

PRIVATE EMPLOYMENT SERVICES SECTOR GROWS, DESPITE ECONOMIC SLOWDOWN

Private employment services faced an increasingly difficult operating environment in 2018 but nevertheless experienced positive growth in most of the segments, according to the latest Economic Report of the World Employment Confederation. With a global turnover of €473 billion and nearly 58 million people placed in jobs, this continued growth demonstrates the need for the sector's services and the positive value they bring to labour markets worldwide.

Brussels, 26 February 2020 – The global private employment services industry reached an estimated market value of €473 billion in 2018. The new edition of the World Employment Confederation's Economic Report shows growth in most of the service segments, with direct recruitment and RPO experiencing again the fastest expansion.

"Despite global trade tensions, skills shortages in certain sectors and/or regions as well as economic slowdown across countries, the private employment services sector increased its global turnover by nearly two percent compared to the previous year," explains Even Hagelien, Chairman of the World Employment Confederation's Economic Affairs Committee. *"With the right enabling environment, we expect this trend to continue in the coming years. Our sector is well prepared to seize the growth opportunities offered by the transformational trends that are affecting the world of work."*

Agency work remains the largest segment in the private employment services sector (80% of total industry sales revenues), with the USA, Japan and the UK accounting for the majority of revenues; but most European markets fared well in 2018. MSP and RPO services grew by 2.8% and 8.4%, reaching market values of € 119 billion and € 4.6 billion respectively, while the global direct recruitment market expanded by 5.4% in terms of sales revenues, amounting to € 63 billion. Career management services contracted by 5%, declining to an estimated €1.9 billion. The private employment services industry placed nearly 58 million people in labour markets across the world, the vast majority through agency work.

From a regional outlook, North America remains the strongest region in terms of people placed and revenues in direct recruitment, MSP and RPO. In South America, economic crisis and currency depreciation across the region caused a downturn, particularly in Brazil – the largest market for private employment services in the region. Europe keeps a strong position in agency work, with nine out of the 15 largest markets globally. Apart from Germany, agency work markets in Europe fared well in 2018. Asia-Pacific performed positively in agency work and direct recruitment.

"Our contribution goes beyond getting people a job," adds Denis Pennel, Managing Director of the World Employment Confederation. *"Our sector crafts innovative and socially inclusive solutions to address the challenges of the changing world of work. By facilitating work transitions, upskilling the workforce, securing quality work and providing predictability, we contribute to making labour markets more efficient for the benefit of the people, the economy and society."*

The 2020 Economic Report of the World Employment Confederation is available on [WEC's website](#).

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About the World Employment Confederation

The World Employment Confederation is the voice of the private employment services industry at a global level, representing national federations as well as large international workforce solutions companies from across the world. Members of the World Employment Confederation represent a wide range of HR services, including agency work, direct recruitment, career management, Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP).

The World Employment Confederation works to broaden recognition of the positive economic and social role which the private employment services industry plays in enabling work, adaptation, security and prosperity. This role involves building networks with relevant stakeholders such as policy makers, social partners and the academic world; setting high recruitment and employment standards and practices; acting as a thought-leader shaping futureproof and competitive labour markets and providing strategic data on employment issues.

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