

Population & Societies

Stagnating female employment rates in France after several decades of growth

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Starting with the generations born in the 1920s, female labour force participation and employment rates in France have increased rapidly across cohorts, gradually narrowing the gap with men. This rise in women's activity has contributed to economic growth and raised household incomes. It is also key to women's financial autonomy. But is this uptrend still observed among the most recent cohorts? Are women's employment rates still moving towards those of men? Using the latest available data, Henri Martin examines the patterns of change under way.

Women's labour force participation (LFP) rate has increased substantially since 1975 [1], and France is among the European countries with the largest share of women in the labour market at ages 25–55 [2]. But this uptrend has been gradual across successive cohorts, and not all women have been equally concerned.

After years of rapid increase, female employment and labour market participation are reaching a plateau

At ages 30–50, the female LFP rate has increased massively across cohorts (Figure 1; sources and definitions in Boxes 1 and 2). At age 40, for example, it has risen from 69% for women born in 1945 to 86% for those born in 1975, an increase of 17 percentage points (Table 1). This does not correspond entirely to an increase in full-time-equivalent (FTE) employment, however, due both to the rise in unemployment rates and the growth of part-time employment. At this same age and for the same birth cohorts, the employment rate has increased by just 15 percentage points and the FTE employment rate by 13 points, so a part of the increase in female LFP has taken the form of part-time working.

The overall trends conceal major disparities across educational levels. For the least qualified women, increasing LFP rates correspond mainly to part-time working, as their FTE employment rates have risen very little. At age 40, between the 1945 and 1975 birth cohorts, their LFP

Box 1. The INSEE Labour Force Survey

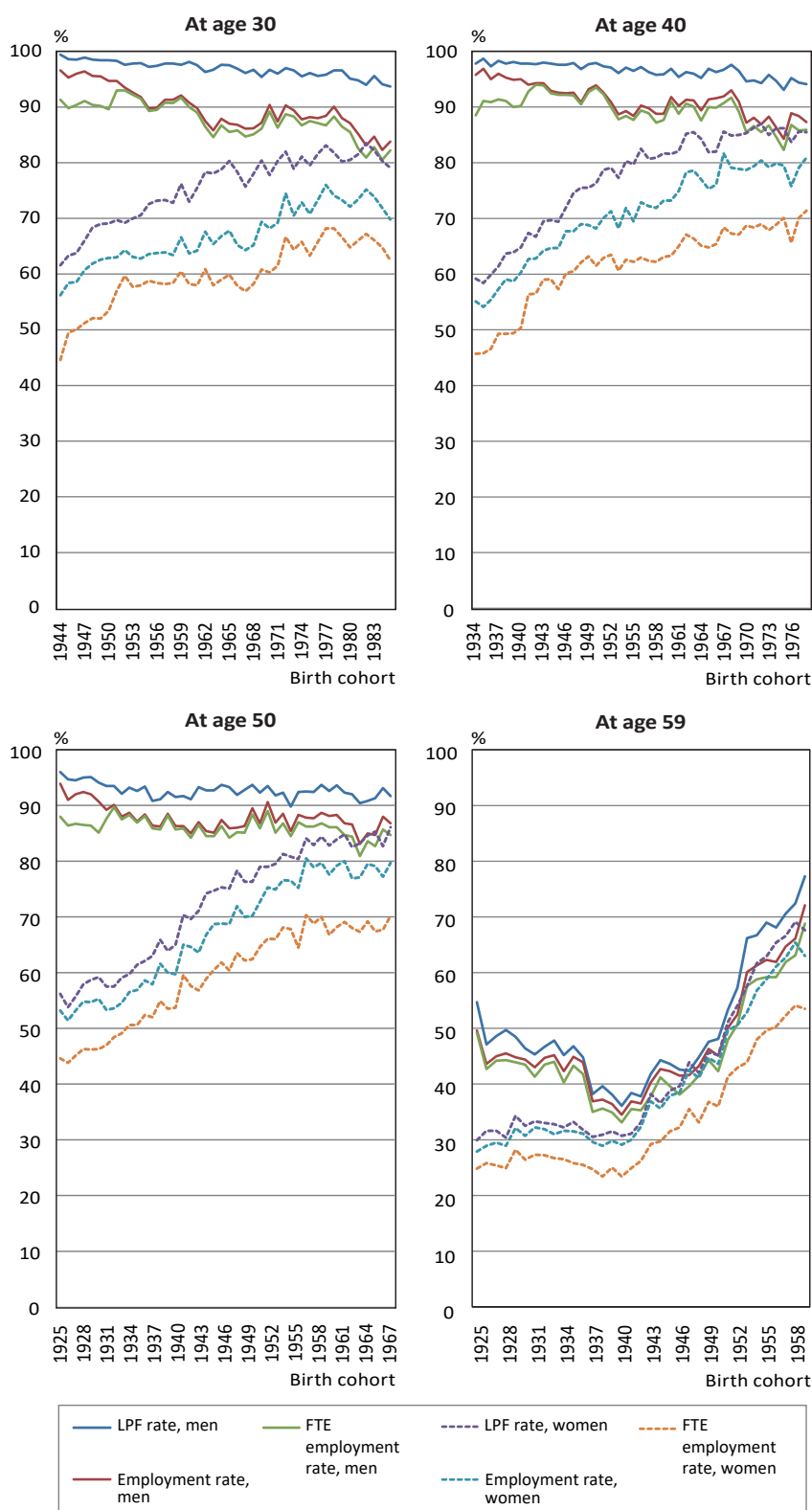
The INSEE Labour Force Survey is the reference data source for counting the active, employed, and unemployed populations under International Labour Organization (ILO) definitions. The first survey was conducted in 1968, but it is only since 1975 that the definitions of employment and unemployment have remained relatively consistent over time. The survey was conducted annually from 1968 to 2002; it became quarterly from 2003 [5].

The survey sample is representative of the population aged 15 and over living in ordinary housing. Its geographical scope covers metropolitan France and includes the overseas departments since 2013. The sampling rate of 0.25% corresponded to around 75,000 households per quarter for the 2018 edition of the survey.

The survey questionnaire is designed to obtain detailed information on respondents' labour market situation. Its primary purpose is to identify employed or unemployed people under ILO definitions. It also records detailed sociodemographic information.

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Figure 1. Labour force participation (LFP), employment, and full-time-equivalent (FTE) employment rates of men and women across cohorts at different ages in France



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Interpretation: The male LFP rate at age 59 increased from 55% for the 1925 birth cohort to 77% for the 1959 cohort.
Source: [5].

rate increased by 10.4 percentage points, while their FTE employment rate grew by just 4.6 points (Table 1). For the most highly qualified women, on the other hand, these rates at age 40 increased by 13 and 15 points, indicating that the increase in LFP rates corresponds almost entirely to full-time working. Moreover, their FTE employment rate has increased faster than their LFP rate (15 points vs. 13 points), reflecting lower levels of part-time working.

Women's LFP is also highly dependent on the number of children aged under 18 in the household. The increase in LFP rates and employment has been small for women without dependent children, as their LFP rates were already high. It has been moderate for mothers of one dependent child and large for mothers of two or more. A large family is still a key determinant of employment, however [3]. At age 40, for the cohort born in 1945, the FTE employment rate was 70% for all women but just 58% for women with three or more dependent children.

The latest available data show that this increase in female LFP is reaching a plateau. For women born after 1970, LFP and employment rates are no longer increasing across cohorts.

A gradual downtrend in male LFP and employment over recent decades

For men, LFP rates have been falling slowly but steadily across cohorts for several decades (Figure 1). With the increase in unemployment, employment rates have fallen even faster. Because far fewer men than women hold part-time jobs, male FTE employment rates have remained close to employ-

Table 1. Labour force participation (LFP), employment, and full-time-equivalent (FTE) employment rates across cohorts at age 40 for the 1945 and 1975 cohorts (observed in 1985 and 2015) in France

	LFP rate	Employment rate	FTE employment rate
All women			
Rate on the two dates (%)	69.4; 86.2	64.7; 79.5	57.3; 70.1
Variation (percentage points)	16.8	14.8	12.8
Most qualified women			
Rate on the two dates (%)	79.9; 92.7	76.3; 89.8	68.5; 83.9
Variation (percentage points)	12.8	13.5	15.4
Least qualified women			
Rate on the two dates (%)	60.5; 70.9	54.5; 62.4	45.9; 50.5
Variation (percentage points)	10.4	7.9	4.6
All men			
Rate on the two dates (%)	97.6; 93.1	92.6; 84.3	92.2; 82.3
Variation (percentage points)	-4.5	-8.3	-9.9
Most qualified men			
Rate on the two dates (%)	100; 97.3	97.7; 94.7	97.2; 92.7
Variation (percentage points)	-2.7	-3.0	-4.5
Least qualified men			
Rate on the two dates (%)	94.6; 87.3	87.8; 70.3	87.8; 68.6
Variation (percentage points)	-7.3	-17.5	-19.2
Interpretation: For women born in 1945, the LFP rate at age 40 was 69.4%. It rose by 16.8 percentage points, to 86.2%, for the 1975 birth cohort.			
Source: [5].			

ment rates. At age 40, between the 1945 and 1975 cohorts, the LFP rate fell by 4.5 percentage points, the employment rate by 8 points due to the rise in unemployment, and the FTE employment rate by 10 points (Table 1). These trends conceal large disparities across educational levels. For the least qualified men, LFP and employment rates have dropped sharply across recent cohorts, falling by 7 and 19 points, respectively, at age 40 between the 1945 and 1975 birth cohorts. This trend is much less marked among the most educated men.

Slower progress in closing the gender gap

The gender gaps in LFP and employment rates have decreased across all cohorts (Figure 1). However, while they narrowed very quickly for the cohorts born between 1925 and 1970, progress has slowed markedly for more recent cohorts. For those born before 1970, this convergence between men and women was due mainly to higher female LFP and employment rates, but it is now entirely attributable to declining rates among men.

A large increase in LFP and employment for both sexes around age 60

Following regulatory changes in the pension system and the labour market—introduction of early retirement and phased retirement schemes, exemption from seeking

employment for the oldest unemployed workers, lowering of retirement age to 60 years, etc.—male LFP and employment rates fell sharply at ages close to 60 years across the cohorts born between 1925 and 1940 (Figure 1) [4]. For women, these changes were counterbalanced by growing LFP, resulting in a stabilization of LFP rates at the same ages and for the same birth cohorts. A complete trend reversal has been observed for the cohorts born after 1940, however, with the gradual phasing out of early retirement schemes and the abolition of phased retirement in 2005 and of the job-seeking exemption in 2012. These cohorts have also been affected by various reforms of the pension system. These include a lengthening of

the contribution period for entitlement to a full pension (reforms of 1993 and 2003), and an increase from 60 to 62 years in the legal retirement age (reform of 2010) and from 65 to 67 years for automatic entitlement to a full pension. Consequently, between the women born in 1925 and those born in 1955, the LFP rate at age 59 increased by 33 percentage points, and by 14 points for men. Employment rates similarly increased, reflecting the success of these reforms in prolonging workers' presence on the labour market.

The increase in female labour market participation over recent decades has been widely studied and documented. So, what can we learn from these new data? First, this uptrend is levelling off at central working ages (30–55 years). Second, the existing trend of a slow decrease in male labour force participation is continuing, and it is now the main factor behind the narrowing gap between male and female LFP and employment rates. Finally, these data reveal a sharp increase in LFP, but also in employment, among people reaching retirement age. This observation, which applies to men and women alike, is explained both by the gradual withdrawal of early retirement schemes and by the reforms of the pension system.

Box 2. Definitions, scope, and methods

Three indicators are used in this study: LFP rate, employment rate, and FTE employment rate. The LFP rate at age *A* is defined as the ratio between the number of active individuals at age *A* (working or unemployed) and the total population at that age. The employment rate at age *A* corresponds to the share of employed individuals at age *A* among the total population at that age. Last, the FTE employment rate is obtained by weighting each job by its percentage of full-time working hours. To calculate the FTE employment rate, a person in a full-time job is counted in the numerator with a weight of 1, while a person working 80% of full-time hours, for example, is counted in the numerator with a weight of 0.8. The LFP, employment, and FTE employment rates are calculated using data drawn from successive INSEE Labour Force Surveys over the 1975–2018 period.

This study focuses on the cohorts born between 1925 and 1985. It excludes people still in initial education at the time of the survey (their number is very small after age 30, although their proportion is increasing across cohorts). Its geographical scope is limited to metropolitan France (mainland France and Corsica) as the overseas departments were not included in the survey until 2013. These methodological choices explain why the calculated data series differ from those published by INSEE.

To expand the analysis, four quartiles were defined for each birth cohort by educational level: the 25% most highly qualified, the 25% with a higher-intermediate qualification, the 25% with a lower-intermediate qualification, and the 25% least qualified. To take account of the general increase in educational levels across cohorts when constructing these quartiles, the members of each cohort were ordered first by level of qualification, then by their age at completing education. The results here are only analysed for the 25% most highly qualified and the 25% least qualified, the two other groups being in intermediate situations.

For more information on the method used, see [6].

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Abstract

While female labour force participation (LFP) and employment rates at ages 30–55 increased steadily in France from the cohorts born in the 1920s, the most recent data show that these rates have stagnated for women born after 1970. Among men, LFP and employment rates at these ages have decreased slowly but continuously across cohorts. The gender gap in LFP and employment rates is still narrowing but at an ever slower pace. For the cohorts born before 1970, this convergence between men and women was due mainly to higher female LFP rates, but it is now entirely attributable to declining rates among men. At ages close to retirement age (55–59 years), the most recent data show a sharp increase in LFP and employment for men and women alike. This is the direct consequence of the various reforms designed to raise employment rates among older workers and increase the retirement age.

Keywords

labour force participation, full-time-equivalent employment, birth cohort, men, women, labour force participation rate by age, France

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