

Paris, 29 November 2023



## EcoBrief

### French employment data in Q3 : fade to grey

**After several quarters of high job creation (89,000 on average between Q2 2022 and Q1 2023), Q3 confirmed the loss of momentum observed in Q2 (37,000 new jobs after 27,000). Payroll employment in construction and the temporary employment sector are contracting. However, industry continues to create jobs (12,000), as do non-temporary trade services (34,000).**

Payroll employment rose by 37,000 jobs in France in Q3 (after +27,000 in Q2), confirming a clear loss of momentum compared to the average of the previous four quarters (+89,000 per quarter). At the same time, the balance of opinion regarding the unemployment outlook of the INSEE household survey rebounded to 27 in November (+8 points in a month, a high not seen since early 2019, excluding the Covid period) and the employment climate measured by INSEE fell to 101 in November, compared to 105 in September.

The loss of momentum in payroll employment can be explained by a trend reversal in some cyclical sectors: as a result, construction destroyed 5,500 jobs in Q3 (10,000 in cumulative terms over the last two quarters). Temporary employment is moving in the same direction (-16,000 in Q3, -45,000 in the last three quarters).

Employment in industry, with 12,000 job creations in Q3, on the other hand, posted its highest figure since Q3 2022, a momentum responding to a labour shortage that remains significant: this is limiting production for 16% of companies in Q4 2023, according to the European Commission (stable compared to a year ago).

Trade services (excluding temporary workers) continue to create jobs at a good pace (34,000 compared to 24,000 in Q2), particularly in catering and trade, although the reduction in labour shortages in services (14% of companies affected in Q4, compared to 21% a year ago) suggests a loss of momentum in the future.

**Stéphane Colliac**

Senior Economist

[stephane.colliac@bnpparibas.com](mailto:stephane.colliac@bnpparibas.com)

*Feel free to contact us should you like an issue to be covered or developed further in our publications.  
For any information about your personal data processing and your rights, please see our [Data Protection Notice](#).*

*If you wish to unsubscribe, please send the following email to  
[group.rightmanagementeconomicresearch@bnpparibas.com](mailto:group.rightmanagementeconomicresearch@bnpparibas.com) :  
"please cancel my subscription to EcoBrief."*