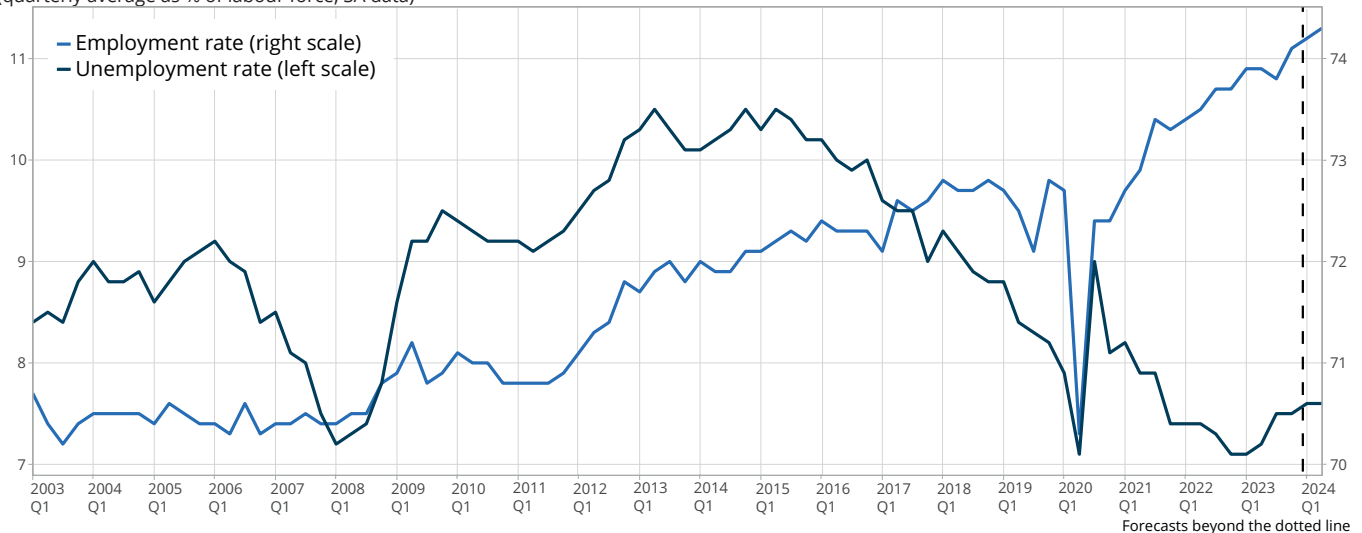# Unemployment

In Q4 2023, the unemployment rate according to the ILO definition stabilised compared to the previous quarter, at 7.5% of the labour force (►Figure 1). This rate was 0.4 points above its level at the end of 2022, which had been the lowest since 1982, but remains well below its mid-2015 peak (-3.0 points). The gradual rise in unemployment since the end of 2022 is the result of a slowdown in employment (217,000 net jobs created in 2023 after +501,000 in 2022), while the labour force has remained dynamic (358,000 additional workers in 2023 after +428,000 in 2022). Thus in Q4 2023, the activity rate for 15-64-year-olds reached its highest level since INSEE has been measuring it (1975) at 74.1%. Meanwhile, the share of the halo of unemployment around the 15-64-year-old population stabilised between the end of 2022 and the end of 2023, at a slightly lower level (-0.2 points) than before the health crisis.

In H1 2024, mainly as a result of the pension reform, the labour force should continue to grow, by about 40,000 additional workers per quarter. Employment is expected to increase only half as fast and the unemployment rate is expected to increase by 0.1 points in Q1 2024, to 7.6% of the labour force, then remain at this level during Q2 2024 (►Figure 2). It would then be at its highest since Q3 2021. ●

**►1. Unemployment rate and activity rate according to the ILO definition**
(quarterly average as % of labour force, SA data)



Forecasts beyond the dotted line

**Scope**: France (excluding Mayotte), people aged 15 or over living in ordinary housing for the unemployment rate, people aged 15 to 64 for the activity rate.
**Source**: INSEE, Labour Force Survey.

**►2. Change in employment, unemployment and the active population**
(variation in quarterly average in thousands, SA data)

| | Change over 3 months | | | | | | | | | | Change over 1 year | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| | 2022 | | | | 2023 | | | | 2024 | | 2021 Q4 | 2022 Q4 | 2023 Q4 | 2024 Q2 |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | | | | |
| **Employment (1)** | **129** | **121** | **130** | **122** | **85** | **44** | **46** | **41** | **18** | **20** | **904** | **501** | **217** | **126** |
| *reminder: employment at the end of the period* | *116* | *125* | *134* | *110* | *61* | *27* | *66* | *17* | *20* | *20* | *975* | *486* | *170* | *123* |
| **Unemployment (2)** | **-6** | **12** | **-35** | **-45** | **4** | **31** | **78** | **29** | **21** | **20** | **-157** | **-74** | **142** | **149** |
| **Active population = (1) + (2)** | **123** | **133** | **94** | **77** | **89** | **75** | **124** | **70** | **40** | **40** | **748** | **428** | **358** | **275** |
| *Trend labour force (a)* | 6 | 7 | 8 | 9 | 11 | 9 | 23 | 39 | *38* | *38* | 31 | 30 | 82 | *139* |
| *Short-term flexion effect (b)* | 13 | 12 | 13 | 12 | 9 | 4 | 5 | 4 | *2* | *2* | 90 | 50 | 22 | *13* |
| *Effect of work-linked training on youth activity (c)* | 12 | 18 | 33 | 23 | 7 | 12 | 8 | 0 | *0* | *0* | 131 | 86 | 27 | *9* |
| *Residue (d)* | 93 | 96 | 41 | 33 | 63 | 49 | 88 | 27 | *0* | *0* | 495 | 262 | 227 | *115* |
| **Variation in unemployment rate** | **0.0** | **0.0** | **-0.1** | **-0.2** | **0.0** | **0.1** | **0.3** | **0.0** | **0.1** | **0.0** | **-0.7** | **-0.3** | **0.4** | **0.4** |
| Unemployment rate | 7.4 | 7.4 | 7.3 | 7.1 | 7.1 | 7.2 | 7.5 | 7.5 | 7.6 | 7.6 | | | | |

■ Forecast
**Note**: employment corresponds here to total employment (payroll employment including sandwich contracts + self-employment), measured as a quarterly average.
(a) Trend based on adjusted 2022 active population projections.
(b) This flexibility effect represents the fact that new workers enter the labour market when the employment situation improves.
(c) Effect based on sandwich contract numbers from DARES, calculations by INSEE.
(d) In 2021, the residue covers the specific effect of the health crisis on activity behaviour.
**How to read it**: between Q3 2023 and Q4 2023, employment increased by 41,000 on average, unemployment by 29,000 and the labour force by 70,000.
**Scope**: France (excluding Mayotte), persons aged 15 or over.
**Source**: INSEE, Labour Force Survey, Quarterly employment estimates.