

Unemployment

In Q3 2018, the ILO unemployment rate in France (excluding Mayotte) remained at 9.1%, after dropping by 0.1 points between Q1 and Q2. Year-on-year it fell by 0.5 points.

Over the forecasting period, by mid-2019, the rise in employment is expected to exceed the increase in the labour force, leading to a slight drop in the unemployment rate: at the end of H1 2019, it should stand at 9.0%, or 0.1 points lower than in mid-2018.

The unemployment rate remained stable in Q3 2018 but fell year on year.

In Q3 2018, the number of unemployed rose by 21,000 (Table) but the unemployment rate remained stable (Graph) at 9.1% in France (excluding Mayotte), after falling by 0.1 points in Q2. Year on year, the unemployment fell by 0.5 points (-134,000 unemployed people).

In Metropolitan France, the halo of unemployment¹ remained virtually stable between Q2 and Q3 2018 (+8,000). It increased by 48,000 people year-on-year.

The youth unemployment rate rose in Q3 2018

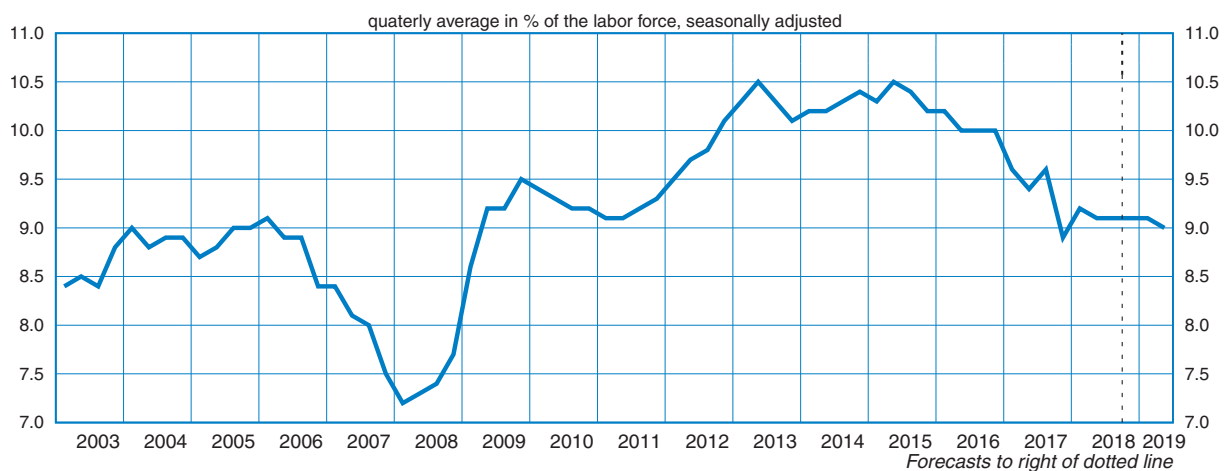
In Q3 2018, the youth unemployment rate stood at 20.6% in Metropolitan France¹. Despite rising by 0.4 points against the previous quarter, it fell by 0.9 points year-on-year. The rise was more pronounced among young men, for whom the unemployment rate increased by 1.0 point. The unemployment rate for the prime-age labour force population (25–49 years) held steady at 8.2%. It was 0.7 points down against Q3 2017. Lastly, the rate for the over-50s dropped to 6.1%: down by 0.2 points over the quarter and by 0.3 points year-on-year.

The female unemployment rate dropped

Between Q2 and Q3 2018, the female unemployment rate dropped a little (-0.1 points), to 8.7%, whereas the male rate rose slightly, to 8.9% (+0.1 points). However, year on year, unemployment fell by the same amount for both men and women (-0.5 points).

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.

Unemployment rate (ILO definition)



Scope: France (excluding Mayotte), population of households, people aged 15 or over
Source: INSEE, Employment Survey

French developments

The unemployment rate is expected to fall slightly through to mid-2019

In 2018, total employment rose half as quickly as in 2017. In addition, in the absence of a new increase in the retirement age, the spontaneous growth of the labour force in 2018 (i.e. its trend variation, before considering the effects of public policies and downturn effects) is likely to be a little lower than in 2017 and 2016. All in all, in Q4 2018 and Q1 2019, the unemployment rate should remain at the same

level as that measured for the two previous quarters (9.1%). In H1 2019, the labour force is likely to be held back somewhat by the gradual ramping up of the Skills Investment Plan (Plan d'investissement dans les compétences), which will temporarily remove people who are taking training from the labour force. Over the forecasting period, a further slight drop in the unemployment rate is expected: it is likely to stand at 9.0 % of the labour force by mid-2019, which would be 0.1 points down on the previous year. ■

Changes in the labour force, employment and unemployment

in thousands, SA, and in %

	Quarterly changes										Annual changes			
	2017				2018				2019		2016	2017	2018	2019 S1
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2				
Population of the 15-64 age bracket	1	1	1	1	-5	-5	-5	-5	3	3	-22	3	-21	6
Population of the 15-59 age bracket	-3	-3	-3	-3	-6	-6	-6	-6	-3	-3	4	-11	-24	-5
Labour force	-66	77	122	-127	163	-9	38	22	17	8	173	7	214	25
including:														
(a) Contribution of the population and the trend activity rate	23	23	23	23	21	21	21	21	18	18	103	91	83	35
(b) Estimated effects of economic downturns	5	5	5	5	0	0	0	0	2	2	8	21	-1	5
(c) Estimated effects of public policies	7	9	8	-1	4	-3	1	1	-3	-12	-29	24	3	-15
(d) Other short-term fluctuations (residual)	-101	40	86	-154	138	-27	17	0	0	0	91	-130	129	0
Employment	69	97	70	73	75	34	17	20	28	32	227	310	145	60
reminder: End-of-period employment (see "Employment" sheet)	101	94	46	100	50	18	16	23	33	31	218	341	107	64
ILO unemployment	-135	-20	52	-200	88	-43	21	2	-12	-24	-54	-303	69	-35
	Quarterly average										Average of the last quarter of the period			
ILO unemployment rate (%)														
France (excluding Mayotte)	9.6	9.4	9.6	8.9	9.2	9.1	9.1	9.1	9.1	9.0	10.0	8.9	9.1	9.0

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.

Scope: France (excluding Mayotte for employment, unemployment and estimated effects of public policies)

Source: INSEE