

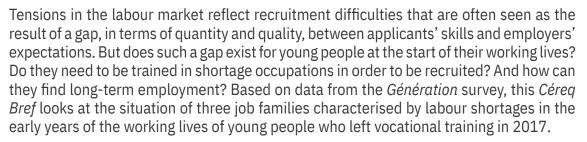




French centre for research on education, training and employment

# Shortage occupations: might young people be the answer?

Thomas COUPPIÉ
Céline GASQUET
Céreq





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recurrent target of public policies, the occupations regarded shortage as occupations are those in which the number of job offers circulating in the labour market exceeds the demand for jobs from those seeking employment. Thus,, the existence of shortage occupations is an indication of a dysfunctional labour market that public policies seek to remedy. In order to do that, the cause of the labour market tightness must be identified. The gap between supply and demand is often attributed to a lack of applicants, but it may be also be more qualitative in nature if the applicants' profiles do not match employers' expectations in terms of training and/or experience. Other factors can be identified, such as difficult working conditions that make a particular occupation unattractive, a local mismatch preventing supply from meeting demand or even the amount of recruitment being undertaken (cf.

This issue of *Céreq Bref* is concerned with the role that young people might play in resolving these tensions. Are young people at the beginning of their working lives potential candidates for these shortage occupations? If they turn to them at this stage of their working lives, will they stay in them? And what role does their initial training play? Do they need it to match the occupation in question in order to be hired? And when they do have the appropriate training, do they commit themselves to a long-term future in the occupation?

The proposed analysis focuses on three job families: those in construction and public works, in the hotel, catering and food industry and in IT. Firstly, they are regarded by DARES, the French Ministry of Employment's department of research, studies and statistics, as severe or even very severe shortage occupations; secondly, the causes of the shortages are numerous and vary considerably: lack of applicants, problems with

training, working conditions, etc. [2]. These job families have also been selected because of the positions they occupy in the trajectories of labour market entrants. Carried out in 2020 among young people who had completed their training in 2017 (Génération 2017), the Céreq survey of the 2017 cohort can be used to observe their labour market trajectories, and in particular the succession of jobs held during the first three years of their working lives (cf. Box 2).

## Construction and public works, hotels, catering and food and IT: shortage occupations in young people's trajectories

Construction and public works occupations feature in young people's trajectories, whether they be skilled or unskilled blue-collar occupations in structural and public works or in finishing works, plant operators jobs, supervisory occupations or technical managers and engineers occupations. Among the young people who had completed their education/training in 2017 and who had worked during the following three years, 6.5% or approximately 43,000 individuals had worked in a construction and public works occupation. A gradual rise can be observed over the first three years of their working lives, since these occupations accounted for 4.9% of the first jobs held by the young people and 5.4% of those held after three years, which equates to a gradual increase in the share of these occupations in the employment of the labour market entrants that comes close to their share of 6.6% in the total employed population. For some young people, therefore, they may be the occupations in which they put down roots.

Over the three years of the observation period, a far greater number of the young people worked in occupations in the hotel, catering and food sector, which include occupations in the food trade (butcher, baker and so on), work in kitchens and occupations in the hotel and catering industries



#### (1)

#### The shortage occupations

Since 2020, DARES and *Pôle emploi*, the French employment service, have produced a synthetic indicator of shortage occupations that can be used to measure the labour market for in each occupation [1]. It comprises three components covering the relationship between the flow of job offers and the share of recruitment campaigns that employers anticipate being difficult.

In addition to this synthetic indicator, complementary indicators are calculated in order to measure the various factors causing the shortages: the amount of recruitment being undertaken (the more employers recruit, the harder they have to look for applicants and repeat the process, which may potentially increase the shortages); constraining working conditions that may make recruitment more difficult; the lack of available labour (recruiting in a large pool of job seekers looking for a job in a particular occupation is easier – all other things being equal of course – than recruiting in a context in which labour is scarce); the link between training subject and occupation (a gap between the skills required by employers and those possessed by the individuals in search of employment can aggravate the shortages); geographical mismatch (the supply of available labour and the vacancies to be filled are not necessarily located in the same place).

 $https: /\!/ dares. travail-emploi. gouv. fr/publication/les-tensions-sur-le-marche-du-travail-en-2022$ 

The shortages are identified at the level of the job families and not at that of the companies and industries to which they are affiliated. In the text, therefore, the terms construction and public works, hotels, catering and food and IT refer consistently to the job family in question and not to the sector.

(office staff and supervisors, managers of hotels, cafes, restaurants). This is the case for 13.7 % of the young people who finished their training in 2017, some 90,000 individuals in all. However, whereas the majority of the young people who entered occupations in construction and public works actually put down roots in them, the many young people who entered occupations in hotel, catering and food tended to use them as points of entry into the labour market and did not intend to stay in them for the long term. Thus, the share of hotel, catering and food occupations in all the jobs held by the young people for the first three years of their working lives drops considerably between the first and last job observed, falling from 10.45 to 8.8%. While it is still higher than for the employed population as a whole (4.5%), the continuing decline observed from mid-2019 onwards suggests that, beyond the three years covered by the survey, more people are likely to leave these occupations than enter them and that their share is therefore likely to continue to decline.

More than 27,000 of the young people who left initial training in 2017, or 4% of those who worked during



#### Sources and methodology

Our analysis is based on data from the  $G\acute{e}n\acute{e}ration~2017$  – 3 years on survey conducted by Céreq.

As far as training is concerned, the analysis focuses on the specialism of the highest qualification obtained and on that of the qualification studied for during the final year of training, whether or not the qualification was actually awarded. The training specialisms are captured by means of INSEE's classification of training specialisms: NSF 230 to 234 for training courses in construction and public works occupations, NSF 221 or 334 (excl. tourism) for training courses in hotel, catering and food occupations and NSF 326 and training courses at level 5 or higher and other NSF codes including the terms "information technology", "digital systems", "automation" (excl. NSF 2010), "telecommunications", etc. for IT occupations.

As far as the jobs held are concerned, the classification used is the DARES classification of job families (FAP 2009).

the first three years of their working lives, took jobs in IT technician and engineer occupations. Such occupations seem to be readily accessible for young people [4]. Indeed, it can be observed both that the share of these occupations among the jobs held by the labour market entrants rises continuously over the three years – from 3.2% for first jobs to 3.5% for last jobs – and that these occupations account for a significantly greater share of the young people's employment than that of the employed population as a whole (2.2%).

### Staying in the construction and public works occupations: the decisive role of initial experiences

For three quarters of the young people who had held a job in the construction and public works sector during the first three years of their working lives, that job was their first job. And almost 8 out of 10 had spent more than half of their time in employment in a job in this group of occupations; this phenomenon was even more marked in the case of managers. Thus, the young people who launched their working lives in this sector were able to remain in it on a long-term basis, but who are they? They are both young people who have undergone training in these occupations (44%) as well as young people who have completed courses in other specialisms (56%) (cf. Box 3). Thus, not all the young people working in construction and public works have been trained in the corresponding specialisms; similarly, not all the young people trained in construction and public works occupations worked in that sector, with 43% of them turning their backs on it.

Above and beyond the training specialism, other factors conspire to stretch the relationship between training and employment for construction and public works occupations. For example, they are still regarded socially as being men's jobs, which is why their attractiveness differs by gender. Another factor is that these occupations tend to favour young people who are already acculturated to work, and in this respect young people who have completed an apprenticeship are overrepresented, even if their training is not specific to construction and public works occupations [5].

Among the shortage occupations, those in construction and public works stand out for their capacity to integrate young people on a long-term basis. However, not all new entrants stay in these occupations. What are the factors that facilitate integration in the long term, meaning having held a job in construction and public works and holding another in this same sector as the last job held? The fact of having completed training in a construction and public works occupation seems to play a role: 84% of the young people who had had at least one job in the sector stayed in it when they had been trained in these occupations (cf. Box 4). For all that, even young people trained in other occupations often remained in these jobs (74%) during the three years of the observation period.

However, the training received, whether or not it is related to the occupation, is not the only factor in

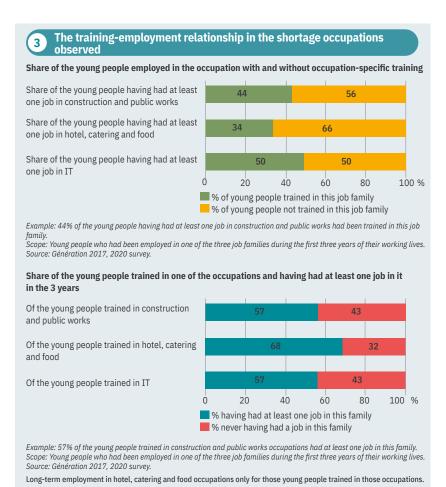
play, and the conditions of the first job held seem to be more decisive. Those young people starting out on fixed-term contracts and/or in involuntary parttime employment were more likely to leave these occupations than the others. Thus, of the young people trained in these occupations, 80% of those who had had a job in the construction and public works sector but did not stay in the sector started on a fixed-term contract, compared with 52% of the young people who stayed in it. Similarly, 7% of the young people with training who quit this job family started out in involuntary part-time employment, compared with 1% of those who stayed. For those young people who had pursued other training courses, the share of involuntary part-time working and fixed-term contracts among those who quit these occupations are also higher.

### A foothold in hotels, catering and food sector only for the those who are trained to these jobs

When they worked in hotel, catering and food occupations, the young people often did so soon after completion of their training. For three quarters of them, it was actually where they found their first jobs. However, they did not necessarily establish themselves in this job family on a long-term basis, since 33% of them spent less than half their time in employment there. The hotel, catering and food occupations provide employment for large swathes of the population of young labour market entrants but do not make prior relevant training a prerequisite. In total, they recruit 1.7 times more young people than the total number of young people with training in these occupations. And, logically, the share of young people trained in these occupations among all those who have worked in the sector is only 34% (cf. Box 3).

However, if the hotel, catering and food occupations constitute a privileged pathway into work for the young people at the beginning of their working lives, in reality they occupy a very different place in their trajectories depending on their training. The majority of the young people who had undergone training in these occupations found employment in them and established themselves: only 32% of them had never worked in the sector and, of those who entered these occupations, 82% remained there on a long-term basis over the three years of the observation period (cf. Boxes 3 and 4).

On the other hand, although many young people without training in the hotel, catering and food occupations did find jobs in the sector, they were more likely to quit them: this applies to 45% of them. They were also more exposed to less good employment conditions when they were recruited. Involuntary part-time working is much more prevalent in the hotel, catering and food occupations than in the other occupations, but those without relevant training were much more likely to be affected. Thus, only one person in two without training worked full-time (compared with four out of every five of those with training), while one in five without training found themselves in involuntary part-time work, compared with only one in twelve with training.



These results can be explained partly by the heterogeneity of the hotel, catering and food occupations in terms of their positioning vis-à-vis the recruitment of young people. In this respect, the food occupations stand apart from the other occupations in the job family in adopting the logic of vocational labour markets. In these occupations, the relationship between occupation and training is very strong: 83% of the young people having worked in a food occupation had completed a training course in these occupations. And they tend to put down roots primarily in this area: 74% of the young people having held at least one job in the food occupations stayed there when they had undergone training in those occupations.

#### IT occupations are attractive and selective

For their part, the IT occupations attract skilled workers from a wide range of backgrounds, since they are divided equally between those who have just completed an IT training programme and those from other specialisms. The young people who began their working lives in one of these occupations stayed there on a long-term basis; this applied to 93% of those leaving education with an IT qualification and to 79% of the others (cf. Box 4). Whether or not they had relevant training, they all began their careers on similar terms that were among the best that can be observed for the young people who entered the labour market in 2017, whether in terms of the share of permanent contracts (73%), of full-time jobs (96%) or of salary level.

Génération

#### Further reading

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[2] P. Dole, Résorption des tensions de recrutement. Bilan de la démarche systémique engagée par six branches professionnelles. rapport remis à Monsieur Dussopt, ministre du Travail du Plein emploi et de l'Insertion professionnelle, 2022.

[3] J. Flamand, C. Jolly, « La prospective des métiers. une boussole pour les politiques emploi-formation », L'Économie politique 2022/3 (nº 95), 2022.

[4] Apec. « Les activités informatiques et télécommunications. Tendance 2018-2023 des recrutements de cadres ». Focus, octobre 2023.

[5] Observatoire des métiers du BTP, Les pratiques de recrutement dans le bâtiment et les travaux publics, rapport, juin 2021.

Share of the young people who remained in or quit a shortage occupation, depending on whether or not they were trained in the occupation

	Of the young people having had at least on job in construction and public works		Of the young people having had at least one job in IT		Of the young people having had at least one job in IT	
	trained*	not trained*	not trained**	trained*	trained*	not trained**
% of young people who remained in this occupational field*	84	74	82	55	93	79
% of young people who quit this occupational field**	16	26	18	45	7	21

\*Trained or not trained in the occupation in question. \*\*Young people who remained in this occupational field: young people whose last job was in the sphere \*\*\*Young people who quit this occupational field: young people who had at least one job in the field but whose last known job was not in the field.

Example: 84% of the young people trained in construction and public works occupations remained in this occupational field. Scope: Young people who had been employed in one of the three occupational fields during the first three years of their working lives. Source: Génération 2017, 2020 survey.

Génération

These are attractive occupations; paradoxically, however, a high share (43% - cf. Box 3) of the young people trained in IT specialisms did not find employment in the IT job family. There are several possible explanations for this situation. The selectiveness of the recruitment process led to the exclusion of the majority of the young people who had undergone the training but had not acquired a formal qualification in an IT specialism: 80% of this group did not find work in these occupations (compared with 31% of those who had obtained their IT qualification). The gendered image of these occupations also seems to be a factor, since 53% of the women with relevant training dd not work in an IT occupation, compared with only 41% of the men. Finally, what might seem to be a "flight" phenomenon has to be put into perspective by the fact that some of the young people with IT training would have found employment in related occupations that make use of IT skills (R&D technicians and engineers, installation and maintenance technicians and so on).

 On the basis of these three examples, what relationships can be identified between the young entrants' trajectories and the tensions in the labour market? In the early years of their working lives, the young people worked in occupations identified as shortage occupations. They are overrepresented relative to the other age groups in two of the three job families investigated, namely hotel, catering and food and IT. For all that, observation of the young people's education to work transition by job family does not provide a simple, unequivocal answer to the problem of shortage occupations.

In particular, a response based on training is not an easy undertaking and reflects the complexity of the link between education/training completed and occupation [3]. After all, several dimensions of this relationship have to be taken into account. Firstly, not all the individuals wish to work in the occupations for which they trained; this may be due to the difficult employment and/or working conditions associated with these occupations, to educational choices that were imposed rather than chosen, to the young people's personal choices or to

other factors. Secondly, some of the jobs observed are unskilled jobs that do not therefore require any specific prior training. Thus,, by way of example, only 33% of the young people who had worked as unskilled manual workers in construction and public works had undertaken specific training. These occupations, like those in IT, recruit, acculturate and assimilate young people who have not been trained in them. Thus, training does not seem to be the only dimension in play. In the construction and public works occupations, it is rather the quality of employment conditions on recruitment that turns out to be crucial in retaining young people without training and attracting those with training.

The question of whether enough young people are being trained is, therefore, a complex one to resolve. In the hotel, catering and food occupations, the number of trained workers is considerably lower than the number of young people who have worked in one of these occupations, reflecting the role of providing new entrants with their first jobs that these occupations have played for a long time. This being so, it can be hypothesised that it is above all the low labour costs that are crucial. Nevertheless, the training problem is not entirely absent; for some of the young people trained in these occupations, it is their ambition in life to establish themselves on a long-term basis in enterprises that are willing to forge lasting relationships, which makes initial training a real issue, as in the emblematic case of the food occupations. Observation of the IT occupations shows that, in this occupational field where skilled labour is in high demand, obtaining a formal qualification is also an issue. since those young people who had failed to obtain their IT qualification were not recruited for these occupations, since recruiters give priority to applicants with qualifications, whether or not those qualifications are specific to IT.

All things considered, it is clear from the analysis of these specific cases that, in order to be able to make recommendations on how these shortage occupations might resolve their labour shortages by looking at initial training, any potential strategy will have to be considered in the light of young people's labour market trajectories, on the one hand, and of companies' recruitment conditions, on the other.

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Céline GASQUET **Andrew Wilson** 

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