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Patterns of change in youth unemployment regimes: France and Switzerland compared

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The comparison between France and Switzerland enables us to compare a country that has a strong interventionist tradition in the labour market and whose youth unemployment is endemically high with a more liberal country that is faced with a more recent increase in youth unemployment but which, nevertheless, remains relatively measured. Starting from different rules and values, the two youth unemployment systems resemble each other insofar as both exclude most unemployed youth from all available benefits. From this angle, French egalitarianism rejoins Swiss differentialism. In both cases, it is not the least of paradoxes that the system of unemployment insurance so little benefits those who are most vulnerable to the economic crisis and the present dearth of jobs.

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For a long time, Switzerland experienced a situation of almost full employment, even though its European neighbours – among them France – were hit by mass unemployment, especially among the young. This was not because the country's economy had escaped the recession and the job losses, but rather simply because job offers adapted themselves almost mechanically to job demands, with foreigners and women, together, playing the role of a labour market buffer (Bonoli & Mach, 2001). This is where there is a fundamental difference between the two countries. Foreigners regularly employed in France benefit globally from the same workplace protection as nationals, as membership in the EU forbids all forms of discrimination against a national of a member state. In this context, until 1982, Switzerland was satisfied with compulsory unemployment insurance implemented at the local level and which favoured so-called passive policies (Giraud, 2007).

In the mid-1990s, when unemployment approached and even exceeded 5 per cent, the federal government decided to establish activation policies. These measures aim to strengthen the support given to, and employability of, the unemployed, but also to check up on and, if need be, punish behaviours considered unsuitable, fraudulent even, such that assistance should be provided for as short a period as possible and represent not a handout but a real launching pad towards the labour market. Young people make up the main target of these systems. From 2003, unemployment among the 15- to 24-year-olds has, in fact, progressed sharply, varying

subsequently between 5.5 and 8.3 per cent of the active population and showing a marked increase since the financial crisis of 2008. Although these figures have remained comparatively low, they nevertheless have caused concern among the heads of Swiss public services departments and have justified a number of recent reforms aimed at improving the availability of training and restricting the conditions of compensation for jobless youth as a means of speeding up their entry into the labour market.

By the yardstick of its neighbour, the French situation is much more worrying because youth unemployment is much higher and also of long-standing. For more than 30 years now, its level has remained at around 16–25 per cent of the active population, which is more or less double the national average. These numbers are all the more worrying as France is one of the OECD countries that devote the most efforts and means to the struggle against youth unemployment. From 1970 to 1990, 'the program of assistance towards employment in favour of the young never stopped diversifying and above all increasing: expenditure on active employment policy increased six-fold in twenty years' (Bruno & Cazes, 1997, p. 76). In 2000, it was estimated that public expenditure on employment of those under 25 represented 0.14 per cent of the gross domestic product, way beyond that spent in other developed countries [Institut français pour la recherche sur les administrations et les politiques publiques (French Institute for Research on Administrations and Public Policies), 2001].

More broadly still, the question of the unemployment of young people in France and Switzerland is part of the framework of the two national labour markets, each with its contrasting rationale. Switzerland is based, in fact, on a liberal and decentralised system of wage negotiations, whereas France relies on the state, whose Labour Code is broadly expressed as the protection of wage earners. For example, in Switzerland, there is no statutory minimum wage, as opposed to France, which does not prevent wages from being overall higher in the first case than in the second. The gap is thus, on average, 30 per cent in the private sector (given equivalences of age, sex, activity, occupational category and size of undertaking), taking into account different price levels between the countries (National Institute of Statistics and Economics Studies – Rhône-Alpes, 2004). Moreover, Swiss labour law is significantly more flexible than French labour law. By way of illustration, redundancy in Switzerland is less supervised and restrictive. This flexibility fosters mobility in and outside the labour market – which in itself increases the chances of those without jobs to get one – but it is not accompanied by great uncertainty, as is often the case in economic systems that are little regulated. Finally, regarding unemployment benefits, the two countries are, from a European perspective, among the most generous, especially as regards the amount of benefit awarded (Schwab & Weber, 2010).

The comparison between France and Switzerland thus enables us to compare, on the one hand, a country with a strong interventionist tradition in the labour market and whose youth unemployment is endemically high with, on the other hand, a more liberal country that is faced with a more recent increase in youth unemployment but which remains, nevertheless, relatively measured. If, in both countries, the general system of benefits is rather high, for the under-25s the system is designed to be extremely restrictive and excludes, in fact, a large number of them from unemployment insurance. Moreover, the duties imposed on indemnified jobseekers are growing and limit more and more drastically the opportunity to choose – that is, the possibility to refuse – a job. Switzerland stands out in this respect in that it sets up a number of obligations for those under 30 years of age. This tendency is observable in both countries, but the conditions of its enforcement and, more widely, the rules of supervision in regard to the unemployed, whatever their age, are implemented with a great deal more severity in Switzerland than in France, thus marking a significant difference between the two unemployment regimes. Moreover, young people in the labour market in Switzerland experience more difficulty in finding a stable job than the rest of the population, but to a much lesser degree than in France. As regards the statutory minimum wage, it has been available in France for those under 25 only since

September 2010 and, in practice, benefits only a tiny minority of the young jobless, whereas Switzerland is more permissive in this respect, in that it sets no age conditions for qualification. Both systems demonstrate, however, the same fear that young people will succumb to handouts and, therefore, rely upon financial support that remains well below earnings obtained from working.

Conditions of access to unemployment insurance, or how to exclude a majority of young people from all compensation

With respect to the overall system, the required contributory period for entitlement to unemployment insurance benefits is, today, 4 months in France and 12 months in Switzerland, except for persons who have not been in a position to contribute because they were in training, on maternity leave, absent for long-term illness or living abroad and who are, therefore, exempt. As for the maximum period of benefit, it is 24 months for the unemployed in France but only 18 months in Switzerland. The amount of benefit is higher in Switzerland, fluctuating between 70 and 80 per cent of gross pay, compared with 57–75 per cent in France. It should also be noted that the level of benefits in Switzerland is more favourable to persons with low earnings – many of whom are young people – and, in this sense, is more egalitarian (Schwab & Weber, 2010). Depending on the criteria chosen, each country can regard its system as being more generous than the other's.

From the outset, two essential elements allow for the characterisation of the two (youth) unemployment regimes. On the one hand, the French scheme is indistinguishable overall (except for provisions regarding the older and/or handicapped unemployed) in the sense that it does not envisage specific benefit terms for young people, which distinguishes it fundamentally from its Swiss counterpart.¹ One can no doubt find in this situation evidence of the French conception of the Nation – in which the welfare state is one of the main figures – whereby it is between individuals themselves that unity and equality is to be enhanced, independently

¹ This is why, in the case of France, it makes more sense to speak of 'unemployment regimes for youth'. In this country, there are no youth unemployment regimes as the benefit system, in principle, makes no distinction based on age. Thus, while there is something that can be called a youth unemployment regime in Switzerland in that young people (under 30 or under 25) are subject to derogatory measures, this does not occur in France. Although different in their conception, French egalitarianism and Swiss differentialism have similar effects in the sense that they protect only a minority of the unemployed youth.

of any particularistic affiliation, whether it be ethnic, gender, age etc.). The paradox is that France multiplied assistance to promote the entrance of young people into the labour market while maintaining a common benefits system that guaranteed them the same rights as other jobseekers.

On the other hand, starting from different conditions, both countries, in practice, exclude a majority of the young unemployed from all benefits. In fact, a large number of the jobless do not register as unemployed, either because they are unaware of their rights or they know that they cannot claim unemployment benefits (Warin, 2011). Moreover, even when registered, persons under 25 years of age have more difficulty accessing unemployment insurance than the rest of the active population, either because they have not been able to pursue an occupation long enough prior to their first period of unemployment or because they have been involved in activities that do not confer any rights (such as unpaid internships). In the end, hardly more than only 40 per cent of the registered unemployed who are under 25 receive unemployment benefit in France (Tuchszirer, 2008, p. 106; Zemmour, 2009–2010, p. 212), against about 30 per cent in Switzerland (Pellegrini, 2010, p. 23).² This result is evidently crucial and highlights that, in the two countries, the benefit rules are highly unfavourable to the young, whereas the latter make up in France, as they do in Switzerland, one of the groups the most affected by unemployment.

Although both unemployment regimes compensate only a minority of the young unemployed, they follow a contrasting line of development. In fact, until 2008, the minimum contributory period in France was 6 months, and was then lowered for everyone in 2009, whereas the young unemployed in Switzerland were subject to a series of exemption measures, most of which were implemented recently and which, laid end to end, drastically restrict their right to unemployment benefit as well as the length of the payment period. These steps were taken in response to the rise in youth unemployment and go back largely to the intent of the law of 1982, which foresaw a maximum of 4 months' unemployment benefit for young people leaving schooling or vocational training and who had not, therefore, contributed. This made Switzerland, at that time, the only European country in which young people at the end of their compulsory schooling and those who had obtained a leaving diploma were eligible for benefits and received compensation. In 1995, the total duration for such benefits was even set at 18 months for all

unemployed, which signified considerable progress for the young.

Switzerland has been moving in the opposite direction for more than 10 years in an attempt to limit benefits for the young unemployed, steering the latter either towards vocational qualifications or directly towards the world of work. With this approach, the maximum period of benefit was revised downwards several times. Set at 12 months in 1999 for the unemployed under 25 years of age (without family responsibilities), the reform of 2010, in effect from 1 April 2011, entails a new reduction in this period, which is capped at 9 months as against the current 18 months for those unemployed who are between 25 and 55 years of age and 25 months for those who are older than 55. The same text reduces to 4 months the benefit period for people who have been unable to contribute, particularly for reasons of studying or for maternity, which quite clearly involves primarily young people.

More recently even, the Swiss approved a revision of unemployment benefits with the referendum of 26 September 2011. The basic principle of the new law is to align the length of the compensation period to that of the period of contributions. Thus, from now on one has to have contributed for 18 months to qualify for 18 months of unemployment benefit provision. This arrangement is to affect mainly all those who have entered the labour market only a short while ago or who have part-time jobs, many of whom are relatively young people.

At the same time – the waiting period, that is, the interval between registering as unemployed and the payment of an allowance, has been considerably lengthened. Depending on their income, persons younger than 25 have to wait a minimum of 10–20 days instead of the five previously allowed. Above all, the young (without dependent children) who do not find work after finishing their schooling or their training – at whatever level that may be – henceforth have a waiting time of 6 months. This measure radically reverses the provisions of the law of 1982 and risks worsening the insecurity of students, as 28 per cent of them are still without qualified work 20 months after graduating (Federal Statistical Office, 2008).

During this 6-month period, young persons may follow a specific training activity, which reflects well the commitment of the Swiss public authorities to induce them, especially those who are less qualified, to get trained. While benefit conditions have become less promising for the young unemployed, Switzerland continues in fact to amplify its training provisions for the young. All international comparisons emphasise as well the efficiency of Switzerland's dual system of vocational training – comprising schooling and workplace training – and its apprenticeship system which is based on close cooperation between private undertakings,

² It is important to emphasise that these data were collected before the unemployment insurance reform of 2011, which was again to further reduce the number of young unemployed on benefits.

schools and public authorities (Hoeckel, Field, & Grubb, 2009). In this respect, it is significant that the main measure aimed at the young unemployed is called the motivation semester, thereby emphasising the decisive importance of the young people's attitude towards finding employment and suggesting that it is not what it should be. This system, designed particularly for persons who are unemployed after completing their compulsory schooling or whose apprenticeship was interrupted, offers them assistance over a period of 6 months to help them choose the best training path (Swiss Labour Assistance, 2010).³ Participants benefit from personal coaches who help them set up individual action plans and follow their progress through repeated counselling and mentoring sessions.

Faced with ever-increasing unemployment and in an effort to combat youth unemployment, Switzerland has passed a series of measures whereby the fewest possible young unemployed receive compensation. The focus of these measures is primarily on improving the efficiency of its training system, particularly on its opening to the world of enterprise. More or less expressly, these arrangements seek to empower the jobseekers – first and foremost young people – and therefore highlight the question of their behaviour. France maintains a much more global approach and has not implemented benefit payment measures aimed specifically at the under-25s, despite a level of unemployment that is three times higher than Switzerland's for this age category. One can postulate that the scale and length of unemployment among young people hardly justifies the emphasis put on individual behaviour. So far, the French benefit system is hardly more open towards the young unemployed than is the Swiss system and, in fact, excludes them more than it protects them.

'Reasonable' or 'suitable' job offers: Emphasising the obligations of the unemployed

In both countries, the tendency of the public authorities has been to harden the obligations of the unemployed, whatever their age. Thus, in France, since the law enacted on 1 August 2008, jobseekers commit themselves to not refusing more than two 'reasonable' job offers. By 'reasonable' is meant that the pay proposed for the job must match at least 95 per cent of the person's previous pay if that person has been unemployed for 3 months, at least 85 per cent after 6 months unemployment and at least the amount of the allowance receivable after a year of unemployment. Beyond that, the unemployed person is obliged to accept any paid job 'at the level of income maintenance' contributed by *Pôle emploi*, or by social security benefits, if they pass

the time limit for eligibility. Geographically speaking, the job offer is valid if the workplace is up to 30 km from home or a 1-hour return journey via public transport. The refusal of two 'reasonable' job offers entails the provisional suspension of the benefit for 2 months. It should be noted that, in France, the concept of a 'reasonable' job depends on the qualifications and vocational skills of the individual, such as those mentioned in their personal application for a job. Too strict for some, not enough for others, the effort directed at fighting 'voluntary unemployment' has unquestionably intensified in recent years.

Although the constraints imposed on French unemployed people in search of employment have become more strict, they remain, as a whole, substantially less so than those imposed on the Swiss unemployed, particularly on the young. In Switzerland, the young unemployed are expected to immediately accept all work designated as 'suitable', including, therefore, a first offer. As in France, the law identifies a number of features answering to this concept, but in a way that is distinctly more restrictive. Thus, the job in question should not entail more than a 4-hour round-trip journey by public transport there and back. If this rule is transposed to the size of the country – 15 times smaller than France – one realises that the concept, eminently subjective, of 'suitable' mobility is very much wider, and therefore a more stringent constraint, for the unemployed in Switzerland. Moreover, the earnings proposed are not to be less than 70 per cent of the unemployed person's last pay. Here, too, this requirement is more disadvantageous for the unemployed in Switzerland than in France.

Above all, in 2011, Switzerland introduced an exemption measure, applicable only to unemployed persons under 30 years of age, which compels them to accept a job offer even if it does not take into account the individual's previous training or the position held. The very existence of this mechanism, still too recent to measure its effectiveness, nevertheless introduces a break between the two countries: so far, in fact, no measure in France obliges unemployed persons (young or not) to accept a job offer if it is not related to their previous training.

Checks on jobseekers, between rhetoric and effective sanctions

The level of constraints and obligations that the public authorities bring to bear on the unemployed in the latter's path towards finding a job goes back to the question of control and sanctions. From this perspective, the situations in France and Switzerland reflect differences in their way of operating and in basic values. Apart from obvious cases of fraud, France has always abstained from massively penalising the unemployed.

³ On 12 April 2011, Swiss Labour Assistance, was renamed Solidar Suisse.

For more than 30 years, unemployment in France has been a mass phenomenon and, as such, is considered to be primarily a macroeconomic problem rather than the fault of the individual. As a consequence, jobseekers in France were, for a long time, hardly ever monitored, let alone penalised.

Conversely, ever since its inception, the Swiss unemployment insurance system has included a strong punitive element that is clearly taken for granted. The sanctions imposed on the unemployed in Switzerland are much more frequent than in France. The longevity of this feature shows clearly to what extent it is part of the unemployment insurance system. Thus, in 1996, almost one unemployed person out of two was penalised, either before the start of the benefit period (particularly in cases of unemployment regarded as voluntary) or during the benefit period (in cases of refusal of a job or insufficient proof of job searching) (Grubb, 2000, p. 183). Not only are the penalties numerous, they are also heavy. In 2000, the OECD classified Switzerland second with respect to the severity of punishments inflicted on the unemployed during the benefit period (Duell & Tergeist, 2009; see also Moachon, 2007). More recently, the OECD, in a report to the Swiss authorities, gave good marks for the emphasis that the country puts on penalising the unemployed for not being sufficiently active in looking for employment (Duell & Tergeist, 2009).

Over time, checking methods have become more sophisticated and, above all, more intrusive, no longer just tracking violations or objective faults, but also individual conduct that is considered unacceptable.⁴ So, since 2003, penalties can be applied for 'all conduct compromising or preventing the progress or the achievement of a suitable job or an active measure' (Moachon, 2007, p. 19). This trend reflects one of the counterparts of activation measures implemented by Switzerland, which encourage the follow-up and training of jobseekers, but which at the same time amplify the possibilities for checking up on and evaluating the degree of motivation of those seeking employment. If the law sets the relatively precise outlines of the rights and duties of the unemployed, it also leaves room for interpretation, which can lead to a partially psychologising reading of the approach adopted by the individual jobseeker. To characterise the latter, the presence in the legal texts of expressions such as 'undertake all that may be *reasonably* required of him' or '*subjective* intention of getting placed' (State Secretariat for Economic Affairs, 2007, p. 117, 158) reflects and

legitimises the importance of the growing discretionary power of the administration officials.

In France, the coercive system directed against the unemployed is less heavy and, above all, not so often implemented (Cour des comptes, 2010). The issue is sensitive, however, and regularly the subject of controversy due to the lack of availability of reliable data – which is easily accessible in Switzerland – for measuring the phenomenon with any accuracy. The most recent studies, nevertheless, highlight a significant increase in the number of penalties inflicted on the unemployed, which tripled between 2005 and 2006, that is, from 7,200 to 24,800 (Robequain, 2007, p. 6). It should still be noted that before the setting up of *Pôle emploi*, these statistics took into account only those cases reported by the association for employment in industry (ASSEDIC).⁵ Today, it is equally possible for the prefects or the employment agency (ANPE) to impose penalties; therefore, there were close to 41,700 unemployed who were the subject of penalties in 2007 (Robequain, 2007, p. 6). Although rising sharply, the proportion of the unemployed being penalised remains negligible and is said to involve 1–2 per cent of those receiving benefits. Moreover, this increase is not a sign of a massive increase in cases of fraud, but rather the effect of the reform to perform checks on the unemployed that was adopted on 2 August 2005. From that date, in fact, it is possible to abolish only a part of the benefits. The law henceforth provides three levels of penalty, ranging from a 20–50 per cent reduction in benefits to a permanent removal from the jobseekers' list. Previously, it was possible to levy a penalty for cases of blame, but in practice, penalties were rarely implemented as they entailed the total removal of benefits. The employment services were reluctant to enforce such a radical measure. Estimates thus put the number of unemployed benefit recipients who were penalised in 2004 at 0.1 per cent (Cahuc & Kramarz, 2004, p. 62). Finally, it should be noted that since 2011, there has been a sharp rise in the number of administrative removals (by 25% between June and July of that year), which can in most part be explained by the 'dematerialisation of the post' of *Pôle emploi*. Today, the unemployed are typically informed via e-mail about a forthcoming job meeting. However, because many of the unemployed do not have their own computers or have access to the Internet through family, friends, cybercafés and so forth, they never receive the information, let alone the reminder or the final warning, before being struck off the jobseeker list (they have 15 days to justify themselves and the chance to get the penalty lifted).

⁴ Up until 1995, the unemployed had simply to obtain a document that was stamped once a week at the employment agency. Since then, this requirement has been replaced by a follow-up, advice interviews and compulsory checks.

⁵ In December 2008, the merger of the National Employment Agency (ANPE) and the Association for Employment in Industry and Commerce (ASSEDIC) gave birth to *Pôle emploi*.

To sum up, although a shift is taking place, France is still cautious about implementing penalties aimed at the unemployed. The trend towards penalties is in no way comparable to that in Switzerland: 1–2 per cent in France, and 30–50 per cent in Switzerland. Today, the difference does not lie as much in the provisions as in the level of enforcement and acceptance of coercive measures. Switzerland regards checking up on and, if appropriate, penalising the unemployed as legitimate measures. In a country that subscribes to the rationale of activation measures, the existence of a relatively generous system of unemployment benefits is thought to justify measures to ensure that the unemployed do not abuse the system. Compared with France, this view is made easier by the fact that unemployment is still a limited phenomenon and, therefore, can more easily be attributed, at least in part, to the individual's own shortcomings. In France, the magnitude and permanence of unemployment emphasises its structural character and calls for further action on job offers and the adequacy of supply and demand, but by the same token, it also relegates the question of the responsibility of the unemployed to the background. In this sense, it is striking to note that the administration itself hesitates to implement the measures that are officially in force.

Precariousness of employment

For young unemployed, the question of the conditions for transition to the labour market is evidently essential. Considering the insecurity of employment, the comparison is distinctly to the advantage of Switzerland, whose diverse, non-traditional forms of flexible work involve only 3.3 per cent of the active population (Marti & Walker, 2010, p. 55) against 11.7 per cent in France (National Institute of Statistics and Economic Studies, 2010). To this extent, young people between 15 and 24 years of age engage much more often in this type of work than other age groups do – and this to an increasingly significant degree – and the proportion of those carrying out work of a precarious nature has risen in recent years from 6 to 9 per cent (Marti & Walker, 2010, p. 56). Thankfully, this situation is generally transitory because not more than 12–17 per cent are still engaged in such work after a year (Marti & Walker, 2010, p. 58). These figures emphasise the permeability of the Swiss labour market, which enables the vast majority of young people to obtain a stable work situation quite quickly.

Even if the situation has tended to deteriorate over the last few years, it remains unquestionably better than in France, where the young hold precarious and low-quality jobs much more often than their elders. Nearly three-quarters of recruitment for young people under 25 years of age occurs in the form of contracts of

limited duration (CDD) or of employment support (Employment Policy Council, 2011, p. 16). For those younger than 30, one job in four is of the CDD type or employment support type, compared with 14 per cent for all employed persons in the public sector. Not only are young people much more economically insecure in France than in Switzerland, their insecure situation is much more long-lasting. Three years after the end of their studies, the proportion of young people employed under employment contracts of indeterminate duration (including those in the public service) is thus only 67 per cent. The succession over a relatively long period of precarious periods and of unemployment is, unfortunately, one of the features of the French labour market, which in fact tends to reserve stable employment positions to the most experienced people. While in Switzerland, the problem of insecurity among the young is, on the whole, rapidly eliminated, in France, many of the young enter the labour market via an insecure path that they sometimes succeed in escaping only after several years, which makes their employment situation very uncertain and sensitive to the vagaries of the general economic situation.

It is precisely in an attempt to combat unemployment among young people and ease their integration into the labour market that a number of reforms have been envisaged in France, in particular in 2007. Reserved for persons under 25 years old, the *contrat de premier emploi* (contract of first recruitment, CPE) aimed in this sense to introduce a 2-year period of 'consolidation' during which an employer could fire its young workers without advance notice and with benefits reduced to a minimum. The idea, advocated by the government and employer organisations, consisted of allowing insecure recruitment conditions for the young so as to speed up their entrance into the labour market and thus – paradoxically – over time, encourage their obtaining stable employment. In face of the extremely virulent reaction of the political opposition, trade union organisations and, above all, public opinion, the government withdrew the scheme for two main reasons. First, the idea that the battle against unemployment justifies diminishing the rights and protection of wage earners in the labour market is largely rejected in France. The country stands out in this respect and its liberal tradition remains faithful to a rationale that protects the insiders and relegates, by the same token, the outsiders. In the French tradition, the universality of social protection and rights (to work) as well as a form of republican equality are essential values to which the population remains committed (Barbier, 2006). Even in the name of the struggle against unemployment, France balks at adopting measures that diverge from common law and which would represent a backward social step for the groups involved, all the more so when it concerns young

people.⁶ In the labour market, such provisions remain rare, even if some young people between 17 and 18 can be reimbursed with a minimum deduction of 10 per cent of their pay and for those under 17 years old a deduction of 20 per cent.

The CPE episode exposes the fundamental differences between the two unemployment regimes. In France, protection at work is guaranteed by the state in the name of equality – including that between generations – even at the price of higher unemployment in the view of some liberals. The Swiss, on the other hand, more highly favour mobility within and outside the labour market, thus providing those without jobs a greater probability of finding one. This approach has led the country, by the same token, to set up discriminatory positions in the sense that they only involve specific groups. It is this rationale that is practised when foreigners lose their jobs, see their residence permits withdrawn and, consequently, are excluded from receiving unemployment benefits. It is the same thing when the young unemployed between 25 and 30 years old are subject to provisions that depart from the general system, restricting considerably their eligibility for benefits.

Social assistance or how not to help young people 'too much'

In both Switzerland and France, social assistance is provided regardless of nationality. In addition, however, in Switzerland, as opposed to France, there is no age limitation on social assistance. It can be disbursed to anyone who does not receive the minimum subsistence level, whether engaged in work or not. The measure benefits – wholly or partially – about 200,000 people, or 3.3 per cent of the population, of whom 31,600 are young people between 18 and 25 years old, or 4.5 per cent of this age category (Pellegrini, 2010). This proportion is growing and was only 3.9 per cent in 2004, an increase of more than 16 per cent in 2 years. It has moreover to be emphasised that 4.9 per cent of the population from 0 to 17 years of age (of whom the great majority are adolescents) receive this assistance, which clearly shows that poverty involves also, and above all, the very young. The under-25s receive this assistance on average for 17 months, or 9 months less than the overall average, which means that they get to leave financial assistance more rapidly than older age groups. A third among them thus achieves their financial

independence during the first year of receiving social assistance.

In the absence of federal framework legislation, social assistance is the responsibility of the cantons.⁷ It is compulsory but the amount varies, often widely, from one canton to another. On average, social assistance covers 70 per cent of the estimated needs of childless couples and 80 per cent of persons living alone.

The French system is unquestionably much less favourable to young people. Thus, the specific solidarity allowance, which is the main support provided by the state for the unemployed at the end of their statutory rights, is reserved for those wage earners who have worked for more than 5 years, which excludes *de facto* most of those who are under 25 years old. In force from 1989 to 2009, the *revenu minimum d'insertion* (minimum insertion income, RMI), which was the flagship measure of social assistance intended for those resident in France, was only open to adults over the age of 25 (except in cases of a dependent child or of maternity) and whose earnings were below a certain threshold. In that it did not stipulate any requirements concerning length of work, this scheme was the last resort of those jobless who had exhausted their right to unemployment benefit. As such, it represented the backbone of the policy of containment of social exclusion, even if it was also denounced as an unjust system on the grounds that it did not apply to the young, that is, one of the categories most severely affected by the lack of employment and by poverty.

The *revenu de solidarité active* (active solidarity income, RSA), which replaced the RMI in 2009, was likewise originally reserved for persons over 25 years of age. Allocated while earnings remain below a level of guaranteed resources, which varies according to family responsibilities, it is digressive as and when earnings increase but is not limited in duration. The RSA is not limited to financial assistance; it allows individuals to benefit from personalised support in drawing up their own work projects and advising them on which steps to take. Its establishment led to an increase in earnings among the most disadvantaged groups, who were now able to combine a small job with social assistance, but evidently not for the young as the scheme excluded them.

However, after much controversy, it was decided on 1 September 2010 to broaden the RSA to benefit the under-25s who had worked for 2 of the last 3 years. This

⁶ It is significant that in 2005 the *contrat nouvel embauche* (new recruitment contract), reserved for enterprises with fewer than 20 employees, and which already foresaw a trial period of 2 years during which the contract could be easily broken, raised some criticism, particularly because it did not apply specifically to young people.

⁷ It is interesting to note that most of the cantons have experience of a social assistance payment reimbursement clause that comes into effect in cases where the recipient has come into possession of a sizeable fortune (inheritance, lottery wins, etc.) or becomes comfortably well off. This provision is, of course, anecdotal, but it reveals the spirit of the Swiss system of social protection, which includes in this respect a strong moralistic dimension.

decision marked a breakthrough, however symbolic, in that France was until then the only EU country to impose age requirements on the disbursement of minimum earnings. Although 'Youth RSA' is more inclusive, in practice it is still very limited, even if the measure has only recently been implemented and not yet evaluated. In any case, France is still very far from having an adequate policy for the under-25s. The conditions are, in fact, quite stringent in that the disbursement of the allowance is still subject to a high number of working hours. The ultimate aim of the legislation is to induce young people to enter the labour market, particularly by permitting the combination of earnings from work with receipt of the RSA, as a supplement to low wages. The RSA was wary of creating an 'idleness trap' if it guaranteed a minimum earning level for all inactive young people.

The comparison between social assistance in France and Switzerland reveals several structural features. In both countries, the idea of 'work must pay' predominates. Thus, social assistance is much lower than the *salaire minimum interprofessionnel de croissance* (minimum interprofessional growth wage) in the case of France and minimum earnings offered in the case of Switzerland. If it is difficult to say which of the two systems is the most generous – to do so, the analysis has to include many other services (accommodation, health insurance, etc.) that can be payable or free of charge depending on the country, as well as the cost of living – it is unquestionable that the Swiss scheme is much more protective of young people. Several recent measures have opened a gap in the ban on those younger than 25 receiving RSA, but their effect still remains limited. In this sense, by being accessible to all, social assistance in Switzerland largely corrects the inequalities produced by the system of youth unemployment benefits, while the French scheme tends to increase them in that it excludes from its field of intervention a majority of the under-25s even when they are in a situation of social distress.

Conclusion

If Switzerland delayed in adopting activation measures towards the young unemployed, it is today fully orientated in this direction. Beyond the technical schemes implemented, two powerful ideas of the Swiss youth employment regime emerge. On the one hand, training is the major remedy for the question of the unemployment of young people. On the other hand, but in a more implicit way, the low incitement of some (young) unemployed to seek employment is a real problem that legitimises specific measures. In the labour market, as with unemployment benefit issues, Switzerland does not hesitate to target – some would say to discriminate against – particular groups to find pragmatic responses

to a rise in unemployment.⁸ By virtue of this rationale, the country has been able to carry out a policy of quotas for immigration so as to adapt it to the country's economic needs or very severely restrain the conditions of benefits available to the young unemployed.

French youth unemployment is different and harks back to the values of a society that traditionally regards itself as egalitarian and integral. In this sense, it is not conceivable to create a subcategory of the unemployed, or wage earners, based on the criterion of age.⁹ France has, therefore, increased its rate of employment assistance for the young and refrains from reducing their unemployment benefits or their rights to work so as not to demean their status. Maintaining a high level of protection in the labour market, however, entails the risk of relegating all who are excluded to a condition of insecurity, especially among the young. Moreover, here the French model differs from the Swiss model in which mobility and flexibility in and outside of the labour market is one of its cardinal values.

Starting from different legislation and values, the two youth unemployment systems resemble each other insofar as both exclude most of the young unemployed from all benefits. From this perspective, French egalitarianism rejoins Swiss differentialism; the one having recourse to technical criteria that are applicable to all so as to sharply limit in practice the access of the under-25s to unemployment benefit, while the other, clearer in its intentions, puts directly in place a certain number of derogating measures against them. In both cases, it is not the least of paradoxes that the system of unemployment insurance provides so few benefits to those who are most vulnerable to the economic crisis and the lack of jobs.

This situation by no means indicates that both countries abandon their young unemployed. In fact, Switzerland, like France, devotes many resources to combat unemployment among young people, but remains faithful to the doctrine that young people – even less than other unemployed groups as they represent the future of the nation – must not succumb to handouts. This argument is doubtless applicable to Switzerland rather than to France, because in France, a substantial number of young people alternate, often over many years, between periods of unemployment and insecure jobs.

⁸ Since the beginning of 2000, several agreements have been signed regarding the free movement of persons between Switzerland and the EU and the European Free Trade Association and have progressively come into effect. In this context, the so-called policy of the 'two circles' has resulted in a relaxation of the conditions authorising residence, the granting of a work permit to European nationals and the maintenance of very strict control over the others.

⁹ This does not apply to the instruments of social aid, such as the RMI and the RSA, which are based on a criterion of age as those younger than 25 are excluded.

If the two systems base themselves, to different degrees, on guidelines advocated by the EU and international organisations, which confer on them today an unquestionable resemblance, they retain certain features of their own. The weight of obligations that the unemployed, young people in particular, have to contend with in their search for employment – and, in the end, the penalties imposed on them – is thus stronger in Switzerland than in France. Without invalidating strictly cultural explanations for this situation, one can suppose that the relatively low rate of, and recent, unemployment found in Switzerland rather encourages one to look for the cause of unemployment in individual behaviour – and thus leads to measures designed ‘to empower’ the unemployed – whereas mass unemployment, which 35 years of public policies have not been able to reduce, leads to favouring structural explanations and interfering with the supply of work.

Lastly, social assistance is unquestionably more favourable to the young in Switzerland than in France, even if, in both cases, the benefits allocated are deliberately set at a relatively low level so as not to reduce the motivation to search for a job. In this respect, it will be interesting to learn if France will continue down the path it has tentatively drawn and accept in future to allocate this disbursement to young people under 25 by reducing, or even eliminating, the condition of minimum working time, thereby resembling more closely the Swiss situation. In any case, although the most liberal country in this respect is currently the most protective, one can equally imagine that the rise of unemployment in Switzerland – if confirmed – and the massive arrival of European immigration made possible by recently concluded agreements will encourage the sharpening of the conditions for obtaining this substitute income.

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