

# Zero Long Term Unemployment Territory

### France

French Territoires zero chômeur de longue durée (TZCLD) is an innovative program that provides employment for hundreds of formerly long-term unemployed citizens in government-created Job-Oriented Companies (JOCs)

#### Summary

Since the Great Financial Crisis of 2008, long-term unemployment has been higher across developed economies. The Zero Long Term Unemployment Territories experiment with implementing a Job Guarantee, albeit geographically limited for the moment, with the engagement of public sector, community, and private sector stakeholders. In 2023, it was announced that 50 new zones will be added to the program. There were 68 territories as of April 2024 (1).

#### Rationale

Promoters recognized that involuntary unemployment was a waste of talent that could be put to use for the public purpose (2). Society already pays for the many direct and indirect costs of unemployment.

#### **Defining Principles**

The program operates on the principles that no one is unemployable, there is no shortage of work, and there is no lack of money. The French constitution promises "the duty to work and the right to obtain a job," (3).

#### **Dates of Operation**

2016-2021 (Experimental Stage), 2021-2024 inclusion of 50 new territories. 2026 will mark the end of experimental phase II with the aim of making the program permanent (4).

#### Number of Program Participants

2,960 as of February 2024 and 3,889 people hired in EBE since 2017 (5). See a map created by the project featuring employee data of different territories at https://etcld.fr/les-territoires/.

#### **Criteria for Participation**

Long term unemployed and resident of the territory for more than 6 months (6).

#### Pay and Benefits

At least minimum wage (EUR 1,776.92 per month as of January 2024) (7).



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#### Financing

EUR 30 million from the state. State contributes EUR 18,000 per year per job. The remainder comes from grants, bank support, and revenue of program companies. A study commissioned in 2017 calculated the cost of unemployment to be as much as EUR 19,000 per year and cost-savings are reallocated to the TZCLD (8).

#### Implementation

Program is run in at least 60 territories and funding is distributed by the public Territorial Experimentation Fund (9). The Local Committee for Employment (CLE) designates the collective of local actors and actresses who lead the right to employment in the territory. It is chaired by the local elected referent (Mayor, President of the community of municipalities...) and brings together all the volunteer actors of the territory to implement the right to employment. The CLE is responsible for: The maintenance of consensus among stakeholders; Achieving unity: by mobilizing, coordinating the actors and actresses of the territory; Monitoring the jobs created by employment-oriented companies to ensure that these jobs do not destroy existing public or private jobs; The evaluation of the project. In support of this political and strategic body, the "project team" provides leadership and territorial engineering work (10).

#### **Types of Work**

Tailored to the needs of the territory. Includes ecological transition (farm work, recycling, and limiting food waste), local development (local business and tourism), and social cohesion (tailoring, assisting at-need people, charity food pantries, etc.) (10).

#### **Notable Features**

23% of EBE employees are disabled. The program resulted in a reduction in income precarity and the need for additional social support, improved educational outcomes for children of program participants, and improved health outcomes for program participants (11).

#### Program Website

https://www.tzcld.fr/



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#### Citations

(1) OSUN, Economic Democracy Initiative. (May, 2023). Assessing Progress with "Zero Long-Term Unemployment Territory" in France and Belgium: Key Lessons for the Design of a Job Guarantee. Panel Discussion. <u>https://www.youtube.com/watch?v=mdJy-q3kHQk</u>

(2) Corrand, M. (2022). La conduit de projets complexes dans le champ des politiques sociales: L'exemple de l'expérimentation Territoire Zéro Chomeur de Longue Durée. <u>https://drive.google.com/file/d/18B5fjfLZ-W0bE\_dSmb5kAIVyIfv6bhSt/view</u>
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(4) Official TZCLD Website. The Experimental Approach: The History of the Process. <u>https://www.tzcld.fr/decouvrir-le-projet/la-demarche-experimentale/</u>

(5) Bazurto, V. (2021). Public work and public employment programmes: what role in economic recovery? International Labor Organization (ILO). <u>https://www.ilo.org/global/topics/employment-intensive-investment/events/WCMS\_821403/lang--en/index.htm</u>
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(9) Tabet, A. (2022). Quelle creation de valeur? Territoires Zero Chomeur de Longue Duree.

(10) Bazurto, V. (2021). Public work and public employment programmes: what role in economic recovery? International Labor Organization.

(11) TZCLD. (April 2022). Les Départements et le projet Territoires zéro chômeur de longue durée. Retrieved from <u>https://www.tzcld.fr/wp-content/uploads/2022/04/2Note-Departements-TZCLD-MAJ-27.04.22.pdf</u>

(13) The TZCLD program has created a bibliography of European Research on the Job Guarantee. Read at this link <u>https://www.zotero.org/groups/4420417/bibliographie\_-</u>

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(14) To see the map of Zero Unemployment areas with extra information, see this link - <u>https://umap.openstreetmap.fr/fr/map/les-initiatives-de-droit-a-lemploi-et-de-la-garant\_1023891?</u>

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