



Labour Market Strategic Insight

Q3 2023

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Content

1. Agency Work Activity
2. Economy
3. Labour Market

Main Takeaways



Employment agency activity has been largely in decline throughout 2023 across the globe



In Q3 2023, the economy nosedived in Argentina, Austria, Chile, Czech Republic, Germany, Estonia, Ireland, Latvia, Luxembourg, Poland and Sweden



Labour market crunch is easing: number of unfilled job vacancies is gradually reducing in most parts of the world



In Europe, administrative and support services, as well as accommodation and food services experience the strongest crunch



In all countries of the sample, except the US, there are more unemployed people than job openings. Skills & expectations mismatch present an obstacle to a more fluid labour market



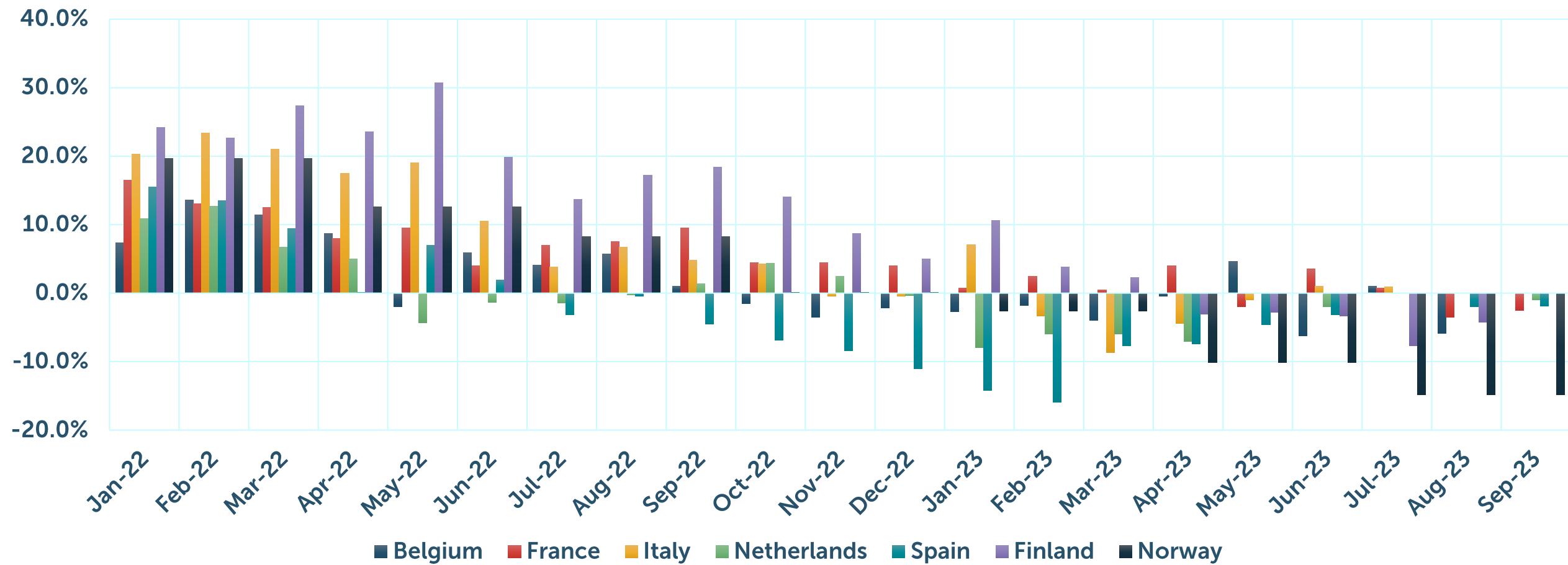
**WORLD
EMPLOYMENT
CONFEDERATION**
The Voice of Labour Market Enablers

1

Agency Work Activity

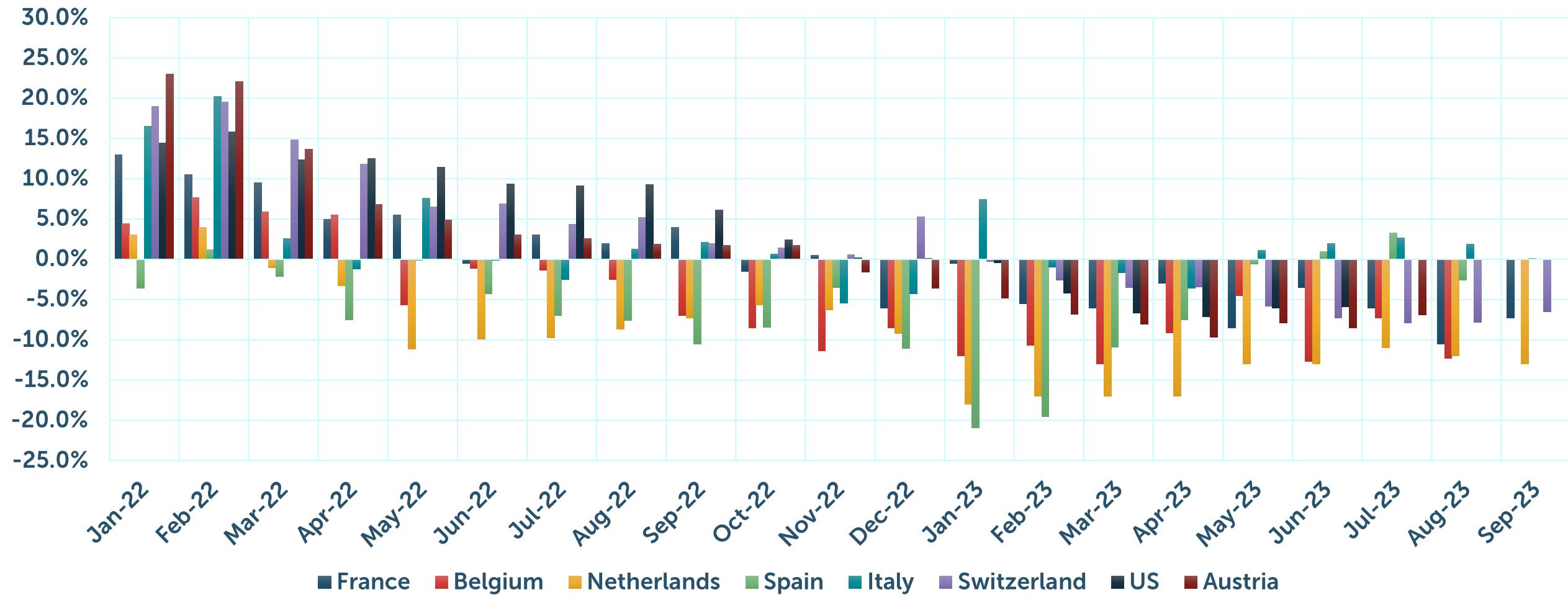
Turnover of Temporary Work Agencies

TWA Monthly Turnover Dynamics (y-o-y)



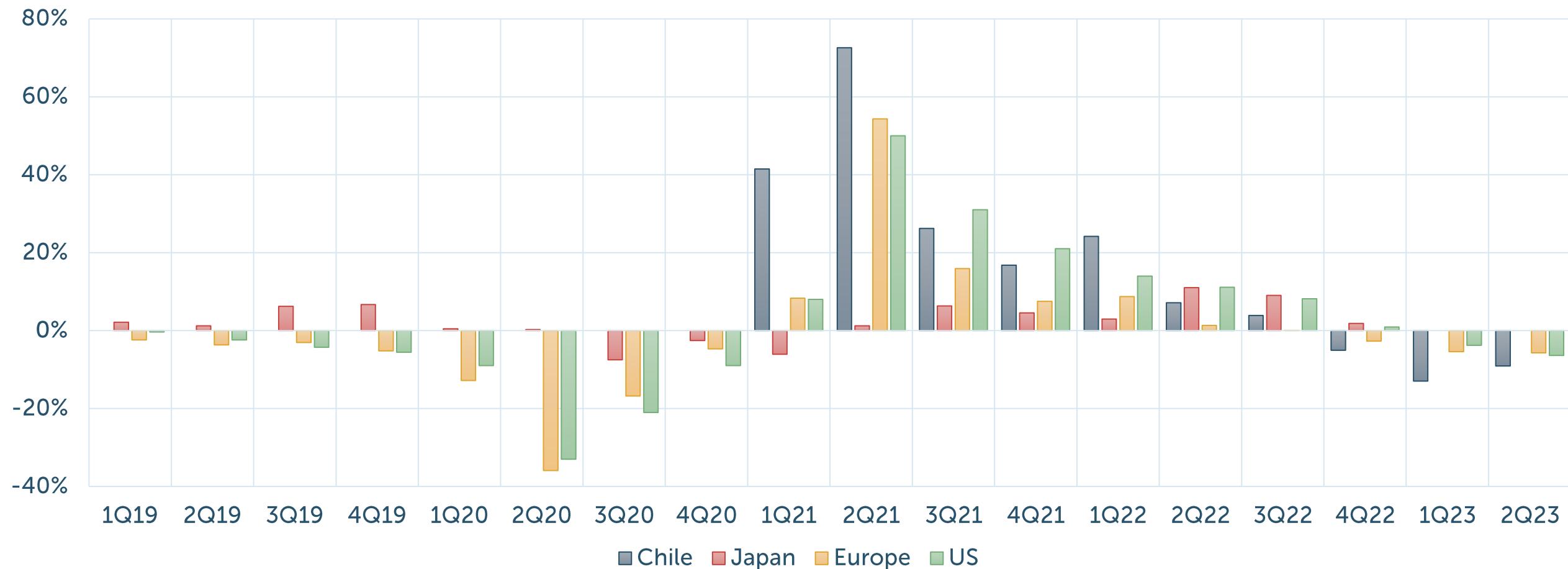
Hours Worked of Temporary Work Agencies

TWA Monthly Hours Worked Dynamics (y-o-y)



TWA Activity in Chile, Japan, Europe, US

Quarterly Staffing Industry Dynamics (y-o-y)





2

Economy

Real GDP dynamics Q4 2019 - Q2 2023

	4Q2019	1Q2020	2Q2020	3Q2020	4Q2020	1Q2021	2Q2021	3Q2021	4Q2021	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023	2Q2023	3Q2023
Argentina	-0.6	-5.0	-19.5	-10.4	-4.6	3.3	20.8	11.5	8.8	5.9	7.7	5.3	1.1	1.2	-3.3	0.0
Australia	2.2	1.4	-5.7	-2.9	-0.1	2.2	10.3	4.1	4.6	3.0	3.1	6.0	2.7	2.4	2.1	0.0
Austria	-0.2	-3.2	-13.6	-4.3	-5.8	-4.7	11.7	4.6	6.7	8.9	6.7	2.0	2.2	1.6	-1.1	-1.2
Belgium	2.1	-1.0	-12.7	-3.2	-4.2	0.4	15.5	5.6	6.9	5.1	3.8	1.9	1.4	1.7	1.3	1.5
Brazil	1.7	-0.9	-10.1	-3.0	-0.3	2.9	12.4	4.5	2.2	2.3	3.6	3.6	2.5	3.4	3.3	0.0
Bulgaria	3.8	-1.4	-7.2	-4.0	-3.4	3.1	9.8	8.1	7.8	5.6	5.0	3.6	2.7	2.5	2.1	0.0
Canada	1.8	-0.5	-12.2	-4.7	-2.9	0.5	12.1	4.3	3.9	3.2	4.7	3.8	2.1	2.1	1.1	0.6
Chile	-3.1	-0.1	-14.3	-10.4	-0.4	1.2	17.9	17.4	12.5	7.1	5.5	0.0	-2.1	-1.0	-1.1	0.0
China	5.8	-6.9	3.1	4.8	6.4	18.7	8.3	5.2	4.3	4.8	0.4	3.9	2.9	4.5	6.3	4.9
Czech Republic	2.8	-1.5	-10.8	-5.2	-4.6	-1.9	9.2	3.8	3.4	4.7	3.4	1.4	0.1	-0.4	-0.6	-0.6
Denmark	0.9	0.1	-6.8	-2.2	-0.8	1.7	11.5	6.5	8.0	5.3	3.1	2.2	0.4	2.3	0.9	0.0
Estonia	3.2	1.1	-4.6	-0.5	1.2	4.4	12.5	7.2	5.7	2.7	-0.4	-0.9	-3.2	-3.8	-3.0	-2.5
Finland	1.4	0.5	-6.7	-2.1	-1.1	-0.9	7.3	3.2	3.4	3.2	2.6	1.1	-0.5	0.0	-0.1	0.0
France	1.1	-4.9	-18.0	-3.7	-4.0	1.4	17.8	3.3	4.5	4.3	3.9	1.3	0.8	1.0	1.1	0.7
Germany	0.9	-1.5	-10.6	-2.6	-2.1	-1.6	10.8	2.4	1.6	4.0	1.6	1.2	0.8	-0.2	0.1	-0.4
Greece	1.0	-1.5	-15.6	-10.7	-6.8	-1.9	14.8	12.4	8.6	8.0	7.1	4.1	4.8	2.0	2.7	0.0
India	3.2	2.3	-21.9	-4.8	1.0	2.3	22.2	9.0	4.5	3.6	13.1	5.5	4.6	6.3	7.3	0.0
Indonesia	4.8	2.9	-5.4	-3.5	-2.2	-0.6	7.1	3.8	4.7	4.7	5.3	6.1	5.2	5.0	4.9	4.9
Ireland	6.0	8.1	0.3	11.0	4.0	12.1	21.7	11.5	14.2	9.4	9.1	8.9	10.8	1.0	-0.7	-4.7
Italy	-0.2	-6.3	-17.5	-6.3	-6.0	1.6	18.1	6.7	8.0	6.3	5.1	2.6	1.6	2.1	0.3	0.0
Japan	-2.0	-1.8	-9.9	-5.0	-0.4	-1.1	8.0	1.8	1.0	0.7	1.4	1.5	0.5	1.8	1.7	0.0
Latvia	-1.1	-1.2	-8.9	-2.8	-1.0	0.9	11.7	7.3	6.1	7.1	4.5	0.9	1.6	-0.4	-0.8	0.6
Lithuania	4.5	2.6	-4.1	1.4	0.5	2.7	10.1	5.7	6.5	5.2	2.9	1.8	0.1	-2.3	0.7	0.0
Luxembourg	3.3	1.6	-6.3	1.3	-0.2	4.8	12.6	4.0	7.6	3.6	2.4	2.1	-2.3	-1.7	-1.7	0.0
Mexico	-1.0	-2.2	-20.9	-8.4	-3.8	-2.0	22.2	4.9	2.1	2.9	3.2	5.1	4.3	3.7	3.6	3.2
Netherlands	1.9	-0.3	-8.9	-3.2	-3.2	-0.7	11.7	7.0	7.2	6.5	5.2	3.0	3.1	2.1	0.0	0.0
New Zealand	2.7	1.0	-9.9	1.8	1.0	4.2	18.4	-0.3	3.3	1.1	0.7	6.6	2.4	2.2	1.8	0.0
Norway	1.8	0.9	-5.3	-1.8	-1.4	-0.4	6.6	5.5	4.7	4.4	4.3	2.3	1.7	2.7	1.5	0.0
Poland	3.8	3.0	-7.2	-1.7	-2.2	-0.5	12.1	7.3	9.1	10.3	6.1	5.1	1.0	-1.2	-1.1	0.0
Portugal	2.8	-2.6	-17.8	-6.2	-6.6	-4.7	17.2	5.3	6.9	12.1	7.4	4.8	3.4	2.5	2.6	1.9
Romania	4.3	2.3	-9.4	-5.3	-1.5	1.1	12.6	7.2	2.5	4.6	4.5	4.2	5.0	1.2	2.6	0.0
Russia	0.8	0.6	-6.0	-2.5	-1.3	-0.4	7.6	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Africa	-0.4	0.8	-16.6	-5.3	-2.7	-2.3	19.1	2.8	1.4	2.3	0.2	3.9	1.3	0.2	1.7	0.0
South Korea	2.7	1.4	-2.7	-0.8	-0.7	2.4	6.5	4.2	4.2	3.1	3.0	3.1	1.3	1.0	0.9	1.2
Spain	1.5	-4.6	-21.7	-9.2	-9.2	-3.6	19.4	5.1	7.0	6.8	7.2	5.4	3.8	4.1	2.0	1.8
Sweden	1.7	0.9	-7.9	-1.2	-1.1	0.5	11.0	5.6	7.1	5.2	4.2	2.7	-0.2	0.8	-0.8	-1.3
Switzerland	1.7	0.2	-7.0	-1.1	-1.2	0.6	10.5	5.5	5.3	5.0	3.3	1.4	1.2	1.4	0.6	0.0
Turkey	5.8	4.4	-8.9	5.5	5.6	7.6	22.6	9.1	9.3	7.3	7.0	3.8	3.4	3.0	5.1	0.0
United Kingdom	1.8	-1.7	-21.9	-9.5	-8.3	-6.7	25.7	9.5	9.7	11.4	3.9	2.1	0.7	0.5	0.6	0.0
United States	3.2	1.2	-7.5	-1.5	-1.1	1.6	12.0	4.7	5.4	3.6	1.9	1.7	0.7	1.7	2.4	2.9

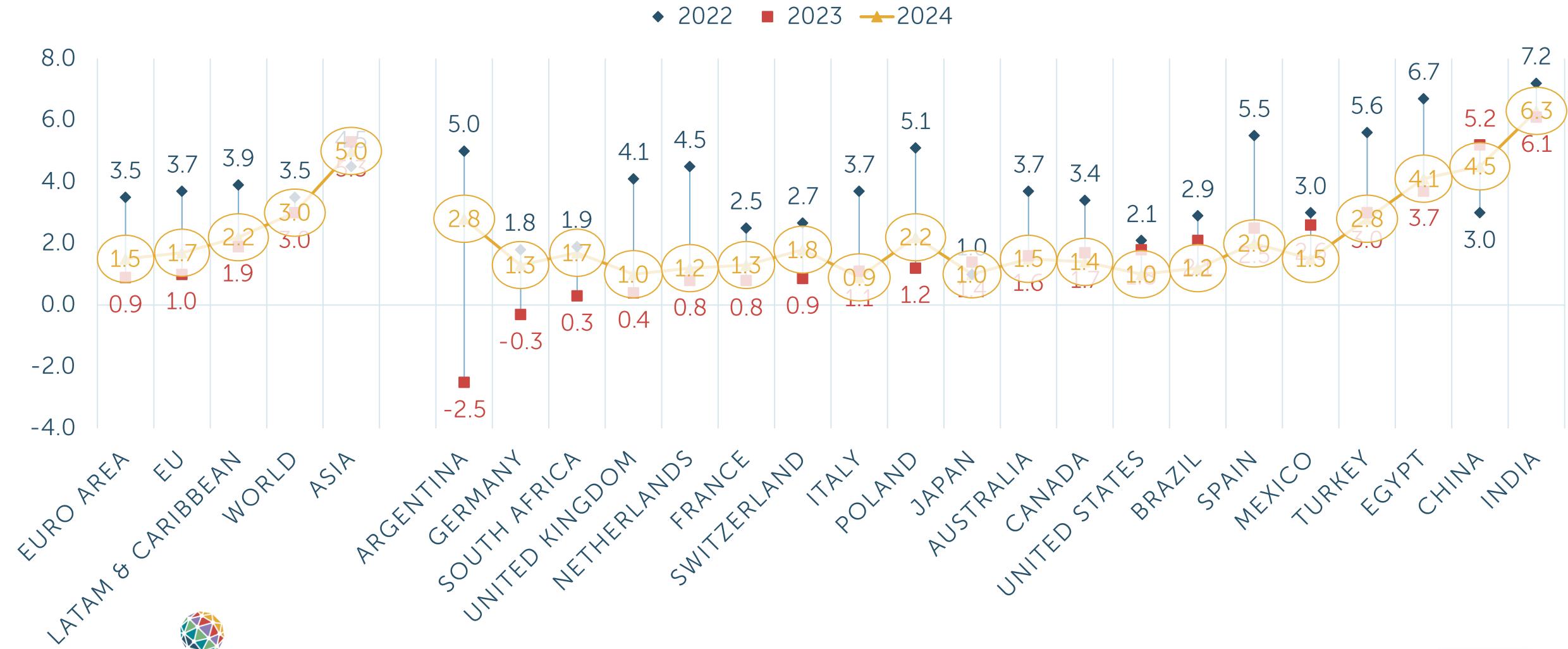
- IN SUMMARY**
- **Q2 2020 was terrible**
 - **Q2 2021 was great**

• **Q2, Q3 of 2023 turned sour** in Argentina, Austria, Chile, Czech Republic, Germany, Estonia, Ireland, Latvia, Luxembourg, Poland and Sweden

GDP Forecast 2023-2024

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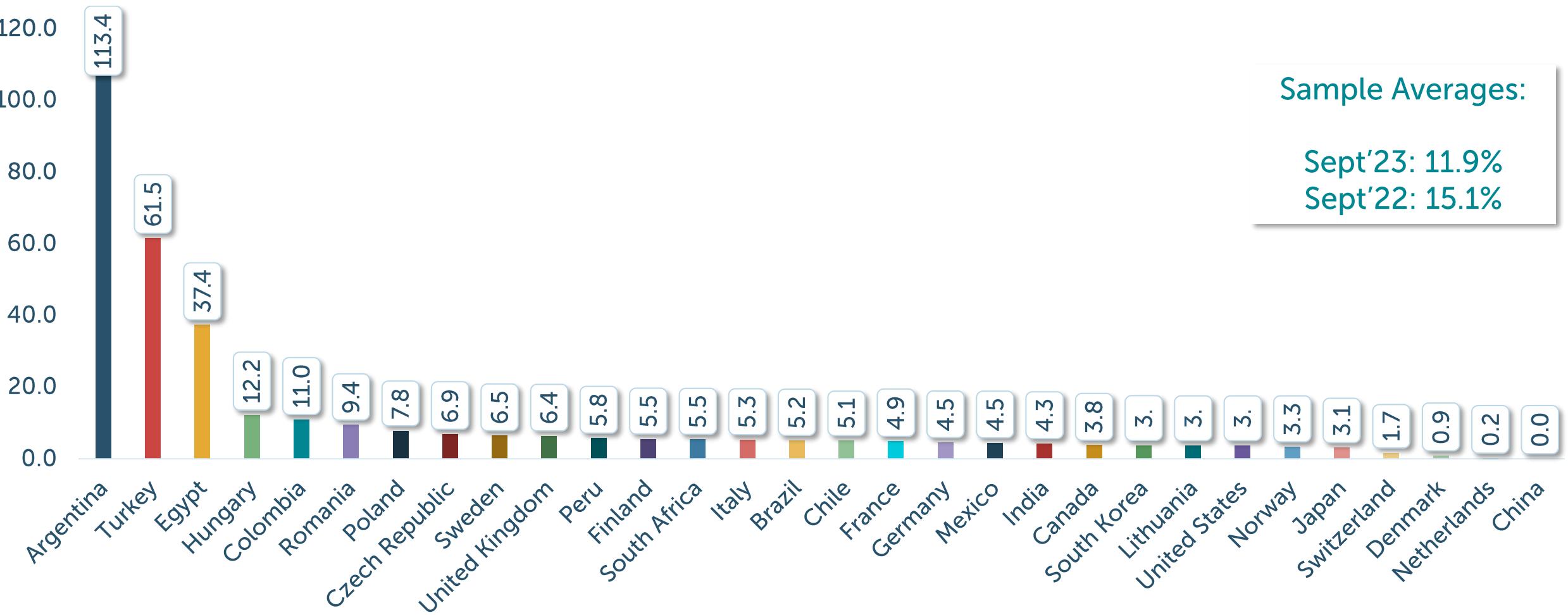
Economic Outlook



Inflation

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Inflation Rate - September 2024 or latest available (y/y %)



Sample Averages:

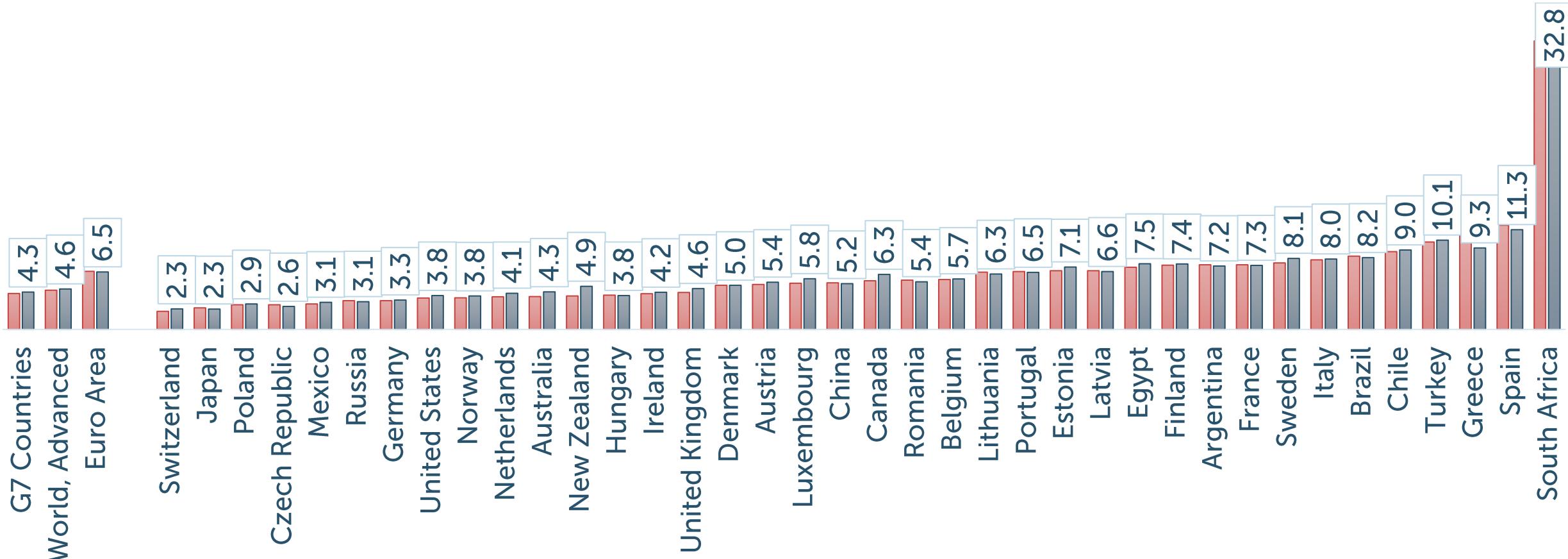
Sept'23: 11.9%

Sept'22: 15.1%

Unemployment

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Unemployment Forecast



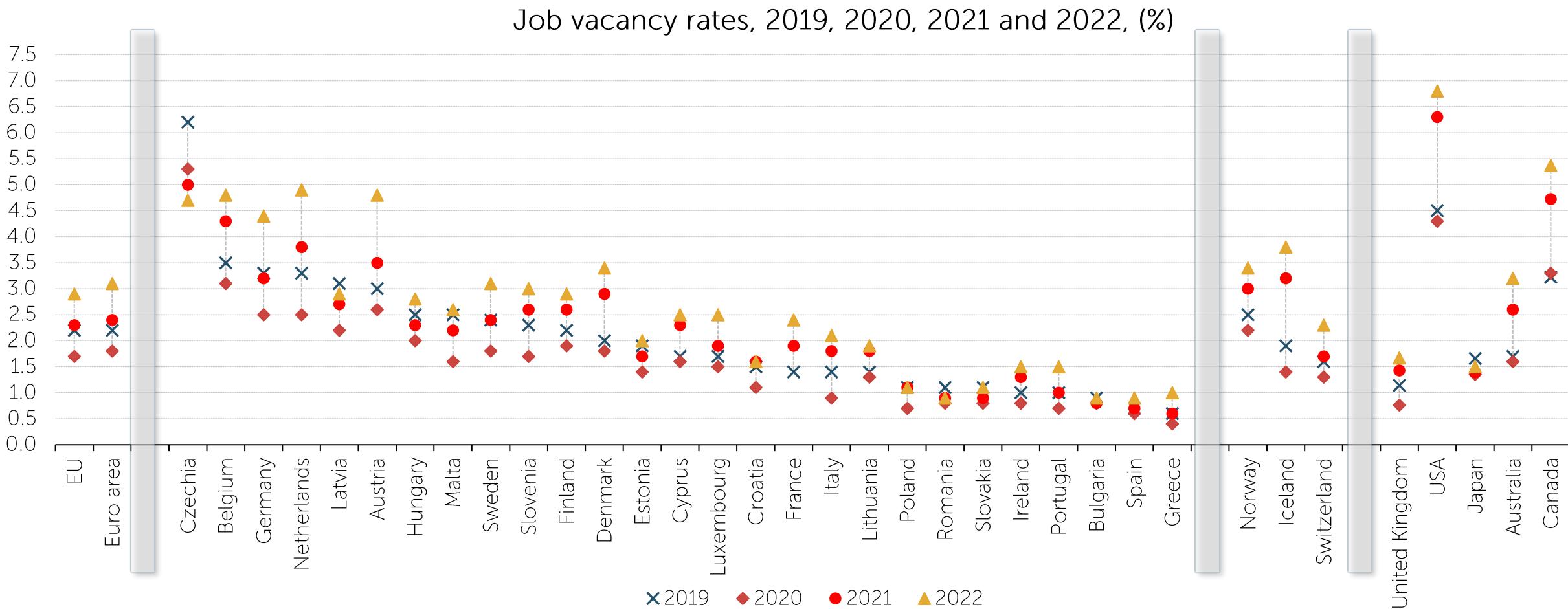
3

Labour Market

Vacancy Rates

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The vacancy rates remain above pre-pandemic across the world



Number of Unfilled Job Vacancies Decline as Economy Slows

15

Quarterly dynamics of GDP and Job Vacancies (y-o-y) – Q1 2019 till Q2 2023

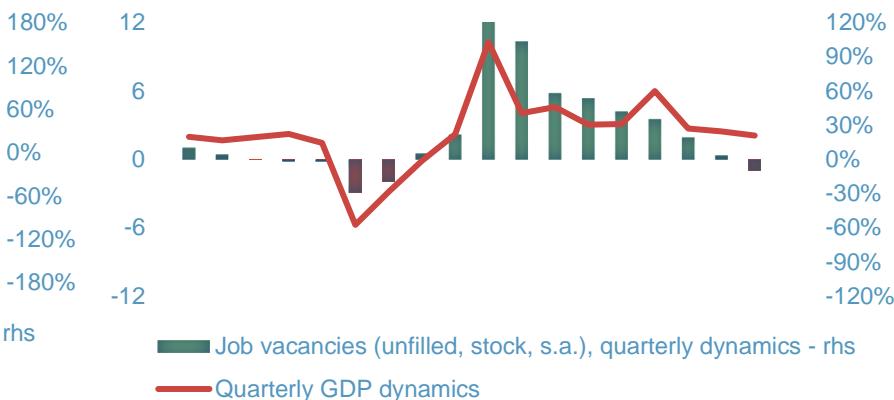
UNITED STATES



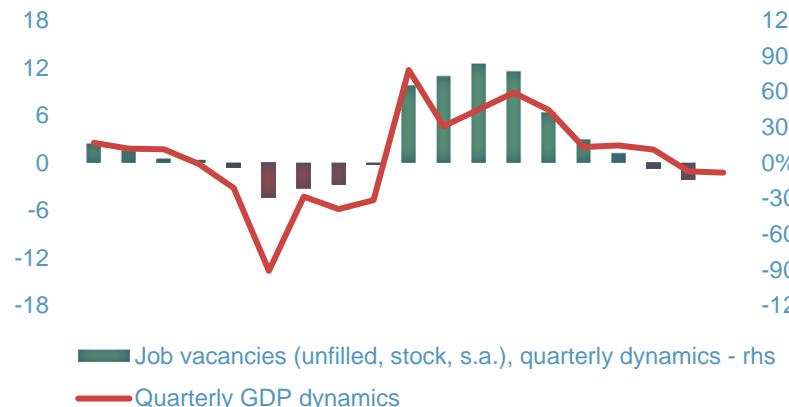
UNITED KINGDOM



AUSTRALIA



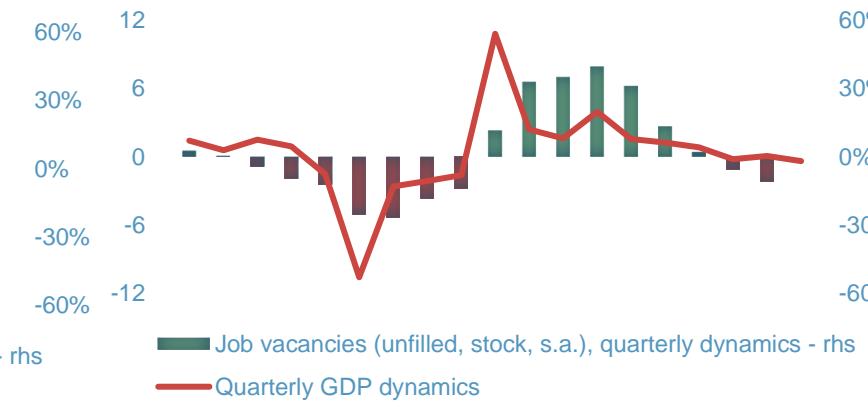
AUSTRIA



SWITZERLAND



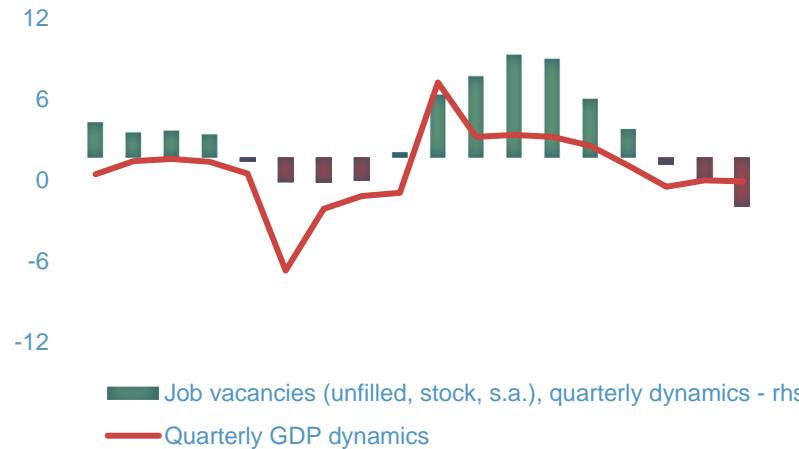
GERMANY



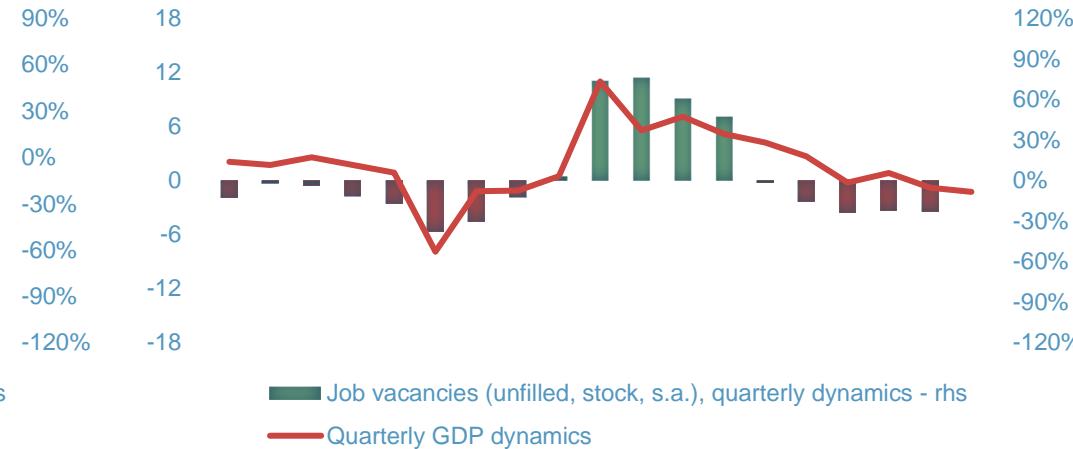
Number of Unfilled Job Vacancies Decline as Economy Slows

Quarterly dynamics of GDP and Job Vacancies (y-o-y) – Q1 2019 till Q2 2023

FINLAND



SWEDEN



LUXEMBOURG

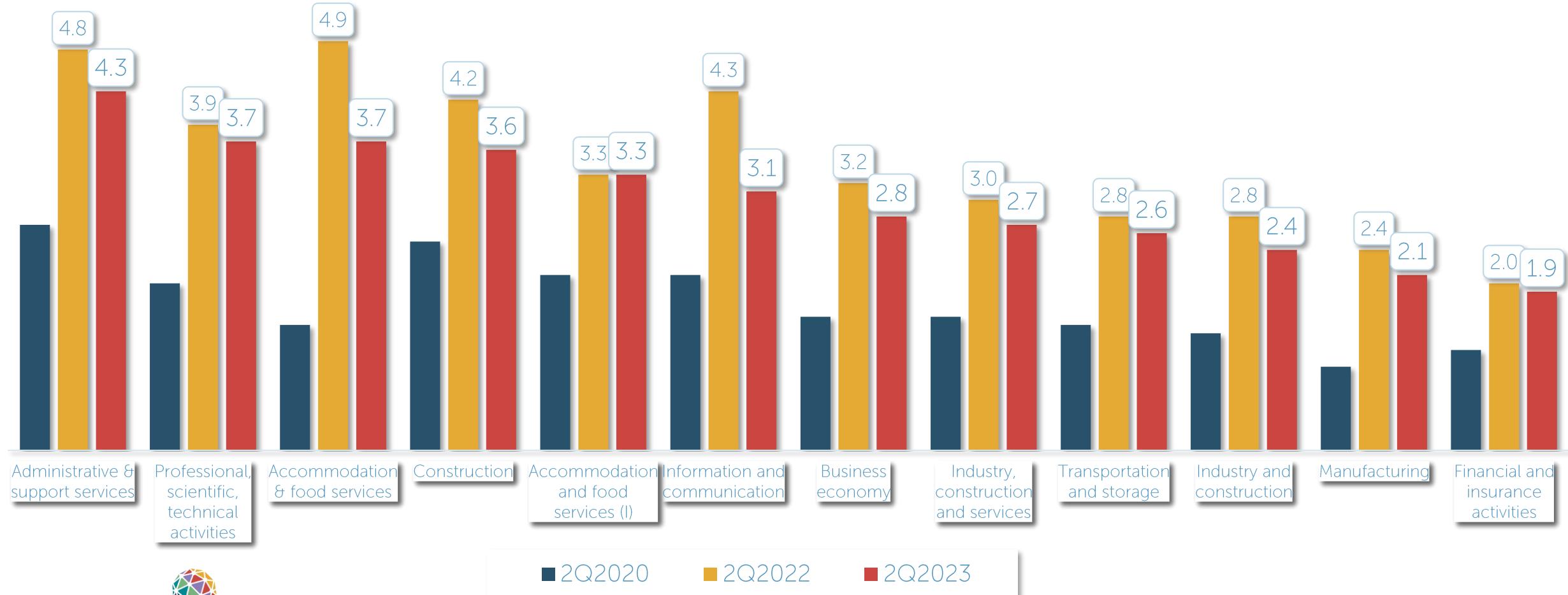


PORTUGAL



EU Labour Shortages Are Cross-Sectoral

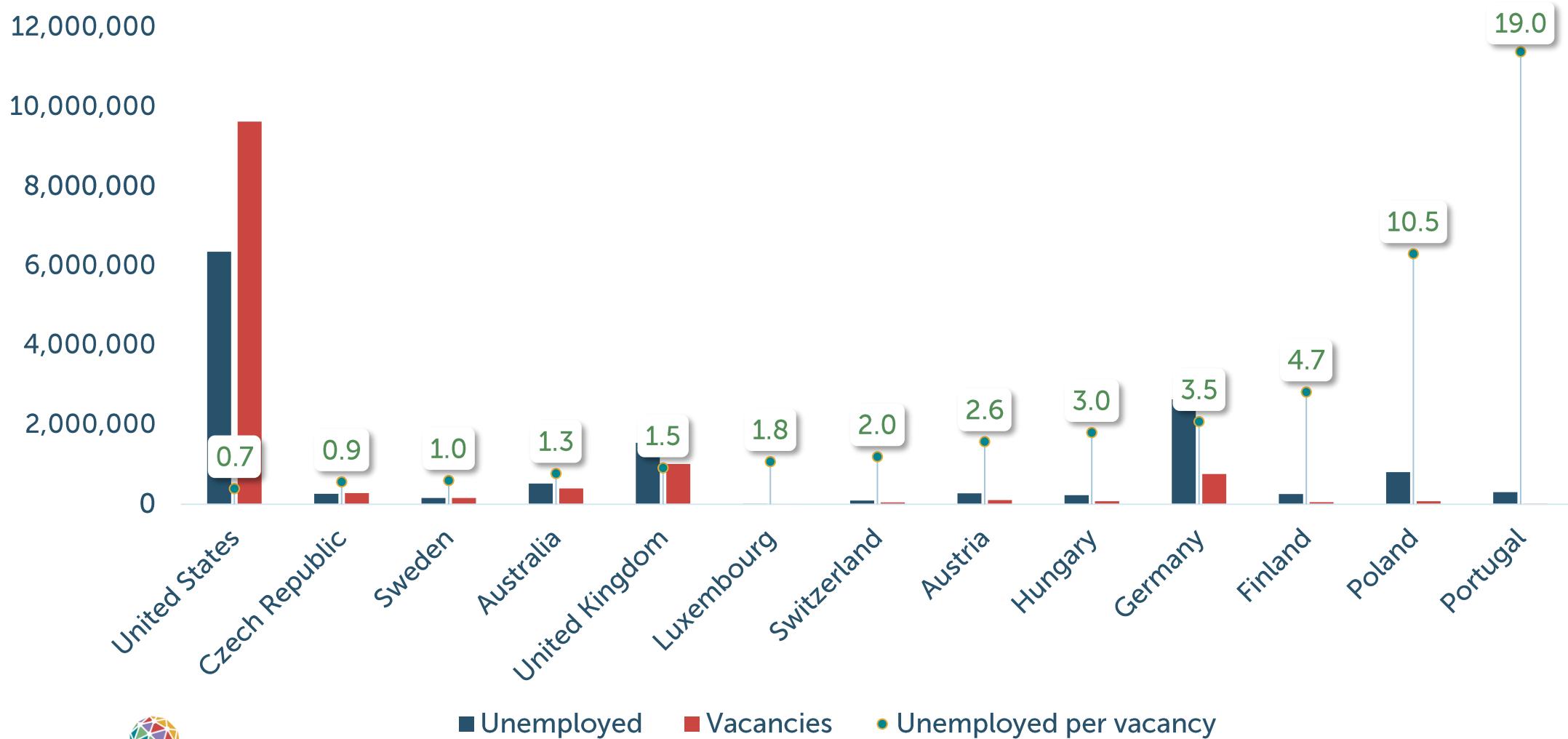
EU job vacancy rates started easing



Enough People Look For Jobs – September 2023

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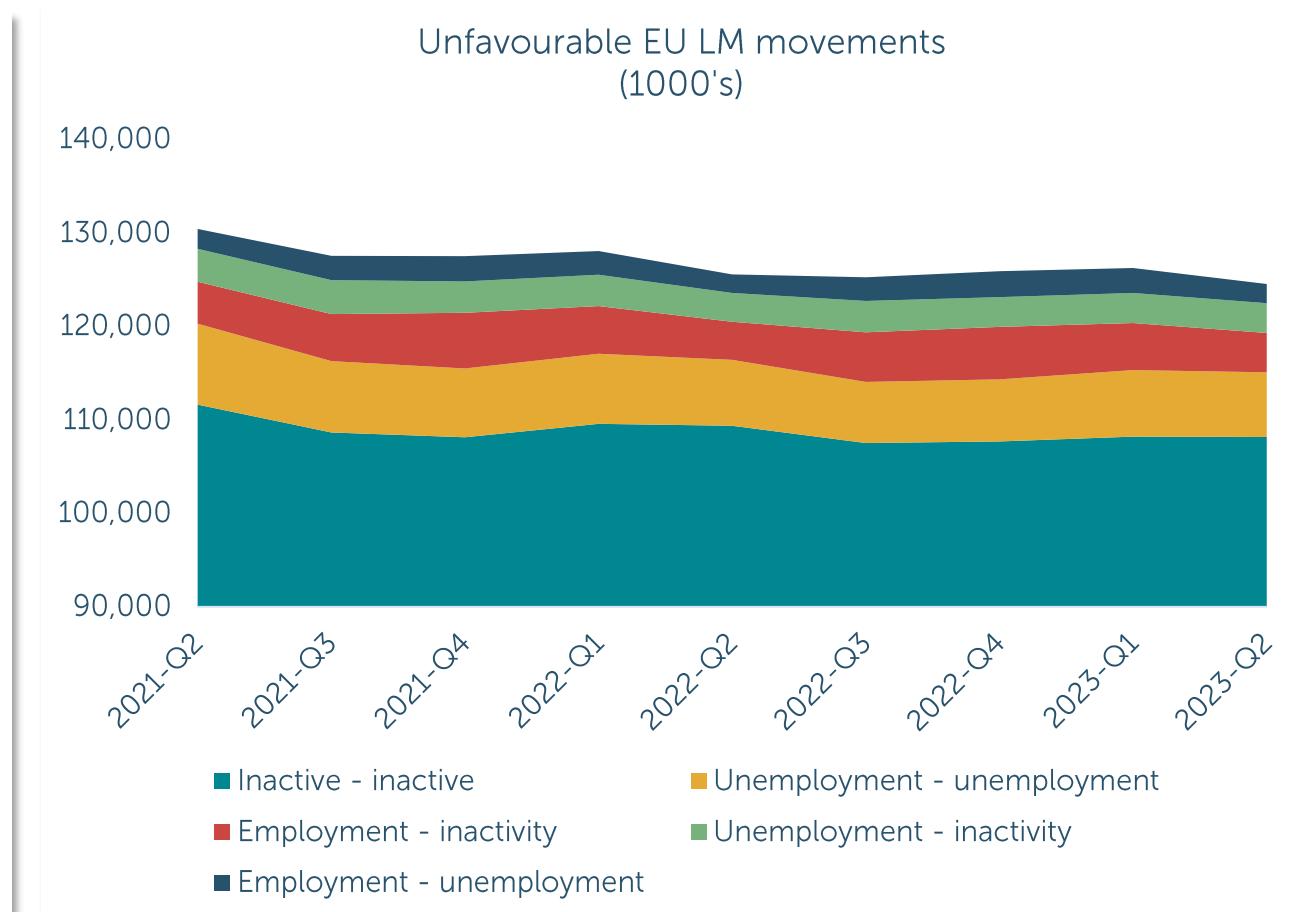
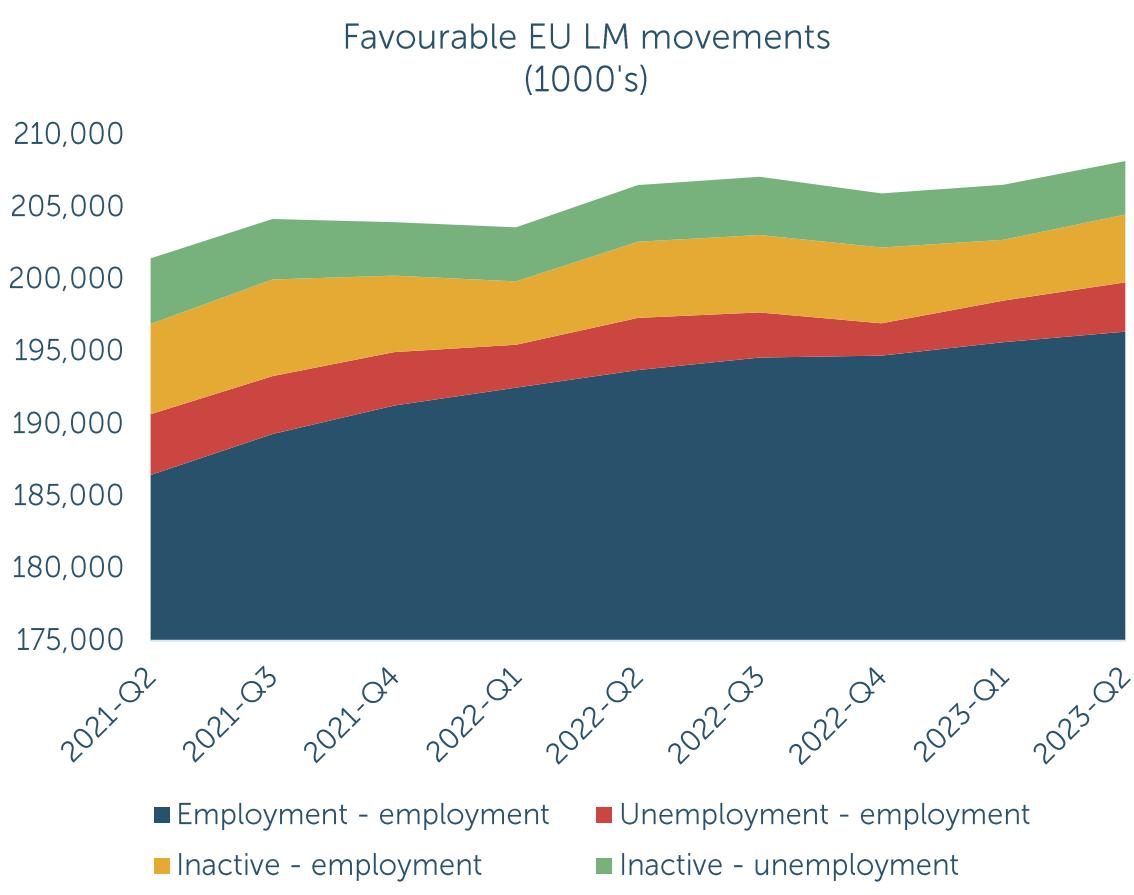
Skills & expectations mismatch: more jobseekers than vacancies in many countries (except the US)



EU Labour Market Transitions

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Overall trends are positive



How can the HR Services industry create more value?

The HR Services industry...



Supports the transition to new economies

- Reskilling to drive sustainable recovery
- Delivering diverse working models and career management to facilitate transitions
- Delivering adaptation to change



Drives social purpose and social innovation

- Boosting opportunities for under-represented groups
- Reviewing social protection mechanisms through innovative mechanisms
- Reducing informal work



Simplifies increasing labour market complexity

- Making sense of new technology for recruitment and workforce management
- Implementing new ways of working (e.g. hybrid work)
- Providing agile workforce solutions



Acts as a solution provider in terms of risk management

- Managing workforce-related risks (compliance, productivity, skills obsolescence, etc.)
- Mitigating the unemployment risk (job creation, transitions, career management)
- Managing a broader range of risks (health and safety, well-being, etc.)



Delivers responsible intermediations and makes jobs markets work

- Ensuring a high degree of compliance with labour laws and protecting the interests of workers and end users
- Delivering new forms of work under an organised and regulated framework
- Committing to constructive industrial relations resulting in positive outcomes for all parties



**For more information
contact:**

Viktorija Proskurovska

Labour Market Intelligence Manager

Viktorija.Proskurovska@wecglobal.org