# French National Reform Programme 2012-2015 Statistical annex on employment

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The Europe 2020 strategy aims to make the EU a smart, sustainable and inclusive economy with high levels of employment, productivity and social cohesion. It is based on a limited number of guidelines, adopted by the Council of the European Union in October 2010, dealing in a comprehensive way the issues of employment and economic policy.

These integrated guidelines complement the five major targets such as the one consisting in raising the employment rate of women and men aged 20 to 64 to 75% by 2020, notably through a greater involvement of young people, older workers and the low-skilled and a better integration of migrants.

In order to facilitate the use of these statistics by all Member States within the context of multilateral surveillance, the nomenclature and format used for these indicators is based on the Joint Assessment Framework developed by the Employment Committee at European level to follow guidelines 7-9.

The selection of indicators presented in this annex is based on those selected by the "indicators group" of the Employment Committee, supplemented by the relevant national indicators that help monitor the implementation of French priorities.

Guideline no.7: Increasing labour-market participation of men and women, reducing structural unemployment and improving the quality of work

Guideline no.8: Developing a skilled workforce responding to labour market needs, and promoting lifelong education and training.

Guideline no.9: Improving the quality of educational and training systems and improving their performance at all levels, and increasing participation in higher education or equivalent

Note: The data contained in this document are exclusively taken from national statistical sources. Consequently, they can sometimes diverge from harmonized data published by Eurostat.

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# Increase labour market participation

										in p	ercentage	S
	20-64	years of	age	20-24	l years of	age	25-54 years of age			55-64 years of age		
	Total	Men	Wome	Total	Men	Wome	Total	Men	Wome	Total	Men	Wome
2003	69.7	76.1	63.5	51.3	55.1	47.6	80.4	87.7	73.3	37.0	40.9	33.3
2004	69.5	75.8	63.5	50.6	54.9	46.5	80.5	87.6	73.7	37.8	41.6	34.2
2005	69.4	75.3	63.7	49.6	53.6	45.6	80.7	87.6	74.0	38.5	41.5	35.7
2006	69.3	74.9	63.8	49.0	53.5	44.6	81.2	87.8	74.7	38.1	40.5	35.8
2007	69.8	75.0	64.8	50.5	53.7	47.4	82.0	88.2	76.0	38.2	40.5	36.0
2008	70.4	75.5	65.5	51.0	54.3	47.8	83.0	89.1	77.2	38.2	40.6	35.9
2009	69.4	74.1	64.9	49.7	52.0	47.4	82.0	87.6	76.6	38.9	41.5	36.6
2010	69.1	73.7	64.7	48.7	52.0	45.4	81.7	87.1	76.6	39.7	42.1	37.4
2011	69.1	73.8	64.6	48.4	52.5	44.4	81.3	86.7	76.2	41.4	44.0	39.0

#### **Employment rate**

Concepts: workforce employed as defined by the ILO (International Labour Office), exact age at date of survey, annual average.

Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

Following a period of relative stability between 2003 and 2006, the employment rate for 20-64 year-olds rose between 2006 and 2008, to reach 70.4%. With the sharp decline in the economic situation, the employment rate for 20-64 year-olds, measured in yearly average level, dropped off between 2008 and 2010 and stabilised in 2011. An average of 69.1% of people between 20 and 64 years of age were in employment over 2010 - 1.3 percentage points lower than in 2008. Due to the continued upward trend in female activity and the greater sensitivity of male employment to the economic situation, the employment rate for men (73.8% in 2011 – 1.7 points lower than in 2008) showed a greater drop than that for women (64.6% in 2011, -0.9 points lower than in 2008).

In 2011, less than 50% of young people between the ages of 20 and 24 were in employment (48.4%), i.e. 0.3 points less than in 2010). Between 2003 and 2010, the development of the employment rate for 20-24 year-olds underwent the same fluctuations as that for the working-age population as a whole.

With regard to older age groups, until 2010, development of the employment rate hides the effects of demographic structure: from 2001, the first and very numerous post-war generations entered the 55-64 age group. As for people between 55 and 64 years old, the employment rate decreases steeply with age, between 2001 and 2005, the progressive arrival of these first post-war generations tended to increase the employment rate for 55-64 year-olds. From 2006 to 2010, as these first generations grew older, the effect of demographic structure led to a drop in the employment rate that did not in fact reflect any change in behaviour. Corrected to take account of this effect, the employment rate for men aged between 55 and 64 remained stable from 2003 to 2006, then increased, while that for women in the same age group has been steadily increasing since 2003 (see Page 12, the so-called core employment rates).

			in p	ercentage	25							
	15 -6	4 years o	f age	18 -24 years of age			25 -54 years of age			55-64 years of age		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
2003	8.5	7.7	9.5	18.5	18.1	19.1	7.6	6.6	8.8	5.0	5.0	5.1
2004	8.9	8.0	9.9	20.1	19.5	20.7	7.8	6.8	9.0	5.6	5.3	6.0
2005	8.9	8.1	9.9	20.7	19.8	21.7	7.8	6.8	8.9	5.3	5.4	5.2
2006	8.9	8.1	9.7	21.7	20.7	22.9	7.6	6.7	8.5	5.7	5.9	5.6
2007	8.0	7.5	8.6	19.1	18.6	19.6	7.0	6.3	7.7	5.1	5.3	4.8

#### Unemployment rate

2008	7.4	6.9	7.9	18.7	18.8	18.5	6.3	5.6	7.1	4.6	4.8	4.4
2009	9.2	8.9	9.4	23.3	24.3	22.2	7.7	7.2	8.2	6.2	6.4	6.0
2010	9.4	9.1	9.7	22.9	22.4	23.5	8.0	7.5	8.5	6.7	6.9	6.4
2011	9.3	8.9	9.8	22.2	21.4	23.0	8.1	7.5	8.6	6.6	6.5	6.6

Concepts: unemployment as defined by the ILO, exact age at date of survey, annual average. Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

In 2011, 9.3% of the workforce in Metropolitan France between the ages of 15 and 64 were unemployed. Following a strong decrease in 2006 and 2007, the unemployment average rate has continued to fall in 2007 to 2008 (-0.6 of a percentage point), despite the sharp decline in the job market which resulted in a major increase in the unemployment rate from the second half of 2008. Between 2008 and 2009, the unemployment rate rose sharply (+1.8 of a percentage point), then less significantly between 2009 and 2010 (+0.2 of a percentage point), with a decreasing rate all over the year 2010. The decrease has continued until the mid-2011 when the unemployment rate started to increase again. On average, the decrease of the unemployment rate has been very moderate in 2010-2011.

Between 2008 and 2011, the rise in unemployment affected all age groups. The unemployment rate for young people is much higher than for other age groups: 22.2% of the workforce between 18 and 24 years of age were out of work in 2011. The unemployment rate for young people is also more sensitive to the economic situation: from 2006 to 2007, it declined by 2.6 points for 18-24 year-olds as against only 0.7 points for 25-54 year-olds while between 2008 and 2009, it increased by 4.6 pp against 1.4 pp for those aged 25 to 54. The unemployment rate among 55-64 year-olds (6.6% in 2011) is lower than among younger members of the workforce and increased by 2 points between 2008 and 2011.

The drop in the unemployment rate between 2003 and 2008 was stronger among women than among men (-1.6 points and -0.8 of a percentage point respectively), following the trend in the reduction of the employment gap between men and women observed since 1975. As the crisis first of all affected male employment, in particular with the sharp drop in temping opportunities throughout 2008, the increase in the unemployment rate from 2008 to 2009 was more significant among men (+2 percentage points) than among women (+1.5 points). From 2009 to 2011, the unemployment rate of women rose by 0,4 point while the unemployment for men rate has stabilized with the employment recovery. In 2011, the unemployment rate for women is 0.9 point higher than for men. This gap is less than half of the one observed in 2003.

	in percenta								ntages	
		2003	2004	2005	2006	2007	2008	2009	2010	2011
Low	Leaving initial education between	33.6	36.8	38.6	41	37	37.9	49.4	44.3	45.8
qualifications	1 and 4 years ago									
	Leaving initial education between	21.8	23.8	25.9	25.6	24.7	23.4	26.6	31.3	29.6
	5 and 10 years ago									
	Leaving initial education 11 or	9.6	9.9	10.2	10.2	9.4	9	10.8	12	12
	more years ago									
Medium	Leaving initial education between	15.1	17.5	18.1	18.2	17.6	16.7	23.2	22.5	22.1
qualifications	1 and 4 years ago									
	Leaving initial education between	10.2	10.6	10.8	10.6	10.1	9.9	12	11.8	13.2
	5 and 10 years ago									
	Leaving initial education 11 or	6.1	6.1	6	6	5.1	4.8	6.3	6.4	6.5
	more years ago									
High	Leaving initial education between	10.2	10.4	9.8	10.1	9	6.3	9.6	10.7	9.5
qualifications	1 and 4 years ago									
	Leaving initial education between	5.4	5.8	6	5.1	5	3.7	4.9	5	5.2
	5 and 10 years ago									
	Leaving initial education 11 or	4.4	4.7	4.4	4.4	4.1	3.8	4.3	4.1	4.1
	more years ago									
	Leaving initial education between	15.5	16.7	16.9	17.6	16.2	14.5	20.3	20.1	19.1
Total	1 and 4 years ago									
	Leaving initial education between	9.6	10.3	10.8	10.2	9.8	8.9	10.6	11.1	11.5
	5 and 10 years ago									
	Leaving initial education 11 or	6.9	7	7	7	6.2	5.8	7	7.3	7.3
	more years ago									

Unemployment rates by qualification and length of time since leaving initial education

Concepts: unemployment as defined by the ILO, ISCED educational nomenclature; 5 and 6: high qualifications, 3 and 4: medium qualifications (baccalaureate or CAP (Certificate of Professional Aptitude) / BEP (Diploma of Professional Studies), 1 and 2: low qualifications ("brevet" [certificate upon completion of lower secondary studies], CEP [Certificate of Primary Studies] or no qualifications)

Field: Population of households in Metropolitan France, workforce having left initial education (school or universities studies without interruption of more than 1 year, including apprenticeship). People not having followed an initial educational programme have not been taken into account.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

In 2011, the unemployment rate for young people who had left initial education between 1 and 4 years previously stood at 19.1% and varied very considerably depending on level of qualification: the unemployment rate for those with low qualifications (*brevet*, CEP, or no qualifications) stood at 45.8%, while that for those with high qualifications was 9.5%. Between 2008 and 2011, unemployment rates increased whatever the level of qualification and length of time on the job market.

### - Youth unemployment ratio

	in percentages of the total population aged between 18 and 24													
Year	Total	Men	Women											
2003	9.7	10.3	9.1											
2004	10.4	11.1	9.8											
2005	10.6	11.1	10.1											
2006	11.1	11.6	10.6											
2007	9.8	10.4	9.3											
2008	9.6	10.6	8.7											
2009	12.3	13.8	10.9											
2010	12.0	12.7	11.3											
2011	11.4	11.9	10.9											

Concepts: unemployment as defined by the ILO, exact age at date of survey, annual average. Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

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In 2011, although the unemployment rate (ratio between number of unemployed people and the active population) for young people between 18 and 24 years of age stood at 22.2%, the unemployment share (ratio between number of unemployed people and the total population in the age group under consideration) for young people between the ages of 18 and 24 was only 11.4% for the same year, as around half of young people in this age group were continuing their studies without working. The unemployment share is lower for young women than for young men (-1 pp in 2011).

		-					in p	ercentage	25				
	15-64	l years of	age	18-24	18-24 years of age			25-54 years of age			55-64 years of age		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	
2003	69.9	75.7	64.3	52.1	56.7	47.7	87.1	93.9	80.4	38.9	43.0	35.1	
2004	70.0	75.5	64.6	51.9	56.8	47.2	87.3	94.0	80.9	40.1	44.0	36.4	
2005	69.9	75.2	64.7	51.3	56.1	46.7	87.5	94.0	81.3	40.7	43.8	37.7	
2006	69.8	74.9	64.8	51.1	56.3	46.2	87.8	94.1	81.7	40.4	43.0	37.9	
2007	69.9	74.7	65.2	51.5	55.8	47.3	88.1	94.2	82.3	40.2	42.7	37.8	
2008	70.0	74.7	65.4	51.6	56.3	47.1	88.7	94.4	83.1	40.0	42.6	37.6	
2009	70.5	75.0	66.1	52.9	56.7	49.0	88.8	94.4	83.4	41.5	44.3	38.9	
2010	70.5	74.9	66.1	52.3	56.6	48.0	88.9	94.2	83.7	42.5	45.2	40.0	
2011	70.4	74.7	66.1	51.5	55.8	47.3	88.5	93.8	83.4	44.3	47.1	41.8	

#### Participation rate

*Concepts: activity as defined by the ILO, exact age at date of survey, annual average. Field: Population of households in Metropolitan France. Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011* 

In 2011, 70.4 % of people between 15 and 64 years of age belonged to the labour force (i.e. in employment or jobless). For men, the rate was 74.7% in 2011, close to 75%, as had been the case since 2005. For women of the same age, the participation rate was close to 66%, stable since 2009 after a strong progression of 2 pp between 2003 and 2009. From 2009 to 2011, the participation rate for young people between the ages of 18 and 24 has decreased by 1,4 pp (51,5% in 2011). Between 2003 and 2011, the participation rate for 55-64 year-olds increased for men and women alike (+4.1 points and +6.7 points respectively).

- **Employment and unemployment r**ates for European Union nationals and nationals of non-EU countries **in 2011** 

					i	n percenta
	Europea	an Union	nationals	Non-Euro	pean Union	nationals
	Total	Men	Women	Total	Men	Women
Employment rate for 20-64 year-olds						
Low qualifications	56.3	62.3	50.8	40.4	56.0	28.2
Medium qualifications	70.4	74.8	65.6	52.3	63.0	40.7
High qualifications	81.8	84.9	79.3	57.9	67.5	48.4
Total	70.1	74.4	66.0	47.1	60.5	35.1
Unemployment rate for 15-64 year-						
Low qualifications	14.2	14.2	14.2	28.6	26.0	32.3
Medium qualifications	8.6	7.6	9.8	23.4	21.1	27.0
High qualifications	5.1	4.8	5.3	19.6	16.5	23.5
Total	8.7	8.3	9.2	25.0	22.4	28.7

Concepts: workforce as defined by the ILO, ISCED educational nomenclature; 5 and 6: high qualifications, 3 and 4: medium qualifications (baccalaureate or CAP/BEP), 1 and 2: low qualifications ("brevet", CEP or no qualifications)

Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data

In 2011, the employment rate for European Union nationals (27 countries, including the French citizens) stood

at 70.1% and that for non-European Union nationals at 47.1%. The gap in employment rates between EU nationals and non EU nationals was significantly higher for women (31 points) than for men (14 points).

The unemployment rate for non-European Union nationals aged between 15 and 64 years old (25.0%) was three times higher than that for Union nationals (8.7%). The gap was particularly marked among those holding higher education qualifications.

		in percentage of employment													
	:	20-64 an	S	:	20-24 an	s	25-54 ans			55-64 ans					
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women			
2008	4.7	2.1	7.6	8.9	4.1	14.3	4.5	1.9	7.3	4.0	2.3	5.8			
2009	5.5	3.0	8.3	10.2	5.6	15.1	5.2	2.8	7.9	4.6	2.9	6.4			
2010	5.9	3.3	8.7	11.0	7.1	15.4	5.6	2.9	8.5	4.9	3.3	6.5			
2011	5.0	2.5	7.8	10.2	6.2	14.9	4.7	2.2	7.5	4.2	2.3	6.1			

### - Underemployment rate

Definitions : occupied active persons and underemployment (ILO definition), underemployment = involuntary part-time + temporary layoff or short time working, exact age at date of survey, annual average. Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

In 2011, 2.5% of working men and 7.8% of working women aged 20-64 years old are in situation of underemployment : they work on a part-time job but want to work more hours and are available to do so (involuntary part-time), or have worked involuntary less than usual (temporary layoff or short time working). The underemployment rate is especially high for young women (14.9% of all jobs correspond to a situation of underemployment between 20 and 24 years old). After a strong increase between 2008 and 2011, the underemployment rate fell in 2011.

# Average exit age from the labour market

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total	58.9	58.8	58.5	58.8	59.1	59.1	59.6	59.7	60.0

Concepts: participation declared, exact age at date of survey, people of 50 or more years old who declared participating in the labour force 11 months before the survey but did no more participate at the time of the survey are considered as being exited from the labour force.

Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

People of at least 50 years old no longer participating to the labour force in 2011 but who declared having been in work or in unemployment 11 months earlier were on average 60 years old in 2011 which is 0,3 year more than in 2010 and close to 1 year more than in 2007.

									in perc	entages
	55-6	4 years o	of age	55-5	9 years of	age	60-64	4 years of	age	
	Total	Men	Women	Total	Men	Women	Total	Men	Women	
2003	37.0	40.9	33.3	54.4	60.0	49.0	13.3	14.4	12.3	
2004	37.8	41.6	34.2	54.8	60.2	49.6	13.5	14.6	12.4	
2005	38.5	41.5	35.7	55.1	59.1	51.3	13.8	14.8	12.9	
2006	38.1	40.5	35.8	54.7	58.0	51.5	14.3	15.1	13.6	
2007	38.2	40.5	36.0	55.3	58.6	52.2	15.7	16.6	14.8	
2008	38.2	40.6	35.9	56.3	59.0	53.8	16.3	18.3	14.5	
2009	38.9	41.5	36.6	58.5	61.4	55.7	17.0	19.0	15.1	
2010	39.7	42.1	37.4	60.6	64.2	57.2	17.9	19.1	16.7	
2011	41.4	44.0	39.0	63.9	67.4	60.5	18.8	20.4	17.4	

#### **Employment rate**

*Concepts: workforce occupied as defined by the ILO, exact age at date of survey, annual average. Field: Population of households in Metropolitan France.* 

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

									in perce	ntages
	55-6	4 years of	age	55-59	9 years of	age	60-64	4 years of	age	
	Total	Men	Women	Total	Men	Women	Total	Men	Women	
2003	32.9	36.2	29.8	52.6	58.0	47.4	13.2	14.4	12.2	
2004	33.2	36.3	30.3	53.4	58.3	48.6	13.1	14.3	12.0	
2005	34.0	36.3	31.7	54.7	58.6	51.0	13.2	14.1	12.5	
2006	34.3	36.4	32.3	54.8	58.4	51.5	13.7	14.5	13.1	
2007	35.2	37.4	33.2	55.7	59.1	52.5	14.7	15.7	13.9	
2008	36.0	38.3	33.9	56.5	59.2	53.9	15.6	17.4	13.8	
2009	37.5	39.8	35.2	58.4	61.2	55.8	16.5	18.5	14.6	
2010	39.1	41.4	36.8	60.5	64.0	57.3	17.6	18.8	16.4	
2011	41.3	44.0	38.8	63.9	67.6	60.5	18.8	20.5	17.1	

#### Core employment rate

Concepts: workforce occupied as defined by the ILO, exact age at the time of the survey, annual average. core employment rate: arithmetical average of rates by age detail; it is therefore not weighted by size of the various groups and enables neutralisation of the effects of demographic composition, which were of major consequence from 1996 onwards with the arrival of the "baby boom" generation in the 50 years old and over age group, with very considerable impact on the effective employment rate.

Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

Corrected to take account of demographic effects per age group, the employment rate for older members of the workforce (referred to as the core employment rate) was in constant growth between 2003 and 2011, with a marked rise since 2007. The core employment rate for 55-64 year-olds increased by 8.4 points in 8 years – an increase that concerned both 55-59 year-olds (+11.3 pp) and 60-64 year-olds (+5.6 pp), men and women alike (respectively +7.8 and +9.0 pp).

# Enhancing labour market functioning and combating segmentation

		1				in per	rcentages
				Situatio	n, year N		
		Permanent contracts and self- employed	Non permanent contracts with a temporary work agency	Other non permanent contracts (including subsidized contracts)	Unemployed	Inactive	Total
	Unemployed in:						
	2006	15.2	4.8	14.5	38.1	27.5	100.0
	2007	18.3	3.7	13.5	38.0	26.6	100.0
	2008	13.2	3.1	13.0	44.7	26.1	100.0
	2009	14.3	4.7	13.7	42.8	24.4	100.0
	2010	13.2	4.0	13.9	45.0	23.9	100.0
Situation declared in year N-1	Non permanent contracts with a temporary work agency:						
i pi	2006	20.3	49.5	8.3	16.4	5.5	100.0
lare	2007	18.9	54.0	7.6	14.8	4.7	100.0
dec	2008	11.7	43.3	9.9	28.6	6.6	100.0
ou	2009	14.3	44.6	10.5	22.6	8.0	100.0
lati	2010	14.1	51.2	8.1	18.9	7.7	100.0
Situ	Other non permanent contracts (excluding assisted contracts) in:						
	2006	12.7	2.8	61.7	14.6	8.1	100.0
	2007	13.6	2.6	60.1	14.8	9.0	100.0
	2008	10.7	2.1	57.9	19.3	10.0	100.0
	2009	13.0	2.1	59.5	17.0	8.3	100.0
	2010	12.1	1.8	60.2	17.5	8.5	100.0

Annual transitions between the various situations on the job market

Concepts: situation as defined by the ILO at date of survey and declaratory one year before; the permanent contract category includes those with permanent contracts in the private sector and state-owned companies as well as civil service officials; other temporary contracts include fixed-term contracts in the private sector and state-owned companies, fixed-term contracts, assistants and part-time employees in the public sector and assisted jobs inventoried by the Employment Survey.

Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

In average over the year 2011, among those declaring unemployment one year earlier, 45.0% were still unemployed and 31.1% had found jobs: 13.2% under permanent contracts or as self-employed workers, 4.0% as temporary workers, and 13.9% under non permanent contracts.

In 2011, 18.9% of those who had declared themselves as having been working for a temporary work agency one year earlier were unemployed. With the collapse in temporary work in 2008 (-35% from the first quarter of 2008 to the first quarter of 2009), this share increased by 14 pts between 2007 and 2008. The recovery in temporary work from mid 2009 to the beginning of 2011 resulted in a drop of 10 pts between 2008 and 2010.

Out of those who declared in 2011 that they had been in non permanent employment (excluding temping jobs and subsidized job) a year earlier, 60.2% were still working under a non permanent contract, 1.8% were

temping and 12.1% were working under a long-term contract or were in non-salaried employment.

	Share of self-		Share i	n salaried employment	in percentages
	employed in total employment	Stable full- time jobs	Stable part- time jobs	Special forms of full- time employment	Special forms of part- time employment
Total					
2003	11.4	73.6	13.7	8.9	3.8
2004	10.9	73.4	13.9	9.0	3.7
2005	10.9	72.6	14.2	9.5	3.8
2006	11.4	72.3	14.2	9.6	3.9
2007	11.0	72.3	14.0	9.6	4.1
2008	10.6	72.9	13.7	9.4	3.9
2009	11.0	72.8	14.4	9.1	3.8
	11.5	71.8	14.6	9.5	4.1
2010	11.6	71.6	14.5	9.8	4.0
Men					
2003	14.3	85.0	3.6	9.4	2.0
2004	13.7	85.0	3.4	9.6	2.0
2005	13.9	83.7	3.7	10.4	2.2
2006	14.5	83.4	3.7	10.6	2.2
2007	14.2	83.6	3.5	10.6	2.3
2008	13.5	84.0	3.6	10.2	2.2
	14.3	84.4	3.9	9.5	2.2
2009	15.0	82.9	4.2	10.4	2.5
2010	15.1	82.4	4.2	11.0	2.5
Women					
2003	8.1	61.1	24.8	8.4	5.7
2004	7.6	60.9	25.2	8.4	5.5
2005	7.4	60.7	25.4	8.4	5.5
2006	7.8	60.5	25.3	8.6	5.7
2007	7.4	60.4	25.0	8.5	6.1
2008	7.4	61.3	24.4	8.6	5.7
	7.3	60.9	25.1	8.6	5.5
2009	7.6	60.5	25.1	8.6	5.7
2010	7.8	60.6	25.1	8.7	5.6

**Part-time, special forms of salaried e**mployment, and share of self-employed in total employment in percentages

Concept: workforce occupied as defined by the ILO, special forms of employment include temping, FTCs (those under fixed-term contracts, auxiliaries and part-time workers in the public sector, as well as assisted jobs inventoried by the Employment Survey (essentially internships and non-commercial).

Field: Population of households in Metropolitan France.

Source: Labour Force Surveys and INSEE, processed by DARES; provisional data for 2011

Since 2003, around 11% to 12% of jobs have been occupied by self-employed workers, a status about twice as common among men (15.1% in 2011) than it is among women (7.8% in 2011).

In 2011, 14% of salaried jobs fell into the "special forms" category (temping, subsidized employment and fixed-term contracts) – a proportion close to that observed in 2003 – with women employed in such jobs a little more frequently than men (14.3% and 13.5% respectively).

In 2011, 18.5% of employees worked part-time, the great majority of them women. More than three out of ten women worked part-time. The share of part-time work in salaried employment as a whole increased by around

1 point for men and 0.5 point for women between 2008 and 2011.

Full-time jobs under long-term contracts were largely in salaried employment, accounting for 71.6% of all salaried jobs in 2011 (-1.3 point in comparison with 2008 and -2 points with 2003). This was above all the case with men, over eight out of ten of whom were in salaried employment as against six out of ten for women.

### Dispersion of regional employment and unemployment rates

										ir	n percei	ntages
Region	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Alsace	72.3	72.5	72.2	71.7	71.1	70.8	70.7	71.7	72.5	71.8	71.6	71.3
Aquitaine	69.6	69.7	69.6	69.4	69.1	68.8	68.7	69.5	69.6	68.5	68.2	68.0
Auvergne	68.6	69.1	69.5	69.6	69.3	69.3	68.8	69.0	69.3	68.2	67.8	67.7
Basse-Normandie	69.2	69.3	69.3	69.3	69.6	69.3	68.8	69.2	69.7	68.7	68.5	68.0
Bourgogne	68.9	69.2	69.4	69.3	69.4	69.1	68.9	69.3	69.9	68.7	68.3	68.1
Bretagne	69.3	69.8	70.0	69.9	70.2	70.1	69.7	70.1	70.3	69.2	69.0	68.2
Centre	72.1	72.7	72.7	72.2	71.7	71.9	71.7	71.8	71.8	70.8	70.6	70.2
Champagne-Ardenne	68.2	68.7	68.7	68.4	68.1	68.0	67.8	68.1	68.4	67.1	66.9	66.7
Corse	57.7	58.2	58.3	58.3	58.1	58.7	59.3	60.4	61.1	61.2	61.7	61.4
Franche-Comté	70.9	71.6	71.7	71.5	71.0	70.8	70.4	70.8	70.9	69.1	68.8	68.5
Haute-Normandie	68.4	69.1	69.3	69.1	68.6	68.8	68.3	69.2	69.5	68.1	67.4	66.7
Île-de-France	74.5	75.0	74.8	73.7	73.1	73.3	73.4	74.5	75.3	74.6	73.8	73.5
Languedoc-Roussillon	61.9	62.5	63.1	63.7	63.6	63.6	63.3	63.9	64.2	63.5	63.3	62.5
Limousin	68.9	69.4	69.5	69.1	68.8	68.8	67.9	68.1	68.3	66.5	66.2	66.0
Lorraine	67.5	68.0	68.1	67.9	67.8	67.6	67.5	68.1	68.6	67.0	66.8	66.7
Midi-Pyrénées	68.0	68.5	69.0	69.0	68.9	68.8	68.8	69.1	69.6	69.2	68.9	68.8
Nord-Pas-de-Calais	63.1	63.9	64.5	64.4	64.2	63.7	63.5	64.1	64.7	63.8	63.3	63.4
Pays de la Loire	71.6	72.1	72.2	71.9	71.7	71.5	71.5	72.0	72.8	71.3	71.0	70.6
Picardie	68.6	69.1	69.3	68.6	68.4	68.0	67.6	67.9	68.2	66.5	66.1	65.6
Poitou-Charentes	69.0	69.5	69.6	69.2	69.1	68.9	68.3	68.8	68.9	67.5	67.2	66.7
Provence-Alpes-Côte												
d'Azur	64.5	65.7	66.7	66.9	67.3	67.4	67.5	68.3	69.3	68.9	68.5	68.1
Rhône-Alpes	71.8	72.3	72.4	71.9	72.0	71.9	71.9	72.8	73.5	72.2	72.2	72.3
Metropolitan France	69.6	70.1	70.3	69.9	69.7	69.7	69.5	70.2	70.8	69.8	69.4	69.1

#### **Regional employment rates**

Note: Employment rates for the 20-64 age group are annual averages. Methodological differences explain the slight overestimation of employment rates for Metropolitan France presented in this table in comparison with those presented on Page 6.

Source: annual estimations of employment and estimations of population, calculations by the "Synthèse et Conjoncture de l'Emploi" (SCE – Employment Synthesis and Situation) unit, INSEE, provisional data for 2011.

#### **Dispersion of regional employment rates**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Dispersion indicator	5.4	5.2	4.8	4.3	4.1	4.2	4.4	4.5	4.7	4.8	4.7	4.7

Interpretation: dispersion is measured by the coefficient of variation of regional employment rates, weighted by the region's population aged between 20 and 64 years old. Employment rates are annual averages.

The coefficient of variation is the standard deviation divided by the average. This coefficient decreases when employment rates approach the average and increases when rates diverge (i.e. when disparity between regions increases).

Source: annual estimations of employment and estimations of population, calculations by the "Synthèse et Conjoncture de l'Emploi" (SCE) unit, INSEE, provisional data for 2011.

Between 2008 and 2009, employment rates dropped sharply in all regions (-1 point on average). The two following years saw rates fall less steeply. Between 2010 and 2011, the rates fall in all regions with the exception of Nord-Pas-de-Calais and Rhône-Alpes (+0.1 of a point). In 2011, regional employment rates in Metropolitan France varied between 61.4% for Corsica and 73.5% for Île-de-France.

After decreasing between 2000 and 2004, the indicator for regional dispersion of employment rates showed a slight increase. Between 2008 and 2011, dispersion between regions remained stable.

			-0		loymen					in p	ercenta	ges
Region	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Alsace	5.2	5.0	5.8	6.9	7.7	8.1	8.3	7.3	6.7	8.6	8.7	8.4
Aquitaine	8.8	8.0	7.9	8.4	8.7	8.7	8.5	7.7	7.2	8.7	9.1	9.2
Auvergne	7.8	7.4	7.0	7.3	7.7	7.7	7.8	7.3	6.8	8.4	8.5	8.4
Basse-Normandie	8.1	7.5	7.6	8.2	8.5	8.6	8.6	7.7	7.1	9.0	8.9	8.8
Bourgogne	7.5	6.7	7.0	7.6	7.9	8.0	7.9	7.1	6.7	8.5	8.7	8.6
Bretagne	7.1	6.5	6.7	7.2	7.3	7.3	7.4	6.8	6.2	7.8	8.0	7.9
Centre	6.9	6.2	6.5	7.3	7.8	7.8	7.7	6.9	6.5	8.3	8.6	8.5
Champagne-Ardenne	8.7	8.2	8.1	8.9	9.3	9.4	9.6	8.5	8.0	9.8	9.5	9.6
Corsica	11.7	10.8	9.6	9.3	9.7	9.6	9.4	8.6	7.9	8.7	9.3	9.5
Franche-Comté	6.3	5.6	6.5	7.3	7.8	8.0	8.4	7.4	7.0	9.5	9.2	8.5
Haute-Normandie	9.9	8.9	8.8	9.2	9.8	9.7	9.7	8.7	8.1	10.3	10.4	10.4
Île-de-France	7.5	6.7	7.4	8.4	8.9	8.7	8.3	7.5	6.6	7.9	8.3	8.2
Languedoc-Roussillon	13.4	12.1	11.9	12.0	12.1	12.0	12.0	11.1	10.5	12.3	12.6	12.9
Limousin	6.7	6.0	6.0	6.5	7.0	7.0	7.2	6.6	6.2	8.0	8.2	8.4
Lorraine	7.7	7.0	7.4	8.1	8.6	8.9	9.1	8.2	7.6	9.8	9.9	9.6
Midi-Pyrénées	9.1	8.5	8.2	8.5	8.7	8.8	8.9	8.1	7.5	9.0	9.3	9.3
Nord-Pas-de-Calais	12.1	11.1	10.8	11.1	11.7	11.9	12.2	11.3	10.6	12.6	12.9	12.7
Pays de la Loire	7.2	6.6	6.7	7.2	7.6	7.5	7.6	6.7	6.2	8.2	8.3	7.9
Picardie	9.4	8.6	8.5	9.1	9.5	9.8	9.9	9.0	8.6	10.9	11.1	10.9
Poitou-Charentes	8.4	7.7	7.5	8.0	8.3	8.4	8.4	7.5	7.1	8.9	9.0	8.9
Provence-Alpes-Côte d'Azur	12.1	10.9	10.2	10.4	10.4	10.4	10.4	9.7	8.8	10.4	10.8	11.0
Rhône-Alpes	7.4	6.5	6.8	7.6	7.8	7.8	7.6	7.0	6.5	8.5	8.5	8.2
Metropolitan France	8.5	7.7	7.9	8.5	8.9	8.9	8.8	8.0	7.4	9.1	9.4	9.3

#### **Regional unemployment rates**

Note: unemployment rates are annual average . People aged 15 years old and over. Source: unemployment estimations, calculations by the "Synthèse et Conjoncture de l'Emploi" (SCE) unit, INSEE, provisional data for 2011.

#### Dispersion of regional unemployment rates

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Dispersion indicator	23.2	23.5	18.9	15.4	14.5	14.6	15.5	16.5	17.5	15.4	15.2	16.2
					-		-					

Interpretation: dispersion is measured by the coefficient of variation of regional unemployment rates, weighted by the region's active population. Unemployment rates are annual averages.

The coefficient of variation is the standard deviation divided by the average. This coefficient decreases when unemployment rates approach the average and increases when rates diverge (i.e. when disparity between regions increases).

Source: INSEE, calculations by the "Synthèse et Conjoncture de l'Emploi" (SCE) unit, INSEE, provisional data for 2011.

Between 2008 and 2009, unemployment rates increased significantly in all regions (by an average of +1.7 point). During the following year, however, they increased in average in Metropolitan France less steeply (+ 0.3 point) and in some regions like Franche-Comté, Champagne-Ardenne or Basse-Normandie, the unemployment rate decreased. Between 2010 and 2011, rates evolved slightly in average and differently from region to region: from - 0.7 point in Franche-Comté until + 0.3 point in Languedoc-Roussillon.

Over long periods of time, the indicator for regional dispersion of unemployment rates evolves procyclically, falling in times of economic slowdown (2001-2004) and rising in times of recovery (2004-2008). Dispersion gained one point between 2010 and 2011.

#### Occupational accidents and occupational diseases

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Accidents with sick- leave <u>in</u> <u>thousands</u>	743	737	759	721	692	699	700	720	703	651	658
Deaths	730	730	686	661	626	474	537	622	569	538	538
Frequency index	44.1	42.8	43.0	40.9	39.5	39.1	39.4	39.4	38.0	36.0	36.0
Severity rate	1.01	1.06	1.17	1.35	1.33	1.25	1.27	1.28	1.31	1.32	1.32

#### **Evolution of reported occupational accidents**

Note: the term "accidents with sick-leave" covers all Occupational Accidents compensated, for the first time during the year in question, by payment of a cash benefit (daily allowance, capital indemnity, or annuity), or which could be so compensated if the victim had a beneficiary.

Field: 18.3 million employees in the Social Security system in 2010, essentially from the non-agricultural private sector.

Source: Caisse Nationale d'Assurance Maladie des Travailleurs Salariés (CNAMTS – National Health Insurance Fund for Salaried Workers)

The risk of reporting an occupational accident (OA) may be measured by the frequency index (number of OAs with sick-leave per 1000 employees). It is calculated here on 18.3 million employees in the Social Security system, essentially from the non-agricultural private sector.

After having decreased for three consecutive years (from 720,150 in 2007 to 651,453 in 2009), the number of reported OAs with sick-leave increases in 2010 (7 400 more compared to the previous year). This increase is the result of the increase of employment (18.3 million affiliates to the Social security in 2010, 18.1 million in 2009), as the frequency index remain stable between 2009 and 2010 (36 reported OAs per 1000 employees). Between 2000 and 2005, the frequency index decreased by 13%, then remained stable until 2007.

The decrease of the frequency index between 2008 and 2009 was partly due to the slowdown in economic activity, as is the case with every recession. Between 2008 and 2009, the *Comités Techniques Nationaux* (CTN – National Technical Committees), which had seen the greatest drop-off in their workforces (metallurgy, chemicals, wood industries, and services excluding banking and insurance) also saw the greatest reduction in OA risk – from -8 to -10%. During a recession, there tends to be a decline in labour intensity as the reduction of employment does not keep pace with reduction of production. In the same way, the drop-off in recourse to temping work (-26% in 2009), and maybe along with the change in main employment status to self-employed (whose OAs are no longer declared to the CNAM [*Caisse Nationale d'Assurance Maladie* – National Health Insurance Fund]), also contributed to the lowering of the frequency index between 2008 and 2009.

Numbers of fatal OAs have also been falling since 2007 (-9% in 2008, -5% in 2009 and -2% in 2010). After having dropped by 54% between 2000 and 2005 (with a spectacular 24% drop recorded in 2005 itself), the number of fatalities increased by 13% in 2006 and 16% in 2007. The fall observed up until 2005 would seem to be partly due to measures taken by the public authorities with a view to preventing road accidents taking place in the context of professional activities – a major risk for employees (accounting for 30% of fatal OAs in 2003 as against 21% in 2006). Such preventive measures were a little less effective in 2007, with 23% of fatal OAs being road accidents, accounting for 28 more deaths than in the previous year.

Finally, although employees have been less exposed to OA risk over the last ten or so years, accidents that do occur are of greater severity. The severity rate (number of days lost following an OA per thousand work hours) has increased by 30% since 1999.

#### Evolution of occupational diseases compensated each year

										in nı	ımbers
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Occupational diseases <u>in</u> thousands	21	24	31	34	36	41	42	43	45	491	50
Deaths	237	318	426	485	581	493	467	420	425	564	533

Note: the term "occupational diseases" covers all Occupational Diseases compensated, for the first time during the year in question, by payment of a cash benefit (daily allowance, capital indemnity, or annuity). Field: 18.3 million employees in the Social Security system in 2010, essentially from the non-agricultural private sector.

Source: Caisse Nationale d'Assurance Maladie des Travailleurs Salariés (CNAMTS – National Health Insurance Fund for Salaried Workers)

The number of occupational diseases (ODs) compensated more than doubled in 10 years, increasing from 21,697 in 2000 to 50,688 in 2010. The increase resulted from a trend towards greater labour intensification and improved legal recognition of workers' rights, along with greater awareness among the medical profession of the potentially occupational origin of certain pathologies.

The share of muskuloskeletal disorders has continued to grow, accounting for over 85% of ODs compensated in 2010.

The number of deaths caused by ODs, after an increase from 2008 to 2009, has diminished in 2010. After having more than doubled between 2000 and 2004, these numbers have kept high throughout the 2000's. These are largely due to asbestos.

		in	percentages of t	the active population
Year	Total	Men	Women	
2003	3.5	3.1	3.9	
2004	3.6	3.2	4.0	
2005	3.7	3.2	4.1	
2006	3.7	3.5	4.0	
2007	3.2	3.0	3.4	
2008	2.6	2.6	2.7	
2009	3.4	3.3	3.6	
2010	3.8	3.7	3.8	
2011	3.9	4.1	3.7	

#### Long-term unemployment rate

Note: unemployed people for whom no information exists on duration of unemployment are divided up proportionally between less than a year and more than a year.

Concepts: activity as defined by the ILO.

Field: Population of households in Metropolitan France.

Sources: Labour Force surveys, INSEE, processed by DARES; provisional data for 2011.

In 2011, 3.9% of the workforce had been unemployed for at least a year. Although the long-term unemployment rate increased slightly between 2003 and 2006 (+0.2 of a point), it then fell by more than one point in 2 years. Between 2008 and 2011, the long-term unemployment rate increased by 1.3 point.

Among the long-term unemployed, although the rise observed between 2003 and 2006 mainly affected men (+0.4 of a point as against +0.1 of a point for women), the following drop in the rate benefited men and women alike (-0.9 of a point and -1.3 points respectively). Between 2008 and 2011, the long-term unemployment rate increased by 1.5 points for men and by 1.0 point for women. In 2011, the unemployment rate for long-term unemployed women (3.7%) was lower than that for men (4.1%).

Activation rate of Long Term registered Unemployed - France, 2010

	LTU <i>benefiting</i> from an activation measure, 2010 (a)	Long Term Unemployed (cat. A), 2010 (b)	LTU Activation rate, 2010 (a) / (a)+(b)	LTU Activation rate, 2009
TOTAL	348 555	899 480	27,9%	28,7%
Total < 6m (<25)	73 639	155 703	32,1%	28,0%
Total >12m (25+)	274 916	743 777	27,0%	28,9%
MEN	154 250	489 429	24,0%	25,1%
Total < 6m (<25)	35 646	84 810	29,6%	25,7%
Total >12m (25+)	118 605	404 619	22,7%	25,0%
WOMEN	194 304	410 051	32,2%	32,3%
Total < 6m (<25)	37 993	70 893	34,9%	30,6%
Total >12m (25+)	156 311	339 158	31,5%	32,6%
Breakdown by category of measures				
2 - Training	12 048	899 480	1,3%	2,0%
Men Total < 6m (<25)	1 180	84 810	1,4%	3,9%
Men Total >12m (25+)	4 271	404 619	1,0%	2,1%
Women Total < 6m (<25)	885	70 893	1,2%	2,1%
Women Total >12m (25+)	5 711	339 158	1,7%	1,3%
4 - Employment incentives	91 983	899 480	9,3%	10,2%
Men Total < 6m (<25)	17 255	84 810	16,9%	13,5%
Men Total >12m (25+)	30 341	404 619	7,0%	9,0%
Women Total < 6m (<25)	13 529	70 893	16,0%	13,9%
Women Total >12m (25+)	30 858	339 158	8,3%	9,6%
6 - Direct Job creation	171 190	899 480	16,0%	16,5%
Men Total < 6m (<25)	11 913	84 810	12,3%	8,9%
Men Total >12m (25+)	45 948	404 619	10,2%	11,1%
Women Total < 6m (<25)	19 708	70 893	21,8%	17,7%
Women Total >12m (25+)	93 621	339 158	21,6%	23,1%
7 - Start-up incentives	73 334	899 480	7,5%	6,7%
Men Total < 6m (<25)	5 298	84 810	5,9%	4,8%
Men Total >12m (25+)	38 044	404 619	8,6%	8,1%
Women Total < 6m (<25)	3 871	70 893	5,2%	4,1%
Women Total >12m (25+)	26 121	339 158	7,2%	6,2%

Source : DARES, Eurostat LMP database, 2010 ; data extracted on 14 march 2012. Estimations by DARES. Annual averages. Metropolitan France.

Long-term Unemployed (monthly stock): "category A" (registered jobseekers obliged to actively seek a job, excluding those having performed short-term reduced activity).

Long-term unemployed : Youth (<25 years) with more than 6 month continuous spell of unemployment ; Adults (25 years or more) with more than 12 months continuous spell of unemployment.

. Category 2 : data very incompletes. Data by unemployment spell are not available for the training sessions organized by the Regions.

. Category 3: no measure of "job rotation and job sharing" in France.

. Category 4 : Employment-initiative contract (CIE), Single inclusion contract (CUI-CIE), Professionalization contract, Economic integration enterprises and intermediary associations.

. Category 5 (Supported employment and rehabilitation) : stock by unemployment spell is not available.

. Category 6 : Contract for the future (CAV), Employment assistance contract (CAE) and Single inclusion contract (CUI-CAE).

. Category 7 : Aid for the unemployed setting-up or rescuing a company (ACCRE).

The number of long-term unemployed benefiting from an activation measure (categories 2-7) increased from 290,000 (2009) up to 350,000 (2010). Nevertheless, due to the continuous rise of unemployment since mid-2008, the activation rate of LTU slightly decreased in 2010.

The take-off of the Contrat Unique d'Insertion (CUI), a subsidized labour contract, concurred in the quasimaintaining of the LTU activation rate for adults - mostly due to the CUI contract in the non-profit sector, and in the rise of the LTU activation rate for young people - mostly due to the CUI contract in the competitive sector.

2009

2010

1.9

1.8

2.0

1.8

1.7

1.9

#### Prevention and participation in active measures by the long-term unemployed *in percentages* Jobseekers not benefiting from a Jobseekers not benefiting from a "support service" "New start" Under 25 years of age 25 years of age and over Under 25 years of age 25 years of age and over Total Men Women Total Men Women Total Men Women Total Men Women By 4 months 39.8 2003 24.5 24.3 24.8 35.7 35.1 36.2 26.8 26.3 39.2 38.5 27.3 2004 23.7 23.1 24.4 34.2 33.4 35.0 26.6 25.8 27.5 38.4 37.4 39.3 2005 22.2 21.6 22.9 32.0 31.1 33.0 25.3 24.4 26.2 36.2 35.0 37.3 2006 19.4 18.8 20.0 27.8 27.0 28.5 23.1 22.3 24.0 33.0 32.1 33.8 2007 16.1 15.8 16.3 22.4 21.8 22.9 22.1 21.5 22.8 31.6 30.9 32.2 2008 17.9 23.1 22.9 25.5 17.1 16.3 23.4 26.4 24.6 34.1 34.4 33.9 17.0 16.1 24.9 25.5 27.3 28.2 36.5 37.3 2009 17.8 24.2 26.2 35.6 2010 13.8 14.0 13.6 22.9 23.1 22.7 24.9 24.9 24.9 34.8 34.7 34.8 By 12 months 2003 10.9 10.7 5.7 4.3 4.1 4.5 11.2 5.4 5.1 14.3 13.8 14.7 2004 3.6 3.3 3.9 9.2 8.7 9.7 4.7 4.3 5.2 12.6 11.9 13.3 2005 2.9 2.7 3.1 7.8 7.4 8.2 3.9 3.6 4.3 10.7 10.2 11.3 2006 2.0 1.8 2.2 4.7 4.5 5.0 3.3 3.0 3.6 8.4 8.1 8.7 2007 1.8 1.7 1.8 3.7 3.5 3.9 3.7 3.5 3.9 8.7 8.4 8.9 2008 1.9 10.4 2.0 1.7 4.2 4.4 4.0 4.9 5.2 4.6 10.9 9.9

Support services: number of jobseekers entering the Category A in month M and still looking for work 4 months/12 months later and not having participated in any support service (Category LMP 1.1.2) compared with the total number of jobseekers entering Category A in month M.

4.8

5.2

5.2

4.8

5.5

4.7

4.9

5.0

11.6

11.2

12.1

11.2

11.0

11.2

5.2

5.2

New start: number of jobseekers entering the Category A in month M and still looking for work 4 months/12 months later and not having participated in any support service (Categories LMP 2 to 7) compared with the total number of jobseekers entering Category A in month M.

Category A jobseekers: unemployed jobseekers obliged to look actively for a job.

5.0

5.2

Source: Pôle Emploi, log data file («fichier historique »), processed by DARES/Pôle Emploi

In 2010, 13.8% of the new Category A jobseekers under 25 years of age continuously looking for employment during the 4 months following their entering the category did not take advantage of any support services (workshops, skills assessments, guidance support, etc.) during that time. The rate was higher among new jobseekers aged 25 years and over (22.9%). The same year, 1.8% of the new Category A jobseekers under 25 years of age and 5.2% of those aged 25 and over continuously looking for employment during the 12 months following their entering the category did not take advantage of any support service during that time.

In 2010, 24.9% of the new Category A jobseekers under 25 years of age continuously looking for employment during the 4 months following their entering the category did not take advantage of any support service enabling a New start (such as vocational training, job incentives, assisted and readaptation contracts, direct job creation, or assistance with company creation) during that time. The rate was higher among the new jobseekers aged 25 years and over (34.8%). In 2010, 4.8% of new Category A jobseekers under 25 years of age and 11.2% of those aged 25 and over continuously looking for employment during the 12 months following their entering the category, and did not take advantage of any job-market policy measure during that time.

# Active Labour Market Policy expenditure (categories 2 to 7) as a percentage of GDP

	2006	2007	2008	2009	2010
ALMP expenditure / GDP (%)	0.68%	0.71%	0.64%	0.73%	0.83%

Source : DARES, Eurostat LMP database, INSEE and Dares.

Active labour market expenditure increased in 2009 and even more in 2010, in response to the rising number of jobseekers since mid-2008. The development of the so-called Contrat Unique d'Insertion, especially in the non-profit sector, has been strong.

### Active Labour Market Policy expenditure (categories 2 to 7) per person wanting to work

	2006	2007	2008	2009	2010
ALMP expenditure per person wanting					
to work (Euro)	3 623 €	4 266 €	4 168€	3 900 €	4 435 €

Source : DARES, Eurostat LMP database, INSEE and Dares.

The ratio of expenditures on active policy measures (categories 2-7) per person wanting to work, had declined in 2009. The increase in the number of beneficiaries active measures remained lower than the number of job seekers or the number of persons wanting to work.

In 2010, the increasing use of active measures since 2009 has a significant impact on the rise of the average expenditure per person wanting to work in a context of slowed rising unemployment in comparison with 2009.

# - Labour Market Policy participants (categories 2 to 7) per 100 persons wanting to work

	Total	Men	Women
2010	45.07	na	na
2009	41.72	43.12	32.51
2008	52.84	59.63	40.90
2007	53.47	57.75	39.62
2006	46.51	50.38	35.11

Number of participants in regular activation measures (LMP categories 2-7) divided by the number of persons wanting to work (ILO unemployed plus labour reserve). Source : Eurostat LMP database.

The fall of the share of the population wanting to work, benefiting from an activation measure, in 2009, can be explained by the strong increase in the number of job seekers since mid-2008. The recovering in 2010 is mainly due to the increase of the Contrat Unique d'Insertion, a subsidized contract, especially in the non-profit sector.

# Adequacy of the social protection system and make work pay : 1. Adequacy of the social protection system

-	People at risk of poverty according to a threshold at 60% of the median income by most frequent
activity	status (ILO definitions)

						In %
	2004	2005	2006	2007	2008	2009
In work	7.3	7.5	7.5	7.8	7.4	7.6
Unemployed	33.6	34.5	34.9	36.4	35.9	35.0
Total (including people aged less than 15)	12.6	13.1	13.1	13.4	13.0	13.5

Field: people living in Metropolitan France in a household whose reference person is not a student Source: Tax and Social Income surveys (Enquêtes Revenus fiscaux et sociaux)

People in work are much less often exposed to poverty than others: the relationship between the risk of poverty rate of people in work and that of the total population actually fell from 0.58 to 0.56 between 2004 and 2009. In contrast, the poverty rate of people unemployed is significantly higher than the average: in the recent period, the ratio between these two rates stayed stable at around 2.6 to 2.7.

Employment remains the best safeguard against poverty and this protective role has even increased during the last decade.

# Out-of-work income maintenance expenditure (category 8) as a percentage of GDP

	2006	2007	2008	2009	2010
LMP expenditure (8) as a % of GDP	1.34 %	1.20 %	1.16 %	1.42 %	1.45 %

Source : DARES, Eurostat LMP database, INSEE and Dares.

Out-of-work income maintenance and support expenses (LMP category 8) rose sharply in 2009, because of the deterioration of the labour market started in mid-2008. With the recession in 2009, these expenses, expressed in percentage points of GDP, increased even more strongly.

In 2010, the increase in unemployment and out-of-work income maintenance and support expenses is lower than in 2009, and GDP has returned to its upward trend.

### - Out-of-work income maintenance expenditure (category 8) per person wanting to work

	2006	2007	2008	2009	2010
LMP expenditure (8) per person					
wanting to work (Euro)	7 131 €	7 217 €	7 515 €	7 564 €	7 716€

Source : DARES, Eurostat LMP database, INSEE and Dares.

The ratio of out-of-work income maintenance and support expenses (LMP category 8) per person wanting to work, had increased during the low point of the unemployment curve in 2008, before its rise in the second half of 2008. The full effect of the crisis is being felt in 2009 when out-of-work income maintenance and support expenses and the number of potential beneficiaries both increase strongly.

In 2010, total expenditure on out-of-work income maintenance and support is rising more (+3% in volume) than the number of people wishing to work, especially the labour force reserve which increases by less than 2%.

# Adequacy of the social protection system and make work pay : 2. Make work pay

Number of tax households concerned	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
In million	8.7	8.5	8.3	8.8	9.1	8.6	8.9	8.9	8.2	7.3	6.7
In % of total number of tax households	26.3%	25.5%	25.0%	25.0%	26.3%	24.5%	25.0%	24.7%	22.5 %	20.0%	18.2%

# Number of tax households concerned by the Prime pour l'Emploi

Scope: Metropolitan France.

Interpretation: In 2011, 6.7 million tax households benefited from the PPE for their income in 2010. Sources: Ministry for the Economy, Finances and Industry, figures from the General Directorate for Public Finances, processed by the General Directorate for the Treasury.

Created in 2001, the in-work benefit, *Prime pour l'Emploi* (PPE – Employment Bonus), was designed to enable an increase in the additional income available occasioned by a low-paid professional activity. This tax credit aims to partly reduce the difference in taxes and social benefits between an inactive person and a worker.

The changes in the number of tax households concerned by the *PPE* depend on the evolution of the income distribution and the reforms of the tax credit.

Besides indexations of the schedule designed to ensure coherent evolution of thresholds (ensuring that the maximum amount corresponds to a full-time worker earning the minimum wage), the system has been substantially reformed on several occasions :

- In 2003, the total for PPE paid out to people working part-time was significantly increased.
- In 2006 and 2007, major revision of scales raised the PPE maximum pay-out from €538 in 2005 to €714 in 2006, and then to €948 in 2007 and increased the part-time worker premium. In 2005, a part-time worker paid the guaranteed minimum wage received 72.5% of the PPE paid to a full-time worker on the guaranteed minimum wage this percentage was raised to 82.5% in 2006 and to 92.5% in 2007.
- The PPE scale has not been reassessed since 2008. Since 2010, the PPE received by tax households has been reduced by totals of *RSA Activité* (the share of the minimum income RSA paid in complement to a paid work) paid out for the preceding year. As the RSA was put into general practice on June 1st, 2009, only 7 months of RSA *Activité* was charged to the PPE paid out in 2010, in the special context of the phasing in of the measure.

The freeze of the PPE scale and the phasing in of the *RSA Activité* go to explain the drop in numbers of tax households concerned, decreasing from 8.9 million households in 2008 to 6.7 million in 2011.

# Beneficiaries of the Revenu de Solidarité Active (RSA)

data at 31 December

	RSA "Activité"	RSA	RSA <i>"Activité"</i> in % of the RSA	
2009	598,800	1,730,154	34.6%	
2010*	665 600	1 833 800	36.3 %	

# Field : France Metropolitan

Sources : CNAF and MSA

\* : Since September 1<sup>st</sup> 2010, people who are under 25 years old (under conditions of work) can benefit of the RSA. They represent less than 1% of beneficiaries.

On June 1<sup>st</sup>, 2009, the RSA replaced the RMI and the API in Metropolitan France. The RSA is a family meanstested scheme designed for households. It may be paid to any person residing in France and at least 25 years of age, or, regardless of age, to anyone assuming responsibility for at least one child already born or yet to be born. On September 1<sup>st</sup>, 2010, it was extended to people under 25 years old who had worked for at least two years during the previous three years. It has been in force in French Overseas Departments since January 2011.

The RSA is a differential allowance, complementing a household's initial resources to bring them up to a guaranteed income calculated as the sum of two components:

- a lump sum, the scale for which varies depending on composition of the household;
- a percentage (62%) of the professional income drawn by household members.

Beneficiaries no longer receive the allowance once household income exceeds guaranteed income level. For members of a household where resources fall below the lump sum, the RSA acts as a minimum welfare benefit (RSA "*Socle*" ["base"]). For people receiving a professional income and belonging to a household where resources fall below the guaranteed income, the RSA acts as a complement to income from professional activity (RSA "*Activité*"). The difference must be made between the RSA "*Activité seul*" ("Activity only" – for those in work and whose total resources are greater than the lump sum), and the RSA "*Socle* + *Activité*" (for those in work and whose total resources fall below the lump sum). It is not necessary to have received the RSA "*Socle*" in order to receive the RSA "*Activité*".

At 31 December 2010, 1.83 million households in Metropolitan France benefited from the RSA. During the same year, 665 600 people benefited from the RSA "*Activité*" in Metropolitan France – 36.3% of the total number of RSA recipients. The number of recipients of RSA activity grew faster than the number of recipients of RSA as a whole, in connection with the take up of the new component of the RSA, the RSA activity.

	Participation rate		Full	-time	Par	Part-time		oloyment
Household situation	Women	Men	Women	Men	Women	Men	Women	Men
In couple	72.6	83.4	45.7	74.9	21.6	3.9	5.3	4.7
Without children	63.1	68.4	43.4	59.6	15.0	4.4	4.7	4.4
1 child aged less than 3	79.8	97.1	52.7	86.1	18.3	3.2	8.7	7.7
2 children with at least one aged less than 3	67.2	97.4	34.4	86.8	27.7	3.8	5.1	6.7
3 children with at least one aged less than 3	42.8	94.6	17.0	79.1	21.6	6.0	4.3	9.6
1 child aged 3 or more	80.6	86.4	53.0	78.8	22.7	3.9	4.9	3.7
2 children aged 3 or more	86.8	95.2	52.6	88.8	29.4	2.9	4.9	3.5
3 children aged 3 or more	73.4	93.4	35.9	83.8	29.8	3.6	7.7	5.9
Single	72.0	77.9	48.7	63.3	14.6	5.9	8.7	8.6
Total	72.4	82.2	46.5	72.3	19.8	4.3	6.2	5.5

#### Conciliation between work and family in 2010 (in %)

Note: annual average.

*Field : Metropolitan France, person of reference in the household and potential partner aged 15 to 64. Source : INSEE Labour Force Survey from 1st to 4th quarter 2010.* 

In 2010, more than 72% of women in couple aged 15 to 64 are active on the labour market, either being employed full time (46%), employed part-time (22%) or unemployed (5%). For mothers, the presence of one or two children, when they are aged 3 years or more, is often combined with work. With at least three children, all aged 3 years or more, female activity is weaker but has significantly increased since the early 1990s. This is especially the presence of young children (under 3) that interferes with work : if the presence of only one child under 3 years has little effect, however the participation of mothers of two or three children, including at least one younger than 3 years, is much lower. Moreover, when they work, these women work for half of them part time. In contrast, the participation rate of men is only slightly influenced by the number and ages of their children.

### Daycare facilities for young children

Daycare facilities	Number of facilities	Number of places	Number of places in comparison with number of children in the age range
Collective crèches	1 947	85 871	3,7 % (0 - 3 years old)
of which, parental crèches	157	2 411	0,1 % (0 - 3 years old)
Kindergartens	227	8 064	0,2 % (2 - 6 years old)
Day nurseries	1 933	32 062	0,6 % (0 - 6 years old)
Multiple care types facilities (Structures multi-accueil)	5 /UZ - COLLECTIVE 166 36		7,1 % (collective)(0 - 3 years old)
		- family 10 373	0,2 % (family) (0 - 6 years old)
Total collective facilities (not including family daycare)	9 809	292 361	5,4 % (0 - 6 years old)
Family daycare services	756	50 004	0,9 % (0 - 6 years old)
Total establishments	10 565	352 738	6,5 % (0 - 6 years old)

### Daycare facilities for young children at 31 December 2009 (not including nursery schools)

	Number of practising child minders with valid certifications at 31/12/2009	Theoretical daycare capacity	Theoretical daycare capacity compared with number of children in the age range
Practising child minders	290 569	817 062	15,2% (0 - 6 years old)

Field: Metropolitan France.

Notes :

- Percentages given for children attending daycare facilities should be treated with caution: firstly, the same child may attend more than one such facility and secondly, the estimations given refer to the number of places available and is not the number of children actually attending such facilities. Data are based on authorised capacities compared with: the number of children under three years old at 31 December 2009 (2 337 477); the number of children between 0 and 6 years old at 31 December 2009 (5 389 144); the number of children between 2 and 6 years old at 31 December 2009.
- Collective crèches take in children under three years old.
- Parental crèches, referred to as "parent-managed establishments" since the decree of 1 August 2000, are
  institutions set up in association with the parents who initiated their creation and who are responsible for
  managing them. They participate in provision of daycare for children alongside professionals in the field
  (number of places limited to 20). Daycare for under three-year-olds.
- Family daycare services or family crèches are made up of registered child minders, each of whom looks after from 1 to 4 children at home under the supervision of a nursery nurse, physician or educator specialising in young children. Daycare for 0 to 6 year-old, but distinction by age is unknown.
- Kindergartens act as alternatives to nursery schools and take in children from 2 to 6 years old.
- Day nurseries are facilities providing occasional or part-time daycare for children under six years old.
- Multiple care types facilities are institutions providing combinations of regular/occasional and family/collective daycare services.
- Practising child minders are those registered by the Local Authority (Conseil Général) and actually in activity. They provide daycare by the day for children between 0 and 6 years old, but usually between 0 and 3 years old. Their intake capacity depends on the number of children covered by their accreditation, to a maximum of four children each. Such child minders do not necessarily take in as many children as they are authorised to do; the total number of children actually taken care of is unknown.

Sources: DREES (PMI 2009 survey), INSEE (estimates of population - provisional results established at end 2010), IRCEM (Practising child minders).

Taking account of the age ranges covered by each type of daycare facility along with practising child minders, overall potential is around 21,7 places per 100 children between 0 and 6 years old. However, if only children under six years old are taken into consideration, the various modes of daycare currently on offer provide 50,0 places per 100 children.

### Percentage of children under 3 years old entrusted primarily to a "formal" mode of daycare provision

2	2002	2007
Percentage of children under 3 years old primarily entrusted to a "formal" mode of davcare*	22%	28%

\*collective daycare facilities (excluding kindergartens), family crèches, and child minders paid by private individuals

Note: Primary daycare mode is the one in which the child spends most of the time from Monday to Friday between 8 a.m. and 7 p.m.

Field: Metropolitan France

Sources: "Modes de garde et d'accueil des jeunes enfants" survey (Patterns of child minding and daycare provision), 2002 and 2007, DREES, calculations by DREES.

# **Exploiting job creation policies**

#### Total employment growth

	Level at the end of the year (in thousands)	Year-on-year change at the end of the year (in thousands)					Year-on-year change at the end of the year (in %)						
	2011	2006	2007	2008	2009	2010	2011	2006	2007	2008	2009	2010	2011
Total employment, including:	26 311	311	351	-149	-225	123	45	1.2	1.3	-0.6	-0.9	0.5	0.2
Agricultural employees	211	-5	-12	-10	-2	-4	-10	-2.0	-4.9	-4.0	-0.8	-1.6	-4.5
Mainly non-agricultural market sectors	16 103	194	271	-187	-273	102	67	1.2	1.7	-1.1	-1.7	0.6	0.4
Industry	3 296	-60	-44	-78	-166	-61	-2	-1.6	-1.2	-2.2	-4.7	-1.8	-0.1
Construction	1 438	61	60	10	-39	-13	-12	4.4	4.2	0.7	-2.6	-0.9	-0.8
Tertiary market sector	11 370	193	255	-119	-67	176	81	1.8	2.3	-1.1	-0.6	1.6	0.7
Of whom, temporary workers	569	16	26	-135	-19	97	-22	2.7	4.2	-20.8	-3.6	19.6	-3.7
Mainly non-market service sectors	7 609	100	73	32	44	19	-18	1.4	1.0	0.4	0.6	0.3	-0.2
Self-employed	2 388	22	19	16	5	6	6	0.9	0.8	0.7	0.2	0.2	0.2
Employment in the competitive	18 033	229	305	-153	-224	148	80	1.3	1.7	-0.8	-1.2	0.8	0.4

Interpretation: at the end of 2011, employment in industry rose to 3.296.000, a decrease of 2.000 in comparison with end 2010 - 0.1% decrease in one year.

Concepts: synthesis of administrative sources on employment; employment in the competitive sector is made up of salaried employment in the mainly non-agricultural market sectors and salaried employment in the private non-market service sectors.

Field: Metropolitan France.

Source: INSEE, employment estimations for 2006 to 2010 and estimations of salaried employment in private institutions not including agriculture for 2011; employment forecasts for 2011, for the agricultural sector, the public sector and self- employment

In 2005 and 2006, net job creation were important, exceeding 300,000 for each year. During these two years, only the agricultural and industrial employment shrank. In construction and in the temporary employment, job creation have been strong, over 4% per year for the construction and close to 3.5% for temporary employment. In the tertiary market sector, the growth was slower, reaching, in 2007, 2.3% for the competitive sector and 1.0% for the non-market sector. Self-employment also rose by nearly 1% per year over this period.

With the sharp decline in the economic situation, employment decreased from the 2nd quarter of 2008 onwards. In 2009, job losses reached -225 000 posts following -149 000 posts in 2008. Temporary employment and industry have been the most affected : respectively 154 000 and 254 000 jobs have been destroyed.

Total employment is rising again from the fourth quarter of 2009, and this increase tended to accelerate until the end of the first half of 2011. 123,000 jobs were created in 2010 and 116,000 in the first half of 2011. Employment has returned and job losses are estimated at 70,000 in the second half of 2011, resulting in a net gain of 45,000 jobs for 2011. After a strong rebound in 2010 (+ 97,000 jobs), temporary employment slowed in the first half of 2010 and then contracted sharply in the second (-22,000 jobs over the year). In 2011, payroll employment grew only in the tertiary market (+0.7%) despite the decline in the interim, which helped offset losses in construction, industry and tertiary non-market sectors.

										In	percenta	ges	
	20-64	l years of	age	20-24	years of	age	25-54	years of	age	55-64 years of age			
Year	Men	Wome	Gaps	Men	Wome	Gaps	Men	Wome	Gaps	Men	Wome	Gaps	
2003	76.1	63.5	12.6	55.1	47.6	7.5	87.7	73.3	14.4	40.9	33.3	7.6	
2004	75.8	63.5	12.2	54.9	46.5	8.5	87.6	73.7	13.9	41.6	34.2	7.5	
2005	75.3	63.7	11.6	53.6	45.6	8.0	87.6	74.0	13.6	41.5	35.7	5.7	
2006	74.9	63.8	11.1	53.5	44.6	8.9	87.8	74.7	13.1	40.5	35.8	4.7	
2007	75.0	64.8	10.2	53.7	47.4	6.3	88.2	76.0	12.2	40.5	36.0	4.5	
2008	75.5	65.5	10.0	54.3	47.8	6.6	89.1	77.2	12.0	40.6	35.9	4.7	
2009	74.1	64.9	9.2	52.0	47.4	4.6	87.6	76.6	11.0	41.5	36.6	4.9	
2010	73.7	64.7	9.0	52.0	45.4	6.6	87.1	76.6	10.5	42.1	37.4	4.7	
2011	73.8	64.6	9.2	52.5	44.4	8.1	86.7	76.2	10.5	44.0	39.0	5.0	

### Employment gender gap

*Concepts: workforce occupied as defined by the ILO, exact age at date of survey, annual average. Field: Population of households in Metropolitan France. Source: Labour Force Surveys, INSEE, processed by DARES; provisional data for 2011.* 

In 2011, the employment rate gap between men and women from 20 to 64 years of age stood at 9.2 points (73.8% as against 64.6%). In comparison, this gap reached 12.6 points in 2003. Overall, with the continued development of female activity, the employment rate for women has been getting closer to the employment rate for men. Furthermore, from 2008 to 2009, the employment rate fell more strongly for men than for women (-1,4 pp and -0,6 pp), as men are in the majority in those sectors most affected by the crisis (industry, construction and temping). From 2009 to 2011, the evolutions are similar, the employment rate of 20-64 dropped by 0.3 pp for men and women.

# - Gender pay gap

# Comparison of net wages for women with net wages for men, all work durations (median monthly salaries)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
W/M	0.80	0.80	0.79	0.80	0.81	0.82	0.82	0.81	0.81	0.81	0,81	0.81

*Field: All salaried employees in households in Metropolitan France, not including apprentices and interns. Sources: Labour Force Surveys, INSEE, processed by DARES; provisional data for 2011.* 

# Comparison of net wages for women with net wages for men, full-time employment (median monthly salaries)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
W F-T/M	0.91	0.90	0.88	0.88	0.90	0.90	0.89	0.90	0.89	0.88	0.88	0.89

*Field: Full-time salaried employees in households in Metropolitan France, not including apprentices and interns. Sources: Labour Force Surveys, INSEE, processed by; provisional data for 2011.* 

# Comparison of net hourly wages for women with net hourly wages for men, all work durations (median monthly salaries)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
W/M	0.89	0.89	0.89	0.89	0.89	0.90	0.90	0.90	0.90	0.90	0.90	0.90

*Field: All salaried employees in households in Metropolitan France, not including apprentices and interns. Sources Labour Force Surveys, INSEE, processed by DARES. ; provisional data for 2011* 

Gender pay gap has remained almost constant since 2000: the median net monthly wage for women is 19%

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lower than for men, in a large part due to part-time work being more frequent among the former. The gap is lower for full-time employees (11%) and in terms of hourly wages (10%).

### Lifelong learning

# Quarterly rate of access to training programmes by <u>people</u> between 25 and 64 years of age (all training programmes)

ın	percentages

		2010		2011				
	Total	Men	Women	Total	Men	Women		
25-34 years of age	10.2	9.6	10.8	10.8	10.3	11.2		
35-44 years of age	9.9	9.4	10.3	10.5	10.3	10.7		
45-54 years of age	8.1	7.6	8.6	8.5	8.1	8.8		
55-64 years of age	3.8	3.4	4.2	4.2	4.0	4.4		
Total	8.0	7.5	8.4	8.5	8.2	8.7		

Note: The concept selected for access is the fact of having undergone at least one day of training during the preceding quarter, whether or not the training course in question began during the quarter under consideration. The statistics presented here should be clearly distinguished from those for rates of access to training over 4 weeks in the criteria selected by the European Union.

Field: individuals between 25 and 64 years of age who have completed their initial studies at least 3 month before the survey, belonging to households in Metropolitan France.

Sources: Labour Force Surveys, INSEE, processed by DARES; provisional data for 2011.

In 2011 the average quarterly rate of access to training by people between 25 and 64 years of age stood at 8.5%, slightly higher than in 2010 (8.0%). Access to training is highly differentiated depending on age – higher among the young and rare among older people. Women of every age also have greater access to training.

# Quarterly rate of access to vocational training programmes by <u>salaried employees</u> between 25 and 64 years of age

						in percent
		2010			2011	
	Total	Men	Women	Total	Men	Women
Cadres (managers / professisionnals)	13.2	12.2	14.8	13.3	12.6	14.4
Professions intermédiaires						
(Intermediate occupations)	11.8	10.7	13.0	12.5	11.5	13.5
Employés (White-collar workers)	7.6	8.8	7.2	8.2	10.1	7.7
Ouvriers (Blue-collar workers)	4.9	5.0	4.6	5.3	5.7	4.0
Total	9.1	8.7	9.6	9.7	9.4	10.0

Note: The concept selected for access is the fact of having undergone at least one day of training during the preceding quarter, whether or not the training course in question began during the quarter under consideration. The statistics presented here should be clearly distinguished from those for rates of access to training over 4 weeks in the criteria selected by the European Union.

Field: salaried employees between 25 and 64 years of age who have completed their initial studies at least three month before the survey, belonging to households in Metropolitan France.

Sources: Labour Force Surveys, INSEE, processed by DARES; provisional data for 2011.

Over 2011, an average of 9.7% of salaried employees between 25 and 64 years of age attended a vocational training course over a quarter-year period – slightly higher than in 2010 (9.1%). Blue-collar workers were two or three times less likely to access than managerial staff or intermediate occupations. Overall, women participated more often than men. However, although women active in management or in intermediate occupations undergo training more often than their male counterparts, this is not the case among white-collar and blue-collar worker.

# Quarterly rate of access to training programmes by people between 25 and 64 years of age by situation on the job market (all training programmes)

In percentages

		2010		2011				
	Total	Men	Total	Men	Total	Men		
Employed	9.3	8.6	10.1	9.9	9.4	10.5		
Unemployed (BIT)	6.9	5.6	8.2	7.1	5.8	8.3		
Inactive	3.8	3.1	4.3	3.9	3.3	4.4		
Total	8.0	7.5	8.4	8.5	8.2	8.7		

Note: The concept selected for access is the fact of having undergone at least one day of training during the preceding quarter, whether or not the training course in question began during the quarter under consideration. The statistics presented here should be clearly distinguished from those for rates of access to training over 4 weeks in the criteria selected by the European Union.

Field: individuals between 25 and 64 years of age who have completed their initial studies at least 3 month before the survey, belonging to households in Metropolitan France.

Sources: Labour Force Surveys, INSEE, processed by DARES; provisional data for 2011.

In 2011 the average quarterly rate of access to training by unemployed people stood at 7,1 %., slightly higher than in 2010 (6,9 %). Women have greater access to training, whatever their activity. It is among unemployed people that the gap between men and women is the highest.

### - Growth in labour productivity

							averag	average annual growth in %					
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		
Productivity (per head)													
Total economy	0.8	0.2	0.3	0.6	2.6	1.0	1.4	1.0	-0.4	-1.3	1.2		
Business sector excluding	1.2	-0.2	0.3	1.4	2.4	1.4	1.5	0.9	-0.7	-1.6	1.8		
agriculture													
Productivity (per hour)													
Total economy	3.3	0.8	2.9	0.8	0.7	1.4	2.9	0.5	-1.5	0.1	1.6		
Business sector excluding	3.8	0.3	2.3	1.8	0.7	1.7	3.0	0.3	-1.8	-0.1	2.2		
agriculture													
Gross Value Added													
Total economy	3.4	1.7	0.9	0.7	2.7	1.7	2.5	2.4	0.1	-2.4	1.3		
Business sector excluding	4.7	2.0	0.9	1.3	2.5	2.1	2.8	2.9	-0.2	-3.6	1.8		
agriculture													
Employement													
Total economy	2.6	1.5	0.5	0.1	0.1	0.7	1.1	1.4	0.5	-1.2	0.2		
Business sector excluding	3.5	2.2	0.7	-0.1	0.1	0.7	1.2	1.9	0.5	-2.0	0.0		
agriculture													
Hours worked													
Total economy	0.1	0.9	-2.0	-0.1	2.0	0.3	-0.4	1.9	1.6	-2.5	-0.2		
Business sector excluding	0.8	1.7	-1.4	-0.5	1.8	0.4	-0.2	2.6	1.6	-3.5	-0.4		
agriculture													

Sources: National Annual Accounts, INSEE Base year: 2005.

In 2001, contraction of activity led to a drop in gains of productivity. Employment adjusted to the situation at the usual pace in times of economic slowdown —so that by 2003, with the marked recovery of activity during the second half of the year, productivity per head rebounded. From 2005 onwards, employment progressively strengthened, leading to rather more moderate productivity per head gains. Some years, gains in productivity per hour are different from gains in productivity per head. In particular in 2002, the policy of reduction of the legal duration of the working week accounts partly for the strong growth in productivity per hour gains.

In 2007, employment was more dynamic than expected compared with growth, resulting in a drop in productivity per head gains. In 2008 and 2009, because of the economic situation, productivity per head gains fell but more strongly than observed in the past. In 2010, the rise in activity together with a more progressive

upturn of employment led to a recovery of productivity per head. The drop in the number of hours worked due to short-time working may explain the stability of productivity per hour in 2009.

# Improving education and training systems

### Educational levels of young people between 20 and 24 years of age

#### Highest qualifications awarded to and classes reached by young people between 20 and 24 years of age *in percentages* 2000 2010 ISCED EL Highest qualification, class reached \* \*\* Women Total Men Total Men Women Total number of graduates: higher education, 3-5 81.8 80.2 83.4 83.2 80.2 86.2 baccalaureate, BEP, CAP or equivalents Graduates: higher education, baccalaureate I-IV 61.6 3-5 62.2 57.2 67.0 67.1 72.6 or equivalent Holders of CAP or BEP diplomas 3C v 19.6 23.0 16.4 16.1 18.6 13.6 Total: "Brevet" graduates and without 0-2 18.2 19.8 16.6 16.8 19.8 13.8 qualification Studied up to the end of a second cycle of secondary education but did not obtain their 2 10.4 11.9 9.0 8.3 10.2 6.4 diploma (failed examinations) of whom: Final year of baccalaureate or 2 IV 4.6 4.7 4.6 4.0 4.5 3.5 equivalent 2 of whom: Final year of CAP or BEP V 5.8 7.2 4.4 4.3 5.7 2.9 Ended their studies before the end of a 0-2 7.8 7.9 7.6 8.5 9.6 7.4 second cycle of secondary education of whom: Seconde (two years before the end of secondary school) or Première (one year 2 V 1.2 1.3 1.7 2.0 1.0 1.4 before the the end of secondary school), general or technological Vbi of whom: No studies, First cycle of secondary 0-2 7.6 6.6 6.6 6.6 6.8 6.0 s education, or First year of CAP or BEP VI

\* "levels" as defined by the International Standard Classification of Education (ISCED), used for comparisons between countries and as community indicators.

100.0

100.0

100.0

\*\* "levels" as defined by the French inter-ministerial classification of Educational Levels, 1969.

Total

Interpretation: In 2010, 83% of young people between 20 and 24 years of age declared themselves holders of a higher education qualification, a baccalaureate, or a BEP or CAP diploma.

Field: young people between 20 and 24 years of age at date of survey and belonging to a household in Metropolitan France.

Sources: Labour Force Survey, INSEE, processed by DEPP; weighting September 2011 for 2010.

In 2010, 67% of young people between 20 and 24 years of age declared themselves as higher education graduates or holders of a baccalaureate or equivalent qualification, and 16% as holders of a *Brevet d'Études Professionnelles* (BEP – Vocational Studies Diploma) or a *Certificat d'Aptitude Professionnelle* (CAP – Certificate of Vocational Aptitude). Thus, 83% of young people between 20 and 24 years of age declared themselves as holders of at least one diploma validating their success in the second cycle (two or more years) of secondary education. This percentage has remained almost unchanged since 2000.

A higher percentage of young women hold diplomas validating their success in higher secondary education than do their male counterparts (86% and 80% respectively). There are more women baccalaureate graduates than there are men, who are more apt to end their studies after obtention of a BEP or CAP.

100.0

100.0

100.0

On the other hand, 17% of young people between 20 and 24 years of age are not sufficiently qualified to ensure their success in an economy that requires a solid educational background – a percentage that has largely remained stable since 2000.

Such young people may be divided into two groups with differing schooling and educational histories. The first group (8% of the age range as a whole) studied up to the final year of higher secondary education but did not manage to obtain a certificate validating acquisition of knowledge. The second group, of comparable size, did not reach the final year of higher secondary education. Within this latter group, we may distinguish the 6.8% of young people situated in levels Vb and VI by the French classification of 1969. They did not participate in any educational programme at "CAP level" (level V) – long considered as the minimum level by the French public authorities.

# - Level for the people aged between 20 and 64 years old in 2010

# Proportions of graduates from upper secondary education and higher education (ISCED 3 and above), by age group and gender (20 to 64)

	Men	Women	Total
20-24	80.2	86.2	83.2
25-29	81.5	85.2	83.3
30-34	83.8	84.6	84.2
35-44	76.7	77.5	77.1
45-54	68.6	65.1	66.8
55-64	60.1	51.4	55.6
Total	72.9	71.3	72.1

Interpretation: In 2010, 80% of young men aged 20 to 24 report to have a degree in higher education, a bachelor, a BEP or a CAP, 82% of those aged 25 to 29 years and 84% of those aged 30 to 34 years.

Field: people between 20 and 64 years of age at date of survey and belonging to a household in Metropolitan France.

Sources: Labour Force Survey, INSEE, processed by DEPP; weighting September 2011.

The proportion of graduates of higher education or upper secondary is 83% among the three age groups 20-24, 25-29 and 30-34. These age groups have had more opportunities to study and succeed in school than their elders. Overall, the French population studied and earned degrees at younger ages, "in initial education". Among young women, ages differences reflect differences in opportunities for young ages. However, the proportions of men reporting a degree in higher education, at least a CAP, are slightly higher between 30 and 34 years younger.

#### - Early school leavers

#### per 100 interruptions of secondary studies

			· · · · · · · · · · · · · · · · · · ·		
Class enrolled in	EL *	2000	2003	2007	2008
Total pupils reaching the final year of higher secondary					
studies		90.6	91.2	92.3	92.5
Final year of baccalaureate or equivalent	IV	66.9	68.5	70.1	70
Final year of CAP or BEP **	V	23.7	22.7	22.2	22.5
Total pupils dropping out before the end of higher secondary studies End of Seconde or Première (two years and one year before the end of secondary school). general and		9.4	8.8	7.7	7.5
technological	V	2.4	2.3	2.1	1.8
1st cycle. 1 <sup>st</sup> year CAP/BEP (no qualification)	VI-Vbis	7	6.5	5.6	5.7
Total pupils interrupting their secondary studies for the					
first time		100	100	100	100

Interpretation: out of every 100 young people leaving secondary education in 2008. 7.6 had not reached the final year of higher secondary education.

\* French classification of Educational Levels, 1969.

\*\* Including 1 to 3% (of the cohort) leaving the first years of baccalaureate or vocational diploma.

*Field:* Metropolitan France – First interruptions of secondary studies, not including young people who never started their secondary studies (less than 1% of an age group).

Source: schooling statistics (synthesis of schooling and geographical origins of pupils and apprentices enrolled in "collèges" [lower secondary schools], lycées, agricultural lycées and apprentice training centres). Ministry for National Education/Minister for Higher Education and Research-DEPP.

In 2009, syntheses of enrolments in secondary educations put the percentage of dropouts before completion of higher secondary studies at 7.6%. In 2.5% of cases, such dropouts took place after enrolment in general or technological *Seconde* - or *Première* classes and in 5.1% of cases, after enrolment in first-cycle classes in the first year of the CAP or BEP. By contrast, 92.4% of young people interrupting their secondary studies for the first time managed to complete their higher secondary education, even though it meant a two-year cycle.

#### Public expenditure on education

	1980	1990	2000	2009	2010
DEE (France as a whole)					
at then current prices (in billions of euros)	28.5	68.0	104.9	132.5	134.8
at 2009 prices (in millions of euros)	72.1	93.6	125.8	133.6	134.8
DEE/GDP (in %)	6.4 %	6.6 %	7.3 %	7.0 %	7.0 %
DEE/inhabitant at 2009 prices (in euros)	1 340	1 610	2 070	2 060	2 080
Average expenditure per pupil *					
At then current prices (in euros)	1 760	4 030	6 200	8 020	8 150
At 2009 prices (in euros)	4 460	5 540	7 430	8 090	8 150
Structure of initial financing (in %) **					
Public expenditure on education	83.7	82.9	87.2	85.6	85.6
State	69.1	63.7	65.2	59.1	59.4
of which. Ministry for National Education /	60.9	56.5	57.4	54.0	54.4
Ministry for Higher Education and Research	14.2	18.5	19.9	24.8	24.6
Local authorities	0.4	0.7	2.1	1.7	1.6
Other public authorities and CAF (Caisse	5.5	5.9	5.4	6.6	6.5
Familiales – Family Allowance Fund)	10.8	11.2	7.4	7.8	7.9
Total public expenditure on education / GDP (in	5.4	5.5	6.4	6.0	6.0

#### Domestic Education Expenditure (DEE) and the share of public expenditure on education (1980 – 2009)

\* The DEE is assessed on a yearly basis by the "Compte de l'Education", a satellite account of the French National Accounting System. This latter was recently revised for the whole period because of breaks in series in 1999 and 2006. In 2006, the organic law relating to the Finance Laws (LOLF) modified the State's budgetary and accounting rules; social contributions in particular are now better assessed and assigned to remuneration of State officials. For more details, consult the 2011 edition of "L'Etat de l'École

(http://www.education.gouv.fr/cid57102/l-etat-de-l-ecole-30-indicateurs-sur-le-systeme-educatif-francais.html).

\*\* Initial financing: financing effectively chargeable to each player (before taking account of transfers existing between the various economic players).

Source: DEPP/Ministry for National Education. Youth and Community Life / Ministry for Higher Education and Research; Totals given for 2010 expenditure are provisional.

The DEE represents total expenditure by all economic stakeholders, central and local public authorities., companies and households on educational activities, including scholastic and extracurricular educational activities at all levels, activities bearing on organisation of the education system (general administration, educational documentation and research on education), activities designed to encourage school attendance (cafeterias and boarding facilities, school medical services, transport, etc.) and expenditure required by educational institutions themselves (supplies, books and clothes).

In 2010, such domestic education expenditure came to 134.8 billion euros – 7.0% of the national wealth (GDP). The national community, taking all financiers together, is making a major financial effort with regard to education, to the tune of 2 080 euros per inhabitant or 8 150 euros per pupil or student.

International comparisons between national GDPs and expenditure on initial education alone (not including ongoing education) show that France, which recorded a percentage of 6.0% in 2008, is still above the average for OECD countries (5.9%), below the United States and Sweden but markedly ahead of Spain, Italy and Japan.

Young people not in employment and not in education (NEET)

									in per	centa
	15-2	4 years	s of age	15-1	9 years of a	age	20-2			
	Total	Men	Women	Total	Men	Women	Total	Men	Women	
2004	10.8	10.1	11.5	5.2	5.8	4.5	16.5	14.5	18.4	
2005	11.1	10.3	11.9	5.8	6.1	5.6	16.5	14.8	18.2	
2006	11.2	10.2	12.2	6.2	6.3	6.0	16.4	14.4	18.3	
2007	10.5	9.9	11.2	5.5	6.1	4.8	15.8	13.9	17.6	
2008	10.5	10.3	10.6	5.3	6.0	4.7	15.6	14.7	16.5	
2009	12.7	13.1	12.3	6.6	7.3	6.0	18.7	19.0	18.3	
2010	12.7	12.6	12.7	6.5	7.2	5.7	18.6	17.9	19.2	
2011	12.2	11.8	12.6	6.2	7.0	5.5	17.9	16.5	19.3	

Share of young people not in initial education and not in employment (NEET rate)

*Concepts : employment according to ILO, initial education = school or university study without interruption over a year, exact age at the time of the survey. annual average.* 

*Field: Population of households in Metropolitan France.* 

Source: Labour Force Surveys. INSEE, processed by DARES; provisional data for 2011.

In 2011, 12.2% of the young people aged 15 and 29 are neither in education nor in employment (NEET): 6.2% 15-19 and 17.9% of 20-24 years old, the lasts being less often in education than younger people. Following the crisis, the proportion of young people aged 15-24 in NEET rose by 2.2 percentage points between 2008 and 2009 and decreased by 0.5 points between 2009 and 2011.

# Wage setting mechanisms and labour cost development

#### Evolution of social security contribution rates

# Employees paid the SMIC (guaranteed minimum wage), 35-hour working week – non-agricultural commercial sectors

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
Monthly gross average wage														
(in euros)	2136	2206	2266	2354	2433	2521	2586	2663	2693	2754	2825	2885		
In contribution points (compar	n contribution points (compared to gross wage)													
Employee contribution rates <sup>1</sup>	20,9%	20,9%	20,9%	21,2%	21,4%	21,5%	21,5%	21,5%	21,5%	21,5%	21,5%	21,6%		
Employer contribution rates *														
2	45,1%	45,5%	45,5%	46,2%	46,4%	46,4%	46,3%	46,4%	46,4%	46,6%	46,7%	46,6%		

Total employer and employee Social Security contributions	66,0%	66,4%	66,4%	67,4%	67,8%	67,9%	67,7%	67,8%	67,9%	68,1%	68,2%	68,2%
In labour cost points												
Total employer and employee Social Security contributions	45,5%	45,6%	45,6%	46,1%	46,3%	46,4%	46,3%	46,3%	46,4%	46,4%	46,5%	46,5%

Contribution rates are calculated at 1 January. SMIC level is that following adjustment at 1 July of the year before 2010 and at 1 January afterwards.

Notes: 1. 18.2% in companies that have not adopted the 35-hour working week.

2. Between 2003 and 2005, at the time when the SMIC and the "Garanties Mensuelles de Rémunération" (GMR – Monthly Wage Guarantees) converged, reductions at SMIC level were brought progressively to 26.0% in all companies at the same time; in companies still working a 39-hour week, they stood at 20.8% in 2003 and 23.5% in 2004.

3. On 1 July 2007, reduction rates for the SMIC were raised from 26% to 28.1% in companies with fewer than 20 employees – concerning around 30% of employees paid the SMIC.

Interpretation: In 2008, employees paid the hourly SMIC rate on the basis of 35 hours' work per week were subject to a wage contribution rate equal to 21.5% of their gross salary. In the same year, employers of employees paid the SMIC on the basis of 35 hours' work a week were subject to an effective contribution rate equal to 19.9% of the gross wage: their common-law contribution rate was subject to a general reduction of 26.0% if their company had 20 or more employees, and of 28.1% if not – an average of 26.6% for all employers taken as a whole.

*Source: Ministry for the Economy. Finance and Industry. General Directorate for the Treasury.* 

•	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
Monthly gross average wage											-	-		
(in euros)	2136	2206	2266	2354	2433	2521	2586	2663	2693	2754	2825	2885		
In contribution points (compared to gross wage)														
Employee contribution rates <sup>1</sup>	20,90%	20,90%	20,90%	21,20%	21,40%	21,50%	21,50%	21,50%	21,50%	21,50%	21,50%	21,60%		
Employer contribution rates <sup>1</sup>														
2	45,10%	45,50%	45,50%	46,20%	46,40%	46,40%	46,30%	46,40%	46,40%	46,60%	46,70%	46,60%		
Total employer and employee														
Social Security contributions	66,00%	66,40%	66,40%	67,40%	67,80%	67,90%	67,70%	67,80%	67,90%	68,10%	68,20%	68,20%		
	-	-	-								-			
In labour cost points														
Total employer and employee														
Social Security contributions	45,50%	45,60%	45,60%	46,10%	46,30%	46,40%	46,30%	46,30%	46,40%	46,40%	46,50%	46,50%		

Employees paid the average wage - non-agricultural commercial sectors

Contribution rates are calculated at 1 January. Wage level corresponds to gross wage (annual average, equivalent to full time).

Notes: 1. Common-law rate with regard to the Social Security ceiling.

2. Between 2000 and 2002. a flat-rate reduction in Social Security payments existed for companies adopting the 35-hour working week, corresponding to a reduction rate of 2.3% on the monthly gross average wage. Source: Ministry for the Economy. Finance and Industry. General Directorate for the Treasury.

Since 1 July 2005, the reductions in employer Social Security contributions relative to the process of convergence between the SMIC and the GMR (monthly garanteed pay) implemented at the time of the adoption of 35-hours working week act have been unified and are no longer dependent on the number of hours a week worked by a company. All employers now benefit from a 26% reduction in their Social Security contributions with regard to employees paid the SMIC (28.1% in companies with fewer than 20 employees since 1 July 2007).

Wage contributions decreased slightly in 2009 following the 0.05-point reduction in the Wage Guarantee Fund from 0.15% to 0.10%.

The following modifications were made to Social Security contributions between 2009 and 2011:

### Between 2009 and 2010

- The Wage Guarantee Fund rate has stood at 0.4 % instead of 0.2 % since 1 October 2009.
- The social contribution (not on wages, but on employee saving schemes for example) increased from 2 to 4%.

### Between 2010 and 2011

- The tax base for the CSG (Supplementary Social Security Contribution) and the CRDS (Contribution for the Reimbursement of Social Debt) remains at 97 % of the wage for the proportion of the wage under 4 Social Security ceilings, but increases to 100% beyond (Article L136-2 of the French Social Security Code).
- Since 1 January 2011, the employer contribution rate for work accidents and occupational diseases has been revised upwards of 0.1 point.
- The corporate contribution to financing APEC (Association for the Employment of Executive Staff) (only of concern to managerial personnel) is no longer only applied to income between 1 and 4 Social Security ceilings, but rather to all income lower than 4 Social Security ceilings.
- Employers' contributions to the FNAL (National Housing Aid Fund), which finances a percentage of accommodation allowances, have been modified. The rate specific to companies with 20 or more employees now stands at 0.4% below the ceiling and 0.5% above. Previously, the rate was 0.4% on the wage taken as a whole.
- In 2011, the calculation on a yearly basis of general reductions in contributions payable by employees earning low wages led to lower rates of reduction by introducing variable elements of remuneration over the year into their calculation.

#### Between 2011 and 2012

- The tax base for the CSG (Supplementary Social Security Contribution) and the CRDS (Contribution for the Reimbursement of Social Debt) increases to 98.25 % of the wage (97 % in 2011) for the proportion of the wage under 4 Social Security ceilings, and remains at 100% beyond (Article L136-2 of the French Social Security Code).
- From 1 April 2011, the corporate contribution to financing AGS (a fund that aims to guarantee the payment of employees in case of liquidation) has decreased to the rate of 0.30 % (0.40 % before).
- From October 2012 onwards, the VAT reform, that aims to improve the competitiveness, will decrease employer social contribution rates between the minimum wage and 2.4 minimum wage (no contribution for family below 2.1 minimum wage).

Share of SMIC	Gross monthly wage of the	-	ation rate (excluding non eligible to or no Activité″ in 2012 (in %)	ot taking up "RSA	Average taxation rate (including. RSA "Activité") ** Household eligible to and taking up "RSA Activité" in 2012 (in %)					
	household	Single. no children	Monoactive couple without children	Monoactive couple with two children	Single. no children	Monoactive couple without children	Monoactive couple with two children			
0.5	699	12.8	11.8	11.0	-8.3	-26.8	-26.8			
1	1 398	17.3	16.3	15.9	17.4	8.6	-0.7			
1.5	2 098	26.3	21.5	21.1	26.3	17.7	16.6			
2	2 797	27.6	23.3	21.8	27.6	23.3	20.4			
2.5	3 496	29.7	25.1	22.8	29.7	25.1	22.8			
3	4 195	31.7	25.9	23.3	31.7	25.9	23.3			
4	5 593	34.2	27.0	25.0	34.2	27.0	25.0			
5	6 992	35.7	29.1	26.0	35.7	29.1	26.0			
6	8 390	37.0	31.2	26.7	37.0	31.2	26.7			
7	9 789	38.8	32.7	28.7	38.8	32.7	28.7			
8	11 187	40.2	33.9	30.4	40.2	33.9	30.4			
9	12 585	41.2	34.7	31.6	41.2	34.7	31.6			
10	13 984	41.8	35.1	32.3	41.8	35.1	32.3			
13	18 179	43.9	37.8	35.6	43.9	37.8	35.6			
15	20 976	44.9	39.6	37.7	44.9	39.6	37.7			

#### Average taxation rate per earned income bracket

\* Average taxation rate (excluding RSA "Activité") = (wage contributions + income tax (including PPE) + CSG+ CRDS) / gross wage. For calculation of the rate. the household is considered as not being eligible for the RSA (a young person under 25 years of age without children. for example) or not exerting its right.

\*\* Average taxation rate (including RSA "Activité") = (wage contributions + income tax (including PPE together with RSA) + CSG (Cotisation Sociale Généralisée – General Social Contribution) + CRDS (Contribution au Remboursement de la Dette Sociale – Contribution to Repayment of the Social Debt) – RSA "Activité") / gross wage. For calculation of the rate, the household is considered as being eligible for the RSA and exerting its right. Notes: Calculation of taxation rates does not take account of any tax advantages households might enjoy, with regard to household employees for example, or of benefits (excluding RSA "Activité") that might be paid to them (Housing allowances, family benefits, etc. ). Above the Social Security ceiling, contributions applied are those for managerial staff. The employee is considered as working in a company with over 20 employees and children are considered as attending primary school.

Interpretation: in 2012, a single person without children working half-time and paid the SMIC ( $\in 699$  gross per month) has an average taxation rate of 12.8 % if he/she is not eligible for the RSA or does not exert his/her right and -8.3% if he/she is eligible for the RSA and exerts his/her right.

Source: Ministry for the Economy and Finance. General Directorate for the Treasury. Paris model. Legislation for January 1, 2012.

The implementation of the *"Revenu de Solidarité Active"* (RSA) on 1 June 2009 and its linkage with the *"Prime Pour l'Emploi"* (PPE) in accordance with a non-concurrency principle (RSA *"Activité"* totals for year N are deducted from PPE totals paid out in year N+1 with regard to income for year N) suggested a widening of the

definition of the tax rate to include RSA "Activité".

In order to take into account the fact that support for low-income workers' purchasing power has in part been transfered from the tax sphere (PPE) to the social sphere (RSA), two taxation rate concepts have been selected here:

- a taxation rate for a household ineligible for the RSA or not exerting its right;
- a taxation rate extended to include the RSA "*Activité*" for an eligible household exerting its right.

In comparison with average taxation rates bearing on 2011 legislation, one can observe an increase in taxation rates of a few tenths of percentage points, especially for low-income households. It is explained by:

- the broadening of the CSG tax base from 97 % to 98.25 % of wages, on their part lower than 4 Social Security ceilings;
- the income tax schedule freeze, while the Smic was upgraded (the exceptional contribution on high incomes introduced in 2012 does not apply to the aforementioned level of incomes);
- the PPE schedule freeze since 2009;
- the indexation of the RSA on the basis of the Consumption Price Index, while the Smic grew faster.

### Evolution of nominal and real unit labour costs

			in percentage										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Nominal unit labour costs	1.4	2.4	3.1	2.0	1.0	1.9	1.8	1.7	3.2	3.2	0.7	1.2	
Real unit labour costs	-0.2	0.4	0.8	0.0	-0.7	0.0	-0.3	-0.9	0.7	2.7	-0.1	0.1	
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Source : Eurostat

Nominal unit labour costs, i.e. the ratio between hourly labour cost and productivity per hour, have increased in France since 2000 (+ 25 % between 2000 and 2011). In 2010, the rise in productivity per hour has contributed to limit the growth of unit labour costs. Real unit labour costs have been more stable, although they are slightly superior in 2010, in comparison with the year 2000 (+3 %).

### Evolution of the average wage per head

	In percentage											
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Economy	3.1	3.0	3.6	2.5	3.6	3.1	3.3	2.6	2.6	1.3	1.9	2.5
Business sector excluding	3.3	2.7	3.2	2.7	3.9	3.3	3.6	2.6	3.0	1.2	2.1	2.6
agriculture												

Source: Insee. National Quarterly Accounts. Average year to year evolution.

Since 2007, in the context of a moderate growth of the minimum wage, the increase of the average wage slowed down. In 2009, the rise in the average wage fell strongly (only +1.2 % in the business sector excluding agriculture after +3.0 % in 2008). In 2010, the growth of the average wage (+2.1 % in the business sector excluding agriculture) is partly due to a smaller use of some flexibility instruments (such as short-time working, limitation of overtime or cuts in bonuses).

In 2011, the average wage increased more rapidly than in 2010 (2.6% after 2.1%) due to (i) the increase in inflation since the mid-2010 that passed progressively in nominal wages, (ii) to an increase in the minimum wages by +1,6% (after +0,5% in 2010) since the minimum wages is indexed on consumption prices (iii) and lastly to payment of important bonus.

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