



France: Forecast highlights up to 2025

Between now and 2025:

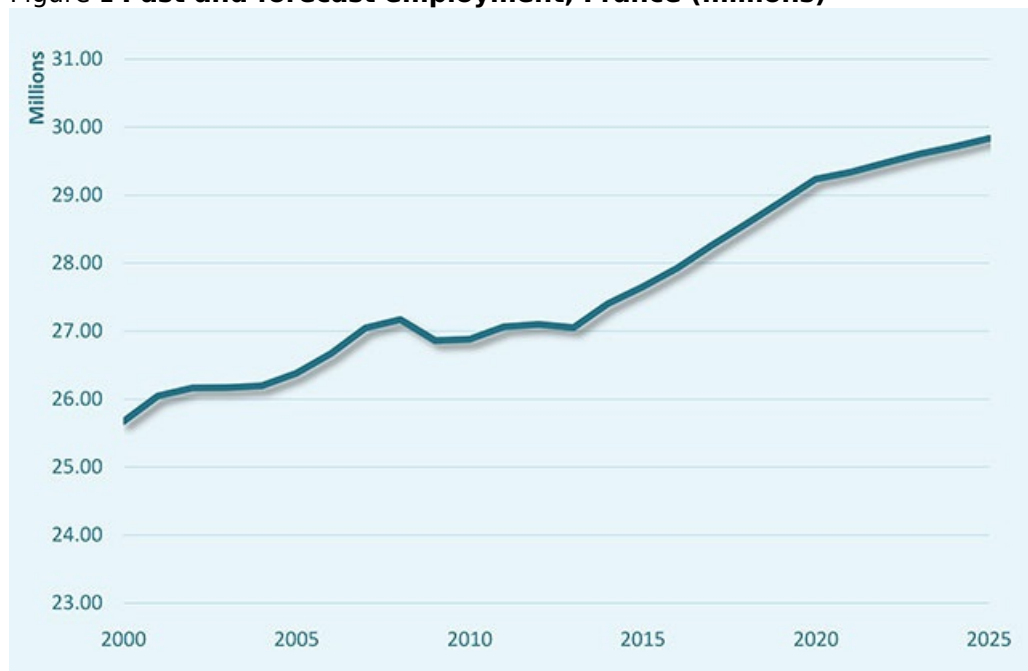
- Employment has already reached its 2008 pre-crisis level and is forecast to continue to rise.
- Most employment growth will be in business and other services.
- Between now and 2025, most job opportunities, around 22%, will be for professionals.
- Around 46% of the labour force will have high-level qualifications, compared to 36% in 2013.

Following the economic crisis in 2008, France's GDP started to recover in 2010. In 2013, France's unemployment rate was 10.8%, just below the European Union (EU) average of 11%. The European Commission forecasts GDP growth for France of 0.7% in 2015 and 1.5% in 2016.

Employment outlook

According to Cedefop's skills supply and demand forecasts ([see scenario assumptions](#)), economic growth is expected to have positive effects on job growth in France as employment has passed its 2008 pre-crisis (Figure 1). This is faster than forecast employment growth for the EU as a whole, where average employment is expected to reach its pre-crisis level in 2020.

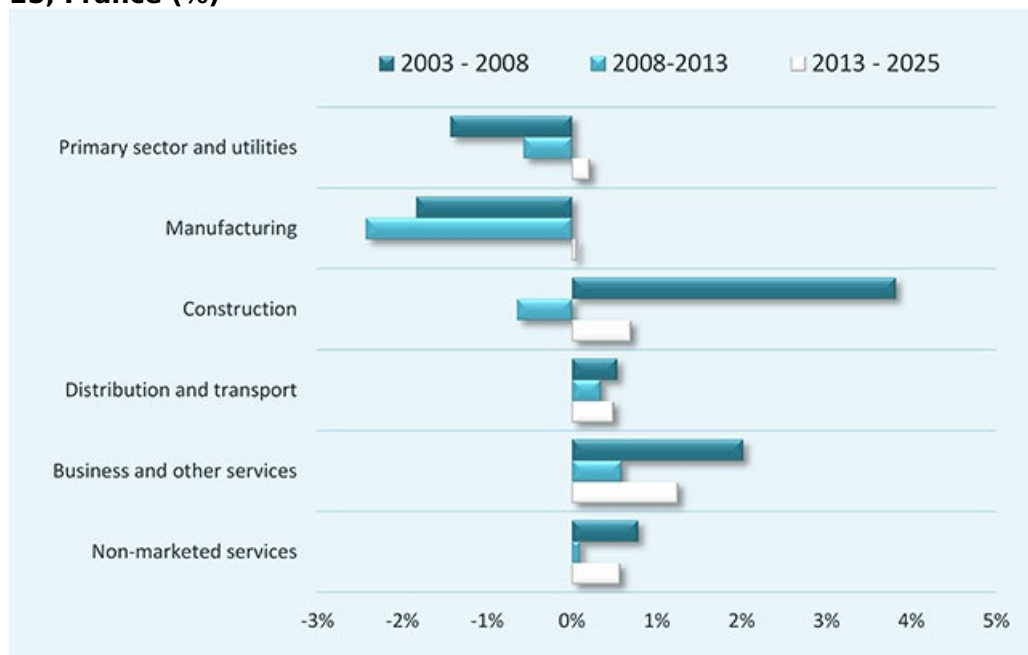
Figure 1 **Past and forecast employment, France (millions)**



Sector developments

The economic crisis reduced employment mainly in manufacturing, but also in the primary sector and construction between 2008 and 2013 (Figure 2). However, employment in distribution and transport, business and other services and non-marketed (mainly public sector) services increased over the same period. Most future employment growth in France inland up to 2025 will continue to be in business services, but all sectors should see some job growth.

Figure 2 **Employment trends by sector, average annual growth rate, 2003-25, France (%)**



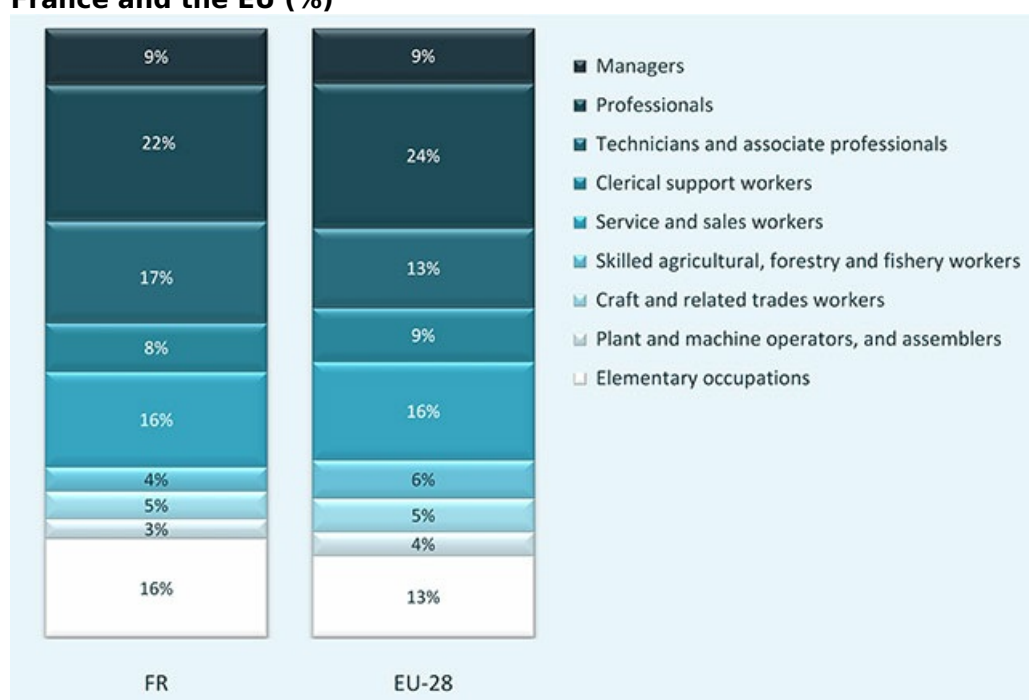
Source: Cedefop skills forecasts (2015)

Occupations and qualifications prospects

Cedefop's forecasts give insights on job opportunities between now and 2025 (Figure 3). Total job opportunities are the sum of newly created jobs (expansion demand) and job opportunities arising because of the need to replace people who either go on to other jobs or leave the labour market, for example due to retirement (replacement demand). Often, replacement demand provides more job opportunities than expansion demand, which means that there will still be job opportunities even if the overall level of employment falls. Between now and 2025, replacement demand in France is forecast to provide about nine times more job opportunities than expansion demand.

In France, most job opportunities, around 22%, will be for professionals (high level occupations in science, engineering healthcare, business and teaching) (Figure 3). The distribution of job opportunities between the different occupational groups in France is broadly in line with that for the EU as a whole.

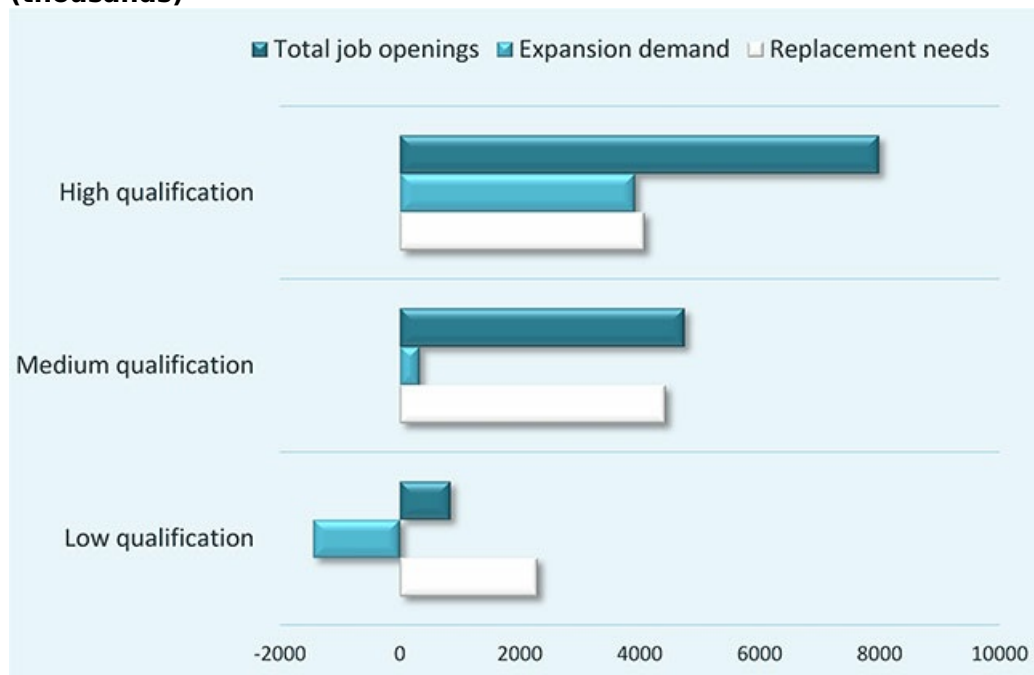
Figure 3 **Distribution of total job opportunities by occupation, 2013-2025, France and the EU (%)**



Source: Cedefop skills forecasts (2015)

Most job opportunities in France will require high-level qualifications (ISCED 97 levels 5 and 6) (Figure 4). However, because of replacement demand, there will be significant numbers of job opportunities requiring medium-level qualifications (ISCED 97 levels 3 and 4).

Figure 4 **Total job opportunities by qualification, 2013-25, France (thousands)**



Source: Cedefop skills forecasts (2015)

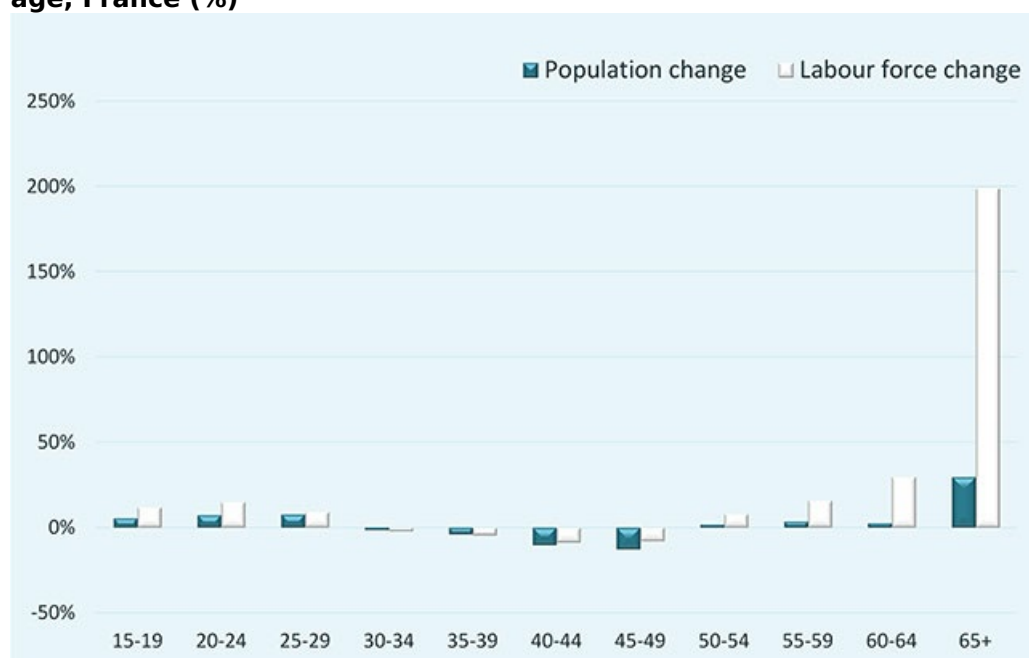
Labour force trends

Future labour supply trends depend mainly on demographics and the size of the working-age population (defined in the forecasts as people aged 15 and older), participation in the labour force (people in the working-age population either in or actively seeking work) and how quickly people acquire formal qualifications.

Eurostat's latest population projection (Europop, 2013) for France reflects current trends in fertility rates and net migration flows. France's working-age population is projected to grow by about 6% between now and 2025. Labour market participation in France is forecast to remain the same at around 53%, lower than the EU forecast average of 55.5%.

Following the EU demographic trend, France's population is getting older (Figure 5). Between now and 2025, although numbers of people aged 15 to 29 are expected to rise slightly, the biggest increases in France's labour force are projected in the age group over 65 years and above. Numbers of people aged between 30 and 49 are expected to fall slightly.

Figure 5 **Changes in working-age population and labour force 2013-25 by age, France (%)**

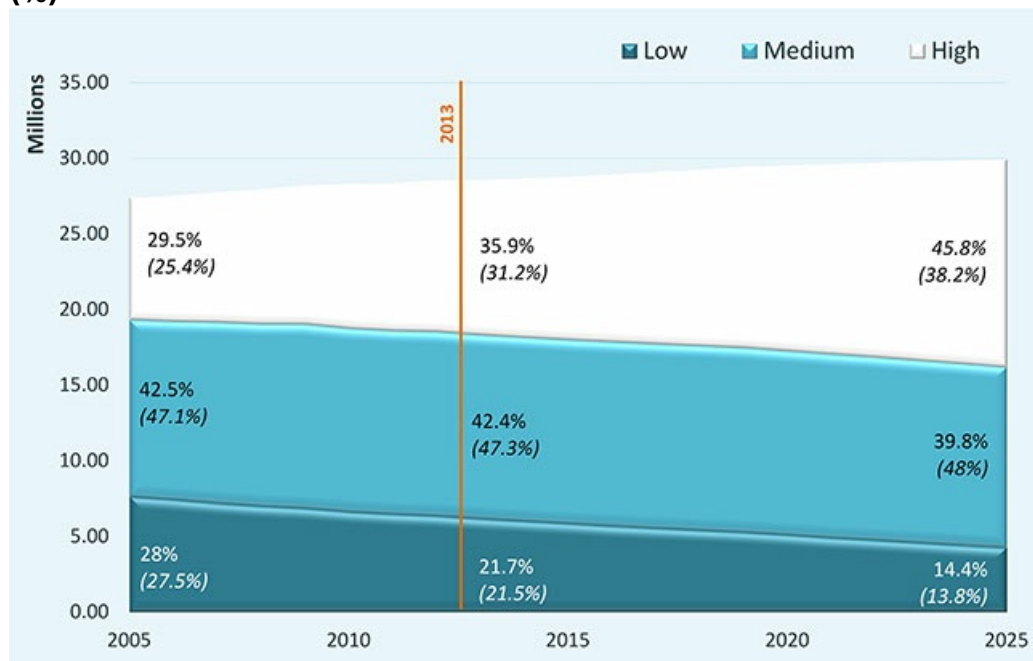


Source: Cedefop skills forecasts (2015)

Although slightly older and smaller, France's labour force is becoming more highly qualified (Figure 6). This is explained by older less qualified people leaving and younger more highly-educated people entering the labour market. By 2025, the share of France's labour force with high-level qualifications is forecast to rise to 45.8% compared to 35.9% in 2013 and 29.5% in 2005. People with medium-level qualifications in 2025 will account for 39.8% of the labour force compared to 42.4 % in 2013. The share of the labour force with low-level or no qualifications is forecast to fall from 21.7% in 2013 to 14.4% in 2025.

According to Cedefop's forecasts, by 2020 in France, around 46% of 30 to 34 year-olds will have high level qualifications, above both the national target of 44% and the EU's educational attainment benchmark of 40%. On current trends, nearly 49% of 30 to 34 year-olds in France will have high-level qualifications by 2025.

Figure 6 **Labour force trends by qualification, 2005-25, France (and EU)** (%)



Source: Cedefop skills forecasts (2015)

In 2013, in France, 9.7% of young people left the education and training system with low-level qualifications, close to the national target to reduce this to 9.5% by 2020. In the EU, the average in 2013 was 11.9%, still above its benchmark of less than 10% of young people leaving the education and training system with low-level qualifications by 2020.

Experts' view

*Cedefop's forecasts and their assumptions are regularly discussed with national experts. **Julie Argourac'h**, statistician at the French Ministry of Labour (Dares), **Sandrine Aboubadra** head of PQM project and **Frédéric Lainé** project officer at France Stratégie Commissariat Général à la Stratégie et à la Prospective consider the forecasts' underlying assumptions and results plausible.*

They add that Cedefop's forecasts are broadly in line with national forecasts. However, there are some small differences. The national forecast foresees employment growing slightly faster and that replacement demand will account for 3.5 times more job opportunities than expansion demand.

Cedefop skills supply and demand forecasts' scenario

Cedefop skills supply and demand forecasts take account of global economic developments up to October 2014. Despite significant differences between countries, the forecasts generally assume that a modest economic recovery will slowly increase confidence in the EU, increasing investment, consumer spending and exports. Inflation stays in target range and interest rates low, while higher tax revenues help governments reduce debt.

The assumptions reflect the latest Eurostat population forecast (Europop 2013, published in spring 2014) and the short-term macroeconomic forecast produced by the European Commission in November 2014.

Cedefop's forecasts use harmonised data and methodology for all countries covered to allow cross-country comparisons. They do not substitute national forecasts. Total employment data correspond to those reported in national accounts.

Cedefop's latest skills demand and supply forecasts up to 2025 cover 28 EU Member States plus Iceland, Norway and Switzerland. Results are regularly updated and together with key assumptions and methodological developments are reviewed by national experts.

For the latest update and more detailed skills forecast data visit: www.cedefop.europa.eu/forecast

Published online on
09/06/2015
Last updated on 09/06/2015



CEDEFOP

European Centre for the Development
of Vocational Training

Skills forecasts country report – France

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2015

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