Employment

In Q4 2025, payroll employment fell slightly, losing 40,000 jobs after a loss of 5,000 jobs. It fell slightly year on year (-0.2%, or 46,000 jobs), with employment falling in the private sector (-60,000 jobs) while continuing to rise in the civil service (+14,000 jobs after +23,000; ►**Figure 1**). In particular, work-study employment (apprenticeships and "professionalisation" contracts), which had contributed significantly to the rise in total employment in recent years (accounting for around a third of the increase between end-2019 and end-2022), fell in Q2 (-46,000 in the private sector), due to a reduction in the apprentice hiring subsidy introduced from February 2025 (►**Box** on work-study Employment in the sheet, *Economic outlook*, June 2025). Consequently, for 2025 as a whole, 44,000 work-study positions were cut, accounting for three quarters of the fall in private-sector payroll employment.

Looking ahead, business leaders' responses in the business tendency surveys suggest a further decrease in their workforce, with the employment climate indicator, which summarises their responses on employment, standing well below its long-term average (►**Figure 2**). First, the number of positions on work-study programmes in the private sector is expected to continue falling over the forecasting period, albeit at a slower rate (-5,000 jobs in Q1 and Q2), as most new hires take place at the end of the summer. The cumulative decline is projected to reach 56,000 year on year by mid-2026. Furthermore, private-sector payroll employment excluding work-study positions is expected to fall slightly (-6,000 jobs per quarter) and remain virtually unchanged over a year (-11,000 jobs year on year by mid-2026, after -21,000 jobs year on year by mid-2025). Payroll employment is therefore expected to benefit only marginally from the upturn in economic activity (+1.3% year on year expected by mid-2026, after +0.5% a year earlier), as apparent labour productivity is set to continue recovering at a rate of just over 1% per year, slightly higher than its trend in the 2010s. All in all, private-sector payroll employment is expected to remain slightly down until mid-2026. It is forecast to edge down slightly again in industry and construction, and to remain virtually unchanged in the tertiary market sector excluding temporary employment. For its part, after uninterrupted annual increases since 2019, public-sector employment should slow slightly between now and mid-2026 (+10,000 year on year by mid-2026, after +14,000 jobs year on year at the end of 2025). The 2026 Finance Act provides for a moderate increase in the number of state employees, and a cyclical restraint mechanism to slow local authority spending, which is likely to curb hiring.

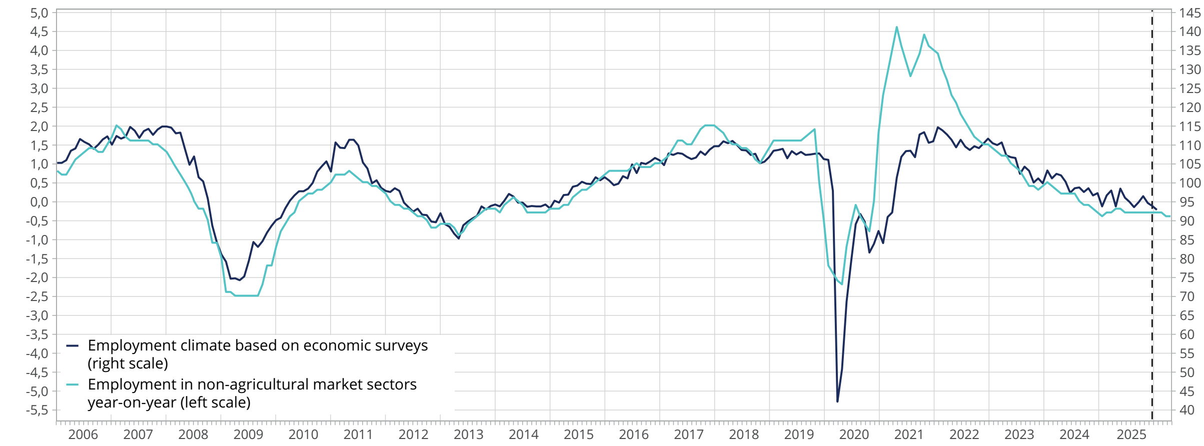
Regarding self-employment, the continued high level of new micro-enterprise creations suggests that the momentum is unlikely to weaken (+70,000 jobs per year by mid-2026). All in all, employment should remain stable between now and mid-2026 (i.e. +13,000 jobs), after moderate increases in 2024 (+0.4% year on year at year-end) and 2025 (+0.1%), driven by public-sector employment and self-employment, while work-study positions are expected to fall and private-sector employment excluding work-study positions should remain virtually unchanged. ●

►2. Change in payroll employment
(in thousand, SA, at the end of the period)

	Evolution over 3 months										Evolution over 1 year		
	2024				2025				2026		2024	2025	mid-2026
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2			
Payroll employment	**72**	**-23**	**40**	**-44**	**1**	**-2**	**-5**	**-40**	**-6**	**-6**	**45**	**-46**	**-57**
	0.3%	**-0.1%**	**0.1%**	**-0.2%**	**0.0%**	**0.0%**	**0.0%**	**-0.1%**	**0.0%**	**0.0%**	**0.2%**	**-0.2%**	**-0.2%**
By sector of activity													
Agriculture	1	-4	9	-4	1	-2	-10	12	0	0	2	2	2
Industry	8	3	2	0	-2	-5	-4	-5	-5	-5	12	-16	-19
Construction	-5	-9	-6	-7	-7	-5	-1	-6	-3	-3	-26	-19	-12
Market tertiary	45	-31	13	-24	-6	13	-10	-15	-5	-5	4	-18	-35
of which: temporary work	*-4*	*-19*	*-6*	*-17*	*-2*	*0*	*-2*	*-1*	*0*	*0*	*-46*	*-5*	*-3*
of which: excl. temporary work	*49*	*-12*	*19*	*-8*	*-4*	*13*	*-8*	*-14*	*-5*	*-5*	*49*	*-13*	*-32*
Non-market tertiary	23	18	23	-9	15	-3	20	-27	7	7	55	5	7
By type of employer													
Private	62	-39	28	-28	-7	-8	-24	-21	-11	-11	22	-60	-67
of which: alternating	*11*	*2*	*-1*	*5*	*0*	*2*	*-38*	*-8*	*-5*	*-5*	*16*	*-44*	*-56*
of which: excluding work-study programmes	*51*	*-40*	*29*	*-33*	*-7*	*-10*	*14*	*-13*	*-6*	*-6*	*6*	*-16*	*-11*
Public	11	15	13	-15	8	6	19	-19	5	5	23	14	10
Self-employment	**23**	**23**	**23**	**23**	**18**	**18**	**18**	**18**	**18**	**18**	**90**	**70**	**70**
All	**95**	**-1**	**63**	**-21**	**19**	**16**	**13**	**-23**	**12**	**12**	**135**	**24**	**13**
	0.3%	**0.0%**	**0.2%**	**-0.1%**	**0.1%**	**0.1%**	**0.0%**	**-0.1%**	**0.0%**	**0.0%**	**0.4%**	**0.1%**	**0.0%**

■ Forecast
Note: in this table, temporary workers are counted in the commercial tertiary sector.
How to read it: in Q4 2025, payroll employment was virtually unchanged (-0.1%).
Scope: France (excluding Mayotte).
Source: INSEE.

►2. Employment climate and change in market payroll employment
(year-on-year change in %)



Last point: February 2026 for the employment climate, Q4 2025 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 2026, the employment climate stands at 93 points, at its long-term average; in the Q2 of 2026, non-farm payroll employment would be 0.4% lower than its level a year earlier.
Source: INSEE, business surveys and DARES-INSEE-URSSAF, quarterly employment estimates, INSEE forecast.