Downloaded from UvA-DARE, the institutional repository of the University of Amsterdam (UvA)
http://dare.uva.nl/document/146372

File ID	146372
Filename	7: Process benchmark

SOURCE (OR PART OF THE FOLLOWING SOURCE):

Type	Dissertation
Title	Benchmarking carrots and sticks : developing a model for the evaluation of work-based employment programs
Author	J. Castonguay
Faculty	Faculty of Law
Year	2009
Pages	388
ISBN	978 90 5629 575 2

FULL BIBLIOGRAPHIC DETAILS:
http://dare.uva.nl/record/315571

Copyright

It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other then for strictly personal, individual use.

UvA-DARE is a service provided by the library of the University of Amsterdam (http://dare.uva.nl)

7. Process Benchmark

The model developed in part 1 of this research made it clear that process-indicators are crucial to the proper benchmarking of work-based employment programs. By linking the process to the input, the output and the results, determinant of success of work-based employment programs can be highlighted. Seven indicators where discussed in chapter 4 as being significant to better results in work-based employment programs. These were:

1. Mode of delivery
2. Timing of start
3. Length of program
4. Hours per week
5. Work environment
6. Rewards
7. Sanctioning procedure

Similarly to the previous chapter, a first section will discuss the ranking of each of these 7 indicators, while a second section will present the aggregated result for this category of indicator.

7.1. Mode of delivery

With the rise of New Public Management as an influential model for reforming bureaucracies, many countries systematically increased the influence of market forces in their social security system. As discussed in chapter 1 and 2, this has meant the privatization of service delivery, the increase use of monitoring of government departments based on performance indicators and benchmarks, and the use of contracts between the government and those responsible for delivering services. However, the extent to which these new mechanisms have been introduced in different countries varies greatly. This will be the first process-indicator of this benchmark: the mode of governance for the delivery of the work-based employment programs. Chapter four has defined four categories of provision models based on the typology developed by Mosley and Sol (2005). These are: the bureaucratic model, the management-by-objective model, the preferred supplier model and the quasi-market model. Additionally, the extent to which these different types of arrangements will lead to performance-pay will also be measured. This benchmark will therefore reflect the degree to which the programs are following a delivery model which is focused on efficiency and effectiveness.

The Netherlands and Australia are well known for their extensive use of private providers for the delivery of employment services. In both these countries, opening up the market for employment services was thought to improve the efficiency of the labour market policies and thereby help in decreasing caseloads. In the Netherlands, this privatisation of service delivery has not been made mandatory such as in Australia, but was left as an open option for the municipalities. In the Netherlands, the type of partnerships and contracts which are made between the municipalities and those who provide the services to the participants varies between the various Work First projects. In the case where the municipality will choose to contract-out service, either a quasi-market will be created or a preferred-supplier model of provision will be chosen. Two types of private providers can be used by the municipalities: sheltered-workplaces and reintegration companies. Sheltered-workplace companies are often partially owned by the municipalities and provide subsidized employment for those who are not capable of working in the regular labour market due to large barriers to work. They offer simple, low-skilled work, and the expectations of the managers of these work-places in term of skills and level of employability are much lower than what is found in the regular labour market. This means that these are very locally bound and a preferred-supplier model of provision will be used. In the case of outsourcing to private reintegration companies, these are often found in many regions and less geographically bound, which makes it more appropriate to use a tendering procedure of the quasi-market type of provision. As shown in table 7.1, a third of the projects were contracted to a private provider, who in turn may have contracted-out some parts of the service delivery to other private providers.

Table 7.1: Type of Head-Contractors in Dutch Work First programs

Head-contractor	**Frequency in the 49 projects**
Private service provider	33%
Sheltered-workplace organisation	22%
Social Affairs department of the municipality	25%
Other	20%

Source: Work First Benchmark Database, 2006.

However, a quarter of the municipalities still chose to act themselves as the head-contractor of the project and only contract-out some parts of the project, or even arrange the activities of the project internally. In fact, in the case where the municipality is the head-contractor of the project, 75% of the time a private service provider is contracted out, 12.5% of the time a sheltered-workplace company is contracted out, and only 12.5% of the

time does the municipality itself provided for the activities of the project. The category "other" includes the various cooperation options between the three actors, as well as some Regional Education Centres which are responsible for adult education.

Since funding arrangements are also arranged separately for each contractor, there is not one single funding model which relates to the Dutch Work First program. Nevertheless, private providers will usually be paid with a combination of fee-for-service and outcome-payments, an acquittal process can also be used by the municipalities, especially when contracting out to other public organisations or to sheltered-workplace. In general, the Work First programs being highly focussed towards the rates of return to work of its participants, an element of performance-pay can be expected in most contracts, especially since the majority of contracts are with a private service provider.

The Australian mode of provision follows a preferred-supplier model, although it is complemented by a small quasi-market in order to allow new entrants in the market (Mosley and Sol, 2005, p. 6). The Department of Employment and Workplace Relations contracts out the delivery of the Work for the Dole to Community Work Coordinators (DEWR Annual Report 2005-2006, p.211). The value of the contracts for the period of 1 July 2002 to 30 June 2006 is in total, A$684.370.000 (~ 417 million Euro)[27] (DEWR Annual Report 2005-2006, p.211). The role of the Community Work Coordinators (CWC) is to find and select projects suitable for the Work for the Dole program, and supervise these projects (Nevile and Nevile, 2003, p.13). These projects are taking place in non-profit, community, voluntary or governmental organisations, which are denominated as Sponsors or Hosts. Actually, about 25% of the sponsors are religious-based community bodies, a little more than 50% are secular non-governmental community bodies, and the last quarter is made up of local government bodies (Nevile and Nevile, 2003, p.13). Nevertheless, about half of the projects take place within the CWC and are not subcontracted to a Sponsor (Nevile, J.W., 2003, p.4).

The contract between the CWCs and the DEWR runs from 2002 to 2006 and is called the Community Work Coordinator Service Contract 2002, or CWCSC 2002 (Australia National Audit Office, 2007, p. 15). As illustrated by Nevile and Nevile (2003, p.146), this contract is based on a new arrangement for the funding which is based on an acquittal procedure.

[27] The exchange rate used for the conversion is the average exchange rate over 2005 and 2006 in order to cover for the fiscal year. This is 0.61 A$/ €. Source for exchange rate: OECD (2007), Main Economic Indicators.

They explain that the CWCs and the Sponsors have to itemize what every component of the project will cost and that the DEWR will transfer only a percentage of the money up front. The rest of the funding will then only be made available after the project has been completed and the receipts can be presented. This clearly put great financial pressure on both the CWCs and the Sponsors since they in fact have to cover for considerable up-front expenses, such as equipment, protective clothing, training and supervisors' wages (Nevile and Nevile, 2003, p.147). The acquittal process nevertheless includes a fixed Management Fee and Administration Fee per contracted place (ANAO, 2007, p.15). It, however, does not contain any performance-related payment, in accordance with the objective of the program which is not axed towards employment outcome. Furthermore, since 2004 the CWC are allowed to claim upfront payments of up to 80% of the approved Work for the Dole activity before and during the life of the activity (ANAO, 2007, p. 77). At last, it should be noted that the Department of Employment and Workplace Relations monitors the performance of the CWC on various Key Performance Indicators and that the Star Rating System also applies to CWC, but without accounting for employment outcomes (this was changed from 1 July 2006) (ANAO, 2007, p.117).

In the case of Great Britain much of the social security provisions have been centralised in the hand of Jobcentre plus. In addition, some decentralisation has been taken place within the delivery of New Deal services. This decentralisation came mostly from the Building on the New Deal strategy which was laid-out in the aftermath of the Review of Employment Programs realised by the Department of Work and Pension in 2003 and 2004 (Hasluck and Green, 2007). The major proposal of the strategy regarded more power to the local staff in the Jobcentre Plus, especially to the District Manager who could choose from a "menu of provisions", which were framed by national policies, in order to best suit the demands of its locality (Hasluck and Green, 2007). Those District Managers would then enter into partnerships with local public and private service providers in order to offer a diversified package of services which met the needs of the local unemployed. However, as mentioned by Hasluck and Green (2007), the Building on the New Deal has yet to be fully develop since Jobcentre Plus were not initially fully able to take advantage of their new devolved power due to many uncertainties regarding the best choice of provision for each target group found in the locality.

More specific to the NDYP, the 144 Units of Delivery for the NDYP were meant to allow for local flexibility in both the policy design and delivery, but this within the nationally set standards and guideline (Sunley et. al.,

2001). These Units of Delivery are in fact free to make partnerships with different local organisations in order to provide for the services of the NDYP. This way, the specific package of provision will vary from one Unite of Delivery to the other, according to the variation in local needs and types of actors involved in the partnership. The Tavistock institute has researched those partnerships and concluded that the delivery models and forms of partnerships were extremely varied from one Unit of Delivery to the other (in Hasluck and Green, 2007). Nevertheless, four broad models of delivery could be identified by the researchers (Travistock Institute, 1999, in Hasluck and Green, 2007) :

- Joint Venture Partnerships:
  in this model different service provider, including the Jobcentre Plus, are all equal partners in a contract with the Jobcentre Plus for the delivery of the NDYP services and programs.
- Consortia:
  the Jobcentre Plus has one single contract with one lead-organisation, which then on its turn sub-contracts the different services and programs with various private partners.
- Private Sector Delivery:
  the Jobcentre Plus has one contract with one private organisation which delivers the services and programs itself.
- Independent Contracts:
  the Jobcentre Plus is the lead-contractor and makes sub-contracts with various private providers for the different services and programs.

While too many factors come into play when attempting to find the model which shows the highest level of effectiveness, the researchers from the Travistock Institute where able to show that the benefit of these partnerships was that they had considerably broadened the range of services and programs offered by the NDYP since its was able to build a much larger network of providers and potential employers (Hasluck and Green, 2007). Unfortunately, as pointed out by Hasluck and Green (2007) in their recent survey of New Deal evaluations, there have been little or no further evaluations on these various delivery models and so no further information is available on how these models are performing nowadays.

The New Deal 25 plus is not provided through those Units of Delivery but is directly provided at the local level by the 849 Jobcentre Plus offices. The delivery of the services is nevertheless provided through partnerships with various local training providers and other organisations, but very little variation in models of delivery has been noticed by Hasluck and Green (2007). Nevertheless, as already mentioned earlier, three models of

delivery for the Intense Activity Period of the ND25plus have been identified by Wilkinson (2003). The modular approach resembles the "Independent Contract" model of the NDYP since the New Deal Personal Adviser selects for the participant a package of activities from one or different provider. The routeway or combination approach then resembles more the "Private Sector Delivery" model of the NDYP because New Deal Personal Adviser choose only one service provider to provide for all of the services within the IAP (Wilkinson, 2003). Of course this can also mean that this private provider will then sub-contract some of the services it should provide to other private partners, and in this case, the delivery would take the form of a "Consortia". All in all, it is clear that private providers are also delivering the services within both New Deal programs. Due to the importance of internal competition and performance monitoring between Jobcentre, the New Deal Unit of Delivery and the Department for Work and Pension and the presence of private providers, the model of provision can be qualified as being Management by Objective.

With respect to the funding of external providers, the Jobcentre Plus Provider Guidance (2007, chapter 4) explains how funding is fixed on a national basis for all NDYP and ND25plus activities, and more. The Guide shows that payments are based on a Funding Formula which is divided between an "on-program element" and an "outcome element". For the work-based activities of the NDYP and the ND25plus, the on-program payment will make up 70% of the payment, and the outcome element the remaining Jobcentre Plus, 2007, par. 37 and 43). Only finding a regular job for at least 16h/week for an expected 13 weeks will count as a positive outcome (Jobcentre Plus, 2007, Annex 7 par. 5). This funding formula thus provides a common basis for the funding of all contracted out services through nationally determined prices, which will encourage competition on the basis of the quality of the service, defined by the extent to which positive outcomes are reached (Jobcentre Plus, 2007, chapter 4).

The situation in Canada is very similar to what is found in the UK in terms of privatization of delivery. Delivery is done by the different municipalities (named Delivery Units) and they are allowed to outsource some of the service delivery to private actors. The Delivery Units are monitored according to clear performance indicators as described in the Ontario Works Directives #50.0. The delivery of the Ontario Works program by the Delivery Agents was drastically reformed in 2002 by the Business Transformation Project. This reform involved mostly the setting up of a new information technology system as well as setting up new business process, mostly regarding determination of eligibility and level of benefits (Office of the Provincial Auditor of Ontario, 2002, p. 26). This

reform has attracted a large amount of criticism from the Provincial Auditor and academics evaluating the effectiveness of the program (see Lightman et. al. 2006 and 2005). Much of the controversy came from the fact that a private consulting firm (Accenture, then Anderson Consulting) had received large payments, C$ 240 million as of March 2002 (C$ 180 million was the agreement) for their expertise, while the changes in the system were widely recognised as clearly failing to meet the administrative needs of the program and resulted in many system defects (Office of the Provincial Auditor of Ontario, 2002, p.27). The Business Transformation Project did not however have direct impact on the provision of work-based activities within the program, and will thus not be further discussed in this benchmark. For more details on the design and results of the Business Transformation Project, see OPAO 2002 and Lightman, Mitchel and Herd, 2006 and 2005.

The Delivery Agents – which as explained earlier consists of Municipalities, District Social Service Administration Boards or First Nation Bands – are allowed to contract-out any of their service provision to external contractors (public or private), except for the determination of eligibility (OW Act, art. 45(1) and Reg. 136/98 art.4). The work-based activities of the Ontario Works program are delivered through Community Placement. Since more details will be given on this program in the following benchmarks, it is sufficient to mention that these activities take place within non-profit organisation (community/voluntary or governmental). Ontario Works Directive #41.0 states that the Delivery Agent may use three different approaches for the delivery of Community Placement:

- Direct Delivery by Delivery Agent
- Community-based organisations
- Mix of direct and community-based delivery.

In the case external delivery is chosen, the Directive further requires the Delivery Agent to draw a Service Contract Agreement with the participating organisation. The precise content of this Service Contract Agreement is not specified in the directives. Nevertheless, due to the 'mutual obligation' nature of the Community Placement program and its lack of direct focus on employment outcomes, it can be assumed that performance-pay will not be part of this contract. Most likely will the participating community organisation receive a small fee for supervising the participants, as well as a reimbursement of the costs incurred. In fact, from Directive #41.0 it is apparent that the agreements between the Delivery Agent and the community-based organisations will mostly regards basic labour legislation and provincial standards. As such, the Directive requires all participation to comply with the Human Right

Code, the Occupational Health and Safety Act, and basic employment protection such as respecting public holidays and maximum number of hours worked per week, as well as requires them to provide accident insurance coverage under the Workplace Safety and Insurance Board. At last, it can be repeated that performance-pay is also not part of the funding arrangement between the Ministry of Community and Social Services and the Delivery Agents as they share costs on an acquittal basis. Nevertheless, Delivery Agents are subject to performance monitoring in which employment outcomes are measured (see OW Directive #50.0).

Lastly, both programs in the Canton of Geneva can be said to follow a bureaucratic model of provision, where the PES is still the central actors and no clear performance monitoring occurs between the PES and the public bodies or non-profit organisation actually taking case of the work activities. The delivery of the services is not base on any form of competition and is more seen as a chance for the public body or non-profit organisation to receive some extra help from the participants without having to provide them with a salary.

The delivery of the work-based activities within the Temporary Job program is external to the Cantonal Employment Office, which is responsible for the program. The fact that delivery is not done by the Cantonal Employment Office follows logically from its design, since Temporary Jobs take place within the public sector at the federal, cantonal and communal level. However, the precise agreements between these government bodies which host the participants and the Cantonal Employment Office are not discussed in the most recent evaluations of the program by the External Commission on the Evaluation of Public Policy. Particular forms of agreements are also not required from the legislation to which the program is subject to. However, the CEPP does mention that the number of vacant places was drastically increased in the last ten years, with as much as 400 to 500 vacant places for Temporary Jobs in 2000, and that many of the government bodies which host Temporary Jobs participants cover up personal shortages with these participants (CEPP, 2002, p. 38). This could imply that the government bodies which host (the employment contract is with the Cantonal Employment Office) the participant does not receive a payment but already benefits enough from the work-activities which are being performed by the participants. This could also very well mean that performance-pay is very unlikely to be taking place within this program, especially considering that employment outcomes are not explicitly the aim of the program. The situation is found within the RMCAS program, which is implemented by the Hospice Général. The 'mutual-obligation' activities within the program take place at non-profit organisations, cantonal and communal public bodies or

other community-based organisations. A contract is signed between the Hospice Général and the organisation involved in the mutual-obligation activities, and this contract contains general criteria's regarding the type of work to be performed by the participant(s), the number of hours, the location of the workplace, etcetera (Cunha, 2002, p.16). No mention is however made of any payments between the Hospice Général and the delivering organisations, let alone the implying of any performance-payments (see amongst other, Cunha, 2002, Fluckliker and Vasilev, 2003 and 2005). Clearly, seeing the focus of the activity on the performance of a 'mutual-obligation' in return for the receipt of the benefit, performance-related pay in which return to the labour market would be rewarded to the hosting organisation is very unlikely.

Benchmark 8: Process – Mode of Delivery

	Benchmark	SUB-INDICATORS	
	Delivery focused on efficiency	**Mode of Delivery**	**Performance-pay**
United Kingdom ***NDYP and ND25+***	4	*Management by Objective*	*Yes*
The Netherlands ***Work First***	5	*Quasi-market or Preferred-supplier*	*Yes*
Australia ***Work for the Dole***	4	*Preferred-supplier*	*No*
Canada (Ontario) ***Ontario Works***	2	*Management by Objective*	*No*
Switzerland (Geneva) ***Temporary Job*** ***RMCAS***	 1 1	 *Bureaucratic* *Bureaucratic*	 *No* *No*

Benchmark 8 summarises the findings regarding the types of partnerships for the direct delivery of employment services in the work-based program, as well as the extent to which performance-pay is used to steer these partnerships. Because of its mix of market-based delivery and performance-pay, the Netherlands receives the score of 5. This is followed by the UK and Australia, who respectively combine management by objective with performance pay and a preferred-supplier model with no performance pay. The efficiency gains from one of the sub-indicators are then expected to be diminished by the other sub-indicator. The lowest score is found in both Swiss programs, where there

is a bureaucratic mode of delivery and no performance pay. Since the Ontario Works program combines management by objective with no performance pay, it receives a score of 2.

7.2. Timing of the start of the work-activities

Concerning the timing of the start of the work-based programs, a difference can be made between programs which are designed as early-interventions and programs which are one part of a chain of interventions of increasing intensity. The large majority of the Work First programs in the Netherlands, the Ontario Works programs, and both the Geneva programs are all designed to require the participants to start right away with their work-activities. These programs can therefore be defined as early-intervention programs. Although there may be some delay in finding a place for a participant to perform the activities, especially in the cases of Ontario Works and the programs in the Canton of Geneva, this idea remains that the condition of performing work-based activities is linked with the start of a claim. Nevertheless, 25% of the Dutch Work First projects allow more than 3 weeks between the benefit claim and the start of the project, either to give time to the participants to search for a job on their own, or to require them to participate into some other training or job search courses prior to the start of the project. In the case of the RMCAS, the obligation "in principle" to participate in a mutual obligation activity has been interpreted by some case-managers as allowing for some of their claimants a delay of two months to up to one year between the claim and the start of the activity (Cunha, 2002, p. 44). This means that while the intent of the program is to link the claim with the performance of a work-based activity, the property of an early-intervention program can quickly be lost if many participants obtain a certain delay from their case-managers. The number of participants who obtained such a delay is however not mentioned in any evaluation reports of this program. Within the Ontario Works program, recipients are expected to perform job search activities and are provided with employment supports during the first 4 months of receiving social assistance. After the first 4 months, if the recipient has been unable to find a job (any job offer must be excepted) they can be required to participate in the Community Participation or Employment Placement programs whilst still performing a job search. (Community Development Halton, 2006).

On the whole, it is clear that the participants in the Ontario Works program, the Temporary Job program, and the large majority of the Dutch Work First programs are facing the participation in work-activities as an

immediate requirement. This will vary from claimant-to-claimant in the case of the RMCAS in Geneva and the Ontario Works program, although it is safe to assume that most claimants will have entered the program within the first couple of months of a claim. Also, the timing of the intervention in the RMCAS is only a delay in which no other employment services are being offered.

The timing of the start of the work-activities is indeed quite different with the Work for the Dole program in Australia and the work-activities as part of the New Deal programs in the UK. In these two countries, the mandatory work-based activities only begin after a considerable amount of time has elapsed. During this time, unlike with the RMCAS program, other types of provisions are been used to help the unemployed return to the labour market. It is therefore necessary at this point to give further information on the chain of provisions in which these work-activities take place in these two countries.

The New Deal for Young People consists of three distinct stages. After having been unemployed for 6 months, the JSA claimants aged 18-24 are required to enter the New Deal program since they were not able to secure a job on their own during these first months. Each participant will be assigned a New Deal Personal Adviser at the Jobcentre Plus, which will remain their first contact person throughout each stage of the program (Jobcentre Plus, 2007). This personal adviser is responsible for tracking the progress of the participant within the different phases of the program and is the contact person for the service provider regarding that participant.

The first stage is called the "Gateway" and consists of various job search assistance services and short training programs, during which the participants keep on receiving their Jobseekers' Allowance. This phase was designed to last for 16 weeks, although some participants may remain somewhat longer in that phase (Hasluck and Green, 2007, p.20). The focus of the Gateway stage is on finding work as soon as possible, and the precise content of the services to be delivered and programs to be followed varies greatly from participants to participants (Hasluck and Green, 2007, p.23). Nevertheless, all participants must follow a mandatory Intense Gateway course during their period on the Gateway. This course lasts between one and five week and consists mainly of basic job search skills training such as CV and interview preparation, team building and communication training, as well as contact with potential employers and on-sight visits to various workplaces (Hasluck and Green, 2007, p.25). Because the Gateway stage does not contain any work-

activity, is it is not considered to be a "work-based employment program" in this research.

The actual work-based activities only take place within the second stage of the NDYP. These work-based activities are part of what is called 'The Options', which also encompasses one option which is not work-based, that is to say, the option to follow Full-time education and training (the FRER option). The work-based activities of the NDYP consists of three options

- the Employment Option (subsidized employment)
- the Environment Taskforce (ETF)
- the Voluntary Sector option (VSO)

If the NDYP participant has not been able to find a job during its participation in the Options, he or she will then proceed to the third and last stage of the NDYP. This stage is called the Follow-Through, and offers intensive job search assistance and other necessary training in order to help the unemployed find a job. This stage lasts a maximum of 16 weeks. Nevertheless, since this third stage of the NDYP does not contain any work-activity, it will also not be considered in the benchmark of the program.

All in all, the actual work-based activities in the NDYP only start after a total of 10 months of benefit claim, the first 6 months consisting of independent job search and the last 4 months of job search assistance of varying intensity.

The situation is very similar with the ND25plus, which also contains three distinct phases. Entry in the program is mandatory for all JSA claimants who have been claiming the benefit 18 out of the last 21 months, but early entry is possible for those who present severe barriers to joint the labour market. As Adebowale (2004) indicated, this early entry opportunity is quite significant since about 23% of the participants were given early entry each year. The provisions in the Gateway also consist of job search assistance and basic skills course, as well as a voluntary "Gateway to Work" full-time course similar to the one in the NDYP and of weekly interviews with a New Deal Personal Adviser (Hasluck and Green, 2007). This phase lasts for four months in which the last month is used in order to plan an individually tailored Intense Activity Period (Hasluck and Green, 2007). Similar to the case of the NDYP, the gateway does not contain any work-activity and is therefore exempted from the benchmark of the work-based programs. The second stage of the ND25plus is the Intensive Activity Period, or IAP. The activities in the IAP can be regrouped under five categories of activities (Bivand, 2005):

- Basic employability / Basic skills training (BET/BS)
- Self Employment
- Subsidized Employment
- Education and Training Opportunity (ETO)
- Work Experience / Work Placement
- IAP Training

Not all of these activities are work-based activities, but the Subsidized Employment and Work Experience / Work Placement IAP do fit the definition of work-based employment program. However, the Subsidized Employment IAP is only very small, with less than 1000 participants in 2007 (see DWP, Tabulation Tool, available on website). Seeing the very large target group for the program, no focus will be given on this IAP. Of most interest here is the Work Experience / Work placement option, in which the ND25plus participants take up work as a mean to gain more experience. These two choices resemble what is found within the New Deal for Young People, where the Subsidised Employment IAP resembles the Employment Option, and the Work Experience / Work Placement IAP resembles the Voluntary Sector and Environmental Task Force Option. After completing the IAP and not finding work, participants enter the last stage of the program which is the Follow-Through stage. This stage also consists of job search assistance provisions, thus being similar to that of the Gateway in the NDYP. Because IAP only takes place in the second phase of the program, the work-based activities only start very late after the initial claim has been made, that is to say 22 months. The first 18 months were allocated to independent job search and the last 4 months to intensive job search assistance as part of a Gateway period.

In Australia, the Work for the Dole program, which consists exclusively of work-based activities, only starts about six months from the initial claim for either a Youth Allowance or a Newstart Allowance. The Work for the Dole program is actually part of a delivery model named the Active Participation Model which was launched in 2003. This model was designed in order to reform the previously discontinue nature of labour market provisions. The McClure Report, which evaluated the Australian approach to labour market policies prior to the introduction of this new model, highlighted that service delivery arrangements were fragmented and not adequately focused on participation goals for all people of working-age (McClure, 2000, p.3). In this new model called the Active Participation Model, the jobseekers, either YA or NSA claimant, first spends 3 months on independent job search. If no job has been found at that point, the claimants must then participate in Intensive Support activities with a Job Network member. This Intensive Support starts usually with Job Search Training which lasts 3 weeks full-time and

provides help with preparing a resume and practicing interview skills (DEWR, 2006). After 3 months in Intensive Support with a Job Network member, the claimant is then required to fulfil a Mutual Obligation Initiative in order to satisfy the Activity Test and continue claiming its benefit (Social Security Guide 3.2.10). The Job Network member thus refers the jobseeker to a Community Work Coordinator, who is then in charger of the jobseeker. While part-time work for a total of 130 hours within 6 months is one of the options as part of the Mutual Obligation Initiative, the Work for the Dole remains the main activity undertaken under this phase of the Active Participation Model. Even more so, if a claimant has not started an approved activity for the Mutual Obligation Initiative within 6 weeks of mandatory eligibility (thus 6 months and 6 weeks after initial claim), the claimant will be automatically referred to the Work for the Dole program. In other words, the Work for the Dole program is in most case the default activity for the Mutual Obligation Initiative phase of the Active Participation Model (Social Security Guide 3.2.10). The Work for the Dole program lasts for a period of 6 months and is then followed by Customized Assistance, which provides up to six months of intensive one-on-one assistance to disadvantaged jobseekers who haven't been able to find work after claiming for more than one year.

Similarly to the UK, the Work for the Dole program is phased after a series of job search assistance activities which are meant to assist the claimants find a job, before work-activities are required from them. The start of the work-activities for claimants of all ages thus takes place after about 6 months of unemployment (6 months and 6 weeks maximum). Considering the much shorter phase of independent job search than in the UK, it can be said that the intervention is earlier in the Work for the Dole than in the NDYP, and much earlier than in the ND25plus.

Benchmark 10 thus ranks each program according to the typical timing of the start of its working activities. Since both the Work First programs in the Netherlands and the Temporary Jobs program in Geneva are in most of the cases starting right from the start of the claim, both receive a score of 5. The Ontario Works Community placement takes place within four months, so it receives a score of 4. Since the RMCAS usually also starts within a couple of months, it receives a score of 3. The same score is given to the Work for the Dole program, which starts after 6 months in the benefit scheme. The lowest scores are given to the New Deal programs, which start after 10 months and 22 months after the start of the claim.

Benchmark 9: Process – Timing of start of work-activities

	Benchmark
	Early-Intervention from start of claim
United Kingdom *NDYP* *ND25+*	 2 1
The Netherlands *Work First*	5
Australia *Work for the Dole*	3
Canada (Ontario) *Ontario Works*	4
Switzerland (Geneva) *Temporary Job* *RMCAS*	 5 3

7.3. Length of program

Only two programs in the benchmark do not have a limit on the time spend in the work-activities. These are the Ontario Works program and the RMCAS programs. Actually, in the Ontario Works program, a Community Participation placement within a non-profit organisation is only allowed for a maximum of 6 months, or 11 months if a training-plan is in place (OW Directive # 41.0 p.4). However, if there is no exit to work within this period, a new placement can be made within a different organization (OW Directive #41.0 p.4). Since data on the results of the program do not specify the number of different placements for each participant, the program has to be seen as one continuous Community Placement, albeit within different organisations. As will be discussed later on, the organisations do not differ much from each other since clear boundaries are set for which type of placement is eligible for a Community Placement. This level of uniformity thus allows the treatment of the program as being unlimited.

The same situation is found within the RMCAS program, where the time spent on a 'mutual-obligation' activity in one organization is variable from one claimant to the other, with no clear time limits. Since this activity is mandatory in order to claim the benefit, ending one placement means that a new placement needs to be made. In his evaluation of the

RMCAS, Cunha (2002, p. 34 and 50) specifies how in general placements within one organisation last for a maximum of 12 to 18 months. He however mentions that some participants may stay up to 5-6 years in the same activity. As also confirmed by Fluckliger and Vasiliev (2005, p.10), the RMCAS program can be considered to have an unlimited duration. This situation is similar to the one in the Ontario Works program.

The length of the Temporary Job program has already been discussed earlier as it is directly linked with its objective to allow the participants to become eligible for a second UI entitlement. Indeed, article 43 of the Cantonal Unemployment Law specifies that the length of the Temporary Job will be equal to the amount of time necessary to build up new entitlement rights, which should not exceed 12 months. For unemployed persons with repeated spells of unemployment, thus all those taking part in the Temporary Job program, the necessary contribution time for eligibility is 12 months (CEPP, 2002 p. 3).

The Work for the Dole program is set to last 6 months, which is similar to the work-based Options in the New Deal for Young People in the UK. Since the Building on the New Deal strategy launched in 2004, more flexibility has been given to the options in the NDYP. An employment readiness interview is undertaken with each participant after 13 weeks on one option to evaluate the progress made towards returning to the labour market, after which a possible prolongation of the option to 26 weeks or a change of option is possible (DWP, 2004, BoND). The threshold times of 26 weeks for the Employment Option, ETF and VS used to be taken as the *minimum* time on the option but are nowadays used as a *maximum* time (DWP, 2004, BoND). This comes closer to the situation in the New Deal 25 plus for which the Intense Activity Period (IAP) typically lasts 13 weeks, although it can be extended to 26 weeks for some participants (Hasluck and Green, 2007).

The length of the Work First programs in the Netherlands varied between 6 weeks to two years, although these two projects reflecting these lengths were clear outliers compared to the other programs. As can be seen in table 7.2, almost 70% of the projects lasted less than 6 months, making these programs the shortest in the benchmark. About 25% lasted between 6 months and one year, and only 3 projects reported lasting between one and two years. All in all, the average of the duration of the projects in the Work First Benchmark 2006 was 6.5 months.

Table 7.2: Length of the projects in the Work First Benchmark 2006

Length of the project	Frequency in the 49 projects[1]
3 months or less	49 %
3 to 6 months	20 %
6 months and more	31 %

Source: Work First Benchmark Database, 2006.
Note: 1) four projects did not provide data on this indicator.

The scores for this benchmark are presented in the table next. These are based on durations as following: Canada and RMCAS are unlimited, Temporary Jobs last 12 months, the Dutch Work First programs last on average 6.5 months, both the Work for the Dole and the NDYP options generally last 6 months, and the shortest program is the ND25+ IAP, with a total of 3 months.

Benchmark 10: Process – Length of program

	Benchmark
	Length of program
United Kingdom *NDYP* *ND25+*	 4 5
The Netherlands *Work First*	3
Australia *Work for the Dole*	4
Canada (Ontario) *Ontario Works*	1
Switzerland (Geneva) *Temporary Job* *RMCAS*	 2 1

7.4. Hours per week

The number of hours per week in the program will now be used as an indicator of the intensity of the program, and will look in particular at the number of hours which need to be spent in the work-activity of the program. The job search assistance and training elements will only be briefly discussed, as they are part of the Output-Benchmark.

As already mentioned earlier, the New Deal for Young People in the UK consists of four different types of activities, called the Options. Since one option is not work-based[28], only three of those Options will be taken into account in the benchmark, that is to say: the Employment Option, the Environment Taskforce (ETF) and the Voluntary Sector option (VSO). The Employment Option is basically a subsidized work program. Most jobs are full-time – for 30h a week or more – while only a small number of jobs can be part-time (between 24h and 29h per week) (Jobcentre Plus, 2008, website). Additionally, a minimum of one day per week must be dedicated to training towards recognised certification (Hasluck and Green, 2007). This training can be done in-house or provided by an external provider. Furthermore, the participants are expected to continue their job search activities while on the Employment Option and this should be facilitated by the employers, such that free time can be taken to attend interviews (DWP, 2007, provider guidance). The Environmental Taskforce (ETF) adds an extra aim to the NDYP since it also seeks to contribute to the improvement of the local, regional or global environment (Hasluck and Green, 2007). The activities undertaken by the participants mainly pertain to conservation, for example rural maintenance, gardening, landscaping and building maintenance (Hasluck, 2000). The participants spend 30 hours a week working and spend one day a week in training, besides being expected to continue their job search activities (Hasluck and Green, 2007). The Voluntary Sector Option offers the opportunity to the participant to work for a voluntary sector or charity organisation. Its design is further similar to the Environmental Task Force (Hasluck and Green, 2007, p. 27).

The activities under the Intensive Activity Period of the New Deal 25 Plus are also on a full-time basis (at least 30 hours per week). The IAP is a program in which the participants acquire the skills they lack in order to join the labour market though training and/or work experience program. Of most interest here is the Work Experience / Work placement option, in which the ND25plus participants take up a job, usually no in the regular labour market but in the community sector (Jobcentre Plus, 2005 and Hasluck and Green, 2007, p. 45). It is made clear in the Provider Guidance

[28] The full-time education and training option (FTET) offers the participant the opportunity to spend a year in upgrading their qualification level while continuing receiving a training allowance equivalent to their JSA benefit. The level of qualification to be reached is most often the National Vocational Qualification level 2 (Hasluck and Green, 2007). Similarly to the other Options, the participant is does not have the official status of unemployed in the statistics. It is registered as being "out of the labour force" (Riley and Young, 2000).

document of the Jobcentre Plus (2007) that those jobs should without any other good reason be full-time, as the program is a full-time program. One or two days a week is also reserved for training in the ND25plus, although this can be done with combining the Work Experience/Placement opportunity with the IAP opportunity.

The amount or time which is dedicated to work-activities and job search assistance (JSA) for the participants in the Dutch Work Fist projects is also in table 7.3. Significant is the fact that a quarter of the projects do not specifically require the participants to spend an amount of time on employability activities. This would mean that the participants would be expected to search for jobs on their own, and that training would be an integral part of the work-activities to be undertaken, in other words, on-the-job training. Nevertheless, a third of the projects offered the standard package of three or four days of work and one day of employability activities, where two-thirds of these were of the "three days work, one day employability" kind for a total of 32 hours per week. A few projects took only a smaller part of the week with less than two days of work and half a day of employability, and one project actually required only employability activities for a full-time work-week.

Table 7.3: Number of hours for projects in Work First Benchmark 2006

Hours in Project	**Frequency in 49 projects**
- 36 to 40 hours only work	7%
- 20 to 34 hours only work	19%
- 20 to 34 hour work, 0-6 hours JSA	19 %
- 16 or less hours work, 0-4 hours JSA	14 %
- 20 to 32 hours work, 8 hours JSA	31 %
- 12 to 18 hours work, 8-24 hours JSA	7%
- 40 hours JSA	2%

Source: Work First Benchmark Database, 2006.

The number of hours required for the Work for the Dole program varies according to the age of the claimant. Claimants aged less than 21 years old – thus Youth Allowance claimants – are required to undertake Work for the Dole activities for 12 hours per week (Guide to SS Law, 3.2.10.80). The requirement is slightly higher for those claiming Newstart Allowance, and is set at 15 hours per week (Guide to SS Law, 3.2.10.80). However, NSA claimants aged between 40 and 49 years old have the same participation requirements as the JSA claimants, that is to say, 12 hours per week (Guide to SS Law, 3.2.10.80). Interestingly, the legislative text also specifies that these requirements cannot be exceeded, since

article 28(2) of the Social Security Act of 1991 mentions that a program *cannot* be approved by the Secretary if it requires *more* than 24 hours per fortnight or 30 hours per fortnight for those under and over 21 respectively. Nevertheless, principal carers or those with a partial capacity to work have reduced requirements of half of that of the younger and older claimants. This can either mean participating for 12 hours a weeks for half the period (13 weeks instead of 26 weeks) or for 6 hours a week for the whole period. Additionally, the recent Welfare-to-Work reform which took effect in July 2006 also requires the very long-term unemployed to participate in Work for the Dole. Their requirements are set at what is deemed a full-time basis, which means a participation requirement of 25 hours per week (Guide to SS Law 3.2.9.50). This reform is however outside the scope of the benchmark due to its very recent implementation, and this will thus not be taken into further consideration.

Interestingly, the number of hours required in the Work for the Dole is not based on ad hoc decision. Rather, it is fixed so that it equals to the amount of maximum benefit divided by the Training Wage, such that participants are actually "working" for a revenue which is equal to the minimum wage (OECD, 2002, p. 212). This explains why a lower requirement is present for those under 21, for which a lower training wage apply. From this, it is easy to conclude that the Work for the Dole is truly set up so that the unemployed are "earning" their benefit by working for the community. Also, the Work for the Dole program does not contain any job search assistance component or any training component (OECD, 2001, p. 209).

In Geneva, the legislation on the Temporary Job program clearly states that the participants should spend four full days in the job and that one day per week should be reserved for job search or training (Cantonal Unemployment Law, art. 40). As mentioned in Benchmark 8, the program is delivered by the Cantonal Employment Office, which is responsible for active labour market policies for all unemployment insurance claimants in the Canton. When unemployed persons claiming unemployment insurance reach the end of their period of eligibility, they are being transferred to the Cantonal Measure Service department (OCE, website). The Agency for Cantonal Measure thus takes-over the case-management and is responsible for finding Temporary Jobs for the claimants as well as assisting them in looking for work (OCE, 2008).

The participation requirements for the RMCAS claimants vary greatly from one claimant to another. The legislation is imprecise with regards to the number of hours to be spend in the 'mutual obligation' activity, but the Guide to the Rights and Duties of the Unemployed (Ch.15-1) states

that this activity is on a part-time basis, for up to 20 hours per week. The reason for this has been said to be to avoid competition with temporary jobs and to allow enough time for the claimant to look for work (Cunha, 2002, p.16). Concerning job search and training, while the legislation requires claimants to perform job searches throughout their claim period, this has not been implemented by the Hospice Général since they are not responsible for job search assistance and other labour market policy.

The Ontario Works program in Canada also presents a large amount of variation in the requested amount of time spent in the program. All claimants, except for those with exemptions (see Benchmark 2), are required to take part in Employment Assistance. According the Ontario Works Act, Employment Assistance consists of two types of activities: 1) Community Participation and 2) other employment measures (Ontario Works Act, article 4). In fact, Community Placement is the chief activity of Employment Assistance. In community placement, participants do unpaid community service for a community and/or public or non-profit organisation, for a maximum of 70 hours per months (OW Directive #6.0, p.9). This amount of time averages out at 17,5 hours per week. Similar to the Australian legislation, the Ontario Works Regulation 134/98 states that the delivery agent shall *not* require a participant to take part in Community Participation for *more than* 70 hours in any given month (article 29(2)). Since the requirement is set in number of hours per months, it has also been specified that the participants are not to spend more than 8 hours per day or 44 hours per week at any placement, implying that the required hours be spread over the whole months (OW Directive #6.0, p.9). However, unlike in the Work for the Dole, there is no minimum number of hours for the Community Participation as dictated by legislation or directive (#41.0, p. 8). Similar to the Work for the Dole program, the number of hours spend working in Community Participation is set so that it equal the rate of maximum benefit divided by the minimum wage plus vacation pay (OW Directive #41.0, p.9). This thus means that the maximum number of hours required will decrease as the monthly amount of benefit received diminishes. Analogous to the conclusions made regarding this calculation in the Work for the Dole program, one can clearly see the link between the idea of 'mutual obligation' and the Community Participation requirement. At last, within Ontario Works, the type of activities undertaken under the second heading of "other employment measures" varies from claimant to claimant.

Benchmark 12 shows the rakings based on the findings with regards to the number of hours spend in the program's work-activity. Both New Deal program as well as the Temporary Job program last four days a

week, so these three programs will receive a score of 5 in the benchmark. The shortest program is found in Australia, with 12 to 15 hours per week of work activities in the program. This is closely followed by the Canadian Ontario Works program, whose work-activities takes up a maximum of 17,5 hours per week. This program will therefore score a 2. The RMCAS score a 3, with less than 20 hours per week required in a work-activity. The Dutch programs find themselves between the RMCAS and the highest scoring programs, so it will receive a score of 4.

Benchmark 11: Process – Number of hours per week in program

	Benchmark Intensity of work-activity
United Kingdom *NDYP* *ND25+*	 5 5
The Netherlands *Work First*	4
Australia *Work for the Dole*	1
Canada (Ontario) *Ontario Works*	2
Switzerland (Geneva) *Temporary Job* *RMCAS*	 5 3

7.5. Working environment

In the UK and the Netherlands, different types of working environment are present within the umbrella of the New Deal programs and the Work First programs. This is because the New Deal for Young people program consists of different "Options" and the Work First projects all differ from approach between the municipalities which implements them. On the other side, the Australian, Ontarian and Geneva programs all single out one type of working environment for all their participants.

In the Employment Option of the NDYP, employers from both the private sector and the public sector can register themselves as New Deal employers and therefore are connected to New Deal participants through the Jobcentre Plus. By hiring a New Deal participant, the employer then

becomes in fact a service provider in the full sense of the term. While some employers will only employ New Deal participants to fill in their vacancies, others will employ one or a group of New Dealers to incorporate to their employee base. Bryson, Knight and White (2000, in Hasluck, 2000 p.37) found with a survey of employers of the New Deal that the great majority of the placements in the service sector, with about one fifth taking place in the wholesale and retail trade industry. Most jobs tended to be manual jobs, either crafts and related skilled occupations or unskilled jobs, accounting together for 42% of the jobs (Bryson, Knight and White, 2000, in Hasluck, 2000 p.37). Some public instances, such as local governments, are also providing employment for New Deal for Young People. The participants in the program who take up a subsidized job within this governmental organisation face the same conditions as those working in the private sector. Clearly, the work-activities within the Employment Option of the NDYP can be classified in to be directly related to the regular labour market.

On the other side, The Environmental Taskforce (ETF) program of the NDYP is designed to contribute to the improvement of the local, regional or global environment (Hasluck and Green, 2007). The activities undertaken by the participants mainly pertain to conservation, for example rural maintenance, gardening, landscaping and building maintenance (Hasluck, 2000). Similarly, the Voluntary Sector Option offers the opportunity to the participant to work for a voluntary sector or charity organisation. As mentioned by Hasluck, the majority of placements provide jobs in administration, care, gardening or warehouse work. In both these Options, the work environment is much further to the regular labour market, and many of these activities are purposefully created for NDYP participants. The link with the regular labour market is thus weak, as the participants are not real employees of the organisations where they perform their activities.

The same is true for the Work Experience / Work placement Intense Activity Period in the ND25plus. As already mentioned, the participants in this work-based program take-up work usually in the community sector or in the environmental sector, resembling the type of placements which are found in the VS Option and the ETF Option of the NDYP (Hasluck and Green, 2007, p.46; and Jobcentre Plus, 2005, p.5). Nevertheless, these placements may be within the public or the private sector. However, in the case such a placement can become a subsidized job, this placement is not part of this IAP anymore and is actually considered part of an IAP on its own, the Subsidized Employment option. Thus even though some placements might be in the public or private sector, it is expected that these would be much smaller within the Work

Experience / Work Placement IAP. More detailed information on the type of activities within the Work Experience / Work Placement IAP is unavailable.

In Australia, the work-activities undertaken under the Work for the Dole program are done with public or community organisations. In fact, all activities taking place under the program must take place in non-profit or publicly funded organisations, and thus not within the private sector (OECD, 2001, p. 210). These organisations can be governmental organisations such as the local city council, or can be charities, religious institutions, or community associations and other volunteer organisation. It is clear that the Work for the Dole participants must not displace any existing work within the organisation, by for example taking over the work of someone else which was paid for their services (OECD, 2001, p. 210). A wide variety of activities can thus make up the work-activities of the program, such as maintenance and restoration of community facilities, environmental projects, landscaping, care for the elderly, the disabled and children, assistance with teaching, assistance with computers and IT, and more. The organisation providing the work-activities, the "sponsors" must, besides demonstrating that the work-activities do not displace any existing job, also demonstrate that the community supports the project, through for example partial funding of the project by the community (OECD, 2001, p. 210). It is important to clarify at this point that this co-funding by the community is not necessary to finance the project as all costs incurred by the Work for the Dole program are reimbursed to the sponsoring organisation (OECD, 2001, p.210). Clearly, seeing the requirement that the work-activities take place in non-profit organisations and must not displace any real job, the work environment of the Work for the Dole can be said to be quite far from the regular labour market. In this way the program is very similar to the Voluntary Sector Option and the Environmental Task Force Option of the NDYP.

This is also the case for the Ontario Works program, in which similar requirements are made regarding the Community Participation activities undertaken by the claimants. Ontario Works Directives #41.0 gives out the requirements a placement must fulfil in order to count as a Community Participation. Amongst others, all placements should be unpaid and take place in community agencies, public sector organisations, or in the non-profit sector. Furthermore, as in the case of the Work for the Dole, there is a clear requirement that the participant does not displace any paid work in the organisation itself or any affiliated organization. Private sector enterprises may not directly or indirectly offer, administer or supervise the program, but they are allowed to contribute financially to the programs or to provide in-kind assistance

such as equipment or materials necessary for the activities. The type of activities undertaken in Community Placement are similar to that in the Work for the Dole program, and include maintenance work, handyperson, cleaners, technology support, teaching assistant, office clerk and kitchen helper (Buchanan and Klassen, 2005, p.29). It can thus be said that those work-activities in the Ontario Works program take place in a sector which is distant to the regular labour market.

In the Canton of Geneva, those claiming the RMCAS must perform a 'mutual obligation' activity, which is defined in article 27 of the RMCAS Law to be an activity of social or environmental utility. According to the evaluation of the RMCAS performed by Cunha et. al. (2002, p.15), the mutual-obligation activity takes place in non-profit organisations or in the cantonal or communal public sector. Also, the evaluations mentions how these activities must not displace a paid job, not to replace someone absent from their function in case of maternity leave, sickness leave or in vacation (p.16). The activities must allow the organisation to offer services than it would normally not be able to provide, or to develop a special project outside the normal activities it undertakes (Cuhna et. al., p.16). These activities are therefore quite removed from the regular labour market, and similar to all other activities discussed so far, except for the Employment Option in the NDYP. The activities are actually much closer than to the activities in the Temporary Job program. While this program is not an actual subsidized job program, the activities performed by the participants are somewhat closer to the regular labour market. According the legislation, all Temporary Jobs take place in the public sector, either at the cantonal, the communal or the federal level. The participants are not direct employees of these organizations, but have an employment contract with the Cantonal Employment Office. The activities performed are not as restricted as with the RMCAS, and the services of the participants in the Temporary Job program are often used to help fill-in labour shortages in certain public institutions (see CEPP, 2002, p.15). It is also interesting to note that Temporary Jobs are always allocated on an individual basis and that collective measures which employed a large group of claimants in one single activity are not possible (see CEPP, 2002, p.38). To conclude, the work-activities performed within the Temporary Job program can be said to be somewhat closer to the labour market than activities performed in community organisations, but still further than those where regular employers from the private sector are involved.

The case of the Work First projects in the Netherlands is more complicated to classify for many reason. First, the 49 different projects for which information is available through the Work First Benchmark 2006 all

carried their work-activities separately, so there is much variation from project to project. Second, and most relevant here, is the particular nature of the privatized market for labour market program which makes it more difficult to draw a clear line between the private and the public sector. What does make it easier to benchmark the Dutch programs is the fact that purely voluntary or community organisations were not involved in the delivery of the work-activities within the project. In fact, the work-activities were delivered by three types of organisations: the municipalities themselves, semi-private sheltered-workplace organisations, and private employment service providers. Indeed, since 2002 it is possible, but not required, for Dutch municipalities to make use of private actors for the delivery of activation services. Table 7.1 presented in Benchmark 8 showed which organisations were the head-contractors in the 49 projects which took part in the benchmark. A third of the projects were contracted to a private provider, who in turn may have contracted-out some parts of the service delivery to other private providers. However, a quarter of the municipalities still chose to act themselves as the head-contractor of the project and in 75% of the cases a private service provider is contracted out, 12,5% of the time a sheltered-workplace company is contracted out, and only 12,5% of the time does the municipality itself provided for the activities of the project. Third, work-activities took place in Sheltered Workplace companies in 22% of the projects. The last fifth of the projects presented a combination of different work environments and could not be classified in any of the three categories above.

While it is clear that the work-activities performed at the Sheltered-Workplace is rather far from the regular labour market, this distinction is more difficult to make concerning the work-activities taking place at a private provider or at the municipality. It would be easy to assume that the work performed under a private provider would be closest to the regular labour market, but that is not always the case. Some private providers created special "factories" where Work First participants would perform the work-activities. The working environment in these activities can thus be defined as being "simulated", even though the production work performed by the participants might have some value on the market. The same can be said for projects in which the participants would work for the municipality itself. While some projects provided the participants with a job within its regular activities, some municipalities created special work-placements for Work First participants which fell outside its regular employment needs.

Nevertheless, the Work First Benchmark 2006 did contain an indicators of the extent to which the work was closely related to the regular labour

market. In the benchmark, only 30% of the projects stated that their work-activities took place in a "simulated" work-environment, such as a factory or position created for the sole purpose of the project. The other 70% answered that their work-activities were taking place in a "real" work-environment, with conditions similar to the regular labour market. Clearly, both extremes of the spectrum in term of type of work environment are not present in the Netherlands. On one hand, no project were only involved in community work or voluntary work activities of the type found in Ontario Works and Work for the Dole. But on the other hand, only very few participants were directly placed in a private sector company to take part of the regular activities of that company. The large majority of the work-activities found themselves in between. While some work-activities were "real" jobs within the public sector (for example doing landscaping within in the municipal department) other work-activities were coordinated by a private company (a private service provider) but were of a simulated nature (such as packaging work done in an especially set-up factory for the project). Making already a connection with the next benchmark, it is important to know at this point that only 24% of the projects gave a regular salary to the participants. This means that the 70% of the projects which defined their work-activities as being "real", only a small proportion of them actually provided a regular employment opportunity to their participants. This is a major difference with the NDYP Employment Option, and resembles the situation in the Temporary Job program.

Benchmark 12: Process – Working environment

	Benchmark Working Environment
United Kingdom	
-NDYP Employment Option	5
-ND25+ Work Placement	2
-NDYP VS and EVT	1
The Netherlands *Work First*	3
Australia *Work for the Dole*	1
Canada (Ontario) *Ontario Works*	1
Switzerland (Geneva)	
Temporary Job	4
RMCAS	1

Benchmark 12 thus summarizes the main conclusions regarding the extent to which the work-activities take place in an environment close to the regular labour market. Since the employment option of the NDYP is taking place in the regular labour market, this program scores a 5. The score of 1 is given to the Voluntary Sector option and the Environmental Task Force option of the NDYP, the Work for the Dole, the Ontario Works and the RMCAS because they all imply voluntary / community / environmental work which is the farthest from the regular labour market. The Work Experience / Work Placement in the ND25 plus made it possible to have some regular employers involved in the work-activities, although most activities where similar to the VS and ETF options in the NDYP. This program thus receives a score of 2. The Dutch Work First programs are a more balanced mix of "simulated" and "real" work-environment so they receive a score of 3. Since the work-activities of the Geneva Temporary Job program are all taking place in the public sector, which can be here considered very close to the regular labour market, this programme receive a score of 4.

7.6. Rewards

During the time on the Employment Option, the NDYP participants are officially employed by the employer and thus receive a wage from that employer. As an indication, the minimum wage[29] in Great Britain between October 2005 and October 2006 was £4.25 per hour for those aged 18-21 and those aged over 22 who started a new job with a new employer, which thus applies to most New Deal participants. However, the participants in the other two work-based NDYP options, the Voluntary Sector option and the Environmental Task Force, do not receive a wage but receive a "Training Allowance". This Training Allowance is equivalent to their JSA benefit (£46.85 per week) while being on this option, plus a £400 additional payment which is spread over the 6 months of the program (De Giorgi, 2005). However, a few participants received a regular wage from the service provider, although this was rather uncommon (Hasluck, 2000). The participants in the New Deal 25 plus also receive a Training Allowance for taking part in the program, which is similar to the construction found in the NDYP. One of the reason why the participants do not receive the JSA benefit anymore is that in that way, they are not counted in the official statistics as claiming unemployment benefits, but rather as "employed in government employment scheme and

[29] http://www.hmrc.gov.uk/nmw/archived_rates.htm.

training scheme" (see White and Riley, 2002; Bodganor, 2004; Riley and Young, 2000; and Philpott, 1999, on this design issue).

In the Netherlands, three-quarter of the Work First projects in the Work First Benchmark 2006 kept on rewarding their participants with a social assistance benefit, and not a regular wage. That benefit was also in no cases supplemented by a bonus of some sort. In the 26% of the projects where a regular wage is paid out to the participants, that wage is in almost all cases equal to the legal minimum wage. Since the level of the social assistance benefit is set in relation to the net minimum wage (50% of the full-time net minimum wage for a single childless person, 70% for a lone parent, and 100% for a couple)[30], and most participants had contract for 20-40 hours, receiving a wage was much more lucrative for the participants than receiving a benefit.

The participants in the Work for the Dole program receive a small supplementary allowance on top of their benefit payment. This is called the "Approved program of work supplement" in the legislation regarding both the Newstart Allowance and the Youth Allowance, and is set at A$ 20.80 (€ 12.69)[31] per fortnight for both benefits (see Social Security Act art. 644AAA and 556A). Interestingly, as already mentioned in benchmark 11 on the number of hours per week of work-activities, the actual number of hours worked multiplied by the minimum wage (the training wage) will equal the amount of the benefit for both type of claimants. It should also be noted that the supplement is mean to compensate participants in the program for extra costs they would incur, such as transportation costs (Guide to Social Security Law 3.2.9.40). Additionally, as already discussed earlier, from July 2002 a Training Credit is "earned" by participating in the Work for the Dole program. The value of this credit is between A$ 500 and A$ 800 depending on the number of hours worked in the program, and is made available upon completion of the 6 months duration of the program (Nevile and Nevile, 2003, p.17). Since this Training Credit is not cashable it will not be included in the financial rewards for the participants.

The design of the Ontario Work is very similar to that of the Work for the Dole in term of the rewards. Since the rationale of the program is mostly based on the idea of 'mutual obligation', participants actually "earn" their

---

[30] Ministry of Social Affairs and Employment, Press release no. 05/213 and 05/214, December 2005.

[31] The exchange rate used for the conversion is the average exchange rate over 2005 and 2006 in order to cover for the fiscal year. This is 0.61 A$/ €. Source for exchange rate: OECD (2007), Main Economic Indicators.

benefits by working a number of hours at minimum wage which would then equal the amount of their benefit. Also similarly, a supplementary allowance is available to participants in order to cover out-of-pocket costs of participation (Ontario Works Regulation 134/98 art. 55(6)). Although the legislation mentions that a maximum average of C$ 250 per month can be paid out to claimants for transportation costs and other costs, the directive speaks of a maximum average since this amount will be calculated case-by-case depending on personal needs, as the supplement covers many small expenses related to participation, such as clothing and grooming, protective clothing, security equipment and telephone expenses (OW Directive #31.0, p.25). Child care costs can be reimbursed for participating in any Employment Assistance program, and this would be included in this maximum average of C$250, or can be also reimbursed as part of the benefit level itself (see benchmark 5 on benefit level (OW Directive 31.0, p.25). Nevertheless, the usual amount paid out as a supplement for costs incurred for participating in Community Participation is C$ 100 per month (Lightman et. al, 2004, p. 31). This supplement is thus quite substantial and Lightman et. al. have mentioned that this was actually one of the most positive aspects of Community Participation mentioned by many participants (see Lightman et. al, 2004, p. 30).

The type of rewards given to participants in the Temporary Job program and the RMCAS in the Canton of Geneva are tied to the actual benefit they receive. This can be explained by the fact that the work-activities are an intrinsic part of the benefit. As an indication of the extent to which participating in these work-based programs is financially beneficial, the Temporary Job salary is compared to the RMCAS benefit, since this would be the other alternative for those refusing to work in a Temporary Job. Similarly, the RMCAS benefit is compared to its "passive" alternative, the Social Assistance benefit (see the Regulation on the implementation of Social Assistance (J.4.04.01) for Social Assistance benefit levels).

As discussed in chapter 4, the comparison of the rewards for participating in a work-based employment program will be made on the basis of the percentage in increase in income as compared to receiving only the benefit. This means that for the NDYP Employment option, wages earned will amount to about £ 136 for a 32 hour work-week, compared to £ 46.85 for those under 25 (thus applying to all participants in the NDYP). Naturally, more income tax will be paid when receiving a salary so the net difference may be different, but since the UK also gives important tax credits to workers with low salaries, the real difference may be diminished. All in all, the earnings under the NDYP Employment option

are increased by £ 89 a week and £ 76.85 a week, representing a 190% increase. This is different for the NDYP Voluntary Sector option and the Environmental Task Force and the New Deal for 25 plus, since they increase their total benefit by 35% over the course of their participation. Rewards are also high in the Temporary Job program, and by considering the alternative of the RMCAS benefit, income is increased by 275%. This program will therefore score a 5 in this benchmark, followed by the previously mentioned New Deal programs that will score a 4. The RMCAS, with its alternative being to claim social assistance, increases revenue by 123%. Both these calculations are assuming a single person. Because the reward in the RMCAS is lower than the one found in the New Deal, and this reward is in the form of a benefit and not a salary, it will therefore receive a score of 3.

Benchmark 13: Process – Reward for participants

	Benchmark	SUB-INDICATORS	
	Rewards	Type of reward	Supplement per month, as % of benefit
United Kingdom *- NDYP Emp. Option* *- ND25+ IAP Work* *- NDYP VS and EVT*	 4 2 2	 salary benefit + bonus benefit + bonus	 ~ 190% ~ 35% ~ 35%
The Netherlands ***Work First***	1	76% benefit 24% salary	0 % ~ 30 %
Australia ***Work for the Dole***	1	benefit + bonus	~ 5 %
Canada (Ontario) ***Ontario Works***	2	benefit + bonus	~ 19 %
Switzerland (Geneva) ***Temporary Job*** ***RMCAS***	 5 3	 Salary Benefit	 ~ 275 % ~ 123 %

Assuming a 26h work-week[32] at minimum salary, the benefit of participating in a Dutch Work First project are rather small, giving an increase in revenue of 30% compared to the benefit. This can be explained by the fact that the benefit level is rather high, representing half of the

[32] See Benchmark 11 for number of hours of work per week. Majority of programs between 20 and 32 h.

revenue of a full-time work-week on minimum wage. In addition, the large majority (76%) of the Dutch programs actually only rewarded their participants with their benefit, so no increase in income could be derived from participating in the work activities. For this reason, the Netherlands will score low on this indicator. A low score will also be given to the Work for the Dole program, which only increases income by a meagre 5%. Hence, both the Dutch and the Australian programs will therefore score a 1. Ontario Works increases revenue by almost 20% and will therefore score a 2 together with the NDYP Voluntary Sector option and the Environmental Task Force.

7.7. Sanctioning procedure

Within the input benchmark, the sanctioning legislation has been described and compared for each country. Variation in the financial impact of a sanction was demonstrated, with as little as 1% to as much as 100% of yearly benefit income being affected by a first sanction. However, the legislation might leave some room for interpretation on these sanctions in such as way that the implementation of the sanctions within the program will have an impact on the number of sanctions being used, and their effect on income for claimants. This benchmark can thus be considered one of the explanatory links between Benchmark 7, which relates to sanctions as a legal input to the program, and Benchmark 18, in which the number of sanctions used are being compared. The indicators here will be the formality of the sanctioning procedure and the amount of discretion available to the delivering body of the program in term of applying sanctions or not, and in varying the length and duration of the sanctions.

Peters and Joyce (2006) have recently reviewed the sanctioning regime found within the Jobseekers' Allowance in the United Kingdom, which is the benefit claimed by both NDYP and ND25plus participants prior to their entry into the work-based phase of the program. As explained in benchmark 7 regarding the legislation on sanctions, two types of sanctions are present. The first type is the "employability sanctions" which are of fixed length and refer to failing to fulfil JSA or New Deal requirements (such as failing to look for work or to participate in a mandatory employment program). The second type is sanctions with regard to the reason why someone becomes unemployed (leaving a job voluntarily or because of misconduct), and those sanctions vary between 1 week and 26 weeks. The review from Peters and Joyce explained how, if there is a doubt from the New Deal Personal Advisor that a person might

be liable for a sanction of either type, a referral to the Sector Decision Makers within the Decision Marking and Appeals team is made. This Sector Decision Maker is acting on behalf of the Secretary of State to make decisions about claims and applications (DWP, 2006, NI260; and Social Security Act sections 21-25). If there is a doubt on the eligibility of the claimant to JSA, thus whether or not an "employability sanction" should be applied, this doubt will be defined as a "JSA Labour Market Entitlement Doubt" (Peters and Joyce, 2006, p. 61). As discussed earlier in benchmark 7, these types of sanctions will be the most relevant for New Deal participants. Because entitlement is being questioned, the actual payment of the benefit will be suspended until a decision has been made by the Sector Decision Maker (Peter and Joyce, 2006, p.61). The "employment sanctions" only affect those New Deal participants which are already taking part in either the NDYP Employment Option since these are actually in employment. In the case a participant voluntary leaves a job in these programs, or is fired because of misconduct, this will raise a "JSA Labour market sanction doubt". In this case, the payment of the JSA will normally continue and will only be suspended if the Sector Decision Maker decides that a sanction is appropriate (Peters and Joyce, 2006, p.61). The length of the suspension is variable between 1 week and 26 weeks.

The application of a sanction thus involves two steps: the referral by the ND Personal Adviser of the "doubts" to the Sector Decision Maker, and the ultimate decision by the Sector Decision Maker. Peters and Joyce (2006, p.64) have shown how this leads to a reduction in the ultimate number of sanctions being imposed. In the case of variable-length sanction ("employment sanction"), these account for 86% of all sanctions since April 2000, but only 33% of these end up in a sanction being actually imposed. This could be explained by the fact that case-managers often suspect that the person in not completely unemployed because of causes external to its actions, while evidence provided to the Sector Decision Maker often show good-cause and factors which are outside the influence of the unemployed. On the other hand, fixed-length sanctions are related to failing to comply with activation conditions, which is more properly detected by the case-managers. This can explain why 61% of these types of sanctions do result in a sanction being imposed, while they make up only 14% of the total number of referrals to Sector Decision Makers.

At last, it should be noted that claimants can ask for a reconsideration of their case by the Sector Decision Maker, in which the sanction is revised, supersede or remained unchanged (Peters and Joyce, 2006, p. 66). An Appeal procedure is also available instead of or together with the reconsideration. Nevertheless, Peters and Joyce state that the

reconsideration procedure is meant to give a quicker and easier route for contesting decisions than having to resolve to and appeal tribunal. They show that in fact, in the case of sanctions due to leaving a job voluntarily, 20% of the reconsideration leads to the reduction or withdrawing of the sanction.

For New Deal participants, Peters and Joyce also mention that those in the "vulnerable group" may claim a Hardship payment during a sanction period. This group has been defined as including those with children, those who are themselves or whose partner is pregnant, disabled, chronically sick or with significant care responsibilities. The hardship payment will only experience a reduction in the rate of their payment, where allowances made for dependants are retained and the personal allowance is reduced by 40% (in case of serious illness or pregnancy this reduction will be 20%). Nevertheless, this hardship payment is only available to this group of "vulnerable" claimants and not to others.

As a reminder, two types of sanctions are present in the Australian unemployment legislation. The first type of sanction is the "Activity-Test Breach" and result in a partial reduction of the benefit for an increasing amount of time for each new breach within a two year period. The second-type of sanction refers to failure to meet administrative requirements, such as attending Centrelink interviews or reporting earned income, and is called "Administrative Breach". This sanction lasts half a year and reduces the benefit by 16% (see Benchmark X). The case of the UK showed how decisions on sanctions are not in the hands of the case-managers responsible to the claimants, but delegated to a specialised body. This situation is similar in Australia, since most of the contact with the participants of the Work for the Dole program happens outside of Centrelink, via the Community Work Coordinator which is contracted for implementing the program. In its contract with the Department of Employment and Workplace Relation, the CWC is obliged to advice Centrelink if a participant is suspected of not fulfilling its activation conditions (Heardly et. al., 2005, p.10). This is done via so-called "Participation Reports". Usually, within the Work for the Dole program, administrative breaches will not be the realm of the Community Work Coordinators and will thus be directly handled by Centrelink. Centrelink can naturally also discern Activity-Test Breaches for which it has information over, such as failures to look for work which must be reported to Centrelink by participants through a Jobseekers Diary. If Centrelink receives a Participation Report from a Community Work Coordinator, it then will asses whether or not a sanction should be applied or not (Heardly et. al., 2005). This creates a situation similar to the UK in which not all reporting of a failure to meet obligations is actually

met with a sanction. Specifically concerning the Work for the Dole program, it has been reported by the OECD (2001) that in 1999/2000 about 66% of the Participation Reports filed by Community Work Coordinators resulted in a sanction being imposed on the claimant (p. 178). Thereafter, the ultimate decision by the Centrelink official handling the sanction can be first challenged by the participant directly with this official in an internal review at the Authorised Review Officer, or brought an Appeal Court, either the Social Security Appeal Tribunal or the Administrative Appeal Tribunal. According to the OECD (2001, p. 183), only about 3% of imposed breaches were brought to an Authorised Review Officer (even less to the Appeal Tribunal), and on average about a third of all reviews and appeals within the three bodies resulted in a change of decision.

This distinction between the two types of breaches was meant to make a difference between cases where a person did not comply to the activation conditions (see Benchmark 6) and cases where a person failed to properly comply with administrative requirements, such as providing all needed documents and attending interviews and meetings related to the administration of the benefit. As has been noted by the OECD (2001), this distinction can however be unclear, since some of the administrative requirements of the scheme can also be regarded as Activation conditions, such as the requirement to attends an interview with a case-manager concerning steps to be taken to find work. This ambiguity has also been notice more recently by Heardly et. al. (2005) who show how "failing to attend an interview with Centrelink or a Job Network member" was shifted back in July 2002 from being an activity test failure to being an administrative failure. They argue that this was an implicit recognition of the ambiguity-problem caused by the definitions of the two types of sanctions. Simultaneously, the application of the Administrative Failure was relaxed in July 2002, such that only a temporary suspension of the benefit was applied and a chance was given to the claimant to discuss with Centrelink the explanation behind the administrative failure. If reasonable excuses were given, the suspension was lifted and the benefit paid-back (Heardly et. al., 2005, p. 11). The combination of shifting some cause of sanction back to "Administrative Sanctions" as well as increased flexibility in applying this sanction was said to be an explanation for the drastic fall in sanctions applied between 2001/02 and 2002/03 by Heardly et. al. (2005, p. 14). This flexible arrangement through temporary suspensions was then extended to the Activity-Test sanctions in September 2003 (Heardly et. al, 2005, p.14). Furthermore, the Australian Working Together reform package which came into effect also in September 2003 allowed reducing sanctions for those NSA and YA claimants which did resolve to comply with the administrative or activity-

test requirements within a certain time limit. As a result, the sanction duration will be reduced to 8 weeks instead of 13 for an administrative sanction or 26 for a first activity-test sanction (Heardly et. al. 2005, p. 12). Hearly et. al. however notify that this will not be possible for those who are believed to have deliberately failed to comply with their obligations. As a conclusion, it can be said that a reasonable amount of flexibility is available for the Centrelink official to apply the sanction legislation, as some chance is given to the claimant to give reasonable excuses for its failure to meet obligations, as well as make it possible for the claimant to reduce the length of the sanction by complying to requirements. Nevertheless, the percentage of the benefit which is being withdrawn is itself fixed and thus not flexible.

The situation in the Netherlands, because of its large degree of decentralisation, shows a great degree of flexibility in applying sanctions. Also, the degree of formality regarding the sanctioning procedure will vary from municipality. As already discussed in Benchmark X, all details concerning the level of the sanction and the situations in which a sanction can be applied is up to be set by the municipality in its Reintegration By-law. Since each municipality will have their own by-law, the rules will thus vary to a great extent. The Work First Benchmark 2006 gathered information on the type of sanctions implemented by the municipalities which took part in it, and this was already discussed in benchmark 7. Information of the procedures surrounding the application of a sanction in each project is however not available from this data source. The variation in the level and duration of sanctions used by municipalities is also confirmed in the case-study of the use of incentives in the Social Assistance scheme performed by SEOR in 2006. Similarly, the case-study of six Work First projects from the Council for Work and Income (RWI) also confirms this large flexibility lead by the national Social Assistance legislation (see RWI, 2008, p. 68, 100, 108).

The variation in procedures is also highlighted in both case-studies from SEOR and the RWI. For example, the municipality of Groningen has chosen to first make use of written warnings before sanctions are applied on the grounds of not complying with activation conditions, while written warnings are only used in case of administrative failures in Rotterdam (SEOR, 2006, p.41). In addition, Amsterdam distinguishes itself by defining two types of sanctions, serious failures and very serious failures, as well as setting up a separate body which gives non-binding referrals to case-managers regarding sanctions (SEOR, 2006, p. 41). Furthermore, the small municipality of Veldhoven acknowledges the fact that sanctions are rarely used due to the strong social control within the municipality (p.41). On the other hand, in Alkmaar and Oss, since Work First activities are

contracted out to a private service provider and this provider actually hires the participants, the sanctioning mechanisms are rather differently arranged. In Alkmaar, three warnings for unsatisfying participation are given, after which the participant is fired and rights to the benefit are withdrawn for a variable period of time (RWI, 2008, p. 68). In Oss, those unwilling to participate in the project are not eligible for the benefit for an other 3 months (RWI, 2008, p.68) The RWI case-study also reports that the participants in the Work First project of Oss are only paid for the number of hours they work, thereby sanctioning themselves if they do not show up. Furthermore, unsatisfactory participation will lead to the firing of the participant, albeit after some official warnings (RWI, 2008, p. 100). The juridical procedures involved in such a sanctioning procedure are acknowledged by the municipality of Oss in the rapport from the RWI. In Eindhoven, Work First participants are not actually becoming employees but are still claiming the benefit, which means that the regular sanctions apply: after two warnings for not being present at the work-place is the benefit withdrawn. Clearly, these two case-studies confirm the large flexibility the WWB Act has given to the municipalities in both the degree of formality of the procedure as well as ways in which the sanction are being applied.

The sanctions in the Ontario Works program were divided into two kinds: first those with regard to employability and second all other failures to meet eligibility or administrative criteria (see Ontario Works Regulation 134/98 art. 33-35). With regard to employability, a distinction was made with regard to failing to participate in an employment program and failing to accept or maintain a job. This distinction is based on the fact that only failures to accept a job offer or to maintain a job result in a fixed-length sanction. Failures to participate in Employment Assistance (including failures to look for work as this is part of Employment Assistance) and all other failures to meet eligibility or administrative requirements lead to sanctions which are revoked from the moment the conditions are again being met. This arrangement obviously gives a lot of flexibility in the application of the sanction legislation since most sanctions will be variable in length. The level of the sanction will however always be the whole amount of the benefit for a single claimant or the personal allocation of the sanctioned claimant if this claimant is part of a benefit-unit (see OW Directive #29.1 for examples of who this calculation is done). This is similar to the arrangement in the New Deal, since participants with children will never see the portion of the benefit allocated to the child being sanctioned (see above on Hardship Payments).

Decisions on whether a sanction should be imposed on a claimant and on when this sanction should be lifted are the responsibility of the case-

manager responsible for the claimant (OW Directive #29.1, p.1). A number of reports and articles by researchers of the University of Toronto in the "Social Assistance in the New Economy" research project discuss how this high level of flexibility, as well as a high degree of discretion granted to the case-managers has lead to a stringent sanctioning system (see Lightman, Mitchell and Herd, 2005; 2004a; 2004b; 2003; and Herd and Mitchell, 2002). The researchers first discuss how the new service delivery model (discussed in Benchmark 9) created a system of eligibility verification which lead to excessive information requests which were often inefficient and inappropriate (Lightman et. al, 2004a, p.9). This Consolidated Verification Process (CPV) has caused the sanctioning of claimants which were genuinely in needs, but were unable to provide the appropriate information on time, information which is often went far beyond what is required to determine eligibility (Lightman et. al., 2003, p.4). In fact, according to the researchers, these administrative changes are purposefully focussed on exerting greater pressure on claimants to leave the benefit, in which "bureaucratic disentitlement" takes over from entitlement based on needs (Lightman et. al., 2005). All in all, the system of eligibility verification created a culture of policing and brought about a climate of suspicion and surveillance prevail (Lightman et. al., 2004, p. 9). The researchers have also highlighted the low level of accountability for mistakes made by case-workers when applying sanctions, such that when information given to them by claimants was repeatedly lost, or claimants were poorly treated, there was no liability for the case-workers (Lightman et. al., 2004, p.32). Since sanctions can be revoked from the moment the requirements are again being met, it seems that case-workers are quick to apply them. Lightman, Mitchell and Heard have indeed noted how case-workers often use threats of sanctioning as well as intimidation and punishments on their claimants (2004, p.26-28).

Clearly, the low degree of formality and the high level of flexibility in the legislation have contributed to introducing a harsh sanctioning procedure in Ontario. On the other hand, in the Canton of Geneva, the low degree of formality combined with a low level of flexibility in the type of sanctions to be used has created a much "softer" approach to sanctions. This can be explained from the fact that when sanctions are more seen as having an "all or nothing" consequence, and much discretion is given to the case-mangers in applying them, they will less likely make use of them. Indeed, Buttel and Sol (2006) show that as the severity of sanctions in unemployment insurance benefits rose in the Netherlands, the number of sanctions imposed did not rise due to increased reluctance from the case-managers to use them. This is clearly the case for the RMCAS program, in which no real sanctioning procedure is set in the legislation. In fact, eligibility is said to start when all conditions are met and said to end

when one of the conditions is not met, and not temporary withdrawals or reductions of the benefit are made possible within this procedure. This creates an all-or-nothing situation, which has been reported by Cuhna et. al (2002) to lead to great flexibility in the interpretation of the conditions to be met. Also of importance is the fact that the obligation to participate in a 'mutual obligation' activity only *in principle* (RMCAS Law, art. 27). The interpretation of the meaning of "in principle" has been left to the case-mangers, who vary in the degree of flexibility with the application of the obligation (Cuhna et. al. (2002, p.26, 32 and 44). In fact, the flexibility in this interpretation of the obligation is seen as a way to "soften" a legal framework which is seen as rather harsh by those implementing the program (Cunha et. al., 2002, p.33). It can thus be expected that sanctions will only rarely be applied to claimants who refuse to take part in a 'mutual obligation' activity.

A clear sanctioning procedure is also not in place in the Temporary Job program. As already mentioned in Benchmark 7, a refusal to accept a place on the program means that the claimant will not be eligible for the benefit. This is rather logical, since in this program, the claimant is actually hired by the Cantonal Employment Office to work for 4 days per week within a governmental organisation. The "regular employee" status of the claimant is acknowledged in article 47 of the Implementation Regulation of the Cantonal Unemployment Law. This article mentions that the labour contract between the Cantonal Employment Office and the claimant is subject to Swiss Federal labour law (Title X of the "Code des Obligations" in the Civil Code), but no to the law which applies to public servants (meaning that the claimants are not considered public servants but "regular employees"). As a result, sanctioning means will be found in regular employment legislation, such that a contract will only be able to be terminated in accordance to these rules. This is also stated in article 50 of the regulation. With regards to firing a participant who would not participate satisfactorily in the work-activities, Article 337 of Title X arranges that an employer can immediately fire an employee if it posses "good causes". Needless to say that such a sanctioning procedure is highly formal, since it must go through a legal path, unlike sanctions that stay within the realm of social security legislations.

Clearly, while benchmark 7 had shown that the financial impact of sanctions on claimants varied greatly from program to program, so do the procedures surrounding the application of sanctions. In the case of Australia, a relatively low financial impact of sanctions is accompanied by a rather formal sanctioning procedure as well as some flexibility in adjusting a sanctions' duration. On the other hand, sanctions in the RMCAS have a large impact on claimants, so a large amount of flexibility

is built in the sanctioning procedure. In Canada, the fact that sanctions can quickly be revoked combined with an informal procedure has lead to a harsh sanctioning mechanism. Rankings on the fairness of the sanctioning procedure, as measured as the combination of both the degree of formality and the degree of flexibility, are shown in Benchmark 14

Benchmark 14: Process –Sanctions Implementation

	Benchmark	SUB-INDICATORS	
	Fair sanctioning procedure	Degree of formality of Sanctioning Procedure	Flexibility in adjusting a sanction's duration or level
United Kingdom *NDYP and ND25+*	3	5	1
The Netherlands *Work First*	4	3	5
Australia *Work for the Dole*	3.5	4	3
Canada (Ontario) *Ontario Works*	3	1	5
Switzerland (Geneva)			
Temporary Job	3	5	1
RMCAS	1	1	1

As can be seen, both the UK and the Temporary Job program combine high formality with low flexibility, resulting in a score of 3. On the other hand, the Ontario Works program combines a very informal procedure with high flexibility which also gives a total score of 3. The lowest rank is found in the RMCAS program, which has low formality and low flexibility in its sanctioning procedure. In the Netherlands, a score of 3 has been given to the formality of the sanctioning procedure because of the large variety between the municipalities. A rank of 5 on the other hand has been given to the degree of flexibility, since municipalities free to choose sanction level which is thus very flexible from a national perspective. Hence, both the Netherlands and Australia show a combination of some degree of formality and flexibility, resulting in the highest rank for the Netherlands and the second highest rank for Australia.

7.8. Radar charts and overall performance level

The design of each program also varies greatly, as seen from the radar charts from the process benchmark. Two programs score highly on all but one indicator. First, the Employment Option of the NDYP has high score overall excepted for the indicator on early-intervention. Second, the Work First projects in the Netherlands also only have one low score, but this one found within the rewards indicator. On the other side, three programs stand out for their small scores on almost all indicators. These are the Work for the Dole, the Ontario Works and the RMCAS. At last, the Temporary Jobs and the remaining two options of the NDYP (the Voluntary Sector option and the Environmental Task force) as well as the ND25+ show mixed scores, although with different focuses. In terms of both size and shape of the polygon formed by the radar chart, the VS/ETF options of the NDYP, the ND25+ and the Work for the Dole are most similar. A certain similarity can also be seen in the RMCAS, the Temporary Job program, and the Ontario Works program.

*Figure 7.1 Process UK - NDYP **

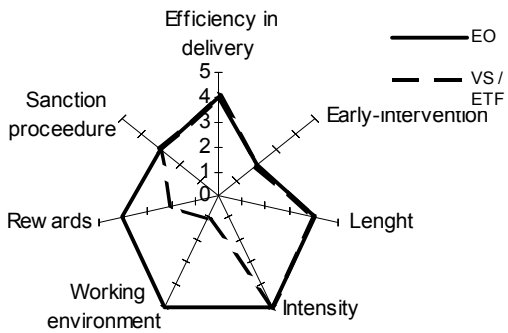


*Figure 7.2 Process UK - ND25plus **

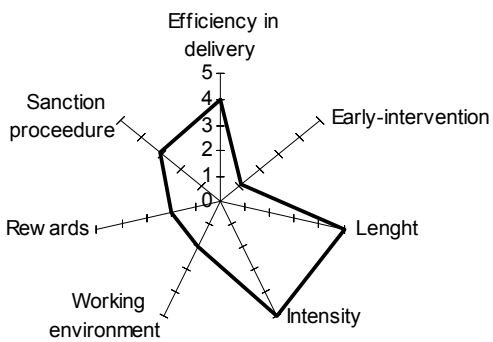


*Figure 7.3 Process Netherlands – Work First **

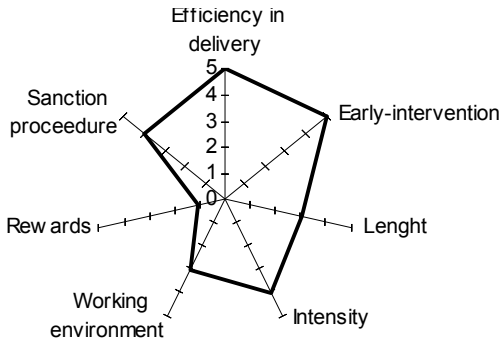


*Figure 7.4 Process Australia – Work for the Dole **

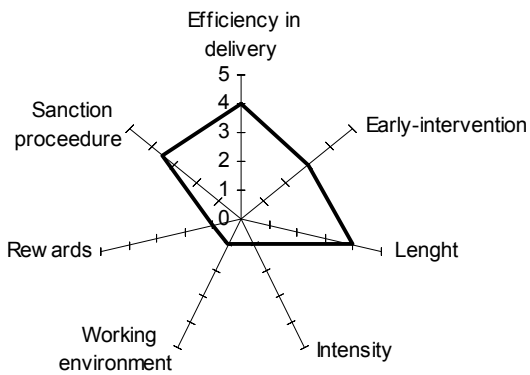


*Figure 7.5 Process Canada – Ontario Works **

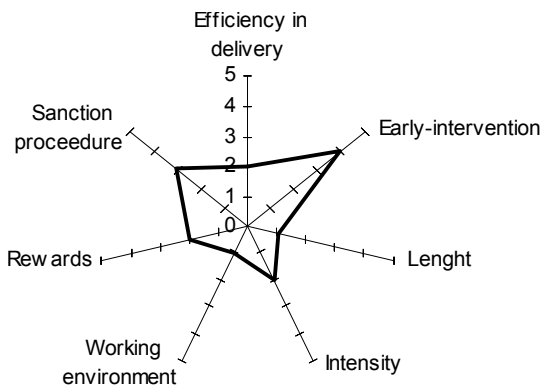


*Figure 7.6 Process Switzerland – Temporary Jobs **

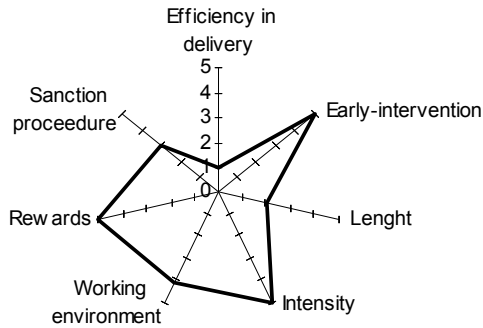
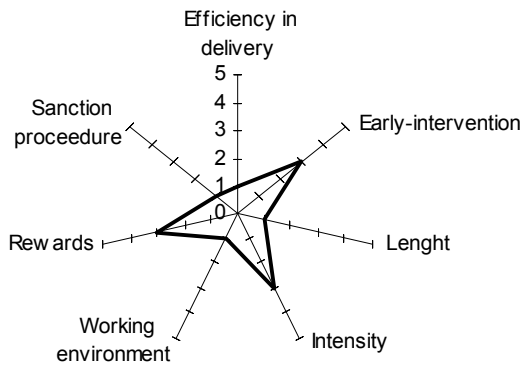


*Figure 7.7 Process Switzerland – RMCAS **

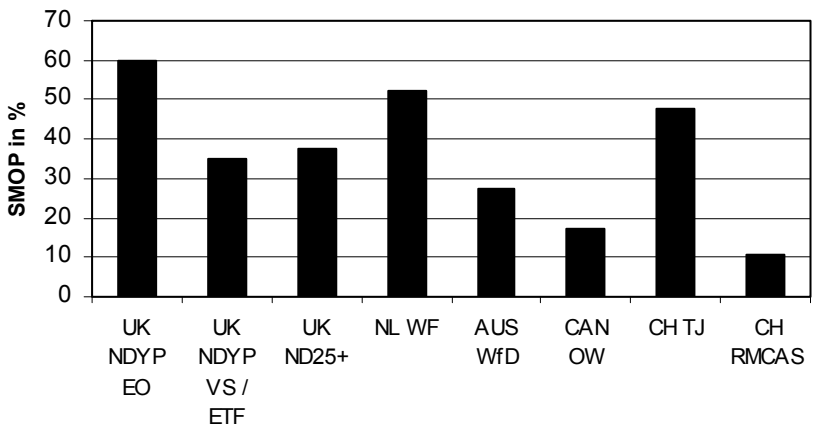


**Legend for the indicator labels in figure 7.1 to 7.7 (see also section 4.2)*

Label	Indicator	Sub-indicators
Efficiency in delivery	Mode of Delivery	Mode of provision Performance pay
Early-intervention	Timing of start	Number of weeks after claim before program starts
Lenght	Length of program	Number of months
Intensity	Hours per week	hours per week all activities
Working environment	Work environment	Private for-profit Public/regular Public/simulated Voluntary sector
Rewards	Rewards	Amount of reward as % of benefit level
Sanction procedure	Sanctioning procedure	Formality Flexibility

Figure 7.8 thus shows how the different programs score when taking the process on an overall level and aggregating all indicators into one single figure. A rather different picture emerges than with respect to the input. Here, if looking at the process, one would expect the NDYP Employment Options, the Work First projects and the Temporary Job programs to have the highest rate of return to the labour market. The worse performance would be expected to be found in the RMCAS program, followed by the Ontario Woks program. The ND25+, the Voluntary Sector and Environmental Task Force options of the NDYP, and the Work for the Dole would be expected to have results found in the middle range of the benchmark. The analysis of all benchmark values will be performed in chapter 11 and will show whether these hypothesis relate to the rest of the benchmark. It will also show in further detail how differences in the SMOP values of the input-benchmark and the SMOP values in the process-benchmark have an influence on the output and the impact as discussed next.

Figure 7.8 Surface Measure of Performance – Process



Note: UK NDYP EO: United Kingdom New Deal for Young People Employment Option, UK NDYP VS/ETF: United Kingdom New Deal for Young People Voluntary Option and Environmental Task Force, UK ND25+: United Kingdom New Deal for 25 plus, NL WF: Work First programs in the Netherlands, AUS WfD: Australia Work for the Dole, CAN OW: Ontario Works in Canada, CH TJ: Temporary Jobs in Geneva Switzerland, CH RMCAS: Cantonal minimum social assistance revenue program in Geneva Switzerland.