

# Unemployment

In Q4 2016, the number of unemployed fell by 31,000 in Metropolitan France. The ILO unemployment rate stood at 9.7% of the labour force, after 9.8% in Q3 and 9.9% at the end of 2015. Including the French overseas departments, the rate was 10.0% at the end of 2016, i.e. 0.2 points less than one year before.

In H1 2017, the expected rise in employment should be higher than that in the labour force, and as a result the unemployment rate should fall again, by 0.2 points. By mid-2017, the unemployment rate should stand at 9.5% for Metropolitan France and 9.8% for the whole of France.

## The unemployment rate fell in Q4 2016

In Q4 2016, the number of unemployed in Metropolitan France fell by 31,000, after rising by 38,000 in Q3 (*Table*): the unemployment rate thus stood at 9.7%, after 9.8% in Q3 2016 (*Graph*). It dropped by 0.2 points compared to the end of 2015, with the number of unemployed edging down by 68,000 over one year. Throughout the whole of France, the unemployment rate was 10.0% at the end of 2016, after 10.1% in Q3 and 10.2% one year earlier. The halo of unemployment<sup>1</sup> increased by 21,000 people between Q3 and Q4 2016 in Metropolitan France, and by 65,000 compared to late 2015.

## The youth unemployment rate decreased

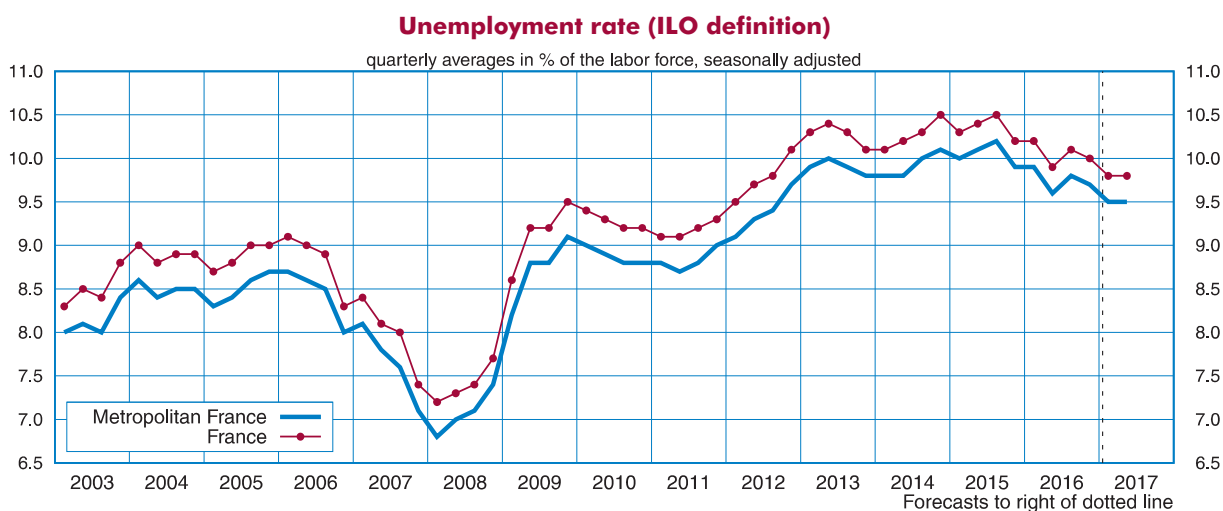
In Q4 2016, the youth unemployment rate stood at 23.3% of the labour force in Metropolitan France. It dropped by 1.7 points compared to Q3 and by 0.7 points compared to late 2015, with young people benefiting from the recovery of temporary employment (see *Employment* sheet).

The unemployment rate for the over 50s fell by 0.4 points between Q3 and Q4 2016 and has returned to the level seen at the end of 2015 (6.7%). Conversely, the unemployment rate for 25-49-year-olds increased by 0.2 points against the previous quarter, to 9.0%. It dropped by 0.2 points year on year.

## Since the summer of 2015, the drop in unemployment has been concentrated among men first and foremost

In Q4 2016 in Metropolitan France, the female unemployment rate fell by 0.3 points in relation to Q3 (to 9.5%), whilst the male rate remained steady (at 9.8%). But since the summer of 2015, the drop has been more marked for men: after rising to +1.2 points in Q3 2015, the gap between the male and female unemployment rates closed to

1. The halo of unemployment is made up of economically inactive persons as defined by the International Labour Office (ILO): it refers to people who are seeking employment but who are not available and people who wish to work but are not seeking employment, whether they are available or not.



Scope: Population of households, people aged 15 or over  
Source: INSEE, Employment Survey

+0.3 points in late 2016. The relative employment dynamics per sector, and especially the improved short-term outlook for temporary employment and construction, have indeed been more beneficial to men than women: the male unemployment rate has dropped by 0.9 points since the summer of 2015 whereas the female rate has remained unchanged.

### The unemployment rate should fall again through to mid-2017

In 2016, the labour force rose by 144,000, after +41,000 in 2015. This rise stems primarily from the trend increase in the working age population. However, it should slow down due to ongoing early

retirements in the scheme specifically applying to long careers, and due to the jobseekers' training plan, announced in early 2016. In H1 2017, although the impact of these two schemes is waning, they should continue to have an effect and the labour force should increase (+48,000) slightly more slowly than its spontaneous rise (+60,000). Net job creations (+103,000) are likely to be more dynamic than the labour force and the number of unemployed is expected to fall by 56,000 over the half-year. The unemployment rate should fall again: in mid-2017, it should stand at 9.5% of the labour force in Metropolitan France, and at 9.8% throughout the whole of France (excluding Mayotte). ■

### Changes to the active population, employment and unemployment in Metropolitan France

in thousands, SA, and in %

	Quarterly changes								Annual changes						
	2015				2016				2017		2013	2014	2015	2016	2017 H1
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2					
Population of the 15-64 age bracket	-17	-15	-12	-10	-9	-8	-9	-10	2	2	-81	-78	-54	-36	4
Population of the 15-59 age bracket	-13	-9	-5	-1	1	1	1	-1	0	0	-57	-49	-28	1	0
<b>Labor force</b>	<b>-42</b>	<b>68</b>	<b>46</b>	<b>-32</b>	<b>49</b>	<b>-18</b>	<b>85</b>	<b>28</b>	<b>23</b>	<b>25</b>	<b>124</b>	<b>157</b>	<b>41</b>	<b>144</b>	<b>48</b>
including:															
(a) Contribution of the population and the trend participation rate	32	32	32	32	31	31	31	31	30	30	120	135	128	123	60
(b) Estimated bending effects	-1	-2	-2	-1	-4	-10	-19	-16	-7	-5	-22	-18	-7	-49	-12
(c) Other short-term fluctuations (residual)	-72	38	17	-62	22	-39	73	14	0	0	26	40	-80	70	0
<b>Employment</b>	<b>16</b>	<b>18</b>	<b>28</b>	<b>41</b>	<b>59</b>	<b>47</b>	<b>46</b>	<b>59</b>	<b>57</b>	<b>47</b>	<b>122</b>	<b>34</b>	<b>103</b>	<b>212</b>	<b>103</b>
Reminder: End-of-period employment (see "Employment" note)	-3	39	16	66	52	42	50	67	46	47	181	5	118	212	93
<b>ILO unemployment</b>	<b>-58</b>	<b>50</b>	<b>19</b>	<b>-72</b>	<b>-10</b>	<b>-65</b>	<b>38</b>	<b>-31</b>	<b>-34</b>	<b>-22</b>	<b>2</b>	<b>124</b>	<b>-62</b>	<b>-68</b>	<b>-56</b>
	Quarterly average								Average in the last quarter of the period						
<b>ILO unemployment rate (%)</b>															
Metropolitan France	10.0	10.1	10.2	9.9	9.9	9.6	9.8	9.7	9.5	9.5	9.8	10.1	9.9	9.7	9.5
France (including overseas departments)	10.4	10.4	10.5	10.2	10.2	9.9	10.1	10.0	9.8	9.8	10.1	10.5	10.2	10.0	9.8

Forecast

How to read it:

- the Employment line presents variations in the number of people in employment as a quarterly average, for consistency with the other data in the table,
- employment and unemployment are not estimated here within strictly equivalent scopes: total population for employment. population of households (excluding collective) for unemployment. As the impact of this difference is very minor (the population outside of households represents less than 1% of the active population), it is neglected here for the unemployment forecasting exercise,
- in (a), the contribution of demographics and of trend activity behaviour includes all the effects of pensions reforms up to and including that in 2010.

Source: INSEE