

Employment

In 2024, payroll employment slowed and by December it was stable across the year (after +0.6% at the end of 2023). After a surge in Q3 2024, it fell back sharply in Q4 2024 (-0.3% i.e. -90,100 jobs), a decline that affected both the private and public sectors (-68,000 and -22,100 jobs respectively). Employment in the non-market tertiary sector in particular, excluding temporary workers, edged down for the first time since Q2 2013 (excluding the health crisis). In the private sector, payroll employment of seniors continued to grow (+104,500 jobs year on year for those aged 55 and over). However, private payroll employment of the under-30s declined (-25,800 year on year), as did that of 30-54-year-olds (-103,900) (► [Figure 1](#)).

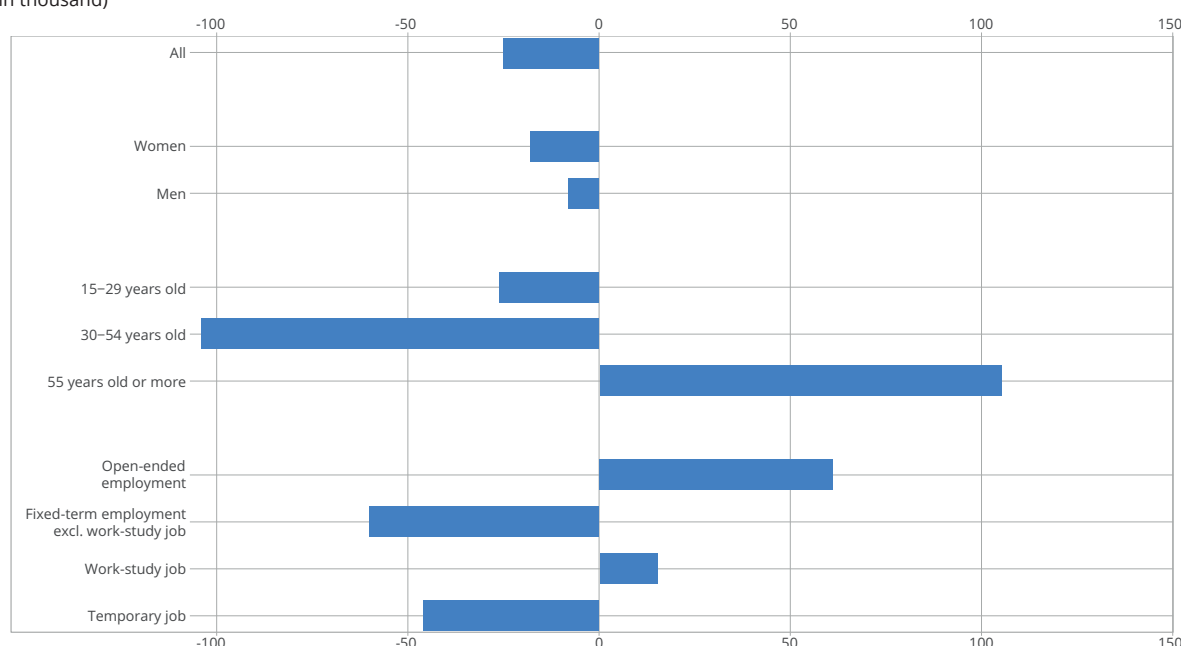
Responses from business leaders in the business tendency surveys suggest a drop in their workforce in Q1 2025: the climate in which their replies were analysed was below its long-term average and deteriorated significantly in February 2025 (► [Figure 2](#)). Fewer and fewer companies are reporting hiring difficulties (► [Focus](#) on the situation of the French economy compared to its potential) and uncertainty around the economic situation is now the main barrier to hiring cited by service companies ahead of the lack of skilled labour, which had been the main barrier since the health crisis (► [Figure 3](#) and [4](#)). In addition, work-study programmes made a substantial contribution to the earlier increase in total employment (accounting for about one third between the end of 2019 and the end of 2022) then slowed in 2023 and came to a virtual standstill in 2024 as a result of the reduction in the hiring aid for apprenticeship contracts. Employment in these work-study programmes is expected to decline slightly in H1 2025, while still remaining high. Thus, it is likely that private sector employment will continue to fall in H1 2025, especially in industry, construction and temporary employment, but it should stabilise in the market tertiary sector (excluding temporary employment). Meanwhile, public employment looks set to fall back slightly in Q1 2025 as a result of the slowdown in hiring under the special law at the end of 2024, and then is expected to be virtually stable in Q2, after four years of growth between 2021 and 2024. By mid-2025, total payroll employment should edge down year on year (-0.4%, i.e. about -106,000 jobs), mainly due to the private sector.

Self-employment is expected to continue to increase in H1 2025, but less vigorously: at the beginning of 2025, year on year, business creations were no longer increasing. Ultimately, total employment is expected to stabilise in H1 2025 (► [Figure 3](#)). Over the year to mid-2025, it looks set to remain almost unchanged (i.e. -36,000 jobs), after +0.5% year on year at the end of 2024 (i.e. +87,000 jobs).

Activity should increase more quickly (+0.6% expected year on year by mid-2025), which should give apparent labour productivity the chance to continue to pick up. In the non-agricultural market sector, excluding those on work-study programmes, per capita productivity has been in excess of its pre-health crisis level since the end of 2023 (► [Figure 4](#)), and has exceeded its pre-crisis level in the market tertiary sector since early 2022. Conversely, productivity is still well below its pre-health crisis level in industry and construction and is likely to remain so through to mid-2025. ●

► 1. Number of private payroll jobs created between Q4 2023 and Q4 2024

(evolution, in thousand)

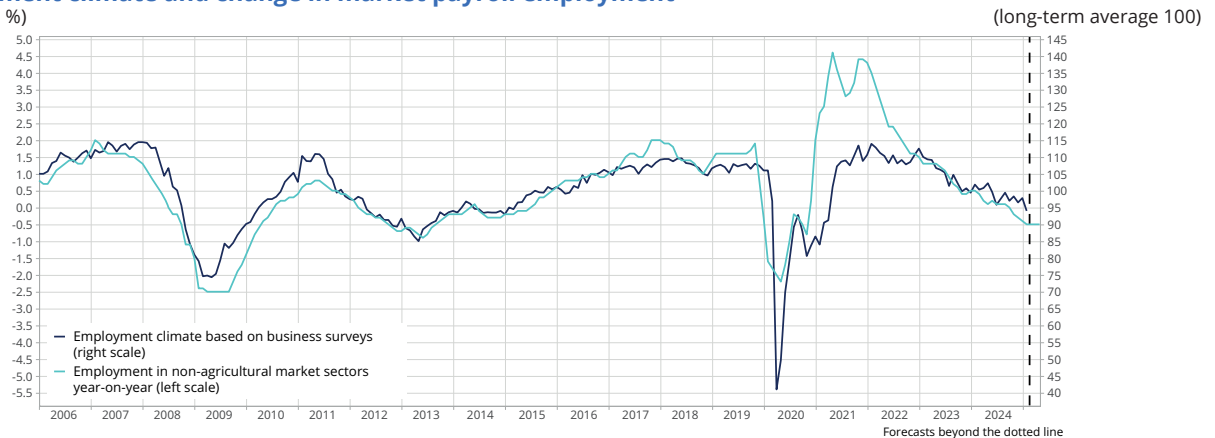


How to read it: between Q4 2023 and Q4 2024, private salaried employment rose by 104,500 for those aged 55 or over.

Source: INSEE, Employment estimates; quarterly estimates URSSAF, DARES, INSEE.

► 2. Employment climate and change in market payroll employment

(year-on-year, in %)



Last point: February 2025 for the employment climate, Q4 2024 for the year-on-year change in employment in the non-agricultural market sectors (forecast for the last two points).

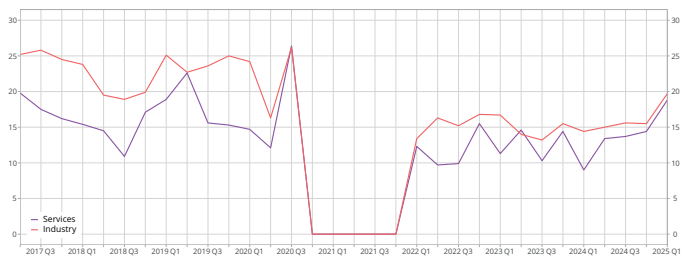
How to read it: in February 2025, the employment climate stands at 94 points, at the level of its long-period average; in Q4 2024, non-farm payroll employment was 0.2% lower than a year earlier.

Source: INSEE, business surveys and DARES-INSEE-URSSAF, quarterly employment estimates, INSEE forecast.

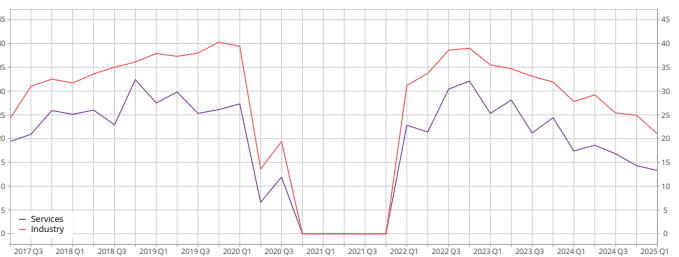
► 3 and 4. Barriers to hiring cited by companies

(in % of all companies)

Uncertainty over the economic situation



No competent workforce available



Source: INSEE.

► 4. Change in payroll employment

(in thousand, SA, at the end of the period)

	Evolution over 3 months									Evolution over 1 year			
	2023				2024				2025		Q4 2022	Q4 2024	Q2 2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2			
Payroll employment	38	60	18	51	71	-10	36	-90	-28	-23	167	7	-106
	0.1%	0.2%	0.1%	0.2%	0.3%	0.0%	0.1%	-0.3%	-0.1%	-0.1%	0.6%	0.0%	-0.4%
By sector of activity													
Agriculture	-9	4	4	5	2	-3	1	0	0	0	3	0	1
Industry	7	8	10	11	7	4	2	-3	-3	-3	36	10	-7
Construction	-2	-3	-5	-4	-7	-9	-3	-10	-10	-10	-13	-29	-32
Market tertiary	25	34	-4	-3	42	-23	7	-43	-7	-7	53	-16	-50
of which: temporary work	-19	-7	-17	-11	-3	-20	-6	-17	-7	-7	-54	-46	-37
of which: excl. temporary work	44	41	13	8	45	-3	12	-25	0	0	106	29	-13
Non-market tertiary	16	18	14	41	27	21	30	-36	-8	-3	88	42	-17
By type of employer													
Private	18	48	15	17	54	-28	17	-68	-21	-21	98	-25	-93
Public	20	12	3	34	17	19	19	-22	-7	-2	69	32	-12
Self-employment	23	23	23	23	20	20	20	20	15	15	90	80	70
	60	83	41	73	91	10	56	-70	-13	-8	257	87	-36
All	0.2%	0.3%	0.1%	0.2%	0.3%	0.0%	0.2%	-0.2%	0.0%	0.0%	0.9%	0.5%	-0.1%

■ Forecast.

Note: in this table, temporary workers are counted in the commercial tertiary sector.

How to read it: in Q4 2024, payroll employment rose by 0.3%.

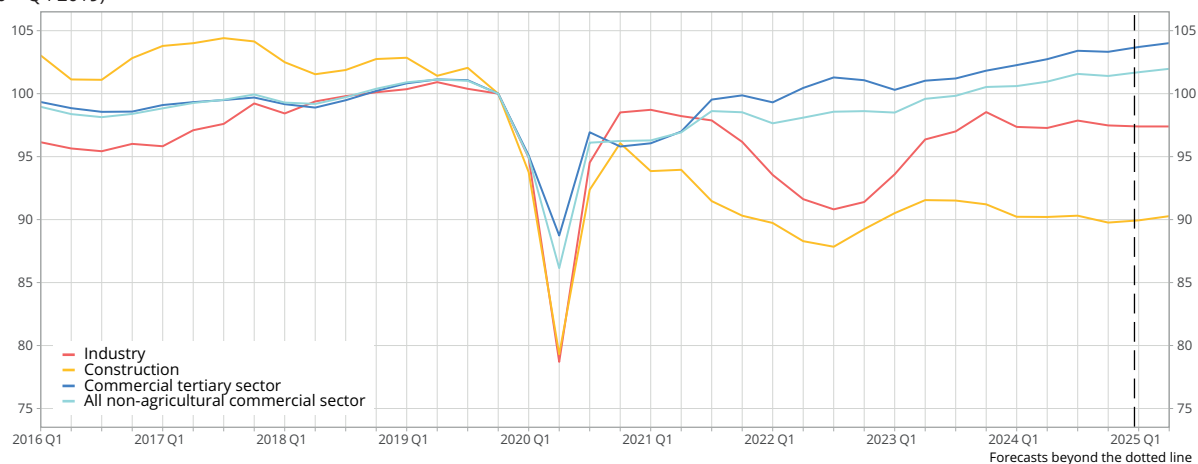
Scope: France (excluding Mayotte).

Source: INSEE.

French economic outlook

► 6. Apparent per capita productivity, excluding work-study

(base 100 = Q4 2019)



Note: apparent per capita productivity is measured here using the ratio of the value added of each branch to payroll employment excluding work-study in the corresponding sector.

How to read it: in Q4 2024, apparent per capita productivity excluding work-study in the industry sector was 2.5% lower than its Q4 2019 level.

Source: INSEE, National accounts and quarterly employment estimates.