Research Report

COMITÉ: Solidarity (ILO6)

PROBLÉMATIQUE: What solidarity policies should be adopted to reduce

unemployment?

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INTRODUCTION



Hello delegates! My name is Dahlia Djelouah, I'm 17 years old and I'm currently in my final year at the Lycée Bonaparte in Doha, Qatar. I've been part of the MUN program for three years through ThiMUN Qatar, and at ThiMUN 2023 I had the honour of serving as committee chair at the French general assembly.



Hello delegates! My name is Shirel Nakache, I'm 17 years old and I'm currently in my final year in the international section at the Lycée Fénelon in Grasse, France. I've been taking part in the MUN conference for the last two years, and was a delegate for Australia last year.

This year, our priority will be to focus on economic solidarity. Our committee will be looking at a crucial issue: reducing unemployment. We will be focusing on the solidarity policies put in place around the world to combat unemployment. Our aim will be to find practical solutions to the many problems associated with these issues. I wish you good luck in your search for solutions, and I look forward to working with you!

KEY WORDS

Unemployment: Classification of an individual in the labour force who is seeking active employment. There are 4 types of unemployment: structural, frictional, seasonal and cyclical.

Working population: Group of individuals with a job in addition to the unemployed.

Structural unemployment: A type of unemployment that occurs when a particular type of job is no longer in demand. In the face of this social risk, individuals often have to reorient themselves professionally. This is linked to structural changes in the economy: economic,

demographic, social, institutional or technological. These changes lead to disparities within the workplace and a decline in economic activity.

Technological Unemployment: Type of unemployment occurring when technology replaces an individual's job, it is considered as a sub-type of structural unemployment.

Frictional or natural unemployment: Type of unemployment resulting from the voluntary departure of an individual to change jobs. Here, a frictionally unemployed individual does not benefit from the regular employment insurance benefits programme.

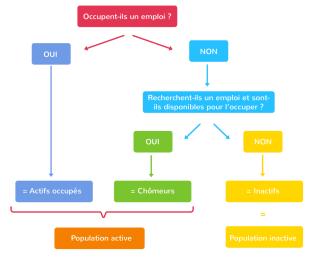
Seasonal unemployment: A type of unemployment linked to economic sectors that depend on the seasons, such as tourism. In the off-season, employers will see a drop in demand and will therefore reduce the number of workers they employ.

Cyclical unemployment: type of unemployment linked to the economic slowdown, which can lead to a drop in the number of jobs available.

Intergenerational integration: refers to the use of people from different generations and their integration into a common workplace. This is done in the hope of creating a more diverse workplace where members can help each other in a variety of ways.

Key labour market indicators: Tools providing information on the labour market. The key indicators have become the property of the International Labour Organisation (ILO) and are accessible daily by researchers worldwide. The indicators published are the unemployment rate, job characteristics (type of contract, working hours) or situations close to unemployment.

OVERVIEW



1. What is unemployment?

Unemployment is a major phenomenon affecting the world's economies, with considerable repercussions for individuals, societies and nations as a whole. Unemployment is a term used to describe the situation in which individuals of working age are unemployed but actively seeking paid work. It is a key indicator of the state of a country's labour market and economy.

Unemployment is measured as a percentage of the working population and is generally expressed as the unemployment rate.

Unemployment can have negative consequences for individuals and for society as a whole. Unemployed people can face financial difficulties, lower self-esteem and negative psychological consequences. Economically, unemployment can lead to lower production, reduced consumption and social tensions.

Internationally, unemployment can be caused by a variety of factors, such as economic fluctuations, structural changes in industries, technological advances that automate certain jobs, imbalances between supply and demand in the labour market, and government policies and regulations that can influence hiring and firing. There are different types of unemployment, such as structural and cyclical.

2. Where does unemployment come from?

This complex problem is rooted in a variety of economic, demographic, social and technological factors. Understanding the origins and causes of unemployment at an international level is essential to developing appropriate policies and solutions to alleviate this worrying reality.



les causes du chomage, https://ecoenschemas.com/, 2017

Unemployment is a multifactorial process resulting from complex economic dynamics. Global economic fluctuations, such as recessions, financial crises and economic downturns, can reduce demand for goods and services and, in many cases, reduce available employment. Companies have responded by reducing their workforce, leading to higher unemployment.

By the end of the nineteenth century, the social representation of the poor had become so important that the unemployed, in the sense of people without jobs, were counted among the poor. As early as the 1880s, Alfred Marshall, a professor at Cambridge University, recognised a new dimension to modern unemployment, distinguishing between two types of unemployment. The first, "occasional unemployment", arises because of difficulties in matching supply and demand.

This is involuntary unemployment. The second, "systemic unemployment", includes all individuals who

are not working because they do not want to or cannot. In France, the 1896 census introduced the first category of unemployed, describing the modern concept of unemployment as it emerged in the early twentieth century.

The impact of unemployment was initially recognised and viewed by some companies in terms of economic protection, offering "complete social guardianship" to workers and their families. However, since the end of the nineteenth century, certain institutions, such as mutual insurance companies and the French Employment Service, have sought to protect the unemployed from the risk of unemployment by compensating them or facilitating their access to work. In the United States and the United Kingdom, trade unions set up unemployment insurance schemes for their members.

3. Les systèmes de protection

After the Second World War, France introduced social security on the basis of insurance. However, this did not include protection against unemployment. At the instigation of the government, the social partners perfected this system in 1958 by creating unemployment insurance for industrial and commercial workers (UNEDIC and ASSEDIC). Pôle Emploi was created in 2008 from the merger of the Agence nationale pour l'emploi (ANPE) and ASSEDIC, then UNEDIC.

In France, therefore, protection against unemployment is firmly rooted in the wage system and is provided by compulsory contributions from employers and employees.

Among ILO member countries, Austria, Belgium, Denmark, Finland, France, Germany, Iceland, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden and Switzerland offer the most generous unemployment protection schemes. Nevertheless, Australia, Canada, Ireland, Japan, New Zealand and the United States are in the category of countries with middle-class systems.

In the United States, the unemployment insurance system is characterised by two levels of government, state and federal. The federal government sets the framework legislation, monitors state performance and funds the operation of the system. However, most functions of the unemployment insurance system are managed at state level through national employment agencies that collect contributions, manage eligibility and pay benefits.

In France, unemployment insurance is mainly funded by employer contributions, which are deducted from wages. Contribution rates vary according to a number of criteria. Firstly, at the level of each company according to its history of redundancies: the more redundancies a company has, the higher its contribution. This is the principle of experience rating.

ILO TREATIES AND MAJOR EVENTS

23/06/1934

<u>CO44</u> - <u>Convention (n° 44) du chômage, 1934</u>. The aim of the 1934 Unemployment Convention was to promote the creation and development of public services to facilitate the adaptation of the workforce to the needs of the labour market and to combat unemployment. The convention stipulates that public employment services must provide free services to workers and employers, such as job search, vocational guidance and training. This convention also invokes non-discrimination, meaning that public employment services must be accessible to all, without discrimination.

09/07/1964

<u>C122 - Convention (n° 122) sur la politique de l'emploi, 1964</u>. The 1964 Convention on Employment Policy aims to promote an active employment policy and encourage the creation of productive, quality jobs. It advocates the establishment of integrated national employment policies and appropriate programmes to combat unemployment.

<u>C168 - Convention (n° 168) sur la promotion de l'emploi et la protection contre le chômage, 1988</u>. This convention requires Member States to draw up and implement national policies designed to encourage employment, ensure the effectiveness of employment services and guarantee workers protection against involuntary unemployment.

POSSIBLE SOLUTIONS

Tackling unemployment on a global scale requires a holistic approach, with well-coordinated education and employment policies.

- → First and foremost, education is crucial, with a focus on skills relevant to the labour market. It is essential to make basic education accessible to all, including disadvantaged populations, by introducing free education programmes and incentives for schooling rather than early work.
- → Policies must extend to career guidance programmes, working with businesses to design curricula aligned with market needs. Technical and vocational education, as well as public-private partnerships, contribute to more targeted and directly applicable training.
- → Encouraging careers in STEM fields and regularly evaluating the effectiveness of educational programmes are key elements. Informing parents, pupils and students about the benefits of education and its impact on employability reinforces this approach.
- → Vocational training is a crucial component in reducing unemployment. It must be constantly updated to reflect changes in economic sectors and technologies. Working with employers to identify the skills needed ensures that programmes are relevant. These courses can take a variety of forms, from classroom teaching to online courses, ensuring adaptability to individual needs.
- → Accessibility to vocational training for all, regardless of age or socio-economic status, is a key principle. Certification of the skills acquired facilitates entry into the job market. Advice and guidance in choosing the optimum field of training, as well as continuing education programmes, are necessary elements in maintaining competitiveness throughout a career.
- → Encouraging entrepreneurship can also create jobs. Dedicated funding programmes, incubators and the integration of entrepreneurial education into schools and universities are effective approaches. Simplification of administrative procedures and ongoing support for established entrepreneurs contribute to an environment favourable to business growth.
 - In addition, proactively managing e-unemployment caused by automation requires significant investment in training and skills development. Retraining, identifying emerging sectors, labour market flexibility and forecasting future skills are essential strategies.
- → Finally, international cooperation, based on the sharing of experience, labour mobility, the coordination of monetary and budgetary policies, and the promotion of

fair trade, plays a fundamental role. In this way, the promotion of global social dialogue fosters the development of more inclusive and effective employment policies.

In conclusion, to combat unemployment, the adoption of solidarity policies centred on accessible education, vocational training and support for entrepreneurship is crucial to creating an environment favourable to employment.

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<u>Comment lutter contre le chômage ? - Tle - Cours Sciences économiques et sociales - Kartable</u>

<u>Unemployment rates by country</u>: this site explains the reasons for the unemployment rate in each country, it is therefore done on a case by case basis and it has an interactive map which is pleasant to use.

<u>Quelles politiques pour lutter contre le chômage? – M'SIEUR</u>: site which explains the basic concepts (practical for those who do not have social economics) and can also find solutions

A more effective labour market approach to fighting poverty