

# Employment

In Q1 2022, despite the decline in activity, payroll employment continued to increase (+79,000 between the end of December 2021 and the end of March 2022, ► **Figure 1**) but less rapidly than in previous quarters. This was the fifth consecutive quarterly increase, with 855,000 payroll jobs being created throughout 2021, more than offsetting the 217,000 net destructions in 2020. The increase in payroll employment in Q1 2022 was due mainly to tertiary market employment (+64,000) and non-market (+16,000). All in all, at the end of Q1 2022, payroll employment had settled well above its level at the end of 2019, at 717,000 jobs, or +2.8%. About a third of the increase compared to pre-crisis was due to the dynamism of sandwich contracts, especially apprenticeship contracts. Payroll employment has now exceeded its pre-crisis level in all major sectors of activity (construction, market and non-market tertiary) with the exception of industry (► **Figure 2**). Nevertheless, employees' working time is less dynamic than the number of jobs. Absences linked to the health crisis (sick leave, isolation, childcare, etc.) contributed to the low per capita productivity at the end of 2021 (► **Focus in Economic Outlook March 2022**), and this was still the case in spring 2022.

In Q2 2022, payroll employment looks set to slow even further: +37,000 jobs between the end of March and the end of June, after +79,000 in Q1 2022. It is then expected to increase at this modest pace: +44,000 jobs in Q3 and +41,000 in Q4. This increase is likely to be much less vigorous than in 2021 and follow the same trend as activity, with the result that any increase in per capita productivity is likely to be very limited. Information from the latest business tendency surveys seems to confirm this momentum, with expectations for hiring in decline for several months, although always at relatively high levels in industry and services (► **Figure 3**). It is likely to be sustained by a further increase in sandwich contracts, after two years (2020 and 2021) of exceptional increases. However, in the non-market tertiary, and in the health sector in particular, payroll employment is expected to slow substantially in the summer after being bolstered in previous quarters by specific needs associated with the health crisis. Over the year as a whole, payroll employment looks set to rise by 200,000, i.e. a similar increase to its pre-crisis trend: between 2015 and 2019, 228,000 payroll jobs were created on average every year.

At the same time, self-employment is expected to slow slightly in 2022: +60,000 jobs after +110,000 in 2021. It will probably continue to be driven by micro-enterprise creations, although these are likely to slow a little in 2022. Total employment (payroll employment and self-employment) is expected to slow in 2022: +260,000 in 2022 after +965,000 in 2021 and -175,000 in 2020. ●

## ► 1. Change in payroll employment

in thousand, SA, at the end of the period

	2020				Evolution over 3 months				2022				Evolution over 1 year			Evolution since end of 2019		
	Q1	Q2	Q3	Q4	2021				Q1	Q2	Q3	Q4	2020	2021	2022	End of Dec. 2020	End of Dec. 2021	End of Dec. 2022
					Q1	Q2	Q3	Q4										
<b>Wage employment</b>	-523	-137	451	-8	183	314	199	159	79	37	44	41	-217	855	200	-217	638	838
	-2.0%	-0.5%	1.8%	0.0%	0.7%	1.2%	0.8%	0.6%	0.3%	0.1%	0.2%	0.2%	-0.8%	3.3%	0.8%	-0.8%	2.5%	3.2%
Agriculture	-6	-3	1	11	0	3	1	3	-2	1	1	1	2	7	2	2	10	12
Industry	-14	-19	-10	-8	11	8	11	8	-2	-3	3	1	-51	37	-1	-51	-14	-14
Construction	-6	11	21	15	22	10	11	6	2	2	3	2	40	49	10	40	90	99
Commercial tertiary sector	-483	-50	339	-90	125	265	187	116	64	37	33	33	-284	693	167	-284	409	576
Tertiary non-trading	-14	-75	100	64	27	28	-12	26	16	0	3	3	75	68	22	75	143	166
<b>Self-employment</b>	10	10	10	10	28	28	28	28	15	15	15	15	42	110	60	42	152	212
<b>All</b>	-512	-127	461	2	211	342	226	187	94	52	59	56	-175	965	260	-175	790	1 050
	-1.8%	-0.4%	1.6%	0.0%	0.7%	1.2%	0.8%	0.6%	0.3%	0.2%	0.2%	0.2%	-0.6%	3.4%	0.9%	-0.6%	2.7%	3.6%

■ Forecast

How to read it: in Q1 2022, payroll employment increased by 0.3%, i.e. 79,000 net job creations.

Note: in this table, temporary workers are counted in the sector tertiary non-trading.

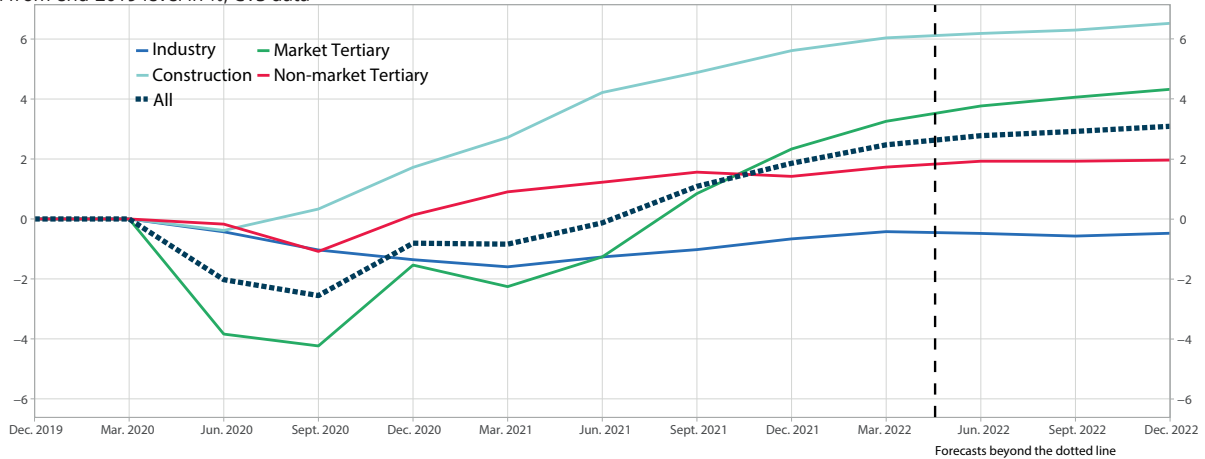
Scope: France (excluding Mayotte)

Source: INSEE

# French economic outlook

## ► 2. Payroll employment compared to the end of 2019

deviation from end-2019 level in %, CVS data



How to read it: at the end of March 2022, payroll employment was 2.8% higher on its level at the end of 2019.

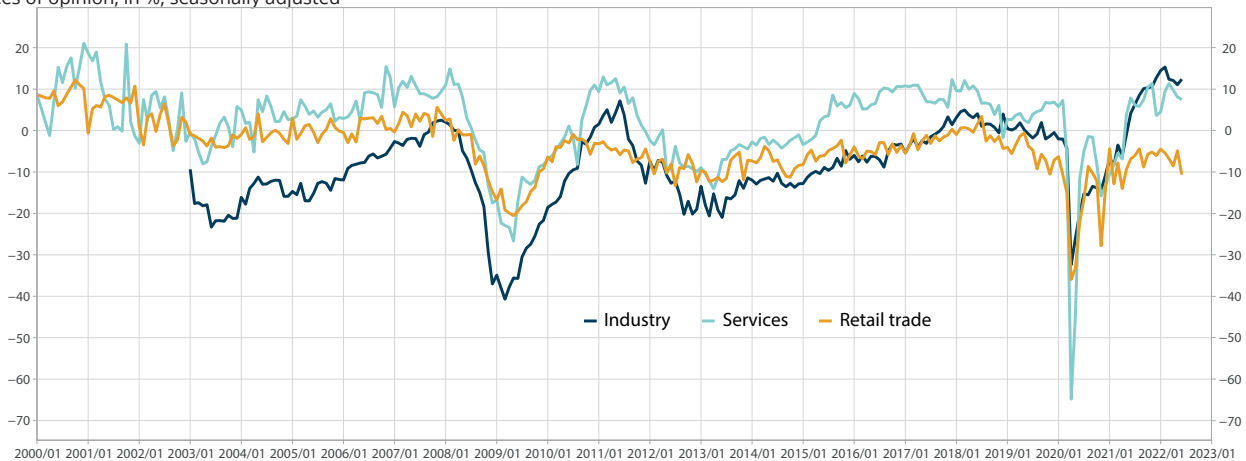
Note: in this graph, temporary workers are counted in the sector tertiary non-trading.

Scope: France (excluding Mayotte)

Source: INSEE

## ► 3. Balances of opinion on expected change in workforce by sector

balances of opinion, in %, seasonally adjusted



How to read it: in June 2022, the balance of opinion on workforce expectations in industry stood at +12%.

Note: results are weighted by workforce numbers

Last point: June 2022

Source: NSEE, business surveys