University of Berne 2010

Institute of Political Science

SNF Project No 100012-119898

The Privatization of Welfare States: Industrial Relations as a Source of Benefits

Database Part 2: Social Benefits in Collective Agreements

http://www.rebeca.ipw.unibe.ch

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Trampusch, Christine/Eichenberger, Pierre/de Roo, Micha/ Bartlett Rissi, Robin/Bieri, Isabelle/Schmid, Laura/Steinlin, Simon (eds.) (2010). *Initial Vocational Training in France*. REBECA (Research on Social Benefits in Collective Agreements). Database, Part 2 'Social Benefits in Collective Agreements'. SNF-Project No. 100012-119898. Institute of Political Science, University of Berne.

Initial Vocational Training in France

1. Introduction

Overview

The public system of initial vocational training (IVT):

- In France, IVT is mainly school-based. School attendance is mandatory in France for children at the ages of six to sixteen. After mandatory school, there are three educational pathways: general education, vocational education, and technical education. Vocational education and technical education can be done in school, in companies or in both (Centre Inffo 2008: 2).
- The route of general education is in most cases just a preparation for further studies (CEDEFOP 2008: 28). The route of technical education 'is specifically French' (CEDEFOP 2008: 29). It 'prepares students on the basis of their vocational aptitudes for higher-level technical courses of at least two years' duration: for example, in an advanced technical unit, an university or a technical or specialized college' (CEDEFOP 2008: 29).
- 'The vocational route enables students to acquire skills and know-how in the work-orientated environment of a vocational high school run by the Ministry of Education or the Ministry of Agriculture or in an apprentice training centre. These studies can lead to a certificate of professional aptitude (CAP), a vocational education certificate (BEP) or a secondary vocational diploma (Bac Pro)' (CEDEFOP 2008: 29). In recent years, 37 per

- cent of all students have chosen the vocational route: 26.5 per cent have gone to vocational high school, 3.7 per cent to agricultural high school and 6.7 per cent into apprenticeship (CEDEFOP 2008: 29).
- IVT can take two forms: inside the school system or in an apprenticeship (CEDEFOP 2008: 29). However, the trajectory of IVT in full-time schools is more important than apprenticeship.
 - The school based trajectory: If they are in a vocational route, the students go to vocational courses that combine general education and specialized technical knowledge, and in addition, they also have to do workplace training for between three and ten week annually. Furthermore, it is important to note that students have the possibility to switch between general, technical and vocational education routes (CEDEFOP 2008: 29-30).
 - The apprenticeship trajectory: 'Apprenticeship involves a mix of training on an employer's premises and instruction delivered in an apprentice training centre (*Centre de formation d'apprentis*, CFA). Regarded as a form of initial training, it can prepare trainees for all the secondary-level certificates (CAP, BEP, Bac Pro, etc.), for tertiary-level qualifications (including advanced and tertiary technical, engineering and commercial college diplomas) or for vocational qualifications listed in the National Vocational Certification Register (www.cncp.gouv.fr)' (CEDEFOP 2008: 31). Since 1925 there exists an apprenticeship tax of 0.5 per cent of wages and salaries for French firms. Originally, the tax was used to finance various training activities, since 1971 the tax has been used to mainly finance IVT (Smith/Billett 2006: 10).
- According to Lochard (11.06.2009, interview), the state is more important in vocational education than the social partners. The state is responsible for the school parts of education which also include vocational education. Social partners have some responsibility in the context of vocational training (Seillier 2007: 58).
- Since 2000, all current legislation concerning education has been consolidated in the form
 of one Education Code (CEDEFOP 2008: 23). But most of all, the 26 regions 'are the
 public bodies primarily responsible for vocational training, particularly for young people in
 the 16-25 age bracket and for job-seekers' (CEDEFOP 2008: 22).

The role of collective labor agreements (CLAs) in IVT:

• The main laws about vocational training are developed on the basis of national collective agreements (Seillier 2007: 144-147). However, Winterton (1998: 5) states that the unions have little influence on vocational education and training even though some tripartite bodies have been established: 'Sector agreements provide a right to vocational training, but trade unions have made limited progress in building upon these at enterprise level,

because trade union membership is low and there is little effective workplace organization' (Winterton 1998: 5).

- In general, collective agreements are of importance in IVT in the domain of apprenticeship. In fact, most CLAs in IVT are only regulating aspects of apprenticeships and not other IVT themes. Such CLAs exist in several sectors; however, one must keep in mind that apprenticeships play a marginal role in the French education system (Lochard 11.06.2009, interview).
- At sectoral level, the social partners can define the rules for apprenticeship (Lochard 11.06.2009, interview), thereby also regulating apprentices' wages (CEDEFOP 2008: 24, 31). See also section 3 for examples of CLA contents. An important example is the construction sector, where apprenticeship is financed by the region (50 per cent) by the sectoral committee CCCA BTP (Comité de concertation et de coordination de l'apprentissage du bâtiment et des travaux publics) (15 to 20 per cent) and by sectoral training funds (Organismes collecteurs paritaires agrees, OPCAs, see report on continuing vocational training in France for more details on OPCAs) (Lochard 15.03.2010, interview).
- Besides that, the social partners are involved in consultative committees, for example in order to plan the qualification diplomas which are available in initial and continuing vocational trainings (see appendix).

Levels of bargaining

Concrete bargaining on IVT occurs at sectoral level. Some intersectoral agreements also matter regarding general conditions (see section 2).

Actors

The main actors negotiating CLAs which contain regulations on IVT are the following:

Trade unions:

- French Christian Workers' Confederation (Confédération française des travailleurs chrétiens, CFTC),
- General Confederation of Labour (Confédération générale du travail, CGT),
- Workers' Force (Confédération générale du travail Force Ouvrière, CGT-FO)
- French Democratic Confederation of Labour (Confédération française démocratique du travail, CFDT),

 French Confederation of Professional and Managerial Staff – General Confederation of Professional and Managerial Staff (Confédération française de l'encadrement – confédération générale des cadres, CFE-CGC).

Employers' associations:

- Movement of French Enterprises (Mouvement des entreprises de France, MEDEF),
- General Confederation of Small and Medium-sized Enterprises (Confédération générale des petites et moyennes entreprises, CGPME),
- Craftwork Employers' Association (Union professionnelle artisanale, UPA),
- French Building Federation (Fédération française du bâtiment, FFB).

Critical junctures

Definition: Critical junctures are time periods or years when important decisions on the development of the collectively negotiated IVT scheme were made.

We have not found clear evidence regarding critical junctures. Nevertheless, one can
mention new intersectoral agreement that was concluded on 5th October 2009. The
agreement contains the most important aspects for a new reform in vocational education.
But the new law that should now bring this reform to life is not yet in force (Lochard
15.03.2010, interview,).

2. Important Collective Agreements (Examples)

- Intersectoral Agreement of the 5th October 2009 (*Accord national interprofessionnel du 5 octobre 2009 relatif à l'accès des salariés à la formation professionnelle tout au long de la vie professionnelle*):
 - o It was concluded by CFTC, CGT, CFDT, CFE-CGC, MEDEF, CGPME, UPA,
 - It contains many important aspects of vocational education and training (Lochard 15.03.2010, interview).
 - The CLA replaces the Intersectoral Agreements of the 5th December 2003 and of the 7th January 2009.
 - There are also some rules for sectoral CLAs on apprenticeships. For example, Sectoral CLAs can determine the general framework of how to implement the guidelines of apprenticeship (article 214):
 - They can specify the priorities and targets of the apprenticeships in the different professions.

- They can define the duration of apprenticeships within a specific framework.
- They can determine how long the apprentice must be present in school during the apprenticeship.
- They can define specific training elements for the employers.
- The apprentices' wages are regulated by sectoral CLAs which specify a minimum wage (CEDEFOP 2008: 31). Alternatively, the apprentices' wages are fixed as a percentage of the national minimum wage (CEDEFOP 2008: 31). An example is the agreement of the Construction Sector of the 13th of June 2004: It regulates compensation for young people in apprenticeship. See also section 3 for examples of new sectoral CLAs.
- However, detailed implementation of apprenticeship is generally regulated by individual employment contracts between the apprentices and the employers.

3. Important sectors

- Since 1984 and following legislation and a national multi-industry agreement employers' associations and trade unions 'have been invited' to negotiate every three years at the sectoral level about 'the aims of vocational training and the resources allocated to it' (CEDEFOP 2008: 24). In 2006, for example, there existed 186 sectoral CLAs on vocational training which besides regulations on continuing vocational training (CVT) issues also include provisions on apprenticeship and the financing of vocational training (CEDEFOP 2008: 24). An important example of how apprenticeships are supported by social partners and what issues are regulated in CLAs is the construction sector (Lochard 15.03.2010, interview).
- The CLA database of the Joint National Committee for Vocational Training (Comité
 Paritaire National pour la Formation Professionnelle, CPNFE) delivers a list of these
 sectoral CLAs. Here is a list of all sectoral CLAs of 2008 and 2009 that deal with
 apprenticeship (CPNFE 2010):
 - o Metal Industry (Accord du 7 mai 2009 relatif aux mesures urgentes en faveur de l'emploi): The role and organization of regional employment offices that are responsible for vocational education and training is specified. The CLA was extended to the complete sector by a decree.
 - Construction material industry, two CLAs (Accord du 30 avril 2009 relatif aux salaires des apprentis and Accord du 1er novembre 2008 relatif à la taxe d'apprentissage et au développement de l'apprentissage): Minimum wages of apprentices are redefined.
 - Automobile industry (Avenant n° 1-09 du 21 janvier 2009 relatif aux cont rats d'apprentissage): The CLA regulates some specific aspects of apprenticeships. It was extended to the complete sector by a decree.

- Entertainment (Avenant n° 1 du 16 décembre 2008 relatif au champ d'application de l'accord du 1er novembre 2008): Some aspects of the calculation and payment of the apprenticeship tax are regulated. No information about extension by decree.
- Construction (Avenant n°1 du 13 novembre 2008 relatif aux compét ences des maîtres d'apprentissage): Working conditions and payment conditions of the tutors of the apprentices are regulated. The CLA was extended to the complete sector by decree.
- Tourist sector (Avenant n°5 du 29 octobre 2008 relatif à la format ion professionnelle):
 Conditions for the conclusion of apprenticeship contracts are defined. Contributions for vocational training are fixed. Extended to the complete sector by decree.
- Sector of champagne and spirituous beverages (Accord du 1er février 2008 relatif à la taxe d'apprentissage): Some aspects of the apprenticeship tax are regulated. No information about extension.

4. Structure, Organization, and Mode of Administration

- We have not found much information on this. However, please also see the information in the appendix.
- Generally, it is mandatory for the organizations that collect apprenticeship charges to set up a parity committee comprising representatives of trade unions and employers' associations (CEDEFOP 2008: 24). The companies in the relevant sectors pay contributions to these organizations. As an important example, in the construction sector the CCCA BTP has decided that 0.3 per cent of wages must be paid as contributions to Pro BTP fund (CCCA BTP 2010).
- The OPCAs also collect some money for apprenticeships (Lochard 15.03.2010, interview).

5. Role of the State: Financial Support, Legislation, and Extension Procedures

- We do not have much information on the role of the state in collectively negotiated IVT schemes. However, as mentioned in section 1, the state generally is more important in vocational education than the social partners (Lochard 11.06.2009, interview).
- Many sectoral CLAs are extended to all employers and employees in the sector by a decree (see also section 3) (CPNFP 2010).

6. Financial Structure of the Collectively Negotiated Schemes

- Apprenticeship is funded by companies (46 per cent), the regions (23 per cent), and the government (22 per cent) (CEDEFOP 2008: 67).
- There exists an apprenticeship tax paid by firms (CEDEFOP 2008: 31) which is allocated to the apprenticeship training centers (CFAs) (CEDEFOP 2008: 67). All French firms which do not train have to contribute to this tax. At least 40 per cent of the tax must be allocated to apprenticeship training (Smith/Billett 2006: 10). See also section 3 for some new sectoral CLAs that regulate apprenticeship tax within their sectors.

7. Benefits and Measures of the Collectively Negotiated Schemes

- As can be seen in the examples of sectoral CLAs in section 3, some agreements regulate minimal compensation of apprentices.
 - o For example, a 2009 agreement in the construction material sector (*Accord du 30 avril 2009 relatif aux salaires des apprentis* and *Accord du 1er novembre 2008 relatif à la taxe d'apprentissage et au développement de l'apprentissage*) regulated minimal wage of apprentices as follows: In the first year, the minimum wage of apprentices must be between 40 and 60 per cent (depending on the age of the apprentice) of the general minimum wage for normal employees. In the second year the wage must be between 50 and 70 per cent, in the third year between 60 and 85 per cent (CPNFP 2010).

8. Coverage Rates of the Collectively Negotiated Schemes

We have not found any number about the coverage rate of collectively negotiated IVT schemes. However, in general, about 90 per cent of all employees in France are covered by a collective agreement. The reason for this is that many sectoral CLAs are extended to all employers and employees in the sector by a decree on the request of the social partners (EIRO 2007: Industrial Relations Processes). See also section 3 for examples of extended agreements.

9. The Politics around the Collectively Negotiated Schemes

Linkages to Public Reform Policies

We have not found any evidence.

Linkage to Wage Agreements and Wage Policy (e.g. Wage Restraint, Tripartite Agreements) and Other Agreements

We have not found any evidence.

10. Recent Developments and Other Interesting Information

We have not found any evidence.

11. Contacted Experts

We thank the following expert and colleague for providing information and answering very specific questions:

• Lochard, Yves, 11.06.2009 and 15.03.2010, Institut de Recherches Economiques et Sociales in Noisy le Grand Cedex, e-mail interview.

12. List of Abbreviations

- Bac Pro: Baccaloréat Professionnel (secondary vocational diploma)
- BEP: Brevet d'études professionnelles (vocational education certificate)
- CAP: Certificat d'aptitude professionnelle (certificate of professional aptitude)
- CCCA BTP: Comité de concertation et de coordination de l'apprentissage du bâtiment et des travaux publics (Committee of the Pro BTP)
- CCREFP: Comités regionaux de l'emploi et de la formation professionnelle (Regional employment and vocational training coordination committees)
- CEDEFOP: European Centre for the Development of Vocational Training
- CFA: Centre de formation d'apprentis (apprentice training centre)
- Centre Inffo: Centre pour le développement de l'information sur la formation permanente
- CFDT: Confédération française démocratique du travail (French Democratic Confederation of Labour)

- CFTC: Confédération française des travailleurs chrétiens (French Christian Workers' Confederation)
- CGPME: Confédération générale des petites et moyennes entreprises (General Confederation of Small and Medium-sized Enterprises)
- CGT: Confédération générale du travail (General Confederation of Labour)
- CGT-FO: Confédération générale du travail Force Ouvrière (Workers' Force, CGT dissidents)
- CLA: collective labor agreement
- CPNFP: Comité Paritaire National pour la Formation Professionnelle (National Joint Committee for Vocational Education)
- EIRO: European Industrial Relations Observatory On-Line
- IVT: initial vocational training
- MEDEF: Mouvement des entreprises de France (Movement of French Enterprises)
- OPCAs: Organismes collecteurs paritaires agrees (sectoral training funds)
- Pro BTP: Fund or a social insurance in the construction sector that is responsible for many aspects of social protection, it is also partly responsible for the payment of apprentices.
- UPA: Union professionnelle artisanale (Craftwork Employers' Association)

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Appendix I: Role of Social Partners in the Administration of Public IVT System

- The social partners meet in several committees and councils that are mainly occupied with establishing certifications and diplomas of higher education. Furthermore, the social partners are also represented in several bodies that deal with the organization of apprenticeships (CEDEFOP 2008: 24).
- The involvement of social partners in vocational training is defined by law. As Winterton (2006: Social Partner Involvement in VET Policy Making) mentions, in the Labor Code, Book IX, Article 910-1 prescribes that 'vocational training and social advancement form the basis of a concerted policy coordinated chiefly with employers' and employees' organizations'.
- Furthermore, article 934-2 includes a list of vocational training themes that can be negotiated between social partners (Seillier 2007: 147). But many of these points are rather related to continuous training than initial training.

Apprenticeships:

- The social partners are represented in the boards of apprentice training centres (*centres de formation d'apprentis, CFA*).
- Furthermore, the social partners must also be represented in committees that are set up by the bodies that collect apprenticeship charges (CEDEFOP 2008: 24). An important example for this is the construction sector: Here the *PRO BTP*, which can be labeled as a fund or a social insurance that is responsible for many aspects of social protection, is also partly responsible for the payment apprentices. Concretely, there is the committee CCCA BTP that collects and pays money (Lochard 15.03.2010, interview).
- Another source that compensates apprentices are OPCAs, which are described in detail in our report on CVT in France.

Involvement in Institutions set up by Regions:

- Regional employment and vocational training coordination committees: (Comités regionaux de l'emploi et de la formation professionnelle, CCREFPs). They are in charge of securing the coordination of vocational training and employment policies of the different regions (CEDEFOP 2008: 22).
- Regional vocational training development plan (Plan régional de développement des formations professionnelles, PRDFP). Every region has such a plan. With this plan they

coordinate the various strands of vocational training provision (including initial training) (CEDEFOP 2008: 22).

Involvement in National Institutions:

- Vocational consultative committees or advisory vocational commissions (Commissions professionelles consultative, CPC). There are 14 CPCs, corresponding to the main business sectors (Speake 2007: 5). These committees are attached to various ministries and they are responsible for establishing diplomas and certificates for technological and vocational education (CEDEFOP 2008: 24).
- National Pedagogical Committee: This committee establishes the certification system for tertiary technology colleges at the level of baccalaureate and two years study (CEDEFOP 2008: 24).
- National Expertise Committee: This committee is responsible for tertiary vocational diplomas (*licences professionnelles*) at the level of baccalaureate and three years study (CEDEFOP 2008: 24).
- National Higher Education and Research Council which is responsible for all highereducation diplomas.