-centered, being mostly subsidized by public money. It remains a centrally administrated system (Goldschmidt, 1991; Bel, 2001; Powell et al., 2012), since the State plays a major role in programs definition, recruiting, evaluation, control and financing. Nonetheless, important differences exist between general and higher education on one hand and vocational education on the other hand (Powell, 2012). The secondary education and the higher education systems is still heavily influenced by the State. On the other hand, the VET system is increasingly decentralized. It can now be considered more akin to a vocationally governed system (Bel, 2001). Considering this particular configuration of the French educational system, the four dominant issues concerning VET are:

- **The poor image of VET in the French collective representation.** As pointed out by the IGAS report (2014), the vocational education is before all considered as the way for students who failed to reach general education.

- **Lack of coordination between actors.** As the school-to-work system, the French VET system lack of a shared and integrated logic. At the heart of the tension, the mutual “suspicion” between the private sector and the education sphere prevents a deeper cohesion of the VET system.

- **Lack of focus on “at risk” youth.** Even at the VET level, the academic and theory-oriented culture remains prevalent. Because of this universalist approach, efforts are not focused specifically on the most ‘endangered’ youngsters. As an illustration, in spite of the recent efforts to boost apprenticeship the intake to higher education benefit while the number of apprentices dropped for level V students.

- **The complexity of the funding system.** Financial flows founding VET – and notably apprenticeship – follow complex paths. The diversity and the number of actors involved in the collect and distribution of income increases the complexity of the system.
5.2 Recent path shift in VET system

5.2.1 Incremental changes

The current format for the VET system - with apprenticeship at its heart – was initiated more than 30 years ago, in 1983. Since the mid-80’s, the German dual system has been explicitly considered as the reference point to any reform of the VET system in France (“Pour développer l’emploi”, 1987). After a major disruptive change in 1983, incremental changes have been implemented within the system since. For example, the 1992 reform aim to better integrate social partners into the VET system and in 2002 the reform further decentralization of the functioning of the system was initiated.

Since 2012 and the advent of the government of Hollande, the development of VET and apprenticeship has been one of the political priorities. The government has notably targeted a significantly increase in the number of youth in apprenticeships: raising the number from 435 000 in to 500 000 in 2015. Beside the general quantitative objective pursued by the government, the main policy implemented regarding the VET governance has been a simplification of the apprenticeship system with the aim to simplify the financial flows between the different stakeholders and to reduce the number of intermediaries involved.

Beside the apprenticeship focused reforms, some more global evolution of the French education system deserve a more detailed discussion.

The School system reforms: a focus on primary school

In 2013 an important reform concerning educational system was implemented in order to improve primary school provision, notably through the increase of human resources (3350 additional teachers in primary schools and 4200 in secondary schools) and the reinforcement of schools’ timetables. (Ministry of Education, 2013, “la refondation de l’école fait sa rentrée”). The School To Work transition and the fight against early school leavers were not identified as priorities of this reform since they were considered as “on-going programs to be sustained” (ME, 2013, “une lutte plus efficace contre le décrochage scolaire”).

5.2.2 The University system and recent reforms: toward more autonomy and vocationalization

For Higher Education, the classification of the French system as being characterised by "administrative centralism" remains valid (Powell, 2012). However, higher education is increasingly touched by the process of vocationalization. Two major changes explain the evolution of the tertiary education system. First, the reforms generated by the “Pecresse bill” (Loi Pecresse, 2007) significantly affects the universities functioning. The reform aims to provide more leeway for universities, notably to their presidents who will beneficiate from a greater financial autonomy. More to the point, if the theory-driven and academic model remains dominant in France, it is recognized that France is progressively moving from a

---

1 Nb: the points 5.2, 5.3 have been merged as we considered that they are closely related
wholly-academic model to a more corporatist one (Verdier, 2009). The vocationalization of the higher education also stem from the incremental changes resulting from the implementation of European standardization.

5.2.3 VET system

In contrast with the general and higher education, vocational is governed by a both more decentralized / regionalized and more company-regulated system. Two types of institutions offer secondary vocational studies.

First, the school-based vocational secondary school (“lycées professionnels”) are governed by the Minister of Education. Even if it remains the main way to secondary vocational education, the number of student in “Lycées professionnels” is declining over the long run. Between 1980 and 2011, “lycées professionnels” hosted 137,000 fewer students, a drop of 17% over the period. The second type of institutions that provides vocational education are apprenticeship-based schools (CFA - Centre de Formations des Apprentis). They accommodate about one third of the students doing vocational studies. Since 2008 the number of students in CFA has declined, due to both the economic turmoil and recent cuts in companies tax credits.

5.2.4 Key actors pushing change: technocrat insiders and disruptive outsiders

Two types of actors – having each their specific leverage for change – can be regarded as change makers.

Institutional and political actors from “within” the VET system are the drivers of incremental and technocratic change at the national and regional level. Nonetheless, a recent report (IGAS 2014) considers that the loose coordination between regional actors is a serious barrier to policy transfer. In the same vein, Cahuc (2014) advocates a stronger integration of the various regional policies within a unified national framework.

Furthermore, social and political entrepreneurs can drive more disruptive change from “outside” the VET system. From this perspective, the Ecole de la Deuxième Chance (second chance school) is probably the most significant initiative developed in France over the last two decades. The analysis of its emergence and its development within the school-to-work institutional settings will be further examined in the work package 4.2.

5.2.5 Implication of social partners in VET institutional system: a low implications of employers and unions as compared to the “German model”

From a formal perspective the social partners play a significant role within the governance of the VET system. In relation to the school-based vocational education, employers’ association hold a consultative voice within the CPC (“Commissions Professionnelles Consultatives”) where the goal is to define vocational programs. Concerning apprenticeship-based schools, most of the CFA are ruled by Chamber of Commerce (CCI) and employers’ association are heavily integrated within their governance structure.
Nonetheless, despite their formal implication within VET institutions at the national and local level, the low involvement of the private sector within the VET system is highlighted as one of the prominent barriers to the development of vocational education in France, especially when compared to the “German model” (Romani, 2012).

5.2.6 Changes with VET governance system: some minor incremental changes

As mentioned in the parts 5.2 and 5.3, the evolution of VET system - with apprenticeship at its heart – was initiated more than 30 years ago, in 1983. Some important changes of the VET have been implemented (in 1992 and 2002 notably).

Recently, the Hollande’s government initiated some more minor regulatory changes, including changes to the funding system and a reduction of the intermediaries involved.

5.2.7 Barriers within VET system preventing the integration of disaffected youth

Despite its 'mass, democratic and equal opportunity' ideals, the French educational system appears to be unequal in a number of ways. According to the results of the PISA tests (OECD, 2012”), the French educational system generates the greatest level of inequality among the OECD countries. For instance, specialized degrees obtained by students are strongly influenced by the socio-economic background of the family. A 2012 report found that only 27% of children from families with blue collar workers received a higher education degree compared to 69% of those from families of white collars workers (CEREQ, 2012).

The universalist and academic oriented school system in France thus seems to create a significant obstacle for the less socially favoured youngsters.

5.3 Issues of flexibility for education and training systems

5.3.1 Prevalence of ‘mismatch’ or ‘production of low employability’ discussion

As pointed out by our local advisory board, the extreme importance given to having the ‘right’ diploma (and even more to the lack of diploma) plays a much more crucial role to understand youth unemployment rather a skill mismatch. Statistically, the lack of diploma is from far the most important determinant of youth unemployment. Three years after the end of schooling, 33% of the youngsters with no diploma are unemployed, while it is only the case of 9% of the youth with a higher education degree.

In fact the recent studies have shown that the mismatch between offer and demand on the French job market was a minor one. This mismatch concerns about 100 000 vacancies, as compared to 3.5 million of unemployed. This perspective was underlined by one of our
interviewees who stressed that the focus on youth unemployment in labour market policy was perhaps disproportionate to the scale of the problem.

5.3.2 Specific sector recruiting directly from education

According to the Centre d'Information et de Documentation Jeunesse, the six sectors recruiting youth with no diploma are: food, hotel and catering industries, personal services, retailing, security, waste industry and building sector (CIDJ website).

Unfortunately no relevant information regarding this point was available concerning apprenticeship. Apprenticeship seems to be underdeveloped in mid-size and large companies: only 2% of apprentice work within big companies (more than 500 employees).

5.3.3 Issues of participation and achievement in education and training?

In terms of contents and subjects covered, French education is said to be mostly oriented toward general and theoretical knowledge, guided by 'excellence' (Ben David, 1977). As opposed for instance to the German system where vocational studies are recognized and socially valued, the orientation toward vocational education is considered a 'failure' in France, and is deemed not in line with the general education model (Romani CEReq en Bref, 2012).

This “academic” orientation of the pedagogic content within vocational education would explain part of the 40% of school drop outs at the CAP level (level V). The centrality of mathematics and French are seen as inappropriate for these practice oriented studies.
6 Conclusions

The French policy making environment can be characterised by a strong central role for the state although this state ‘dirigisme’ has, to some extent, evolved over recent decades towards a more decentralized policy-making system as a consequence of deregulation, privatization and decentralization. In this environment, the state nevertheless remains a strong actor on the youth labour market and youth unemployment has been considered a key political challenge issue for more than 30 years ago. Regardless of the complexion of political leadership, youth employment issues are an important policy target and the structurally high level of youth unemployment keeps the topic central in the political debate. Although the majority of young people enter the job market relatively easily and smoothly a minority face difficult challenges to enter the market.

Segmentation of the job market in France is a particular challenge for young people. France is regarded as a higher security labour market when compared to other OECD countries but for young people a high level of polarization is the reality: a « two speed system » of highly protective CDI (contrat à durée indéterminée) on the one hand (about 85% of total job contracts in France) and more precarious contracts (CDD - Contract Duration Determinée, interim) on the other hand. Even during the economic downturn, the fixed term contract rate remained at 16% in 2013 in France, compared to the average of 14% within the other 28 EU countries. This polarization is particularly striking for youth. A complex array of “stages”, internships and training contracts means that many young people experience a prolonged transition to secure employment. People with low qualifications or none are the most affected by unemployment and job precariousness (CEREQ, 2014). A range of initiatives have been adopted to ease the transition into employment, notably to promote job creation for example the Contrat Nouvelle Embauche (CNE) was implemented in 2005. Although not only directly focused on young people, this approach was inspired by flexibility principles and introduced a trial period for new employees of up to two years with conversion to a CDI if not terminated. A similar version of this contract aimed at workers aged less than 26 years old (contrat première embauche) was introduced but quickly withdrawn after widespread protests.

In France, the education system can be classified as a traditional state-centered one, being mostly subsidized by public money. It remains a centrally administrated system (Goldschmidt, 1991; Bel, 2001; Powell et al., 2012), since the State plays a major role in programs definition, recruiting, evaluation, control and financing. Inspired by enlightened and democratic ideals, French education system is characterised by being mass and general education with a supply-push logic. This approach offers a mass and general – rather than vocational – education which is wide-ranging and undifferentiated until students finish high school. Thus, the baccalaureate has become the dominant goal for young people and indeed the education system (Duru-Bellat and Kieffer, 2008). However, the model tends to reinforce social differentiation linked to background and families’ social status. As a consequence, the educational system is characterized by a clear divide between a major group who enters the labour market relatively easily and a marginal fringe facing stronger difficulties in accessing market. In the light of these system characteristics and main outcomes, we can identify a number of major obstacles and enablers to innovation. Not least the philosophy of education in France is infused by the academic (theory oriented) and universalist (mass education) model.
The French national educational culture tends to be more focused on the building of critical citizens rather than employable workers, thus widening the gap between education and labour cultures. Successfully entering the labour market thus depends to a great extent on following a linear educational trajectory to obtain initial selective diploma (OECD 2009:2). Alongside this ‘credentialization’, a further factor that creates barriers for the reception of policy is that ‘academic trajectories’ tend to be quite standardised. ‘Years of delay’ in leaving the school are not well regarded and individuals who graduate with years of delay upon leaving the school are usually penalised.

On the other hand, the VET system is increasingly decentralized and can now be considered more akin to a vocationally governed system (Bel, 2001). In contrast with the general and higher education, vocational is governed by a both more decentralized / regionalized and more company-regulated system. Two types of institutions offer secondary vocational studies. In this particular configuration the poor image of VET means that the vocational education tends to be considered as a path for students who failed to reach general education goals (IGAS 2014).

In France, the context for policy learning with respect to youth unemployment needs to be considered against the background of the employment-centred transition regime ‘characterized by a strong public sector and broad access options’ (Walther, 2006: 127). The prominence of the youth employment challenge has led to a plethora of initiatives thus analysing policies in this field is a major endeavour through a variety of the many schemes that have been put into place by successive governments. Policies aimed at the young in France have changed over time both in nature and scope of their application and since the mid-seventies around 80 different schemes have been implemented (Lefresne, 2012).

In our analysis we identify a number of tensions linked to policy innovation and learning in the school to work transition system. Firstly a fragmentation of the system, without a clear pilot and an overarching coordinating structure acts as a barrier (Cahuc 2013). Stakeholders are bounded by their own logic and this creates a certain resistance to change among actors. The accumulation of policies and the long-standing efforts to address these issues has further created a lower receptivity to innovation from these actors. Furthermore these barriers are reinforced by the tendency for French employers to be less involved in the school to work system, since they do not consider it as part of their ‘social responsibility’ (CEREQ, 2012). As such the education system is at a distance from the private sector. However, there has been a slow cultural shift reducing the gap between the education and private sector worlds (see IGAS, 2013) and a slow shift of social partners toward ‘negotiation’ culture (ANI 2013). For instance, the ‘contrat de professionnalisation’ for those with low-level skills was initiated by social partners. Here a key role was played by sectorial and inter-professional funding organisations and accredited joint registered collection agencies set up and managed by the social partners – Organismes paritaires collecteurs agrees and the OPC (Joint Commission for Collective Training) (Eurofound, 2014). Although there are many agencies and expert research centres working on youth on France there is limited financial leeway for public actors since funds injected into the educational system have been in decline – falling from 7,6% of the GDP in 1995 to 5,9% in 2011 (in parallel with the drop in PISA results, OECD 2014c).

Our interview results suggest that one key driver for innovation in the policy arena has been the situation on the youth labour market during the crisis. In fact the crisis had a significant impact in worsening an existing problem where youth unemployment was already part of the political agenda prior to 2007. Thus the policy making environment was characterised by many initiatives to ease the transition from school to work. As a result, although young unemployment is high (OECD 2014c), the problem of young people not in education,
employment or training (NEET) is somewhat less severe than elsewhere in the EU (Eurostat 2015).

Two symbolic measures have been introduced to address the crisis on the youth labour market. First, 150 000 jobs for youth in non-market sector have been created (“emplois d’avenir”) and secondly an initiative aiming to push companies to hire youngsters while retaining senior employees (“contrat de generation”). The latter aims to ease knowledge and competences transfer between generations. The data collected from our interviewees suggest that stakeholders are at best sceptical about the impact of these initiatives since they do not address the roots of the problem of youth unemployment and are likely to be expensive and inefficient.

A recent major development in France has been the increased role for measures centred on training and skills acquisition in the firm. The ‘Alternance-based training’ – with the Apprenticeships and Professionalisation Contract – has been the subject of widespread implementation and interest from policy-makers and national government. Along the same lines, schemes such as the ‘Training Accompaniment Contract’ (Contrat d’Accompagnement Formation – CAF) and the Integration Contract in Social Life (Contrat d’Insertion dans la Vie Sociale – CIVIS) have also grown in popularity. The latter were developed in order to aid disadvantaged young people and enable them to benefit from guidance and accompaniment and facilitate their access to employment.

The ‘dirigist approach of the state in France can create an ‘institutional stasis’ since the state being perceived as provider and supporter of social services- The bottom-up approach, characterised by the abstention of the state from direct intervention, is less evident. However, there are some examples of the territorial level acquiring a more important role insofar as local levels have a more direct understanding of the situation within a specific area. In the so-called ZUS (Zone Urbaine Sensible) or within the “territoires à forte concentration de difficultés sociales”, specific measures are adopted. For example le CUCS (Contrat Urbain de Cohésion Sociale) is a measure that was originally implemented from the initiative of the national or city level but that is being increasingly managed at the ‘intercommunalités’ level.

We identify a number of triggers for policy innovation and change. For example the response to structural problems in youth unemployment exacerbated by the crisis was identified by interviewees. In addition, the challenges created by the elite nature of the “grand ecole” system have led to initiatives to open up access to groups of society who are underrepresented. These initiatives reflect a wider consideration on the chances for young people in an elitist education system. The role and the extent of economic crisis is also an enabler for policy transfer as the government adopts policy as a response to a worrisome situation related to helping young people. A theme emerging from the interviews was also the role of specific social tensions as a further facilitator to policy innovation. An example is given by the 2005 French crisis in the suburbs, which created tensions within some French urban areas. This was an important trigger for action for measures directly targeting the specificity of the French urban situation including measures targeted young people from underprivileged areas and included education, transport and employment measures.

The French policy environment is also shaped by European-level influences. The introduction of the ‘Youth Guarantee’ has accelerated measures aimed at tackling youth unemployment, ensuring that all young people under 25 would get a good-quality offer (EC 2014). Indeed France was the first member state to benefit from its part of the €6 billion from the EU to help fight youth unemployment in the worse hit regions (Euractiv 2015). In the
2013, country-specific recommendations (CSRs) for economic and structural reform policies for France, the Commission encouraged the state to implement Youth Guarantees. A large-scale programme for the improvement, development and modernisation of apprenticeship implementing policies for quality assurance of traineeships/internships has also been adopted (EC. 2012).

A further example of European-based innovation implemented in France is the Ecole de La Deuxième Chance (E2C). This innovation targets young people with no qualifications and weak chances of insertion on the labour market. This school for a “Second Chance” pilot project was launched in 1997 by the European Commission and since then found fertile ground in France, particularly in recent years. The E2C is funded by the regional councils and from 2009, the State took on part of the finances of such schools as part of the Plan Espoir Banlieues, launched in 2008, and that promoted the dissemination of the initiative. The E2C has been successful in France and received nearly 14,000 young people in 2013, with successful growth each year.

When considering external triggers it is also important to note that many observers in France have long been fascinated by the German vocational training system (for example Géhin and Méhaut, 1995; Cahuc et al., 2013).

However France is also a pioneer in some policy areas – for example in relation to interns – that may act as inspiration elsewhere in the EU. For example a new law aims to increase the juridical penalties for companies, with the idea of reinforcing inspection for in order to increase protection for young people (i.e. payment and travel expenses). In July 2011 the French government introduced, a law (Loi Cherpion) aimed at reinforcing existing regulations and safeguarding trainees from abuse. In this sense France remains both a recipient and innovator of policy for the EU.
7 Bibliography


CEREQ. (2012). Quand l’école est finie... Premiers pas dans la vie active d’une génération, enquête 2010.


Employment, Social Affairs and Inclusion.


OECD. (2014c). Effective local strategies to boost quality job creation, employment, and participation. Report prepared for the G20 Labour and Employment Ministerial Meeting Melbourne, Australia, 10-11 September

Plan National de mise en Œuvre de la Garantie Européenne pour la Jeunesse. (2013). Response des Autorités Françaises


legislation for the worse? ETUI


## Appendix 1: Policies/Programmes aimed at Young People and not in France

<table>
<thead>
<tr>
<th>Name of Programme/initiatives</th>
<th>Target group</th>
<th>Sector</th>
<th>Legal status</th>
<th>Timetable of implementation</th>
<th>Brief description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternance-based training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Apprenticeships</td>
<td>Young people</td>
<td>Training</td>
<td>Established with the Act n° 71-576 of 16 July 1971 – Ongoing</td>
<td></td>
<td>Apprenticeships are based on alternating periods of on-the-job-placements (usually within a company) and part-time education in a public training centre.</td>
</tr>
<tr>
<td>2. Professionnalisation Contract</td>
<td>Young people between the ages of 16 and 25 inclusive, and job seekers aged 26 years and over</td>
<td>Employment Contract</td>
<td>The Professionalization Contract was created by the Law of 4 May 2004 on Vocational Training. It replaced Qualification Contracts, Adaptation Contracts and Orientation Contracts - Ongoing</td>
<td>The Professionalization contract has the objective to allow young people under the age of 26 and without professional qualification, or those who wish to complete their training at any level, including job-seekers aged 26 years and over to obtain a Vocational Qualification Certificate, a title or a qualification referenced by the collective agreement (European Commission 2012, p. 429). The duration of the training must represent at least 15% of the duration of the professionalization action in the contract.</td>
<td></td>
</tr>
<tr>
<td>Le contrat initiative emploi (CIE)</td>
<td>Young people and not</td>
<td>Market-sector</td>
<td>Employment Contract</td>
<td>Established in 2005 - Ongoing</td>
<td>The CEI is a market-sector employment contract the purpose of which is to encourage the recruitment of persons in difficulty on the employment market by reducing the cost of labour</td>
</tr>
<tr>
<td>Youth-in-Business Contract (CJE)</td>
<td>Young People between 16-25</td>
<td>Market-sector</td>
<td>Employment Contract</td>
<td>Established in 2002 - Ongoing</td>
<td>It aims to promote the recruitment of young people who are at risk of long-term unemployment into open-ended contracts, by payment of a fixed-rate aid to the employer by the State (Insee, 2014)</td>
</tr>
</tbody>
</table>
### The Future Contract

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Sector</th>
<th>Contract Type</th>
<th>Duration</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Young people and individuals living on minimum social benefits</td>
<td>The Future Contract replaced the Employment Solidarity Contract from 1st May 2005 - Ongoing</td>
<td>Non-market sector</td>
<td>Employment Contract</td>
<td>This contract is for employers in the non-market sector. The Future Contract is signed for a 2-year term. It may be renewed for up to 12 months, making a maximum term of 36 months</td>
<td></td>
</tr>
</tbody>
</table>

### Le contrat d’accompagnement dans l’emploi (CUI-CAE)

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Sector</th>
<th>Contract Type</th>
<th>Duration</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Young people and not market sector</td>
<td>As of 1st January 2010, the Employment Support Contract has been replaced by the Single Integration Contract for the Non-Market Sector (CUI-CAE).</td>
<td>Employment Contract</td>
<td>The Employment Support Contract (CAE) is a fixed-term employment contract intended to facilitate the professional integration of unemployed persons encountering particular social and professional difficulties in finding employment (INSEE, 2014) Employers eligible of subsidy must be in the non-profit sector. Employers are entitled of various kinds of aid: exemption from employer social contributions on pay up to the minimum wage, wage support allowances fixed as a percentage of the minimum wage</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### The integration contract in social life (CIVIS)

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Sector</th>
<th>Contract Type</th>
<th>Duration</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Young People between 16-25</td>
<td>Introduced in 2005 - Ongoing</td>
<td>Non-market sector</td>
<td>Employment support</td>
<td>Young individuals without qualifications benefit from a personalised support, accompaniment and guidance by an adviser from the local mission's service which continues for a year after the young person secures employment (European Commission, 2012). The contract is signed with one of the local careers guidance and information agencies or offices (PAIO). It is valid for a renewable one-year term (INSEE, 2014)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’ elaboration
8 Recent titles in this series

Available at: http://www.style-research.eu/publications/working-papers/

WP3 POLICY PERFORMANCE

Key Indicators and Drivers of Youth Unemployment
Hadjivassiliou, Kirchner Sala and Speckesser (2015)
STYLE Working Paper WP3.1

The Effectiveness of Policies to combat Youth Unemployment
Gonzalez Carreras, Kirchner Sala and Speckesser (2015)
STYLE Working papers, WP 3.2 The effectiveness of policies to combat youth unemployment

Policy Performance and Evaluation: Qualitative Country Case Studies
Eichhorst, Hadjivassiliou and Wozny (eds.)(2015)
STYLE Working Papers, WP3.3

Country Reports

Policy Performance and Evaluation: Germany
Eichhorst, Wozny and Cox (2015)
STYLE Working Paper WP3.3 Performance Germany

Policy Performance and Evaluation: Estonia
Eamets and Humal (2015)
STYLE Working Paper WP3.3 Performance Estonia

Policy Performance and Evaluation: Spain
STYLE Working Paper WP3.3 Performance Spain

Policy Performance and Evaluation: Netherlands
Bekker, van de Meer, Muffels and Wilthagen (2015)
STYLE Working Paper WP3.3 Performance Netherlands

Policy Performance and Evaluation: Poland
Ślezak and Szopa (2015)
STYLE Working Paper WP3.3 Performance Poland
Policy Performance and Evaluation: Sweden
Wadensjö (2015)
STYLE Working Paper WP3.3 Performance Sweden

Policy Performance and Evaluation: Turkey
Gökşen, Yüzseker, Kuz and Öker (2015)
STYLE Working Paper WP3.3 Performance Turkey

Policy Performance and Evaluation: United Kingdom
Hadjivassiliou, Tassinari, Speckesser, Swift and Bertram (2015)
STYLE Working Paper WP3.3 Performance UK

WP4 POLICY TRANSFER
Barriers to and triggers of innovation and knowledge transfer
Petmesidou and González-Menéndez (eds.)(2015)
STYLE Working Papers, WP4.1

Country Reports

Barriers to and triggers for innovation and knowledge transfer in Belgium
Martellucci and Marconi (2015)
STYLE-D4.1 Country Report Belgium

Barriers to and triggers of policy innovation and knowledge transfer in Denmark
Carstensen and Ibsen (2015)
STYLE Working Paper WP4.1 Denmark

Barriers to and triggers for innovation and knowledge transfer in Spain
STYLE-D4.1 Country Report Spain

Barriers to and triggers for innovation and knowledge transfer in France
Smith (2015)
STYLE Working Paper WP4.1/FR

Barriers to and triggers for innovation and knowledge transfer in Greece
Petmesidou and Polyzoidis (2015)
STYLE-D4.1 Country Report Greece

Barriers to and triggers for innovation and knowledge transfer in the Netherlands
Bekker, van der Meer and Muffels (2015)
STYLE-D4.1 Country Report Netherlands
Barriers to and triggers of policy innovation and knowledge transfer in Slovakia
Veselkova (2015)
STYLE-D4.1 Country Report Slovakia

Barriers to and Triggers for Innovation and Knowledge Transfer in Turkey
Gökşen, Yükseker, Kuz and Öker (2015)
STYLE-D4.1 Country Report Turkey

Barriers to and Triggers for Innovation and Knowledge Transfer in the UK
Hadjivassiliou, Tassinari and Swift (2015)
STYLE-D4.1 Country Report UK

WP5 MISMATCH: SKILLS AND EDUCATION
A Comparative Time Series Analysis of Overeducation in Europe: Is there a common policy approach?
McGuinness, Bergin and Whelan (2015)
STYLE Working Paper WP5.1

Are student workers crowding out low-skilled youth?
Beblavý, Fabo, Mýtna Kureková, and Žilinčíková (2015)
STYLE Working papers, WP5.3 Are student workers crowding out the low skilled youth

Recruitment Methods & Educational Provision effects on Graduate Over-Education and Over-Skilling
McGuinness, Bergin and Whelan (2015)
STYLE Working Papers, WP 5.4 Report Recruitment Methods

WP6 MISMATCH: MIGRATION
Re-emerging migration patterns: structures and policy lessons.
Akgüç and Beblavý (2015)
STYLE Working Papers, WP6.3

WP7 SELF-EMPLOYMENT AND BUSINESS START UPS
Business Start-Ups and Youth Self-Employment: A Policy Literature Overview
Sheehan and McNamara (2015)
D7.1 Business Start-Ups Youth Self-Employment Policy Literature Review
Country Reports
Barriers to and triggers of policy innovation and knowledge transfer in France

Business Start-Ups and Youth Self-Employment in Germany
Ortlieb and Weiss (2015)

STYLE Working Paper WP7.1 Germany

Business Start-Ups and Youth Self-Employment in Estonia
Masso and Paes (2015)

STYLE Working Paper WP7.1 Estonia

Business Start-Ups and Youth Self-Employment in Spain
González Menéndez and Cueto (2015)

STYLE Working Paper WP7.1 Spain

Business Start-Ups and Youth Self-Employment in Ireland
Sheehan and McNamara (2015)

STYLE Working Paper WP7.1 Ireland

Business Start-Ups and Youth Self-Employment in Poland
Pocztowski, Buchelt and Pauli (2015)

STYLE Working Paper WP7.1 Poland

Business Start-Ups and Youth Self-Employment in the UK
Hinks, Fohrbeck and Meager (2015)

STYLE Working Paper WP7.1 UK

Mapping patterns of self-employment
(forthcoming)(2015)

STYLE Working Papers, WP7.2

WP8 FAMILY DRIVERS

Work-poor and work-rich families: Influence on youth labour market outcomes
Berloffa, Filandri, Matteazzi, Nazio, O’Reilly, Villa and Zuccotti (2015)

STYLE-Working-Paper-WP8_1

Leaving and returning to the parental home during the economic crisis
(forthcoming) (2015)

STYLE Working Papers, WP8.3

WP9 ATTITUDES AND VALUES

Value system shared by young generations towards work and family
Hajdu and Sik (2015)

STYLE Working Papers, WP9.1 (forthcoming)
The impact of youth unemployment on social capital  
(forthcoming) (2015)  
STYLE Working Papers, WP9.2

Aspirations of vulnerable young people in foster care  
Hart, Stubbs, Plexousakis, Georgiadi and Kourkoutas (2015)  
STYLE Working Paper, WP9.3 Aspirations of vulnerable youth in foster care

---

WP 10 FLEXICURITY  
Mapping Flexicurity Performance in the Face of the Crisis: Key Indicators and Drivers of Youth Unemployment  
Eamets, Beblavý, Bheemaiah, Finn, Humal, Leschke, Maselli and Smith (2015)  
STYLE Working Papers, WP10.1 Mapping flexibility and security performance in the face of the crisis

Youth School-To-Work Transitions: from Entry Jobs to Career Employment  
Berloffa, Matteazzi, Mazzolini, Sandor and Villa (2015)  
STYLE Working Papers, WP10.2 (forthcoming)

Flexicurity and Subjective Insecurity  
(forthcoming) (2015)  
STYLE Working Papers, WP10.3
## 9 Research Partners

1. University of Brighton – BBS CROME – United Kingdom
2. Institute for Employment Studies – United Kingdom
3. Institute for the Study of Labor – Germany
4. Centre for European Policy Studies – Belgium
5. TARKI Social Research Institute – Hungary
6. University of Trento – Italy
7. National University of Ireland Galway – Republic of Ireland
8. Democritus University of Thrace – Greece
9. University of Oxford – United Kingdom
10. Economic & Social Research Institute – Republic of Ireland
11. University of Salerno – Italy
12. University of Oviedo – Spain
13. University of Tartu – Estonia
14. Cracow University of Economics – Poland
15. Slovak Governance Institute – Slovakia
16. Metropolitan University Prague – Czech Republic
17. Grenoble School of Management – France
18. University of Tilburg – Netherlands
19. University of Graz – Austria
20. Copenhagen Business School – Denmark
22. Swedish Institute for Social Research – Sweden
23. Koç University Social Policy Centre – Turkey
24. University of Turin – Italy
25. EurActiv – Belgium

[http://www.style-research.eu/research-organisations](http://www.style-research.eu/research-organisations)
10 Advisory Groups

**Consortium Advisory Network**

Business Europe  
[www.businesseurope.eu](http://www.businesseurope.eu)

ETUI: European Trade Union Institute  
[www.etui.org](http://www.etui.org)

European Youth Forum  
[www.youthforum.org](http://www.youthforum.org)

European Foundation for the Improvement of Living and Working Conditions  
[www.eurofound.europa.eu](http://www.eurofound.europa.eu)

ILO: International Labour Office  
[www.ilo.org](http://www.ilo.org)

OECD: Organisation for Economic Cooperation and Development  
[www.oecd.org](http://www.oecd.org)

OSE: Observatoire Sociale Européen  
[www.ose.be](http://www.ose.be)

SOLIDAR: European network of NGOs working to advance social justice in Europe  
[www.solidar.org](http://www.solidar.org)

EurActiv  
[www.euractiv.com](http://www.euractiv.com)

European Commission, DG Employment, Social Affairs & Inclusion  

**Local Advisory Boards**

including employers, unions, policy makers and non-government organisations  