

Safeguarding work by protecting people, the labour market and the economy

The private employment services industry response to COVID-19 crisis

Brussels, 30th March 2020

The COVID-19 crisis severely impacts people, the labour market and the economy in Europe

The global outbreak of the coronavirus (COVID-19) poses an unprecedented, major challenge to economies and societies around the world and it has also severely impacted the private employment services industry. As the core service within the sector, agency work has been particularly hit. Firstly, the agency work activity is closely linked to economic cycles and GDP; secondly because agency work is a highly labour-intensive service. In some countries, the COVID-19 crisis has cut down the number of agency workers by 50% to 70% over the last couple of weeks. While in many sectors the use of agency workers has been reduced drastically due to lock-down measures (manufacturing, hospitality, construction, non-food retail), some other sectors are desperately looking for staff to meet the challenges ensuing from the crisis, such as healthcare, transports & logistics and retail. In these sectors, agency workers are being employed to fill in for sick workers, to meet the unexpected peak of activities and to cover the tasks of those staying at home. At this stage, containing the pandemic and servicing people is the top priority for the private employment services industry.

The World Employment Confederation-Europe welcomes the efforts taken by the EU institutions (especially the European Commission, the Council of the European Union and the European Parliament) and calls for a strong, coordinated response by the European Union to the COVID-19 pandemic, focusing on information exchange, coordination, access to funding and support of people and companies. At the same time, the immediate crisis response requires urgent action, predominantly at the national level.

The private employment services industry is actively mobilised to mitigate the impact of the Covid-19 crisis

Members of the World Employment Confederation-Europe have been highly pro-active since the outbreak of the crisis, informing workers and companies on management of health and safety risks and securing equal access to support measures for agency workers (e.g. sick leave, short time work). First and foremost, the priority of the industry is to protect the health and safety of the workers. Here are a couple of examples of initiatives adopted by the World Employment Confederation-Europe's members:

- In Belgium, the industry has asked the public authorities to close down the service-to-individual sector as it constituted the only way to protect the health and safety of its 140,000 workers (cleaning and ironing services organised via a service-voucher system).
- In France, agency workers have the possibility to pass on-line medical examination (thanks to a partnership between the sectoral social fund and Mediaviz).
- In Italy, a collective labour agreement has been signed by social partners from the agency work sector: ten million euros have been allocated from a solidarity bipartite fund to protect the continuity of employment and pay of agency workers.
- In Germany and Austria, short-time working schemes have already been triggered by the private employment services industry to ensure, with the financial support of public authorities, that agency workers remain in employment and do not lose their jobs.

In order to keep the labour market as fluid as possible, the industry is also mobilised to ensure smooth labour market transitions for those losing their jobs due to the economic consequences of the COVID-19 crisis. Despite the closing down of agency work branches in several countries due to the containment measures, the industry is using digital solutions to maintain activities such as job vacancies posted on-line, on-line skills assessment, possibility to e-sign labour contracts, video-interviews, etc.

- In the Netherlands, the industry has developed an on-line platform for its members to share and reallocate workers suddenly out of work and with assignments in urgent need of workers.

World Employment Confederation-Europe's member, ABU, furthermore developed an app offering information on the collective labour agreement, thus providing workers with all the options to be informed of their rights even when physical branches are closed.

- In Spain, the industry has announced to offer free training and job programmes for citizens in Spain, including those who are unemployed.
- In the United Kingdom, the REC is working with the government to implement the COVID-19 job retention scheme.

How can we overcome the crisis and safeguard work by protecting people, the labour market and the economy?

Working with national governments and social partners to support workers and companies

It is critical to guarantee adequate access to and coverage by sick-leave payments for agency workers during the COVID-19 pandemic, in case of them being quarantined, either because of individual health issues or based on emergency measures introduced by the country.

For the private employment services industry, it is essential to ensure easy and quick access to government funding for large companies and SMEs to avoid lay-offs and reduce the detrimental impacts the crisis brings to all employers. The private employment services companies should therefore have equal access to governmental programmes put in place in order to address the economic and labour market impact of the COVID-19 crisis and benefit from the same access to funding, including short-time working schemes, as other businesses.

The World Employment Confederation-Europe is willing to engage with its social partner UNI-Europa through the Sectoral Social Dialogue on temporary agency work at EU level to identify measures addressing COVID-19 impacts and protecting the health, safety and the employment opportunities of agency workers during and after the crisis.

Keeping the European Single Market open and fluid

In the current context, it is also essential to maintain the European Single Market open and fluid. Temporary border controls and health checks are needed to contain the COVID-19 pandemic, but these need to be proportionate. Where possible, the free movement of workers should be maintained to upkeep economic activity as long as health guarantees are ensured. This should be applied mainly for areas that depend on the cross-border mobility of workers. Already prior to the crisis several countries in Europe faced labour shortages for certain professions and skills, which should not be exacerbated.

Managing fluctuation and supporting economic recovery

Based on its experience in managing labour market fluctuations, the private employment services industry and specifically its temporary agency work services will be among the first ones to bring workers back into quality employment, once the economic recovery starts. To make full use of this job creation potential, an enabling labour market environment is needed, with efficient cooperation between public and private employment services, allowing the latter to deploy the broad spectrum of activities, which also include career management services and facilitating skills and training solutions that empower workers to swiftly manage labour market transitions, either to previous occupations or to new jobs.


For further information, please contact:

Michael Freytag
Public Affairs Manager
T +32 2 421 15 86
M +32 475 86 33 06
michael.freytag@wecglobal.org

About the World Employment Confederation-Europe

The World Employment Confederation-Europe is the voice of the private employment services industry at the European level, representing national federations as well as large international workforce solutions companies from across Europe. Members of the World Employment Confederation-Europe 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-Europe 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 role 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. The World Employment Confederation-Europe is the recognised, EU sectoral social partner for temporary agency work.

Follow us:  www.weceurope.org  @WECeurope  World Employment Confederation