# French National Reform Programme 2013 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

# Employment rate in 2013

in percentages

	20-64 years	20-24 years	25-54 years	55-64 years
	of age	of age	of age	of age
Total	47,0	80,7	45,6	69,5
Men	50,7	85,2	48,4	73,7
Women	43,4	76,3	43,1	65,6

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 2012

The employment rate for 20-64 years old, which is the proportion of 20-64 years old in employment, reached 69,5% in 2013. It dropped off of one point in 2009 and stabilised since then. 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 (73.7% in 2013) showed a greater drop than that for women (65.6% in 2013), reducing the gender gap (8,1 points in 2013).

In 2013, less than 50% of young people between the ages of 20 and 24 were in employment (47,0%). The decrease of youth employment rate observed during the crisis in 2009 continued afterwards, in relation to the further extension of schooling since 2009.

With regard to older age groups, their employment rate was not affected by the crisis and even steeply increased since 2010. Within this age group, the employment rate strongly decreases around 60 years old: while the employment rate of 55-59 years old is therefore close to that of population as a whole, employment rate of 60-64 years old remains far short of population as a whole (less than one out of four persons in 2013).

## Unemployment rate

in percentages

	15-64 years	18-24 years	25-54 years	55-64 years
	of age	of age	of age	of age
Total	9,9	24,0	8,7	7,0
Men	10,1	23,9	8,7	7,5
Women	9,8	24,1	8,7	6,5

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 2012

In 2013, 9.9% of the workforce in Metropolitan France between the ages of 15 and 64 were unemployed. Following a strong decrease in 2006 and 2007 (-0.8 pt), the unemployment average rate continued to fall between 2007 and 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 (+1.7 of a percentage point), then less significantly between 2009 and 2010 (+0.2 of a percentage point), with a decreasing rate all over year 2010. The decrease continued until the mid-2011 when the unemployment rate started to increase again until first semester of 2013. Despite a rise in annual average, the unemployment rate generally stabilised since the beginning of year 2013, with a slight decrease (-0.1 pt) at the end of the year.

Between 2008 and 2012, the rise in unemployment affected all age groups. The unemployment rate for young people is much higher than for other age groups: 24.0% of the workforce between 18 and 24 years of age were out of work in 2013. The unemployment rate among 55-64 year-olds (7.0% in 2013) is lower than among younger members of the workforce but has increased faster than that of 25 -55 years old since the beginning of the crisis.

The crisis hit more strongly sectors traditionally employing more men (industries, construction). Consequently, women's unemployment rate became inferior to that of men's, following the trend of reduction of the gender gap observed since 1975. The unemployment rates of men and women are close for young people between 18 and 24 years old and middle age people between 25 and 54 years old. It is one point inferior for women within age group 55 to 64 years old.

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

in percentages

			p =
	Leaving initial education between 1 and 4 years ago	Leaving initial education between 5 and 10 years ago	Leaving initial education 11 or more years ago
Low qualifications	48,8	33,3	13,1
Medium qualifications	24,7	15,1	7,6
High qualifications	10,5	6,2	4,3
Total	20,3	12,5	7,8

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 2012

In 2013, the unemployment rate for young people who had left initial education between 1 and 4 years stood at 20.3%. It varied very considerably depending on level of qualification: the unemployment rate for those with low qualifications (*brevet*, CEP, or no qualifications) stood at 48,8%, while that for those with high qualifications was 10.5%. Between 2008 and 2012, unemployment rates increased whatever the level of qualification and length of time on the job market.

#### Youth unemployment ratio in 2013

in percentages of the total population aged between 18 and 24

	18-24 years of
	age
Total	12,2
Men	13,2
Women	11,2

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 2013

In 2013, 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 24.0%, 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 12.2% for the same year, as around half of young people in this age group were continuing their studies without working. The unemployment share is much lower for young women than for young men (-2.0 pts in 2012).

# Participation rate

in percentages

	15-64 years of age	18-24 years of age	25-54 years of age	55-64 years of age
Total	71,1	50,8	88,3	49,1
Men	75,4	55,3	93,3	52,3
Women	66,9	46,3	83,5	46,1

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 2013

In 2013, 71.1 % 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 75.4% in 2013. For women of the same age, the participation rate was close to 66.9%, in constant progression since 2003 (+2.8 points between 2003 and 2013). Due to longer schooling, the participation rate for young people between 18 and 24 years of age, which was 50.8% in 2013, is on a downwards path since 2009. Participation rate for 55-64 year-olds strongly increased for men and women alike (+8.2 points and +9.7 points respectively) between 2003 and 2013. Within this age group, the participation rate decreases strongly around 60 years old: while three out of four older workers aged 55 to 59 are active, less than one out of four is still active after 60 years of age.

# - Employment and unemployment rates for European Union nationals and nationals of non-EU countries in 2012

				in percentages		
	Euro	European Union nationals		Non-European Union nationals		ion nationals
	Total	Men	Women	Total	Men	Women
Employment rate for 20-64 year-olds						
Low qualifications	55,0	61,3	49,2	40,7	58,9	27,0
Medium qualifications	70,1	73,3	66,2	53,1	60,8	44,5
High qualifications	82,3	84,8	80,2	58,9	72,4	46,7
Total	70,6	74,2	67,1	48,5	62,9	36,0
Unemployment rate for 15-64 year-olds						
Low qualifications	15,5	15,7	15,2	27,2	25,9	29,3
Medium qualifications	9,7	9,3	10,2	27,4	28,8	25,2
High qualifications	5,5	5,7	5,4	19,4	16,9	22,6
Total	9,4	9,4	9,3	25,0	24,4	26,0

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: 2013 Labour Force Surveys and INSEE, processed by DARES; provisional data

In 2013, the employment rate for European Union nationals aged 20 to 64 years old (27 countries, including the French citizens) stood at 70.6% and that for non-European Union nationals at 48.5%. The gap in employment rates between EU nationals and non EU nationals was significantly higher for women (31 points) than for men (11 points).

The unemployment rate for non-European Union nationals aged between 15 and 64 years old (25.0%) was two and a half times higher than that for European Union nationals (9.6%) in 2013. The gap was particularly marked among those holding higher education qualifications, for which unemployment rate of non EU nationals is almost four times higher.

# Underemployment rate

in percentage of employment

	20-64 years of	20-24 years of	25-54 years of	55-64 years of
	age	age	age	age
Total	6,4	11,6	6,0	5,6
Men	3,4	7,2	3,1	2,9
Women	9,6	16,6	9,1	8,4

Definitions: employed labor force and underemployment (ILO definition), underemployment = involuntary parttime + 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 2013

In 2013, 3.4% of working men and 9.6% of working women aged 20-64 years old are in situation of underemployment: they worked part-time but wanted to work more hours and were available to do so (involuntary part-time), or worked involuntary less than usual (temporary layoff or short time working). The underemployment rate is especially high for young women (16.6% of all 20 to 24 year old women jobs correspond to a situation of underemployment).

Average exit age from the labour market

[Average age of people of at least 50 years old no longer participating in the labour force at the time of the survey but who declared having been in work or in unemployment 11 months earlier]

	2003	2007	2008	2009	2010	2011	2012	2013
Total	58,9	59,1	59,1	59,6	59,7	60,0	60,4	60,3

Concepts: declared participation to the labour forced, 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 2013

People of at least 50 years old no longer participating in the labour force in 2013 but while declaring having been in work or in unemployment 11 months earlier were on average 60.3 years old in 2013. This average age slightly decreases compared to 2012 (60.4 years) but stays superior to that observed in 2008 ( + 5 quarters).

- Employment rate and core employment rate for 55-64 years of age

in percentages

	Employment rate				
	55-64 years of	50-64 years of	55-64 years of		
	age	age	age		
Total	67,6	23,3	45,6		
Men	71,4	24,8	48,4		
Women	64,1	22,0	43,1		

Concepts: employed workforce 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 2013

# Core employment rate

in percentages

	55-64 years of	50-64 years of	55-64 years of
	age	age	age
Total	67,7	23,4	45,6
Men	71,5	24,7	48,1
Women	64,0	22,1	43,1

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 2013

Corrected to take account of baby-boom demographic effects, the employment rate for older members of the workforce (referred to as the core employment rate) was in constant growth between 2003 and 2012, with a marked rise between 2008 and 2010 and again between 2010 and 2012. The rise of the core employment rate concerned both 55-59 years old and 60-64 years old, though with a smaller scale, men and women alike.

# Enhancing labour market functioning and combating segmentation

Annual transitions between the various situations on the job market

in percentages

				Situation	, year N+1		
		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:						
	2007	20,1	5,6	15,1	41,0	18,2	100,0
	2008	16,4	3,7	14,6	47,7	17,6	100,0
	2009	17,3	5,1	15,8	44,6	17,2	100,0
	2010	16,1	5,5	14,1	45,6	18,7	100,0
	2011	14,1	4,7	15,6	48,6	17,1	100,0
	2012*	15,1	4,6	13,7	45,8	20,8	100,0
Situation declared in year N	Non permanent contracts with a temporary work agency:						
i b	2007	22,0	40,7	11,9	16,0	9,3	100,0
lare	2008	13,5	38,0	10,2	28,2	10,1	100,0
dec	2009	18,2	39,4	12,7	21,7	8,1	100,0
io	2010	15,9	49,1	11,0	15,4	8,6	100,0
uat	2011	18,8	40,3	10,4	21,2	9,3	100,0
Sit	2012*	18,7	41,3	10,4	20,1	9,5	100,0
	Other non permanent contracts (excluding assisted contracts) in:	,	·				
	2007	24,0	2,0	55,3	9,9	8,8	100,0
	2008	20,0	1,5	56,4	14,0	8,0	100,0
	2009	18,8	2,4	57,6	12,0	9,2	100,0
	2010	18,5	2,2	58,1	12,5	8,7	100,0
	2011	18,9	1,9	56,8	13,7	8,6	100,0
	2012*	18,4	2,1	55,7	13,7	10,1	100,0

Concepts: situation as defined by the ILO; 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.

 ${\it Field: Population of households in Metropolitan France}.$ 

Source: Labour Force Surveys 2007-2013, INSEE, processed by DARES on panel data; provisional data for 2013. \*: in 2013, an upgrading of the survey questionnaire may have led to changes in the classification of individuals according to the activity status as defined by ILO. More particularly, individuals may have been categorized as unemployed whereas they would have been considered as inactive with the former questionnaire. Thus, the data on transitions between years 2012 and 2013 are not fully comparable with those reported in previous years.

Among the unemployed in the year 2012, 45.8% were still unemployed one year later and 33.4% had found

jobs: 15.1% under permanent contracts or as self-employed workers, 4.6% as temporary workers, and 13.7% under other non permanent contracts.

Workers with non permanent contracts in 2012 are more frequently under a permanent contract in 2013 than individuals who were unemployed: individuals working with a temporary work agency and those under other temporary contracts (including subsidised jobs) in 2012 were respectively 18.7% % and 18.4% under permanent contract (including non dependant jobs) one year later. However, a large share of workers remain in the same type of contract from one year to the next: 41.3% of those who had been employed by a temporary work agency were still working under the same kind of contract one year later. For other non permanent contracts, the share is 55.7%.

- Part-time, special forms of wage employment, and share of self-employed in total employment in 2013 in percentages

	Share of self- employed in		Share in salaried employment					
	total employment	Stable full-time jobs	Stable part-time jobs	Stable full-time jobs	Special forms of part-time employment			
Total	11,3	71,7	14,9	9,7	3,7			
Men	14,5	82,5	4,4	10,9	2,2			
Women	7,7	60,8	25,5	8,4	5,3			

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 2013

In 2013, 11.3% of jobs were occupied by self-employed workers. The self-employed status is about twice as common among men (14.5% in 2013) than it is among women (7.7% in 2013).

In 2013, 13.4% of wage employment fell into the "special forms" category (temping, subsidized employment and fixed-term contracts). Women are a little more frequently employed in such jobs than men (13.7% and 13.1% respectively).

In 2013, 18.6% 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 wage employment as a whole was globally stable until the crisis. Since 2008, it increased by 1.5 point for men and 1.1 point for women.

Full-time jobs under long-term contracts continued to be the predominant form in wage employment, accounting for 71.7% of all wage employment in 2013. This was above all the case for men, over eight out of ten of whom were in wage employment as against six out of ten for women.

#### **Regional employment rates**

in percentages

Region	2000	2008	2009	2010	2011	2012	2013
Alsace	73,6	72,4	71,0	70,8	70,9	70,9	70,2
Aquitaine	69,4	69,5	68,7	68,6	68,8	69,1	68,6
Auvergne	68,4	69,4	68,4	68,2	68,2	68,3	68,1
Basse-Normandie	69,9	69,8	68,7	68,5	68,3	68,5	67,8
Bourgogne	69,0	70,1	68,8	68,4	68,4	68,8	68,3
Bretagne	69,4	70,4	69,4	69,4	69,4	69,6	68,8
Centre	71,0	71,6	70,7	70,6	70,5	70,5	70,0
Champagne-Ardenne	68,1	68,4	67,1	67,1	67,3	67,2	66,4
Corse	57,5	60,6	61,9	63,6	64,0	63,9	63,4
Franche-Comté	70,3	70,5	69,1	69,1	69,7	69,7	69,2
Haute-Normandie	67,8	69,5	68,0	67,4	67,3	67,3	66,7
Île-de-France	74,8	75,4	74,6	74,2	74,3	74,7	74,5
Languedoc-Roussillon	62,2	64,4	63,6	63,6	63,4	63,0	62,1
Limousin	68,6	67,9	66,7	66,5	66,3	66,3	65,5
Lorraine	67,5	68,1	66,8	66,6	66,6	66,4	65,5
Midi-Pyrénées	68,9	70,1	69,3	69,2	69,2	69,6	69,3
Nord-Pas-de-Calais	63,4	65,0	64,0	63,8	64,1	64,2	63,6
Pays De La Loire	71,6	72,9	71,4	71,2	71,2	71,3	70,7
Picardie	67,1	67,7	66,4	65,8	65,7	65,6	64,8
Poitou-Charentes	68,6	68,9	67,8	67,7	67,7	67,8	67,2
Provence-Alpes-Côte D'azur	64,9	69,7	69,5	69,8	69,9	70,3	70,1
Rhône-Alpes	72,3	73,9	72,4	72,3	72,7	72,9	72,6
France Métropolitaine	69,7	70,9	69,9	69,7	69,8	70,0	69,5

Note: Employment rates for the 20-64 age group are based on 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" unit (SCE – Employment Outlook Unit), INSEE, provisional data for 2012 and 2013.

Dispersion of regional employment rates

	2000	2008	2009	2010	2011	2012	2013
Dispersion indicator	5,5	4,7	4,7	4,6	4,7	4,9	5,2

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" unit (SCE), INSEE, provisional data for 2012 and 2013.

Between 2008 and 2009, regional employment rates fell sharply in most regions because of the outbreak of the economic crisis. Between 2009 and 2012, changes in employment rates were moderate, a little less than half of the regions experienced an increase in their employment rate over the three years. In 2013, employment rates were down in most regions and ranged in Metropolitan France from 62.1% for the Languedoc-Roussillon to 74.5% for the Ile-de-France. In Metropolitan France, employment rate of people aged 20 to 64 years has decreased from 70.0% in 2012 to 69.5% in 2013. After declining from 2000 to 2004, the indicator of regional dispersion of employment rates slightly increased until 2008. Between 2008 and 2011, the spread of employment rate between regions remained relatively stable. It then increased significantly between 2011 and 2013.

#### Regional unemployment rates

in percentages

Région	2000	2008	2009	2010	2011	2012	2013
Alsace	4,8	6,4	8,3	8,4	8,0	8,7	9,2
Aquitaine	8,4	6,9	8,3	8,7	8,7	9,4	9,7
Auvergne	7,5	6,5	8,0	8,0	7,9	8,5	8,8
Basse-Normandie	7,7	6,8	8,6	8,5	8,4	8,9	9,2
Bourgogne	7,1	6,3	8,1	8,3	8,1	8,7	9,2
Bretagne	6,7	5,9	7,5	7,6	7,4	8,2	8,7
Centre	6,7	6,2	8,0	8,2	8,1	8,8	9,4
Champagne-Ardenne	8,3	7,7	9,4	9,1	9,1	10,0	10,8
Corse	11,2	7,6	8,3	8,7	8,8	9,3	9,9
Franche-Comté	6,1	6,7	9,1	8,8	8,1	8,8	9,3
Haute-Normandie	9,5	7,7	9,8	9,9	9,8	10,6	11,1
Île-de-France	7,2	6,4	7,6	7,9	7,8	8,3	8,7
Languedoc-Roussillon	12,9	10,0	11,8	12,0	12,2	13,2	14,0
Limousin	6,4	6,0	7,6	7,8	8,0	8,7	9,2
Lorraine	7,3	7,3	9,4	9,4	9,2	9,9	10,6
Midi-Pyrénées	8,6	7,1	8,6	8,9	8,9	9,6	10,1
Nord-Pas-de-Calais	11,6	10,1	12,1	12,2	12,0	12,7	13,2
Pays de la Loire	6,8	5,9	7,9	7,9	7,5	8,1	8,7
Picardie	9,2	8,3	10,4	10,6	10,4	11,3	11,8
Poitou-Charentes	8,0	6,8	8,5	8,6	8,4	9,0	9,4
Provence-Alpes-Côte D'azur	11,5	8,4	9,9	10,2	10,4	10,9	11,4
Rhône-Alpes	7,1	6,2	8,1	8,1	7,8	8,4	8,8
France Métropolitaine	8,2	7,1	8,7	8,9	8,8	9,4	9,9

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" unit (SCE, Employment Outlook Unit), INSEE, provisional data for 2012 and 2013.

Dispersion of regional unemployment rates

	2000	2008	2009	2010	2011	2012	2013
Dispersion indicator	23,4	17,3	15,4	15,0	16,0	15,6	15,5

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" unit (SCE), INSEE, provisional data for 2012 and 2013.

Between 2008 and 2009, the unemployment rate rose sharply in all regions (+1.6 points for Metropolitan France). Between 2009 and 2010, though it affected a large majority of regions, the increase was more moderate (+0.2 point). Changes in regional unemployment rates were also slight in 2011. As the overall national trend was in small decline, two thirds of the regions experienced a decrease of their unemployment rates. Deterioration of the labor market observed since mid-2011 led to strong increases in regional unemployment rates in 2012 which continued in 2013. Unemployment rate rose in France by 0.6 percentage points in 2012 and 0.5 points in 2013 to 9.9%. In 2013, the unemployment rate for metropolitan areas ranged from 8.7% in Ile-de-France, Bretagne and Pays de la Loire to 14.0% in Languedoc-Roussillon.

The indicator of regional dispersion of unemployment rates fell during economic slowdowns (2001-2004 and 2008-2010) and was higher in cyclical improvement period (2004-2008). After rising by 1 percentage point between 2010 and 2011, the dispersion fell back in 2012 before remaining stable between 2012 and 2013.

#### Occupational accidents and occupational diseases

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

	2000	2008	2009	2010	2011	2012
Accidents with sick-leave in thousands	743	704	651	659	670	641
Deaths	730	569	538	529	552	35.0
Frequency index	44.1	38.0	36.0	36.0	36.2	1.4
Severity rate	1.0	1.3	1.3	1.3	1.4	558

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 2012, 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.

The number of recognized cases of OA with sick-leave fell by 703,976 in 2008 to 640,891 in 2012. This decrease is a continuation of a long term trend of declining OA, in absolute and relative numbers: between 2000 and 2012 the number of recognized accidents fell 100 000 cases, a decrease of 14%, and the frequency index increased from 44.1 in 2010 to 35 in 2012, a decrease of 21%.

As during every recession, the financial crisis has resulted in a significant decrease in the frequency index of OA between 2008 and 2009, which is partly due to the slowdown in economic activity. In fact, during a recession, work intensity tends to decrease because the cuts in employment do not match immediately with the reduction of output. Sectors<sup>1</sup> 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 occupational accidents' risk – from -8 % to -10%. Similarly, the decline in the use of temporary workers (-26% in 2009) and perhaps, to a lesser extent, the possible change in main employment status of certain temporary workers to self-employed (whose OAs are no longer declared to the CNAM [Caisse Nationale d'Assurance Maladie – National Health Insurance Fund]), contribute to the fall of the frequency index between 2008 and 2009.

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 40% since 2000.

Numbers of fatal occupational accidents, falling since 2000, has increased between 2010 and 2012 (730 deaths in 2000, 529 in 2010 and 558 in 2012).

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<sup>&</sup>lt;sup>1</sup> Comités Techniques Nationaux (National Technical Committees - CTN)

# Evolution of occupational diseases compensated each year

in numbers

	2000	2008	2009	2010	2011	2012
Occupational diseases in thousands	21	45	49	51	55	54
Deaths	237	425	564	533	570	523

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 2012, 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 compensated occupational diseases (ODs) increased rapidly, passing from 21,697 in 2000 to 54 015 in 2012. The rise resulted from a trend towards greater labour intensification and improved legal recognition of ODs, along with greater awareness among the medical profession of the potentially occupational origin of certain pathologies. Year 2012 registered for the first time a decrease of the number of recognised occupational diseases.

The share of musculoskeletal disorders continued to grow, accounting for over 85% of occupational diseases compensated in 2012.

The number of deaths caused by recognised ODs increased more than twofold from 2000 to 2012. These fatalities are mostly due to asbestos.

# **Active labour market policies**

# Long-term unemployment rate

in percentages of the active population

	2013
Total	4,0
Men	4,1
Women	3,9

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 2013.

In 2013, 4.0% of people participating in the labour force are unemployed since at least a year. Long-term unemployment rates of women and men are virtually at the same level.

# Activation rate of Long Term registered Unemployed

	LTU benefiting from an activation measure, 2012 (a)	Long Term Unemployed (cat. A), 2012 (b)	LTU Activation rate, 2012 (a) / (a)+(b)	LTU Activation rate, 2011
TOTAL	302 577	1 211 258	20,0%	22,9%
Total < 6m (<25)	59 770	189 322	24,0%	27,3%
Total >12m (25+)	242 807	1 021 936	19,2%	22,0%
MEN	134 618	632 965	17,5%	20,2%
Total < 6m (<25)	26 990	97 459	21,7%	26,0%
Total >12m (25+)	107 628	535 506	16,7%	19,1%
WOMEN	167 960	578 293	22,5%	25,8%
Total < 6m (<25)	32 781	91 863	26,3%	28,7%
Total >12m (25+)	135 179	486 430	21,7%	25,2%
Breakdown by category of measures				
2 - Training	16 766	1 211 258	1,4%	0,4%
Men Total < 6m (<25)	1 942	97 459	2,0%	0,8%
Men Total >12m (25+)	4 023	535 506	0,7%	0,2%
Women Total < 6m (<25)	4 932	91 863	5,1%	0,3%
Women Total >12m (25+)	5 870	486 430	1,2%	0,6%
4 - Employment incentives	71 547	1 211 258	5,6%	6,6%
Men Total < 6m (<25)	11 695	97 459	10,7%	13,4%
Men Total >12m (25+)	26 499	535 506	4,7%	5,1%
Women Total < 6m (<25)	9 151	91 863	9,1%	11,6%
Women Total >12m (25+)	24 202	486 430	4,7%	5,7%
6 - Direct Job creation	146 183	1 211 258	10,8%	12,5%
Men Total < 6m (<25)	9 288	97 459	8,7%	10,5%
Men Total >12m (25+)	41 778	535 506	7,2%	8,2%
Women Total < 6m (<25)	15 632	91 863	14,5%	17,5%
Women Total >12m (25+)	79 485	486 430	14,0%	16,5%
7 - Start-up incentives	68 081	1 211 258	5,3%	7,4%
Men Total < 6m (<25)	4 065	97 459	4,0%	6,8%
Men Total >12m (25+)	35 328	535 506	6,2%	8,4%
Women Total < 6m (<25)	3 066	91 863	3,2%	5,4%
Women Total >12m (25+)	25 622	486 430	5,0%	6,8%

Source: DARES, Eurostat LMP database, 2012; data extracted on 22 april 2014. Estimations by DARES. Annual average. 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 incomplete. Data by unemployment spell are not available for the training sessions organized by the Regions or by the Central government.
- . Category 3: no measure of "job rotation and job sharing" in France.
- . Category 4 : Single inclusion contract (CUI-CIE), Professionalization contract, Economic integration enterprises and intermediary associations.
- . Category 5 (Sheltered and supported employment and rehabilitation): stock by unemployment spell are not available.
- . Category 6: Single inclusion contract (CUI-CAE), and new program Employment for the future (EAV).
- . Category 7 : Aid for the unemployed setting-up or rescuing a company (ACCRE).

After a peak at 350 000 in 2010, the number of long-term unemployed (LTU) having benefited from an active measure slightly progressed compared to 2009 and 2011 ( 290 000 ), since it overtook a little 300 000 in 2012. But with the continuous increase of unemployment, particularly long-term unemployment, at the same time as a certain contraction of entries into subsidised contracts, the rate of activation yield in 20 % in 2012, after 23 % in 2011.

The average number of subsidised contracts' beneficiaries in the non profit sector progressed in 2012 (148.000 after 136.000 in 2011), but less than the long-term unemployment. Finally, the rates of activation for subsidised employment (categories 4, 6 and 7) continued to decrease in 2012.

Prevention and participation in active measures by the long-term unemployed

in percentages

	Job seekers not benefiting from a « support service »			Job seekers not benefitting from a « new start »						
	Under 25 years of age	25 years of age and over	ı	Under 25 of age			25 years of age and over			
	Total	Total	Total	Men	Women	Total	Men	Women		
By 4 m	onths					<u>.</u>				
2004	24%	35%	27%	26%	28%	39%	38%	40%		
2005	22%	32%	25%	24%	26%	36%	35%	37%		
2006	20%	28%	23%	22%	24%	33%	32%	34%		
2007	17%	23%	22%	22%	23%	32%	31%	32%		
2008	19%	25%	26%	26%	25%	34%	34%	34%		
2009	19%	27%	27%	28%	26%	37%	37%	36%		
2010	17%	25%	25%	25%	25%	35%	35%	35%		
2011	18%	26%	26%	26%	26%	36%	35%	36%		
2012	19%	28%	28%	29%	28%	37%	37%	37%		
By 12 n	nonths									
2004	4%	10%	5%	4%	5%	13%	12%	14%		
2005	3%	8%	4%	4%	4%	11%	10%	11%		
2006	2%	5%	3%	3%	4%	8%	8%	9%		
2007	2%	4%	4%	4%	4%	9%	8%	9%		
2008	2%	5%	5%	5%	5%	10%	11%	10%		
2009	3%	6%	5%	6%	5%	12%	12%	11%		
2010	2%	6%	5%	5%	5%	11%	11%	11%		
2011	3%	7%	6%	6%	6%	13%	13%	13%		
2012	3%	8%	6%	6%	6%	13%	13%	13%		

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.

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.

Source: Pôle Emploi, log data file («fichier historique »)

In 2012, 19% 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 (28%). The same year, 3% of new Category A jobseekers under 25 years of age and 8% 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 2012, 28% 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 rehabilitation contracts, direct job creation, or assistance with company creation) during that time. The rate was higher among new jobseekers aged 25 years and over (37%). In 2012, 6% of new Category A jobseekers under 25 years of age and 13% of those aged 25 and over continuously looking for employment during the 12 months following their entry in the category, did not take advantage of any job-market policy measure during that time. Differences between women and men are not significant.

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

	2007	2008	2009	2010	2011	2012
ALMP expenditure / GDP (%)	0,72%	0,64%	0,73%	0,83%	0,67%	0,64%

Source: DARES, Eurostat LMP database, INSEE.

In 2012, expenditure for the active measures (categories 2-7) of the labor market policy flew back of about 5 % in volume, whereas the GDP was almost stable in volume. So, after the exceptional effort granted in 2009-2010, expenditure for the ALMP expressed in points of GDP still contracted a little in 2012, and reached the level of years prior to 2009.

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

	2007	2008	2009	2010	2011	2012
ALMP expenditure per person wanting						
to work (Euro)	4 306 €	4 178 €	3 881€	4 431 €	3 693 €	3 387 €

Source: DARES, Eurostat LMP database, INSEE.

Due to the reduction in expenditure for the active labour market policy for the second consecutive year, (categories 2-7), conjugated to the increase of the unemployment figures of about 6 % in 2012, the average expenditure per person wanting to work decreased by 10 % in constant euros in 2012.

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

	Total	Men	Women
2012	37,8	37,8	31,1
2011	40,4	43,1	31,6
2010	44,1	46,7	35,2
2009	41,8	43,2	32,6
2008	53,0	59,9	40,9
2007	53,4	57,6	39,5

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 share of the population wanting to work and benefiting from an active measure withdrew since 2009, because of the strong degradation of the labour market since the middle 2008. It rose in 2010, due to the economic recovery plan and the development of subsidised contracts. Since 2011, this ratio fell due to the weakening of entries into the active measures, combined with the increase of unemployment, particularly in 2012.

# 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 percentages

	2004	2005	2006	2007	2008	2009	2010	2010*	2011*
Activity status <sup>(1)</sup> (ILO definition)									
Total (including people aged less than									
15)	12,6	13,1	13,1	13,4	13,0	13,5	14,1	14,0	14,3
In work	7,3	7,5	7,5	7,8	7,4	7,6	7,6	7,6	8,0
Unemployed	33,6	34,5	34,9	36,4	35,9	35,0	36,5	35,9	39,0

<sup>(1):</sup> The calcution of this ILO variable has been modified several times during the survey period, which could explain certain sharp evolutions. Age in year of revenue collection.

Individuals: person living in Metropolitan France in an ordinary household which reference person is not a student.

Income: declared household's income is positive or zero.

Sources: Insee-DGI, Tax and Social Income Surveys retropoled from 1996 to 2004; Insee-DGFiP-Cnaf-Cnav-CCMSA, Tax and Social Income Surveys 2005 to 2011.

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 0.54 between 2004 and 2010. 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

	2007	2008	2009	2010	2011	2012
LMP expenditure (8) as a % of GDP	1.20 %	1.16 %	1.42 %	1.44 %	1.40 %	1.45%

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

Expenditure for unemployment benefits (LMP category 8) rose by 3.5% in constant euros in 2012 (29.4 billion euros after 28.0 billion euros) in a context of flat growth. The ratio of expenditure over GDP reached 1.45% in 2012, getting closer to the highest levels reached between 2002 and 2005.

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

	2007	2008	2009	2010	2011	2012
LMP expenditure (8) per person						
wanting to work (Euro)	7 202 €	7 515 €	7 542€	7 702 €	7 658 €	7623

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

Expenditure for unemployment benefits (LMP category 8) rose by 3.5% in constant euros in 2012, while population wanting to work rose by 6.0% (including 8.0% ILO unemployed). The ratio of expenditure per person wanting to work slightly fell in 2012 but remains high since 2010. However, it stays inferior to ratios reached between 2003 and 2005.

<sup>\*</sup> From 2010, estimations of financial revenues refer to Property Income Survey 2010.

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

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

Year of taxation	2001	2007	2008	2009	2010	2011	2012	2013
In million	8.7	8.9	8.9	8.2	7.3	6.7	6.3	5.9
In % of total number of tax	26.3%	25.0%	24.7%	22.5 %	20.0%	18.2%	17.4%	16.0%

Scope: France.

Interpretation: In 2013, 5.9 million tax households benefited from the PPE for their income in 2012.

Sources: Figures from the General Directorate for Public Finances, processed by the General Directorate of 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 freeze of the PPE scale since 2009 (leaving the scale unchanged since 2008) and the imputation of the RSA Activité, created in 2009, on the PPE allowed since 2010 explain the drop in numbers of tax households benefiting from the PPE, which decreased from 8.9 million households in 2008 to 5.9 million in 2013.

Beneficiaries of the Revenu de Solidarité Active (RSA)

data at 31rst of December 2013

	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 %
2011	675 600	1 869 600	36.1 %
2012	690 700	1 964 200	35.2%

Field : France métropolitaine

Source: CNAF et MSA

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

	RSA « Activité»	RSA	RSA « Activité » in % of the RSA
2011	707 800	2 067 300	34.2 %
2012	727 000	2 176 200	33.4%

Field: Whole France Source: CNAF and MSA

From 1rst of June 2009 on, the RSA replaced the RMI and the API in Metropolitan France. The RSA is a family means-tested 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. Since 1rst of September 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 implemented 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".

On 31rst of December 2012, 2.18 million households in the whole of France have benefited from the RSA. During the same year, 727 000 people benefited from the RSA "Activité" in Metropolitan France, which represents 33.4% of the total number of RSA recipients. In Metropolitan France, in 2010, the beneficiaries of RSA "Activité" have grown much faster than the whole population of beneficiaries. On the other hand, since then, the growth of the number of RSA "Activité" has been lower than that of the whole number of recipients of RSA, and is then decreasing in comparison to 2010. Nevertheless, only the share of RSA "Activité seul" beneficiaries is decreasing (25.1% in 2010 versus 23.8% in 2012), while that of RSA "Socle+ Activité" is stable since 2010.

# Reconciling work and family life

Conciliation between work and family in 2012 (in %)

# Participation, working time and unemployment according to household situation in 2011

Household situation	Participa	ition rate	Full	time	Part	time		yment in pulation	Employn	nent rate
	Femmes	Hommes	Femmes	Hommes	Femmes	Hommes	Femmes	Hommes	Femmes	Hommes
In couple	66,6	77,0	41,4	66,9	19,5	4,0	5,7	6,1	60,9	70,9
Without										
children	63,7	70,8	43,1	61,2	15,5	4,8	5,1	4,9	58,6	66,0
1 child aged										
less than 3	80,8	95,8	54,2	84,0	16,6	4,2	10,0	7,6	70,8	88,2
2 children with at least one aged less than 3	66,2	96,5	33,2	86,0	27,7	4,0	5,4	6,5	60,9	90,0
3 children										
with at least one aged	40,5	86,9	17,6	70,0	18,3	5,1	4,6	11,8	35,9	75,1
less than 3										
1 child aged 3 or more	72,3	79,6	47,4	68,8	18,5	4,1	6,4	6,7	65,9	72,9
2 children aged 3 or more	71,9	78,9	42,6	70,7	24,3	3,1	4,9	5,1	66,9	73,8
3 children aged 3 or more	55,8	68,9	28,3	57,6	20,7	3,4	6,9	7,9	49,0	61,0
Single	66,8	70,9	43,5	54,7	14,3	5,4	9,0	10,8	57,8	60,1
Without children	67,8	75,7	47,5	60,2	13,3	5,7	7,0	9,8	60,8	65,9
With 1 child at least	65,6	60,4	38,9	42,7	15,4	4,8	11,3	12,9	54,3	47,5
Ensemble	66,6	75,3	42,0	63,6	18,0	4,4	6,7	7,4	60,0	68,0

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 2012.

In 2012, 66.6% of women *in couple* aged 15 to 64 are participating in the labor force, either being employed full time (41.4%), employed part-time (19.5%) or unemployed (5.7%). For mothers living in couple, having one or two children, when they are 3 years old or more is often combined with work. With at least three children, all 3 years old or more, female activity is weaker than with only one or two children above 3 years old. These disparities in labor force participation according to the number of children are more pronounced amongst women having at least one child aged less than 3 years. Besides, when these mothers work, they more likely work part-time. Unlike women, men's participation is relatively unaffected by the number and the age of their children.

#### Daycare facilities for young children

#### Daycare facilities for young children at 31 December 2012 (not including nursery schools)

Daycare facilities	Number of facilities	Number of places	Number of places in comparison with number of children in the age range
Collective crèches	2 117	81 393	3,5 % (0 - 2 years old)
of which, parental crèches	145	2 301	0,1 % (0 - 2 years old)
Kindergartens and Toddler daycare	263	8 617	0,2 % (2 - 6 years old)
Day nurseries	1 542	25 866	0,5 % (0 - 6 years old)
Multiple care types facilities (Structures multi-accueil)	7 556	- collective 218 021	9,4 % (collective)(0 - 2 years old)
		- family 10 629	0,2 % (family) (0 - 6 years old)
Total collective facilities (not including family daycare)	11 478	333 897	6,1 % (0 - 6 years old)
Family daycare services	695	42 585	0,8 % (0 - 6 years old)
Total establishments	12 173	387 111	7,1 % (0 - 6 years old)

	Number of practising child minders with valid certifications at 31/12/2012	Theoretical day care capacity	Theoretical day care capacity compared with number of children in the age range
Practising child minders	314 226	944 279	17,3 % (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 2012 (2 319 511); the number of children between 0 and 6 years old at 31 December 2012 (5 460 322); the number of children between 2 and 6 years old at 31 December 2012 (3 924 593).
- 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.
- Toddler daycare (between infant daycare and Kindergarten) act as alternatives to nursery schools and take in children from 2 and 3 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 2012 survey), INSEE (estimates of population - provisional results established at end 2013), IRCEM (Practising child minders).

Taking into account the age ranges covered by each type of daycare facility along with practising child minders, overall potential is around 24,4 places per 100 children between 0 and 6 years old. However, if only children under three years old are taken into consideration, the various modes of daycare currently on offer provide 57,4 places per 100 children.

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

	2002	2007
Percentage of children under 3 years old primarily entrusted to a "formal" mode of daycare*	23%	29%

<sup>\*</sup>collective daycare facilities (excluding kindergartens), family crèches, and child minders paid by private individuals (including home daycare)

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 in 2013

	Level at the end of the year (in	Year-	Year-on-year change at the end of the year						year				
	thousands)		(	(in tho	usands	)				(in	%)		
	2013	2008	2008 2009 2010 2011 2012 2013 3					2008	2009	2009 2010 2011 2012 2013			
Total employment, including:	26 373	-167	-212	150	125	-51	10	-0,6	-0,8	0,6	0,5	-0,2	0,0
Agricultural employees	239	-10	-2	-4	4	4	10	-4,0	-0,8	-1,6	2,0	1,6	4,4
Mainly non-agricultural market sectors	15 895	-187	-262	58	59	-106	-62	-1,1	-1,6	0,4	0,4	-0,7	-0,4
Industry	3 175	-79	-167	-85	-17	-28	-53	-2,2	-4,7	-2,5	-0,5	-0,9	-1,6
Construction	1 392	10	-39	-18	-9	-18	-26	0,7	-2,6	-1,2	-0,6	-1,3	-1,8
Tertiary market sector	11 328	-119	-55	161	85	-59	17	-1,1	-0,5	1,4	0,8	-0,5	0,1
Of whom, temporary workers	545	-134	-18	99	-21	-61	34	-20,8	-3,4	19,9	-3,6	-10,7	6,6
Mainly non-market service sectors	7 667	14	46	4	7	22	42	0,2	0,6	0,1	0,1	0,3	0,5
Self-employed	2 572	16	5	91	54	30	20	0,7	0,2	3,8	2,2	1,2	0,8
Employment in the competitive	17 871	-154	-213	105	74	-83	-42	-0,8	-1,2	0,6	0,4	-0,5	-0,2

Interpretation: at the end of 2012, employment in industry rose to 3.238.000, a decrease of 29.000 in comparison with end 2011 - 0.9% decrease in one year.

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

Field: Metropolitan France.

Source: INSEE, employment estimations for 2007 to 2011 and estimations of wage employment in private institutions not including agriculture for 2012; employment forecasts for 2012, for the agricultural sector, the public sector and self- employment

In 2006 and 2007, net job creation was important, exceeding 300,000 for each year. With the sharp decline in the economic situation, employment decreased from the 2nd quarter of 2008 onwards. In 2009, job losses reached -212 000 posts following -167 000 posts in 2008. Temporary employment and industry were the most affected: respectively 153 000 and 245 000 jobs have been destroyed during these two years.

Total employment is rising again from the  $4^{th}$  quarter of 2009: 150 000 jobs were created in 2010 and 98 000 new jobs between the end of 2011 and the first semester of 2012. Employment has returned then from the  $2^{nd}$  semester of 2012 (-51 000 jobs during the year despite a rise of +52 000 at the first semester). It stayed on a downward trend for most of the year 2013, until the upturn observed in the last quarter, which compensated the destructions occurred during the 3 first semesters of 2013 (+10 000 on the whole year, of which +59 000 in the last quarter).

The upturn of total employment in 2013 was supported by tertiary non market sectors mainly (+42 000), in relation to the development of subsidised jobs and, to a lesser extend, by self employment (+20 000). By contrast in the market sectors, jobs were destroyed faster in the industry (-53 000) and construction sectors ( (-26 000). In the service sector, job creation started again thanks to temporary agency work (+34 000), while wage employment excluding temping stayed oriented on a downwards trend (-17 000).

# **Gender equality**

#### Employment gender gap in 2013

in percentages

	20-64	20-24	25-54	55-64
	years of	years of	years of	years of
	age	age	age	age
Men	73,7	50,7	85,2	48,4
Women	65,6	43,4	76,3	43,1
Gender gap	8,1	7,3	8,9	5,3

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 2013.

In 2013, the employment rate gap between men and women from 20 to 64 years of age stood at 8.1 points (73.7% as against 65.6%). Overall, with the continued development of female activity, women's employment rate has been getting closer to men's. Furthermore, from 2008 to 2009, the employment rate fell more strongly for men than for , sectors most affected by the crisis (industry, construction and temping) being male dominated. From 2011 to 2012, the evolutions have been similar. In the last years, in contrast to what happens for the whole population, the employment gap has increased for youth (2009 to 2012) and for seniors (2010-2012) because of specific factors: longer schooling and apprenticeship for youth and removing of early retirement public measures and pension reforms for elders.

# - Gender pay gap

#### Comparison of average net salaries for women with average net salaries for men, by full time equivalent

	2000	2004	2005	2006	2007	2008	2009	2010	2011
W/M	0,78	0,79	0,79	0,79	0,79	0,79	0,80	0,80	0,81

Field: France, private sectors and public enterprises, all salaried workers excluding agriculture, employees of households, apprentices and interns.

Sources: annual declaration of social data (DADS), INSEE, processed by DARES.

Gender pay gap has decreased since 2000. For the 2007-2011 period as a whole, the average net monthly salary for women is 20 % lower than for men.

Methodology: Dares decided to change its gender pay gap indicator. From now on, it is calculated according to annual declaration of social data (DADS), a comprehensive data source much more accurate regarding wages than the sample of the Labor Force Survey (LFS), which was used before. Effects of part-time work are corrected because the indicator calculates average salaries by full time equivalent (FTE): it is therefore similar to the former "net hourly salaries" indicator form the LFS, apart from the fact that it is an average, not a median, covering a larger field, explaining a deeper gender pay gap than the former indicator. Indeed, this new indicator covers the entire France, including overseas departments.

# Improving skills supply and productivity, lifelong learning

# - Lifelong learning

In 2013, the survey questionnaire of the Labour Force Surveys has been deeply modified: the questions about training programmes are very different between 2012 and 2013. Consequently, it is impossible to compare the statistics obtained in 2012 and 2013 for all training programmes and vocational training.

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

in percentages

		2012			2013	
	Total	Men	Women	Total	Men	Women
25-34 years of age	10,7	10,9	10,6	26,9	26,1	27,6
35-44 years of age	11,0	10,7	11,3	26,3	24,7	28,0
45-54 years of age	8,6	8,4	8,8	22,6	19,9	25,3
55-64 years of age	4,7	4,3	4,9	15,9	12,6	19,0
Total	8,7	8,6	8,8	22,9	20,8	24,9

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 2013.

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

in percentages

						III percent
		2012			2013	
	Total	Men	Women	Total	Men	Women
Cadres (managers / professionals)	14,0	13,1	15,5	20,8	21,5	19,9
Professions intermédiaires						
(Intermediate occupations)	12,8	12,4	13,2	17,8	17,6	18,1
Employés (White-collar workers)	8,1	9,3	7,7	10,7	12,8	10,1
Ouvriers (Blue-collar workers)	5,4	5,8	4,1	7,7	8,0	6,7
Total	9,9	9,7	10,1	13,9	14,3	13,5

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 2013.

# 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

		2012		2013				
	Total	Men	Total	Men	Total	Men		
Employed	10,2	9,7	10,7	26,1	23,5	29,0		
Unemployed (BIT)	7,1	6,6	7,7	18,7	15,7	22,1		
Inactive	4,0	3,8	4,2	12,5	9,5	14,3		
Total	8,7	8,6	8,8	22,9	20,8	24,9		

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 2013.

#### Growth in labour productivity

average annual growth in %

	2000	2007	2008	2009	2010	2011	2012
Productivity (per head)							
Total economy	0,8	1,0	-0,4	-1,7	1,5	1,5	0,2
Business sector excluding agriculture	1,1	1,2	-0,9	-2,5	2,1	1,7	0,1
Productivity (per hour)							
Total economy	3,3	0,2	-0,8	-0,4	1,0	1,4	0,4
Business sector excluding agriculture	3,8	0,3	-1,6	-1,1	1,8	1,2	0,1
Gross Value Added							
Total economy	3,4	2,4	0,1	-3,0	1,5	2,2	0,1
Business sector excluding agriculture	4,7	2,9	-0,2	-4,3	2,0	2,4	0,1
Employement							
Total economy	2,6	1,4	0,5	-1,3	0,1	0,6	0,0
Business sector excluding agriculture	3,5	1,6	0,7	-1,9	-0,1	0,7	0,0
Hours worked							
Total economy	0,1	2,2	1,0	-2,6	0,6	0,8	-0,2
Business sector excluding agriculture	0,8	2,5	1,4	-3,2	0,2	1,2	0,1

Sources: National Quaterly Accounts, INSEE Base year: 2010.

In 2008 and 2009, because of the delay between the adjustment of employment and the reduction of economic activity, productivity per head gains fell strongly (-1,6% in total economy and -2,8% in business sector excluding agriculture). This decrease has been more important than what productivity cycle observed in the past would let us expect. However a decrease in productivity per head in 2009 contributed to highlight the decrease in productivity per head during the crisis.

In 2010 the rise in activity together with a more progressive upturn of employment led to a recovery of productivity per head compensating the drop of the productivity level during the crisis without catching up the tendency gains of productivity (during the first half of years 2000, apparent productivity per hour rose by +1,9% in average in total economy, and by +2,0% I business sectors excluding agriculture. It did not rise between 2006 and 2010.

Since 2011, productivity gains flattened out again. The catching up process observed in 2010 did not go on with the quick restarting of job creation. Productivity then continued to slow down in 2012 and 2013, in a context of weak economic activity and subdued employment growth. These evolutions of productivity during these two years are more in line with usual productivity cycle than between 2008 and 2011.

# Improving education and training systems

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

# Highest qualifications gained and highest grades completed by young people aged 20 to 24 year-olds

in percentages

						111	percentag	jes
Qualifications and Grades	ISCED	NF		2000			2012	
Qualifications and Grades	*	**	Total	Men	Women	Total	Men	Women
Total of young people holding tertiary								
degrees, Baccalauréat, BEP, CAP (ISCED 3-5	3-6		81.8	80.2	83.4	84.4	82.1	86.7
<u>qualifications)</u>								
Hold tertiary degrees, <i>Baccalauréat</i> or equivalent qualifications	3-6	I-IV	62.2	57.2	67.0	69.8	65.2	74.3
Hold CAP or BEP qualifications	3C	V	19.6	23.0	16.4	14.6	16.9	12.4
Total of young people without qualification at ISCED 3-5 levels	0-2		18.2	19.8	16.6	15.6	17.9	13.3
Have completed an ISCED 3 programme but did not obtain the final examinations	2		10.4	11.9	9.0	7.4	9.0	5.9
* Baccalauréat programme completers	2	IV	4.6	4.7	4.6	3.9	4.4	3.4
* CAP or BEP programmes completers	2	V	5.8	7.2	4.4	3.5	4.6	2.5
Dropped out before completion of ISCED 3	0-2		7.8	7.9	7.6	8.2	8.9	7.4
* dropped out of Baccalauréat programme, after Grade 10 (Seconde) or Grade 11 (Première)	2	V	1.2	1.3	1.0	1.6	1.8	1.3
* dropped out of CAP or BEP programmes after Grade 10, or dropped out of lower level (include non-respondents)	0-2	Vbis -VI	6.6	6.6	6.6	6.6	7.1	6.1
Total			100.0	100.0	100.0	100.0	100.0	100.0

<sup>\*</sup> International Standard Classification of Education (ISCED), version 1997: UNESCO classification shaping comparability across countries of statistics on education systems. The French educational programmes and qualifications are classified by ISCED-97 levels in compliance with the mapping released on the website of the UNESCO institute for statistics (http://www.uis.unesco.org/Education/ISCEDMappings/Pages/default.aspx).

Reading: In 2012, 84% of young people aged 20 to 24 year-olds report holding a tertiary degree, a Baccalauréat, a Brevet d'Etudes Professionnelles (BEP) or a Certificat d'Aptitude Professionnelle (CAP) (qualifications classified at levels 3 and 5 of ISCED-97).

Scope: young people aged 20 to 24 year-olds (at survey time) living in a regular household in the metropolitan territory of France.

Sources: Labour Force Survey, INSEE, processed by DEPP; data files of May 2013 for year 2012.

In 2012, 70 % of young people aged 20 to 24 years held a tertiary degree or a *Baccalauréat*, and 14 % held a *Brevet d'Études Professionnelles* (BEP) or a *Certificat d'Aptitude Professionnelle* (CAP). Thus, 84 % of young people aged 20 to 24 have successfully completed upper-secondary education. This percentage increased by 2 percentage points since 2000.

A higher percentage of young women (87%) successfully completed an upper secondary programme of education than do their male counterparts (82%). A greater proportion of women held a *Baccalauréat* than men, who more frequently left education after gaining a vocational qualification such as a *BEP* or a *CAP*.

On the other hand, 15,6% of the 20-24 age-groups do not have a sufficient educational background for the

<sup>\*\*</sup> Niveaux de Formation (NF): nomenclature for French education and training (version 1969).

needs of a knowledge based economy. They are a little fewer than they were in 2000. Their educational pathways separates these young people in two groups. The first group (7.4 % of the 20-24 age group) has completed an upper-secondary education programme, but did not successfully complete it (students failed to exams). The second group, comparable in term of prevalence (8.2%), did not enrol until the final grade of upper-secondary education. Within this latter group, 6.6 % of the age group dropped out after grade 10, grade 11 or sooner at lower secondary level. These young people did not complete an education programme at "CAP level" and dropped-out education at French levels VI-Vbis.

Educational attainment of adults aged 20 to 64 years in 2012

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

	Men	Women	Total
20-24	82.1	86.7	84.4
25-29	81.4	85.5	83.5
30-34	81.7	84.6	83.2
35-44	78.6	80.4	79.5
45-54	70.1	67.2	68.6
55-64	63.2	55.3	59.1
Total	74.3	73.3	<i>73.8</i>

Reading: In 2012, 74 % of men and 73 % of women aged 20 to 64 report holding a qualification at tertiary or upper-secondary levels of education (ISCED level 3 and above).

Scope: people aged 20 to 64 year-olds (at survey time) and living in a regular household of the metropolitan territory of France.

Sources: Labour Force Survey, INSEE, processed by DEPP; data files of May 2013 for year 2012.

The proportion of graduates of tertiary and upper secondary education stands at least 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. In general, French population studies and obtains degrees in young ages.

#### - Early school leavers

For 100 pupils leaving formal secondary education and training

Grade attained:	NF *	2000	2003	2008	2010	2011
Grade 12 of 'Baccalauréat' programmes	IV	66.9	68.5	70.0	72.8	77.2
Grade 11 of CAP or BEP (BEP until 2009)	V	21.3	20.1	19.9	16.8	12.7
Grade 12 of a 'Brevet professionnel' or 'Bac professionnel' accessible		2.4	2.6	2.6	0.7	_
after		2.7	2.0	2.0	0.7	
Total pupils completing upper-secondary education:		90.6	91.2	92.5	90.3	89.9
Grades 10 or 11 of a general 'Baccalauréat' programme ('Bac. Général' and	V	2.4	2.3	1.8	1.3	1.0
Grades 10 or 11 of a vocational 'Baccalauréat' programme ('Bac professionnel'		-	-	-	4.7	6.4
Lower secondary (Grades 9 and lower), Grade 10 of CAP or BEP programmes	VI- Vbis	7.0	6.5	5.7	3.7	2.7
Total pupils who did not complete upper-secondary:		9.4	8.8	7.5	9.7	10.1
Total pupils leaving formal secondary education and training		100	100	100	100	100

Reading: out of 100 pupils leaving formal secondary education in 2011, 89.9 have completed upper-secondary education.

Scope: France, metropolitan territory (excludes overseas regions); lower and upper-secondary education.

<sup>\* &</sup>quot;Niveaux de formation" is a French nomenclature for education and training (see table page 33 for details and relationships with ISCED).

<sup>\*\*</sup> Only Grade 10: 2.4% 2010, 2.6% 2011.

Without young people who never accessed to secondary education (less than 1 % of an age group). Source: enrolment synthesis; Ministries for Education and Tertiary education and research, DEPP (directorate for evaluation and prospects). For more information: "Repères et références statistiques 2013" pages 270-271 (http://www.education.gouv.fr/cid57096/reperes-et-references-statistiques.html).

89.9 % of young people leaving secondary education in 2011 (or "secondary leavers") had completed upper-secondary education, according to enrolments synthesis. The significant increase in the *Baccalauréat* completers and the decrease in the CAP and BEP completers reflect, mid-2011, the schooling of the first cohort of the reform of the vocational programmes.

Following ISCED 3, the reform of the vocational programmes develops programmes of three years duration instead of programmes of two and four years. The new vocational *Baccalauréat* is prepared in three years by young people who successfully complete lower secondary education. The former vocational *Baccalauréat* was a two year duration programme, prepared after successful completion of a first two year programme at ISCED 3, called *Brevet d'Etudes Professionnelles* (BEP); these two consecutive programmes of two years duration remain the rule for pupils preparing a *Certificat d'Aptitude Professionnelle* (CAP) and a *Brevet professionnel* (BP).

Out of 100 young people leaving secondary education in 2011, 10.1 % dropped out education before completing upper-secondary level. Among this group, 2.7 % of young people dropped out after enrolling at lower secondary level or after enrolling in the 10th grade of CAP. 1.0 % of young people dropped out after attending 10th grade (*Seconde*) or 11th grade (*Première*) of a general and technological *Baccalauréat* programme. 6.4 % of young people dropped out after attending 10th grade (*Seconde*) or 11th grade (*Première*) of a vocational *Baccalauréat* programme. One who drops out after grade 10 or 11 of a *Baccalauréat* programme does not complete the upper secondary level. The proportion of secondary leavers who stopped enrolling in secondary education without completing ISCED 3 is slightly increasing for the first cohort of the reform, who took (and gained) a *Baccalauréat* in much higher proportions than its elders. (The slight increase of drop-outs might be temporary and disappear among the following cohorts.)

#### Public expenditure on education

#### Domestic Education Expenditure (DEE) and the share of public expenditure on education (1980 - 2011)

Metropolitan France + overseas department	1980	1990	2000	2010	2011	2012
DEE						
at then current prices (in billions of Euros)	28.5	68.0	104.9	136.2	137.4	139,4
at 2011 prices (in millions of Euros)	73.4	95.3	128.1	138.0	137.4	139,4
DEE/GDP (in %)	6.4 %	6.6 %	7.3 %	7.0 %	6.9 %	6,9 %
DEE/inhabitant at 2011 prices (in Euros)	1 360	1 640	2 110	2 130	2 110	2 130
Average expenditure per pupil *						
At then current prices (in Euros)	1 760	4 030	6 200	8 200	8 250	8 330
At 2011 prices (in Euros)	4 540	5 640	7 570	8 310	8 250	8 330
Structure of initial financing (in %) **						
Public expenditure on education	83.7	82.9	87.2	85.2	85.1	85,1
State	69.1	63.7	65.2	59.0	58.7	58,5
of which Ministries in charge of education	60.9	56.5	57.4	53.6	53.6	53,5
Local authorities	14.2	18.5	19.9	24.4	24.5	24,5
Other public authorities (Family Allowance Fund)	0.4	0.7	2.1	1.8	1.9	2,1
Firms	5.5	5.9	5.4	6.8.	6.8	7,0
Households	10.8	11.2	7.4	8.0	8.1	7,9
Total public expenditure on education / GDP (in %)	5.4	5.5	6.4	6.0	5.9	5,8

<sup>\*</sup> The DEE is assessed on a yearly basis by the "Education Account", a satellite account of the French National Accounts. This latter was 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 2013 edition of "L'état de l'École" (http://www.education.gouv.fr/cid57102/l-etat-de-l-ecole-31-indicateurs-sur-le-systeme-educatif-français.html#Coûts).

Source: DEPP/Ministry for National Education / Ministry for Higher Education and Research; Amounts given for 2012 expenditures are provisional.

The DEE represents total expenditure funding by all economic stakeholders, central and local government, companies and households on educational activities, including initial education and continuing training 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 2012, such domestic education expenditure came to 139.4 billion Euros – 6.9% of the national wealth (GDP). The national community, taking all funders together, is making a major financial effort for education, up to 2,130 Euros per inhabitant or 8,330 Euros per pupil or student.

International data compare to national GDPs the expenditure devoted to the only initial education (continuing education is excluded). They stand on older data, on year 2010. In 2010, France is at the average for OECD countries (6.3%), below Norway (7.6%) and United States (7.3%) but ahead of Spain (5.6%), Japan (5.1%) or Italy (4.7%).

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

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

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

in percentage

15-24	4 years of	age	15-19	9 years of	age	20-24 years of age			
Total	Men	Women	Total	Men	Women	Total	Men	Women	
10,8	10,1	11,5	5,2	5,8	4,5	16,5	14,5	18,4	
10,5	9,9	11,2	5,5	6,1	4,8	15,8	13,9	17,6	
10,4	10,2	10,6	5,3	6,0	4,7	15,6	14,7	16,5	
12,7	13,1	12,2	6,6	7,3	6,0	18,7	19,1	18,3	
12,6	12,6	12,6	6,5	7,2	5,7	18,6	17,9	19,2	
12,2	11,8	12,5	6,2	6,9	5,4	17,9	16,5	19,3	
12,5	12,8	12,1	6,4	7,3	5,5	18,3	18,1	18,4	
	Total 10,8 10,5 10,4 12,7 12,6 12,2	Total         Men           10,8         10,1           10,5         9,9           10,4         10,2           12,7         13,1           12,6         12,6           12,2         11,8	10,8     10,1     11,5       10,5     9,9     11,2       10,4     10,2     10,6       12,7     13,1     12,2       12,6     12,6     12,6       12,2     11,8     12,5	Total         Men         Women         Total           10,8         10,1         11,5         5,2           10,5         9,9         11,2         5,5           10,4         10,2         10,6         5,3           12,7         13,1         12,2         6,6           12,6         12,6         12,6         6,5           12,2         11,8         12,5         6,2	Total         Men         Women         Total         Men           10,8         10,1         11,5         5,2         5,8           10,5         9,9         11,2         5,5         6,1           10,4         10,2         10,6         5,3         6,0           12,7         13,1         12,2         6,6         7,3           12,6         12,6         12,6         6,5         7,2           12,2         11,8         12,5         6,2         6,9	Total         Men         Women         Total         Men         Women           10,8         10,1         11,5         5,2         5,8         4,5           10,5         9,9         11,2         5,5         6,1         4,8           10,4         10,2         10,6         5,3         6,0         4,7           12,7         13,1         12,2         6,6         7,3         6,0           12,6         12,6         12,6         6,5         7,2         5,7           12,2         11,8         12,5         6,2         6,9         5,4	Total         Men         Women         Total         Men         Women         Total           10,8         10,1         11,5         5,2         5,8         4,5         16,5           10,5         9,9         11,2         5,5         6,1         4,8         15,8           10,4         10,2         10,6         5,3         6,0         4,7         15,6           12,7         13,1         12,2         6,6         7,3         6,0         18,7           12,6         12,6         12,6         6,5         7,2         5,7         18,6           12,2         11,8         12,5         6,2         6,9         5,4         17,9	Total         Men         Women         Total         Men         Women         Total         Men           10,8         10,1         11,5         5,2         5,8         4,5         16,5         14,5           10,5         9,9         11,2         5,5         6,1         4,8         15,8         13,9           10,4         10,2         10,6         5,3         6,0         4,7         15,6         14,7           12,7         13,1         12,2         6,6         7,3         6,0         18,7         19,1           12,6         12,6         12,6         6,5         7,2         5,7         18,6         17,9           12,2         11,8         12,5         6,2         6,9         5,4         17,9         16,5	

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; data for 2012.

In 2012, 12.5% of the young people aged 15 and 29 are neither in education nor in employment (NEET): 6.4% 15-19 and 18.3% 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 2.3 percentage points between 2008 and 2009. In 2012 the level is close to the level reached in 2009.

# 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 business

			3601013						
	2001	2007	2008	2009	2010	2011	2012	2013	2014
Monthly gross minimum	1012	1280	1321	1338	1344	1365	1398	1430	1445
wage (in euros)									
	In c	ontributio	n points (d	compared	to gross wa	age)			
Employee contribution	20,9%	21,5%	21,5%	21,5%	21,5%	21,5%	21,6%	21,7%	21,9%
rates (a)									
Employer reduction rates	26,0% <sup>1</sup>	26,0% <sup>2</sup>	27,1% <sup>3</sup>	27,1%	27,1%	27,1%	27,1%	27,1%	27,1%
Employer contribution rates	19,1%	20,3%	19,3%	19,3%	19,5%	19,5%	19,5%	19,7%	19,9%
after reduction (b) 4									
Total employer and	40,0%	41,7%	40,8%	40,8%	41,0%	41,0%	41,1%	41,4%	41,8%
employee social security									
contributions (a+b)									
Total excepting mandatory	30,5%	32,2%	31,3%	31,3%	31,5%	31,5%	31,6%	31,9%	32.1%
supplementary pensions									
In labour cost points									
Total employer and	33,6%	34,7%	34,2%	34,3%	34,3%	34,3%	34,4%	34,6%	34,9%
employee social security									
contributions									

Contribution rates are calculated at 1 January. SMIC level is that following adjustment on 1rst of July of the year before 2010 and on 1rst of 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 1rst of July 2007, reduction rates for the SMIC were raised from 26% to 28.1% in companies with fewer than 20 employees concerning around 66% of employees paid the SMIC.
- 4. Reduction applied to the rate of employers contributions in companies with more than 20 employees. Interpretation: on <sup>1rst</sup> of January 2014, employees paid the hourly SMIC rate on the basis of 35 hours' work per week were subject to a wage contribution rate equal to 21.9% of their gross salary. At this time, employers of employees paid the SMIC on the basis of 35 hours' work a week were subject to an effective contribution rate equal to 20.3% 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.

Employees paid the average wage – non-agricultural business sectors

	2001	2007	2008	2009	2010	2011	2012	2013	2014
Monthly gross average wage (in euros)	2124	2578	2649	2681	2746	2815	2874	2927	2985
	In co	ontribution	n points (co	ompared t	o gross wa	ge)			
Employee contribution rates (a) <sup>1</sup>	20,9%	21,5%	21,5%	21,5%	21,5%	21,5%	21,6%	21,7%	21,9 %
Employer contribution rates (b) <sup>2</sup>	45,1%	46,3%	46,4%	46,4%	46,6%	46,6%	46,6%	46,8%	47,0 %
Total employer and employee social security contributions (a+b)	66,0%	67,7%	67,8%	67,9%	68,1%	68,1%	68,2%	68,5%	68,9 %
	•		n labour c	ost points	•			•	•
Total employer and employee social security contributions	45,5%	46,3%	46,3%	46,4%	46,4%	46,4%	46,5%	46,7%	46,9 %

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

The following modifications were made to Social Security contributions between 2009 and 2012:

#### Between 2009 and 2010

- The Wage Guarantee Fund rate stood at 0.4 % instead of 0.2 % since the 1rst of 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) remained at 97 % of the wage for the proportion of the wage under 4 Social Security ceilings, but increased to 100% beyond (Article L136-2 of the French Social Security Code).
- Since 1rst of January 2011, the employer contribution rate for work-related accidents and occupational diseases (accidents du travail et maladies professionnelles, AT/MP) 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 social security ceiling and 0.5% above. Previously, the rate was 0.4% on the wage taken as a whole.
- In 2011, the calculation on an annual 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) increased to 98.25 % of the wage (97 % in 2011) for the proportion of the wage under 4 Social Security ceilings, and remained at 100% beyond (Article L136-2 of the French Social Security Code).
- From the 1rst of 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).

# Between 2012 and 2014

- Financing the early retirement scheme for individuals who began working at a young age will be achieved by increasing both employer and employee contributions by 0.25 point. The increase will be incremental and will be completed by 1rstof January 2016. On 1rst of November 2012, employer and employee contributions to the basic pension scheme rose by 0.1 point.
- Adjustments to rates paid by employers to cover work-related accidents and occupational diseases (accidents du travail et maladies professionnelles, AT/MP), as stipulated in the Ministerial Order of 28 December 2012, will result in an increase of roughly 0.1 point in the average national AT/MP rate.
- The 3% allowance in the base for calculating the General Social Security Contribution (CSG) and the Social Security Debt Repayment Contribution (CRDS) was eliminated with respect to employers' contributions to supplementary pension schemes.
- Although the Tax Credit for Encouraging Competitiveness and Jobs (CICE) will not bring about a corresponding reduction in employers' social security contributions, it significantly reduces labour costs. The CICE, which is based on gross wages paid to salaried employees (within a limit of 2.5 times the French minimum wage) is set at 4% for wages paid in 2013 and 6% as from 2014. The credit will be offset against corporate income tax owed in the year following the payment of wages (i.e. starting in 2014).
- Within the framework of the 2013 pension reform, an increase of the contribution rate of the employers and the employees will be distributed over 4 years, from 2014 till 2017, at the rate of: 0,15 % of for the contributions of the employers and the employees in 2014 on the whole salary and 0,05 % in 2015, 2016 and 2017.
- Within the framework of the Responsibility and Solidarity Pact, several social security reductions are scheduled from 2015 as the increasing exemption of employer contributions for wage-earning from 1 to 3,5 times the Smic and a decline of the employees contributions for the workers paid from 1 to 1,3 times the Smic.

Share of Smic	Gross monthly wage of the	_	ation rate (excluding non eligible to or no Activité" in 2014 (in %)	ot taking up "RSA	Average taxation rate (including. RSA "Activité")  **  Household eligible to and taking up "RSA  Activité"  in 2014 (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	723	14.6	13.6	12.8	-9.5	-26.3	-26.3		
1	1 445	18.5	17.5	17.1	16.9	7.8	-2.0		
1.5	2 168	26.8	21.8	21.5	26.8	16.8	15.7		
2	2 891	28.1	23.9	22.1	28.1	23.9	19.8		
2.5	3 613	30.5	25.7	23.1	30.5	25.7	23.1		
3	4 3 3 6	32.5	26.5	23.9	32.5	26.5	23.9		
4	5 782	34.9	27.4	25.5	34.9	27.4	25.5		
5	7 227	36.3	29.9	26.5	36.3	29.9	26.5		
6	8 672	37.8	31.9	29.0	37.8	31.9	29.0		
7	10 118	39.6	33.4	30.9	39.6	33.4	30.9		
8	11 563	40.9	34.5	32.3	40.9	34.5	32.3		
9	13 008	42.1	35.4	33.5	42.1	35.4	33.5		
10	14 454	43.0	36.1	34.4	43.0	36.1	34.4		
13	18 790	45.1	39.1	37.8	45.1	39.1	37.8		
15	21 681	46.0	40.8	39.6	46.0	40.8	39.6		

<sup>\*</sup> 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 (3 129€ gross monthly, that is 2.2 Smic), 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 2014, a single person without children working half-time and paid the Smic (€715 gross per month) has an average taxation rate of 14.6 % if he/she is not eligible for the RSA or does not exert his/her right and -9.5% if he/she is eligible for the RSA and exerts his/her right.

Source: General Directorate for the Treasury. Paris model. Average legislation for 2014.

The implementation of the "Revenu de Solidarité Active" (RSA) on the 1rst of 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 2012 legislation, one can observe an increase in taxation rates of a few tenths of percentage points, especially for both low and high-income households. It is explained by:

- the income tax schedule freeze, while income increased;
- for the higher income households, the new tax rate at 45%;
- for the lower income households :
  - the PPE schedule freeze since 2009;
  - the indexation of the RSA on the basis of the Consumption Price Index, while the Smic grew faster.
- for the families, the cap on family fiscal advantages has been lowered (from 2 336 € to 2 000 € for the first and second children, and twice for third and following).
- Evolution of nominal and real unit labour costs

in percentage

	2007	2008	2009	2010	2011	2012	2013
Nominal unit labor costs	1,7%	3,2%	3,7%	0,7%	1,3%	2,1%	1,1%
Real unit labour costs	-0,9%	0,7%	3,0%	-0,2%	0,0%	0,6%	0,0%

Source : Insee National Quarterly Accounts. Processed by Dares. Eurostat definitions of Nominal unit labour costs and Real unit labour costs.

Note: Data of year 2013 have been estimated using National quarterly accounts, as National annual accounts where not available for this draft.

Nominal unit labour costs, i.e. the ratio between hourly labour cost and productivity per hour, have slowed down in 2013: +1.1, after +2,1% in 2012. In total, between 2000 and 2013, nominal unit labour costs have increased by 29%. Real unit labour costs have been more stable, although they are slightly superior in 2013, in comparison with the year 2000 (+3,1%).

Evolution of the average wage per head

in percentage

					,	
	2008	2009	2010	2011	2012	2013
Total Economy	2,6	1,5	2,5	2,2	1,8	1,3
Business sector excluding	2,7	1,2	2,5	2,6	1,9	1,5
agriculture						

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

In 2013, the increase of the average wage continued to slow down: +1.3% after +1.8% in 2012 (+1.5% after +1.9% in the business sector excluding agriculture). This can be explained by a further deterioration of the labour market in 2013 (increasing unemployment) and by the end of the inflation that passed progressively to nominal wages after the rise in energy prices at the beginning of year 2012. On the contrary, lagged effects of rises in wages that occurred during the preceding years, together with the increase of the minimum wage (+2.3% between January 2011 and January 2012 after +2,4 between January 2011 and January 2012) may have supported the growth of the average wage in 2013.