

## EUROPE'S EMPLOYMENT INDUSTRY CONTRIBUTES TO MORE INCLUSIVE, OPEN AND SUSTAINABLE LABOUR MARKETS

*Records €154 billion turnover with 11 million people placed in work as economic recovery drives growth*

Brussels, 9<sup>th</sup> April 2018 - Europe's employment industry recorded a sales turnover of €154 billion in 2016. This record figure since 2007 reflects the new labour market reality and the changing needs of employers and workers. Agency work, always a gauge for economic growth, represented the industry's largest business segment accounting for over 70% of revenues. Europe is home to 11 out of the world's 15 best performing agency work markets.

Published this week, the World Employment Confederation 2018 economic report (based on 2016 data) gives a comprehensive picture of the employment industry and labour markets around the globe and Europe. It demonstrates how the industry acts as a labour market enabler, delivering work, adaptation, security and prosperity to help organisations remain competitive and support workers navigate a changing world of work.

*"Jobs are no longer full time, 9-5, Monday-Friday, explains Denis Pennel, managing director of the World Employment Confederation. "Today's world of work is increasingly diverse with people working under a host of different contracts including part-time, fixed term, agency work, freelance and on-line. The employment industry sector is at the forefront in supporting this social innovation, creating secure, good quality work that meets the needs of businesses and people in the 21st century."*

World Employment Confederation-Europe president, Bettina Schaller adds: *"The employment industry plays a key role in Europe's 2020 strategy: the EU employment rate reached 71.1 % in 2016, narrowing the gap to meet the Europe 2020 employment target of 75 %. World Employment Confederation-Europe members are committed to placing people in work and its 75.000 HR solutions company affiliates help some 11 million Europeans get access to labour markets each year. Robust employment trends continue across Europe, including in those markets where the economic crisis was acute: All regions in Spain for example have increased their employment levels during the recovery period from 2013-2016."*

2016 represented a year of consolidation across all employment industry services in Europe with some markets – particularly the Netherlands, France, Italy and Germany - showing pleasing growth compared with 2015. The UK leads the European staffing market, despite Brexit's potential impact on jobs, and was responsible for close to 30% of the revenue generated by the industry in 2016 with a total of €36 billion across all HR services. Germany is Europe's second largest market followed by France and the Netherlands.

**Agency work** remains the highest revenue generator for Europe's employment industry sector at €139 billion and representing over 70% of the total annual sales revenue. The sector placed almost 11 million people in work in 2016 with France leading the field and placing some 2 million people, followed by the UK 1.2 million, Germany 1 million, Poland almost 0.8 million, the Netherlands nearly 0.8 million people, Italy 0.65 million and Spain over 0.6 million.

Placements of people under 25 years of age rose while the job markets in the Netherlands, Italy and Spain performed well. The fortunes of the agency work sector are closely tied to the economic cycle with companies hiring agency staff during periods of growth in order to meet extra demand.

**Direct Recruitment** is the second largest sector in Europe, accounting for almost €10 billion of the total. The UK and Germany are the largest European markets with Ireland, Netherlands, Switzerland, Belgium and France also in the Top 15 global players. The sector placed almost 1.5 million Europeans in work in 2016.

**Management Service Provider (MSP)** sales revenues in Europe were consistent with the previous year and represented €30 billion in 2016. The UK, Germany, Netherlands, Switzerland, Belgium and France feature in the global top 10 markets for MSP.

**Recruitment Process Outsourcing (RPO)** while still small was the sector to grow the most year-on-year with 11% expansion in Europe and a turnover of €1 billion.

**Career management** is well established in Europe and the continent accounts for 33% of total sector sales around the world. It is however still small, at less than 1 billion in sales revenue and saw a slight fall in 2016, primarily driven by a decrease in outsourcing due to fewer layoffs as economic growth returns.

There are over 75,000 private employment agencies in Europe, employing over 400,000 staff.

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**About the World Employment Confederation-Europe**

The World Employment Confederation-Europe is the authoritative voice of the employment industry at European level. It connects labour market enablers from 30 European countries and 7 major workforce solutions companies with a unique network that brings together EU institutions, social partners, the academic world and other relevant stakeholders.

Through its policy work, the World Employment Confederation-Europe strives for recognition of the employment industry's economic and social role. It leads the way in defining better employment and recruitment standards and practices and is a thought leader in shaping a futureproof and competitive labour market. It acts as an advisor to the European employment industry on new ways of workforce sourcing and deployment. With analysis and research covering most European labour markets it is able to provide members with a broad range of services including support in capacity building across the continent. Members of the World Employment Confederation-Europe cover a wide range of HR services, including agency work, direct recruitment, career management, RPO and MSP.