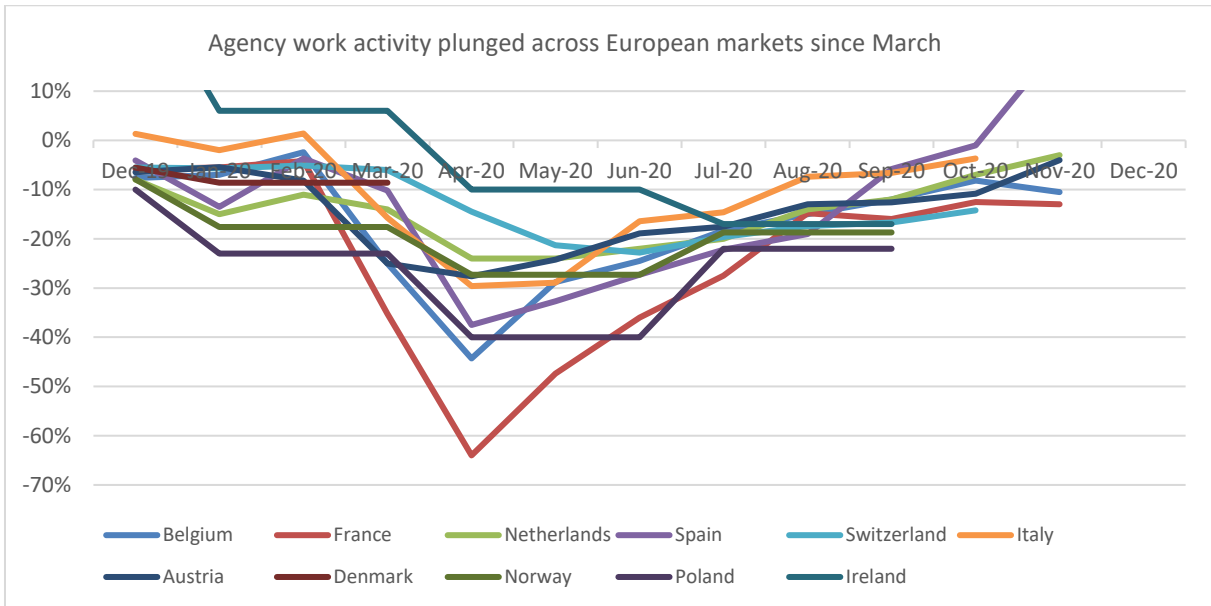


Development of the agency work sector during the Covid-19 pandemic

The agency work sector has taken significant and unprecedented hits due to the Covid-19 pandemic and consequent containment measures (e.g. government-ordered workplace closures). In many countries, activity dropped below levels during the 2009 recession.

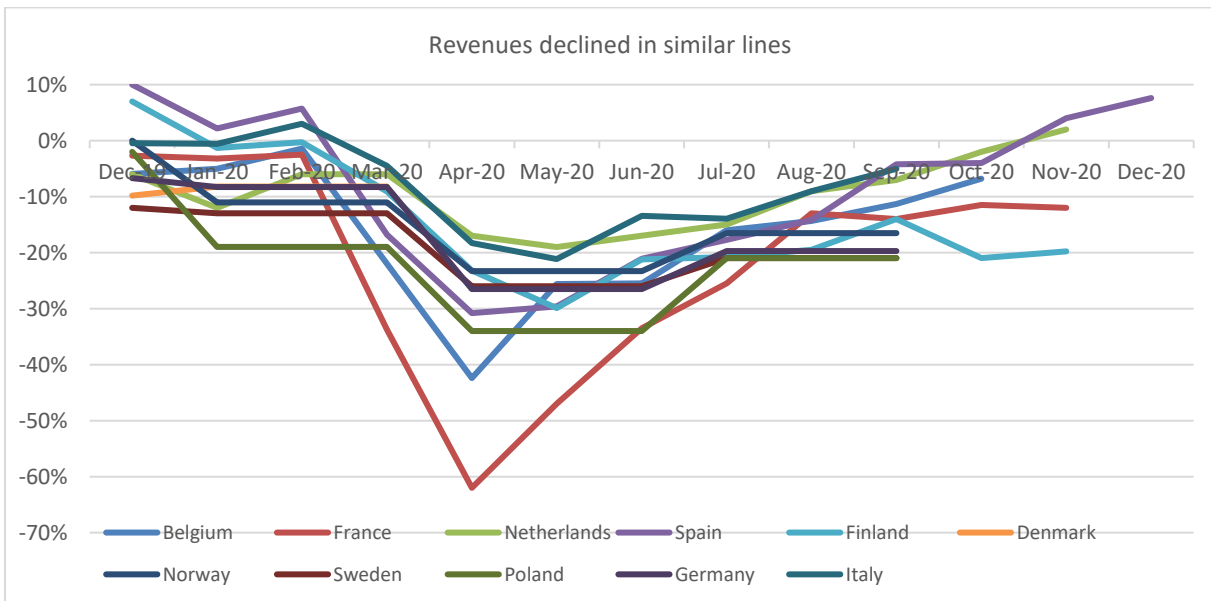
Figure 1: Europe - Agency workers' hours worked, y-o-y % change



Source: WEC national federations. Note: Ireland figures refer to y-o-y % changes in the number of agency workers.

[Link to the data](#)

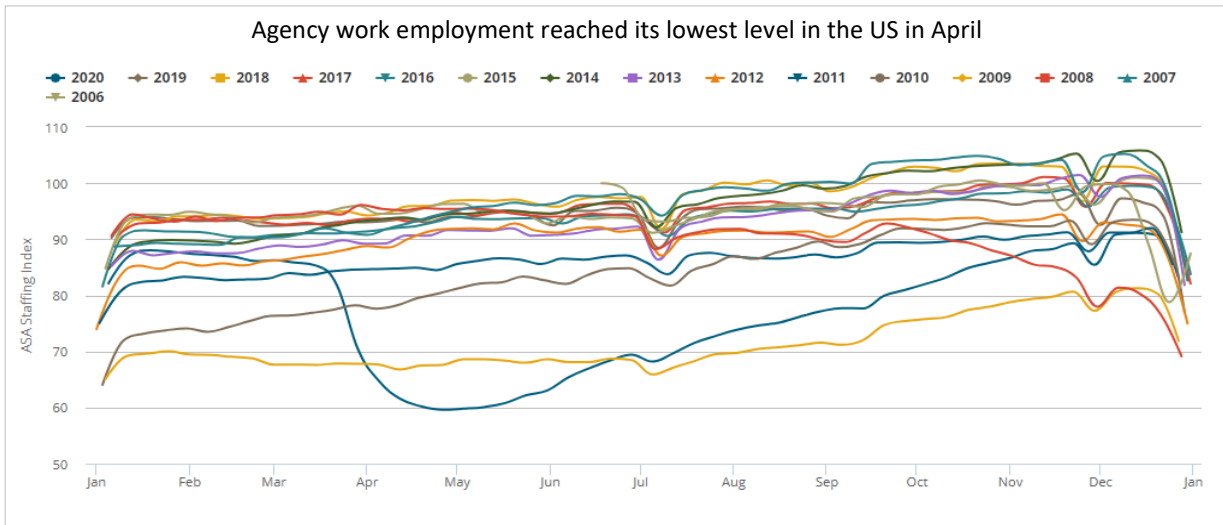
Figure 2: Europe - Agency work revenues, y-o-y % change



Source: WEC national federations

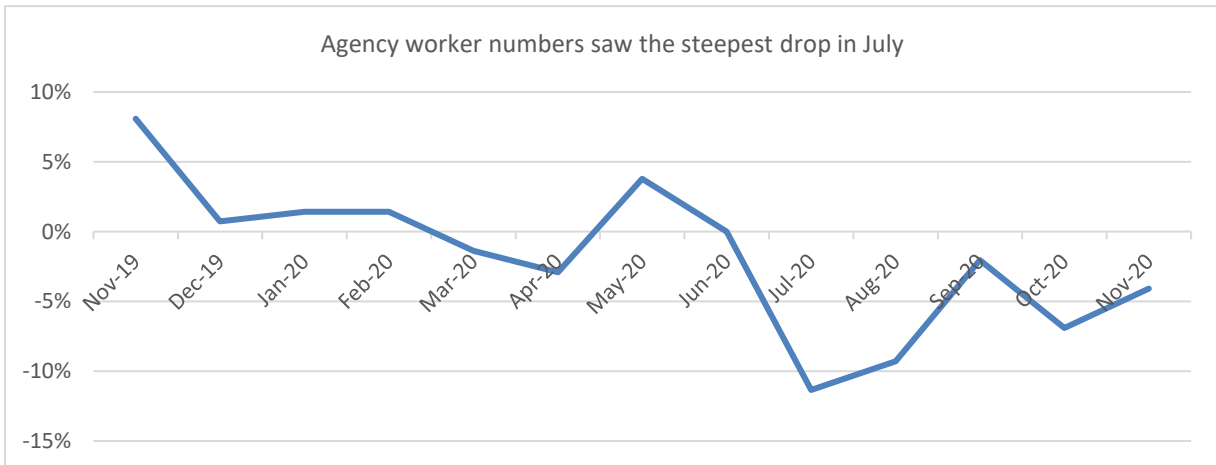
[Link to the data](#)

Figure 3: USA - ASA Staffing Index, 2006 – 2020



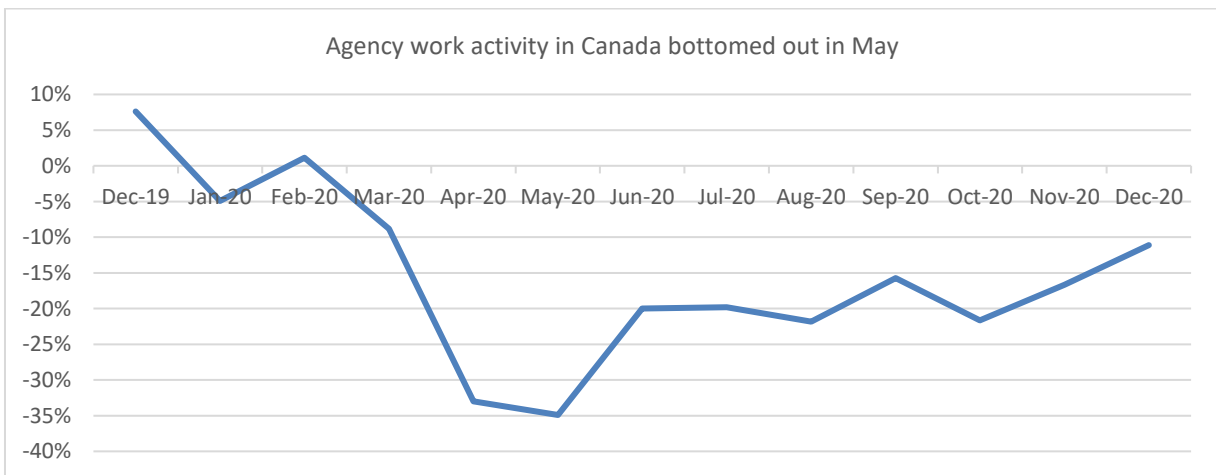
Source: <https://americanstaffing.net/staffing-research-data/asa-data-dashboard/asa-staffing-index/>

Figure 4: Japan - Dispatched workers from temporary labour agencies, y-o-y % change



Source: Japan statistical office, monthly LFS

Figure 5: Canada – Canadian Staffing Index, y-o-y % change



Source: [Canadian Staffing Index](#)

In the *United Kingdom*, billings for agency workers declined at the sharpest rates recorded since the inception of the REC’s Temp Billing Index 22 years ago. This Index is down by 79% in April 2020 compared to February 2020 (Source: [REC Report on Jobs](#)).

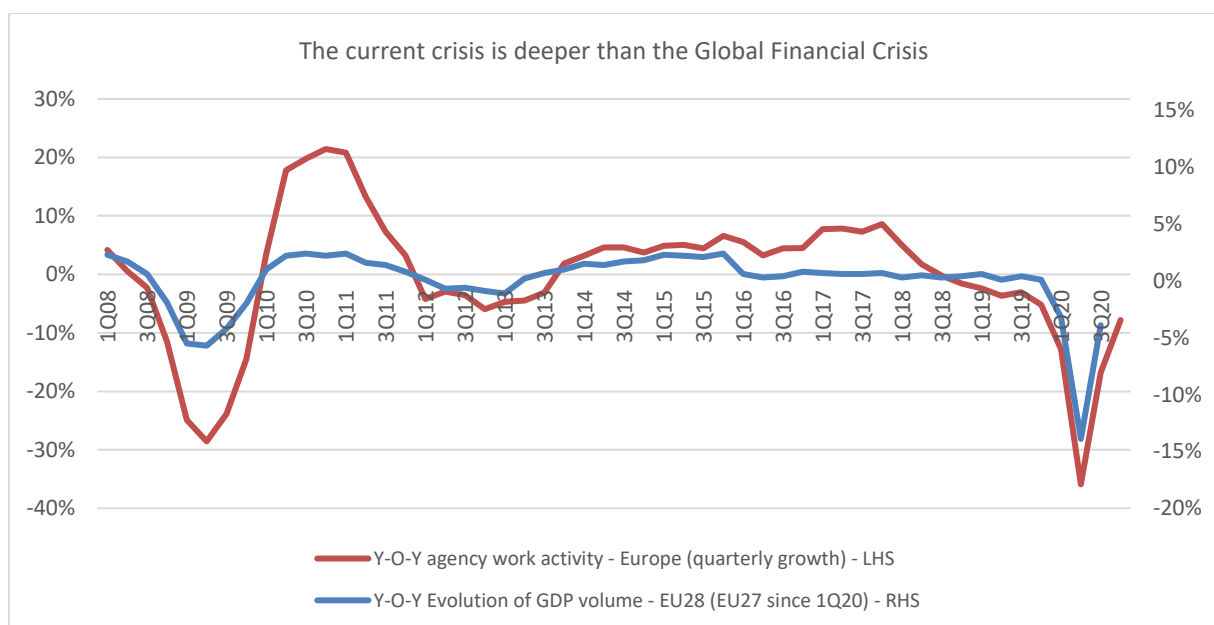
Meanwhile, WEC national federation members have gained further insight through surveys among their members:

- In *Austria*, 92% of agencies have reported a drop in the number of workers at the end of March compared to the period right before the lockdown (Source: *Österreichs Personaldienstleister*)
- In *Denmark*, 30% of companies report revenue declines of at least 50% since the lockdown was implemented (Source: *Dansk Erhverv*)
- In *Norway*, 43% of companies report revenue declines of at least 41% in March (Source: *NHOSH*)
- In *Sweden*, 46% of companies report revenue declines of at least 50% in March compared to the same period of the previous year (Source: *Kompetensföretagen*)

Global Financial Crisis vs. Covid-19 Crisis

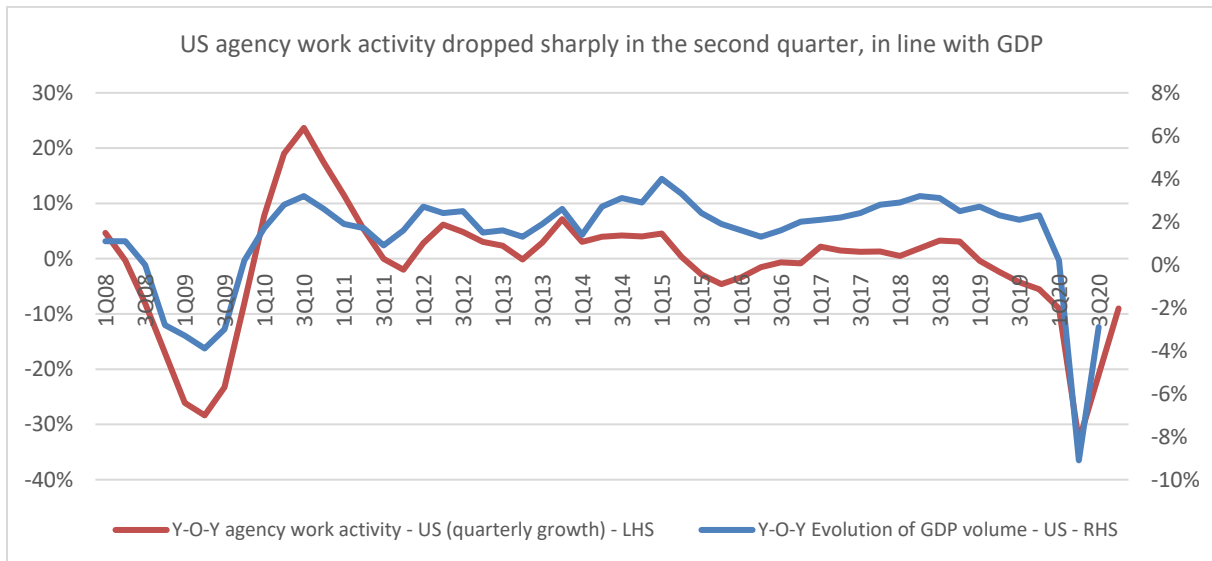
In comparison to the Global Financial Crisis, the 2020 crisis resulted in steeper drops in agency work activity and GDP in Europe and the US (Figure 6 & 7). The second quarter of 2020 is currently the lowest point in the downturn. At the same time, latest monthly figures indicate towards a quicker recovery, as indicators for agency work are falling at continuously slower rates over the course of the second quarter (Figures 1 & 2).

Figure 6: Europe – Agency work activity vs. GDP growth, 2008-2020, y-o-y % change



Source: WEC National Federations and Eurostat.

Figure 7: USA – Agency work activity vs. GDP growth, 2008-2020, y-o-y % change



Source: American Staffing Association and Federal Reserve Bank of St Louis.

Global Corporates results

The largest global companies in the agency work sector reported significant drops in revenues for the first quarter of 2020. These figures are for the first three months of the year and therefore only capture the impact of the lockdown measures to a limited extent. They already point toward unprecedented declines and forward-looking statements by the companies indicate towards sharper revenue declines during the second quarter of the year.

- [Randstad's global revenue declined by 7.4% y-o-y in the first quarter of 2020.](#)
According to SIA, Randstad has a 4.9% share of the global market.
- [The Adecco Group's global revenue declined by 9% y-o-y in the first quarter of 2020.](#)
According to SIA, The Adecco Group has a 4.6% share of the global market.
- [ManpowerGroup's global revenue declined by 8.4% y-o-y in the first quarter of 2020.](#)
According to SIA, ManpowerGroup has a 4.1% share of the global market.
- [Kelly's global revenue declined by 8.8% y-o-y in the first quarter of 2020.](#)
According to SIA, Kelly has a 0.9% share of the global market.
- [Recruit's global revenue declined by 20% y-o-y in the first quarter of 2020.](#)
According to SIA, Recruit has a 2.7% share of the global market.

The second quarter of 2020, when the lockdown measures in most countries were in effect for much of the period, revenues declined more sharply, for the global companies for which financial results have been released.

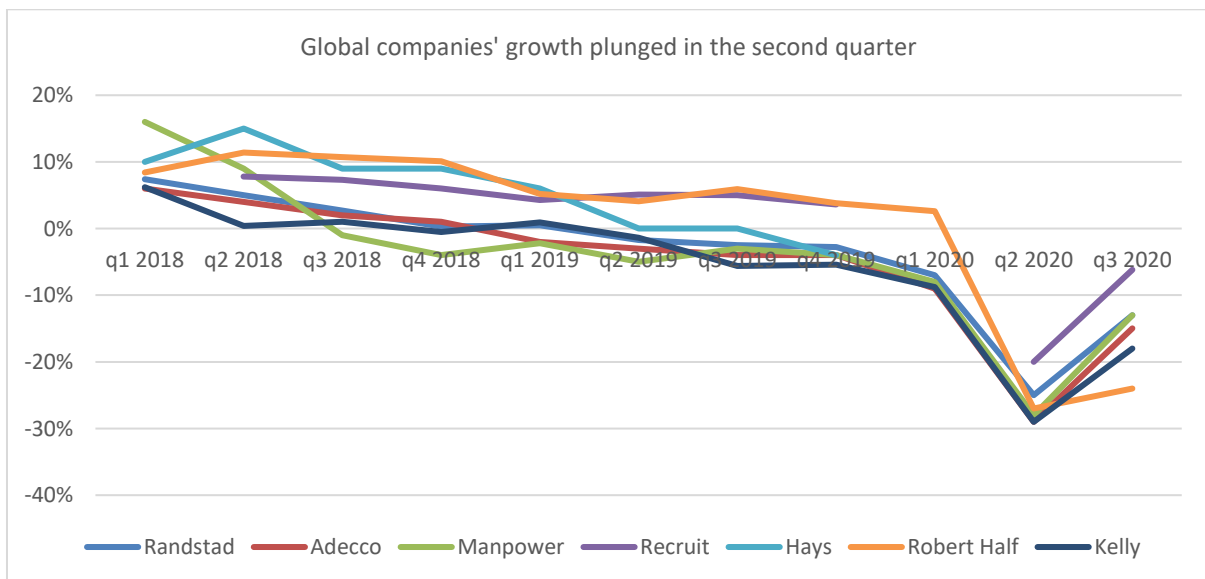
- [ManpowerGroup's global revenue declined by 28% y-o-y in the second quarter of 2020.](#) According to SIA, ManpowerGroup has a 4.1% share of the global market.

- Randstad’s global revenue declined by 25% y-o-y in the second quarter of 2020. According to SIA, Randstad has a 4.9% share of the global market.
- The Adecco Group’s global revenue declined by 29% y-o-y in the second quarter of 2020. According to SIA, The Adecco Group has a 4.6% share of the global market.
- Kelly’s global revenue declined by 29% y-o-y in the second quarter of 2020. According to SIA, Kelly has a 0.9% share of the global market.

The third quarter of 2020 is seeing a slowdown in terms of the reduction of global corporates’ revenues on an annual basis, in line with what is observed on a national level in many countries.

- ManpowerGroup’s global revenue declined by 13% y-o-y in the third quarter of 2020. According to SIA, ManpowerGroup has a 4.1% share of the global market.
- Randstad’s global revenue declined by 13% y-o-y in the third quarter of 2020. According to SIA, Randstad has a 4.9% share of the global market.
- The Adecco Group’s global revenue declined by 15% y-o-y in the third quarter of 2020. According to SIA, The Adecco Group has a 4.6% share of the global market.
- Kelly’s global revenue declined by 18% y-o-y in the third quarter of 2020. According to SIA, Kelly has a 0.9% share of the global market.
- Recruit’s global revenue declined by 6% y-o-y in the third quarter of 2020. According to SIA, Recruit has a 2.7% share of the global market.

Figure 8: Global agency work companies’ quarterly results, y-o-y % change



Source: Companies’ quarterly financial reports