

Bill establishing THE JOB GUARANTEE

#PacteDesJoursHeureux
#GreenNewDeal
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BILL establishing the job guarantee and the State as employer in last resort

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SUMMARY

Unemployment is first a social problem that affects the people who are its victims. Its persistence makes it a scourge that has several dimensions and causes or aggravates other difficulties. The further away people are from employment, the higher the poverty rate. The proportion of poor people is highest among the unemployed.

Especially since not all unemployed people receive unemployment benefits. Of the 6.4 million people registered with the national employment agency, less than half receive benefits, which makes 2.6 million people. And if social protection compensates 60% of the unemployed, the remaining 40%, at the end of their entitlement, struck off or wandering, are deprived of resources.

Unemployment leads to economic poverty and physical and mental suffering : The unemployed are twice as likely as employees with a stable job to feel that their health is not good. And mortality increases with periods of unemployment. At least 14,000 deaths per year are attributable to unemployment, including depression, suicide and stress-related health problems. Unemployment is therefore both a social and a public health issue.

More indirectly, unemployment aggravates the imbalances and injustices in our society: people who are discriminated against because of their race, origin, religion, gender, sexual orientation or handicap, for example, are particularly affected. Territorial isolation also increases the risk.

Mass unemployment also has an impact on the daily lives of employees who, in their companies or administrations, feel threatened by the competition. This has greatly contributed, over the last thirty years, to weakening labour collectives in the face of the owners of capital.

Eradicating unemployment means restoring the balance of the pensions system in the long term and making it possible for insured persons to retire more quickly. Joblessness has a cost to society that can be estimated at 43 billion euros per year according to ATD Fourth World.

Reducing the “cost of labour” and “making employment more flexible” to facilitate recruitment are not and never have been solutions. No, favouring the holders of capital does not reduce unemployment. Multiplying these ineffective recipes is simply a pretext to give more power to the richest.

As for the measures regularly aimed at increasing control and sanctions on the unemployed, they deny the social dimension of the phenomenon by making individuals solely responsible for their situation.

The latest reform of unemployment insurance, which came into force on 1 November 2019 in France, is a typical example. It punishes jobseekers under the guise of encouraging a return to work : half of the 2.6 million unemployed have seen their benefits reduced.

The last lever used by successive governments denied the shortage of jobs, wrongly believing that our country was rather marked by a mismatch between the level of training and the jobs available, and that by training everyone we would manage to drastically reduce unemployment. But when there is only one job vacancy for every twenty jobseekers, how can we believe that good formation will solve everything?

This shortage of jobs makes unemployment an intrinsic phenomenon of contemporary capitalism, and therefore a collective risk faced by individuals, whose protection cannot be entirely imputed to them: from the injunction to favour one's "employability" through a good geographical situation and ever more adapted training, to the injunction to accept any job on pain of deprivation of benefits, the current government is simply placing a systemic responsibility on the shoulders of individuals.

By proclaiming the conditions for a real right to work, it could have joined other international programmes which act in this direction. President Roosevelt's Bill of Economic Right and then the Full Employment Bill in the USA, Hogar's Jef@s programme in Argentina, the National Rural Employment Guarantee Act in India, show us how countries ruined by crises or developing have been able to ensure the next right that our time calls for: a job for every person who wants one.

It is time for social and environmental justice, for popular intervention at all levels, for public control of credit and investment and for state planning in the general interest. The creation of an employment guarantee, whereby the state is the employer of last resort and legally enforceable, is part of this transformation. The state is committed to offering or financing a job to any long-term unemployed person who wants to work, at the basic public sector wage or higher. This will not only reduce unemployment, but also satisfy needs in sectors that are non-polluting or have a positive social and ecological effect: improving urban life (green spaces, restoration of buildings), care for dependent persons and young children, school or artistic activities, etc. These jobs are unique in that they do not increase the use of resources and therefore do not have an impact on the environment.

The experience of the "zero long-term unemployed territories" offers a first glimpse of such a job guarantee. It is based on three ideas: no one is unemployable (everyone has skills and is entitled to social recognition of them), there is no shortage of money and no shortage of work - what is lacking is employment as defined by the market, i.e. work that values capital. It is therefore a question of going beyond the principle of protection against the vagaries of the labour market by offering a guarantee of employment which, moreover, will help to satisfy needs not covered by the market.

An additional virtue of such a programme is the establishment of a minimum base of social standards, in terms of working conditions and pay, whose

protective effects would be spread to all employees. With guaranteed employment, work ceases to be a commodity, because its existence and usefulness are no longer determined by the market.

With this law, the State could commit to offering or financing a job to any long-term unemployed person who wants to work, at the basic public sector wage or higher. This will not only reduce unemployment, but also satisfy needs in sectors that are non-polluting or have a positive social and ecological effect: improving urban life (green spaces, restoration of buildings), care for dependent persons and young children, school or artistic activities, etc. These jobs are unique in that they do not increase the use of resources and therefore do not have an impact on the environment.

To this end, this bill provides for the introduction of a job guarantee through the State being the employer of last resort for the long-term unemployed and the effective implementation of an enforceable right. Inspired by our platform “L'Avenir en commun”, supported by Jean-Luc Mélenchon during the 2017 presidential election, it follows work carried out with citizens, association leaders, trade unionists, economists and lawyers within participative workshops. The first article of the proposed law aims to recall the main principles that should animate a national employment service, the competences of the different authorities to ensure and participate in the financing of a job for any person who is durably deprived of it.

Its second article defines the terms of the employment guarantee, a fixed-term contract of at least 12 months, renewable twice. Its weekly duration must be at least 20 hours, in order to avoid diversions of this system towards the establishment of precarious jobs.

Its third article provides for the setting up of national and local bodies which will pilot the system of guaranteed employment with an enforceable right. The aim is, on the one hand, to provide a national vision of the distribution of employment and, on the other hand, to provide local levers for dynamisation, in conjunction with representatives of jobseekers, trade unions and the territories.

The fourth article provides for the financing of the bill by setting up the usual pledges.

INTRODUCTORY REMARKS

By Danièle Obono, rapporteur of the bill, on May 6th 2021, at the National Assembly [Watch online here : <https://youtu.be/ETXpIlomYkk>]

President, minister, colleagues,

In the first quarter of 2021, there were 6,012,600 job seekers in France. This mass unemployment has been constant in our country for forty years. One of its most striking characteristics is how entrenched it is : almost 2.9 million job seekers were long-term unemployed in 2020. And the current crisis suggests that the situation will deteriorate further.

Behind these numbers are lives and families turned upside down, ambitions shattered, self-esteem lost. Alexandra, who was fired in 2008, testifies to this:

"At the time, I did not react, shocked by what was happening; it was when I reached my car a few minutes later that I collapsed, realising that I had just lost my job. [...] Days pass. Nothing. I send hundreds of CVs and letters. I go to job fairs. Still nothing. Little by little, my optimism diminishes and the features of depression start to show on my face. I try to hold on, I mustn't fall into this negative spiral; yet I can feel it sucking me in. I cut back on my outings, my leisure activities. I'm losing confidence in myself: if they don't reply to my letters, it's because I'm worthless. This is the message sent by recruiters implicitly. My image is devalued, the mirror reflects my own weaknesses, I can only see them. The resources I had may still be lurking somewhere, but I'm not so sure anymore."

Unemployment thus contributes to the deterioration of the health, both physical and mental, of people who are permanently unemployed.

- Their risk of excess mortality is multiplied by three, which makes long-term unemployment as aggravating a factor as smoking.
- A long-term unemployed person has twice the risk of suffering a cardiovascular accident.
- More than a third of people who have experienced long-term unemployment experience a depressive episode.

In France, between 10,000 and 14,000 deaths per year are attributable to mass unemployment.

Unemployment is not only devastating on a personal and individual level, but also on an economic level. According to *ATD-Quart Monde*, it costs between 16

and 19,000 euros per year and per person. The [National Institute of Statistics and Economic Studies] Insee, for its part, estimates that in 2017, 66 billion euros in public spending on labour market policies (excluding tax breaks and tax credits) were targeted at job seekers and people experiencing difficulties in the labour market.

However, only two thirds of jobseekers have a right to compensation. Those who do not receive benefits survive on minimum social benefits. In addition to social difficulties, there are economic ones and precarity. A quarter of unemployed people live below the poverty line.

Tens of billions of euros are spent every year on policies that are woefully ineffective, yet the needs of the long-term unemployed are less well covered. The neo-liberal recipes, "reduction of labour costs" and "flexibilization" in particular, have not had the effects announced. And the anti-social reforms undertaken by this government since the beginning of the quinquennium will make the situation even worse.

So far, conventional economic policies have not been able to eradicate mass and long-term unemployment, nor to reduce it significantly. In fact, they have rather accommodated it, on the pretext of not accelerating inflation. The economic, social and health disaster of mass unemployment is caused by loss/profit calculations and inhuman decisions. It is a political choice, not a fatality ! And no, not everything has been tried against unemployment.

There is no lack of work. And everyone has knowledge, experience and skills that can be put to use for the general interest. What is lacking is employment. **So let's create it !** There is so much to do already, so many needs that are partially or totally unsatisfied on a daily basis: helping the elderly, children, the sick; protecting nature, improving the urban life; school and artistic activities...

There are and will be so many tasks to be accomplished in the ecological and solidarity-based bifurcation that we must urgently engage in. The challenge is huge, but exalting. We need to transform our production methods, reduce our consumption of natural resources, so as not to take more from nature than it can replenish, nor produce more than it can support, organise energy sobriety and efficiency, develop more sustainable uses, restore and preserve ecosystems... Ecological and peasant agriculture; relocated industry; development of public services... All this will create millions of jobs when they are not already, as we propose, guaranteed by the State.

This is the perspective of our proposal. It is the product of a long process of collective reflection, enriched by the insights of economists, sociologists, think

tanks, associations and citizens who, like us, have thought about and wish to implement more effective job policies and fight against mass and long-term unemployment.

It has drawn on international experiences such as Roosevelt's New Deal in the 1930s in the United States, Argentina's Jefes de Hogar in the 2000s, and India's National Rural Employment Guarantee. And it is based on the very French experiment of "Territoires zéro chômeur de longue durée", launched in France in 2016 and extended in 2020. We propose to go further and generalise it.

As part of our political program "L'avenir en commun", our proposal provides a concrete response to the challenge of long-term unemployment. It is based on the idea, theorised in the 1970s, that an effective fight against unemployment requires the state to commit itself to providing employment to all those who are willing to work for the minimum wage, and possibly more depending on the qualifications required for the jobs on offer. In doing so, the state assumes the status of employer of last resort.

What would it look like? The think tank "Intérêt General" has given some concrete examples. I will quote two of them, in my own way.

Let's call her Maimouna, a young woman in her thirties who registered with the Pôle emploi after three years as a kitchen assistant. Her restaurant closed down after the installation of hypermarkets on the periphery of the town. Her job advisor writes to the job guarantee local committee : what unmet needs does the town have in terms of catering? The local branch of Secours populaire, a member of the committee, reported that several children go to bed at night without sufficient food. They offer to set up a mobile canteen that would deliver the necessary meals, which no institution does. In addition to Maimouna, the Pôle emploi [public employment office] advisers identify two former canteen workers and an unemployed person at the end of his unemployment benefits; a venue is rented and the four are hired. As the delivery of cooked hot meals did not exist locally, they are also developing this paid activity, which ensured that the project's budget was balanced. Every evening, 15 households receive a free balanced meal and 15 households pay for a delivery.

Let's take the case of a beneficiary of the job guarantee. I will call him Maurice. Since his daughter went abroad for professional reasons, Maurice suffers greatly from loneliness. Living alone in a city centre flat, he hardly sees his family outside of holidays, and meets few people outside of his weekly domino games. He has already had two major accidents, falling in his bathroom and kitchen. In view of this situation, the local pensioners' association proposes to the partners' committee that a vigilance team be hired for the elderly. No company, public

institution or association regularly visits isolated seniors. The project is approved and the Pôle emploi advisers distribute it to the registered job seekers : four people declare themselves interested and are hired, with the task of visiting the homes of people over 75 every other day. In the year that follows, several serious accidents are prevented or avoided, while the motor or cognitive faculties of the beneficiaries increase: health insurance expenditure for this group decreases drastically.

Situations like those of Maimouna and Maurice exist by the thousands in "real life": the job guarantee would allow positive dynamics such as those described in these scenarios to be created throughout the country.

Not only that, but it would also have a positive economic impact, notably by increasing incomes and therefore household consumption, made more virtuous in the context of the ecological bifurcation.

Yes, its implementation would have a cost for public finances. According to our estimates, for the 2.8 million long-term unemployed, the state would have to spend 11.8 billion euros, which is 4 times less than the cost of unemployment to society and 6 times less than the so-called "back-to-work" policies.

In fact, such a measure would be a source of savings for our social protection system and a step forward for the rights of all employees by putting an end to the blackmail on jobs and wages exercised by capital owners.

Finally, instituting a job guarantee would give substance to the aspiration of the revolutionaries who built the Republic and dreamed of it being fully social. This aspiration is enshrined in our fundamental texts, from the Constitution of the First Year [of the Republic, in 1791] to that of 1946, but it remains a largely incantatory principle.

For us at La France Insoumise, the job guarantee is one of the components of an ambitious national programme, of a formidable collective adventure, of a gigantic civilisational challenge: the construction of a more just and united society, which favours harmony between beings and guarantees the preservation of the ecosystem that makes human life possible.

For the good of all, a job for everyone : it is urgent, it is possible, and it could start now.

Thank you for your attention.

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