

Social Impact Report 2021

A Labour Market for All: Workers' Stories

*The contribution of the private employment services industry
in enabling inclusive and resilient labour markets*



**WORLD
EMPLOYMENT
CONFEDERATION**

The Voice of Labour Market Enablers



About the World Employment Confederation

The World Employment Confederation is the voice of the private employment services industry at a global level, representing national federations as well as workforce solutions companies from across the world. Members of the World Employment Confederation represent a wide range of HR services, including agency work, direct recruitment, career management, Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP).

The World Employment Confederation works to broaden recognition of the positive economic and social role which the private employment services industry plays in enabling work, adaptation, security and prosperity. This work involves building networks with relevant stakeholders such as policy makers, social partners and the academic world; setting high recruitment and employment standards and practices; acting as a thought-leader shaping futureproof and competitive labour markets and providing strategic data on employment issues.

Should you have any questions regarding the facts and figures published in this Social Impact Report, do not hesitate to get in touch with the World Employment Confederation's Head Office at info@wecglobal.org.

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Executive Summary

The Covid-19 pandemic served to exacerbate, speed up, and increase the focus on many issues that labour markets and workers were already facing. Activation, adult training, inclusiveness, participation of vulnerable workers, access to social protection, youth unemployment, remote working, skills shortages, etc. are all challenges that existed before the global crisis began but have now become even more crucial to tackle in order to ensure well-functioning and inclusive labour markets. To build more resilient and inclusive labour markets the Organisation for Economic Co-operation and Development (OECD) identifies the need to invest in connecting people to jobs, enabling training and lifelong learning, and fixing the gaps in social protection systems (OECD, 2021A).

In an increasingly complex and uncertain world of work, workers will require greater support and guidance. This is exactly the role that the private employment services industry plays for millions of individuals each year. We connect them to jobs, offer them access to training, provide career guidance to secure their long-term employability and support them through transitions. We ease access to labour markets for vulnerable groups and we offer supplementary social protection to ensure decent work.

Each worker has their own story to tell as to how private employment services have helped them in their working lives - whether they are among those who were most impacted by the crisis and lost their jobs, or are a student looking for a first working experience to set foot in a labour market that is difficult for them to access, or someone who refuses to retire because they enjoy working into old age, or perhaps are single parents in need of childcare to enable them to work.

The World Employment Confederation's 2021 Social Impact Report shares some of these stories and presents initiatives implemented by the private employment services sector that made them possible.



A Labour Market for All: Workers' Stories



The 2021 Social Impact Report by the World Employment Confederation is dedicated to the worker. Through individual stories, we show how the private employment services industry, with its different services, is able to make a positive contribution in an ever-changing world of work.

One segment of the industry is agency work, or staffing. In this recognised employment relationship, the worker enters an employment contract with the staffing agency, which places the worker in a job at a client company. These contracts can be open-ended, with a fixed term, full-time or part-time. Reasons for workers to opt for agency work are manifold. Often, they wish to get experience in different companies and sectors. Agency work, through its changing assignments, provides the opportunity to do so. Workers also see agency work as an opportunity to find direct open-ended and full-time jobs, as agency workers are frequently taken over by client companies in a direct employment contract. Agency workers who have struggled to find work prior to contacting a staffing agency recognise the benefits of reduced obstacles in entering the labour market when an agency is involved. For many, the flexibility in working conditions is a deciding factor, as it allows them to balance professional and personal life in a better way.

Career management is another segment of the private employment services industry that helps individuals to navigate the complex and dynamic environment of the changing world of work. Career management services support the mobility and development of both individuals and organisations. By facilitating transitions, career management enables people to land new and sustainable opportunities faster and, thereby, avoid unemployment. Transition support services are estimated to support over 2.5 million individuals globally.

Private employment services also provide direct recruitment services, in which the service provider finds a suitable position for jobseekers and places them at an employer, with whom the worker then enters into a direct employment relationship.¹

In 2019, more than 61 million individuals around the world were placed in jobs through agency work and direct recruitment services. When the Covid-19 pandemic struck in 2020, the global private employment services sector took a significant and unprecedented hit, with hours of agency workers plunging even below levels seen during the 2008 Global Financial Crisis.² However, as economic recovery picked up, the sector rebounded. From supporting the transition to new economies and driving social purpose and social innovation to simplifying the increasing complexity of labour markets, providing solutions for management of workforce-related risks, and delivering responsible intermediations - now more than ever, the private employment services industry has a key contribution to make in helping both workers and businesses to adapt to the 'new normal'.

¹ Private employment services also include MSP and RPO.

² Consult WEC Economic Report 2021 for further information.



CHAPTER 1

Supporting Transitions



Reskilling during a crisis



Mahbuba SINGAPORE

Mahbuba was born in Bangladesh and moved to Singapore in 1994.³ For nine years she worked at Changi airport. Then, the Covid-19 pandemic struck and severely impacted the airline travel industry. 150 people saw their jobs terminated as air traffic went into complete lockdown. Mahbuba was one of them and this had an immediate effect on her living status. Without employment she was not able to remain in the country long-term.

She approached an employment agency, Adecco Singapore, who trained and reskilled her. Quickly, Mahbuba found a new role. She was given the opportunity to start work right away in a part-time position in admin support. Not long after, Mahbuba found that her long-term goal was to pursue a career as a recruiter. She was given full support in her training to become a licensed recruiter, including helping her practice for the certification exam. She is now a full-time recruiter for Adecco, helping people who are in the same situation as she was.

Mahbuba recalls how losing her job affected her family, her earnings and her life in Singapore. She felt scared and helpless in dealing with the immigration matter. She is grateful to Adecco for supporting her and guiding her along the way. Being happy at her workplace, she now feels secure about her future in Singapore.



³ Source: www.adecgroup.com/solutions/case-studies/training-and-reskilling/



Javier

SPAIN

The path from education to work was not easy for Javier, a 34-year-old candidate from Seville, Spain.⁴ He graduated following the Great Recession in 2008 and, in a difficult economic context, found it tough to find a job that matched his training. Despite hundreds of applications, he was repeatedly told that he lacked experience. He felt lost and in need of a new goal.

He eventually connected with the HR services provider Randstad and jumped at the opportunity of being trained by the company as an activities counsellor for disabled people. They saw his potential and offered him a job. With this experience outside of his area of expertise, Javier grew both personally and professionally. He found a new calling which opened up new horizons at a very difficult time.

Working for a company like Randstad has allowed Javier to develop a whole portfolio of new skills and shift his career path. Moreover, he also has the opportunity to constantly upgrade his skills through training, which has made him accumulate a great deal of knowledge. Javier is convinced that without an HR services provider like Randstad, he would not have been able to be working in an 'entirely new world'

The global Covid-19 pandemic has had, and continues to have, a major impact on millions of workers around the world. The ILO estimates that **due to the pandemic 255 million full-time workers lost their jobs in 2020 alone**, with a majority having left the labour force (ILO, 2021A). For 2021, estimates forecast a deficit of 100 million full-time workers globally compared to a scenario without the pandemic.

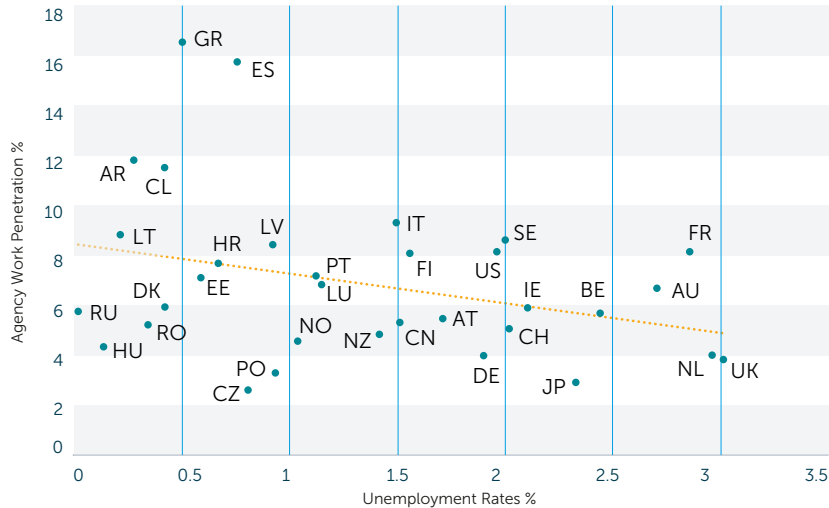


Activation policies, transition support and training programmes are crucial in the recovery phase. As some sectors, such as tourism, accommodation and food services and construction, have taken the hardest hit during the crisis, it has been and remains vital to provide relief to both businesses and workers.

The private employment services industry has a key role to play in this regard, being experts in labour market needs and with extensive ties to businesses. Countries with relatively higher shares of agency workers in the working population tend to have lower unemployment rates (Figure 1). While the agency work sector has taken unprecedented hits during the crisis, it also proved critical in responding to the flexibility needs and short-time adjustments that organisations require. The sector also supported workers in the hardest hit sectors, who had been let go. Transition support is a key role of the industry. In the Netherlands, nearly half of the 45,000 temporary workers who had lost their jobs due to the pandemic up until April 2020 were relocated to new positions by the agency work sector. Not only did the sector provide support to workers by finding them jobs, but the majority of relocated workers were placed in essential sectors, which experienced shortages during lockdowns.

⁴ Source: www.randstad.com

Figure 1: Agency work penetration and unemployment rates



Source: Members of the World Employment Confederation. ILO. 2020 or latest year available

At a global level, there are more than **161,000 private employment agencies** with multiple branches employing **over 3 million people whose goal is to connect people to jobs**. In 2019, **more than 61 million people were placed in the labour market** by the private employment services industry (WEC, 2021).

Effective collaboration between private and public employment services is also key during the recovery and beyond. In countries where partnerships between public and private employment services are well established, it has been shown that public activation and transition support were more effective and responsive to the needs of both workers and employers (OECD, 2021A). Such collaboration takes place in many countries, albeit in different forms and at different levels. Often, some functions are outsourced to private providers, information on vacancies and jobseekers is exchanged or training and job fairs are jointly organised.

The OECD estimates that even before the pandemic, half of all adults were not engaged in adult learning (OECD, 2021B). The pandemic amplified this challenge, as the need for transitions was made even more critical and containment measures resulted on the one hand in adults being even less willing to participate in training, and on the other in fewer learning opportunities being available to them.

The private employment services sector’s role in training workers is an essential one, particularly during the recovery phase, with many workers needing to retrain to change jobs or even sectors. In countries where training funds exist, agency workers have access to training opportunities via these funds to maintain their employability. Each year, **millions of agency workers around the world take advantage of this opportunity and undergo training schemes** that come with the conditions and benefits of the job (Table 1). Nevertheless, training alone is not always sufficient and career guidance is necessary to help workers identify their transferable skills, guide them towards the right training opportunities and then connect them to a new job. Beyond training, the career management sector promotes an attitude of lifelong learning to secure long-term employability.

Table 1: Share & number of agency workers receiving training

	Percentage of agency workers trained	Number of agency workers trained
Belgium	16%	105,005
Brazil	33%	2,000,000
Canada	84%	-
Chile	14%	32,200
France	15%	412,500
India	30%	990,000
Italy	34%	269,000
Japan	100%	4,794,355
Mexico	58%	98,956
Netherlands	12%	126,919
Switzerland	4%	13,499
USA	84%	13,440,000

Source: Members of the World Employment Confederation 2020 or latest year available
 Note: Training might be differently defined across countries, resulting in discrepancies in the figures

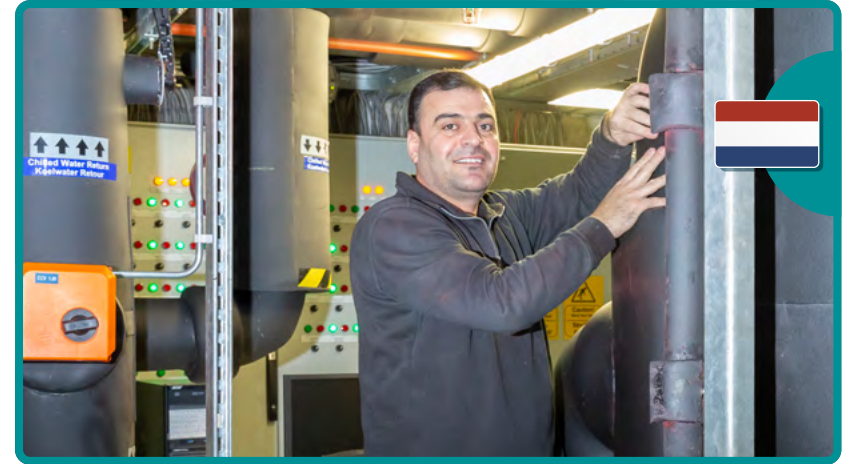
Setting foot in a new sector



Khaled THE NETHERLANDS

Khaled used to work as a taxi driver in Damascus, Syria. When he and his family arrived in the Netherlands on a temporary asylum permit⁵, the language barrier prevented him from continuing in this profession. However, Khaled possessed many other technical and practical skills. Back in Syria, he had built his own house! A Dutch staffing company, jointly with one of the local governments, had established a training programme, including people with a temporary asylum permit. The agency also knew about different client companies that were open to take on workers who might need to learn on the job.

One of those companies was specialised in insulation techniques. In their experience, motivated people are able to learn the trades required to perform the job, provided that they have the technical skills and good spatial awareness. The company immediately recognised Khaled's natural talent and retrained him as an insulation technician. Despite the language barrier, a lot could be shown to Khaled on the job due to the practical nature of the work. Alongside the vocational training, Khaled also followed a Dutch language course.



Khaled is extremely positive about his work as an insulation technician. He especially enjoys having the chance to visit different locations and work with many different nationalities - even though the workplace language is Dutch. One of his friends from Syria even ended up working with him.

The support Khaled received from the staffing agency and his own commitment really paid off for both him and the client company. They found that Khaled was able to do more in a few months than most new mechanics can accomplish after three years and they have already agreed to hire Khaled directly on an open-ended contract, once his contract with the staffing agency ends.

⁵ Source: www.abu.nl/kennisbank/uitzendwerk/khaled-van-damascus-naar-altena

Building meaningful careers



Mike CANADA

Mike began his career as a professional driver in the Canadian trucking industry, travelling throughout Canada and the United States.⁶ A contract position at a Canadian temporary work agency specialised in logistics caught his interest and little did he know that it would be a stepping-stone to full-time employment with endless opportunities to hone his talents.

In his position at the logistics temporary work agency, Mike played a crucial role in tackling the driver shortage crisis in Canada's trucking industry. Predictions show a potential shortage of more than 48,000 drivers by 2024. Mike developed a successful apprenticeship programme that enabled new candidates to receive the training they needed to be successful in the trucking business, effectively mitigating the impact of the industry's driver deficit.

An opening in the temporary work agency's safety department in 2013 led Mike to pursue his interest in safety and change "career" lanes. He nevertheless remained a part of the continued development and training of professional drivers. Shortly after having completed his safety training, where he received the tools to formally develop and implement successful programmes for new drivers, Mike became a safety and compliance specialist. In his new role, Mike was responsible for developing and facilitating safety training for groups of drivers and office staff, ensuring that drivers are taking the necessary steps to comply with safety regulations.



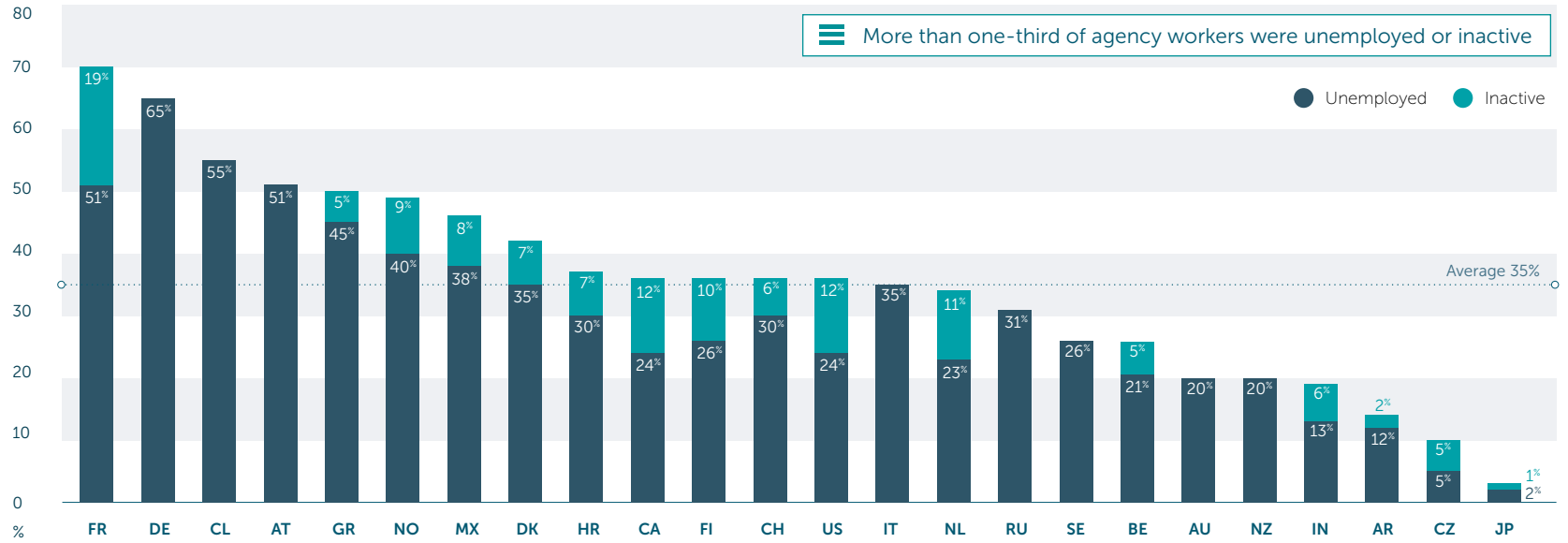
After about a year and a half in the safety seat, Mike took another career step when an operations management position opened at the logistics temporary work agency. Mike praises the major role which the staffing agency's team has played in his continued success, going from professional driver to safety specialist and now to a manager position.

On average, **35% of agency workers embarking upon their first assignment were previously either unemployed or inactive** – i.e. they were not actively searching for work (Figure 2). The private employment services industry provides a crucial stepping-stone opportunity for people, by offering an uncomplicated and supported bridge into the labour market. The sector thereby effectively raises employment levels, contributing to the furthering of the United Nations Sustainable Development Goal 8 of promoting "sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."⁷

⁶ Source: <https://access.org/news-events/access-champions/mike-russello>

⁷ Further information on UN SDG 8: www.un.org/sustainabledevelopment/economic-growth

Figure 2: Share of agency workers coming from either unemployment or inactivity



Source: Members of the World Employment Confederation. 2020 or latest year available

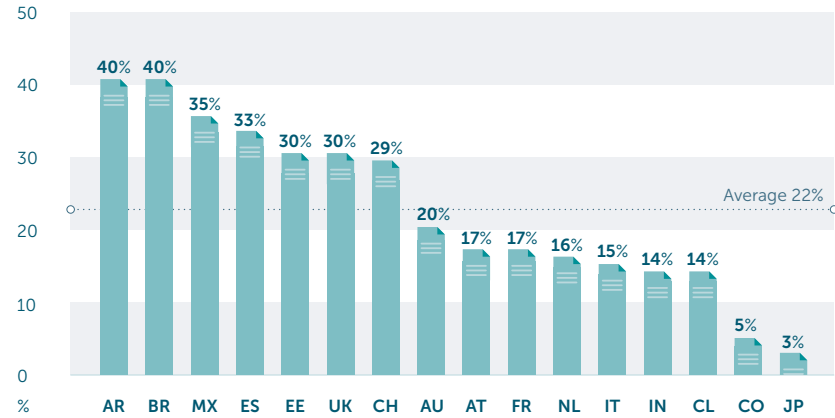
Another stepping-stone function of the private employment services industry is played by increasing the employability of agency workers, thereby ensuring future employment. Many agency workers, some of which come from non-employment – i.e. unemployment or inactivity –, move on to other positions and contracts. They may also be in the agency work sector, but with different companies or sectors, or directly with client companies under fixed-term or open-ended contracts. **On average more than 20% of agency workers are converted to direct staff** (Figure 3).

Various research studies have confirmed the stepping-stone function of fixed-term employment and the benefits these forms of work can have on the subsequent labour market situation for the jobless. Generally, jobseekers who take

up these opportunities to work are more likely to remain employed one year later than those who continue searching for open-ended employment (Addison and Surfield, 2009). They are also shown to be more likely to enjoy employment continuity that is no less favourable than that provided by open-ended full-time employment. In fact, it is shown that fixed-term jobs decrease the duration of unemployment (de Graaf-Zijl et al., 2011).⁸

⁸ Various other empirical studies indicate towards a positive stepping stone effect of fixed-term employment contracts in terms of raising subsequent employment stability and reducing unemployment duration. See further: Buddelmeyer and Wooden (2011), Ichino et al. (2008), Picchio (2008), Cockx and Picchio (2012).

Figure 3: Share of agency workers being converted to direct staff

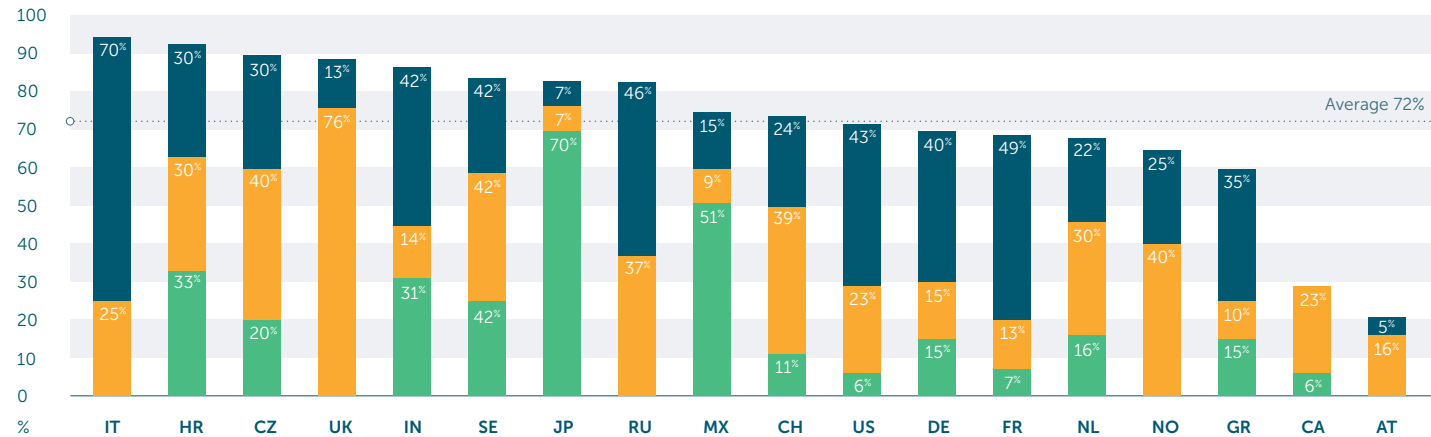


Many agency workers move to direct contracts at client companies

Fears about lower wages or less favourable working conditions for agency workers compared to direct staff are not fact-based. **Agency workers receive better pay than directly hired employees with fixed-term contracts** (Swissstaffing, 2021) and enjoy largely the same social protection benefits as direct employees (Eurociett/UNI-Europa, 2015; WEC 2020).

Evidence also shows how private employment agencies are generally more effective in creating good job matches than their public counterparts (Ayaita et al., 2021). On average, **72% of agency workers remain employed 12 months following their initial assignment** (Figure 4).

Figure 4: Share of agency workers still in employment after their initial assignment



More than two-thirds of agency workers remain in employment

- Agency work contract
- Open-ended contract
- Fixed-term contract

Source: Members of the World Employment Confederation 2020 or latest year available

Support for high-skilled workers



Cheryl

THE UNITED STATES

After graduating college, Cheryl worked in various roles to develop the technical skills that led her to a career in software testing.⁹ When she connected with her staffing agency in April 2018, she was uncertain as to her next steps professionally. Cheryl's recruiter urged her to apply for a contract test engineer role with a medical device company. As it turns out, the role was perfectly attuned to her interests and built upon her prior work experience. The client recognised her strong work ethic and skills and offered Cheryl an open-ended position testing medical devices and assuring that their parts work correctly before they are presented to the U.S. Food and Drug Administration for approval. Agency work led Cheryl to a meaningful career where she has, ultimately, through her work, impacted the lives of thousands of patients in the U.S.

For Cheryl, the advantage of working for a staffing agency lies in exploring different jobs. She values the different experiences that it affords - from the interaction within different companies and teams to seeing how other sectors work. Staffing



helped her grow professionally, as she was able to constantly update her skills by trying out new positions. It has also helped her grow on a personal level and learn what is most important for her in a job by being exposed to many different areas. Cheryl is convinced that the support, leadership and feedback she received from her staffing agency really helped her excel. She remembers, in particular, the perfect practice job interview she received from her recruiter, which led to her current position. For Cheryl, working with her staffing agency is rewarding, allows her the chance to work how and when she wants and to take advantage of the flexibility to see and try everything that her area of expertise has to offer.

⁹ Source: www.americanstaffing.net



Gajan

SWITZERLAND

Gajan is 34 years old and lives in Basel, Switzerland.¹⁰ After finishing technical college in business informatics, Gajan worked for a multinational pharmaceutical company for seven years under an open-ended direct contract and continued to develop himself within the company. In 2019, he gave notice, deciding to search for a new professional challenge. Agency work appealed to him for the great flexibility it offered. He went on working at various client companies via several staffing agencies.

At the beginning of 2021, Hays, the temporary work agency that he is currently employed by offered Gajan a position as an agency worker at his former employer, the pharmaceutical company. Due to the pandemic, he was set to work exclusively from his home office. Gajan reacted positively to this opportunity. Remote working allows him to concentrate as much as possible on his work. The good team spirit did not suffer despite colleagues being scattered all around and working from home. Since he already knew the company, the sector, and the team, the virtual onboarding went smoothly. The temporary work agency and client company gave him good support and provided all the necessary equipment.

Gajan sees the advantages of working via Hays in the long-term contracts, the good social services, and the opportunities for further training. He especially



appreciates the cooperation with the agency's employees, praising their recruiting and support as being outstanding. They remain in close personal contact, keep him up-to-date, get his feedback, and act proactively. If there was an end to his current placement, the staffing agency would react immediately and make him new, appropriate job offers. Gajan hopes that he will be able to continue working for the staffing agency for a long time.

Agency work is characterised by a high degree of diversity. As the sector caters to businesses in many different sectors of the economy, **people of all levels of education and skills are employed by private employment agencies.** While in the US, professional staffing is predominant, with a majority of agency workers being highly educated, in Europe more than two-thirds of agency workers have not completed higher education (Figure 5). Similarly, the level of skill required to perform agency work jobs is diverse in all regions observed (Figure 6). **Agency work offers employment opportunities for all people, from the low-skilled to the highly educated.**

¹⁰ Source: www.swissstaffing.ch

Figure 5: Average education level of agency workers, by region

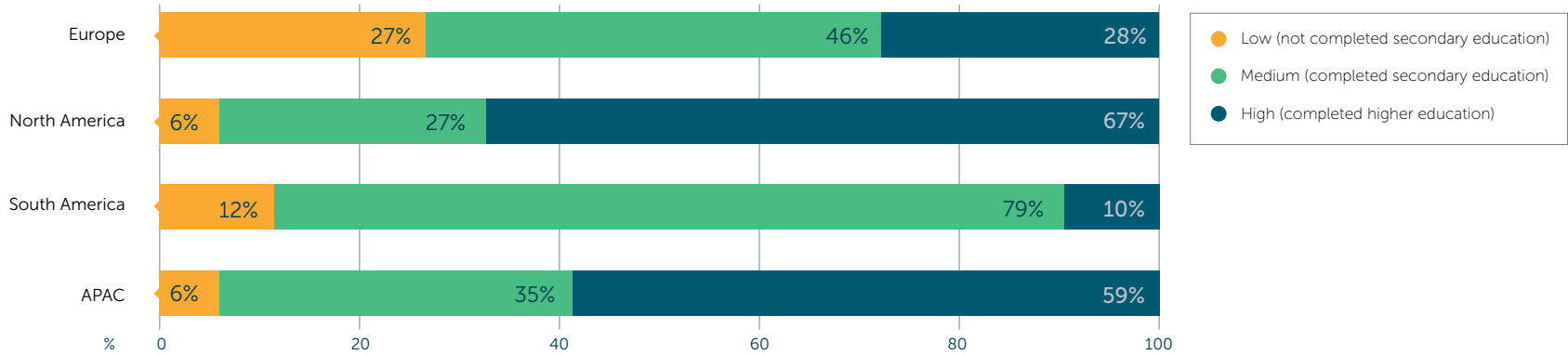
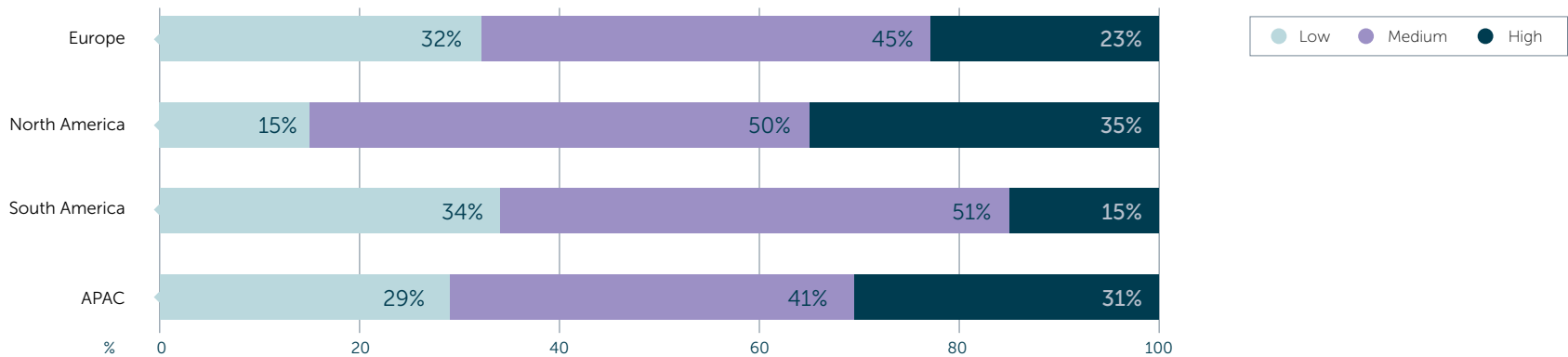


Figure 6: Average skill level required to perform agency worker jobs, by region



Source: Members of the World Employment Confederation. 2020 or latest year available.
 Note: Consult Annex for detailed country breakdowns

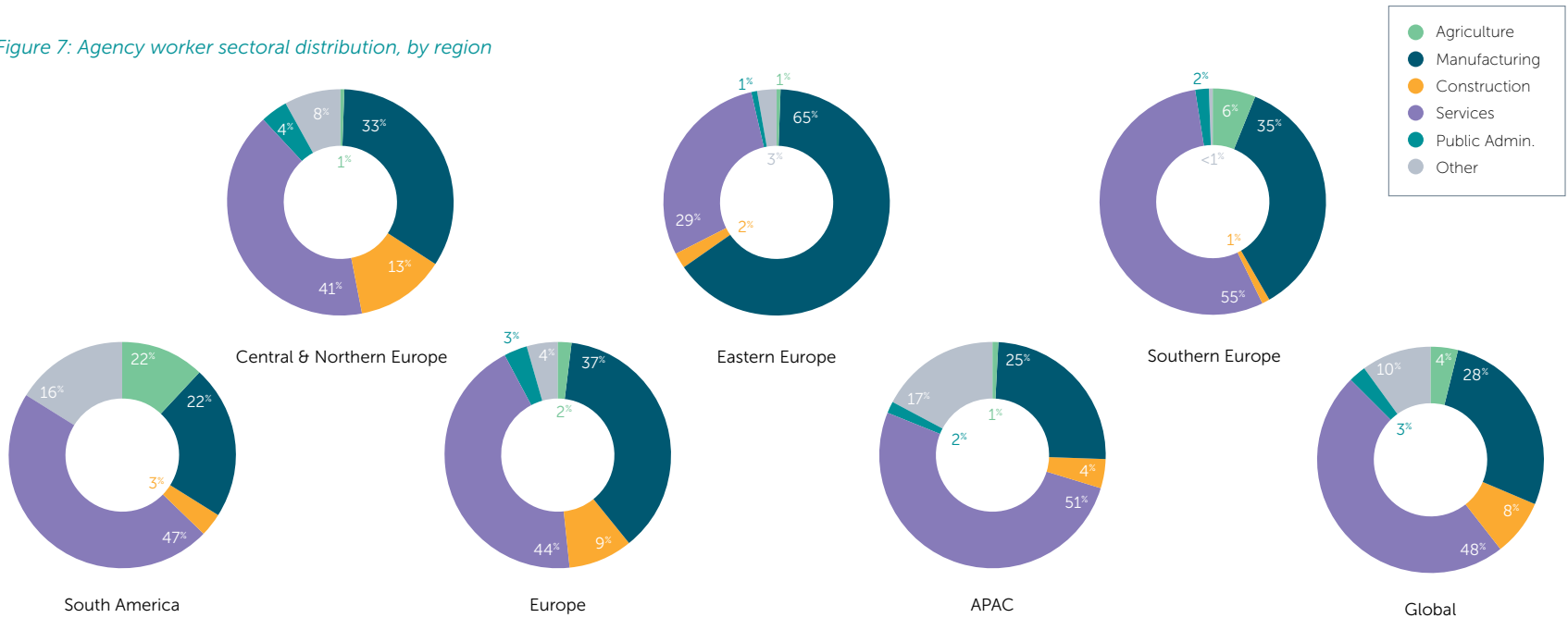
Remote and flexible working has gained traction in recent years, as fast technological development has enabled workers and businesses to increase flexibility and efficiency within those sectors where employees are not location-bound.

The global health crisis accelerated this phenomenon, with governments worldwide implementing restrictions on office working in order to curb the spread of Covid-19. Those sectors which mainly relied on office-based employees, were for the most part able to make the transition to remote work; however, location-bound, non-essential industries, such as accommodation, food services, construction and manufacturing, could not resort to remote work and had to significantly scale down their operations or pause them entirely.

Agency workers are employed throughout the economy, working in a vast variety of jobs and sectors (Figure 7). A significant share of agency workers were therefore able to resume their work from home throughout the pandemic.

As we move out of the pandemic, remote work is likely to remain. Survey findings indicate that **72% of organisations plan to take a hybrid approach to work**, with employees working from both home and the office (Steelcase, 2021). At the same time, another survey shows that **54% of workers are allowed a hybrid work schedule by their employers** (Randstad, 2021).

Figure 7: Agency worker sectoral distribution, by region



Source: Members of the World Employment Confederation, 2020 or latest year available

Enabling job transitions



Raynard

THE UNITED STATES

For 14 years, Raynard worked in a large insurance company¹¹. It was his second job after college. But right in the middle of the Covid-19 pandemic, he lost his job. Luckily, his former employer offered a benefits package, which included outplacement support to help employees who were let go to find a new position. Raynard was offered the tools and support to help him get connected, found and hired.

One tool he was particularly impressed with was the Virtual Career Fair: a digital tool which allows candidates to be showcased and seen by the hiring community. Raynard describes it as “having a convention centre right on your lap” since you enter a virtual meeting room right on your laptop. The use of digital solutions in outplacement processes facilitates connections between jobseekers and companies looking to hire – and this was particularly valuable during the Covid-19 pandemic.

This Virtual Career Fair really did the trick for Raynard, as it was here that he met his career transition coach from the outplacement services company, LHH. They discussed at length what he was really looking for in his next position. Just two months after this initial interview, Raynard received a job proposal for a position at a financial services firm - and this is where he is working right now. Raynard was given tips and tricks to prepare for the job interview as well as help with draft-



ing the follow-up emails. The career transition coach also made sure to always check in with him during his job search. Raynard is convinced that the support he received from his coach enabled him to reach the next stage he was looking for in his career.

With careers becoming more fragmented and transitions between jobs and sectors gaining in frequency, guidance is crucial for any worker. Career Management is one sector within the private employment services industry that provides services supporting the mobility and development of individuals. Early on, career management services help individuals to create careers that fit their personal needs, by providing a unique perspective on the job market and the skills in demand. In periods of transformation, like restructuring or redeployment, career management firms support individuals in preserving their professional opportunities as well as in their financial and mental stability. Finally, in situations of layoffs, enabling fast and sustainable transitions in labour markets to avoid or reduce time

¹¹ Source: www.adecgroup.com/solutions/case-studies/outplacement-and-virtual-career-fair/

spent unemployed is of high value for both workers, employers and society as a whole. Typically, the outplacement / career transitions services are financed by the employer as they see their responsibility go beyond the employment contract itself and want to enable employees who are leaving to swiftly find a new, satisfying job opportunity. **Globally, job-to-job transitions are on average 30%-50% quicker when a career management firm is involved.**¹²

As the need to invest in and facilitate labour market transitions is identified by international policymakers as one of the key elements for recovery from the Covid-19 crisis, the career management sector should be an integral part of the solution. Maintaining work and employment is of critical importance as we build for a sustainable new normal. Career guidance and transition support will contribute to protecting workers sustainably and to enabling well-functioning labour markets. During the peak of the Covid-19 induced lockdown measures in 2020, LHH, the career management brand of The Adecco Group, recorded a 23% increase in the number of individuals referred to them for transition support. Too often workers only realise the importance of investing in their career when they lose their occupation, but the Covid-19 crisis has prompted a shift in mindset and pushed people to become more proactive in their careers. A survey by The Adecco Group in the United Kingdom shows that nearly one-third of the UK's workforce (29%) is considering a significant career change once the crisis has passed. 16% have already begun the process of retraining during the lockdown phase. Into, a career management firm in Italy, reported an increase in the number of individuals approaching them for support in their search for new opportunities, even while they are still employed.

¹² Range based on input from three global career management firms – RiseSmart, Right Management, LHH, members of the World Employment Confederation's Career Management Network.



CHAPTER 2
Fostering Inclusiveness

2

Offering a new life to refugees



Abdakader

GERMANY

Abdakader was born and raised in Somalia and spent most of his childhood, adolescence and young adulthood in Yemen.¹³ At the age of 24 he went to Syria, and three years later moved to Turkey. He stayed there for another three years before coming to Germany, via Greece, in 2015. At this stage, the 33-year-old wished to settle.

His wish to stay in Germany was probably in no small part due to his job, which he found after a short period thanks to a German temporary work agency specialised in the industrial-technical and commercial field. A roommate of Abdakader's at the refugee home connected him with the staffing agency - and he already possessed the optimal prerequisites: his German was so good that communication was not a problem, and he knew his way around mechanics and electronics. That's why right from the start the company where he works assigned him activities that corresponded to his level of knowledge. Abdakader was not only respected professionally, he was also warmly welcomed by his colleagues. This new start was pleasantly uncomplicated for him and Abdakader's positive experience continued when he landed an open-ended direct position at the company he had been assigned to.

Abdakader is nonetheless still considering the possibility of doing an apprenticeship so that he has a stronger basis for his future career in Germany. The German work structure took some getting used to for the native Somali, but his advice



to others in a similar position is to be patient and to familiarise themselves. For the time being, Abdakader appreciates the security which his position brings him. Thanks to the support of the staffing agency, he was able to begin a new life in his new home country.

International migrant workers constitute 62% of international migrants and nearly 5% of the global labour force, according to the most recent estimates (ILO, 2021B). 169 million people were international migrant workers in 2019, up from 164 million in 2017. The United Nations estimate the number of refugees at the end of 2020 at 26.4 million, nearly 10% of all international migrants.

Access to labour markets in the host country is key in the integration process, in particular for refugees. Often, they need support, as language barriers can make it difficult for them to look for work. The agency work sector plays a crucial role by facilitating access to jobs for vulnerable groups. This is partly due to lower entry barriers compared to other employment contracts, such as open-ended direct contracts which might be difficult to obtain right at the start, and to the support

¹³ www.integrationsdienstleister.de/abdakader-ali-saleh/

Figure 8: Agency work penetration and informal employment



Source: WEC (2020)

which temporary work agencies provide in the job search. **In Germany, while only around 2% of the overall employed population is working in the agency work sector, the share of job entries among refugees is above 30%.**¹⁴ Similarly, the share of foreign-born workers in the employed population in Germany is at just below 13%, whereas foreign-born workers constitute nearly 38% of agency workers. In the Netherlands, the share of migrants in agency work is close to half (ABU, 2019). The agency work sector therefore plays a key role in the successful integration of refugees into society.

Reduced barriers to enter labour markets via the agency work sector also contribute to the reduction of informality. Refugees often end up in the informal economy due to host countries limiting their freedom of movement, thus restricting their opportunities to take up formal work. It is shown that **countries with a relatively high share of agency workers among the employed population tend to have lower levels of informal employment (Figure 8).**

¹⁴ See further: www.integrationsdienstleister.de/daten-und-zahlen

Enabling parents to work



Jennifer FRANCE

Jennifer lives just outside of Paris and works in the human resources sector through a temporary work agency.¹⁵ She is a single mother, and like many working parents, her evenings are often a mad dash to leave work in time to pick up her daughter.

Working as an agency worker she is able to rely on the childcare support services provided by FASTT, the bipartite social support and supplementary health insurance scheme for agency workers in France. This scheme was initially implemented to cover medical costs and hospitalisation and adds to the coverage already provided by the French state, but it has evolved to now cover housing, credit and mobility assistance as well as childcare support. Depending on where she is being sent on assignment, Jennifer can get in touch with FASTT to arrange the childcare she needs. The system is swift and efficient and within 48 hours she can secure the appropriate babysitting support – either at home or at her daughter’s school.



Jennifer has found the FASTT childcare service a real support. It has allowed her to continue working and pursue her career, knowing that her daughter is being well cared for. This gives her not just personal fulfillment but also enables her to maintain financial independence and to be able to provide for her daughter and herself. She is very satisfied with the service and the independence that it affords her and her family, and she also finds the cost to be extremely affordable and competitively priced. The first hour’s childcare is charged at one euro and then everything else is paid for by FASTT up to a maximum of 80 hours per year.

¹⁵ Source: www.youtube.com/watch?v=aVFGKrEixFM

Providing opportunities for disabled people



Knut
NORWAY

Knut had worked as a taxi driver in Norway for almost 10 years before he was diagnosed with multiple sclerosis.¹⁶ This led to him losing his drivers' licence. He was on sick leave for 10 months before contacting a project manager at a Norwegian temporary work agency specialised in providing highly skilled and experienced consultants to technology companies within the country's subsea, onshore and offshore industry.

The temporary work agency saw a good fit for him in a position in warehousing and logistics at an energy technology company. Having no formal education, Knut received plenty of support - including with the formulation of both his CV and job application. He got the job and today he works as a full-time, open-ended employee, handling, packing and sending goods and following up orders and projects. He is able to lead a normal life, despite his disability.

The support he received from the temporary work agency means a lot to Knut, who never imagined that he would be able to land a job which provides him with not only a fantastic working environment, but also a decent income.

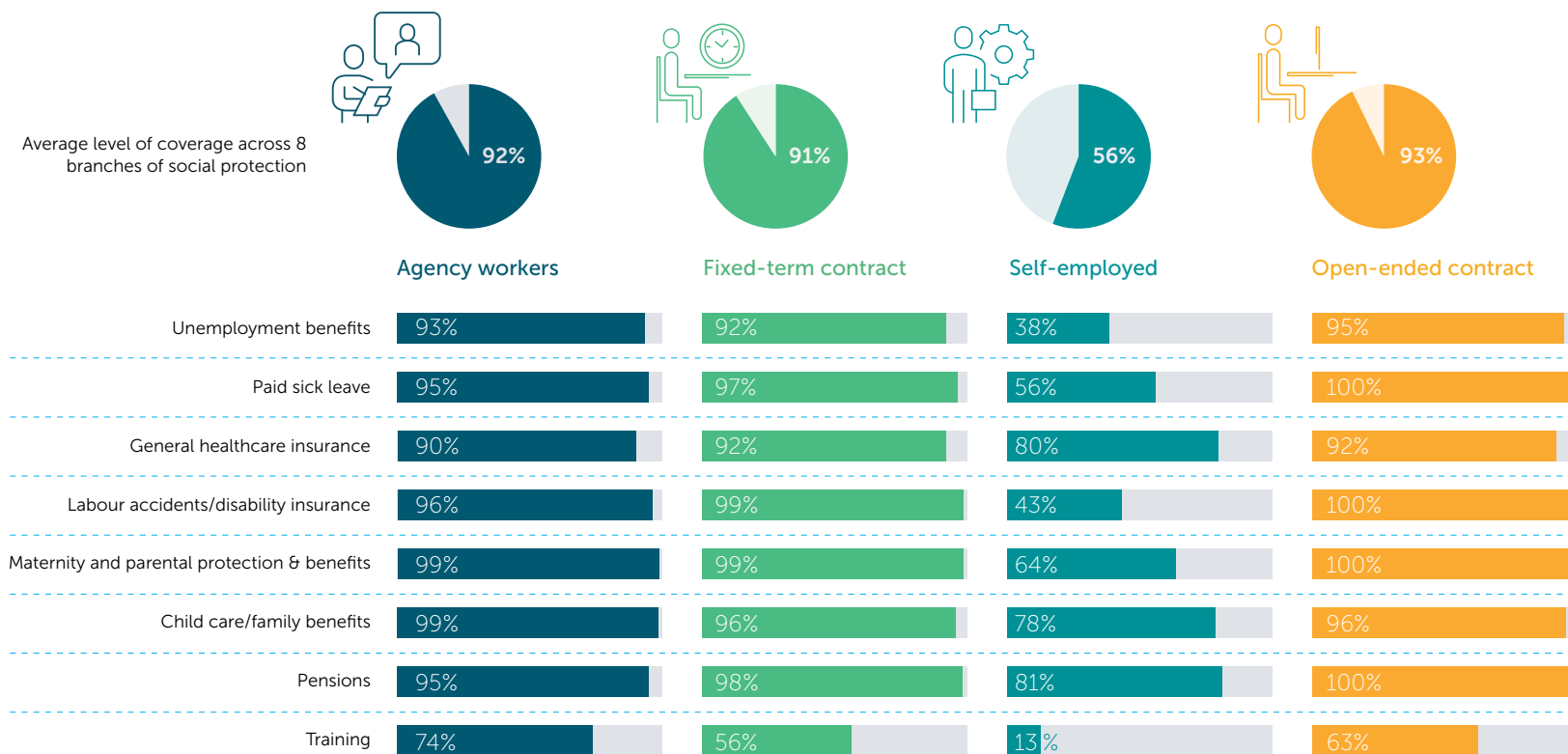
¹⁶ www.nhosh.no/bransjer/bemanning-og-rekruttering/nyheter/2021/knut-martin-eliassen



A minimum level of social protection coverage should be the reality for all workers, regardless of the type of working relationship they choose. The global health crisis has cast a spotlight on the shortcomings of current social protection systems, as many workers who are in need of a sufficient safety net were not eligible for benefits, often due to their employment status. Self-employed people in particular, required assistance during the harshest times of the pandemic. Current systems are outdated as they are still tailored to the traditional open-ended full-time and direct employment model. As the world of work continually evolves and new forms of working are emerging fast, a new social contract needs to be developed to ensure that basic minimum levels of social protection are available and accessible to all workers irrespective of their work arrangement. Safety nets need to be innovated to accommodate all and share costs, benefits and risks proportionally.

Research has shown that, on the one hand, dependent employees benefit from a largely similar statutory access to social protection benefits (WEC, 2020). **Agency workers, being employed under a regulated labour contract, enjoy statutory access to unemployment and sickness benefits, occupational health and safety provisions, and pension schemes that are similar to directly hired employees on open-ended or fixed-term contracts** (Fig.9). On the other hand, self-employed workers often do not have statutory access to many of the social protection branches.

Figure 9: Statutory access to social protection branches by work arrangement, % of coverage (either full or partial/voluntary)



Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Note: The analysis is based on four sources of information. The information was compiled into one database using the following indexation for statutory coverage: 1=full coverage; 0.5=only partial/voluntary access; 0=no access. 42 countries are included in the analysis. The percentage of statutory coverage therefore includes countries where full access is available, and those where only partial or voluntary access exists. Instead of showcasing the share of countries with full statutory coverage, the graphs represent a measure of how well the types of workers are protected across the countries in the sample. The Annex contains more detailed description of the methodology, the list of countries and further graphs.

Agency workers often benefit from sectoral supplementary provisions in order to top-up their effective access benefits (Table 2). While it can be more difficult for workers on fixed-term contracts to access certain benefits, the agency work sector is in a unique position to provide additional support. Being its own sector, social partners are able to engage in collective bargaining and develop sectoral funds and solutions that benefit of agency workers. This is the case in several countries, where portability of rights systems are implemented for agency workers to improve their access to safety nets. Training and health insurance benefits are also available via such funds. These initiatives showcase the leading social innovation

role played by the private employment services industry. Collective bargaining outcomes often result in more generous provisions becoming available to agency workers than to regular employees on fixed-term contracts (OECD 2019). Sectoral funds exist in Belgium, France, Italy, the Netherlands, and Switzerland, and represent a clear value added of effective social dialogue. During the pandemic the European Commission recognised the important role that social partners and social dialogue can play by quickly adapting workplaces to emerging needs. It specifically mentioned social partners from the agency work sector as having “contributed concrete proposals to drive a fair economic recovery” (EC, 2021)

Table 2: Additional benefits provided to workers by the private employment services industry

	Supplementary pension schemes	Complementary health insurance	Access to credit or accommodation	Support to parents in childcare
Belgium	✓			
Brazil	✓	✓		
Canada	✓	✓	✓	✓
Chile			✓	✓
China	✓	✓		
Colombia			✓	
Denmark	✓			
France		✓	✓	✓
India		✓		
Italy	✓	✓		✓
Japan	✓	✓		
Lithuania	✓	✓		
Netherlands	✓		✓	
Norway	✓			
Spain		✓		
Sweden	✓			
Switzerland	✓	✓		
United Kingdom	✓			
United States	✓	✓	✓	✓

Note: The benefit provisions depicted in the table may differ in size and character depending on the country. Only schemes which are provided specifically for agency workers are considered. Benefits not ticked as “yes” may still be available to agency workers as part of coverage regardless of the type of employment contract. In other countries, which are missing from the table, benefits may be provided nonetheless regardless of employment status. Benefits depicted in the table include those which are part of a collective labour agreement between social partners.

Source: Members of the World Employment Confederation. 2020 or latest year available.

Sustaining labour market access for older people



Peter
AUSTRALIA

Peter had tried to retire on several occasions.¹⁷ What kept the Australian busy was that on the one hand he found retirement boring and on the other that opportunities which held his interest kept arising. Yet, going back to working 60 or 70 hours weeks was no longer an option.

Peter went out and looked for agency work because he knew about the variety of work experiences that it offered. Together with the agency, Peter clarified what was important for him when it comes to work. He wanted to keep himself busy, experience new things and meet new people. While he considered himself to be too old to begin a new career, he did not feel too old to learn! He was particularly interested to work for and with younger people. He felt that he could assist them by bringing a different set of views and attitudes to work while also picking up new things from them.

Peter now works when it suits him, and takes on contract work, casual work, and part-time work - whichever offers him an opportunity to prove that he is up to the challenge.



Peter's advice to other people in situations similar to his own, as well as to young people, is to have a look at the vast array of options that agency work can offer them. Just because someone was a General Manager does not mean that the person needs to be in that exact same role again. He feels that the opportunities are immense. Peter's retirement is not yet here... his temporary work agency always gives him the first call whenever a new role comes along!

¹⁷ Source: www.youtube.com/watch?v=qSGJnOwl0PA

Facilitating the first work experience for students



Sara
BELGIUM

Sara is a 20-year-old Communications Management student in Belgium.¹⁸ She has an agency work job as a salesperson in a shop which she secured after seeing an ad on social media and applying via the online flexible job app NOWJOBS.

Sara enjoys her job and she is confident that the experience which she has gained will also be of use to her in her future working life. She has learned to work independently and to deal with customers. She has also learned to take responsibility as she is sometimes on her own in the shop and in charge of opening up the store in the morning and closing it at the end of the day. Her job has helped her to discover what she enjoys, and what she doesn't enjoy, and has made her plan well so that she can combine work with her studies without falling behind.

For Sara the whole process at NOWJOBS has been quick and simple. Everything was done digitally via the app and she never had to go anywhere in person. When she needed to communicate with them, she just sent an email and received a response by the next day. If she was ill, or not sure of her pay, she just emailed and they would be in touch. Sara also appreciates the flexibility that NOWJOBS offers. You can indicate on the app when you want to work and change your availability if something crops up. Once you have signed your contract then of course you need to discuss with your employer if you want to change your hours, in order to find a solution together. Her boss understands that she is a student who is combining work with study and so tries to be accommodating.

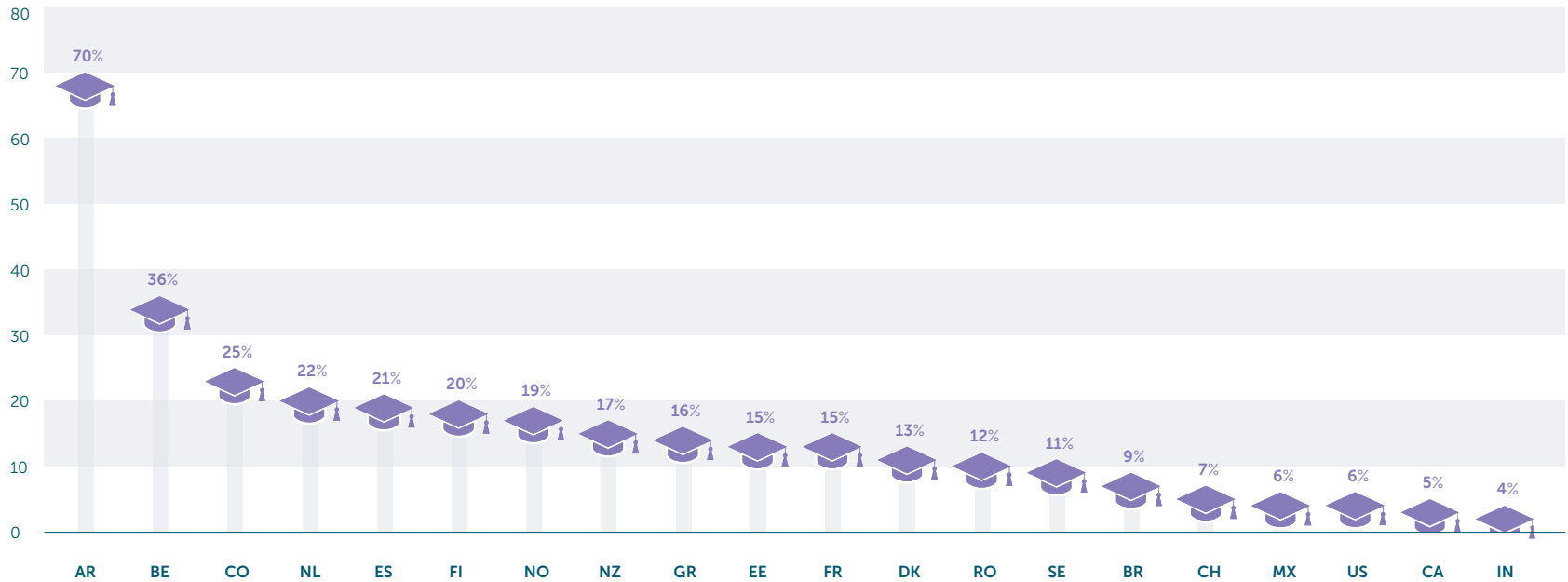


In addition to job satisfaction, Sara's student job has brought her financial independence. She does not have to ask her parents before she goes shopping now because she is spending her own money. Working has also taught Sara to budget, and she is currently saving for lessons to get her driving license.

Agency work offers a high level of flexibility for workers who want to balance their professional life with other responsibilities or priorities. Students, and young people in general, may be searching for a way to combine their education with some work or be looking for a successful first entry point into working life. On average, **17% of agency workers are students who are able to benefit from flexible work alongside their studies, and for whom their income from agency work is often the means of financing their education** (Figure 10). **Often, the share of young people aged less than 24 years is higher in agency work than in the overall employed population - underlining the role the sector plays in offering a door to labour markets** (Figure 11).

¹⁸ Source: www.youtube.com/watch?v=nLR9Z6XA1fI

Figure 10: Share of students among agency workers



Source: Members of the World Employment Confederation. 2020 or latest year available

Young people are suffering from the aftermath of the global health crisis, as a generation of “lockdown graduates” and those who were just about to enter the labour market find themselves at risk of falling out of the labour force entirely. **The number of young people not in employment, education or training increased by 3 million across the OECD as a result of the pandemic** (OECD, 2021A). Private employment services are a crucial element in the activation toolbox and can contribute to raising youth employment.

Older workers, who may not be ready to retire but who also prefer to avoid working in full-time open-ended employment, have the possibility to work on a part-time or fixed-term basis thanks to a temporary work agency (Figure 12; Figure 13). As the population continually ages, people are expected to work longer. Flexible arrangements can serve to bridge the gap between a steady career and retirement, in particular for people losing their jobs in their fifties and sixties who struggle to re-establish themselves in a career. Agency work, due to its lower labour market entry barriers and the support that agencies provide in finding suitable positions, offers a valuable employment opportunity for young and old.

Figure 11: Share of young (< 24) in agency work population vs. share of young in employed population

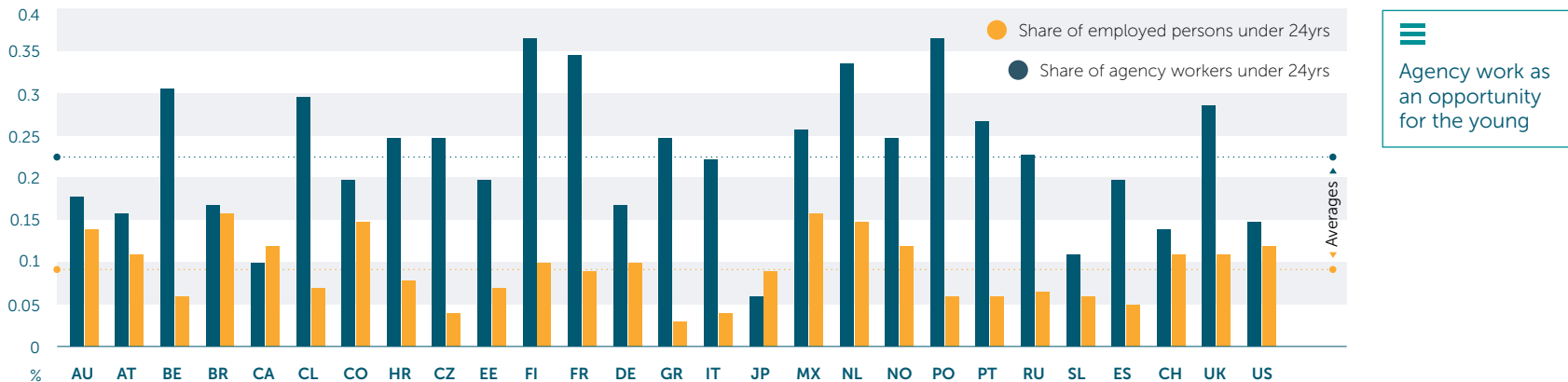


Figure 12: Share of agency workers working full-time

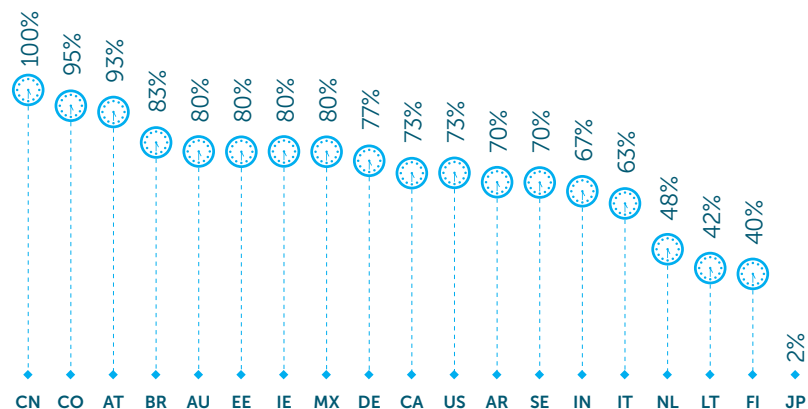
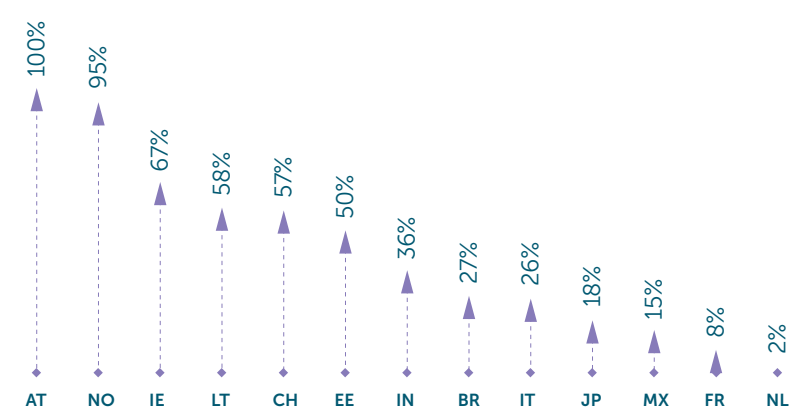


Figure 13: Share of agency workers with an open-ended contract



Source: Members of the World Employment Confederation. 2020 or latest year available

Annex

Gender distribution of agency workers

Figure 1: Average gender distribution of agency workers, by region

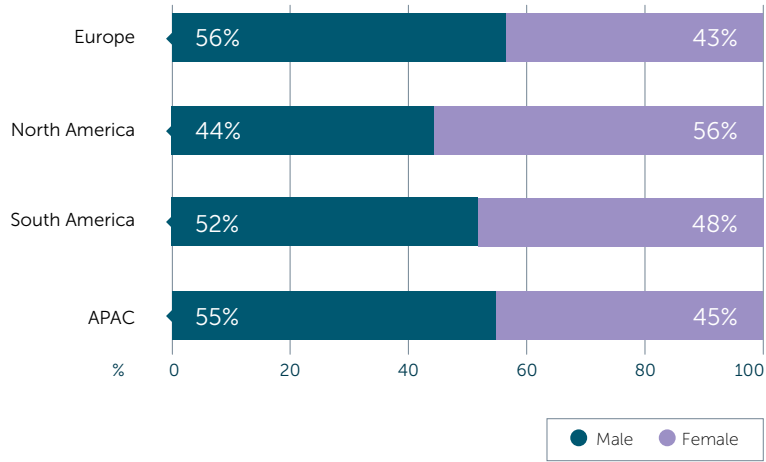
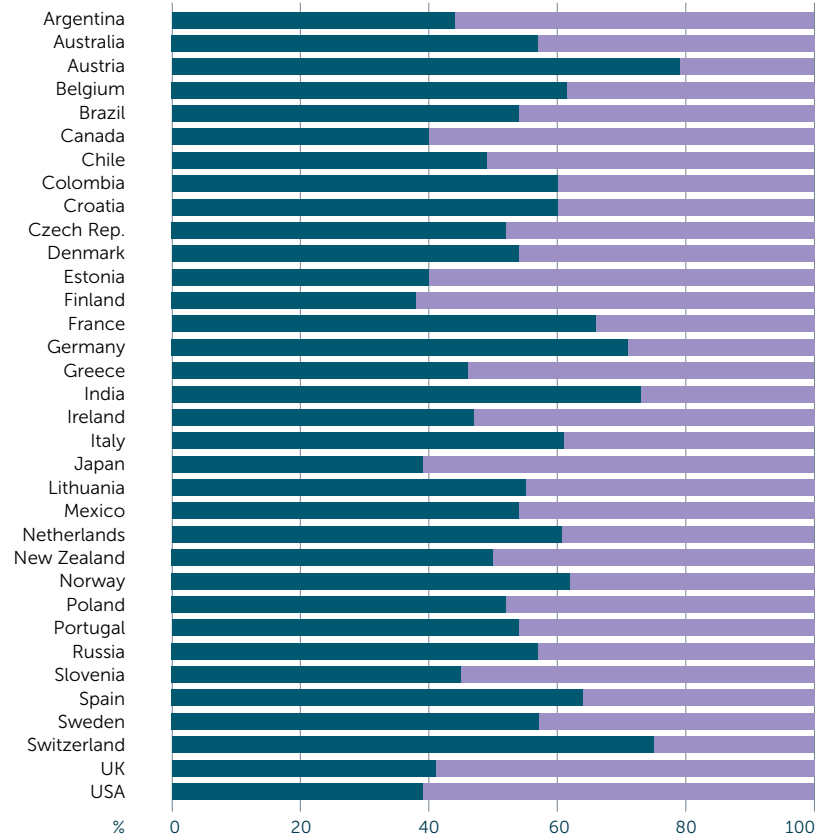


Figure 2: Average gender distribution of agency workers, by country



Source: Members of the World Employment Confederation. 2020 or latest year available

Age distribution of agency workers

Figure 3: Average age distribution of agency workers, by region

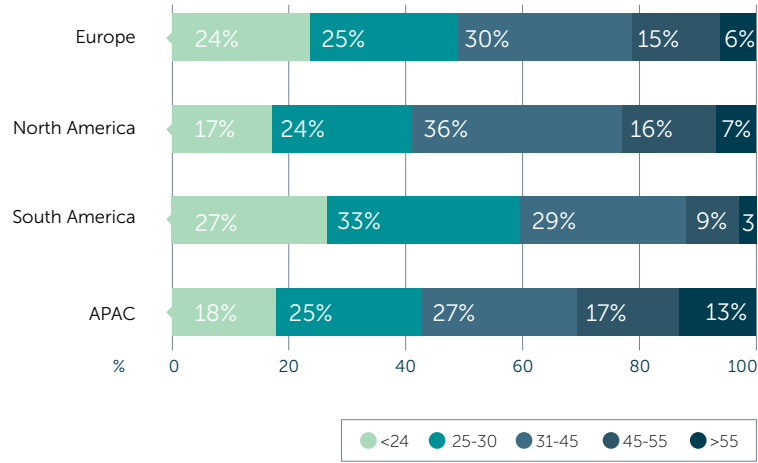
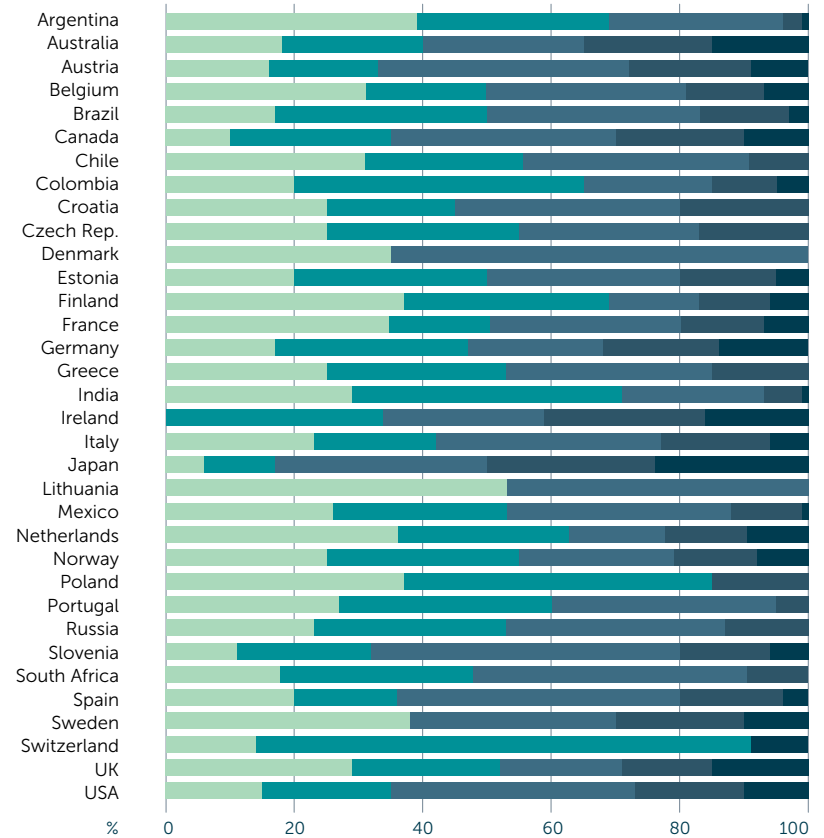


Figure 4: Average age distribution of agency workers, by country



Source: Members of the World Employment Confederation. 2020 or latest year available

Education levels of agency workers and skills required

Figure 5: Average level of education of agency workers, by country

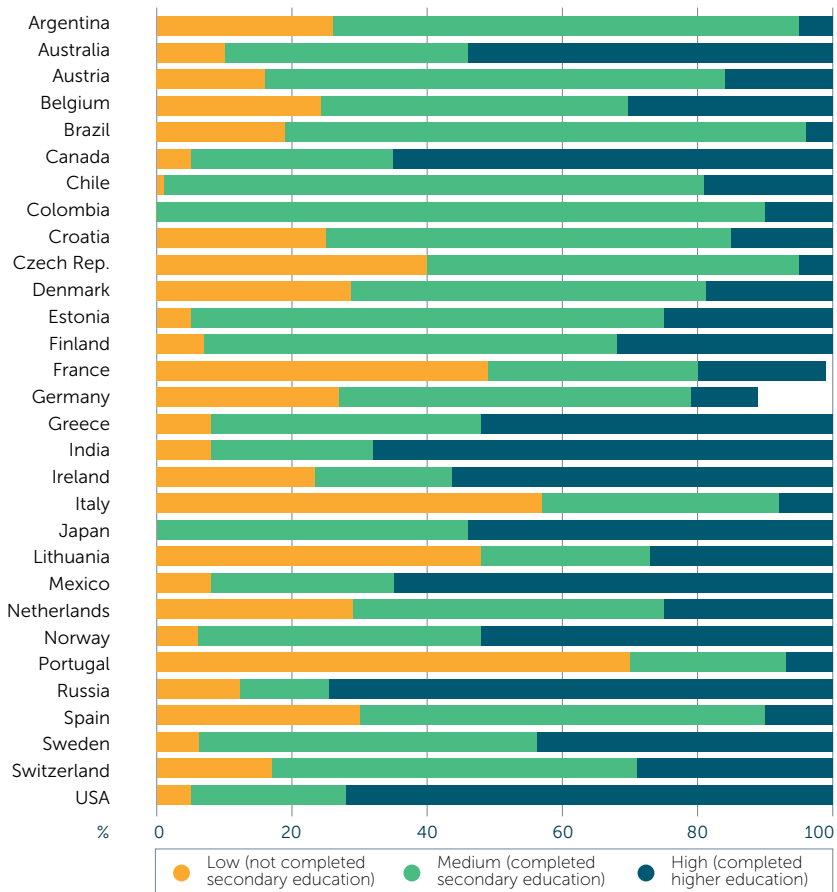
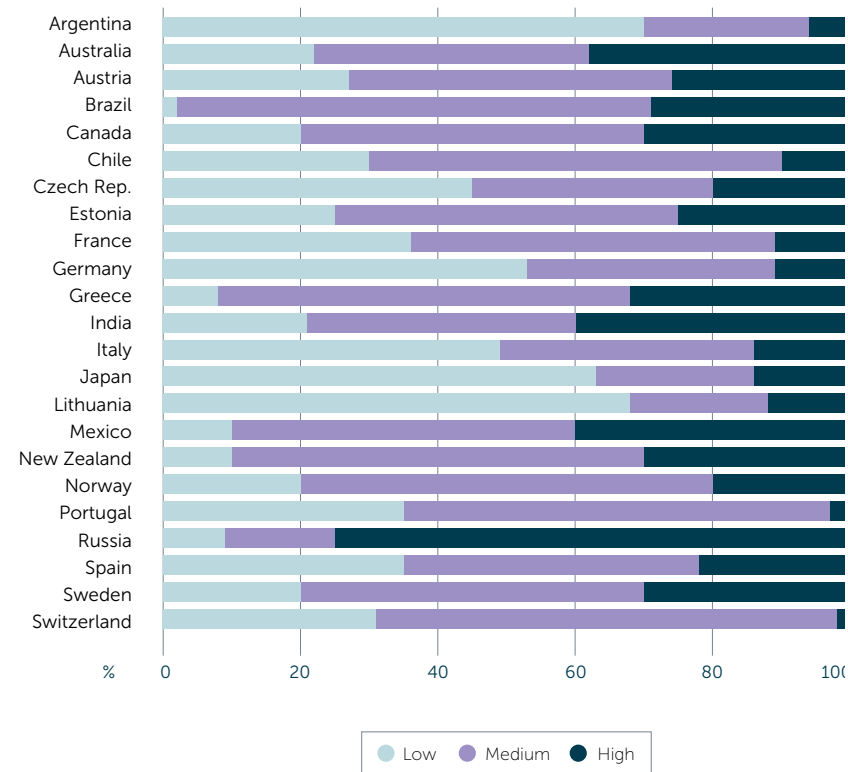


Figure 6: Average level of skills required to perform jobs of agency workers, by country



Source: Members of the World Employment Confederation. 2020 or latest year available

Average length of assignment of agency workers

Figure 7: Average length of assignment of agency workers, by region

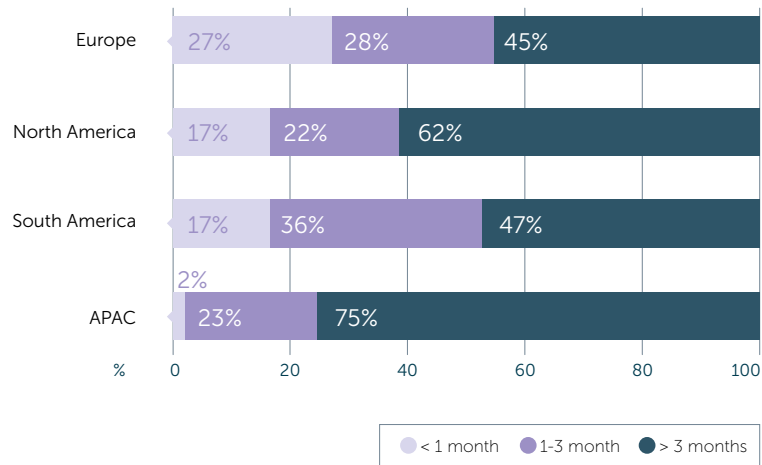
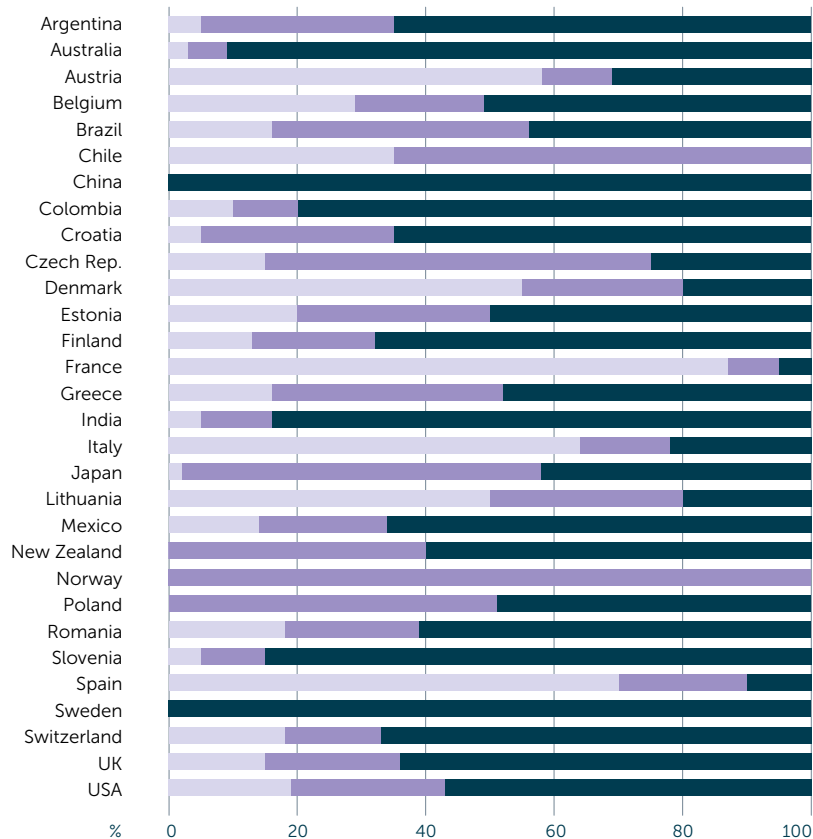


Figure 8: Average length of assignment of agency workers, by country



Source: Members of the World Employment Confederation. 2020 or latest year available

Average length of contract of agency workers

Figure 9: Average length of contract of agency workers, by region

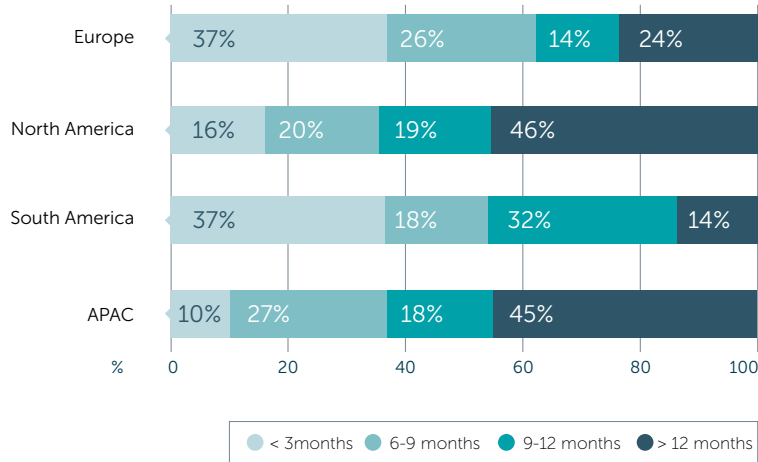
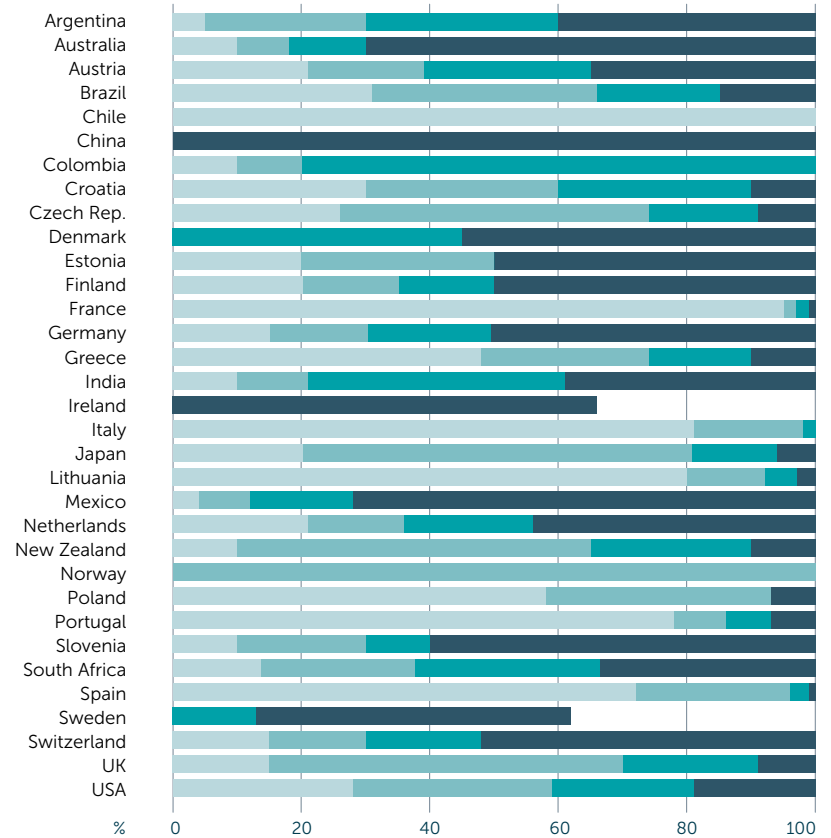


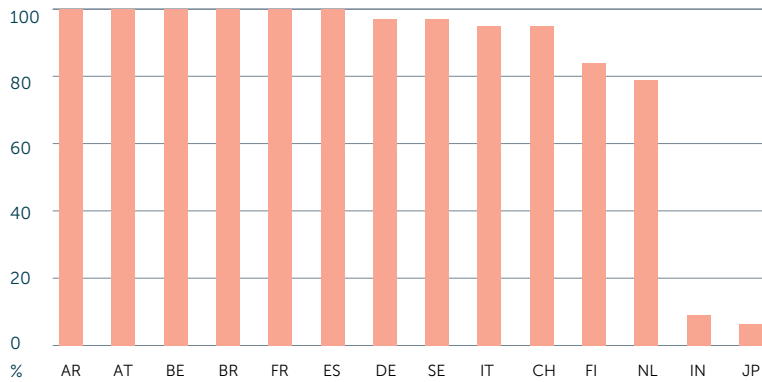
Figure 10: Average length of contract of agency workers, by country



Source: Members of the World Employment Confederation. 2020 or latest year available

Social Dialogue and collective labour agreements

Figure 11: Share of agency workers covered under a collective labour agreement



Satisfaction of agency workers

Figure 12: Share of agency workers reporting to be satisfied with the labour market situation

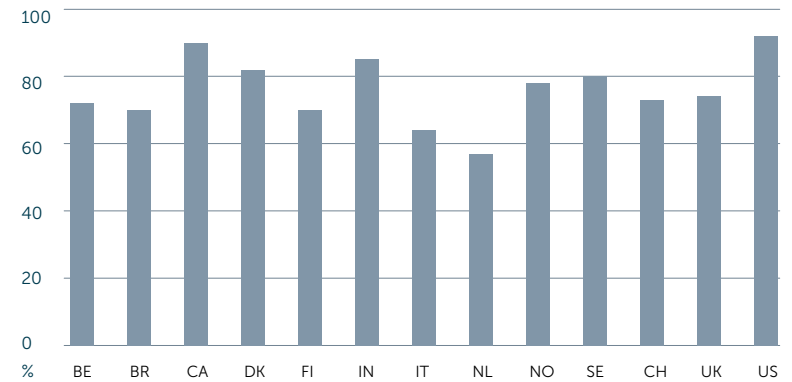
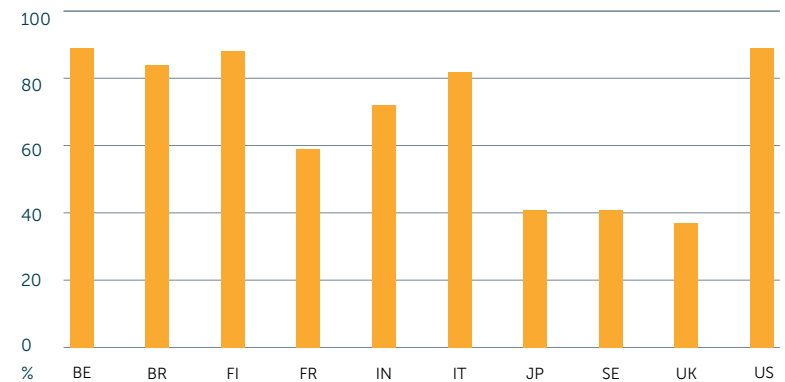


Figure 13: Share of agency workers reporting to be willing to work again as an agency worker



Source: Members of the World Employment Confederation. 2020 or latest year available

Be sure to visit the [World Employment Confederation](#) website for additional insights, labour market data, reports and statistics on the private employment services industry. For information on what the private employment services industry and the World Employment Confederation have done to mitigate the impact of the global crisis caused by the pandemic, visit the [webpage](#) dedicated to the Covid-19 crisis as well as the webpage "[Safely Back to Work in the New Normal Alliance](#)".

For more real-life stories on initiatives implemented by the private employment services industry to support workers around the world, before and during the Covid-19 crisis, visit the [Social Innovation Stories website](#) created by the World Employment Confederation.

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