

Sandwich contracts contributed substantially to boosting the activity rate of young people in 2021

Since 2016, the number of beneficiaries of sandwich contracts has increased sharply. This trend accelerated in 2021. These contracts are targeted mainly at the youngest populations, providing them with some professional experience during their training. Within the meaning of the International Labour Organisation (ILO), young people on these contracts are considered as being employed, and hence active. Between the end of 2015 and the end of 2021, the employment rate for young people increased by 5.3 points, of which 2.9 points were due to sandwich contracts

The number of beneficiaries of sandwich contracts increased substantially between 2016 and 2020, and accelerated in 2021

Sandwich contracts combine theoretical learning in a specialist establishment and practical training in a company. There are two types of contract: apprenticeship contracts and professionalisation contracts.

Apprenticeship contracts are open to young people aged 16 to 29, and exemptions are possible for over-29s. The aim is to obtain a vocational or technological diploma, an engineering degree or a recognised qualification. Professionalisation contracts are open to people aged 16 to 25, jobseekers aged 26 and over and recipients of some social minima. The aim is to obtain a professional qualification.

The number of beneficiaries of sandwich contracts has increased considerably since 2016 and even accelerated between the end of 2020 and the end of 2021 (► [Figure 1](#)). According to the Labour Force Survey, this total increased from 612,000 at the end of 2015 to 870,000 at the end

of 2021,¹ in line with the sharp increase in entries into apprenticeship contracts. The rise in the number of beneficiaries of apprenticeship contracts is specifically due to various reforms: the opening of the contracts to 25-29-year-olds, financial aid for apprentices, increased support for hiring and measures to simplify the apprenticeship process for employers. These different forms of aid were increased in response to the health crisis in 2020, notably with the “One young person, one solution” plan.

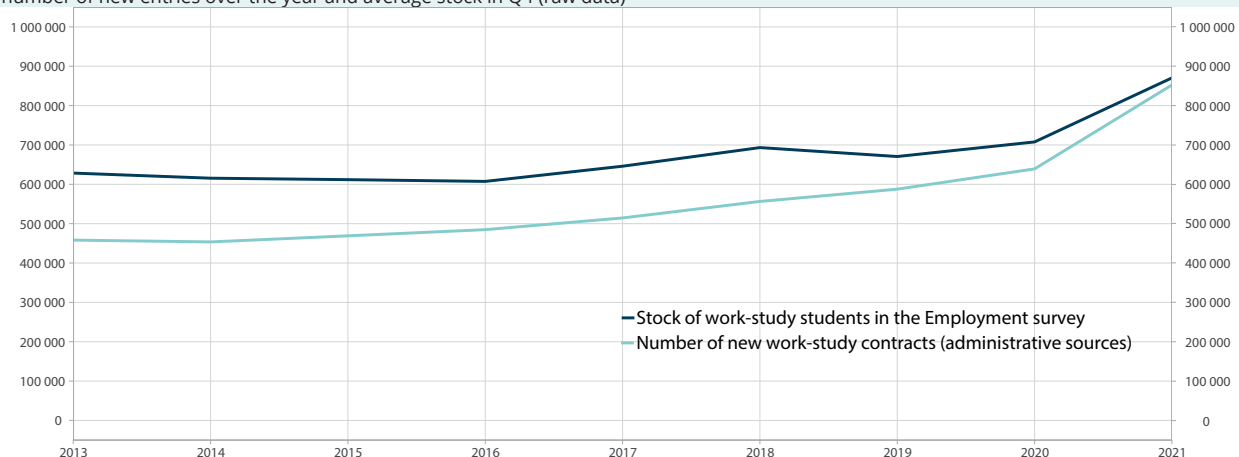
Sandwich contracts greatly boosted young people’s activity rate in 2021

Sandwich contracts are mainly intended for the youngest populations: under-25s made up 81% of beneficiaries in 2021 (compared to 76% in 2015). The surge in the number of sandwich contracts has resulted in a marked increase since 2016 in the share of this type of training in the employment of 15-24-year-olds: this share was 27.5% of those in employment in this age bracket in Q4 2021 against 22.0% in Q1 2016 (► [Figure 2](#)).

¹ In the Labour Force Survey, sandwich contracts comprise apprenticeship contracts (67% in 2021), professionalisation contracts (20%) and internships (13%).

► 1. Number on sandwich contracts in the Labour Force Survey and number of new entries in the administrative sources

total number of new entries over the year and average stock in Q4 (raw data)



Scope: France (excluding Mayotte), persons aged 15 or over, living in ordinary housing, for numbers on sandwich contracts.

All of France (including Mayotte) for the number of new entries.

Note: in the Labour Force Survey, numbers on sandwich contracts include apprentices, professionalisation contracts and interns. The number of new entries includes apprentices and professionalisation contracts.

Source: INSEE, Labour Force Survey for numbers on sandwich contracts. DARES administrative data for number of new entries

French economic outlook

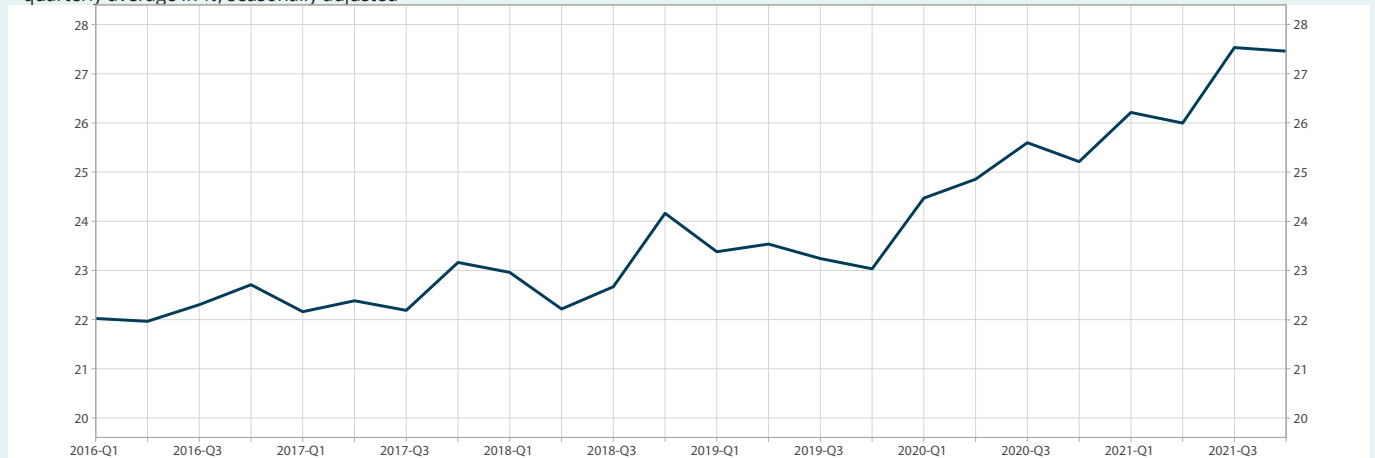
This sharp increase in the number of sandwich contracts clearly boosts the activity rate and the employment rate among young people. According to data from DARES, in 2020, 53.9% of new apprentices were studying before the start of their contract and only 28.1% were already in an apprenticeship or were jobseekers. It can therefore be estimated that a large proportion of the beneficiaries of these contracts went from being inactive to being

in employment. Thus, with the increase in the number of apprenticeship contracts, the sandwich principle is becoming an increasingly important explanatory factor for changes in the employment and activity rates of the 15-24 age bracket. At the end of 2021, the employment rate stood at 5.3 points above its level at the end of 2015 (► **Figure 3**), of which 2.9 points were linked to growth in sandwich contracts. ●

Vivien Guérin

► 2. Share of sandwich contracts in the employment of people aged 15 to 24

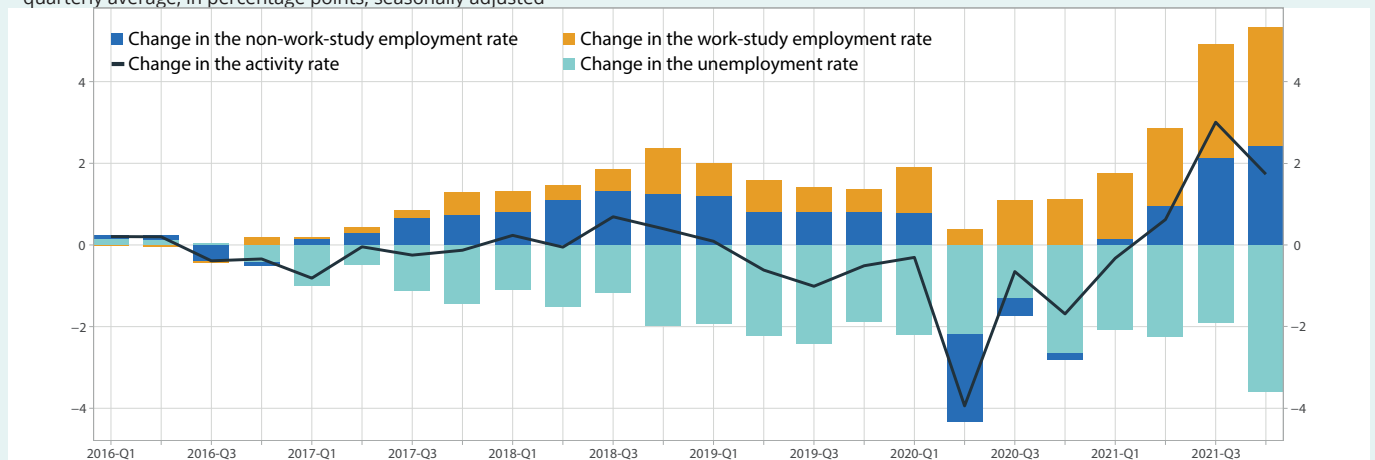
quarterly average in %, seasonally adjusted



Scope: France (excluding Mayotte), persons aged 15 or over, living in ordinary housing, Source: INSEE, Employment survey

► 3. Change in activity rate of 15-24-year-olds compared to Q4 2015

quarterly average, in percentage points, seasonally adjusted



Scope: France (excluding Mayotte), persons aged 15 or over, living in ordinary housing, Note: between Q4 2015 and Q4 2021, among 15-24-year-olds, the share of unemployment decreased by 3.6 points, the employment rate excluding sandwich contracts increased by 2.4 points and the rate of employment on sandwich contracts increased by 2.9 points. As a result, the activity rate increased by 1.7 points over the period Source: INSEE, Employment survey