



Helping social assistance beneficiaries to find jobs: evidence from a controlled trial in the City of Lausanne (Switzerland)

ESPN Flash Report 2018/22

GIULIANO BONOLI – EUROPEAN SOCIAL POLICY NETWORK

MAY 2018

Between 2015 and 2017, the City of Lausanne tested an innovative way of helping non-working social assistance beneficiaries back into jobs. The intervention consisted in setting up a joint unit staffed by social workers and caseworkers from the Public employment service. After two years, beneficiaries assigned to the unit had a greater likelihood of being in employment (+9%). This resulted in a reduction in benefit costs of 11% over the period of observation (22 months). This new set-up has been expanded beyond the City of Lausanne.

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Description

The activation of jobless recipients of social assistance presents a number of challenges for social policy. First, this group tends to be less employable than other groups of jobseekers; as a result, they come last in the job queue. Second, many social assistance recipients face social problems that make labour market participation difficult, such as debt, lack of childcare, health problems, and so forth. Third, these difficulties are compounded by the fact that traditionally, in most countries, social assistance institutions have little know-how in the field of labour market reinsertion and activation.

Against this background, the City of Lausanne, Switzerland, tested an innovative approach to the activation of social assistance recipients between 2015 and 2017. This approach was based on collaboration between social assistance services and the public employment services (PES). There are some significant differences compared to the standard approach.

First, social assistance beneficiaries were dealt with by case workers specialised in job market placement. The latter could rely on the help of in-house social workers to address social problems. Under the standard approach, however, social workers and PES caseworkers worked in separate

offices, sometimes requiring beneficiaries to commute between agencies.

Second, the staff/beneficiaries ratio was more favourable: staff had only about half as many cases as in the standard approach (65 instead of 130).

Third, staff were only dealing with social assistance recipients; this meant they could specialise, compared to the standard approach where case workers work with a mix of social insurance (i.e. unemployment benefit) and social assistance recipients. It was hypothesised that in the standard approach, social assistance beneficiaries were in competition with unemployment benefit recipients, who are generally more employable and thus more likely to receive job offers.

Fourth, recipients would remain in this activation-oriented setting even if assessed as (temporarily) unsuitable for work. Under the standard process, however, social assistance beneficiaries were deemed unfit for work after two sanctions, and freed from the requirement to look for a job.

The new approach was tested in a quasi-randomised controlled trial that lasted 22 months. Individuals requesting social assistance on even days were included in the treatment group (N=789), those coming on odd days were assigned to the control group (N=755). The evaluation was based on

three datasets: the social assistance administrative database, the PES jobseekers' database, and a survey carried out among participants and control cases. In addition, qualitative interviews were carried out with the actors involved in the implementation.

The results show an impact on employment of 9 percentage points after 22 months, and benefit expenditure was about 11% lower for recipients in the treatment group than for people in the control group. The savings obtained allowed the city to recoup the extra costs of the more favourable staff/beneficiaries ratio.

It appears that the main reason why the intervention was effective is that recipients in the treatment group received considerably more job offers per person than those in the control group (on average 1.32, compared to 0.78). In comparison to the control group, beneficiaries in the treatment group were also more satisfied with the help they received and felt that the jobs offered were more suitable.

This is probably explained not only by the more favourable caseworker/recipient ratio, but also by the fact that in the trial, social assistance recipients were

not in competition with unemployment benefit recipients who tend to be more employable jobseekers.

Outlook & commentary

The trial was part of a larger endeavour supported by the federal government to identify best practice solutions to the issue of activation of social assistance beneficiaries. Even though social assistance is a cantonal responsibility, the federal government has in recent years been criticised for cutting federal social programmes (such as unemployment or invalidity insurance) and in this way favouring a transfer of beneficiaries (and costs) from federal programmes to cantonal social assistance (Bonoli and Champion 2014; Bonoli and Trein 2016). It was in response to these critiques that the federal government supported a series of trials in various cantons, like the one in Lausanne (SECO 2010).

The Lausanne trial was considered a success by the cantonal government, and the results of the evaluation study informed the decision to expand this approach to the City of Lausanne and beyond within the Canton of Vaud.

Further reading

Bonoli, G. and Champion, C. (2014). "Federalism and welfare to work in Switzerland - The development of active social policies in a fragmented welfare state". *Publius: The Journal of federalism*, 45, 77-98.

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Bonoli, G., Lalive, R., Oesch, D., Bigotta, M., Cottier, L. and Fossati, F. (2017). "Evaluation de l'unité commune ORP-CSR en Ville de Lausanne" [Evaluation of the joint unit between the social and the public employment service in the City of Lausanne]. Lausanne: Canton Vaud, Dép. de l'Economie et du sport, Dép. de la santé et de l'action sociale.

SECO (2010). "Concept-cadre: Collaboration entre AC et aide sociale" [Conceptual framework for the collaboration between unemployment insurance and social assistance]. Berne: Swiss federal government, State secretariat for economic affairs (SECO).

Author

[Giuliano Bonoli](#) (University of Lausanne)