

# Training & Employment

A FRENCH NEWSLETTER FROM CEREQ AND ITS ASSOCIATED CENTRES

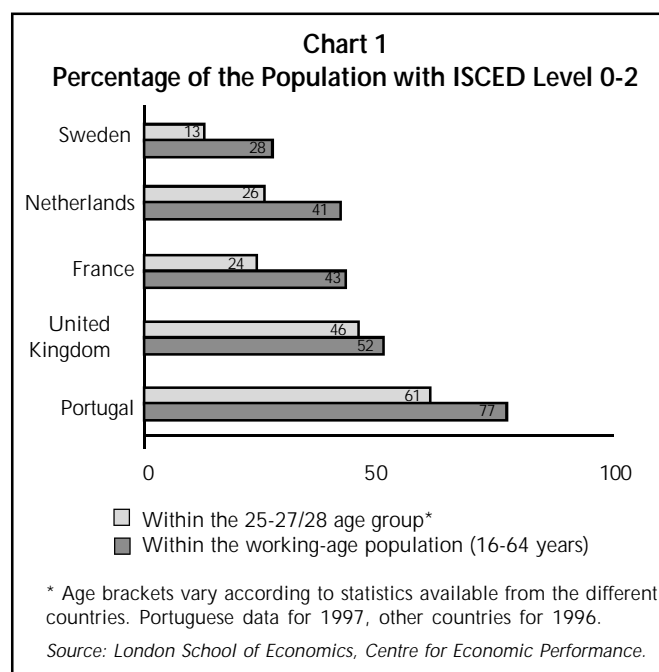
## LOW TRAINING LEVELS ON EUROPEAN LABOUR MARKETS: CONVERGENCE AND CONTRASTS

*It is often argued that labour markets are increasingly closed to those with little training, as a result of technological changes on the one hand and greater selectivity in hiring on the other. Most European countries are now attempting to prolong and improve the educational process in order to reduce the number of school-leavers with low training levels. Those who are still exiting at the lowest level encounter an older population that has gone through a different educational system. What are the chances of this new generation to enter the labour market? How does the growing demand for skills manifest itself with regard to this category of labour?*

The proportion of individuals with little training varies greatly amongst the different countries of Europe. Thus, the situation in Portugal, where more than three-quarters of the working-age population has a low training level, may be contrasted to that in Sweden, where this proportion is less than 30 percent (see Box 1 for definitions). These differences are also found amongst younger populations (see Chart 1). With the proportion of little-trained individuals generally on the decline, such differences bring out the relative similarities in the situation of each country, with the exception of the UK, where there is still a relatively large proportion of individuals with little training amongst the younger generations (Murray and Steedman 1998). The situations in each country thus provide a sharply contrasting spectrum for the analysis of labour-market entry amongst those with little training. This raises the question, in particular, as to whether a relative scarcity of little-trained labour, such as it may be observed in Sweden, constitutes an advantage in terms of the opening of the labour market relative to the widespread availability of this workforce in Portugal. In order to verify this hypothesis, we have compared the situation of individuals with a low training level relative to the population of each country as a whole in terms of the tendency to remain outside the labour force or, when they are on the labour market, to be unemployed (see Box 2).

### MECHANISMS OF LABOUR-MARKET CLOSURE

Graphs 1 and 2 represent the tendency of populations with low training levels to remain outside the labour force or unemployed. As such, they indicate a convergence amongst the mechanisms of labour-market closure.



### Box 1

#### Low Training Level: How to Define It?

The group of little-trained persons is taken to include all those with a training level between 0 and 2 according to the ISCED (International Schedule of Education) classifications. The use of this system poses several problems, however. Older persons for whom, in France, for example, education was compulsory to the age of 14, will automatically be placed in this group unless they have acquired a diploma through continuing training. The experience accumulated in the course of working life is not taken into account. Furthermore, the cut-off points of Level 2 are affected by educational reforms undertaken in several countries. This approach nonetheless ensures the best comparability. For the UK, for example, the "low training level" group is taken to include all those exiting school at age 16 or below, with or without the general secondary education certificate. For France, ISCED Level 0-2 covers roughly levels VI and V-bis of the national classification system.

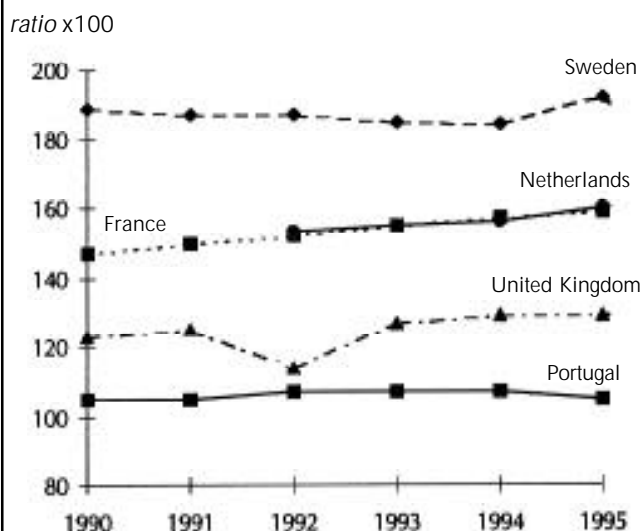
The opening of the labour market is all the more limited when the proportion of individuals with a low training level is limited within the working-age population. A systematic correspondence between these two dimensions emerges: Portugal shows practically no discrimination against them, but this is increasingly the case in the UK, France, the Netherlands and Sweden.

The effects of the tendencies towards non-participation in the labour market and unemployment are cumulative rather than compensatory. The tendency towards unemployment is more or less significant in reinforcing the tendency towards non-participation in the labour market. Whilst it is not discriminatory in Portugal, it becomes so in the UK and Sweden and takes on even greater proportions in the Netherlands and France. In Sweden, the main filter effects are reflected in the tendency towards non-participation in the labour market. In the Netherlands and France, this first filter is less powerful, but the possibilities of access to employment are more limited. Non-participation in the labour market and unemployment seem relatively synonymous, with the difficulty of finding a job serving as a dissuasive factor in the search for employment and leading to de facto absence.

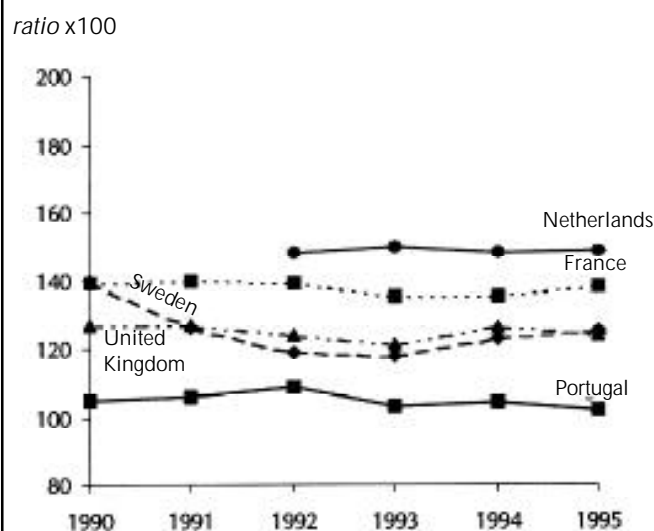
Three degrees of labour-market openness with regard to individuals with low training levels can thus be distinguished:

- that of Portugal, where this population predominates and the acquisition of skills occurs through channels other than a formalised system of training and certification;
- the one that is best exemplified by Sweden but also includes France and the Netherlands. In these countries, the tendencies towards non-participation in the labour market and/or unemployment are significantly greater for those with low training levels than for the average population. The closing of the labour markets is manifested through a combination of non-participation and unemployment in varying proportions;
- that of the UK, which constitutes the intermediate case. Individuals with little training show a tendency towards non-participation in the labour force and unemployment that is higher than the others but this situation remains relatively stable for the period observed.

**Graph 1**  
Tendency towards non-participation in the labour market for ISCED 0-2 populations by country



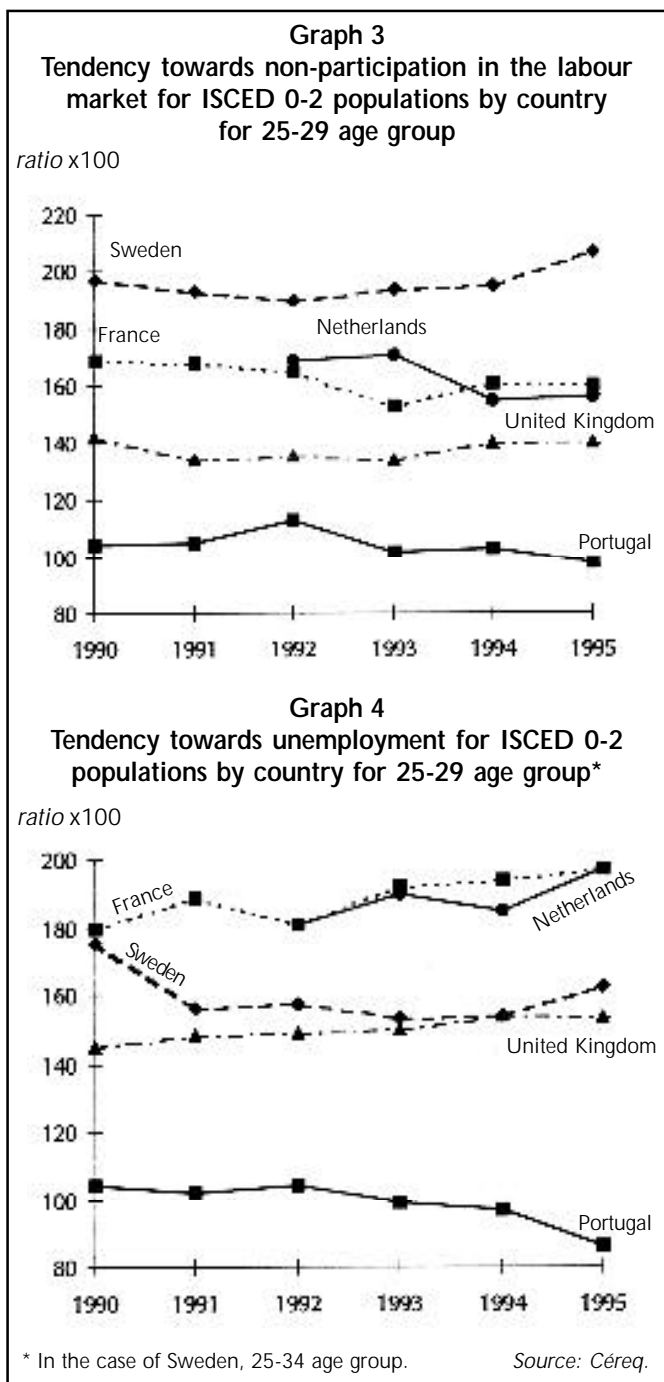
**Graph 2**  
Tendency towards unemployment for ISCED 0-2 populations by country



Source: Céreq.

## SHARPER TRENDS FOR YOUNG PEOPLE

Individuals in the 25-29 age group with little training are even more vulnerable to the phenomena described above. The particular situation of Portugal is accentuated in this respect: the tendency towards non-participation in the labour market and unemployment amongst young people between 25 and 29 years of age is lower than the overall youth population and, for unemployment in particular, it shows a drop for the period in question. Conversely, the tendency towards non-participation in the labour market is higher in Sweden, whilst France and the Netherlands show a significant and growing tendency towards unemployment amongst this youth population. The UK is once again in an intermediate position.



These trends confirm the preceding analysis and clearly oppose the Portuguese system, where young people with little training are considered as a population pool that is likely to acquire a qualification in the future, and the others for whom academic failure leads to growing difficulties on the labour market. This breakdown is documented by studies on jobs recently held by individuals without diplomas, whether or not they exit from the school system. Such jobs are characterised by their precariousness (Martinelli et al. 1999), the constraint of part-time work and the low level of remuneration (MacIntosh 1998). The "signal" attached to a low training level takes on opposite values depending on the context of the production system: it is neutral in Portugal but assumes an increasingly discriminatory function in proportion to the number of diploma-holders in each of the other countries.

### Box 2 Method

The method used for this analysis is based on a comparison between theoretical and real numbers of individuals. The real number covers those with a low training level who are out of the labour market or unemployed. The theoretical number is the one that would apply to the same individuals if they were taken to follow the same distribution between those out of the labour market and the unemployed as those, respectively, in the entire working-age population and the entire labour force. The ratio between the real and theoretical numbers constitutes an indicator of the propensity (more than 1), indifference (equal to 1) or aversion (less than one) of the given population relative to non-participation in the labour market and unemployment (Desgoutte and Kirsch 1996). For example (see Graph 3), little-trained young people in Sweden have a much greater risk of non-participation than the average of Swedish youth. In Portugal, this risk is the same as that of the average of young people. The results presented here are taken from studies conducted in the context of a European project (4th Research and Development Framework Programme) carried out by Hilary Steedman of the London School of Economics.

By contrast, and once again with the exception of Portugal, older populations with little training enjoy a relative protection tied to the recognition of their past work experience, given the fact that they benefitted from a somewhat easier process of labour-market entry at the time when they presented themselves. In view of this situation, a distinction should be made, notably where public policy is concerned, between young entrants and adults with little training.

### THE SITUATION OF WOMEN

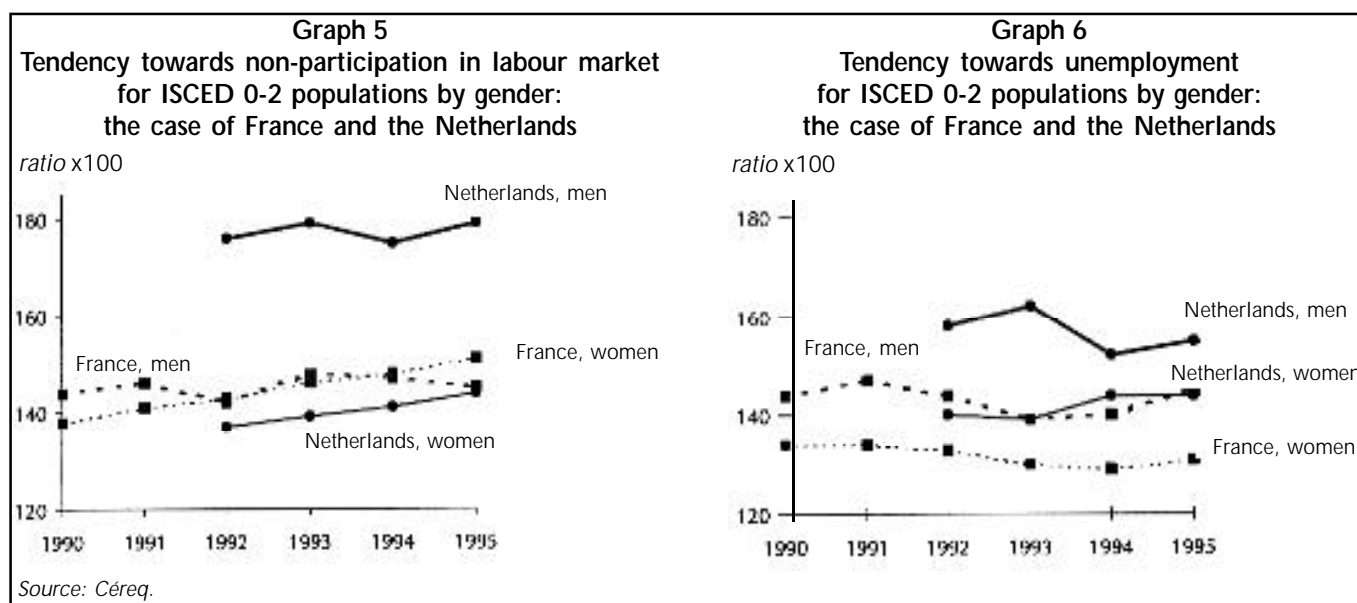
Differences between male and female populations with low training levels also bring out two groups: one where the tendencies towards non-participation in the labour market and unemployment are relatively close (Portugal, as well as Sweden and France), and another where women with a low training level have somewhat greater possibilities of access to employment relative to men (the Netherlands and the UK). The particular situation of women in the Netherlands and the UK may be explained in terms of the extremely sharp rise in part-time activities in these two countries (Bouder 1997).

Thus, the argument that women without training tend to remain at home and invest themselves in extra-professional activities is not totally verified. In addition, the gender distinction, which emerges in relatively similar countries such as the Netherlands and France, raises the question of the homogeneousness of the population with low training levels.

### FACTORS OF DIVERSITY

Individuals with low training levels find themselves in very different situations according to the educational and production systems in their respective countries.

- Educational systems: the low training level of the population in Portugal and, to a lesser degree, in the UK, may be explained by the fact that vocational training is traditionally carried out on the job and does not lead to nationally recognised certification (this situation is changing in the UK). By contrast, a low level of training in Sweden signals—and stigmatises—a situation of



academic failure or rejection, which is taken to be proof of a larger social maladjustment, especially for the young.

- Production systems: for the majority of countries, the need for little-trained labour is declining more quickly than the supply. Two explanations are offered for this phenomenon. One invokes the spread of new technologies and new forms of work organisation. It is clear that Portugal can be considered less advanced than the other countries studied in this respect, but it would seem that the recourse to a labour force with little training is disproportionate in terms of the country's relative economic backwardness. Similarly, Sweden, the Netherlands, the UK and France do not manifest sufficient technological and organisational differences to justify the differences observed.

The other explanation focusses on the impact of training supply on the demand of the production system. European comparisons (Mallet et al. 1997) show that rising occupational skills levels generally result from the increase in graduates available on the labour market rather than from specific technological or organisational changes. In this context, we can see the two-sided effect that may result from the desire to provide everyone exiting the educational system with a certificate allowing access to the labour market: used as a means of combatting academic failure, it winds up being even more of a stigma for those who are unable to attain this minimum and can be particularly harmful to young people. The countries where the vocational education and training system is still being developed might well benefit from this observation in order to avoid the sharp break occasioned by premature exits from initial training. For the others, it might be asked to what extent exits at the lowest training

level can be totally eliminated through ordinary school-based solutions. One path worth exploring is the accompaniment of those in difficulty during the process of labour-market entry in order to allow them to acquire a certain experience and strengthen their training during this process.

Jean-Louis Kirsch

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# briefing

## ▼ Updates

### The Evaluation of Public Policies in France and Europe: Advances and Challenges for the Coming Decade

The past decade has seen a growing awareness of the fact that the evaluation of public policies is a key element in the exercise of increasingly efficient and democratic power. However, in spite of increased numbers of institutional initiatives and the real spread of practices, especially at the regional level, the feeling remains that we are at the beginning of a lengthy process and that numerous obstacles remain to be overcome.

A two-day conference addressing the current state of evaluation policies and practices and the challenges for the coming decade was held at the Université de la Méditerranée in Marseille on 4-5 June 1999. Amongst the participants were Maurice Baslé, director of Céreq's associated centre in Rennes, who provided a review of the situation in France at the local and national levels, and Hilikka Summa, of the European Commission, who discussed evaluation in Europe. A forum on "The Evaluation of Social Policies: Employment, Training, Social Action" was co-moderated by Annie Boudier, Céreq's deputy officer for international affairs. The conference was concluded by the president of the France's national evaluation committee, Yves Cousquer. It has resumed in the creation of the French Society for Evaluation.

### Comings and Goings

- Anne-Marie Charraud has left Céreq for one year in order to join the Guidance and Validation Mission (MOV) at the Ministry of Labour and Solidarity. Her new post as deputy officer within the General Delegation on Employment and Vocational Training (DGEFP) nonetheless constitutes an extension of the research she has carried out at Céreq on the accreditation of work experience and skills. She is currently working on the creation of mechanisms for such accreditation and the establishment of links between ministries, notably those of employment and education. She is also working on the 'professionalisation' section of the 'New services, youth jobs' programme (formerly known as 'New services, new jobs'), which again relates to the accreditation of experience. In addition, she is providing methodological support for the whole of the MOV projects.

Contact: Anne-Marie Charraud (MOV), tel: 33 (0)1 44 38 38 38.

- Patrick Werquin has left Céreq's Department on Entries into Working Life to join the Organisation for Economic Co-operation and Development in Paris. He is now working at the OECD's Education and Training Division of the Department of Education, Employment and Social Affairs.

Contact: Patrick Werquin (OECD), tel: 33(0)1 45 24 91 65.

- As of 1 January 1999, Eric Verdier has succeeded Michel Arliaud as director of the Laboratory for Labour Economics and Sociology (LEST-CNRS), Céreq's associated centre in Aix-en-Provence.

In the words of Arliaud, who directed the centre for some ten years, "With Eric Verdier, LEST has found . . . a means of changing directors without changing direction" (*La lettre du Lest* no. 4, January 1999).

Verdier came to LEST in 1995 from Céreq, where he had served as deputy director. Contact: LEST-CNRS, tel: 33 (0)4 42 37 85 00.

### SME Competitiveness in Argentina

Julio Neffa, director of the Programme for Economic Research on Technology, Work and Employment (Piette) in Buenos Aires, presented a talk at Céreq last February on "The Competitiveness of SMEs in Argentina". The combined research/action programme he described is aimed at developing a methodology for counselling and concrete intervention in order to improve SME competitiveness. Although they constitute an important sector for employment in Argentina, these small structures reflect relatively archaic modes of operation—obsolete equipment, responsibilities distributed solely on the basis of family ties, absence of ongoing workforce management, vocational training practically nonexistent. After guiding some twenty companies through a process of self-diagnosis, the Piette research team, with the support of three specially recruited professionals (accounting, finances, sales) has offered them plans for improving their operations.

Mr Neffa's talk provided an opportunity for fruitful exchanges with Céreq's researchers on the subject of vocational training in very small enterprises and the quality approach.

Piette: Av. Corrientes 2470, 2° cuerpo, 2° piso, of. 35, CP 10146 Capital Federal

Tel: 953 7651, fax: 953 9853, e-mail: postmaster@piette.edu.ar

▼ **New Publications**

**Gestion des hommes et formation dans les très petites entreprises**

[Workforce management and training in very small enterprises]

✍ Elyes Bentabet (Céreq), Stéphane Michun (Céreq's associated centre in Montpellier) and Philippe Trouvé (CER-ESC Clermont-Ferrand, Céreq's associated centre)

Étude no. 72, Céreq, January 1999, 175 pp., 170 F.

This pioneering qualitative study is intended to look at concrete practices in training and the development of skills in very small enterprises (VSE) in the context of their workforce management. It notably describes the development of a model for interpreting results which brings out three major types of VSEs, identified as "traditional", "managerial" and "entrepreneurial". Through these types, the practices and representations of training and workforce management may be reintegrated into larger entities—"production combinations"—which call into play both the companies' relations with their environment (external co-ordination) and the way in which they combine their internal resources (internal co-ordination). The study also shows the sharp limits facing the provisions of the 1991 law that was intended to extend the required funding of continuing training efforts to companies with fewer than ten salaried employees.

**L'orientation professionnelle des adultes**

[Career counselling for adults]

✍ Elizabeth Dugué, Corinne Lespessailles, Madeleine Maillebois (CNAM), Rémi Guerrier (CNAM-INETOP), Laurence Le Bars (Centre Inffo) and Catherine Mathey-Pierre (AFPA)

Étude no. 73, Céreq, La Documentation française, March 1999, 350 pp., 180 F.

Over the past twenty years, counselling has undergone a veritable explosion. Career counselling is no longer limited to young people pursuing their studies but also involves a growing number of adults at every stage of their lives. This collection of articles, conceived by a network of professionals in the research and information fields, invites a large number of researchers and guidance counsellors to survey current theory and practice.

The originality of this document lies with its multidisciplinary approach, which allows adult career counselling to be situated in its larger socio-economic context. The various chapters of the work address social and political realities, trends and practices in counselling and the different counselling professions. The bibliographies accompanying each section include most of the relevant French-language publications of the past twenty years.

This collection is mainly intended for guidance professionals, researchers, librarians and students. It provides an introductory frame of reference for those who are just discovering adult career counselling and offers readers who are more familiar with the field the possibility of approaching a specific aspect in greater depth.

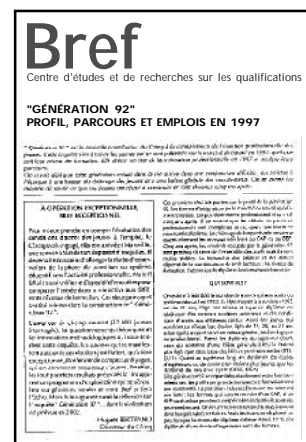
**"Génération 92"  
Profil, parcours et emplois  
en 1997**

[The '92 Generation: Profile, itineraries and jobs in 1997]

✍ Daniel Martinelli, Georgie Simon-Zarca and Patrick Werquin with the collaboration of Céreq's Department on Entries into Working Life

"Génération '92" is Céreq's latest contribution to knowledge about youth labour-market entry. This survey is intended to follow the young people who arrived on the labour market in 1992, regardless of their training level. This document provides a preliminary overview of their work situation in 1997 and analyses their itineraries. As is well known, this generation entered working life in a difficult economic situation that was marked by a rise in youth unemployment and an overall decrease in hiring. Céreq's survey permits an appreciation of what these young people managed to accomplish and what they became five years later.

Céreq *Bref* no. 149, January 1999 (available free upon request).



These publications are available at the Céreq bookstore in Marseilles or by mail order to: Marie-Christine Antonucci, Céreq, 10, place de la Joliette, BP 21321, 13567 Marseille cedex 2. Tel. 33(0)4 91 13 28 94. Fax 33(0)4 91 13 28 80. E-mail: antonucci@cereq.fr Payment in French francs must accompany the order (please add 25 F for shipping and handling).

### The Low-Skilled on the European Labour Market: Prospects and Policy Options

The study by Jean-Louis Kirsch reported in this issue of *Training and Employment* was carried out as part of a programme of research to be completed in July of this year and designed to investigate labour market prospects for the low-skilled in Europe—defined here as individuals without education or training qualifications beyond compulsory education. This research—the NEWSKILLS project—was financed under the Targeted Socio-Economic Research (TSER) programme of the European Commission's DGXII.

The declining position of the low-skilled is evidenced by rising wage differentials between them and the higher-skilled, and/or increasing unemployment amongst individuals with low skills. Given that the numbers of those classified as low-skilled are simultaneously falling, these changes suggest a declining demand for low-skilled labour. An analysis of the cause of change in demand for labour at different skill levels, so far carried out only for Sweden, indicates that technological change in favour of those at higher levels is the main cause of this fall in demand for low-skilled labour. The work carried out by Jean-Louis Kirsch makes an important contribution to our understanding of the net effect on employment of changes in the demand for and supply of the low-skilled over the past decade. An analysis of inactivity further shows that low-skilled individuals have a higher probability of inactivity in all of our countries except Portugal. The result is that the low-skilled have much lower employment/population ratios and much higher unemployment rates than those further up the skills spectrum.

Additional research for the NEWSKILLS project also confirms that the supply of low-skilled individuals is falling in all European countries studied, principally as a result of the higher qualification levels of young people entering the labour force. Even so, some countries continue to have at least half of the total population of working age with no qualifications beyond those gained in the period of compulsory education (<ISCED 3). How, then, can the numbers with only low skills be reduced? Our own research and other work in this area suggest that, as far as young people are concerned, the primary route is to persuade more of them to continue into upper secondary education and/or vocational training.

Most of the low-skilled are adults, between one half and two-thirds of whom are in employment. Examining work-related training, our study shows that firms do contribute towards the costs of general training. Disentangling the demand for and supply of training places suggests that workers with lower levels of initial education receive less work-related training, in part because they are less interested in taking it, and not because firms are less likely to offer it.

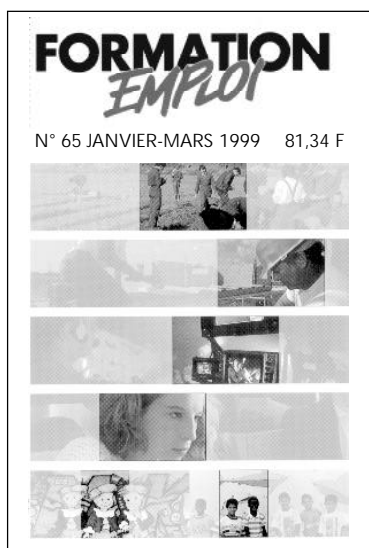
Hilary Steedman  
London School of Economics

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Further information on NEWSKILLS is available on <http://cep.lse.ac.uk/homepage/tser/>

▼ **Formation Emploi**

Recent articles in Céreq's quarterly journal, no. 65: January-March 1999



**SPECIAL REPORT:  
IMMIGRATION**

▼  
**Les enfants d'immigrés  
sur le marché du travail  
Les mécanismes d'une  
discrimination sélective**

[Children of Immigrants on the Labour Market: The Mechanisms of Selective Discrimination]

✍ Roxane Silberman and Irène Fournier

The decrease in the number of the low-skilled jobs traditionally held by the children of immigrants is challenging theories on integration. If the children

of European immigrants, mainly Portuguese, are managing to benefit from essentially vocational training programmes, those whose families come from North Africa, for the most part Algerians, suffer from training that is most often general and massively low level.

**Logiques familiales et communautaires et scolarisation  
de jeunes filles d'origine africaine noire en France**

[Family and Community Imperatives and the Schooling of Young Women of African Origin in France]

✍ Mahamet Timera

Family constraints imposed on young women of sub-Saharan African origin paradoxically facilitate their access to autonomy. The fact that they are required to remain in their parents' home until they marry means that they continue their studies longer than their male counterparts. Notwithstanding their often chaotic educational paths, their superior training allows them to defend themselves more successfully in the course of negotiations with their families.

**Les inégalités ethniques dans le système scolaire allemand**

[Ethnic Inequalities in the German School System]

✍ Richard D. Alba, Johann Hand and Walter Müller

In Germany, the children of Turkish, Italian and Yugoslavian immigrants are largely educated in the *Hauptschulen*, the least prestigious stream of the school system. Greek children, by contrast, are more likely than the Germans themselves to enter the *Gymnasium*, which leads to university studies. Such differences are largely explained by the cultural environment in the home and the degree of continuity in the schooling in Germany.

**L'immigration dans la société française  
Aperçu historique**

[Immigration in French Society, a Historical Overview]

✍ An interview with Gérard Noiriel by Pierre Roche

Immigration has been a decisive element in the development of French capitalism for the past two hundred years. The historical perspective adopted by Gérard Noiriel sheds light on the role of immigrants in the creation of the working class. While the legal framework is a major component of integration, the exclusion accompanying it plays a determinant role in the long-term evolution of the labour market.

As well as:

**Les certificats de  
qualification professionnelle  
concurrentent-ils les  
diplômes ?**

[Do Vocational Qualification Certificates Compete with Diplomas?]

✍ Patrick Veneau, Anne-Marie Charraud and Elsa Personnaz

The Vocational Qualification Certificates (*certificats de qualification professionnelle*, CQP) were created by France's occupational branches in 1987, thus ending the State's monopoly in the area of national certifications. How are the CQPs elaborated? Who are the main players involved? The variety of ways that the CQPs are defined, on the basis of knowledge directly tied to production, attests to the political dimension attached to any training supply.

**BOOKSTORES**

Documents are on sale at the Céreq bookstores in Marseilles and Paris. Mail orders should be addressed to:  
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