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Building the future of work together

Private employment services pave the Road to Recovery after Covid-19

By Denis Pennel

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The labour market crisis prompted by the Covid-19 pandemic has not only created wide-scale unemployment and threatened business continuity, it has also exposed the gaps in safety nets for workers around the world.

Now that many countries are embarking on the road to recovery, it is important to leverage the lessons learned from the actions of governments and businesses in response to the crisis. We need to create new frameworks that will be able to better mitigate economic disruption and cushion the impact for all workers – regardless of their employment contract or status.

Agency work is a bellwether for labour markets. One of the first sectors hit in times of crisis, it is also one of the first to be able to adapt and jump back into action when the economy revives. Many governments identified the key role that private employment services played in the first weeks of the Covid-19 crisis through reallocating displaced workers to sectors with immediate labour demand – even loosening previous restrictions in order to speed-up that demand. Several jurisdictions classified the agency work sector as ‘essential’ to ensure that staffing agencies could continue to operate in lockdown and provide employment in critical sectors such as healthcare, transport & logistics, retail and private security.

Globally, some 50 million people find work each year through the private employment services sector and its 2.4 million career and recruitment specialists working through 160,000 agencies. The sector can support society and speed the recovery through increased labour market participation, efficient matching of supply and demand for workers, career guidance and skilling.

We do this working with business and worker organisations and through social dialogue and private-public engagement. Our sector is ready to play its part, but the cooperation of all labour markets actors will be essential to shape the Road to Recovery in the wake of the pandemic.

In '**Covid-19: The Road to Recovery**', the World Employment Confederation calls for some key policy actions to enable the global private employment services industry to play its part in supporting the revival.

Firstly, we need a **framework for activation and transition, ensuring agency work and other diverse forms of work to support job growth**. Labour institutions need to support this agility, promote partnerships between public and private employment services and lift any unjustified restrictions on agency work. Public resources also need to be allocated towards skilling.

Next, **safety nets need to be reformed to ensure that all workers have access to effective transition and income support as they take cautious steps back into the labour market**. This crisis has shown us that basic minimum protections need to be available to people, irrespective of how they engage with work.

We must also speed up Social Innovation to ensure this access to minimum levels of protection. A key lesson learned from the crisis is that schemes such as those for unemployment, sick-leave and reducing working time are inadequately available and are not tailored to that majority of global workers who work outside of an open-ended full-time contract. Fixing this has been 'work in progress' for far too long.

Now is the time to accept that diverse work forms sustain employment for all and that the benefits, costs and risks must be shared proportionately. The agency sector experience offers inspiration for the reform of social protection schemes. Across the world the private employment services industry has put in place specific protections for agency workers. These mechanisms have tailored their support to a group of workers that inherently work across various sectors, jobs, and businesses.

Finally, future policy frameworks should also integrate lessons learned regarding **the operational and digital conditions enacted for safe working and re-allocation across the labour market**. This means maintaining and increasing digital infrastructure and flexible solutions that allow for remote working, matching and skilling such as Online Training, eSignatures, online identification, and skill checks.

As the first signs of recovery start to appear, so businesses will turn to agency work to support them in navigating ongoing uncertainty. The private employment services industry is prepared and stands ready to seize the opportunity, support our economies and deliver innovative approaches that will get global labour markets up and running again.

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