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Bulding the future of work together

Working to enable a labour market for all

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The global Covid-19 pandemic has exacerbated many of the issues facing our labour markets - from activation, adult training and inclusiveness through to participation of vulnerable workers, access to social protection and skills shortages. For the private employment services sector, it has only reinforced our mission to enable a labour market for all.

Every day, we are comforted by the positive contribution that our sector is making to society through the stories we hear from the workers we have placed or helped transition to a new work opportunity. Our World Employment Confederation (WEC) [2021 Social Impact Report](#) collects some of these real-life case studies from around the world and places them into perspective with global data collected from our members.

The OECD identifies that building more resilient and inclusive labour markets will require investment in connecting people with jobs, enabling training and lifelong learning and fixing the gaps in our social protection systems. Our sector plays just such a supporting role for millions of workers each year and, in our increasingly complex and uncertain world of work, labour markets are going to need a lot more of this in the years to come.

The ILO estimates that 255 million full time workers lost their jobs in 2020 and for this year predicts a 100 million deficit of full-time workers around the world as a result of Covid-19. Activation policies, transition support and training programmes will be crucial as we recover, and private employment services have a key role to play. Let me explain.

Supporting transitions

While economic sectors including travel and hospitality closed completely at the height of the pandemic, others – such as food retail, logistics and healthcare – witnessed increased demand. Private employment services were on hand to transition workers into newly created roles and ensure that businesses had the staff they needed.

Agency work/staffing came to the fore. As an expert in labour market needs with extensive ties to business it was critical in responding to the need for flexibility while also driving social purpose and

social innovation. Our Social Impact Report includes stories from people who lost their jobs due to the crisis and who, thanks to the support of agencies, underwent reskilling, were found new, rewarding work and could secure their income.

People enjoy agency work. It allows them to experience different sectors and to work when they want - thereby maintaining work/life balance. As a responsible intermediary the sector makes an important contribution in helping both workers and businesses adapt to the new normal.

Effective collaboration between public and private employment services will be key during the recovery and beyond. It is demonstrable that in countries where partnerships are well established, the support for activation and transition is more effective. In the Netherlands for example, 45,000 temporary workers who lost their jobs due to the pandemic were relocated by private employment services.

Private employment agencies employ people of all levels of education and skills. Our 2021 Social Impact Report carries stories of people from many walks of life – from the unemployed looking to transition into work, to students looking for temporary work to combine with their studies, through to retired people wanting to remain active and top-up their pension. Agency workers are employed throughout the economy.

Another service that is increasingly vital and showing strong growth is career management services. They help people to move between sectors and to reskill/ upskill to ensure that they remain relevant and employable. The stories we hear from workers value the support, guidance and advice that they receive from their career coach in helping them realise their goals. In the future, the career guidance and transition support that the sector offers will be increasingly important in protecting workers sustainably and ensuring well-functioning labour markets. Globally, job to job transitions are on average 30-50% quicker when a career management firm is involved.

Fostering inclusiveness

Private employment services also play an important role in fostering inclusiveness. Disadvantaged workers including youth, women, unemployed and migrants need extra support and our sector can help to meet UN Sustainable Development Goal 8 “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.”

By reducing barriers to labour market entry, private employment services also reduce informal work and bring more people into the formal economy. This not only boosts tax receipts but means that workers are afforded all the usual social protections and rights to sick pay, unemployment and pension benefits etc. A minimum level of social protection coverage should be a reality for all workers – regardless of their work relationship. By providing workers with new, flexible contracts and access to social support such as childcare at reasonable prices, private employment services offer labour market access to those who were previously unable to work.

The pandemic highlighted the shortcomings of our current social protections systems. Many workers had insufficient safety-nets and were not eligible for benefits due to their employment status. This needs to change. As the world of work evolves and new forms of working emerge so we will need to develop a new social contract to ensure basic minimum levels of social protection are available and accessible to all workers – irrespective of their work arrangements.