# Wages

*In 2012, nominal wages should be as dynamic as in 2011. The basic monthly wage should increase by 2.3% after 2.2% in 2011 and the rise in the average wage per head should stand at 2.5% in 2012, after 2.4% in 2011.*

*Thanks to a slightly more moderate rate of inflation in 2012 than in 2011, real wages should pick up slightly. In real terms, the basic monthly wage is set to increase by 0.5% in 2012 after +0.1%. The real average wage per head should rise by 0.6% in 2012, after +0.3% in 2011.*

*In general government, the nominal average wage per head is set to slow in 2012 (+1.2% after +1.8%). In real terms this deceleration should lead to a new drop in wages (-0.7% after -0.3% in 2011).*

## In 2012, nominal wages set to increase at the same pace as in 2011...

The basic monthly wage[1] should accelerate very slightly in 2012 : +2.3% after +2.2% in 2011 (*seeTable*). Wages are likely to continue to be sustained by the high level of inflation observed in 2011. In particular, the adjustment of the minimum wage at the end of 2011 and the start of 2012 (+2.1% on 1st December 2011 then +0.3% on 1st January 2012) was more significant than at the start of 2011 (+ 1.6% on 1st January 2011). Furthermore, the hike in the minimum wage announced by the new government should sustain the average wage per head in H2 2012 [2].

Conversely, the expected continuing rise in unemployment is likely to take its toll on the bargaining power of employees, and apply the brakes to the progress made in the basic monthly wage.

After the payment at the end of 2011 of bonuses to employees in companies whose dividends increased, the average wage per head appears to have slipped back in early 2012 (*see Graph*). It is likely to show the same level of growth as the basic monthly wage in H2. The average wage per head should increase by 2.5% in 2012, after + 2.4% in 2011.

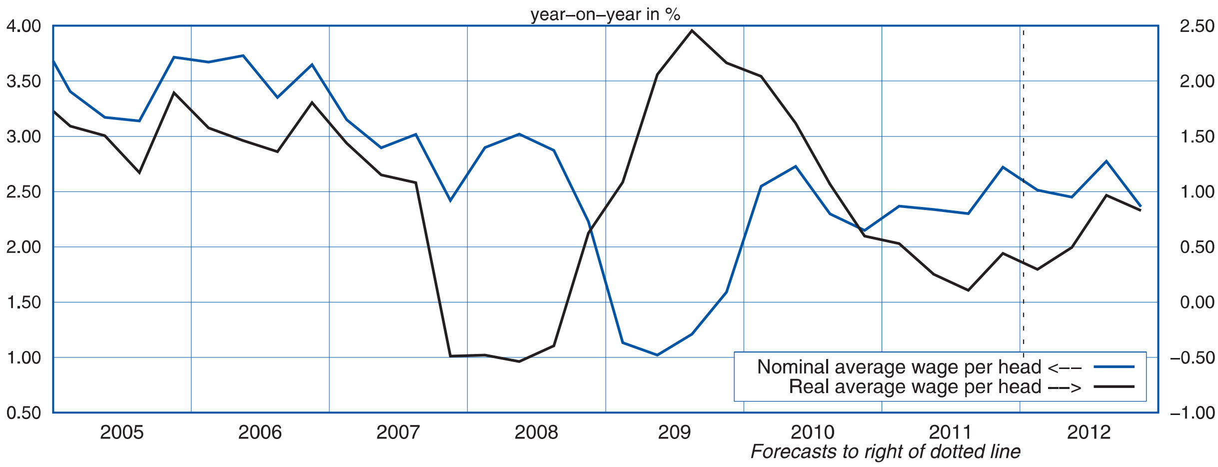
## ... while real wages pick up slightly

In 2012, the recent fall in the prices of commodities (*see "Consumer prices" note*) should spread to consumer prices and inflation should drop. In the short term the adjustment of wages to prices is delayed. As a result, due to the delayed indexation to inflation, wages should decline only very partially in 2012 and real wages should pick up. The real basic monthly wage is therefore likely to be slightly more dynamic than in 2011 (+0.5%, after

(1) For a definition of the terms "basic monthly wage" and "average wage per head", *see the glossary at the end of the report, "Economic outlook terms".*

2) The assumption made here is an increase of 2% on 1st July 2012. In Q3 it should contribute a 0.1 point rise in the average wage per head.

**Change in the nominal and real average wage per head**




* Scope: non-agricultural market sector

*Source: DARES, INSEE*

+0.1% in 2011), as is the real average wage (+0.6% after +0.3%).

### Drop in real wages in general government

In the civil service, the fall in real wages should be sharper in 2012. Like last year, the index point is likely to be frozen. However, the civil service minimum index increased by 7 points in January (from 295 to 302) in order to follow the growth in the minimum wage. Additionally, the Individual purchasing power guarantee bonus scheme [3] is likely to be renewed in 2012 under the same conditions as in 2011. All in all, the average wage per head in general government should increase less in 2012 than it did in 2011 (+1.2% after +1.8%). In real terms, the decline in the average wage per head should be sharper (-0.7% in 2012 after -0.3% in 2011).■

(3) The individual purchasing power guarantee bonus scheme 2012 is a benefit that concerns civil servants and State agents who lost purchasing power between 2007 and 2011.

**Growth of the basic monthly wage and the average wage per head in the non-agricultural market sector and in general government**

*change as a %*

| Seasonally-corrected data | Quarterly growth rates | | | | | | | | Annual averages | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2011 | | | | 2012 | | | | 2010 | 2011 | 2012 |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| Basic monthly wage | 0.7 | 0.6 | 0.4 | 0.6 | 0.6 | 0.7 | 0.7 | 0.5 | 1.8 | 2.2 | 2.3 |
| Average wage per head in the non-agricultural market sector (NAMS) | 0.7 | 0.7 | 0.4 | 0.9 | 0.5 | 0.6 | 0.7 | 0.5 | 2.4 | 2.4 | 2.5 |
| Average wage per head in general government (GG) | | | | | | | | | 2.0 | 1.8 | 1.2 |
| Household consumer price index (quarterly national accounts) | 0.8 | 0.5 | 0,4 | 0.6 | 0.7 | 0.2 | 0.2 | 0.3 | 1.1 | 2.1 | 1.9 |
| Real basic monthly wage | -0.1 | 0.1 | 0,1 | 0.0 | -0.1 | 0.4 | 0.5 | 0.2 | 0.7 | 0.1 | 0.5 |
| Real average wage per head (NAMS) | 0.0 | 0.2 | 0,0 | 0.3 | -0.2 | 0.3 | 0.5 | 0.2 | 1.3 | 0.3 | 0.6 |
| Real average wage per head (GG) | | | | | | | | | 0.9 | -0.3 | -0.7 |

Forecast

*Source: INSEE*

# Household income

*In 2012, the gross disposable income of households should slow down significantly (+1.3% after +2.6%), as earned income becomes less dynamic than in 2011 (+2.2% after +2.9%) and the total tax burden accelerates (+6.6% after +5.0%). Consequently, the slight slowdown in consumer prices (+1.9% after +2.1%) is unlikely to be enough to maintain the purchasing power of household income, which is set to fall by 0.6% in 2012 (after +0.5% in 2011).*

## Earned income set to slow down in 2012

In 2012, the earned income of households should be less dynamic than in 2011 (+2.2% after +2.9%, see *Table 1*). Payroll in particular should grow at a less sustained rate (+2.3% after +2.9%, see *Table 2*) due to the deteriorating labour market. Employment should be almost stable in 2012 in the non-agricultural market sectors. The average wage per head, meanwhile, should grow slightly more quickly 2012 than in 2011 (+2.5% after +2.4%, see *Graph 1*), thanks in particular to the increase in the minimum wage in December 2011 and the further increase announced for July 2012. The gross operating surplus of sole proprietorships should also slow down (+1.5% after +2.4%).

Property income should also be stable in 2012 (+0.2% after +3.7%) while the gross operating surplus of pure households [1] is set to slow down (+2.4% after +3.4%).

(1) The gross operating surplus of pure households corresponds to the rent received by individual property owners from their tenants, or the rent they could receive if their property were rented out (or "fictional rent")

Table 1

**Household gross disposable income**

*change as %*

| | Half-yearly averages | | | | | | Annual averages | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2010** | | **2011** | | **2012** | | **2010** | **2011** | **2012** |
| | **H1** | **H2** | **H1** | **H2** | **H1** | **H2** | | | |
| **Gross disposable income (100%)** | **0.6** | **1.6** | **1.3** | **1.1** | **0.8** | **-0.1** | **2.0** | **2.6** | **1.3** |
| including : | | | | | | | | | |
| Income (68%) | 1.3 | 1.3 | 1.6 | 1.3 | 1.1 | 1.0 | 2.3 | 2.9 | 2.2 |
| *Gross wages (60%)* | *1.3* | *1.2* | *1.7* | *1.3* | *1.1* | *1.1* | *2.3* | *2.9* | *2.3* |
| *GOS of sole proprietors (1) (9%)* | *1.5* | *1.8* | *0.9* | *1.3* | *0.8* | *0.2* | *1.8* | *2.4* | *1.5* |
| Social benefits in cash (32%) | 1.4 | 1.3 | 1.7 | 1.6 | 1.4 | 1.9 | 3.2 | 3.2 | 3.2 |
| GOS of "pure" households (12%) | 0.0 | 1.0 | 2.2 | 1.4 | 1.2 | 1.1 | -0.4 | 3.4 | 2.4 |
| Property income (10%) | -0.7 | 1.2 | 2.7 | 0.7 | -0.3 | 0.1 | -0.9 | 3.7 | 0.2 |
| Social contribution and tax burden (-23%) | 3.1 | 0.0 | 3.8 | 2.4 | 2.2 | 6.4 | 2.5 | 5.0 | 6.7 |
| *Contributions by paid employees (-8%)* | *0.9* | *0.9* | *2.1* | *1.5* | *0.8* | *2.1* | *1.9* | *3.3* | *2.6* |
| *Contributions of self-employed persons (-2%)* | *1.8* | *1.0* | *0.6* | *1.2* | *0.8* | *0.6* | *3.1* | *1.7* | *1.6* |
| *Income and wealth tax (including CSG and CRDS) (-14%)* | *4.8* | *-0.8* | *5.4* | *3.2* | *3.3* | *9.8* | *2.8* | *6.6* | *10.1* |
| **Income before taxes** | **1.1** | **1.3** | **1.7** | **1.3** | **1.1** | **1.1** | **2.0** | **3.1** | **2.3** |
| **Household consumer prices (quarterly national accounts)** | **0.7** | **0.7** | **1.3** | **0.9** | **1.1** | **0.5** | **1.1** | **2.1** | **1.9** |
| **Purchasing power of gross disposable income** | **-0.1** | **0.9** | **0.0** | **0.2** | **-0.3** | **-0.6** | **0.9** | **0.5** | **-0.6** |
| **Household purchassing power by consumption** | **-0.4** | **0.6** | **-0.3** | **-0.1** | **-0.6** | **-0.9** | **0.2** | **-0.1** | **-1.2** |

Forecast

How to read it: The figures in parentheses give the structure of the year 2011.
(1) The gross operating surplus (GOS) of sole proprietors is the balance of the operating accounts of sole proprietorships. It is mixed income, because it remunerates the work performed by the sole proprietor, and possibly the members of his family, but also contains the profit achieved as an entrepreneur.
*Source: INSEE*

### Social benefits should remain dynamic in 2012

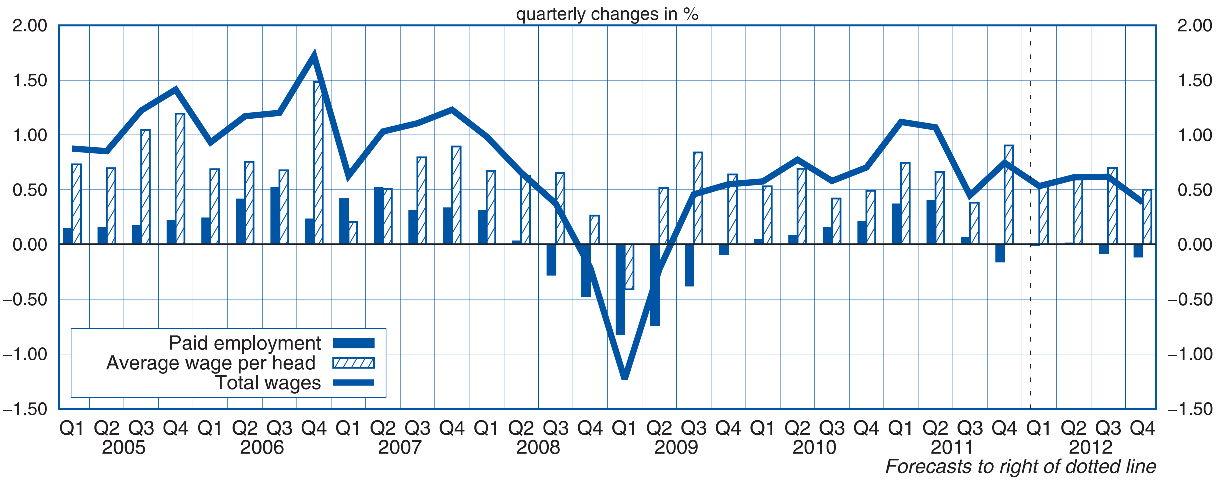
In 2012, social benefits in cash should progress at the same rate as in 2011 and 2010 (+3.2%, see *Table 3*). Social security benefits should be as dynamic as in 2011 (+3.4% in 2012 after +3.3%). Sickness benefits should be held back by the modification of the ceiling on daily allowances. In addition to this, the adjustment of family benefits was limited to 1% and was only made on 1st April this year, instead of 1st January as in previous years. In contrast, unemployment benefits should progress more quickly in 2012 than in 2011 due to the rise in the number of unemployed. The sharp increase in the start-of-term allowance in the summer (+25% or €340 million in H2) should also boost benefits in H2 2012.

Social assistance benefits should also accelerate in 2012: +1.3% after +0.4%. They should be buoyed up by the increases to the disabled adult allowance (in April and September) and by the dynamism of the Active Solidarity Income (RSA) and the Specific Solidarity Allowance (ASS).

### The total tax burden dynamic in 2012

In 2012, the total burden of taxes paid by households should accelerate (+6.7% after 5.0%), driven by an acceleration in taxes on income and on assets (+10.1% after +6.6%). In particular, revenues from income tax should accelerate in H2 with the implementation of the measures already passed for 2012: deindexation of the income tax scale; modifications to tax relief on investments in photovoltaic equipment; change to the way income is declared in the event of a marriage or civil partnership; reduction in certain tax loopholes and the introduction of an exceptional contribution on high revenues. The higher taxation of capital gains on real estate and heavier taxes on capital should also contribute to the dynamism of the total tax burden. Finally, other current taxes should be

**1 - Breakdown of the total wages paid out to households in the competitive non-agricultural sector**




*Source: INSEE*

**Table 2**

**From the payroll of non-financial enterprises to that received by households**

*change as a %*

| | Half-yearly averages | | | | | | Annual averages | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2010** | | **2011** | | **2012** | | **2010** | **2011** | **2012** |
| | **H1** | **H2** | **H1** | **H2** | **H1** | **H2** | | | |
| Non-financial enterprises (67%) | 1.2 | 1.5 | 2.2 | 1.4 | 1.2 | 1.2 | 2.3 | 3.7 | 2.5 |
| *including : Average wage per head* | 1.3 | 1.3 | 1.5 | 1.2 | 1.3 | 1.4 | 2.8 | 2.7 | 2.6 |
| Financial corporations (5%) | 2.3 | -0.7 | -0.3 | 2.1 | 2.0 | 1.3 | 2.2 | 0.4 | 3.7 |
| General government (22%) | 1.1 | 0.6 | 0.7 | 0.4 | 0.4 | 0.5 | 2.1 | 1.2 | 0.9 |
| Households excluding sole proprietors (2%) | 1.9 | 0.5 | 0.9 | 1.2 | 1.0 | 1.0 | 3.0 | 1.8 | 2.1 |
| **Total gross wages received by households (100%)** | **1.3** | **1.2** | **1.7** | **1.3** | **1.1** | **1.1** | **2.3** | **2.9** | **2.3** |
| *including : Non-agricultural market sectors* | 1.2 | 1.3 | 2.0 | 1.4 | 1.2 | 1.1 | 2.2 | 3.4 | 2.5 |

Forecast

How to read it: The figures in parentheses give the structure of the year 2011.
*Source: INSEE*

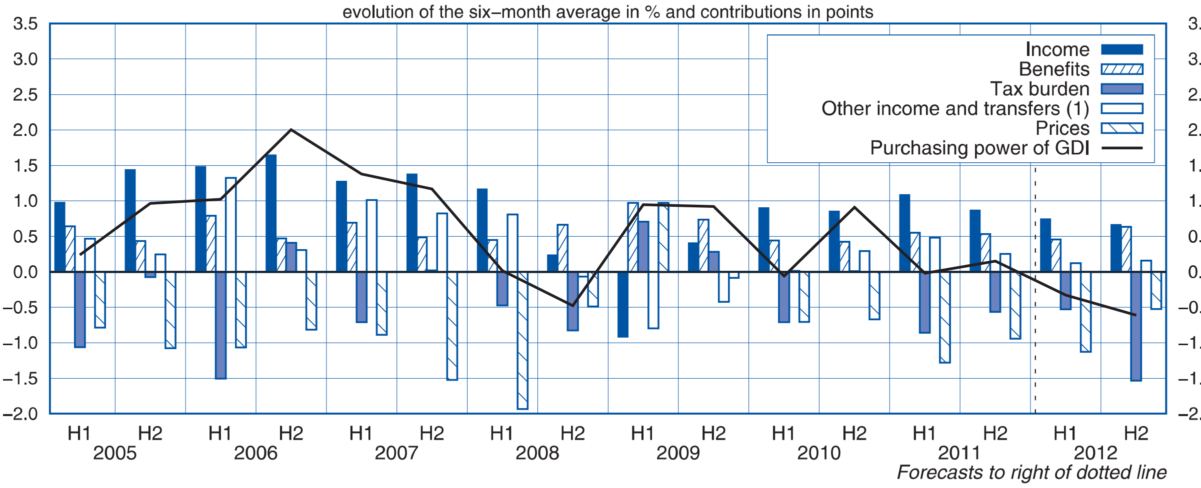
boosted by an exceptional contribution announced by the government to offset the reduction in the solidarity tax on wealth passed in the Finance Law.

Finally, the contributions of employees (+2.6% in 2012 after +3.3%) and the self employed (+1.6% after +1.7%) should rise more moderately as earned income slows down. They should be boosted in H2, however, by the abolition of the exemptions on overtime.

## Purchasing power down in 2012

Affected by the slowdown in earned income and the sharp rise in tax, the nominal gross disposable income of households should therefore slow down significantly in 2012 (+1.3% after +2.6%). Despite inflation easing slightly (+1.9% after +2.1%), the purchasing power of gross disposable income should be down in 2012: -0.6% after +0.5%. It should fall back *(see Graph 2)* in H1 (-0.3%) and in H2 (-0.6%). Purchasing power per consumption unit, which takes account notably of demographic changes (see *Box*), is set to continue falling in 2012: -1.2% after -0.1% in 2011.■

### 2 - Purchasing power of disposable income and contributions




(1) GOS of pure households, property income and current transfers
*Source: INSEE*

**Table 3**

### Social transfers received and paid by households

*change as a %*

| | Half-yearly averages | | | | | | Annual averages | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2010 | | 2011 | | 2012 | | 2010 | 2011 | 2012 |
| | H1 | H2 | H1 | H2 | H1 | H2 | | | |
| **Social cash benefits received by households (100%)** | **1.4** | **1.3** | **1.7** | **1.6** | **1.4** | **1.9** | **3.2** | **3.2** | **3.2** |
| Social Security benefits in cash (72%) | 1.5 | 1.4 | 1.7 | 1.7 | 1.4 | 2.2 | 3.6 | 3.3 | 3.4 |
| Private funded social benefits (7%) | 0.8 | 1.2 | 1.1 | 1.5 | 1.9 | 1.2 | 2.9 | 2.5 | 3.3 |
| Unfunded employee social benefits (13%) | 1.2 | 2.0 | 2.8 | 2.1 | 1.6 | 1.5 | 2.9 | 5.0 | 3.5 |
| Social assistance benefits in cash (8%) | 1.1 | -0.3 | 0.4 | 0.4 | 0.7 | 0.8 | 0.6 | 0.4 | 1.3 |
| **Total social contribution burden** | **0.9** | **1.2** | **2.4** | **2.1** | **1.4** | **1.7** | **2.1** | **4.1** | **3.3** |
| Actual social contributions paid by households (100%) | 1.0 | 1.1 | 2.3 | 2.1 | 1.4 | 1.7 | 2.0 | 4.0 | 3.3 |
| *including : Employers contributions(1) (63%)* | *0.9* | *1.3* | *2.7* | *2.5* | *1.7* | *1.6* | *2.0* | *4.7* | *3.8* |
| *Employees contributions (29%)* | *0.9* | *0.9* | *2.1* | *1.5* | *0.8* | *2.1* | *1.9* | *3.3* | *2.6* |
| *Self-employed contributions (8%)* | *1.8* | *1.0* | *0.6* | *1.2* | *0.8* | *0.6* | *3.1* | *1.7* | *1.6* |

Forecast

How to read it: The figures in parentheses give the structure of the year 2011.
(1) Employer contributions are both received and paid by households in the national accounts: they therefore have no effect on gross disposable income.
*Source: INSEE*

## Encadré - Different ways of measuring purchasing power

The household income that is presented and analysed in Conjoncture in France includes all the income received by all households. This is the relevant reference in macro-economic terms, for example when constructing the balance between resources (GDP and imports) and uses (consumption, investment, exports...) or forecasting GDP. It must be corrected, however, if we want to measure the average purchasing power of the French, in order to take account both of growth in the number of households and changes to their composition. The most relevant correction in this respect consists in dividing income by the number of consumption units in France, thereby taking account of demographic growth and also of the fact that some consumption may be shared within the household (for example, household appliances). A large household therefore makes certain "economies of scale" in relation to a smaller household. In 2011, growth in the number of consumption units was 0.6% (as a comparison, growth in the population was 0.5% and growth in the number of households 1.0%).

Therefore, purchasing power per consumption unit is set to fall in 2012 (-1.2% after -0.1% in 2011). Per inhabitant, the fall should be 1.1% and per household it should be 1.6%.■

# Household consumption and investment

*In Q1 2012, household consumption picked up slightly (+0.2% after +0.1%): the rebound in energy expenditure after the very low temperatures in February partially offset the fall in purchases of manufactured products, particularly automobiles.*
*The household savings ratio appears to have fallen sharply in Q1 2012, down to 15.8% after 16.2% in Q4 2011. It should fall again in H2, ending the year at 15.1%.*
*In Q2 2012, household consumption should however decline a little more than the purchasing power of income (-0.2%). Energy expenditure should increase once again, sustained by the lower-than-normal temperatures in April, but expenditure on manufactured goods should continue to slip back, notably due to an exceptional drop in spending on textiles, clothing and leather items. It should then remain virtually stable in H2 (+0.1% each quarter). In 2012 as in 2011, household consumption should only progress slightly over the year as a whole (+0.2%), with the drop in the savings ratio offsetting the decline in the purchasing power of income.*
*Household investment fell in Q1 2012 (-0.2% after +0.3%) and should continue to decline over the rest of the year.*

### In Q1 2012, a rebound in energy expenditure

In Q1 2012, household consumption accelerated slightly (+0.2% after +0.1%, see *Table*). Households seem to have brought down their savings ratio, now standing at 15.8% (after 16.2% in Q4 2011).

Energy expenditure, which rebounded sharply in Q1 (+7.6%), was the main factor in the rise in consumption. The reaction to the sharp drop in Q4 2011 (-3.6%) was amplified by the cold snap in February. Conversely, automobile purchases slipped back in Q1 (-6.5%), after being temporarily buoyed up in Q4 by anticipated purchases prior to the implementation of a stricter bonus-malus scheme on 1st January 2012.

Expenditure on textiles, clothing and leather goods remained dynamic in Q1 (+0.6% after +0.5% in Q4), as did food purchases (+0.3% after +0.5%). All in all, the rise in purchases of textiles and foodstuffs did not offset the decline in automobile purchases, and expenditure on manufactured goods fell back in Q1 (-0.5%).

The consumption of services, stable in Q4 2011, remained sluggish in Q1 2012 (+0.1%).

### French households' savings ratio set to fall back in 2012

Faced with rising unemployment and the worsening economic situation, households increased their savings ratio between 2008 and 2011, as a precaution. Confronted with a drop in their purchasing power in 2012, they are likely to ease the strain on their consumption expenditure

**Household consumption and investment expenditure**

| | Quarterly changes in % | | | | | | | | | | | | Annual changes in % | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | | | | 2011 | | | | 2012 | | | | 2010 | 2011 | 2012 |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| **Total household consumption expenditure** | **0.0** | **0.2** | **0.6** | **0.5** | **0.0** | **-1.0** | **0.4** | **0.1** | **0.2** | **-0.2** | **0.1** | **0.1** | **1.4** | **0.2** | **0.2** |
| *including: Agriculture goods (3%)* | *-1.6* | *-0.3* | *0.3* | *0.0* | *0.8* | *0.0* | *-0.8* | *0.5* | *0.3* | *-1.1* | *0.4* | *0.1* | *-0.5* | *0.6* | *-0.3* |
| *Energy (4%)* | *7.7* | *-0.8* | *-2.9* | *3.5* | *-8.1* | *-3.4* | *3.2* | *-3.6* | *7.6* | *1.7* | *-3.0* | *0.0* | *4.9* | *-9.0* | *5.1* |
| *Manufactured goods (43%)* | *-1.1* | *0.0* | *1.6* | *0.9* | *0.5* | *-1.7* | *0.3* | *0.4* | *-0.5* | *-0.7* | *0.5* | *0.1* | *1.2* | *0.9* | *-0.7* |
| *Services (50%)* | *0.3* | *0.4* | *0.3* | *-0.1* | *0.4* | *0.1* | *0.3* | *0.0* | *0.1* | *0.1* | *0.1* | *0.1* | *1.0* | *0.8* | *0.4* |
| *Goods* | *-0.4* | *-0.1* | *1.1* | *1.1* | *-0.2* | *-1.8* | *0.5* | *0.1* | *0.2* | *-0.5* | *0.2* | *0.1* | *1.4* | *0.0* | *-0.2* |
| **Household consumption** | **0.0** | **0.3** | **0.6** | **0.4** | **0.1** | **-0.7** | **0.4** | **0.1** | **0.3** | **-0.1** | **0.2** | **0.1** | **1.5** | **0.5** | **0.4** |
| **Household investment** | **0.6** | **0.9** | **1.9** | **0.5** | **0.0** | **1.3** | **1.2** | **0.3** | **-0.2** | **-0.1** | **-0.2** | **-0.2** | **-0.3** | **3.2** | **0.7** |

Forecast
*Source: INSEE*

by bringing down their savings ratio. The new tax burden increase measures should partly affect income usually saved. Households brought down their savings ratio in Q1 2012 by 0.4 point, to 15.8% (*see Graph 1*).

In Q2, the savings ratio should recover slightly because consumption is likely to be affected by the exceptional drop in spending on textile and leather items, while purchasing power should only slip back slightly. The savings ratio should decline once again in H2, settling at 15.1% at the end of 2012. On average over 2012 as a whole, it should come to 15.6%, which is significantly lower than its average level in 2011 (16.2%).

## In Q2 2012, consumption set to fall back

Total household consumption should fall back in Q2 2012 (*-0.2%, see Graph 2*).

Under the effect of temperatures that were well below average, household energy expenditure rose sharply in April and energy consumption should be up once again in Q2 (+1.6% after +7.6%).

Consumption of manufactured products should, however, slip back. On the one hand, automobile purchases should continue to fall. They dropped by 2.0% in April against March and their growth overhang for Q2 stood at -0.5%. On the other hand, spending on clothing, textiles and leather items should drop very sharply: it fell downdown by 9.1% in April against March. Food consumption should also decline in Q2 2012 (-1.0%), after bouncing in Q1.

Lastly, consumption of services should continue to progress at a moderate rate in Q1 2012 (+0.1%).

## In H2 2012, consumption should be sluggish

In H2 2012, household consumption should grow slightly (+0.1% each quarter), with the drop in the savings ratio offsetting the fall in the purchasing power of income. Consumption of goods should grow slightly, sustained by a slight upturn in purchases of textile goods in summer, and the consumption of services should remain almost stable.

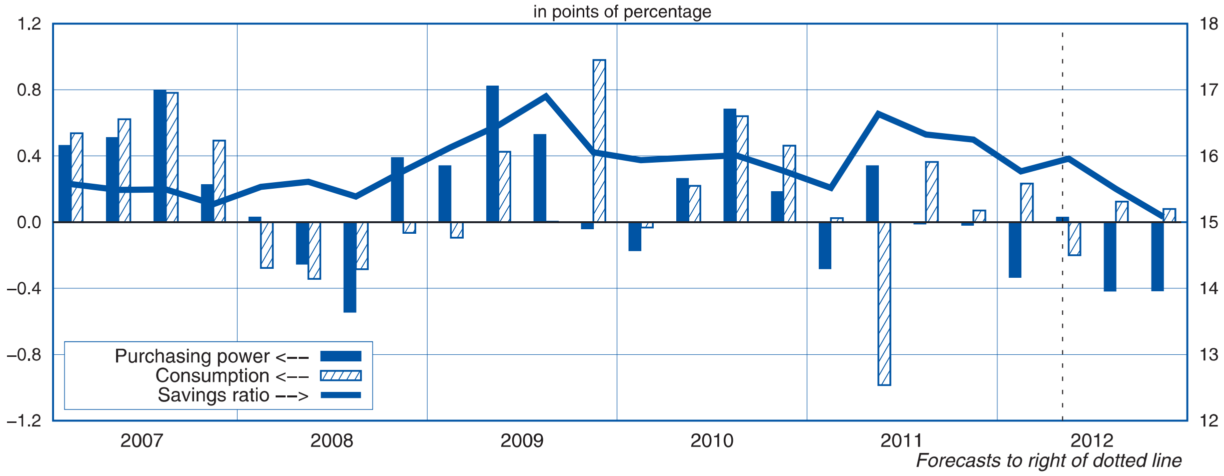
Over the year as a whole, household consumption is likely to be sluggish in 2012 (+0.2% after +0.2%). Its progress is likely to be far slower than that observed before 2008 [1].

## Household investment stable

Household investment declined in Q1 2012 (-0.2%). In Q2 then in H2, household investment should continue to slip back slightly, following the trend of housing starts since the end of 2011 (*see Graph 3*). Over 2012 as a whole, household investment should decelerate sharply (+0.7%) after a dynamic 2011 (+3.2%).■

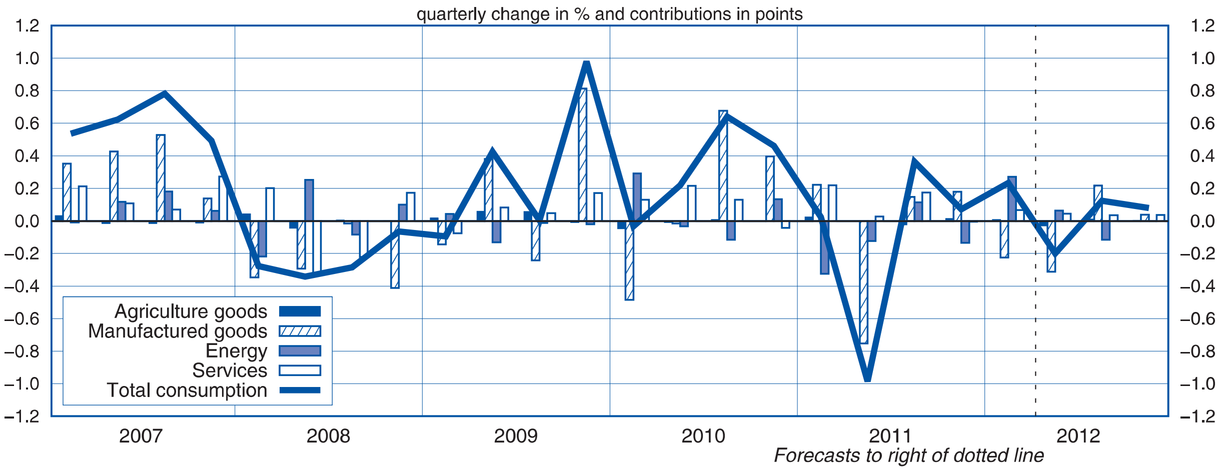
(1) +0,5% quarterly in average between 2000 and 2008, *see Analysis "La consommation des ménages dans la crise" in Note de conjoncture , June 2012.*

**1 - Savings ratio and growth rate of consumption and purchasing power of gross disposable income**



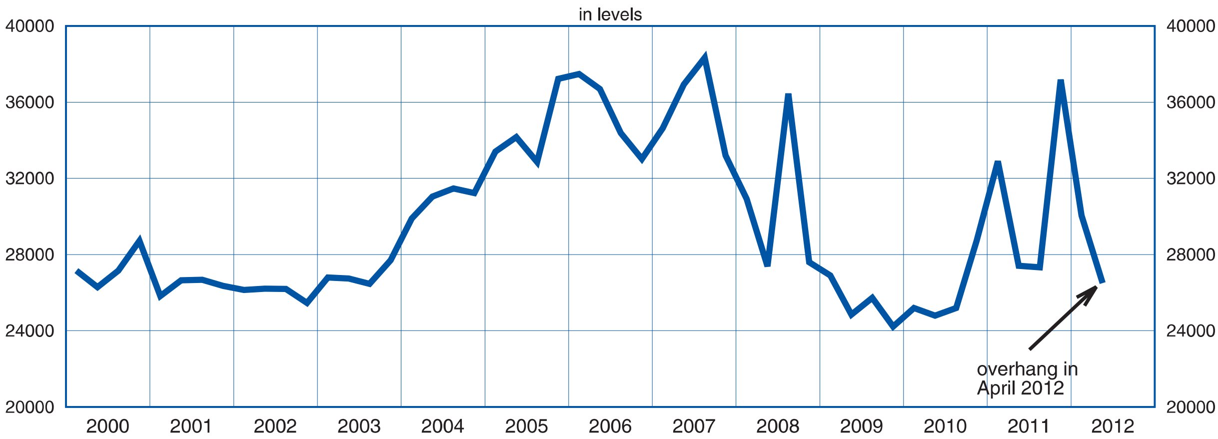

*Source: INSEE*

### 2 - Contributions of the various items to quarterly household consumption




*Source: INSEE*

### 3 - Housing starts for all housing per quarter




*Source: SoeS*

# Enterprises' earnings

*In 2011, the margin rate of non-financial enterprises, measured at factor costs, fell (-1.4 points). Productivity gains were limited and terms of trade worsened significantly under the effect of the oil shock at the start of 2011. Wage costs also increased due to dynamic real wages and less favourable employers' social contribution exemption conditions.*

*In 2012, the margin rate should fall again (-1.2 points). It would appear to have declined already in Q1 2012 (-0.4 points to 28.7%), due mainly to the increase in the reduced VAT rate in services and the rise in energy prices.*

*The margin rate of businesses should continue to slip slightly in Q2 and Q3, before rising again somewhat at the end of the year. Gains in productivity and the fall in oil prices should boost margin rates through to the end of the year. In contrast, relatively dynamic real wages should hold margins back, particularly in Q2 and Q3.*

## The margin rate fell sharply in 2011

Throughout 2011, the margin rate of non-financial enterprises fell back: measured at factor costs, it slipped from 30.6% at the end of 2010 to 29.2% one year later *(see Graph 1)*. This sharp fall was the result firstly of worsening terms of trade (contribution of -0.8 points to the annual change). Businesses also bore part of the cost of the oil shock that occurred in early 2011. Next, the rise in real wages per head also contributed to squeezing the margins of businesses (contribution of -0.5 points). Employers' social contributions also weighed down continuously on margins (-0.4 points) due to the annualisation of rebates on social contributions. Finally, productivity gains remained limited over the year *(see Table)*

## The margin rate would seem to have fallen again in early 2012...

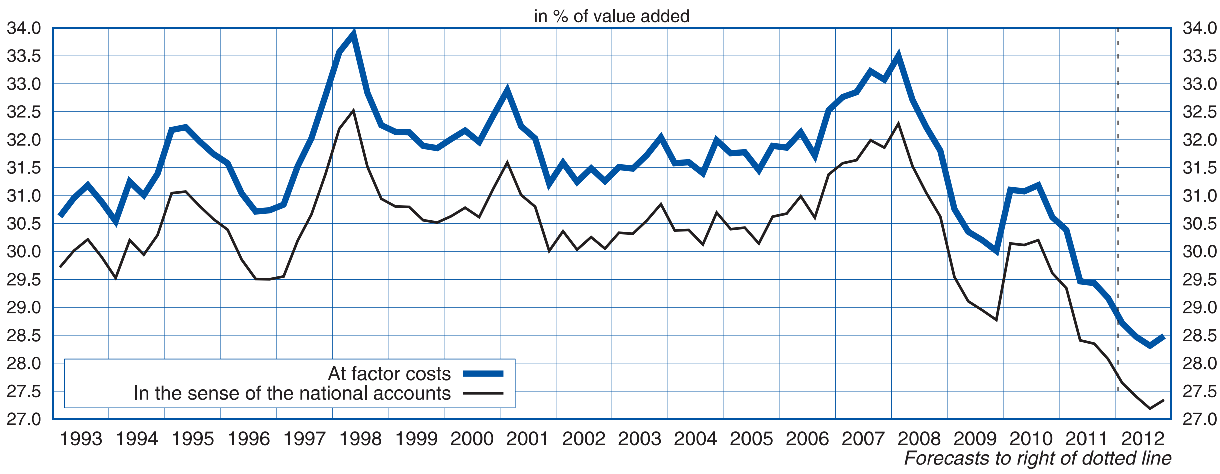
In Q1 2012, the margin rate would seem to have continued falling (-0.4 points), its sixth consecutive fall (see *Graph 2*). Since the end of Q3 2010, it has therefore lost 2.5 points. The fall in real wages, measured with consumer prices, at the start of the year *(see "Wages" note)* should have boosted margins (contribution of +0.1 points), but the rise in the reduced VAT rate in services and the rise in energy prices at the start of 2012 have made value added prices rise less quickly than consumer prices (-0.4 point contribution). The productivity of businesses also declined in Q1 (contribution of -0.1 points).

## ... and should level out at the end of 2012

Through to the time horizon of the forecast, the margin rate should stop declining. To begin with, it should fall again (-0.2 points) in Q2 to 28.5%, affected notably by the progression in real wages (contribution of -0.3 points).

In Q3, the margin rate of companies should fall by a further 0.2 points, affected by the rise in the social contribution on incentive and profit sharing schemes announced by the government.

**Margin rate of non-financial enterprises (NFE)**



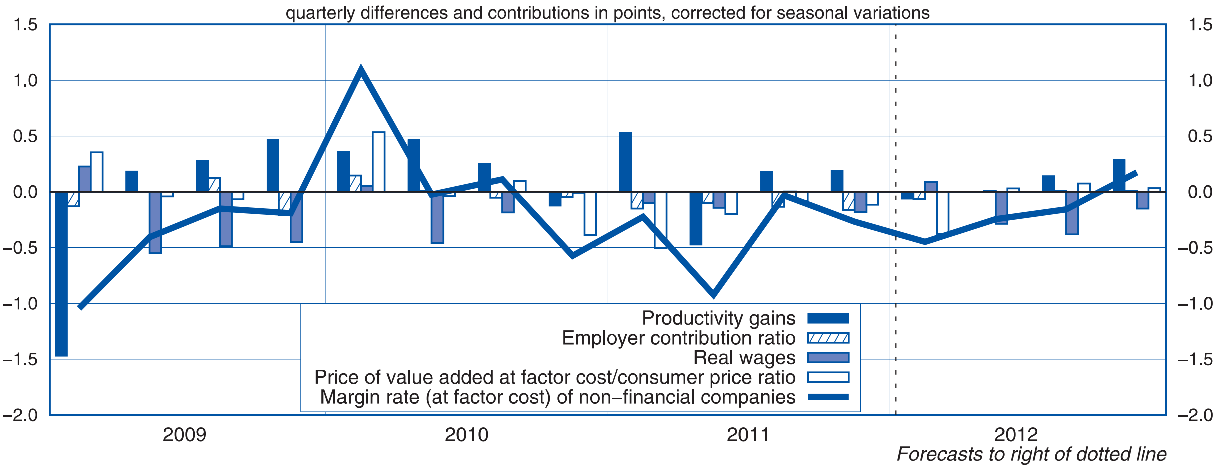

*Source: INSEE*

Employers' contributions should also be buoyed up by the end of the exemptions applied to overtime. The wages paid will also be boosted by the exceptionnal increase in the minimum wage *(see "Wages"note)*.

In Q4, however, the margin rate should progress slightly to stand at 28.4% at the end of 2012. The activity of non-financial enterprises should accelerate slightly, while market-sector employment should fall *(see "Employment" note)* and productivity gains should be slightly more sustained (+0.3 points). They should more than offset the progression in real wages per head (contribution of -0.2 points in Q4).

At the end of 2012, the margin rate should still be at a lower level than that at the end of 2011, 2.8 points below its most recent peak in Q3 2010.■

**2 - Contributions to the variation in the margin rate at factor cost of non-financial companies**




*Source: INSEE*

## Breakdown of the margin rate of non-financial enterprises (NFE)

*in % and in points*

| | 2010 | | | | 2011 | | | | 2012 | | | | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| **Margin rate (in level)(1)** | 30.1 | 30.1 | 30.2 | 29.6 | 29.3 | 28.4 | 28.3 | 28.1 | 27.6 | 27.4 | 27.1 | 27.2 | 30.0 | 28.5 | 27.3 |
| **Variation in margin rate** | 1.4 | 0.0 | 0.1 | -0.6 | -0.3 | -0.9 | -0.1 | -0.3 | -0.4 | -0.2 | -0.3 | 0.1 | 0.9 | -1.5 | -1.2 |
| **Margin rate at factor costs (in level) (2)** | 31.1 | 31.1 | 31.2 | 30.6 | 30.4 | 29.5 | 29.4 | 29.2 | 28.7 | 28.5 | 28.2 | 28.4 | 31.0 | 29.6 | 28.4 |
| **Variation in margin rate at factor cost** | 1.1 | 0.0 | 0.1 | -0.6 | -0.2 | -0.9 | 0.0 | -0.3 | -0.4 | -0.2 | -0.2 | 0.1 | 0.7 | -1.4 | -1.2 |
| **Contributions to the variation margin rate at factor costs of** | | | | | | | | | | | | | | | |
| *productivity gains* | 0.4 | 0.5 | 0.3 | -0.1 | 0.5 | -0.5 | 0.2 | 0.2 | -0.1 | 0.0 | 0.1 | 0.3 | 1.3 | 0.5 | 0.2 |
| *real wage per head* | 0.1 | -0.5 | -0.2 | 0.0 | -0.1 | -0.1 | 0.0 | -0.2 | 0.1 | -0.3 | -0.4 | -0.2 | -1.1 | -0.5 | -0.5 |
| *employer contribution ratio* | 0.1 | 0.0 | -0.1 | 0.0 | -0.1 | -0.1 | -0.1 | -0.2 | -0.1 | 0.0 | -0.1 | 0.0 | 0.0 | -0.4 | -0.3 |
| *ratio of the value-added price to the consumer price* | -0.1 | 0.0 | 0.1 | -0.3 | -0.4 | -0.1 | 0.0 | -0.1 | -0.4 | 0.0 | 0.2 | 0.0 | -0.2 | -0.8 | -0.4 |
| *others factors* | 0.6 | 0.0 | 0.0 | 0.0 | -0.1 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | -0.1 | 0.0 | 0.6 | -0.2 | -0.1 |

Forecast

(1) The margin rate measures the share of value-added which remunerates capital. Its variation is broken down in accounting terms between:
- productivity changes (Y/L), with Y value-added and L employment, and the ratio of the value-added price to the consumer price, or terms of trade (Pva/Pc), which play a positive role;
- changes to the real average wage per head (SMPT/Pc) and the employer contribution ratio (W/SMPT, where W represents all compensation), which play a negative role.
- otehrs factors: it is a ratio of the value-added price at factor cost to the value-added price in the sense of the national accounts. This breakdown is summarised in the following equation (see *Report, Conjoncture in France, June 2003*):

$$TM = \frac{EBE}{VA} \approx 1 - \frac{W.L}{Y.P_{va}} = 1 - \frac{L}{Y}\frac{W}{SMPT}\frac{SMPT}{P_c}\frac{P_c}{P_{va}}$$

(2) Value-added at factor cost is obtained from gross value-added minus taxes on production net of operating subsidies. The margin rate (share of GOS in value-added) at factor cost is around 1% higher than the margin rate in the sense of the national accounts. In the MR breakdown above, only the terms VA and Pva are affected by this distinction.

*Source: INSEE*

# Corporate investment and inventory

*Corporate investment contracted sharply in Q1 2012 (-1.4%). In a context that was globally unfavourable for investment, it was also slowed by one-off factors affecting automobile purchases and civil engineering works.*

*With the disappearance of these factors investment should stop declining from Q2, but should do no more than stabilise. Indeed, the environment is hardly encouraging: production capacity is underused, and lending conditions, which tightened significantly at the end of 2011, remained virtually unchanged at the start of 2012. Additionally, demand prospects are unlikely to improve over the rest of the year. Over 2012 as a whole, corporate investment expenditure should slip back (-0.3% after +5.1% in 2011).*

*In Q1 2012, the contribution of inventory change to GDP growth was slightly positive (+0.1 point after -0.3 point and -1.0 point in Q3 and Q4 2011). The slightly negative contribution of manufactured goods inventory was more than offset by the stocking of agricultural goods. In Q2 2012, the contribution of inventory change should once again be slightly positive due to a lower level of destocking in the manufacturing industry.*

## In Q1 2012, corporate investment declined sharply

Corporate investment by non-financial enterprises (NFE) has experienced sharp jolts since mid-2011. After rebounding in Q4 2011 (+1.9%), it fell back sharply in Q1 2012 (-1.4%, *see Table 1*). NFEs drastically cut their investment in manufactured goods (-4.5% after +2.9%). In particular, purchases of transport equipment plunged (-13.4% after +10.0%) in a backlash after the sharp rise in automobile purchases at the end of 2011 [(1)]. Capital goods expenditure also declined (- 0.9% after +0.6%).

Likewise, construction expenditure ground to a halt (-0.3% after +0.8%) due to the February frosts which led to the postponement of certain works, most notably in civil engineering. However, the rise in expenditure on services increased further (+2.0% after +1.5%). All in all, the investment rate slipped back slightly, to 18.8% in Q1 2012 *(see Graph 1)*.

## Investment set to decline in 2012

In the April quarterly survey, industrialists anticipate a slowdown in their investments in 2012. Likewise, the opinion of business leaders in the service sector surveyed in May on their past and future investments has deteriorated. Investments by NFEs should therefore be sluggish to the end of the forecasting period. They are set to decline slightly in Q2 (-0.1%) then remain stable in H2. Investments by NFEs should decline overall in 2012: -0.3% after +5.1% in 2011. The progress made in investments in construction (+1.4% after +1.6%) and other investments (+4.1% after

(1) At the end of 2011, car purchases rebounded, after delays in deliveries during summer due to the supply difficulties from Japan and also because of an anticipated tightening of some fiscal bills in France in 1st January 2012.

Table 1

**Investment by non-financial enterprises (NFE)**

*Variations at previous year's chain-linked prices. as a %*

| | Quarterly variations | | | | | | | | | | | | Annual variations | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | | | | 2011 | | | | 2012 | | | | 2010 | 2011 | 2012 ovhg |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| Non-energy industrial goods (43%) | 3.9 | 5.6 | 3.3 | 2.2 | 2.6 | 0.3 | -1.4 | 2.9 | -4.5 | -1.4 | -0.6 | -0.5 | 14.0 | 7.6 | -4.5 |
| Building and public works (28%)) | -1.9 | 0.3 | -0.7 | -0.9 | 1.2 | 0.9 | 0.9 | 0.8 | -0.3 | 0.6 | 0.1 | -0.1 | -5.4 | 1.6 | 1.4 |
| Other (29%) | 2.5 | 7.4 | 2.9 | 0.4 | 2.0 | -0.2 | -0.7 | 1.5 | 2.0 | 1.0 | 0.8 | 0.8 | 8.8 | 5.4 | 4.1 |
| **All non-financial enterprises (100%)** | 1.6 | 4.4 | 1.9 | 0.8 | 2.0 | 0.3 | -0.5 | 1.9 | -1.4 | -0.1 | 0.0 | 0.0 | 5.9 | 5.1 | -0.3 |

Forecast

*Source: INSEE*

+5.4%) is likely to slow. Expenditure on manufactured goods should fall back by 4.5% after rising by 7.6% in 2011. At the end of 2012, the investment rate should stand at 18.7%, a slightly lower level than that at end 2011.

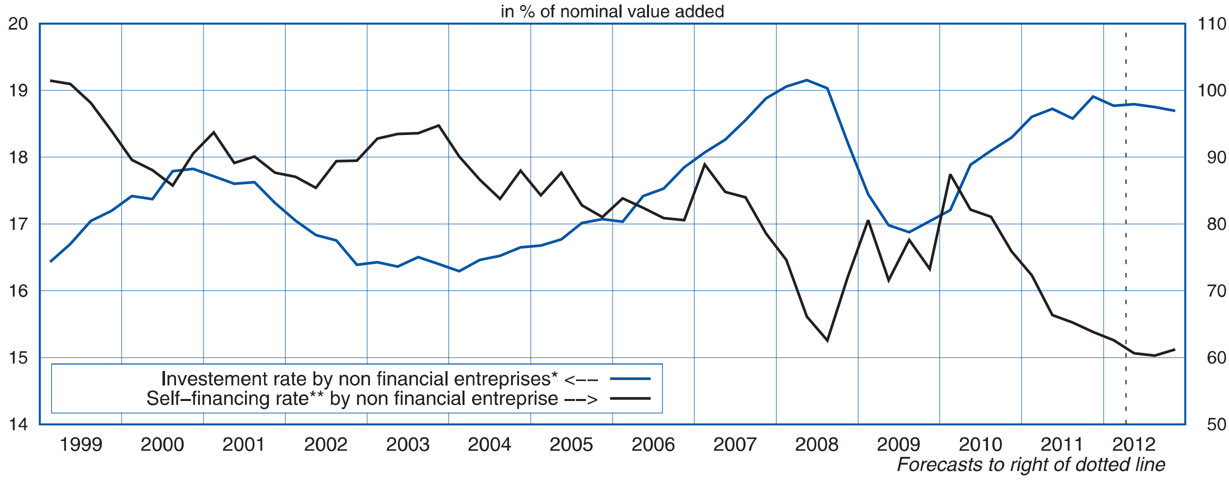
### An unfavourable environment for investment

Global lending conditions are rather discouraging: according to banks, lending conditions, which tightened significantly at the end of 2011, remained virtually unchanged in Q1 2012 (*see Graph 2*). Additionally, tensions on production capacity are low: the production capacity utilisation rate stands at 80.9%, lower than in 2011 (*see Graph 3*). Furthermore, business prospects have continued to deteriorate. In industry order books are emptying, and in services expectations are still not well oriented in terms of demand.

### Expenditure on manufactured goods looks set to stay stable

Investments by NFEs on manufactured goods should continue to decline through to the end of 2012: -1.4% in Q2 then -0.6% and -0.5% in the following quarters. Automobile purchases should fall back once again in Q2, as suggested by the drop in company car registrations at the start of Q2 2012. Similarly, the drop in capital goods expenditure, which represents almost 40.0% of investment in manufactured goods, is set to

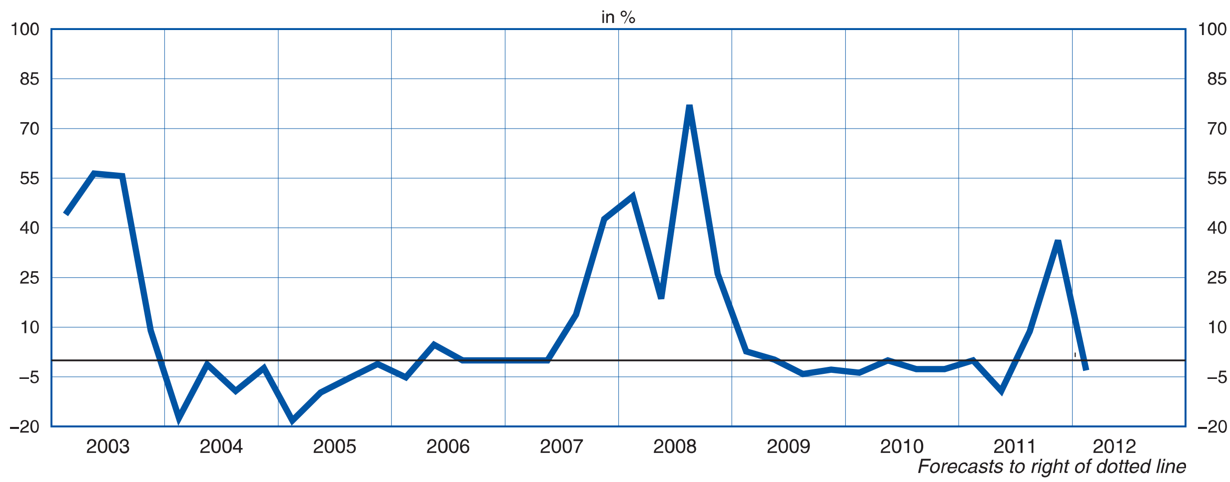
**1 - Investment rate and self-financing ratio**




* Investment rate is the ratio of the investment to nominal value-added
** The self-financing ratio of non-financial corporations is the ratio of these non-financial corporations' savings to their investments.

*Source: INSEE, quaterly accounts*

**2 - Criterion for lending to enterprises***




* Criteria for awarding credit: net balance of weighted responses = tightening - easing.

*Source: Bank of France*

continue: in May, the wholesalers surveyed in the business tendency surveys report that both sales and order intentions for capital goods are deteriorating.

### Construction investment likely to rebound temporarily in Q2 2012

In the building sector the companies surveyed in May report a recent slump in their activity and do not predict any improvement over the coming months. These expectations are consistent with the fall in number of housing starts observed at the start of 2012. In civil engineering on the other hand, the entrepreneurs questioned in the April business tendency survey expect an improvement in their activity over the next three months. The catch-up in civil engineering works delayed by the February frosts should sustain construction investment, which should rebound in Q2 (+0.6%). It should then remain virtually stable during H2 2012 (+0.1% in Q3 2012 then -0.1% in Q4).

The dynamism of other investments, mainly in computer services and specialised, technical and scientific activities, is set to moderate: +1.0% in Q2 (after +2.0% in Q1), then +0.8% per quarter in H2. The business leaders in this sector surveyed in May do indeed report buoyant activity over the past months, but declining prospects.

### Inventory change made a slight contribution to growth in Q1 2012

In Q1 2012, inventory change made a small contribution to GDP growth (+0.1 point after -1.0 point the previous quarter, *see Table 2*). The acceleration in the destocking of manufactured goods (-0.1 point) was offset by the stocking of agricultural products (+0.1 point).

For all manufactured goods, the levels of inventory change in manufactured goods have been negative for two quarters. In Q1 2012, the destocking of transport equipment and other industrial goods nonetheless slowed somewhat. However, the destocking of agrifood products and capital goods gathered pace.

The stocking of agricultural goods also picked up in Q1 2012, linked to the contraction of exports and the increase in output in this branch.

### The destocking of manufactured goods should slow in Q2 2012

The contribution of inventory to growth in Q2 should be slightly positive (+0.1 point). According to the May 2012 business tendency surveys, industrialists still consider their inventory to be slightly high, particularly in the automobile industry where the balance of opinion about inventory is far

Table 2

**Contribution of inventory changes to growth**

| | Quaterly changes | | | | | | | | | | | | Annual changes | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | | | | 2011 | | | | 2012 | | | | 2010 | 2011 | 2012 |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| **Agricultural and agrifood products** | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | -0.1 | 0.1 | 0.0 | 0.0 | 0.0 | -0.1 | 0.0 | 0.1 |
| **Manufactured products** | -0.2 | 0.2 | 0.0 | -0.1 | 1.1 | 0.0 | -0.4 | -0.9 | -0.1 | 0.1 | 0.0 | 0.0 | 0.2 | 0.7 | -0.9 |
| *including:* | | | | | | | | | | | | | | | |
| *Agricultural goods* | *-0.1* | *-0.1* | *0.0* | *0.0* | *0.0* | *0.0* | *0.0* | *0.0* | *-0.1* | | | | | | |
| *Coke and petroleum products* | *0.1* | *0.0* | *0.1* | *-0.2* | *0.1* | *0.1* | *-0.1* | *0.0* | *0.0* | | | | | | |
| *Machinery and equipment goods* | *0.0* | *0.0* | *-0.1* | *0.0* | *0.1* | *0.0* | *0.0* | *-0.1* | *-0.1* | | | | | | |
| *Transport equipment* | *-0.2* | *0.1* | *0.0* | *0.0* | *0.6* | *-0.1* | *-0.1* | *-0.4* | *0.1* | | | | | | |
| *Others industrial goods* | *-0.1* | *0.2* | *0.0* | *0.1* | *0.2* | *0.0* | *-0.2* | *-0.4* | *0.1* | | | | | | |
| **Energy, water and waste** | **0.0** | **0.0** | **0.1** | **-0.1** | **0.1** | **-0.1** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.1** | **0.0** |
| **Other (construction. services)** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** |
| **TOTAL (1)** | **-0.3** | **0.2** | **0.2** | **-0.1** | **1.2** | **0.0** | **-0.3** | **-1.0** | **0.1** | **0.1** | **0.0** | **0.0** | **0.0** | **0.8** | **-0.7** |

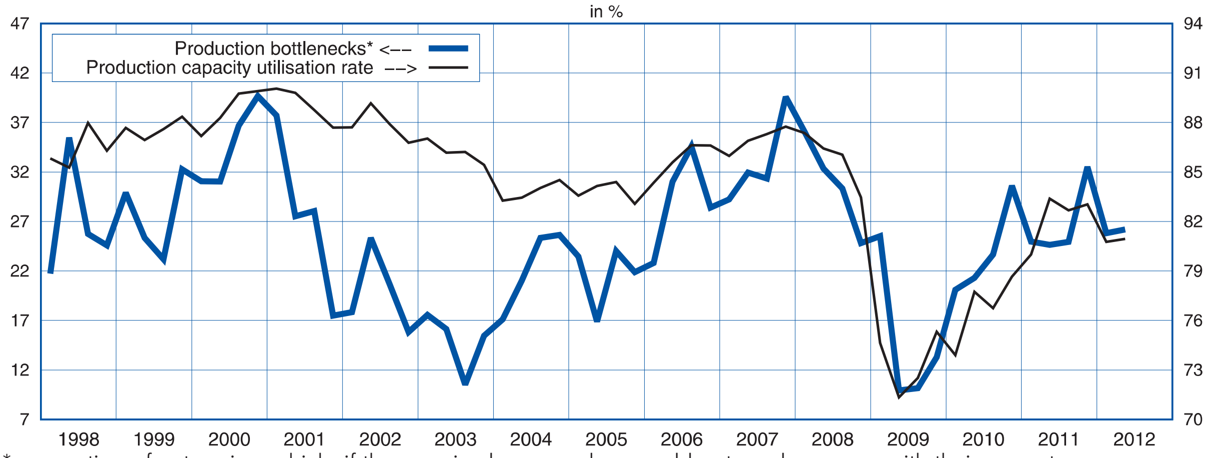
Forecast

(1) Inventory changes include acquisitions net of sales of valuables.

*Source: INSEE*

higher than the long-term average. The destocking of manufactured goods should however continue at a slightly less sustained rate. In H2 2012, the contribution of inventory to production should be nil in the manufacturing industry. ■

### 3 - Tensions on production capacity in the manufacturing industry




* proportion of enterprises which, if they received more orders, could not produce more with their current means

*Source: INSEE, quaterly survey on activity in industrie*

# Output

*In Q1 2012, production of goods and services progressed only slightly (+0.1%), after what was already a slow Q4 (+0.2%). Activity in manufacturing industry in particular recorded a marked fall (-0.8%) that was felt in almost all its branches.The business climate indicator, which had progressed distinctly in March 2012 after falling for several months, worsened in May and returned to a level comparable with that in February.*

*In the business tendency surveys, entrepreneurs report that production prospects remain poor, both in industry and services. Production should therefore remain sluggish, stagnating in Q2 2012 (+0.0%), then progressing slightly in Q3 (+0.1%) and in Q4 (+0.2%).*

*Over 2012 as a whole, production should slow down clearly compared with 2011 (+0.4%, after +1.9%).*

## Production set to remain sluggish in 2012

In Q1 2012, production of goods and services progressed slightly (+0.1% after +0.2% in Q4 2011). In particular, manufacturing production fell back sharply: -0.8% after +0.3% in Q4 2012 *(See Graph 1)*. It suffered notably from a marked fall in output in the coking and refining branch, hit by stoppages of several refineries. Production also fell in the trade sector (-0.5%), due to the drop in household consumption of manufactured goods in Q1 2012. In construction, production (-0.2%) was held back by the exceptionally low temperatures in February. This cold spell was of benefit, however, to the energy production branch (+2.1% after -1.6% in Q4 2011). Production in market services also accelerated (+0.4% after +0.1%).

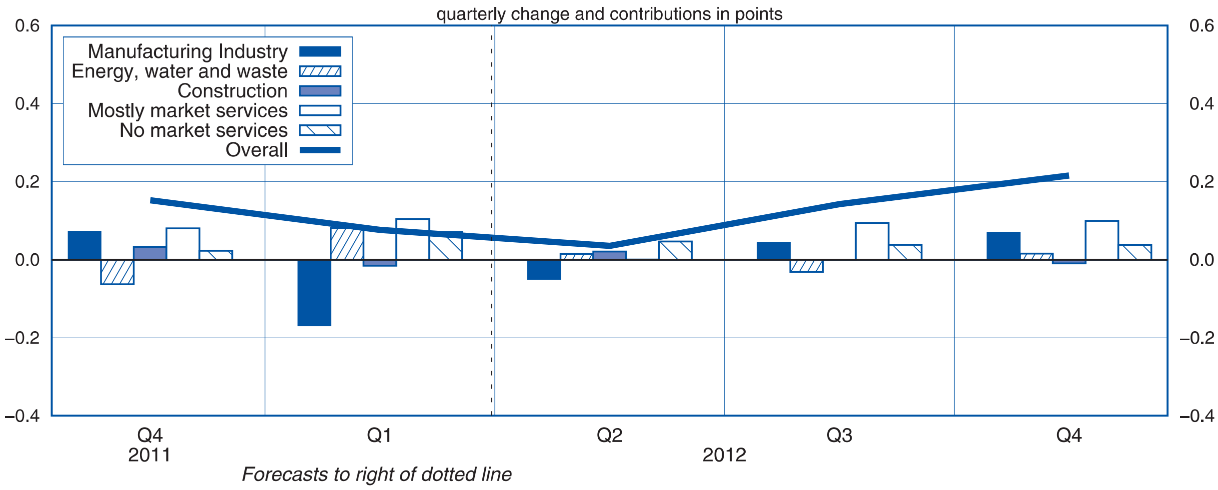
In Q2 2012, production should be stable in the wake of slow consumption and household investment. The business climate indicator in France as shown by the business tendency surveys of entrepreneurs fell back in May to its February level *(See Graph 2)*. In H2 2012, production should grow slightly (+0.1% in Q3 then +0.2% in Q4). Prospects for activity remain unfavourable in industry and in services.

All in all, overall production of all the branches should progress by +0.4% in 2012, after a rise of +1.9% in 2011.

## After a marked fall in Q1 2012, manufacturing production should improve again slowly

Manufacturing production contracted distinctly in Q1 2012: -0.8% after +0.3% in Q4 2011. This fall was due primarily to a fall in output from the coking and refining sector (-10.1% after +3.4%) due to stoppages of several refineries. On a lesser scale, most other branches contributed to the fall in manufacturing production. For example, the agrifood sector saw its activity decline (-0.4% after +0.4%). Likewise, the drop in the activity of the transport equipment sector was marked (-0.3% after +3.0%). As for capital goods, production saw a decline of exactly the same scale as in the previous quarter (-0.9%). The other industrial branches sector, meanwhile, recovered some of its dynamism (+0.2% after -0.6%).

**1 - Sector contributions to growth in total production**




*Source: INSEE*

The industrialists surveyed in May 2012 report a distinct reduction in the volume of new orders. On the supply side, business leaders remain pessimistic about their past activity, with the corresponding balance still below its long-term average *(See Graph 3)*. Personal prospects remain poor and general prospects are well down, returning to their February level. Manufacturing production should therefore fall back in Q2 2012 (-0.2% on the previous quarter). Manufacturing production should then remain slow (+0.2% then +0.3% per quarter in H2), in a poor European economic environment likely to weigh down distinctly on corporate order books.

After growth of +3.2% in 2011, manufacturing production should fall in 2012 (-0.8%).

## In construction, activity set to rebound before coming to a halt

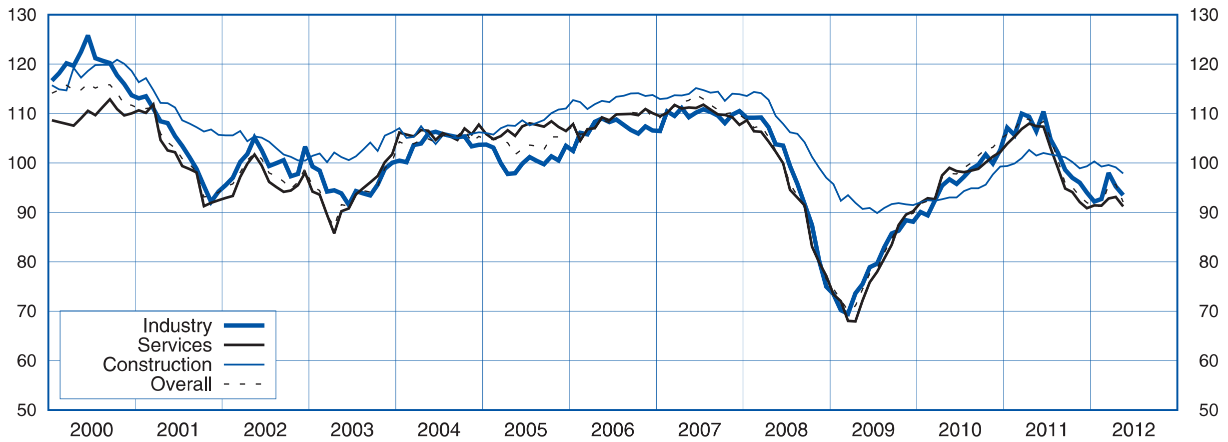
In Q1 2012, production in the construction sector declined: -0.2%, after +0.4% in Q4 2011. This fall was due both to the slowdown in activity in building and to the fall in public works activity in Q1 2012, notably linked to the cold spell in February. The after-effect of this is that construction sector activity should enjoy a slight rebound in Q2 2012 (+0.3%). However, building-sector entrepreneurs surveyed in May reported sluggish activity *(See Graph 4)* and order books that are still deemed to be lower than normal. In addition to this, housing starts have been falling for several months. Activity in the construction sector should thus come to a standstill in H2: +0.0% in Q3 and -0.1% in Q4.

Over 2012 as a whole, production in the construction sector should increase by +1.0%, after +1.5% in 2011.

## Market services: activity set to be less sustained in Q2 2012

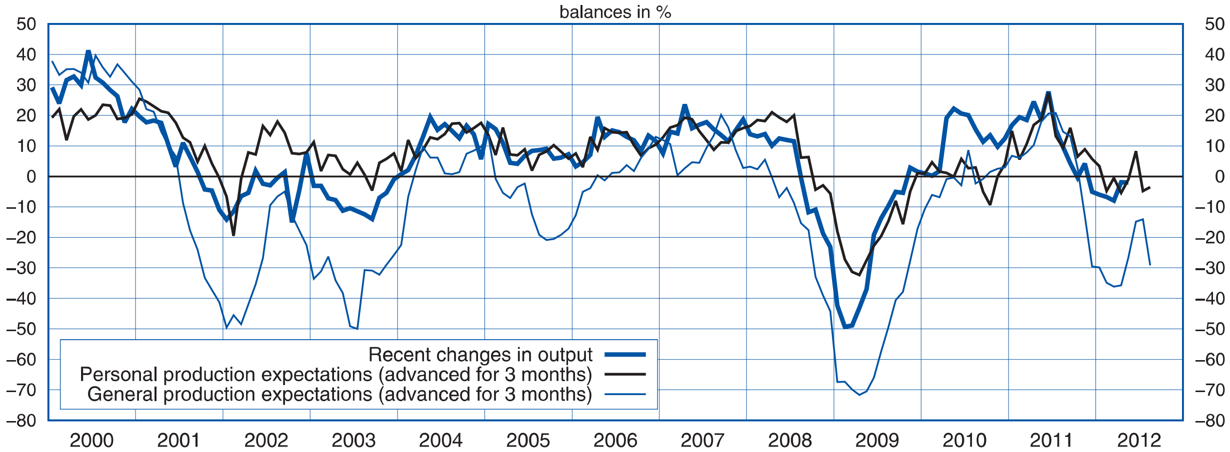
In Q1 2012, activity in market services excluding retail and wholesale trade increased by +0.4% after +0.1% in Q4 2011. Production accelerated in the specialised, scientific and technical activities sector and in administrative and support services

**2 - Compound indicators in France: all sectors, in industry, services and building**




*Source: INSEE*

**3 - Opinion on production in manufacturing industry**




*Source: INSEE*

(+0.5% after +0.1% in Q4 2011). It also accelerated in information-communication (+0.9% after +0.6%). Activity remained dynamic in property and financial activities (respectively +0.3% and +0.5%, as in Q4 2011). However, in transport and accommodation-catering, production fell (respectively by -0.2% after -0.8% and -0.3% after -0.2%).

In Q2 2012, activity in market services excluding retail and wholesale trade should slow down (+0.1% after +0.4%). It should then remain at a low growth rate: +0.1% in Q3 then +0.2% in Q4. According to business leaders, the outlook in services has remained poor in recent months: the compound business climate indicator stood at 91 in May, well below its long-term average. Entrepreneurs continue to be pessimistic in their expectations of demand and activity.

Over 2012 as a whole, production of market services excluding retail and wholesale trade should grow by +0.8%, after a progression of +2.3% in 2011.

### Mainly non-market services: activity should remain moderate

In mainly non-market services, activity accelerated in Q1 2012 (+0.5%, after +0.2% in Q4 2011). It should slow down slightly in Q2 2012 (+0.3%) then stay at the same rate through to the end of the year. All in all, production in this sector should increase by +1.1% in 2012, after a rise of +0.2% in 2011.

### After a fall in Q1 2012, retail and wholesale trade activity should perk up at the end of the year

Trade activities fell back sharply in Q1 2012 (-0.4% after +0.5% in Q4 2011). This deterioration reflects contracting household consumption of manufactured goods in Q1 2012 (-0.5% after +0.4% in Q4 2011, *See "Household consumption" note*).

Activity should fall back again in Q2 (-0.3%), as household consumption of manufactured goods continues to fall. According to wholesale sector entrepreneurs surveyed in the May business tendency survey, the outlook remains gloomy. The balance of opinions on past activity fell in May to a level close to that in January 2012. Order intentions also remain poor.

Likewise, in the retail and automobile trade, the business climate deteriorated in May 2012, returning to its level of the start of the year. Order intentions and sales prospects for the coming months are now rather poor, both in the retail and automobile trade.

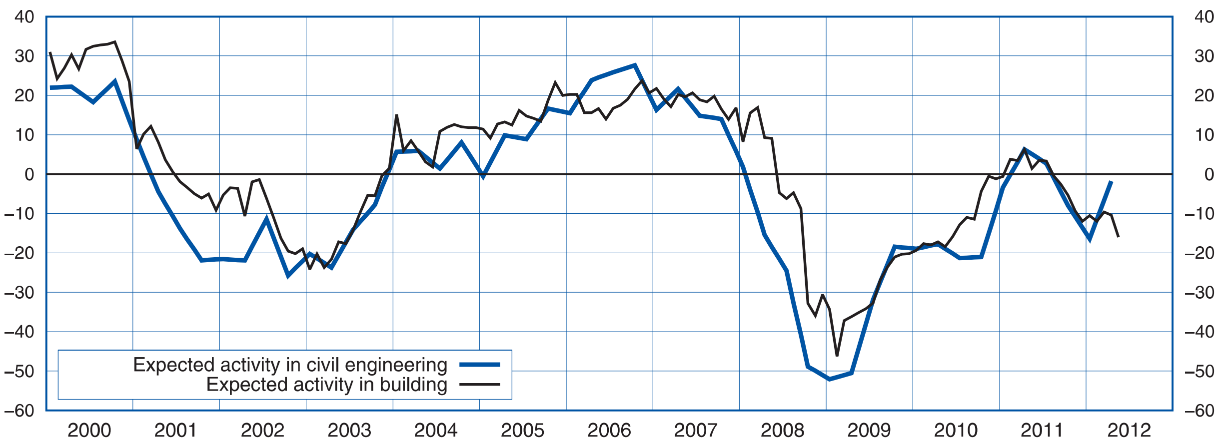
Production should perk up in H2 2012 (+0.4% and +0.3% for Q3 and Q4), with the return of growth in consumption and exports.

### Energy production should fall back before improving again

In the wake of the cold spell in February, energy production progressed sharply in Q1 2012 (+2.1% after -1.6%). With temperatures again below normal in April, it should grow again in Q2 (+0.4%). The after-effect of this is that it should fall in Q3 (-0.8%) before levelling out at the end of the year (+0.4% in Q4). All in all, energy production should grow distinctly in 2012 (+0.8%) after falling by 3.9% in 2011.

Over 2012, agricultural production should grow by +1.1% after +2.2% in 2011.■

**4 - Prospects for activity in construction**




*Source: INSEE*