

Reconciling Education and Labour Supply

Speech by Olivier Klein

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In a globalised economy, based on knowledge and facing a technological revolution, Europe needs skilled labour to remain competitive where productivity, quality and innovation are concerned.

Education and training make a vital contribution to economic and social progress. Furthermore, adapting skills to the needs of the labour market plays a major role.

All the studies are congruent in emphasising, on the one hand, the correlation between quality of education and growth and, on the other hand, social mobility and growth. Furthermore, social mobility is itself dependent on the effectiveness of education. International comparisons of these criteria place France in a low ranking.

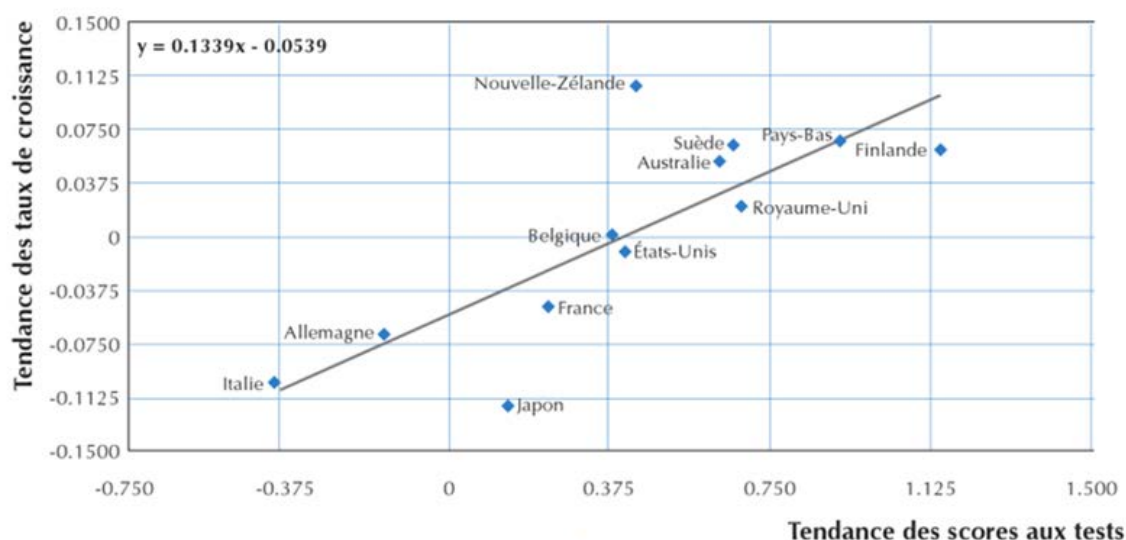
Macroeconomic analysis allows light to be shed on the links between education/training and growth/employment; these links are strengthened as our economy becomes globalised and digitalised.

1. Strong correlation between quality of education and growth

There is a very strong correlation between quality of education and growth, and thus between quality of education and jobs/job offers.

Education performance trends and economic growth trends

Tendance des performances éducatives et tendance des taux de croissance économique



In PISA (Programme for International Student Assessment) surveys, France ranks poorly and is moving backwards. It was in 13th place in 2000 and 25th in 2012. In France, more than 20% of students in year 7 have not mastered literacy and numeracy. Each year, more than 150,000 young people (i.e. 20% in

each age group) leave the education system without qualifications. This comes at a large cost in terms of growth.

The failure of our educational system is not offset by adult vocational training which essentially favours those who are skilled and awards very few qualifications.

In France, 32% of our workers are underqualified for their job: a worrying European record largely due to our educational and adult vocational training systems.

The recent study by France Stratégie and Dares on professions in 2022 shows the extent to which it is difficult for French industry, such as the construction sector, to find the technical skills it needs.

2. A positive correlation between social mobility and growth

Poor social mobility is both a sign that there is inequality of opportunities and a constraint on productivity and economic growth, in an economy driven by innovation and checked by private incomes.

In addition, in France, the lack of equal opportunities is a serious problem and is getting worse. Our country does not even give the same chances of success to all its students. Since 2002, the impact of social background on the performance of 15-year old student increased by 33%. The PISA survey, published in December 2013, assessed the academic level of students aged 15 in the 34 OECD countries. The results show that France is the European country most affected by social determinism.

The impact of social background on the performance of students is thus greater in France than all OECD countries; 1.7 times higher than in Finland, 1.4 times higher than the United Kingdom, 1.3 times higher than Germany.

Currently, 20% of students are assessed as having difficulties. Students from disadvantaged backgrounds do not only have clearly lower results, they are also less involved, less attached to their school, less determined and far more unsettled than those from more advantaged backgrounds. In addition, this difference is clearly more marked in France compared to the average for OECD countries, which highlights the failure of educational policies in supporting difficult schools.

Finally, students from migrant backgrounds (i.e. those born abroad or born in France but whose parents were born abroad) are clearly more likely in France (2.3 times compared to an average of 1.7 times in OECD countries) to be among the students facing difficulties in the 2012 PISA. Even after checking their backgrounds, they have maths scores 37 points lower than those of indigenous students (compared to a 21 point difference, on average, in OECD countries).

Correlation rate between socioeconomic background and PISA results

	2012	2003
France	22.5%	19.6%
Germany	16.9%	22.8%
OECD	14.6%	14.8%

France is behind the rest with countries like Uruguay, Chile, Bulgaria, Hungary, Peru and the Czech Republic.

Focus: % of students from difficult socioeconomic backgrounds that achieve a score in the top 25%:

France: 4.9%

Germany: 7%

OECD: 6.1%

France does not meet the conditions to boost its growth.

3. Effectiveness of education is at the heart of the question of employment

Various criteria common to the countries emerge, of which the education/employment pairing works best. All have a highly developed system to combat academic failure at primary level and attach importance to the quality of educators.

The PISA survey offers new light on this issue by analysing, from the perspective of an international comparison, the extent of the relationship between the performance of students and the existence of performance-based pay systems. Currently, almost half of OECD countries reward the performance of teachers using difference systems. For example, in the Czech Republic, England, Mexico, the Netherlands, Sweden and Turkey, the remarkable (or otherwise) performance of teachers is one of the criteria in determining their position on the basic wage scale.

In addition to pay, the countries with the best rankings offer their teachers more responsibilities, independence, continuing professional development and assess them regularly.

Other common criteria are good coordination between the levels of authority: school, town hall, region, state and an efficient university system. Successful countries have adopted systems that avoid having students specialise too soon into their courses. Similarly, they offer more information about the content and quality of courses, through regular assessment of teaching and teachers.

One also notes furthermore that there is competition and complementarity between the different universities. Links are facilitated between different types of training and research and development are valued through centres of excellence and competitiveness to facilitate coordination between research, teaching and the private sector.

Vocational streams are valued through the generalisation of apprenticeships. Finally, effective vocational training allows everyone to improve their added value, skills, throughout their life. It also allows them to change jobs and deal with technological changes and changes in companies.

Conclusion

"God laughs at those who bemoan the effects whose causes they cherish" Bossuet

In France, the failure is obvious. All the educational policies put in place have only led to a regression in equal opportunities and falling standards. Our current system is marked by a record failure rate at school and then at university.

The qualifications obtained compared to the available jobs are capable of improvement.

The employment rate of 15-24 year olds is very low (28% in France), compared to that of our European neighbours (45% in Germany and 50% in Nordic countries).

In France, we suffer from an excess of ideology and a lack of pragmatism and analysis of what is effective elsewhere.

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