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The Voice of Labour Market Enablers

# Labour Market Strategic Insight Q1 2024

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# Content

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

# Market Comment

- Agency work activity across the globe has been largely in decline throughout 2023.
- In the second half of 2023, economic growth was negative in Argentina, Austria, Czechia, Denmark, Germany, Estonia, Finland, Ireland, Latvia, Luxembourg, Netherlands, New Zealand, Norway, South Africa and Sweden.
- With the decelerating economy, labour market crunch has been easing: number of unfilled job vacancies continued reducing in most parts of the world.
- In Europe, administrative and support services, as well as professional, scientific and technical jobs were most hard to fill in Q4 2023.
- Globally, the most demanded professions at the end of 2023 have been nurses, warehouse workers, accountants and office / administrative assistants.
- 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.



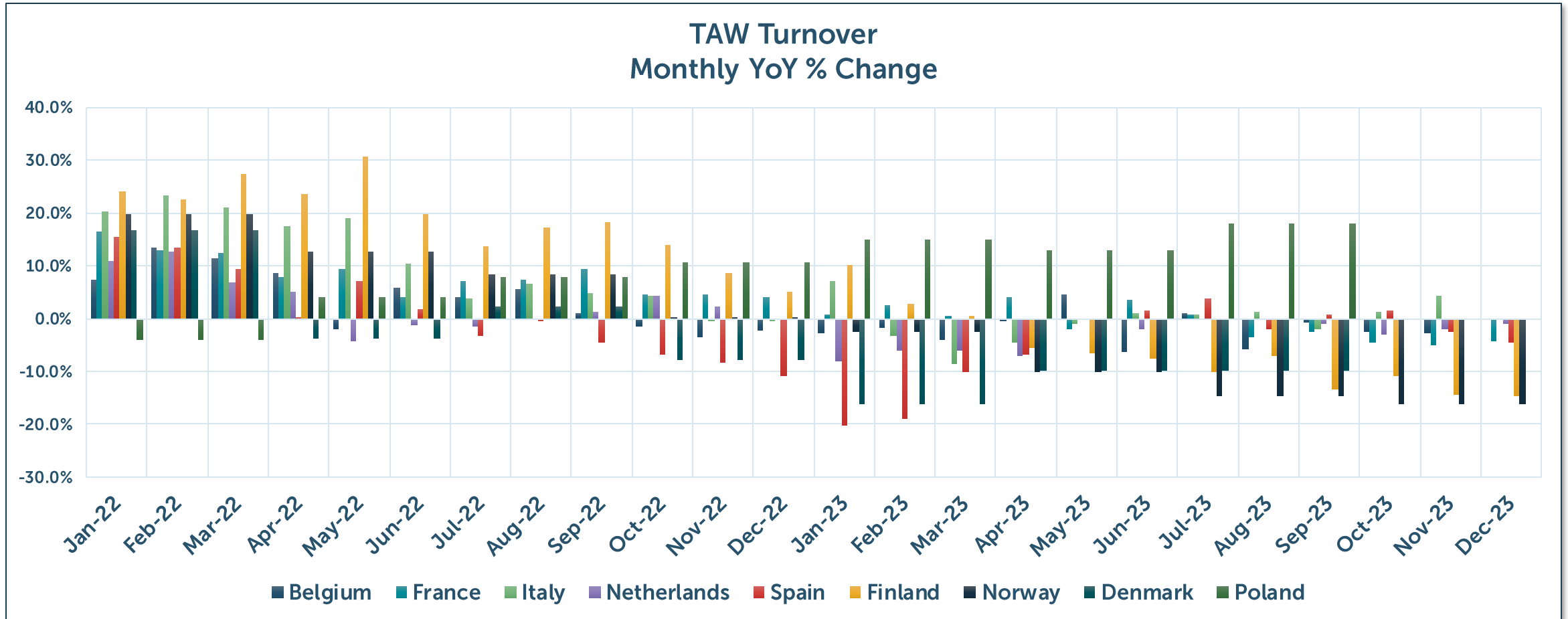
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## Agency Work Activity

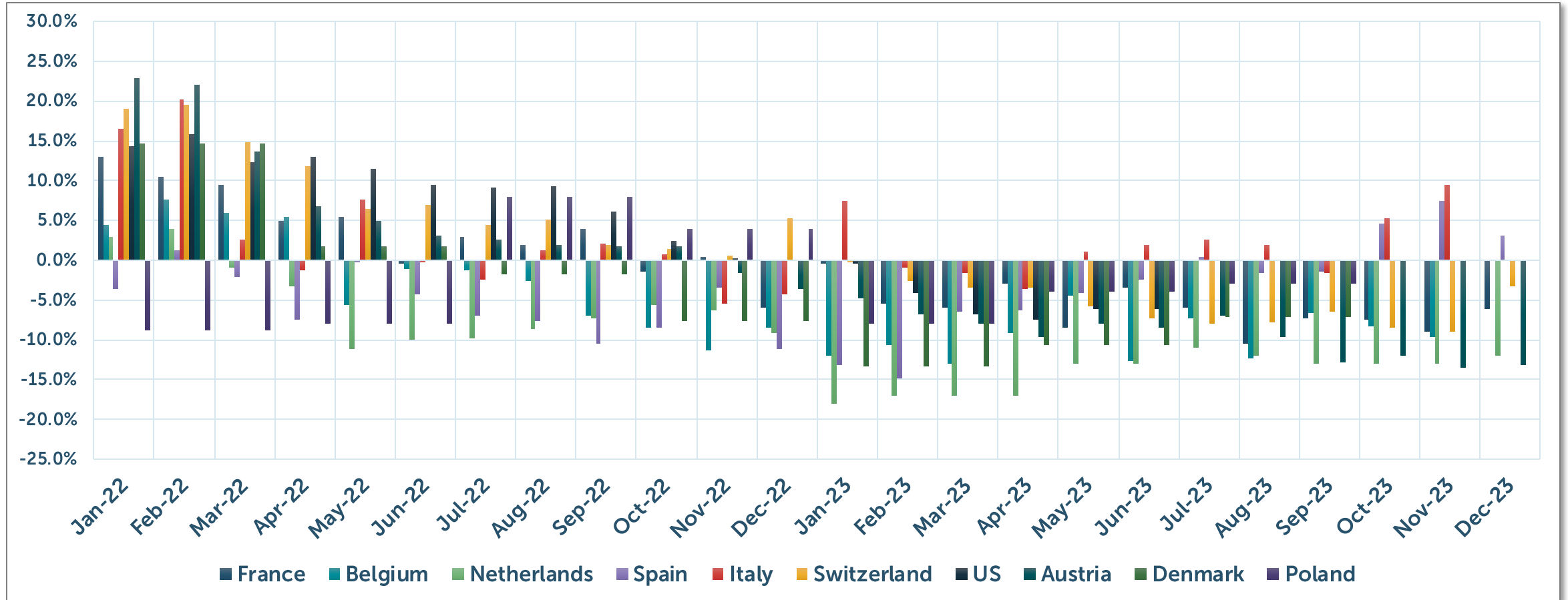
# Agency Work: Turnover

Monthly Dynamics (y-o-y)



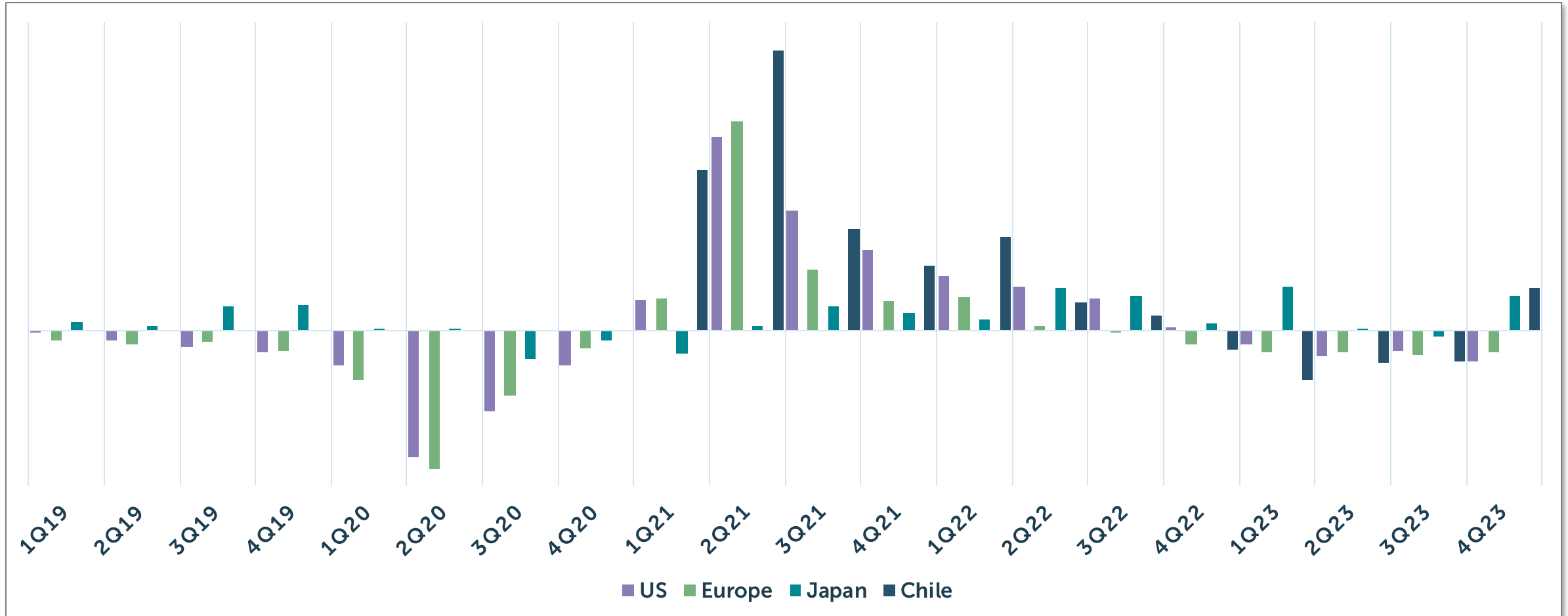
# Agency Work: Hours Worked

Monthly Dynamics (y-o-y)



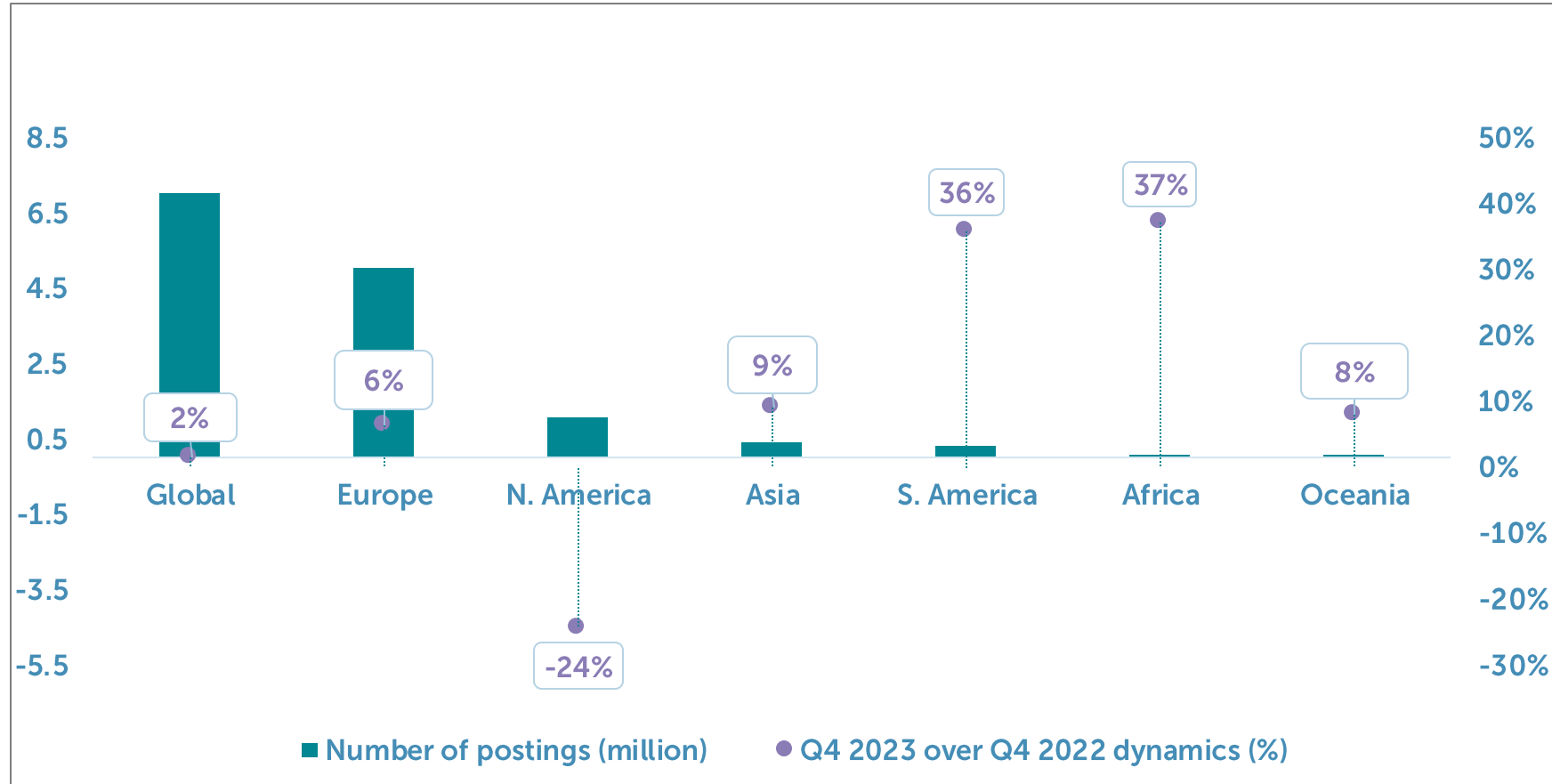
# Agency Work Activity in US, Europe, Japan & Chile

Quarterly Dynamics (y-o-y)



# Agency Work: Online Job Postings

Number of postings & quarterly dynamics (y-o-y) - Q4 2023







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**2** **Economy**

# Real GDP dynamics Q4 2019 – Q4 2023

	4Q2019	1Q2020	2Q2020	3Q2020	4Q2020	1Q2021	2Q2021	3Q2021	4Q2021	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023	2Q2023	3Q2023	4Q2023
Argentina	-0.6	-5.4	-19.1	-10.3	-4.7	3.3	20.6	11.4	9.0	6.0	7.6	5.3	1.1	1.2	-3.3	-1.0	n/a
Australia	2.0	1.2	-6.2	-3.2	-0.3	2.0	10.6	4.6	5.4	3.6	3.5	5.8	2.3	2.4	2.0	2.1	n/a
Austria	-0.2	-3.2	-13.6	-4.3	-5.8	-4.7	11.7	4.7	6.7	8.8	6.6	2.1	2.2	1.7	-1.3	-1.6	-1.3
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	1.4	1.6
Brazil	1.8	-0.9	-10.1	-3.0	-0.3	3.0	12.3	4.2	1.5	1.4	3.5	4.4	3.2	3.7	3.4	2.5	n/a
Bulgaria	3.8	-1.4	-7.2	-4.0	-3.4	3.1	9.8	8.1	7.8	5.6	5.0	3.7	2.7	2.4	2.0	1.8	n/a
Canada	1.9	-0.3	-12.2	-4.5	-3.0	0.3	12.4	4.8	4.4	3.9	5.2	4.0	2.2	1.8	1.2	0.5	1.0
Chile	-3.1	-0.1	-14.3	-10.4	-0.4	1.2	17.9	17.3	12.6	7.1	5.4	0.0	-2.1	-0.8	-0.8	0.7	n/a
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	5.2
Czechia	2.8	-1.5	-10.8	-5.2	-4.6	-1.9	9.2	3.8	3.4	4.7	3.4	1.3	0.1	-0.3	-0.4	-0.8	-0.2
Denmark	0.9	0.0	-7.0	-2.0	-0.7	1.6	11.4	6.7	7.9	5.2	3.1	2.4	0.3	2.7	1.0	-0.3	n/a
Estonia	3.2	1.1	-4.6	-0.5	1.2	4.4	12.5	7.2	5.7	2.7	-0.5	-0.7	-3.2	-3.8	-3.3	-4.0	-3.0
Finland	1.3	0.5	-6.7	-2.1	-1.1	-1.3	6.9	2.9	3.0	3.1	2.4	1.2	-0.1	0.1	-0.2	-1.0	n/a
France	1.0	-5.0	-18.0	-3.7	-4.0	1.5	17.8	3.3	4.5	4.3	3.8	1.4	0.8	0.9	1.2	0.6	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	-0.1	0.1	-0.3	-0.2
Greece	1.3	-1.6	-16.0	-10.7	-7.7	-2.2	14.7	11.9	9.1	7.7	6.9	4.1	4.2	1.9	2.6	2.1	n/a
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	7.0	n/a
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	n/a
Ireland	6.1	8.0	0.2	11.1	4.0	12.0	21.7	11.7	14.2	9.2	9.0	9.2	10.7	2.4	-0.4	-5.6	-4.8
Italy	-0.2	-6.3	-17.5	-6.3	-6.0	1.6	18.0	6.7	7.9	6.3	5.1	2.6	1.6	2.1	0.3	0.1	0.5
Japan	-2.0	-1.7	-9.7	-4.9	-0.4	-0.6	8.2	2.1	1.3	0.5	1.2	1.5	0.6	2.5	2.3	1.6	n/a
Latvia	-1.1	-1.2	-8.9	-2.8	-1.0	0.9	11.6	7.3	6.1	7.1	4.5	0.9	1.6	-0.4	-0.8	0.0	-0.2
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	0.1	0.3
Luxembourg	3.3	1.6	-6.3	1.4	-0.2	4.7	12.5	4.1	7.7	3.7	2.3	2.2	-2.4	-1.6	-1.4	-1.8	n/a
Mexico	-1.0	-2.3	-20.8	-8.4	-3.7	-2.1	21.8	5.1	1.9	3.0	3.3	5.0	4.5	3.5	3.4	3.0	2.4
Netherlands	1.9	-0.3	-8.9	-3.2	-3.2	-0.7	11.6	7.1	7.2	6.4	5.1	3.1	3.1	2.1	-0.1	-0.6	n/a
New Zealand	2.7	0.7	-9.8	2.1	1.4	4.5	17.7	-0.8	2.5	0.7	0.5	6.4	2.3	2.1	1.5	-0.6	n/a
Norway	1.8	1.3	-4.8	-1.9	-1.9	-0.4	5.6	5.9	5.1	3.7	4.4	2.3	1.6	2.6	0.9	-1.5	n/a
Poland	3.8	3.0	-7.2	-1.7	-2.2	-0.6	12.2	7.3	9.1	10.1	6.5	5.0	0.8	-1.4	-0.3	0.6	n/a
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	2.2
Romania	4.3	2.4	-9.4	-5.3	-1.6	1.2	12.6	7.1	2.6	4.6	4.5	4.1	5.0	1.2	2.6	2.9	n/a
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	1.5	-0.5	n/a
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	1.3	2.2
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	1.9	2.0
Sweden	1.7	0.9	-7.9	-1.1	-1.1	0.5	11.0	5.7	7.1	5.1	4.4	2.9	-0.2	1.2	-0.3	-1.3	0.0
Switzerland	1.7	0.1	-7.0	-1.1	-1.2	0.6	10.5	5.5	5.3	4.9	3.3	1.4	1.1	1.5	0.4	0.4	n/a
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	2.9	4.8	4.5	n/a
UK	1.8	-1.7	-21.9	-9.5	-8.3	-6.7	25.7	9.5	9.7	11.4	3.9	2.1	0.6	0.4	0.3	0.3	n/a
US	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	3.1

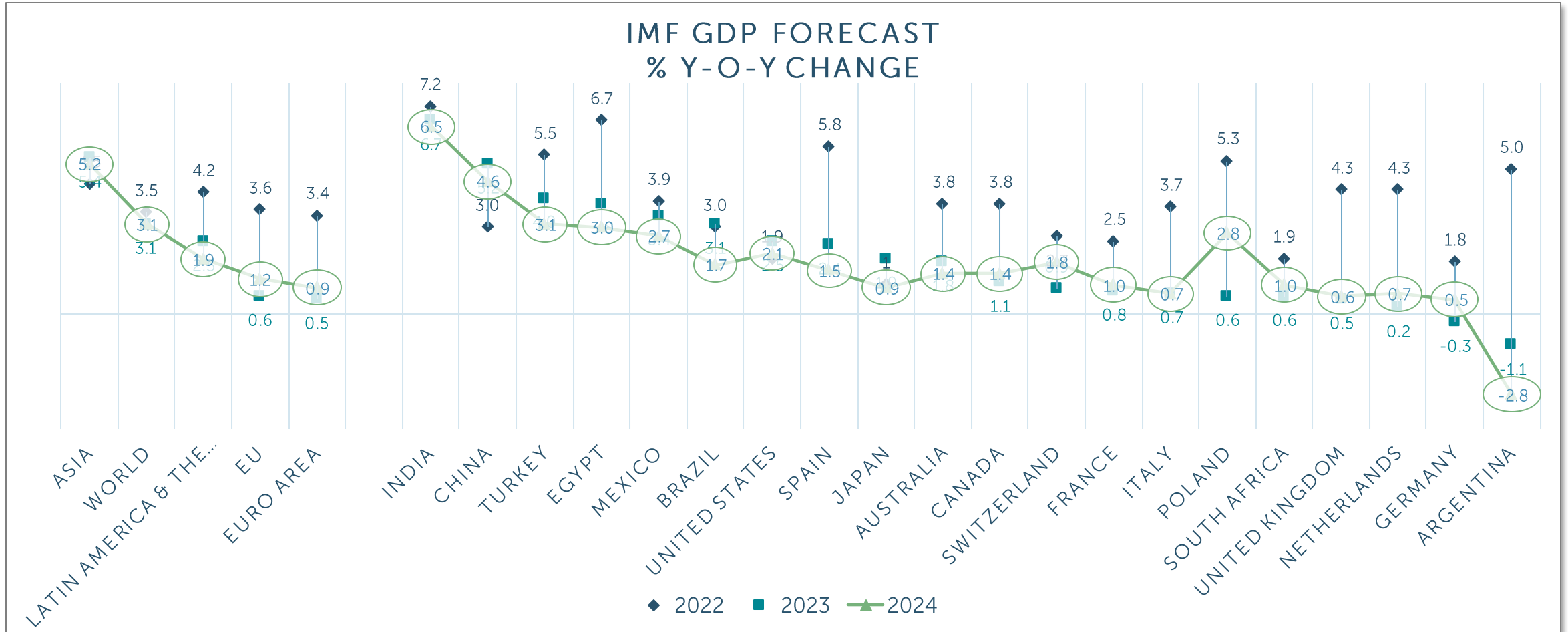
## IN SUMMARY

- Q2 2020 was terrible
- Q2 2021 was great
- Q3 & Q4 of 2023 were difficult in Argentina, Austria, Czechia, Denmark, Germany, Estonia, Finland, Ireland, Latvia, Luxembourg, Netherlands, New Zealand, Norway, South Africa and Sweden

Source: OECD  
via Macrobond

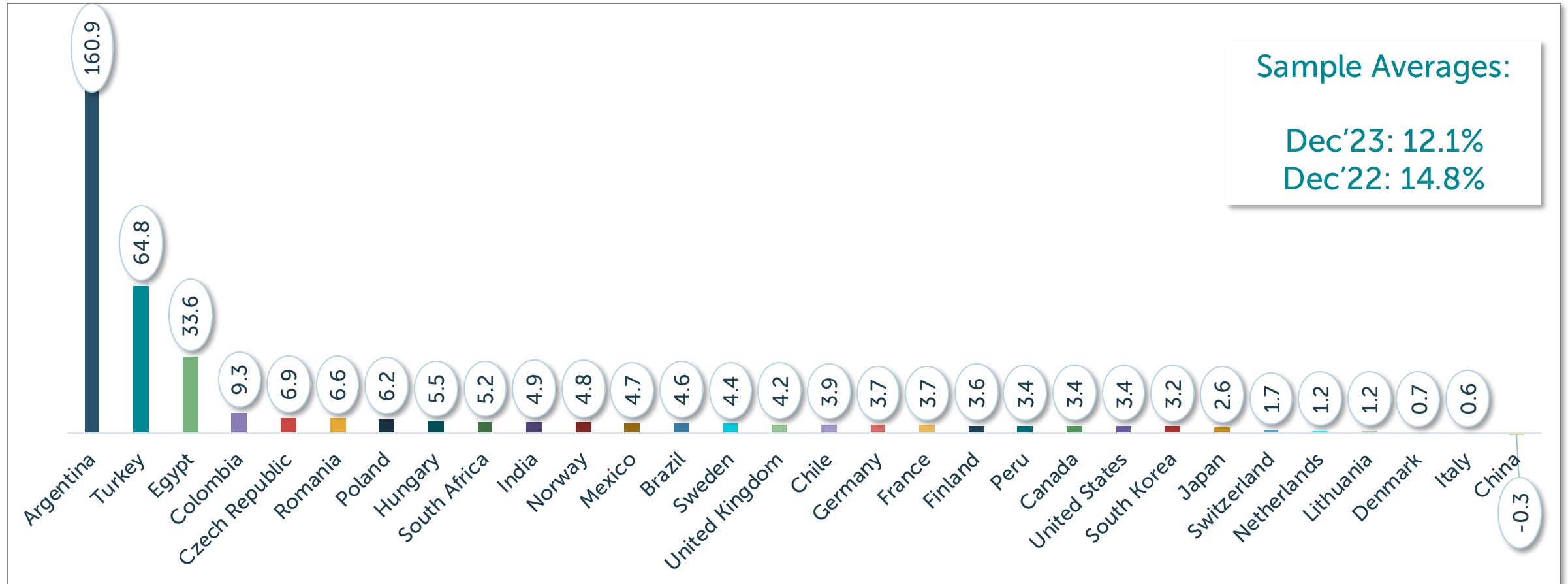
# Economic Performance Is Lacklustre

IMF Economic Outlook on the GDP dynamics in 2023-2024



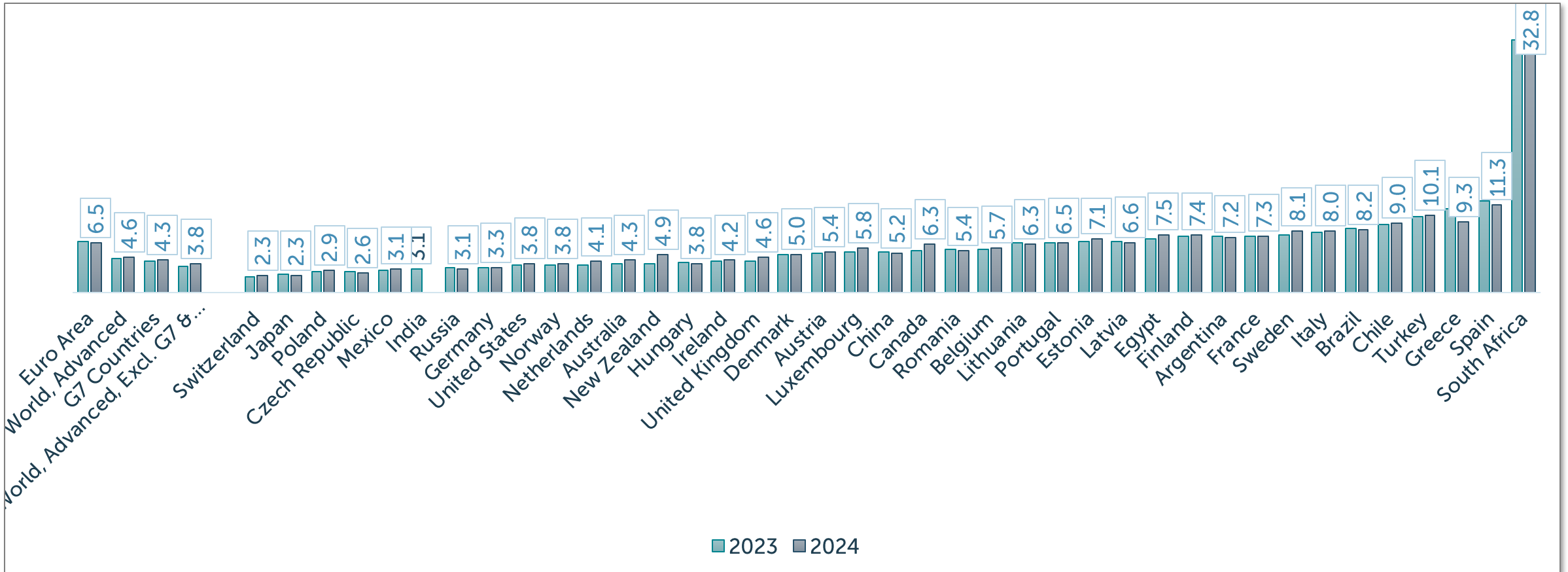
# Inflation is Decreasing Across Board, except in Argentina, Turkey, Egypt

Inflation Rate - December 2023 or latest available (y-o-y % change)



# World's Advanced Countries' Unemployment Rate Is Set To Decrease From 6.6% In 2023 To 6.5% In 2024

Unemployment Forecast (%)





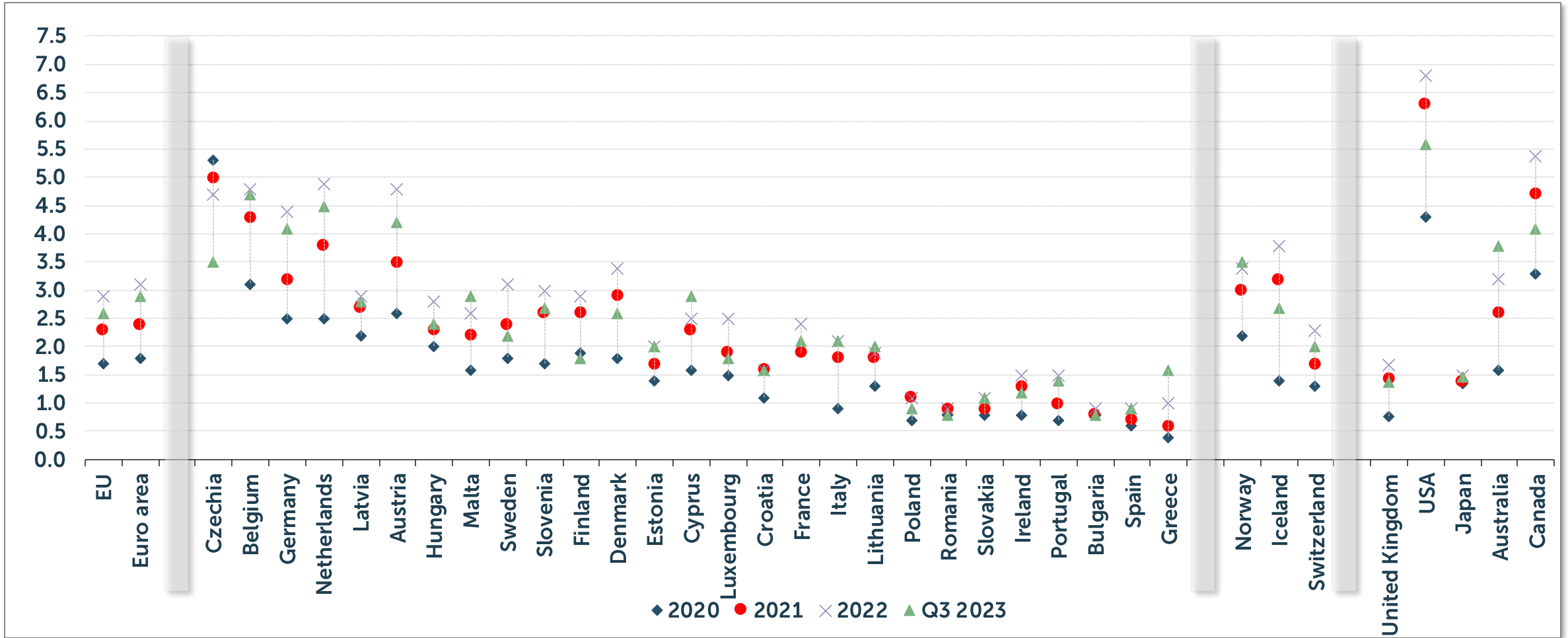
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# Vacancy Rates Eased In Most Countries In 2023

Job vacancy rates (%)



◆ 2020 ● 2021 × 2022 ▲ Q3 2023

Source: Eurostat ; BLS; ONS; ABS; own calculations

Note: Job vacancy rates for the EU include “Industry, construction and services”

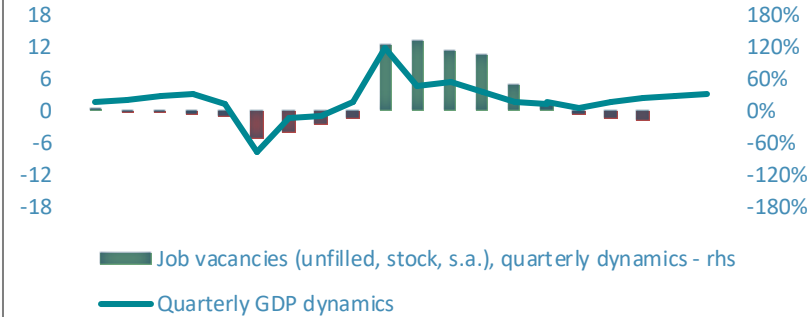
Note: vacancy rate = number of vacancies / (number of vacancies + number of occupied posts) \* 100

For UK: most recent value is for Q2 2023, for the US, most recent value is 2023.

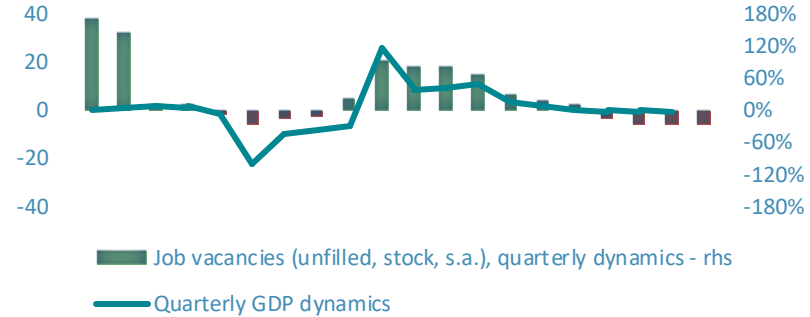
# Number of Unfilled Job Vacancies Decline as Economy Slows

Quarterly dynamics of GDP and Job Vacancies (y-o-y) – Q1 2019 till Q4 2023

## UNITED STATES



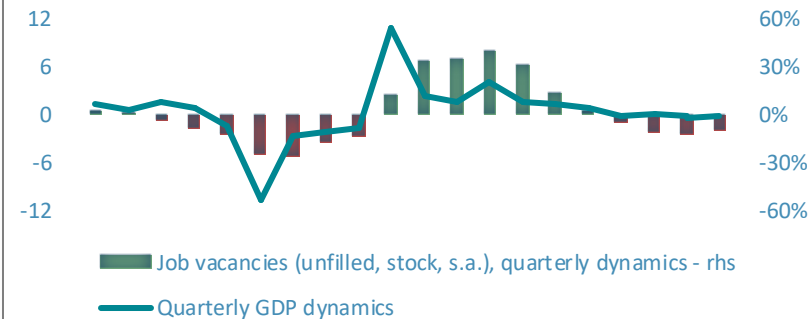
## UNITED KINGDOM



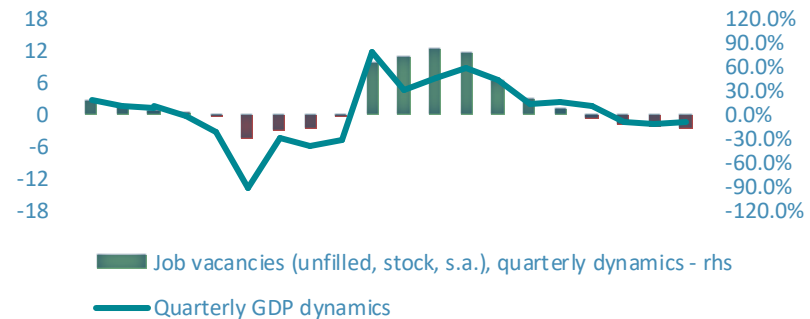
## AUSTRALIA



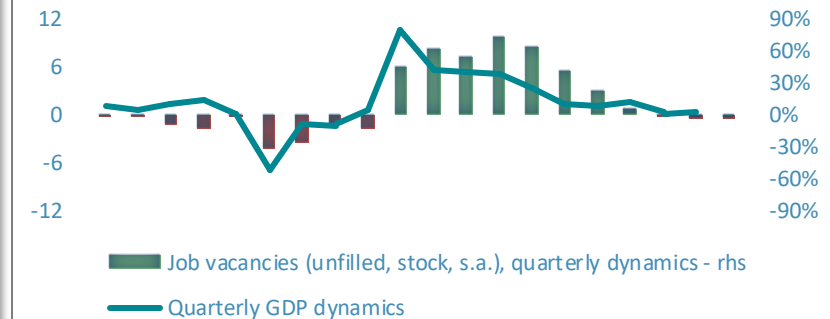
## GERMANY



## AUSTRIA



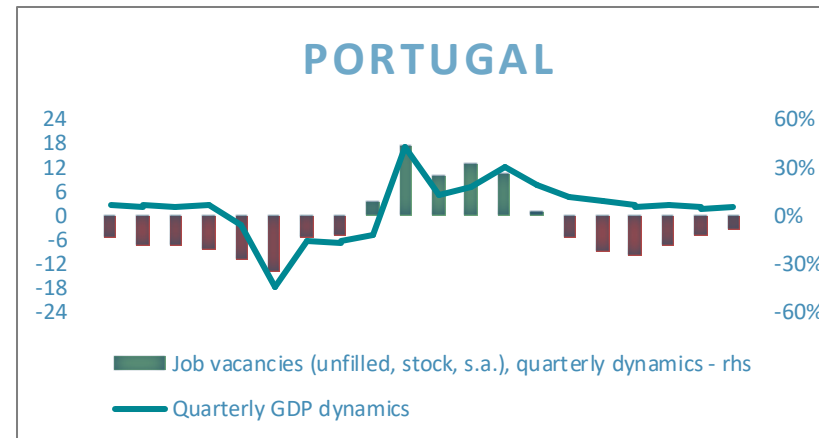
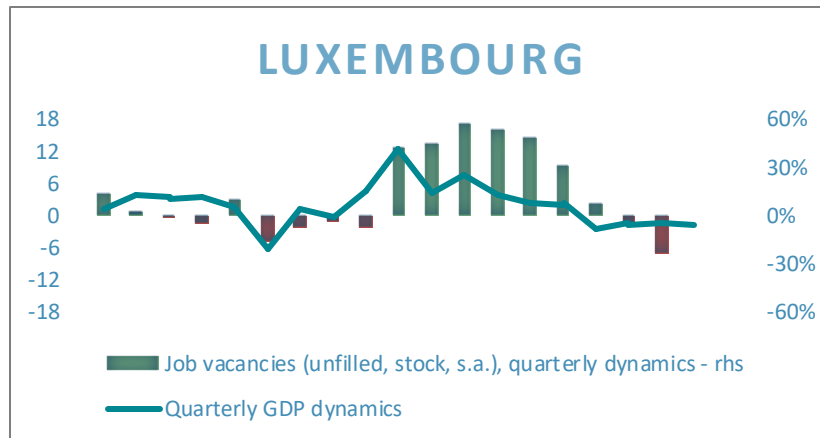
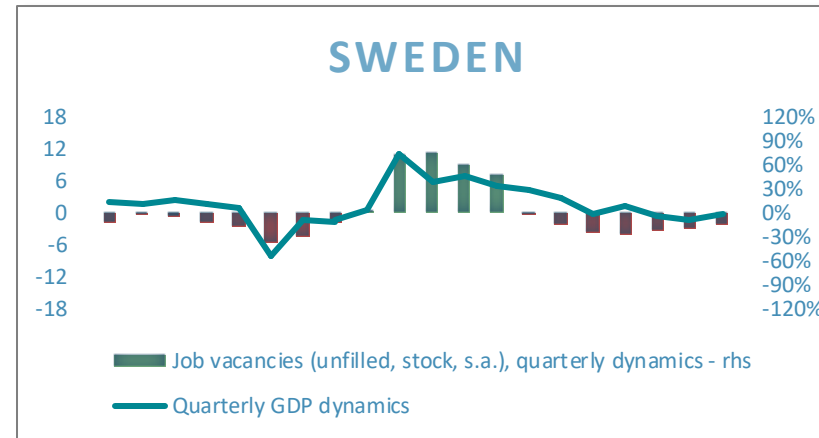
## SWITZERLAND





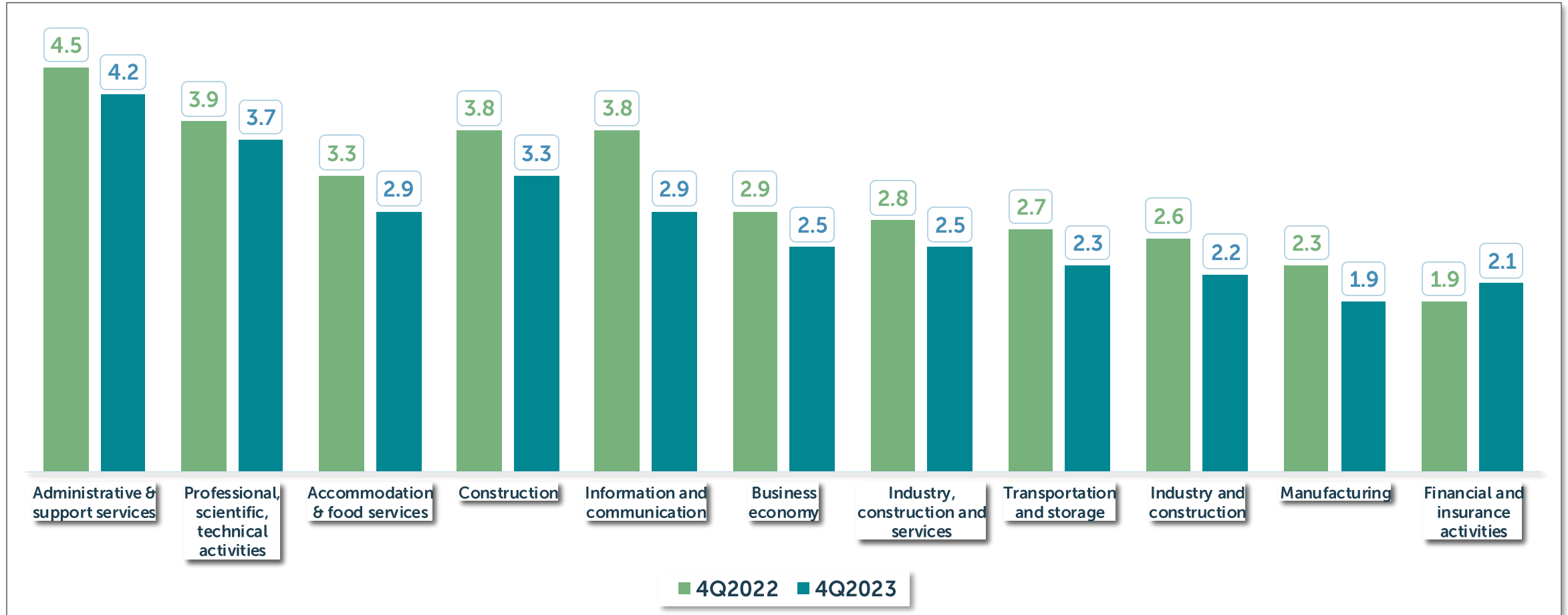
# Number of Unfilled Job Vacancies Decline as Economy Slows

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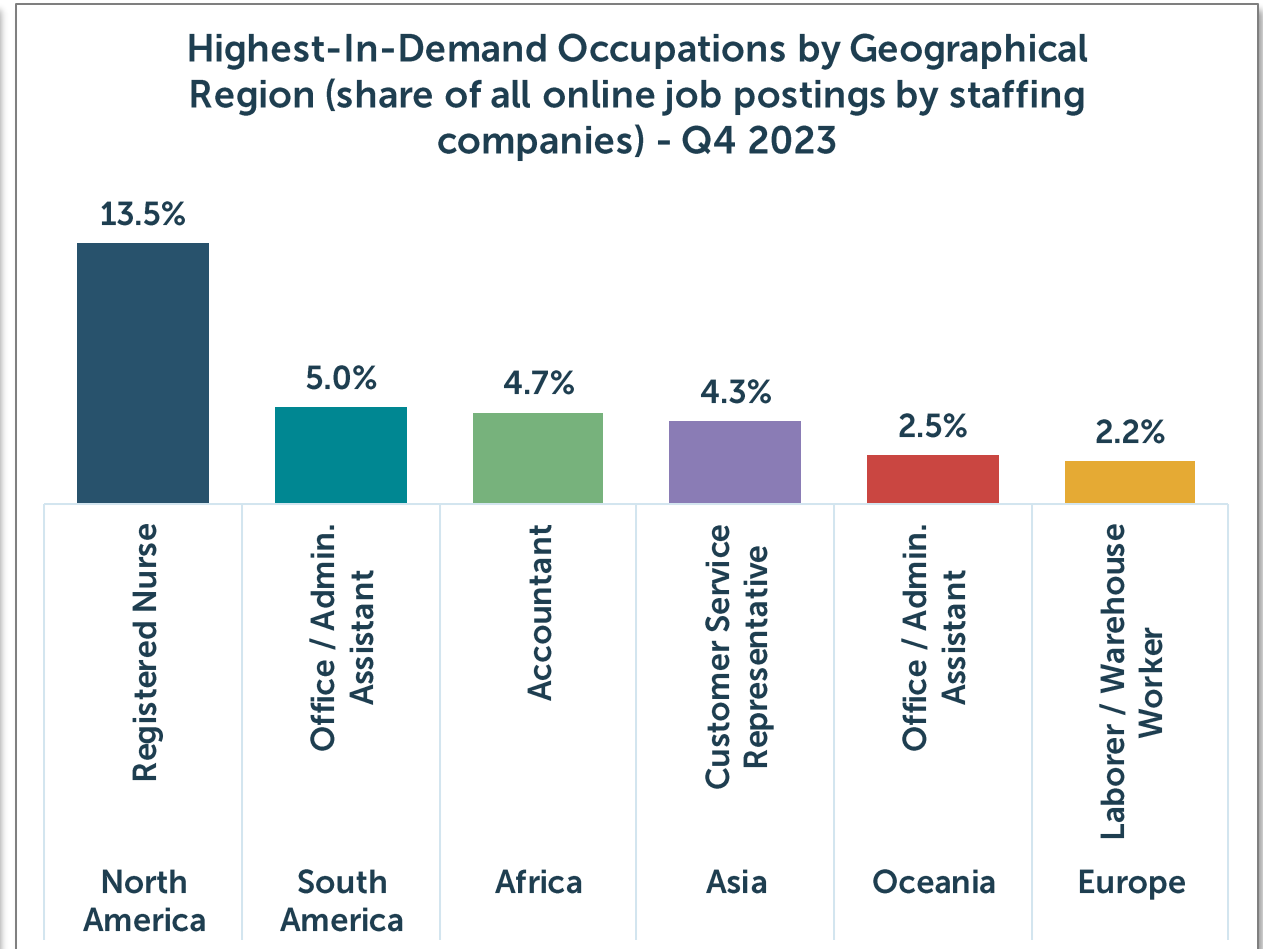
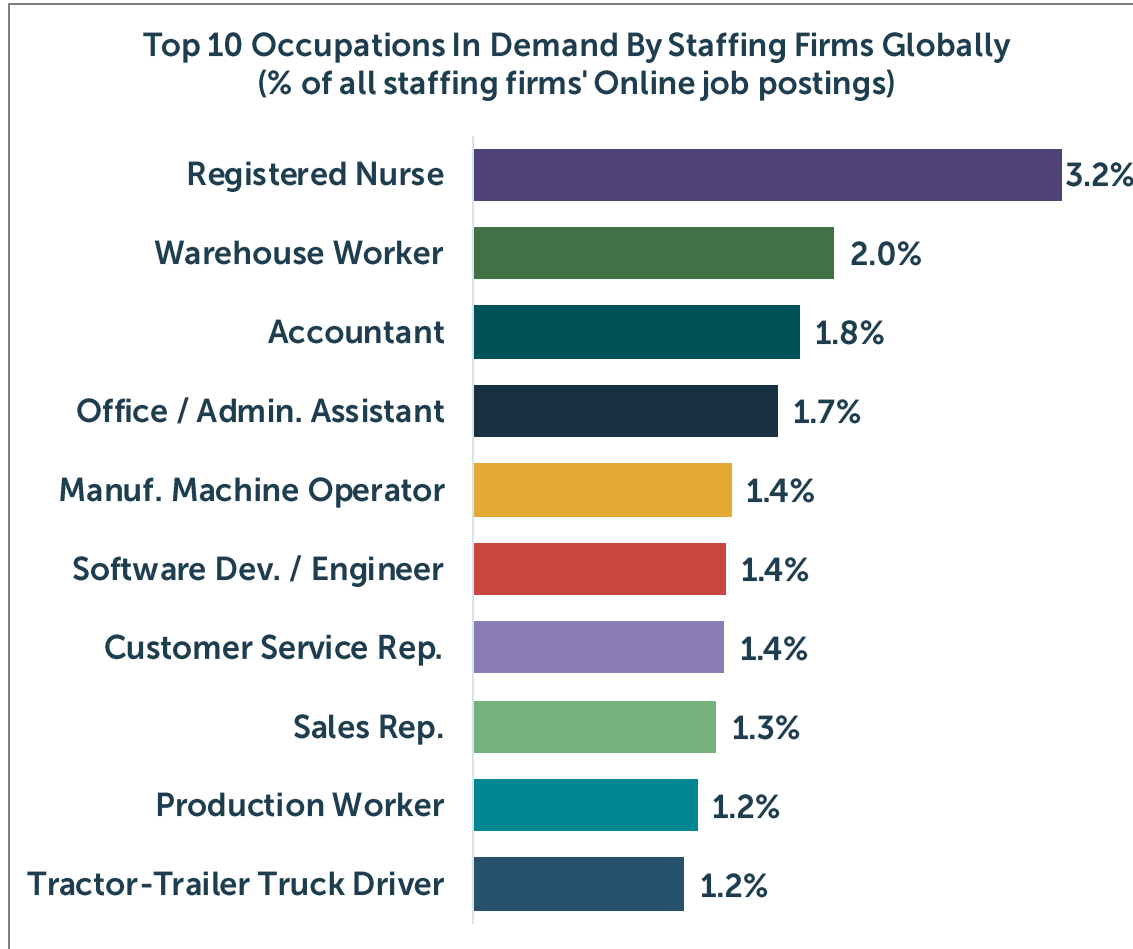
# EU-27 Labour Shortages Are Cross-Sectoral

EU job vacancy rates continued easing into Q4 2023, except in Finance & Insurance; strongest in Admin & Support services



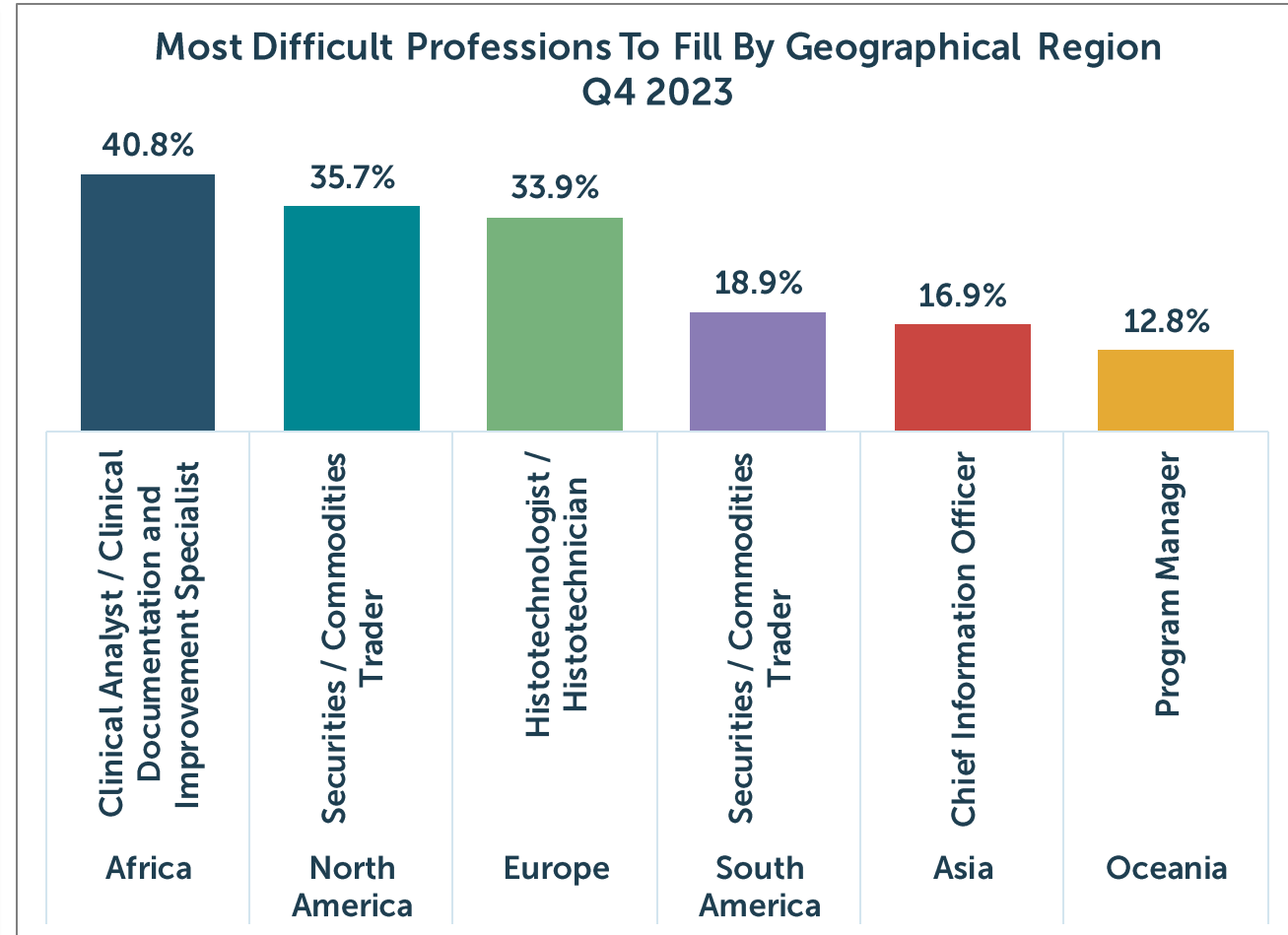
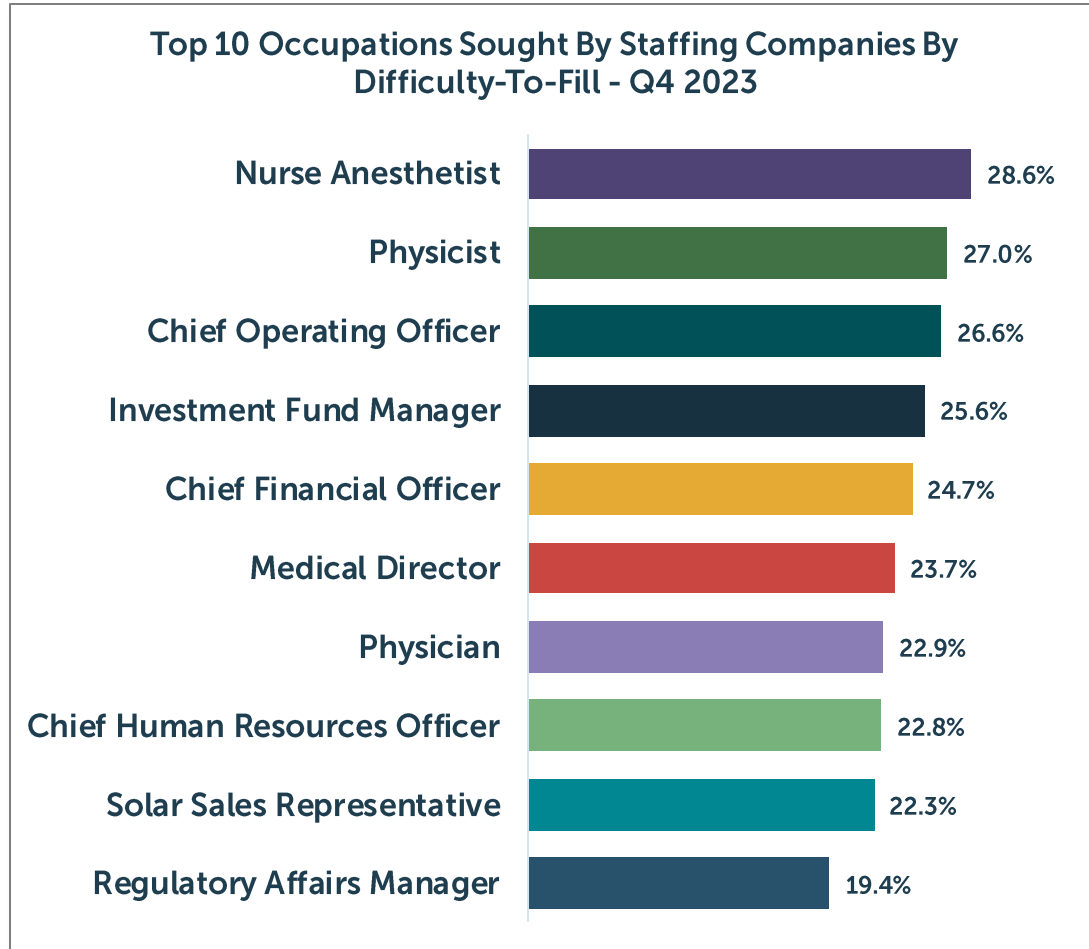
# Top Occupations Sought By Staffing Companies Online

Q4 2023, share of total online job postings globally



# Top Hardest-to-Fill Occupations For Staffing Companies Online

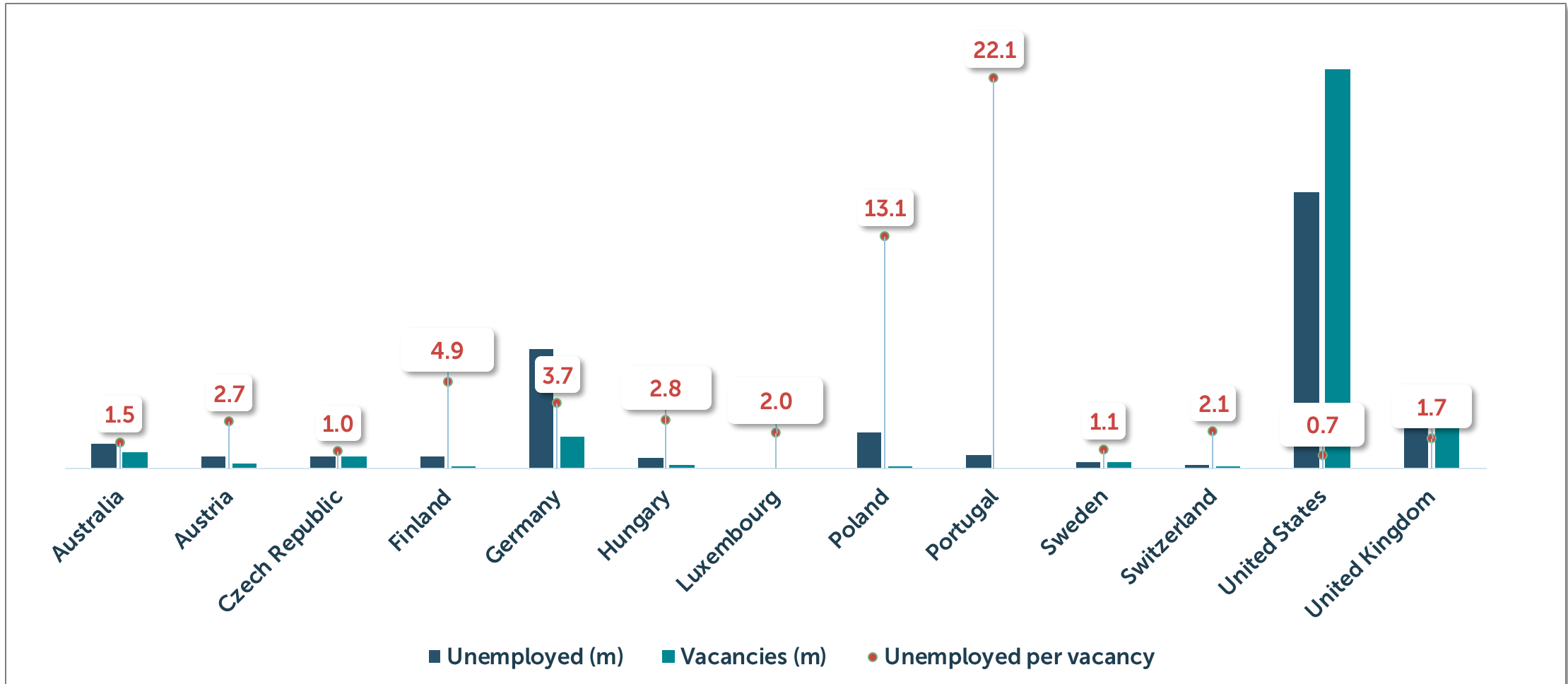
Q4-2023, by difficulty to fill\* via online job postings globally



\* The Difficulty-To-Fill index (on a scale from 0 to 100%) is the average number of days it takes to fill a job vacancy that requires a given skill, weighted by the difference between the average salary for that job and the offered salary (a skill-enhanced "salary premium").

# Enough People Look For Jobs – December 2023

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



# 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



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