

13.01.2022  
10h  
Live Webinar

In Collaboration  
with Esade

## Degroof Petercam Foundation

*Employment and job creation in Belgium,  
France, and Luxembourg: analysis,  
vulnerable groups and solutions*

# Agenda

1 **Introduction**  
10:00 – 10:05

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2 **Esade presentation**  
10:05 – 10:35

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3 **Discussions**  
10:35 – 11:00

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4 **Q&A**  
11:00 – 11:15

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5 **Closing**  
11:15 – 11:20

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# Meet the team & speakers

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## Degroof Petercam Foundation

**Xavier Van Campenhout**  
Chairman



**Silvia Steisel**  
Managing Director



## Esade

- Center for Social Impact
- Institute for Social Innovation

**Lisa Hehenberger**  
Associate Professor and  
Director of Esade Center for Social Impact



**Ignasi Marti**  
Professor and Director of Esade Institute  
for Social Innovation



**Maria Sanchez**  
Researcher



**María Laffaire**  
Researcher



## Expert

**Ophélie Mortier**  
Degroof Petercam Asset Management  
Responsible Investment Strategist



## Social Entrepreneurs

**Julie Bodson**  
Duo for a Job  
Deputy General Director



**Emmanuelle Larroque**  
Social Builder  
Founder & CEO



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# Employment and job creation in Belgium, France, and Luxembourg: analysis, vulnerable groups and solutions

Final report – January 2022

Do Good. Do Better.



01 – Introduction

02 – The European Union context

03 – Who are the most vulnerable?

04 – Mapping of solutions

05 – Discussion

02

# The European Union

## context

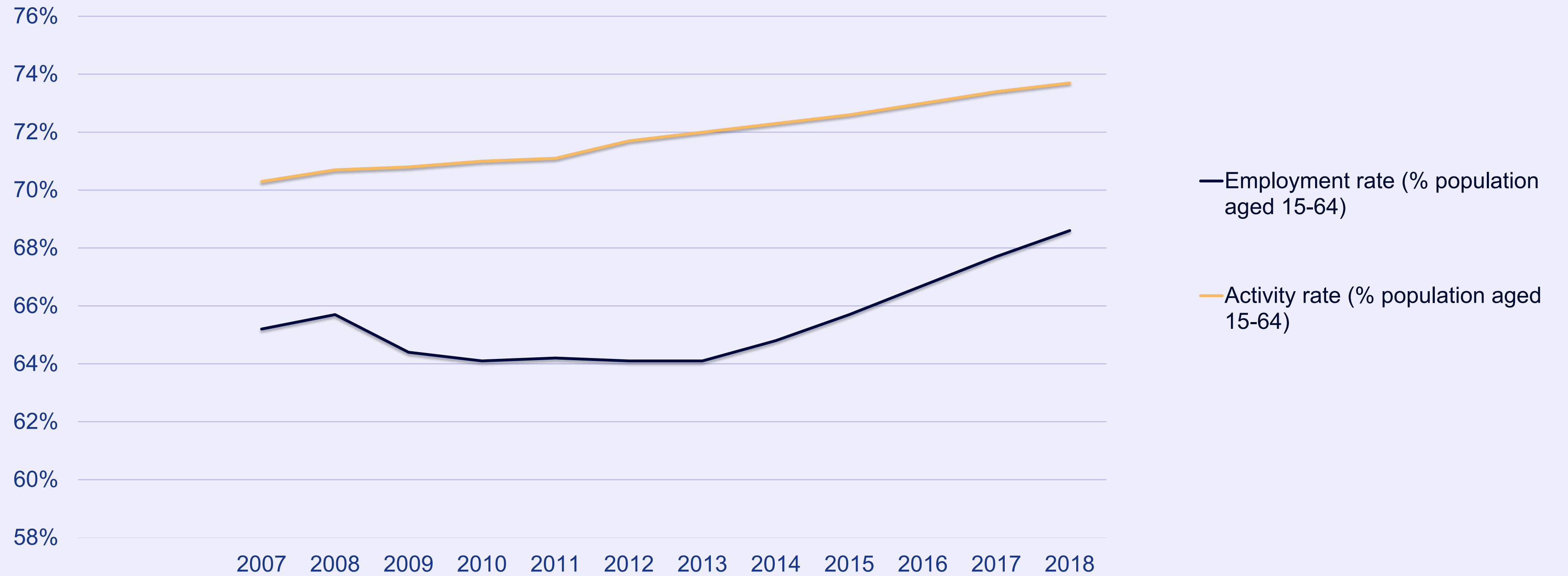
**Employment, Unemployment and Underemployment**



Employment and Activity

# Employment and activity rates on the rise over the past years

With heterogeneity across regions, age and gender – prior to the COVID-19 crisis

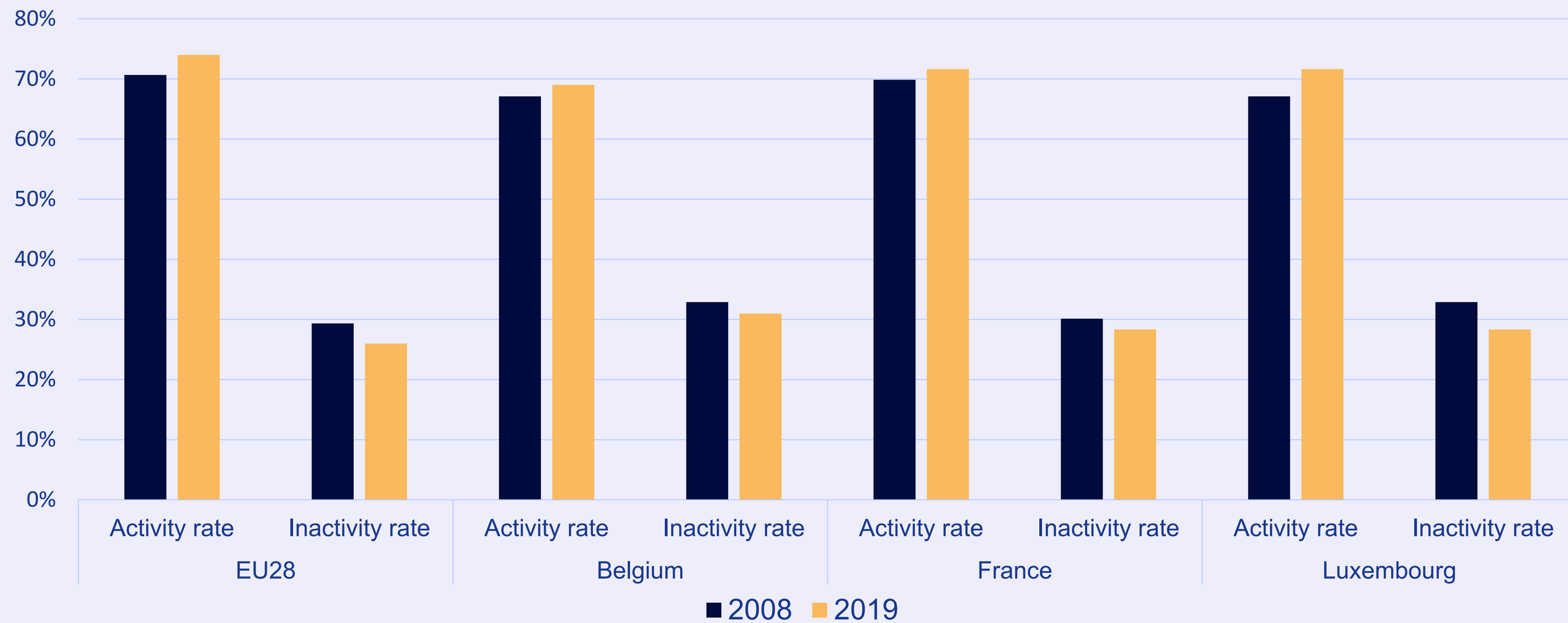




**Employment and  
Activity**

# Employment and activity rates on the rise over the past years

The trend coincides with the EU average, but all focus countries have lower activity rates than EU average

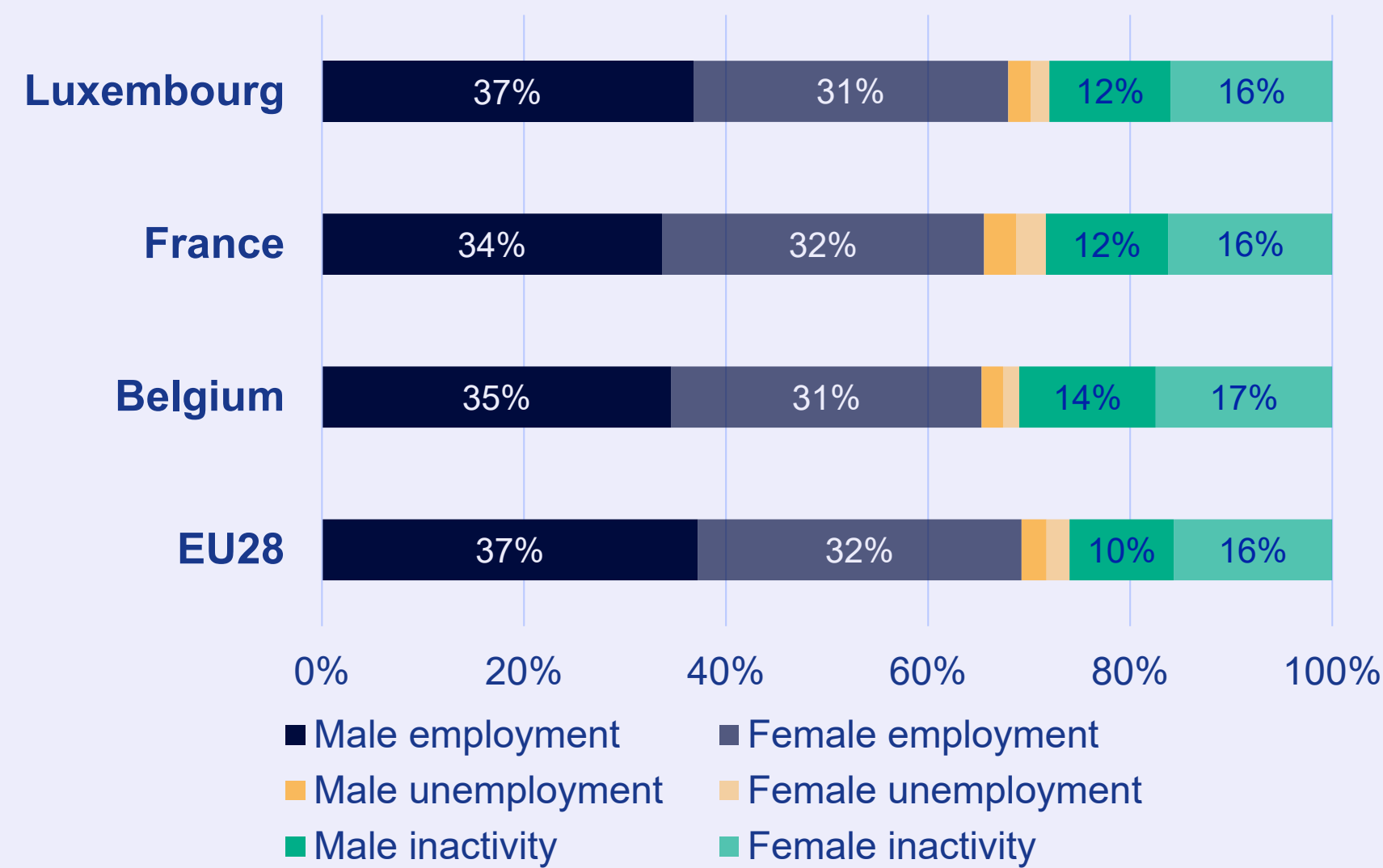


Unemployment and inactivity

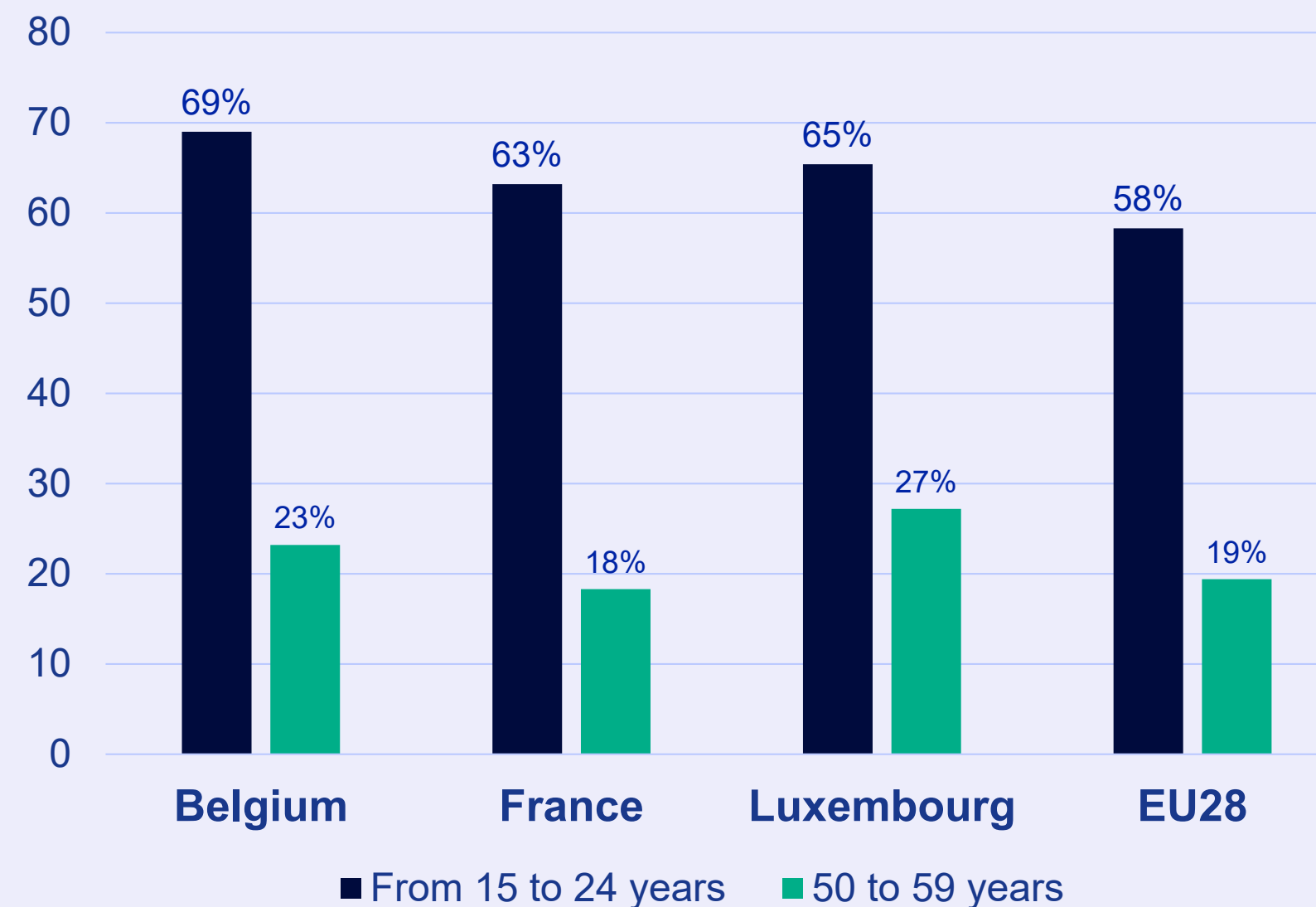
# Activity rates vary by gender and age

- Women are more inactive than men in all three countries, although the gender gap is smaller than in the EU average.
- The NEET rate is higher for the ages where young people will have finished a degree and should be in their first employment. This rate is particularly high in Belgium (more than 11%) and France (around 9%) but quite low in Luxembourg (only 3.5%).

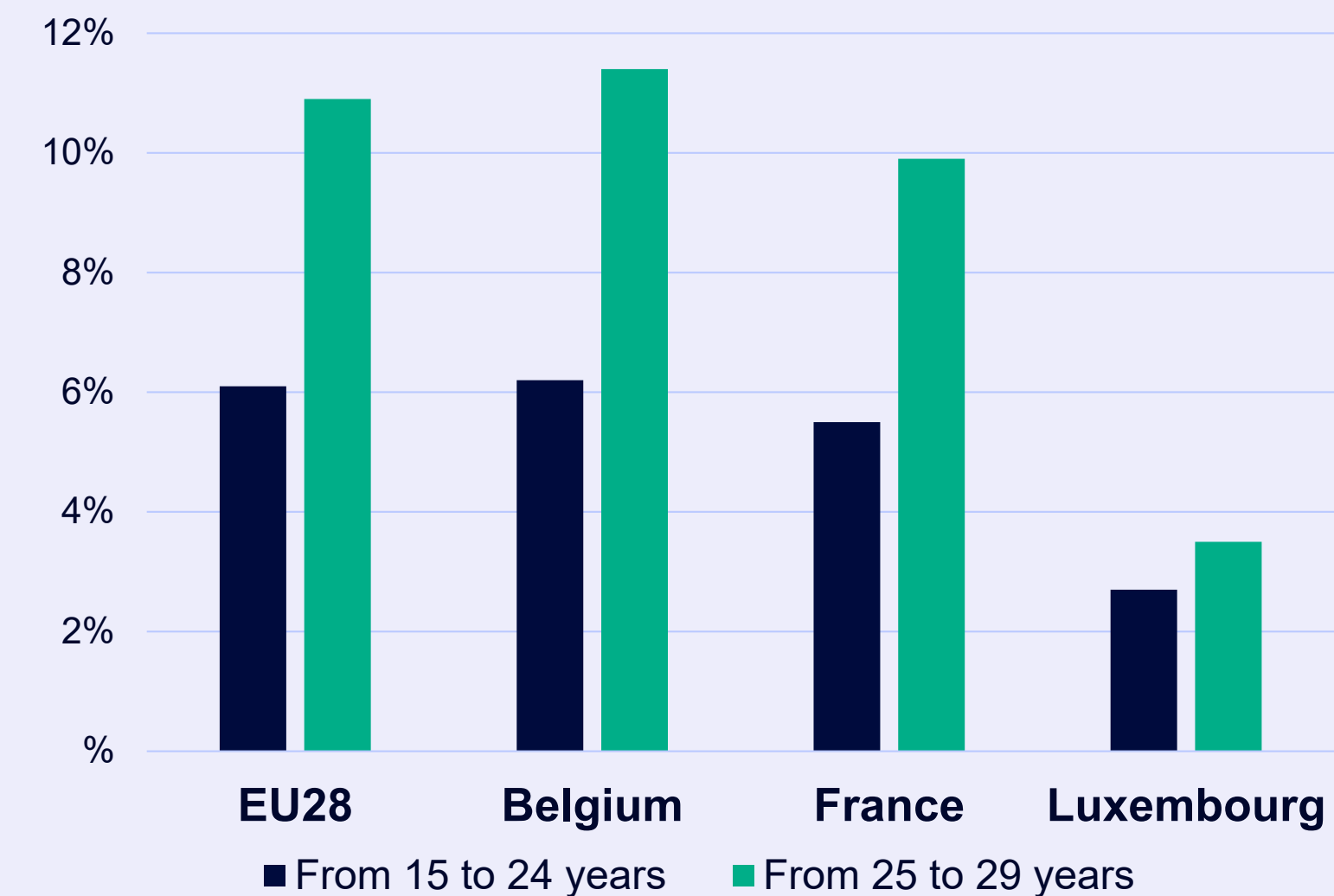
Status by gender



% of inactive by age



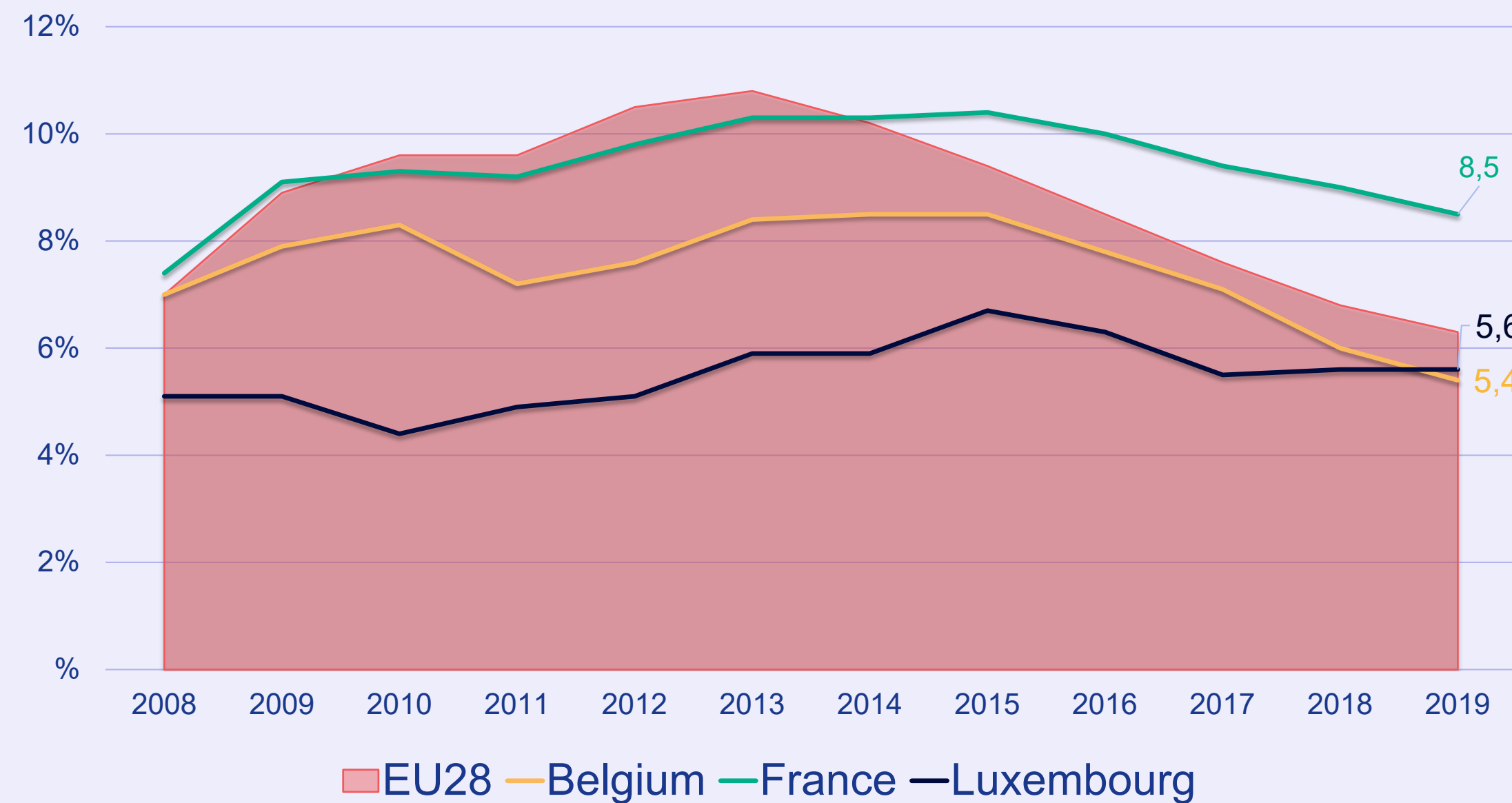
Young people neither in employment nor in education and training in 2019



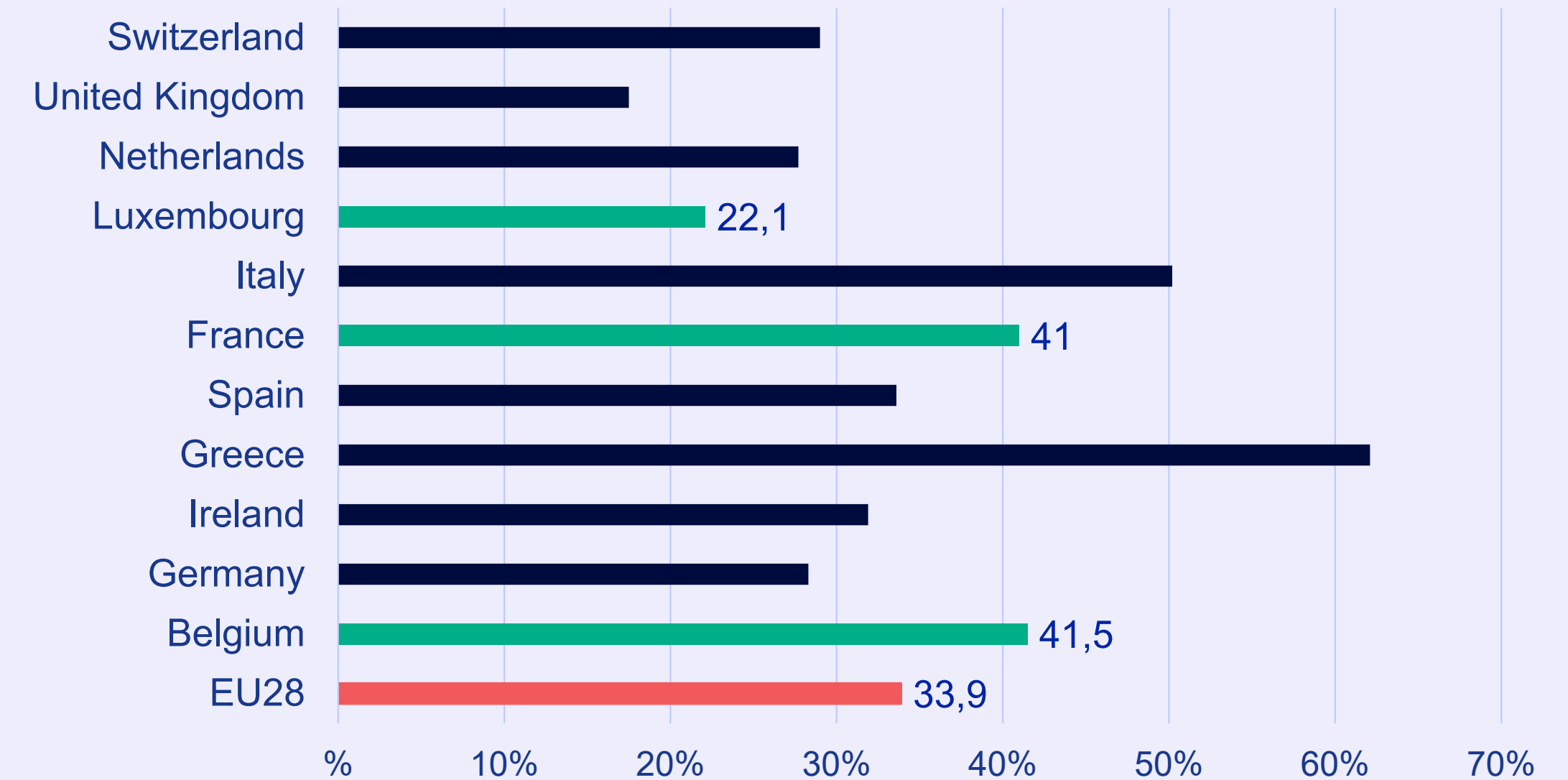
Unemployment

# Unemployment is in decline since the financial crisis, but with higher rates of long-term unemployment

Unemployment rates



Long-term unemployment in 2019 (% of total unemployment)

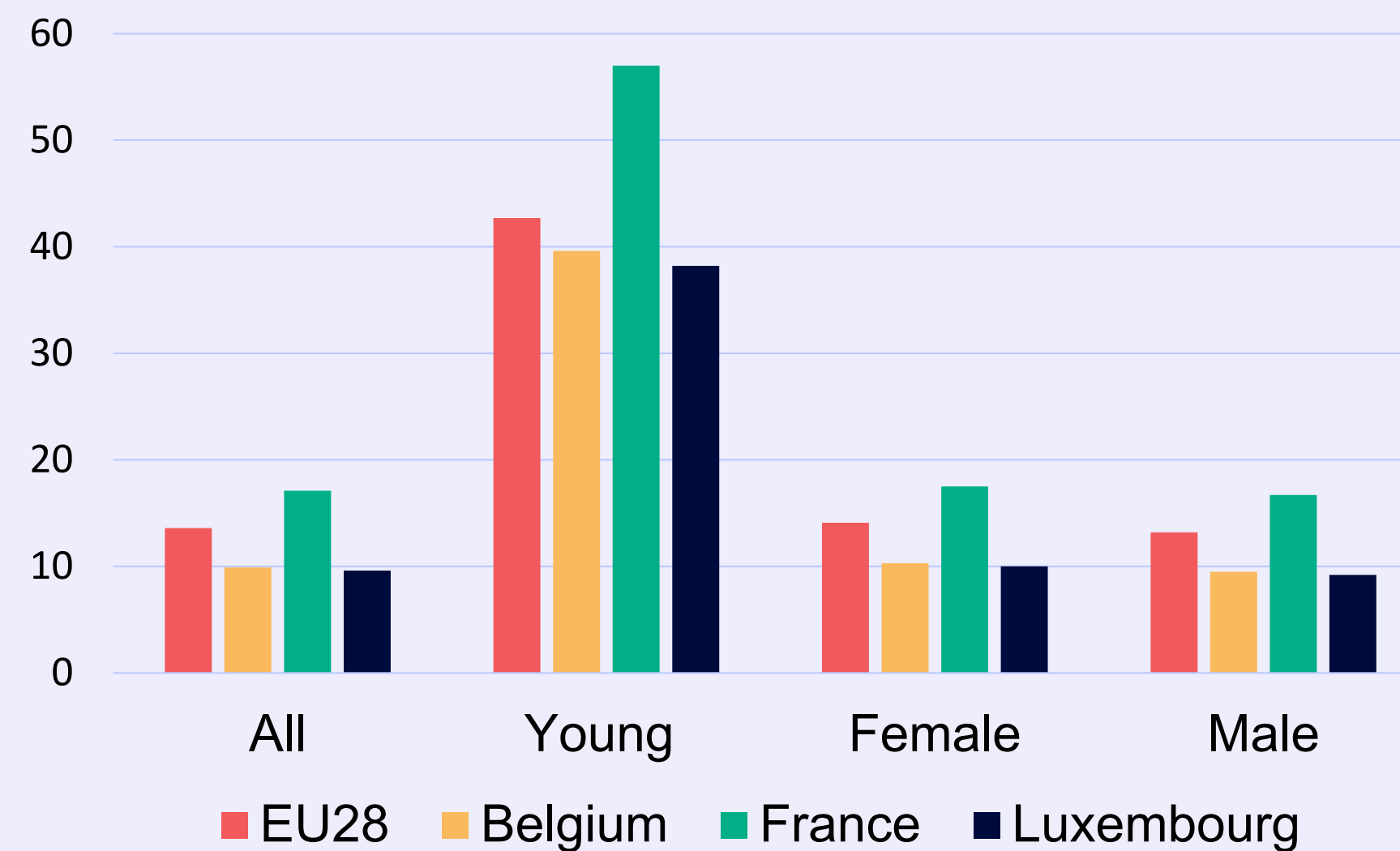


## Underemployment

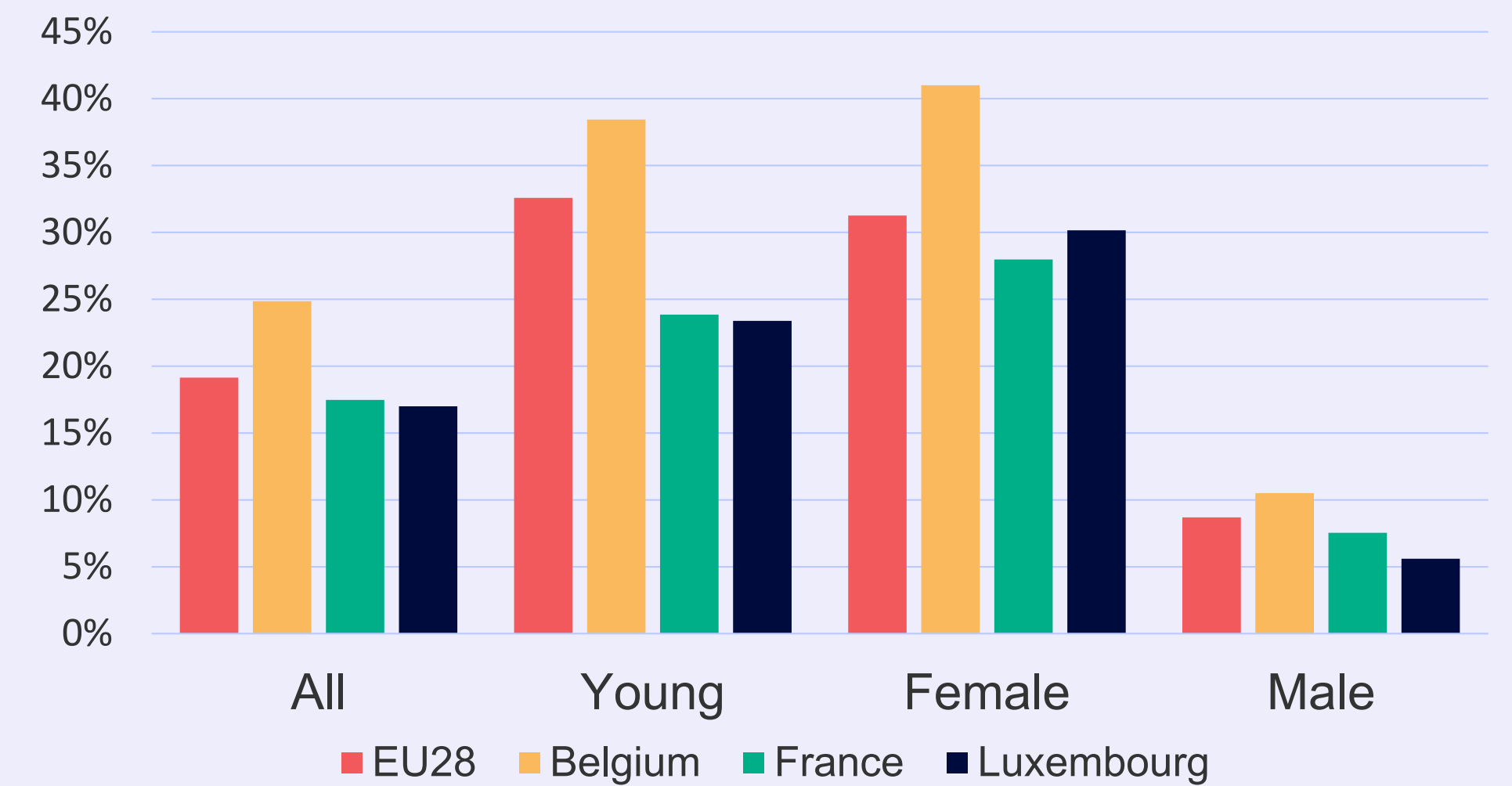
# Temporary and part-time employment

- **Young adults are the group with the highest temporary employment rates** of around 40% in Belgium and Luxembourg and of almost 60% in France. Temporality is an involuntary choice for Belgium and France.
- **Part-time employment affects primarily women** (around 30% of the female labor force works part-time in France and Luxembourg and around 40% in Belgium) **and young people** (around 23% in France and Luxembourg and almost 40% in Belgium).

*Temporary employees as a % of total employees in 2019*



*Part-time employment in 2019*



03

# Who are the most vulnerable?

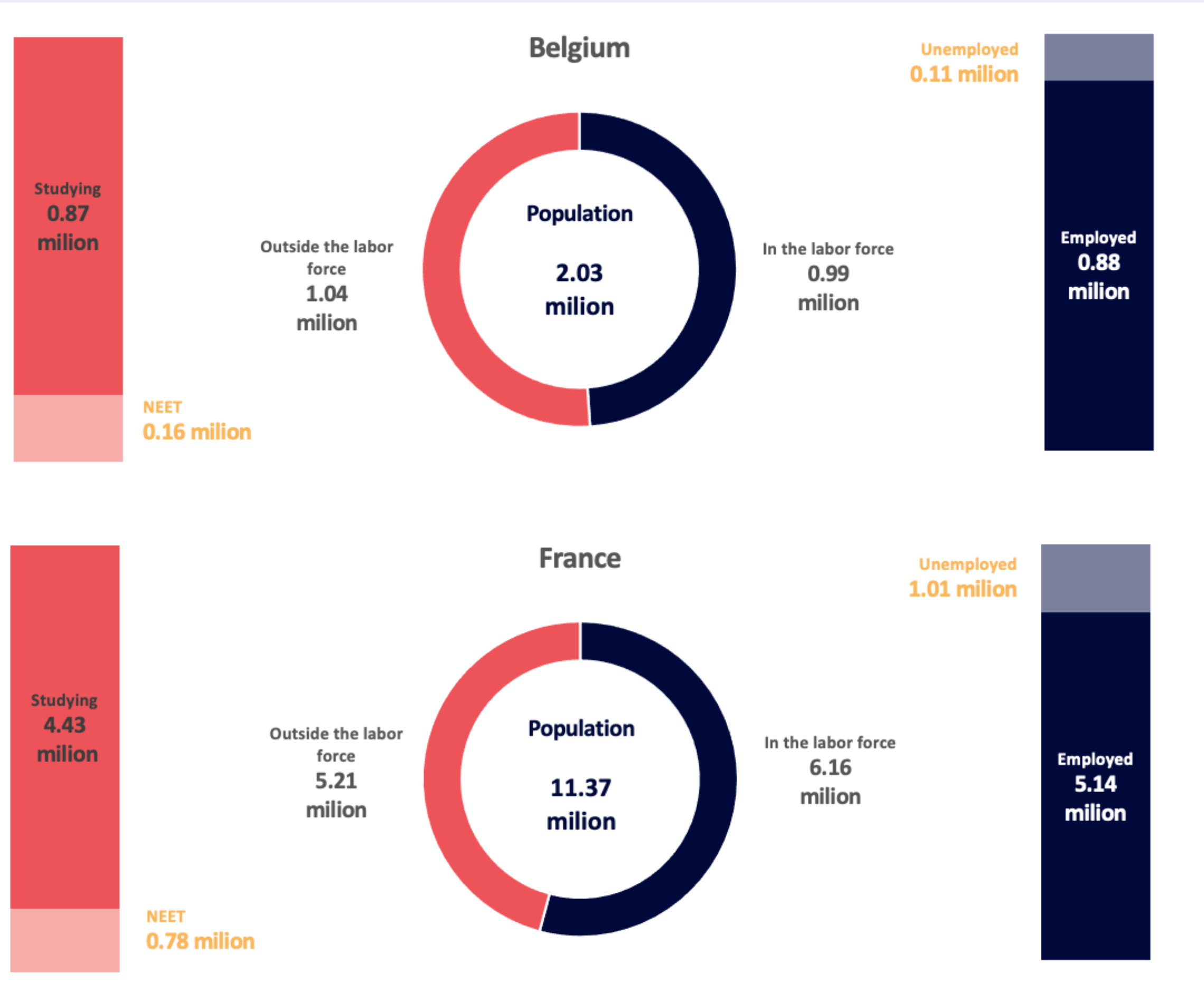
**Focus on young adults, women, seniors, people with a migrant background and skill level**



Vulnerable groups – younger people

# Younger people are more inactive, more unemployed and for longer periods

Youth status in the labor force

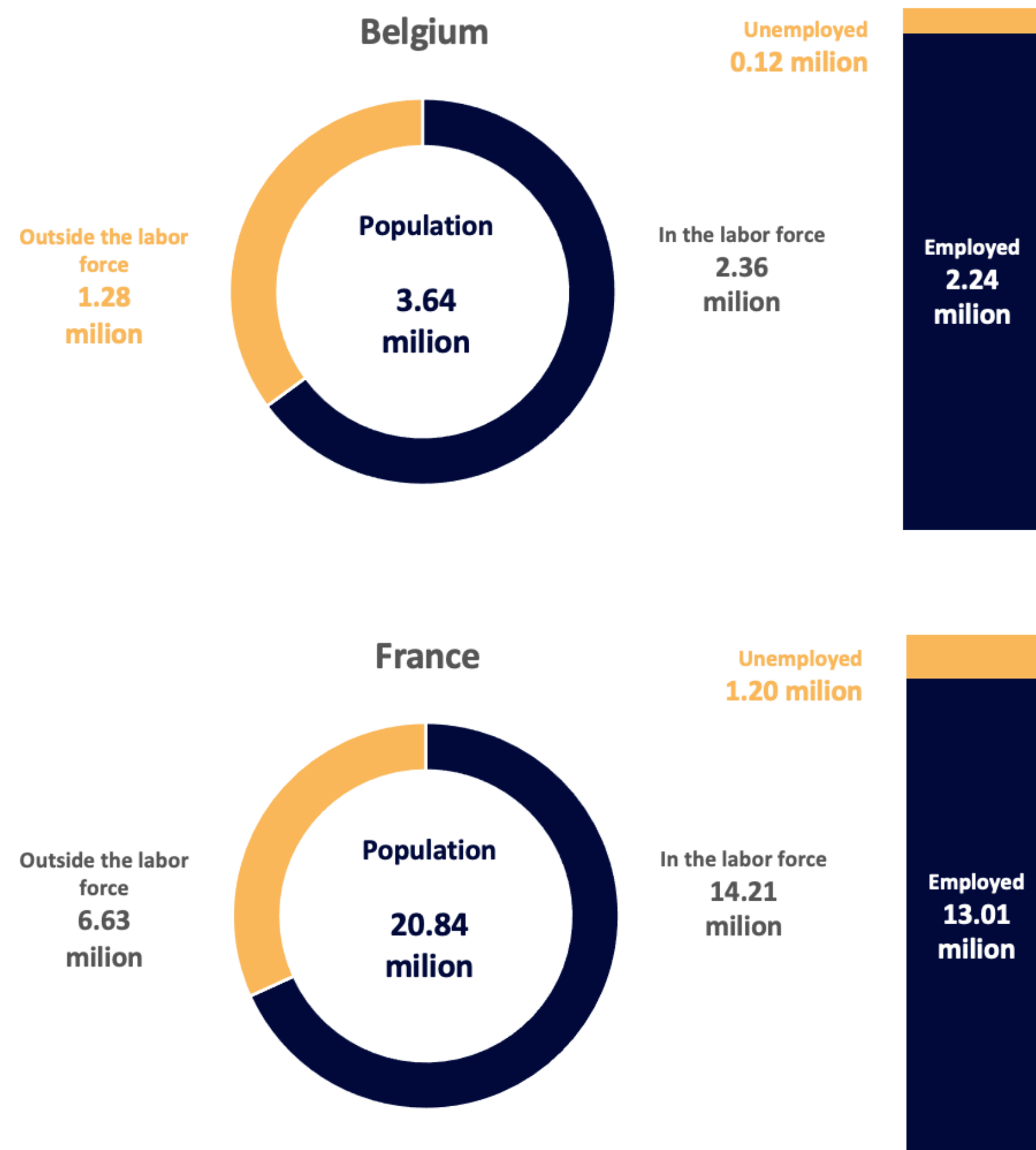


- ✓ **Unemployment is higher for younger people**, although in this case young women are less unemployed than their male counterparts
- ✓ **They stay in unemployment for longer.** In Belgium almost 60% of the long-term unemployed youth are male, while in France the larger group is represented by women aged 25 to 29.
- ✓ **NEET rates are higher for lower levels of education** (less than lower secondary education), but it is also quite high for upper secondary education. The rates are much lower for people with tertiary education
- ✓ **The reasons for inactivity concentrate around caring responsibilities.** 60% of the NEETs declare this in Belgium and 44% of them in France.

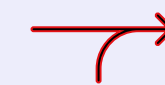
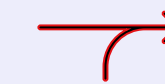
Belgium
<ul style="list-style-type: none"> <li>• (Long-term) unemployed males</li> <li>• Urban youth</li> <li>• Non-EU citizens</li> <li>• Low-skilled and in elementary occupations</li> <li>• NEETs in their twenties</li> <li>• NEETs with family responsibilities</li> </ul>
France
<ul style="list-style-type: none"> <li>• Unemployed males</li> <li>• Long-term unemployed women</li> <li>• Urban youth</li> <li>• EU citizens</li> <li>• Low-skilled and in elementary occupations</li> <li>• NEETs in their twenties</li> <li>• NEETs in rural areas</li> </ul>

# Women present higher unemployment and inactivity rates

## Women status in the labor force



- ✓ **The unemployment gender gap is negative and it has increased again in the past five years**
- ✓ **Labor force participation has increased, especially since the end of the financial crisis, although Belgium's rates for women remain higher than the EU average**
- ✓ **Women with lower levels of education have decreased their participation rates considerably, especially in France, where the drop is more than 15%**
- ✓ **Migrant women's unemployment rates can present up to 15 p.p difference between natives and non-EU28 migrants, especially for Belgium, even though the gap has dropped significantly.**
- ✓ **The gender pay gap is positive for both countries, although it has decreased over time**



### Belgium

- In terms of gender gap:**
- Women between 55-74 years old (more unemployed or inactive)
  - With low levels of education
  - Inactive in the region of Brussels
  - In part-time employment (especially women >55)
- In terms of female labour market outcomes:**
- Unemployed young and less educated
  - Non-EU immigrants (unemployed or inactive)
  - Long-term unemployed older women in services sector
  - Involuntary temporal and part-time workers
  - Potential entrepreneurship

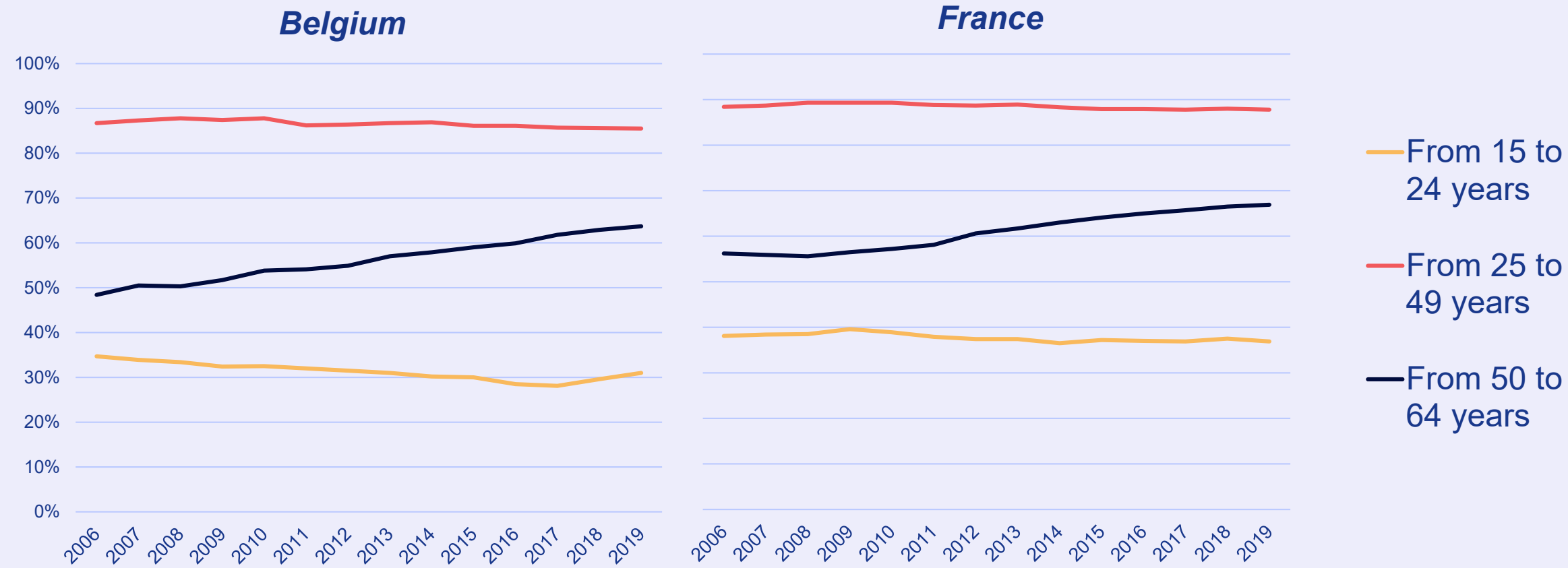
### France

- In terms of gender gap:**
- Women 25 to 54 years old (more unemployed or inactive)
  - With low levels of education
  - More inactive around the area of Paris
  - In part-time employment (especially women >45)
- In terms of female outcomes:**
- Unemployed young and less educated
  - Women older than 25
  - Non-EU immigrants (unemployed or inactive)
  - Long-term unemployed older women in services sectors
  - Involuntary temporal and part-time workers
  - Potential entrepreneurs

**Vulnerable groups – seniors**

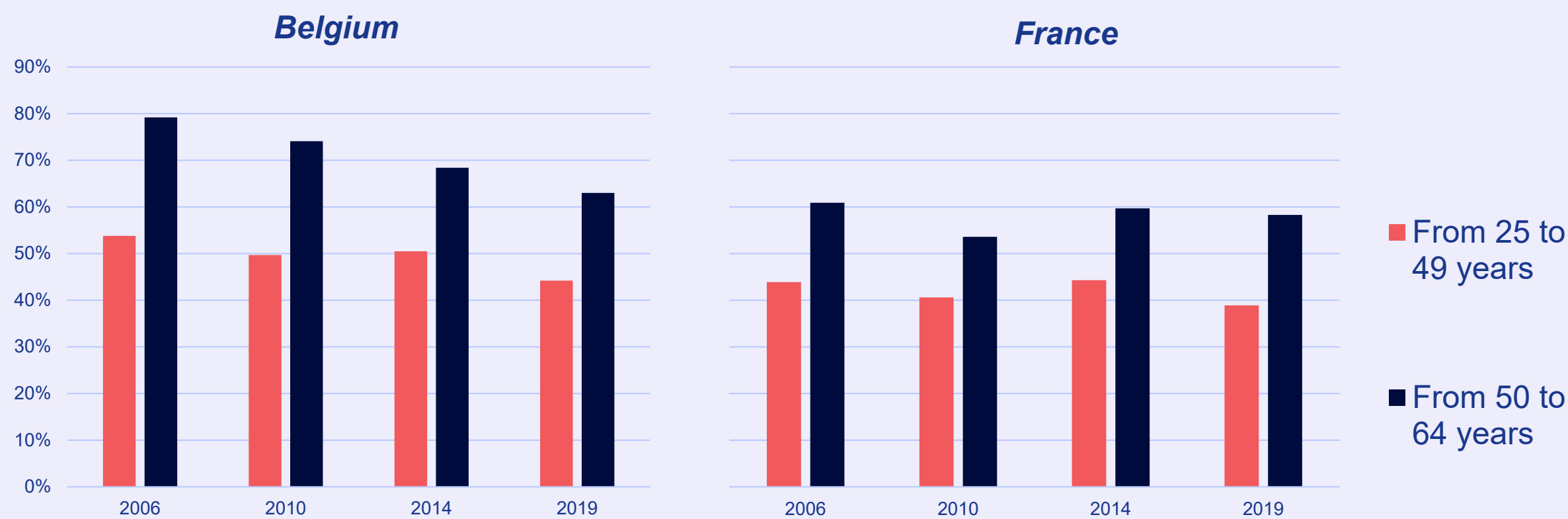
# Seniors are less active and have longer unemployment spells

Labor force participation rates by age



- ✓ Seniors account for 31% of the potential labor force in both the analysed countries. Their role is particularly important, since the population is projected to be older in the upcoming years
- ✓ The participation rates have increased for all seniors, but especially for women and highly skilled individuals
- ✓ Transitions for this group are more difficult, since they are unemployed for longer spells in both countries (Figure 35). As we can see, the share of older adults in long-term unemployment are five to ten percentage points higher in Belgium and France.

Long-term unemployed shares by age.



↓

**Belgium**

- Women
- With low levels of education and not in education and training
- Self-employed in low-skilled occupations such as services and sales workers
- Immigrants in unemployment

↓

**France**

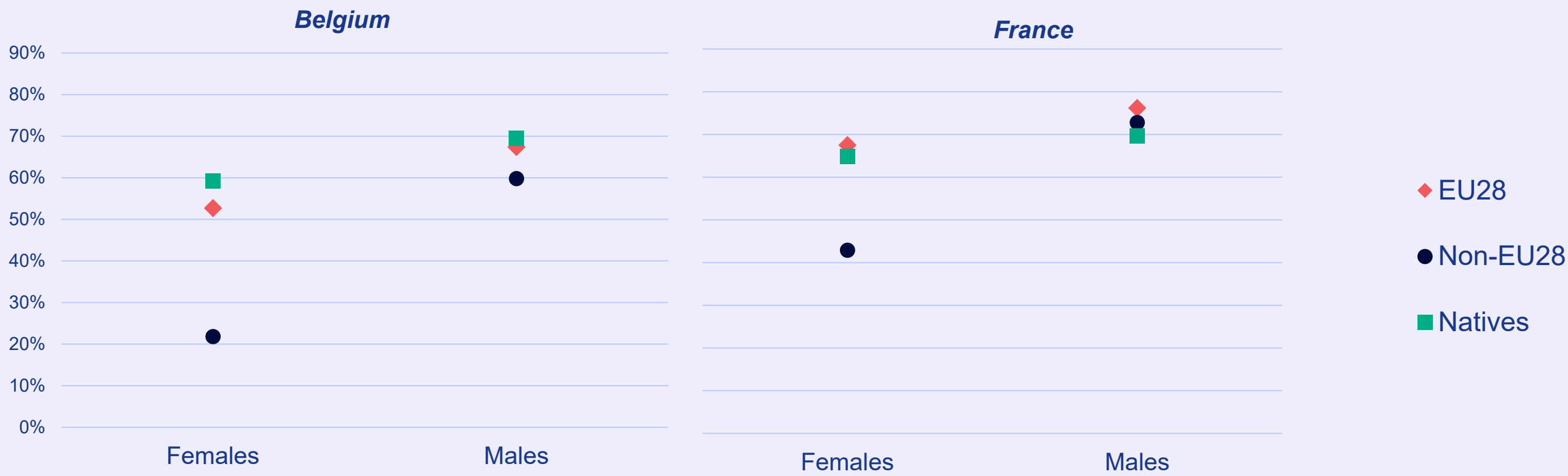
- Unemployed women
- With low levels of education and not in education and training
- Self-employed in low-skilled occupations such as services and sales workers
- Immigrants in unemployment



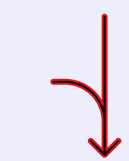
Vulnerable groups – Migrants

# Migrants, especially from non-EU countries face lower participation and employment rates

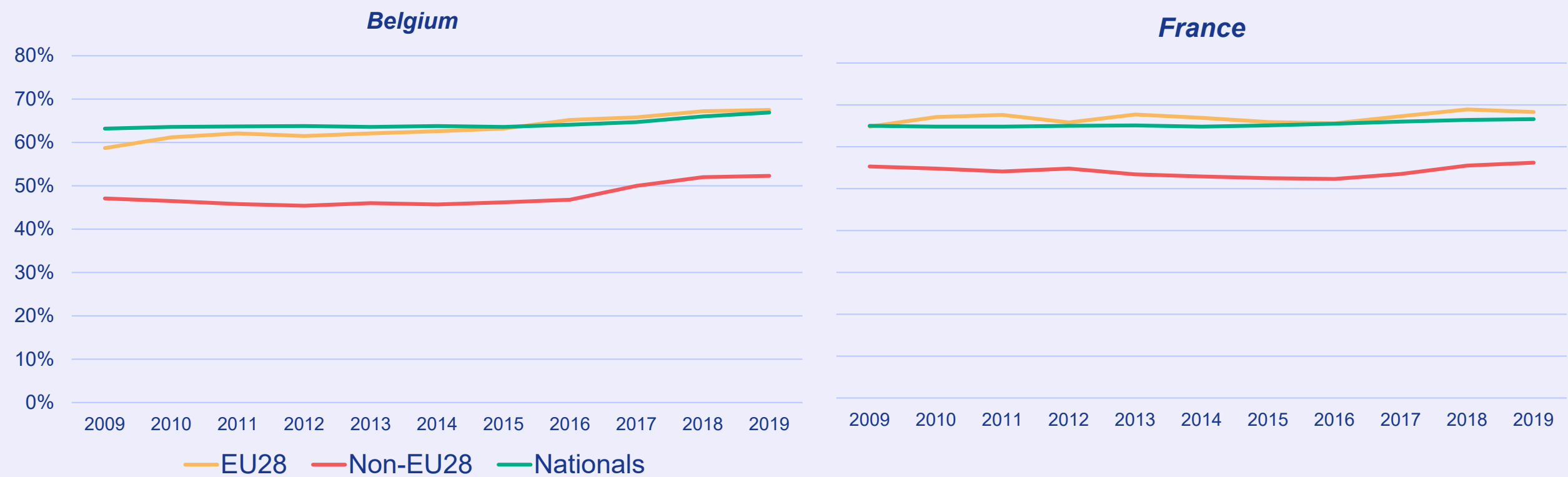
Activity rates by gender and origin



- ✓ The working-age population in both analysed countries is composed of a large share of immigrants. In the case of Belgium, this amounts to 21%, and in the case of France this is 14%.
- ✓ This group in particular engages less in labor markets, especially women and especially those from non-EU28 countries
- ✓ immigrants in older cohorts experience higher levels of unemployment for both genders. That is true for all ages, especially for non-EU ones



Employment rates by origin.



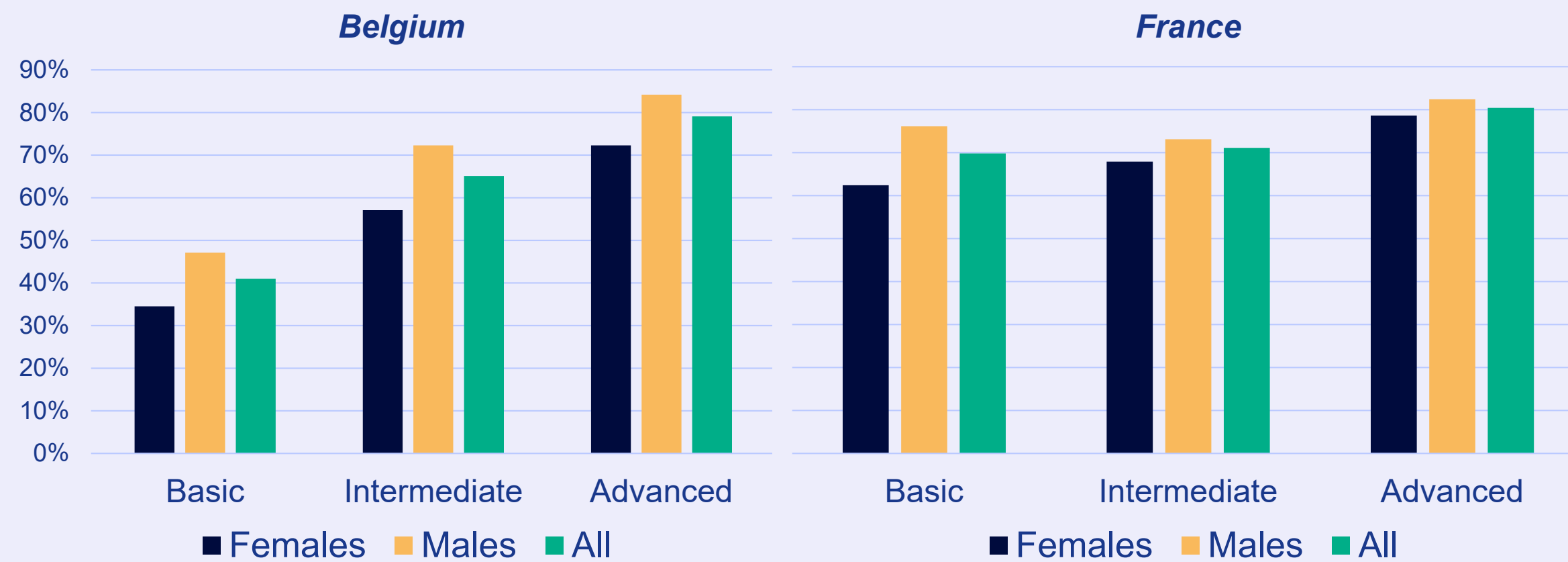
**Belgium & France**

- Non-EU immigrants
- Women and older individuals especially
- Low-skilled

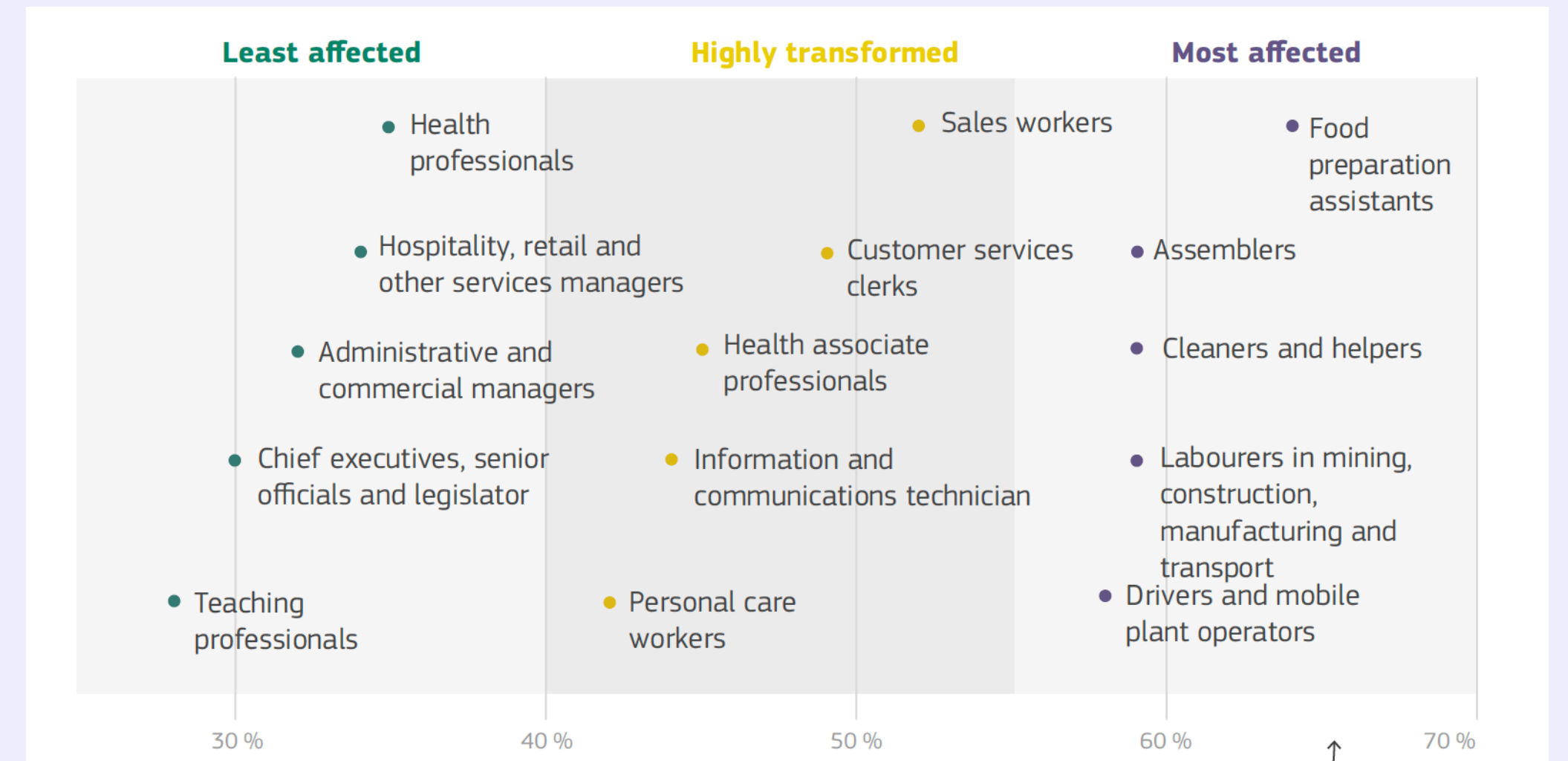
Vulnerable groups – skills

# Lower skilled workers participate less and the trend is projected to increase

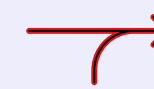
Participation in labour force by skills and gender, 2019.



Sectors potentially affected by automation.



- ✓ **The demand for high-skilled workers in Europe as a whole has increased over the past 15 years.** On top of this, in the next 10 years, the demand for technological, social and emotional skills is projected to grow faster than that of other types of skills.
- ✓ **Low-skilled workers experience higher unemployment rates.**
- ✓ **The gender gap in participation is largest in the low skilled group for both countries.** However, the rates of participation of low-skilled women have experienced the fastest growth in the past fifteen years.



## Belgium & France

- Women
- Workers in sales and elementary occupations
- People intermediately educated in involuntary part-time employment

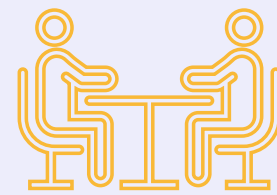
04

# Mapping of solutions

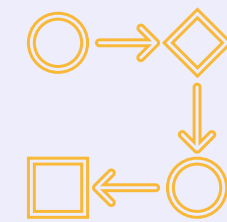
**Public and private initiatives for inclusion in the labor market**



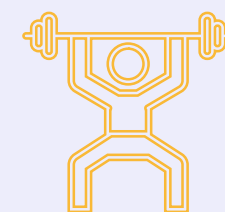
# Types of intervention



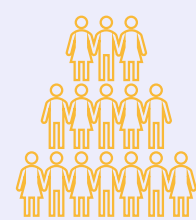
- **Labor market services:** All services and activities undertaken by the Public Employment Services (national and local): information services, case management, administration of programs and support.



- **Employment incentives:** Measures that facilitate the recruitment of unemployed persons and other target groups. Employment incentives refer to subsidies for open market jobs which might exist or might be created without the public subsidy, and which will hopefully be sustainable. The jobs that may be subsidized are usually in the private sector, but public or non-profit sector are eligible too.



- **Training:** Measures that aim to improve the employability of target groups through training, e.g., short courses, advice in start-up initiatives, workplace training, apprenticeships.



- **Sheltered and supported employment and rehabilitation:** This covers measures that aim to promote the labor market integration of persons with reduced working capacity through sheltered or supported employment, or through rehabilitation. Persons with reduced working capacity refers primarily to those registered as disabled, according to national definitions.



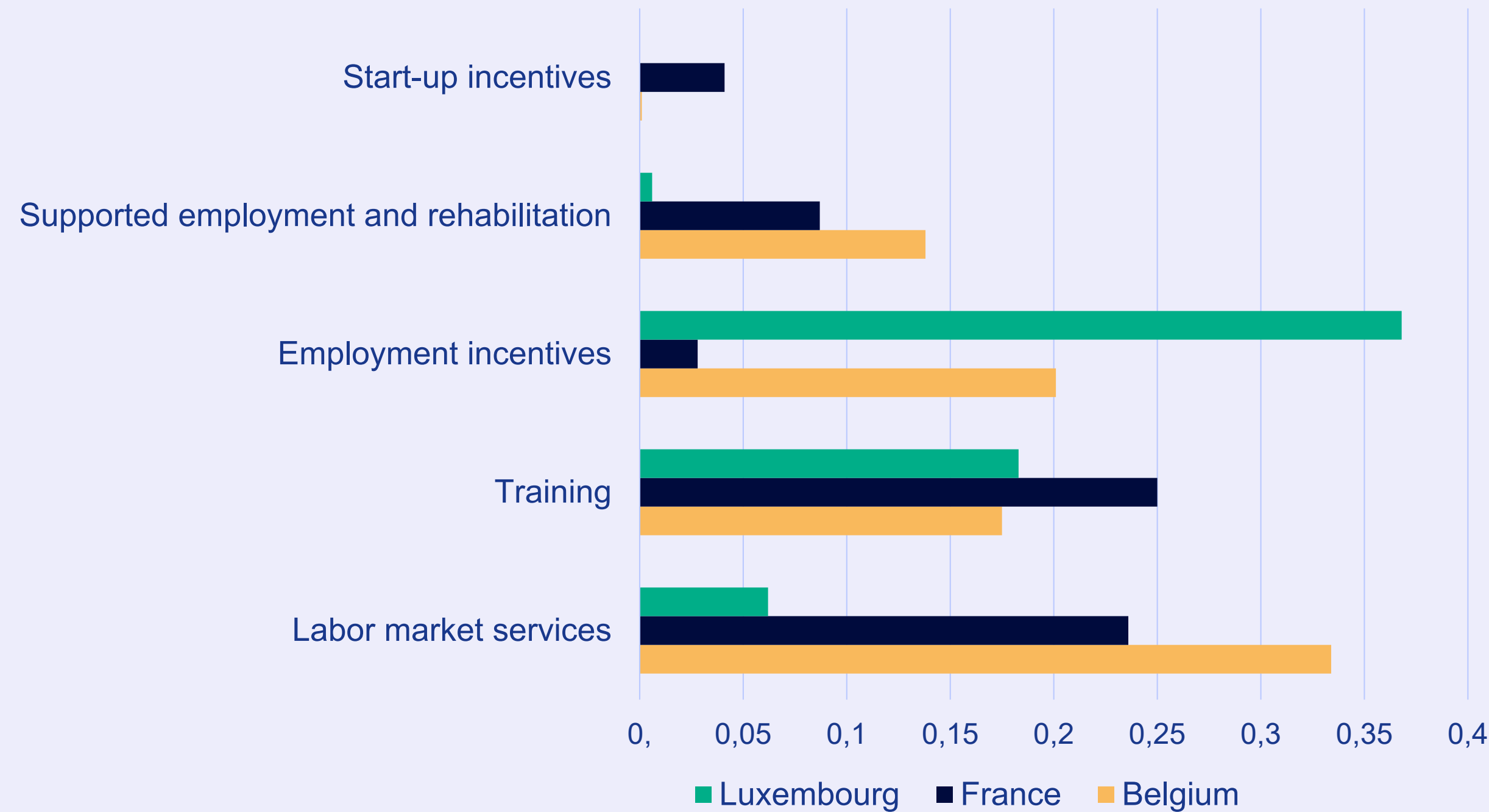
- **Start-up incentives:** This covers measures that promote entrepreneurship by encouraging the unemployed and other target groups to start their own business or to become self-employed. Assistance may take the form of direct cash benefits or indirect support, including loans, provision of facilities, business advice, etc.

Mapping of solutions – Public programs

# Public Active Labor Market Policies

Strategies vary across countries, no specific targeting and lack of information

Expenditure as % of GDP by type and country (2018)



**Expenditure:**

- ✓ Belgium spends the most in labour market services,
- ✓ France spends the most in training, and
- ✓ Luxembourg spends the most in employment incentives

**Target**

- ✓ Most policies are not targeting specific audiences, but there is a prevalence of programs for youth.
- ✓ Limitations due to lack of information
- ✓ In general, women make up for less than half of the total participants of these policies, which, given that they can have greater problems in becoming active or employed, is a clear mismatch.

**Information reviewed**

- ✓ Lack of public evidence on the outputs and outcomes of these policies

Mapping of  
solutions –  
Private initiatives

# Private sector employment initiatives

Review through public information and interviews with key organizations

Dimensions	Description	Highlights
<b>Type of intervention</b>	Based on the EU classification they can be Counselling, Training, Subsidies and Auditing	<ul style="list-style-type: none"> <li>✓ Counselling and training are the most prevalent types of intervention in the private sector as well.</li> <li>✓ Organizations pointed out the need for better and smarter communication in these instances to reach the right audiences, but also to help them navigate the public services, especially for immigrants.</li> <li>✓ Need for more individualized services</li> <li>• The Bob Emploi app presents an innovative approach on this matter. It looks for data on the effectiveness of approaches and programs to be able to incorporate them in their individualized advice on their app.</li> <li>• Simplon tries to break the stereotypes of people working in digital industries and performs a review of the demand for jobs before the offering of courses.</li> </ul>
<b>Target group</b>	Based on descriptions of eligibility. They include Youth, Older people, Disadvantaged, Unemployed, Long-term unemployed and Employed.	<ul style="list-style-type: none"> <li>✓ Youth is still the most frequently targeted group. In the private and social sectors, entrepreneurs are the second most frequently targeted group, which is not usually attended to by the PES in the public sector. They are followed by the general unemployed population, and women and people with an immigrant background.</li> <li>✓ Organizations pointed out the need for more active engagement strategies to reach vulnerable populations</li> <li>✓ Many vulnerable groups have specific roadblocks in their access to labor markets that should be specifically addressed. For example, for youth they point out more career orientation and the need to overcome stereotypical employment matches.</li> <li>• For migrant populations, it is important to intervene in coordination with other social services that might act as roadblocks for integration, as well as to help them develop networks and informal cultural guidance.</li> <li>• For the long-term unemployed, the Territoires Zéro Chomeur de Longue Durée organization points out that efforts are not always needed on employability, and there should be an understanding about the positions available and the recognition of abilities and interests beyond formal education.</li> </ul>
<b>Type of institution</b>	Based on their own description or presentation.	<ul style="list-style-type: none"> <li>✓ Most are non-profits, foundations or social enterprises.</li> </ul>
<b>Reach</b>	Number of participants in the program by year and funding.	<ul style="list-style-type: none"> <li>✓ Most have no public information about funding and the majority reach fewer than 1000 people, with half of those reaching fewer than 500 people per year.</li> <li>✓ On this point, many organizations mention the need for stable funding to be a priority in order to provide the specialized services that they offer, and the problems of project-based funding, as opposed to the funding of a permanent service.</li> </ul>

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# Key take-aways

**For discussion**

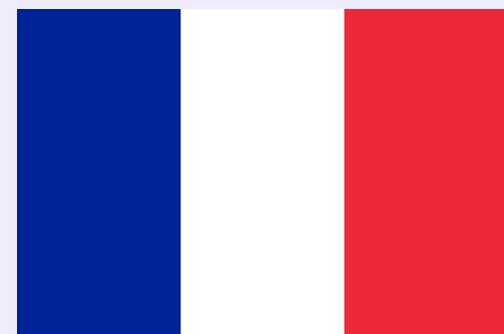


## Highlights

# Main issues by country



- **Part-time employment presents higher levels** than in the other countries, for all population groups.
- The level of **taxes and bureaucracy is high and hinders entrepreneurship**.
- Unemployment rates have been falling over recent years but long-term unemployment has remained higher than the EU average.
- The **youth present higher unemployment levels**, especially for males in urban areas from non-EU origin and the low-skilled.
- The **NEETs rate is high** and affects youth in their twenties with family responsibilities.
- There is a **gender gap in unemployment, part-time employment and/or inactivity for older women, immigrants, and low-skilled people**.



- **Temporary** employment has remained stable but high for all population groups.
- Unemployment rates have been falling over recent years, but **long-term unemployment has remained higher than the EU average** and it is bigger problem for females.
- **Low activity rates for non-EU immigrants**.
- **The youth present higher unemployment levels**, especially for males in urban areas from EU origin and the low-skilled.
- The NEETs rate is high and affects youth in their twenties in rural areas.
- **The gender pay gap** is higher than the EU average.
- There is a **generalised gender gap problem in terms of unemployment, inactivity and/or part-time employment**, regardless of age.



- **Activity rates are 2pp below the EU average but have been growing in recent years**.
- It is among the younger age groups and females where there are greater margins to raise participation.
- **The NEET rate is below the EU average**.
- **Manufacturing has been decreasing** and has almost disappeared.
- **Unemployment rates have been falling over recent** years, while long-term unemployment is also lower than the EU average.
- **There is more job rotation in Luxembourg than in the rest of the countries**.



## Highlights

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# Findings

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1

Prevalence of programs targeted at youth, consistent with them being among the vulnerable cohorts identified.

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2

Under-representation of programs targeting women and people with an immigrant background, which are among the most vulnerable groups identified.

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3

Public and private interventions coincide with counselling and training as the most frequent ones, consistent with the diagnosis of low skills being one of the barriers for integration into labor markets. However, more could be done to address the match of skills for the future labor market.

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More individualized approaches are necessary for some of these vulnerable groups.

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The lack of public information on the effectiveness of the different types of Active Labor Market Policies reviewed is consistent, although private initiatives seem to be strengthening their data gathering efforts.

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essade

Do Good. Do Better.

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# Discussions

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## Expert

**Ophélie Mortier**  
**Degroof Petercam Asset Management**  
**Responsible Investment Strategist**



*Since 2012, Ophélie is in charge of the sustainable positioning of Degroof Petercam Asset Management as a responsible investment strategist. At the investment level, she drives sustainability initiatives, projects and methodologies related to sustainable and responsible investment (SRI) and the integration of environmental, social and governance criteria throughout the investment process. In addition, it guides environmental, social and governance (ESG) actions to ensure the sustainability of DPAM.*

## Social Entrepreneurs

**Julie Bodson**  
**Duo for a Job**  
**Deputy General Director**



*DUO for a JOB pairs young job-seekers having a migrant background with experienced workers (50 years and older) who can assist them in finding a job. The non-profit organization serves both young people and potential counselors. It was founded in Brussels in 2013, and is now active in Belgium, France and the Netherlands.*

**Emmanuelle Larroque**  
**Social Builder**  
**Founder & CEO**



*Social Builder is a not-for-profit social enterprise that designs and deploys innovative solutions empowering women to thrive in the digital economy. Founded in Paris in 2011, they have accompanied over 55,000 women in developing their technical and relational skills, as well as over 200 organisations in facilitating inclusion.*

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**Any questions ?**  
**Enter your questions in the Q&A box**

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# Thank you

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