## **REDUCING TENSIONS** IN THE LABOUR MARKET

**ESEC OPINION - JANUARY 2022** 

The strong recovery of activity and the "economic catch-up" observed after the lockdowns have highlighted a recurring structural problem: hiring tensions.

IT managers, home helpers, truck drivers or engineers in industry: The situations vary according to the business sector, the qualification level, or the territorial characteristics. This phenomenon, which is heavily impacting France, is observed in many OECD countries: Great Britain, for example, has reached an unemployment rate of 4.2% and Germany estimates its migrant labour needs at 400,000 people per year.

#### AMONG THE CAUSES IDENTIFIED

#### FOR HIRING DIFFICULTIES:

- Wages and purchasing power
- The representations of certain occupations
- The effectiveness of guidance, training, and certification
- · Economic transformations linked to the digital and ecological transition
- Working conditions, job quality, and meaning of work
- Reconciliation of personal and professional life

### 6 out of 10 occupations in High Tension in 2019

versus 1 in 4 in 2015 (Dares and Pôle emploi)



### How can we reduce tensions in the labour market?

The ESEC has formulated 20 recommendations aimed at combating hiring tensions, both by taking better account of the new situation on the labour market and also the aspirations of employees.

#### THE RAPPORTEUR:

#### **Pierre-Olivier Ruchenstain**

travailemploi@lecese.fr 01 44 43 62 42

**Director General of the Federation** of Individual Employers (FEPEM), he sits on the ESEC's Labour and **Employment Commission and** the Social Affairs and Health Commission, where he represents the Enterprise Group.

#### THE ESEC'S RECOMMENDATIONS

## 1 GIVE A KEY ROLE TO THE BRANCHES TO STRENGTHEN THE PURCHASING POWER AND ATTRACTIVENESS OF OCCUPATIONS THAT ARE DIFFICULT TO RECRUIT FOR

- Negotiating and pooling, at the branch level, benefits promoting the purchasing power of employees (lunch vouchers, mobility, housing, and childcare).
- Exempting such collective benefits from tax and social security contributions, provided that the first contractual remuneration is at least equal to the minimum wage. This would be neutral for employers and positive for the purchasing power of employees.

#### 2 BETTER RECONCILIATION OF WORK AND PERSONAL LIFE

- Developing the supply of childcare facilities (nurseries or individual childcare facilities) to meet the needs of parents working atypical hours.
- Strengthening measures to reduce parents' childcare costs: reducing out-of-pocket expenses for families,
- supporting tax incentives, such as the immediate tax credit for home-based employment, or the family tax credit.
- Better supporting residential mobility and encouraging proximity of housing to the workplace.

#### 3 ORIENTING PEOPLE TO THE JOBS THAT ARE HIRING

- Better informing career choices and guiding young people towards fields where hiring needs are greatest, by making effective the "Parcours Avenir", which aims to provide more complete and objective information on occupations and training courses from secondary school onward.
- Acting on the representation of professions and encouraging sectors with
- unbalanced gender statistics to develop action plans to remedy this, within the framework of skills development commitments (EDEC).
- Better integrating newcomers and immigrants into employment through the recognition of acquired qualifications and an inclusive and responsible approach by the branches, e.g., in the context of French language certification.

# 4 ANTICIPATING HIRING NEEDS IN RELATION TO THE ECOLOGICAL TRANSITION, DIGITAL TRANSFORMATION, AND DEMOGRAPHIC CHANGES

- Strengthening the forecasting of occupations and qualifications by involving all the actors concerned at the national and territorial levels, in order to identify the strategic orientations of occupational trajectories. This will make it possible to promote training for the professions of tomorrow and to support retraining.
- Refining the statistical apparatus to better identify the needs of sectors where hiring difficulties are insufficiently documented (the elderly, social work, and special education sectors).

## 5 IMPROVING THE QUALITY OF EMPLOYMENT, ITS MEANING, AND WORKING CONDITIONS

- Providing financial support to employers' groups in their creation phase, thus providing a concrete solution to hiring tensions for small structures that do not have significant financial means or human resources departments.
- Developing territorial experiments for employment and activity to reduce tensions in the context of the ecological
- transition (provision of departmental funds for structures engaged locally in the integration of jobs in the ecological transition).
- Coordinating the HR advice offering for VSEs and SMEs (public employment service, OPCO).