Labour Market Intelligence Insights

WORLD EMPLOYMENT CONFEDERATION
The Voice of Labour Market Enablers

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Q4 2024

› Economic Environment

Many global economies remain under pressure, but key indicators suggest a gradual stabilisation. Inflation is easing, and unemployment rates are showing signs of steadiness, providing a more predictable economic backdrop.

› Labour Market

Labour markets are demonstrating resilience, with job vacancy rates returning to pre-pandemic levels across most regions. Despite this normalisation, sectoral differences persist, reflecting ongoing shifts in economic activity and workforce demand.

Temporary agency work showed a global decline in Q3 2024, with a notable exception in Chile, where demand remained robust. Online temporary agency job market showed a decline in all geographies over the same period, except in North America.

Certain roles and skills continue to be exceptionally challenging to fill. Among the hardest-to-fill occupations in the third quarter of 2024 were: Physicians, Chief Financial Officers (CFOs), Data Scientists and Product Managers.

In terms of skills, the most sought-after were: Anaesthesiology, Drug Development, Hospital Medicine, Keras (a deep-learning framework).

This data underscores the need for targeted strategies to address skill shortages and workforce alignment in specific sectors and geographies.

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LEADING IN A CHANGING WORLD OF WORK

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

Hours worked by agency workers
Quarterly dynamics (YoY % change)

Legend: US, Europe, Japan, Chile, India (QoQ growth)
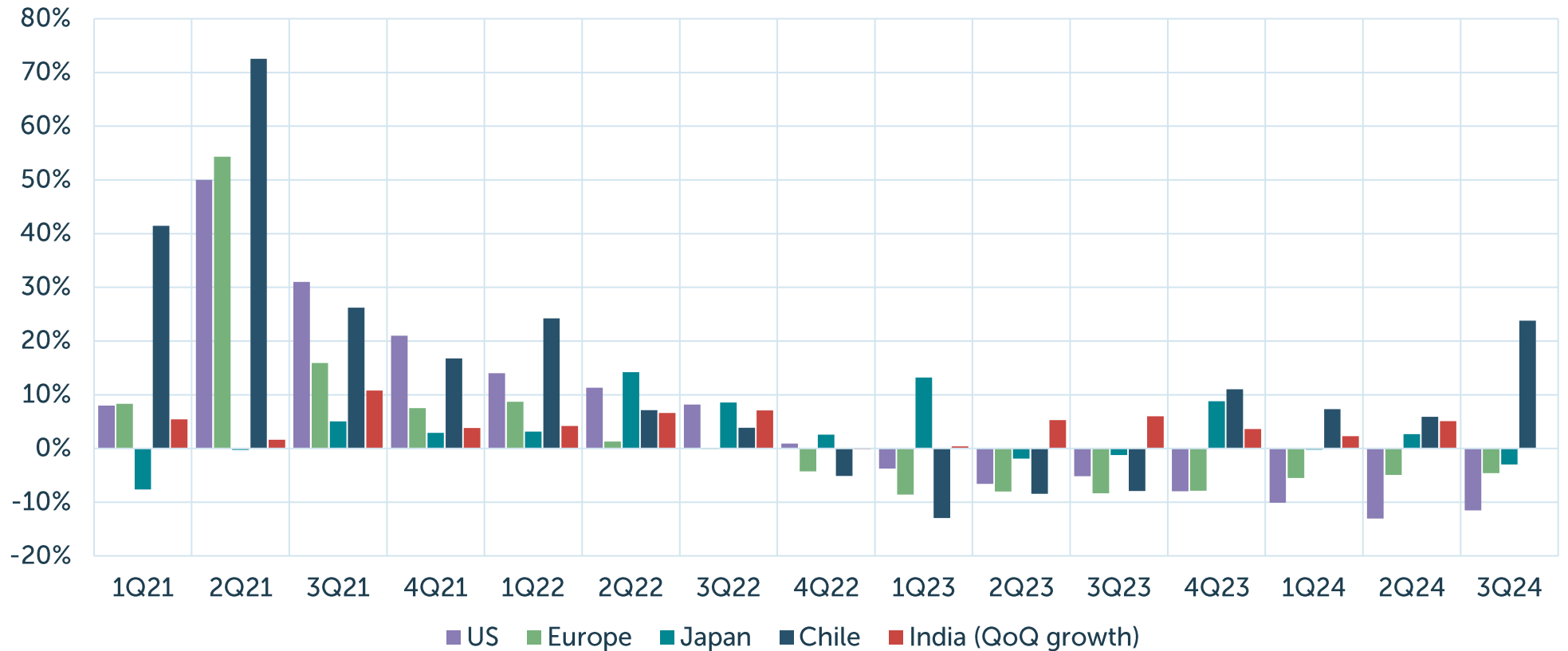
Source: WEC members
Agency Work Activity is based on the dynamics of hours worked by agency workers in a given period

Agency Work Turnover in Europe

Turnover of private employment agencies
Monthly dynamics (YoY % change)

Legend: Spain, Norway, Netherlands, Belgium, Poland, Finland, France, Italy, Denmark
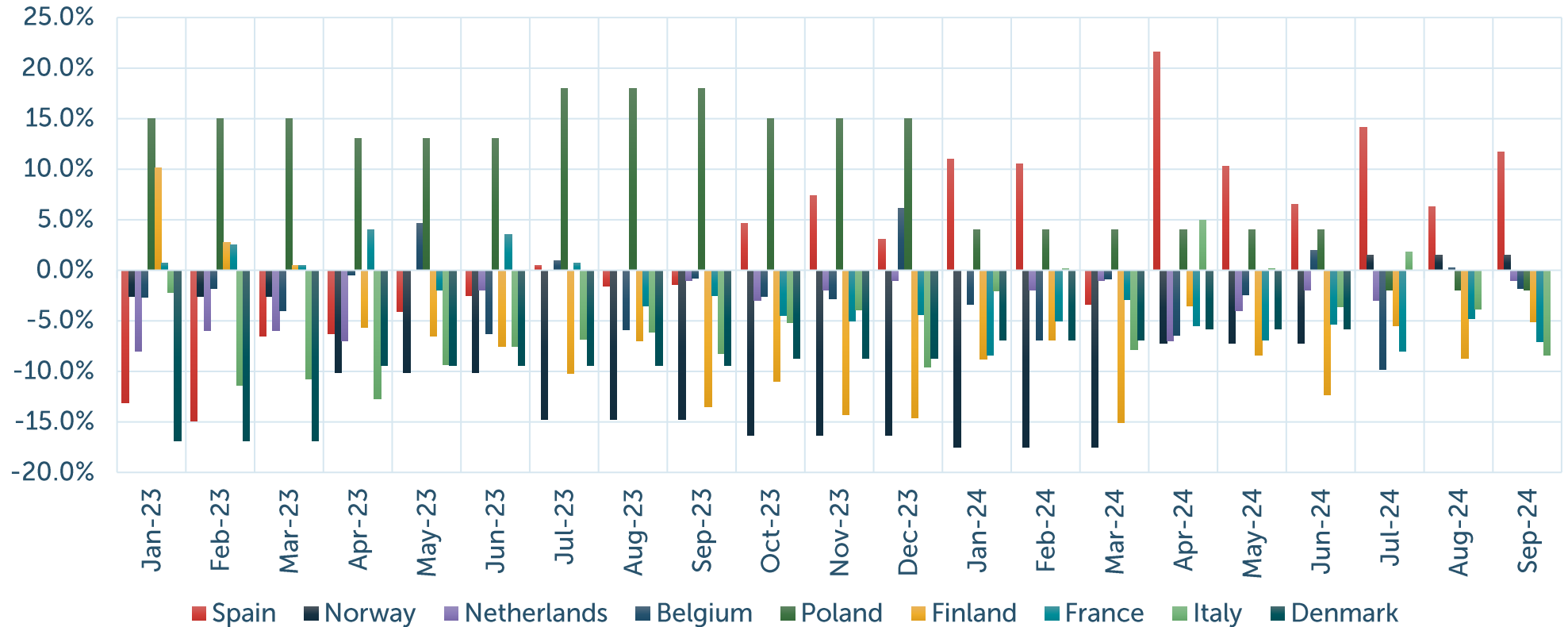
Source: WEC Members

Agency Work Hours Worked in Europe

Number of hours worked by agency workers
Monthly dynamics (YoY % change)

Legend: Spain, Belgium, Italy, Switzerland, Netherlands, France, Norway, Poland, Denmark, Austria
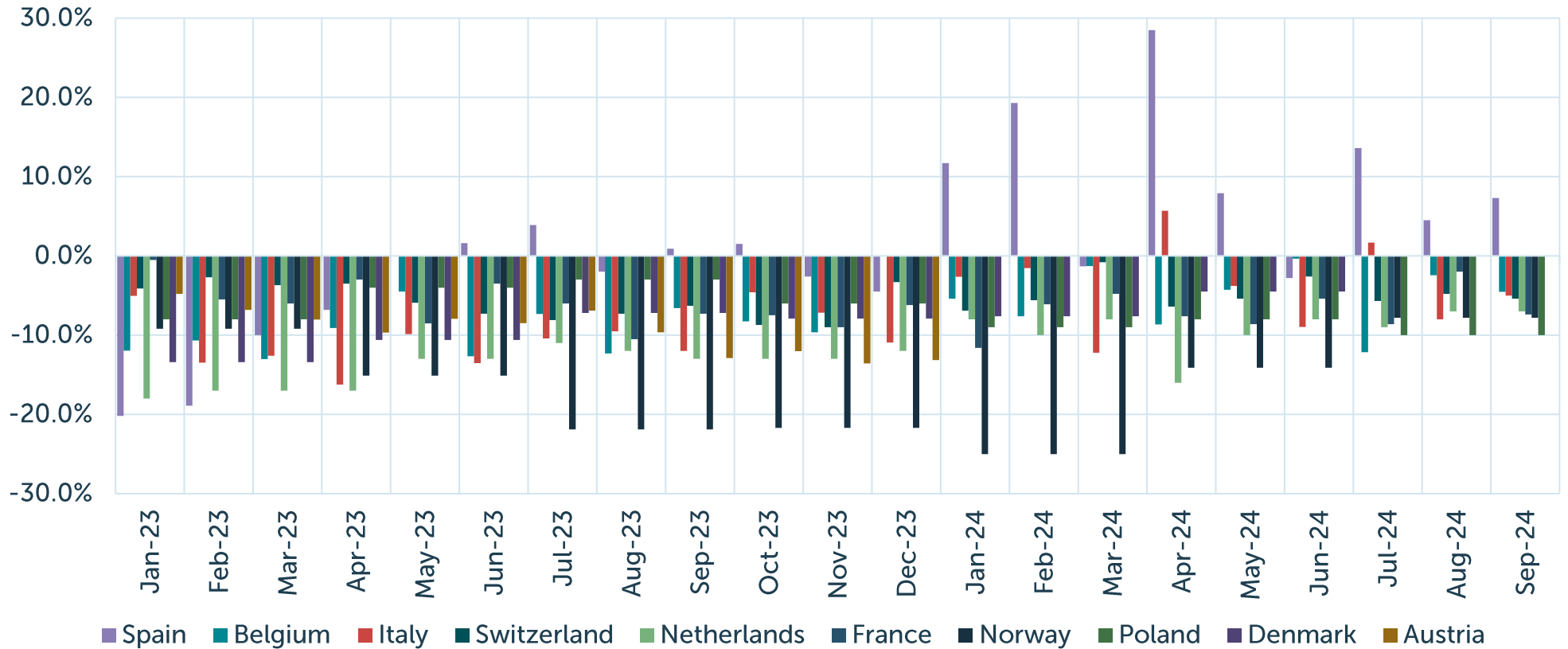
Source: WEC Members

Agency Work: Online Job Postings

Evolution was largely negative across all geographical regions

Agency work online job postings by geographical region
Number of postings & quarterly dynamics – Q3 2024

- ■ Number of postings (million)
- ■ Quarterly YoY % change

Region	Number of postings (million)	Quarterly YoY % change
Global	5.8	-29%
Europe	4.0	-32%
North America	1.2	2%
Asia	0.3	-47%
South America	0.1	-61%
Africa	0.06	-46%
Oceania	0.05	-37%

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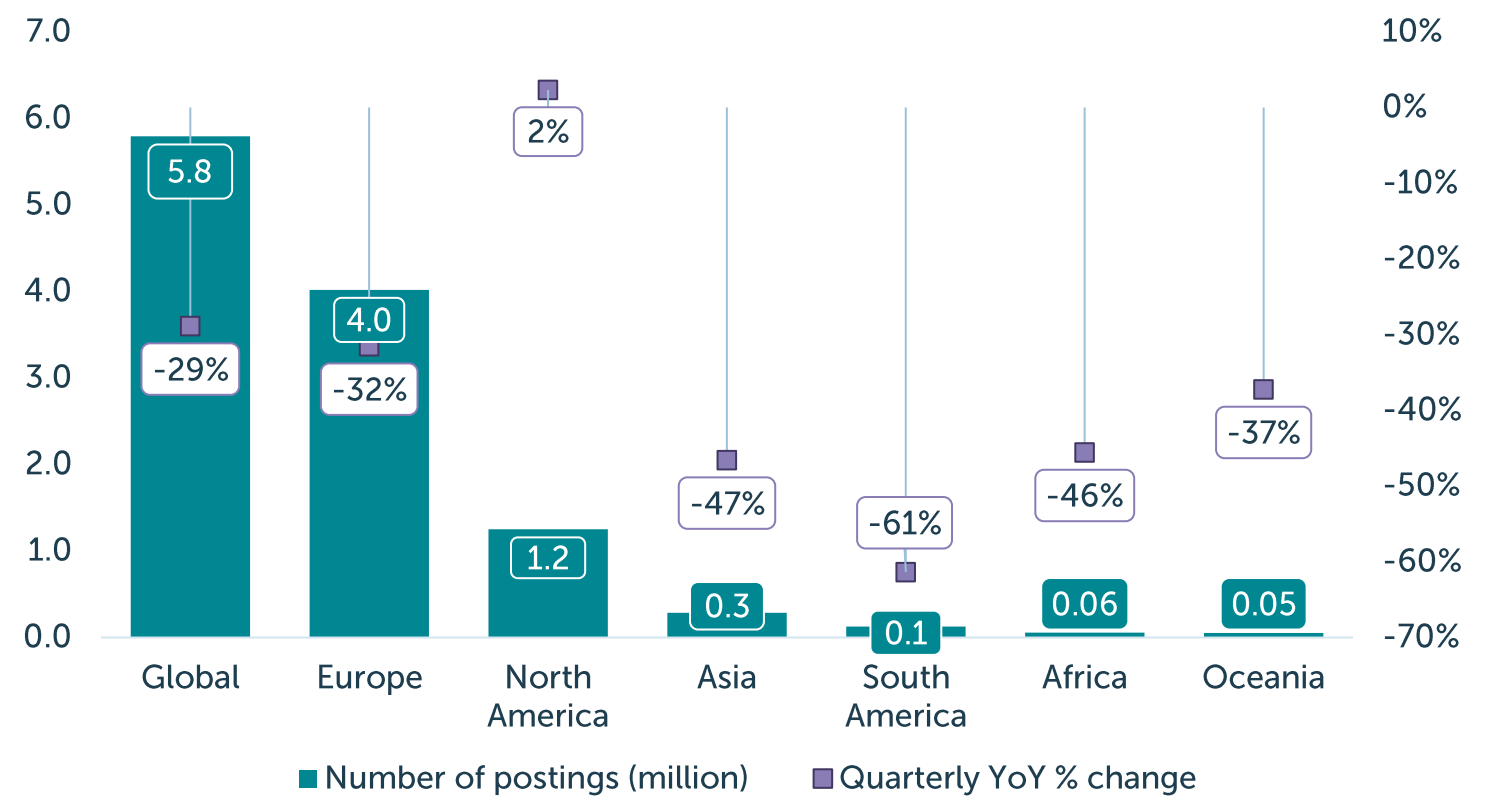
Evolution of GDP

Global output growth has remained resilient, and inflation has continued to moderate.

Growth has been relatively robust in many G20 countries including the United States, Brazil, India, Indonesia and the United Kingdom. In contrast, outcomes have remained soft in a few economies, including Germany, and output contracted in Argentina.

(OECD)

Source: OECD
via Macrobond

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REGION	Country	2019	2020	2021	2022	2023	1Q2024	2Q2024	3Q24
NORTH AMERICA	Canada	1.9	-5.0	5.3	3.8	1.2	0.6	0.9	n/a
	Mexico	-0.3	-8.6	5.7	3.9	3.2	1.8	1.0	1.5
	United States	2.5	-2.2	5.8	1.9	2.6	2.9	3.0	2.7
SOUTH AMERICA	Argentina	-2.0	-9.9	10.4	5.2	n/a	-5.1	-4.0	n/a
	Brazil	1.2	-3.3	4.8	n/a	n/a	2.1	2.8	n/a
	Chile	0.6	-6.1	11.3	2.1	0.2	2.1	2.2	n/a
ASIA	Australia	-0.3	2.1	4.3	3.0	2.0	1.3	1.0	n/a
	China	6.1	2.1	8.4	3.0	5.2	5.3	4.7	4.6
	India	3.9	-5.8	9.1	n/a	n/a	8.1	6.8	n/a
	Japan	-0.4	-4.1	2.6	1.0	1.9	-1.0	-0.9	n/a
	New Zealand	2.5	0.1	4.7	2.7	0.6	0.5	-0.5	n/a
	South Korea	2.2	-0.7	4.3	2.6	1.4	3.1	2.3	1.7
EUROPE	Austria	1.5	-6.6	4.2	4.8	-0.8	-1.5	-1.2	-0.1
	Belgium	2.2	-5.3	6.9	3.0	1.4	0.8	0.9	n/a
	Bulgaria	4.0	-4.0	7.7	3.9	1.8	1.9	2.1	n/a
	Czechia	3.6	-5.3	4.0	2.8	-0.1	0.4	0.6	1.3
	Denmark	1.7	-1.8	7.4	1.5	2.5	2.1	3.4	n/a
	Estonia	4.0	-1.0	7.2	-0.5	-3.0	-1.5	-1.3	-0.7
	Finland	1.2	-2.4	2.8	1.3	-1.2	-1.3	-1.4	n/a
	France	2.0	-7.4	6.9	2.6	0.9	1.5	1.0	1.3
	Germany	1.1	-3.8	3.2	1.8	-0.2	-0.1	-0.2	-0.2
	Greece	1.9	-9.3	8.4	5.6	2.0	2.1	2.3	n/a
	Ireland	5.0	7.2	16.3	8.6	-5.5	-4.1	-4.1	-0.2
	Italy	0.5	-9.0	8.3	4.0	0.9	0.2	0.6	0.4
	Latvia	0.6	-3.5	6.7	3.0	-0.3	0.1	-0.2	-1.4
	Lithuania	4.7	0.0	6.3	2.4	-0.3	2.7	1.5	2.3
	Luxembourg	2.9	-0.9	7.2	1.4	-1.1	-0.2	0.3	n/a
	Netherlands	2.3	-3.9	6.3	5.0	0.1	-0.7	0.6	n/a
	Poland	4.5	-2.0	6.9	5.6	0.2	1.8	4.0	n/a
	Portugal	2.7	-8.3	5.7	6.8	2.3	1.4	1.6	1.9
	Romania	3.9	-3.7	5.7	4.1	2.1	2.0	0.9	n/a
	Spain	2.0	-11.2	6.4	5.8	2.5	2.6	3.2	3.4
	Sweden	2.5	-2.0	5.9	1.5	-0.2	0.5	0.5	0.0
	Norway	1.1	-1.3	3.9	3.0	0.5	1.0	2.6	n/a
	Switzerland	1.1	-2.1	5.4	2.6	0.7	0.7	1.7	n/a
	Turkey	0.8	1.9	11.4	5.5	4.5	6.9	2.9	n/a
	UK	1.6	-10.4	8.7	4.3	0.1	0.3	0.7	n/a
AFRICA	Egypt	5.6	3.6	3.3	6.6	3.8	2.2	2.4	n/a
	South Africa	0.3	-6.0	4.7	1.9	0.6	0.7	0.4	n/a

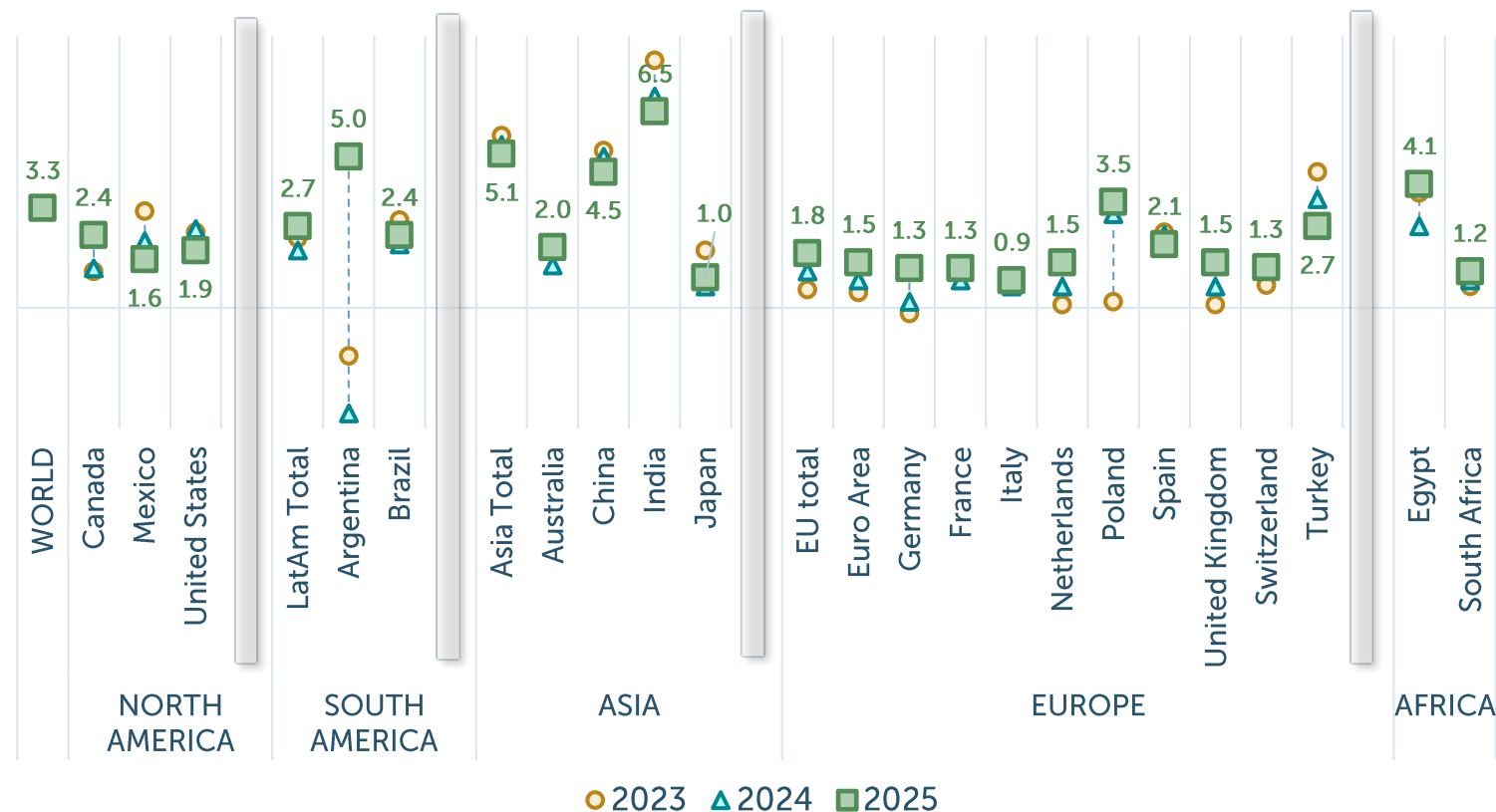# Global GDP will stabilise at 3.2% in 2024 & 2025

Significant risks remain.

Persisting geopolitical and trade tensions could increasingly damage investment and raise import prices.

Growth could slow more sharply than expected as labour markets cool, and deviations from the expected smooth disinflation path could trigger disruptions in financial markets.

On the upside, the recovery in real incomes could provide a stronger boost to consumer confidence and spending, and further oil price declines would hasten disinflation.
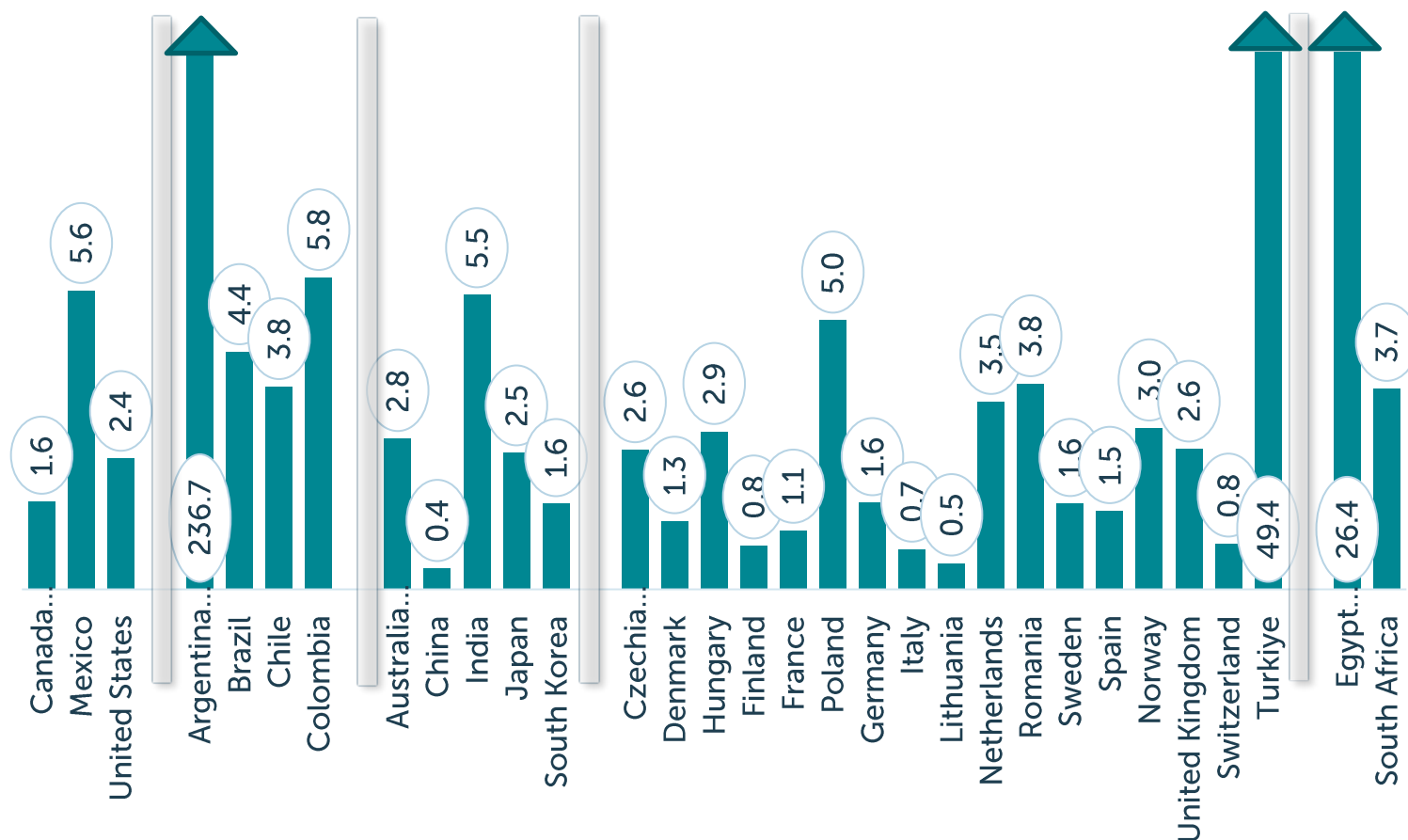
(OECD)

GDP Growth Projections (YoY % change)

Source: IMF via Macrobond

Legend: ○ 2023   △ 2024   ◻ 2025

Data values shown: WORLD 3.3; Canada 2.4; Mexico 1.6; United States 1.9; LatAm Total 2.7; Argentina 5.0; Brazil 2.4; Asia Total 5.1; Australia 2.0; China 4.5; India 6.5; Japan 1.0; EU total 1.8; Euro Area 1.5; Germany 1.3; France 1.3; Italy 0.9; Netherlands 1.5; Poland 3.5; Spain 2.1; United Kingdom 1.5; Switzerland 1.3; Turkey 2.7; Egypt 4.1; South Africa 1.2

Regions: NORTH AMERICA, SOUTH AMERICA, ASIA, EUROPE, AFRICA

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Inflation Continues Decreasing; Persists In Argentina, Turkey & Egypt

Inflation is projected to return to target in most G20 countries by the end of 2025. Headline inflation is projected to ease from 5.4% in 2024 to 3.3% in 2025 in the G20 economies.

Sample Averages (excl. AG, TR, EG):
September '24: 2.6%
September '23: 5.0%

Inflation Rate – September 2024 or latest available (YoY % change)

Country	Value
Canada...	1.6
Mexico	5.6
United States	2.4
Argentina...	236.7
Brazil	4.4
Chile	3.8
Colombia	5.8
Australia...	2.8
China	0.4
India	5.5
Japan	2.5
South Korea	1.6
Czechia...	2.6
Denmark	1.3
Hungary	2.9
Finland	0.8
France	1.1
Poland	5.0
Germany	1.6
Italy	0.7
Lithuania	0.5
Netherlands	3.5
Romania	3.8
Sweden	1.6
Spain	1.5
Norway	3.0
United Kingdom	2.6
Switzerland	0.8
Turkiye	49.4
Egypt...	26.4
South Africa	3.7

Source: IMF via Macrobond
Sample average calculation: simple average across listed countries

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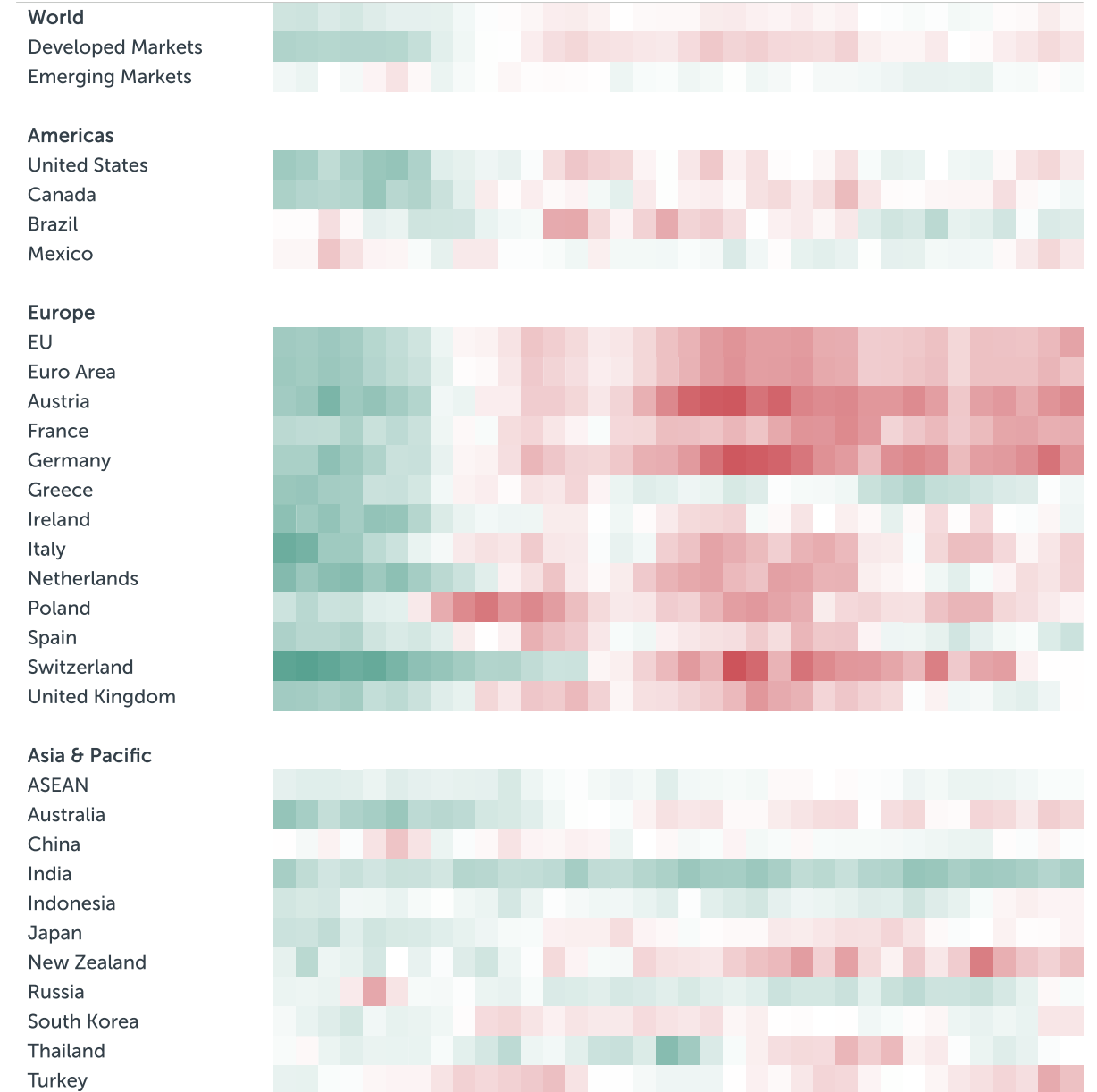LEADING IN A CHANGING WORLD OF WORK

Manufacturing PMI

This chart presents the Purchasing Managers' Indices (PMIs) for the past three years, with green boxes indicating expansion and red boxes indicating contraction.

During the central banks' hiking cycle, it is crucial for policymakers and the market to consider the spill-over effects of efforts to combat inflation. The impact of these interest rate hikes extends beyond immediate financial adjustments, influencing various sectors of the economy.

PMI numbers indicate that these hikes have created significant challenges for both the economy and companies. Increased borrowing costs and tightened financial conditions have slowed down business activities, reduced consumer spending, and strained corporate profitability. This underscores the importance of balancing inflation control with potential negative consequences on economic growth and stability.

World Manufacturing PMI Heatmap
Recent 3 years: from Nov-21 to Oct-24 (left to right); green: PMI > 50, red: PMI < 50

World
Developed Markets
Emerging Markets

Americas
United States
Canada
Brazil
Mexico

Europe
EU
Euro Area
Austria
France
Germany
Greece
Ireland
Italy
Netherlands
Poland
Spain
Switzerland
United Kingdom

Asia & Pacific
ASEAN
Australia
China
India
Indonesia
Japan
New Zealand
Russia
South Korea
Thailand
Turkey

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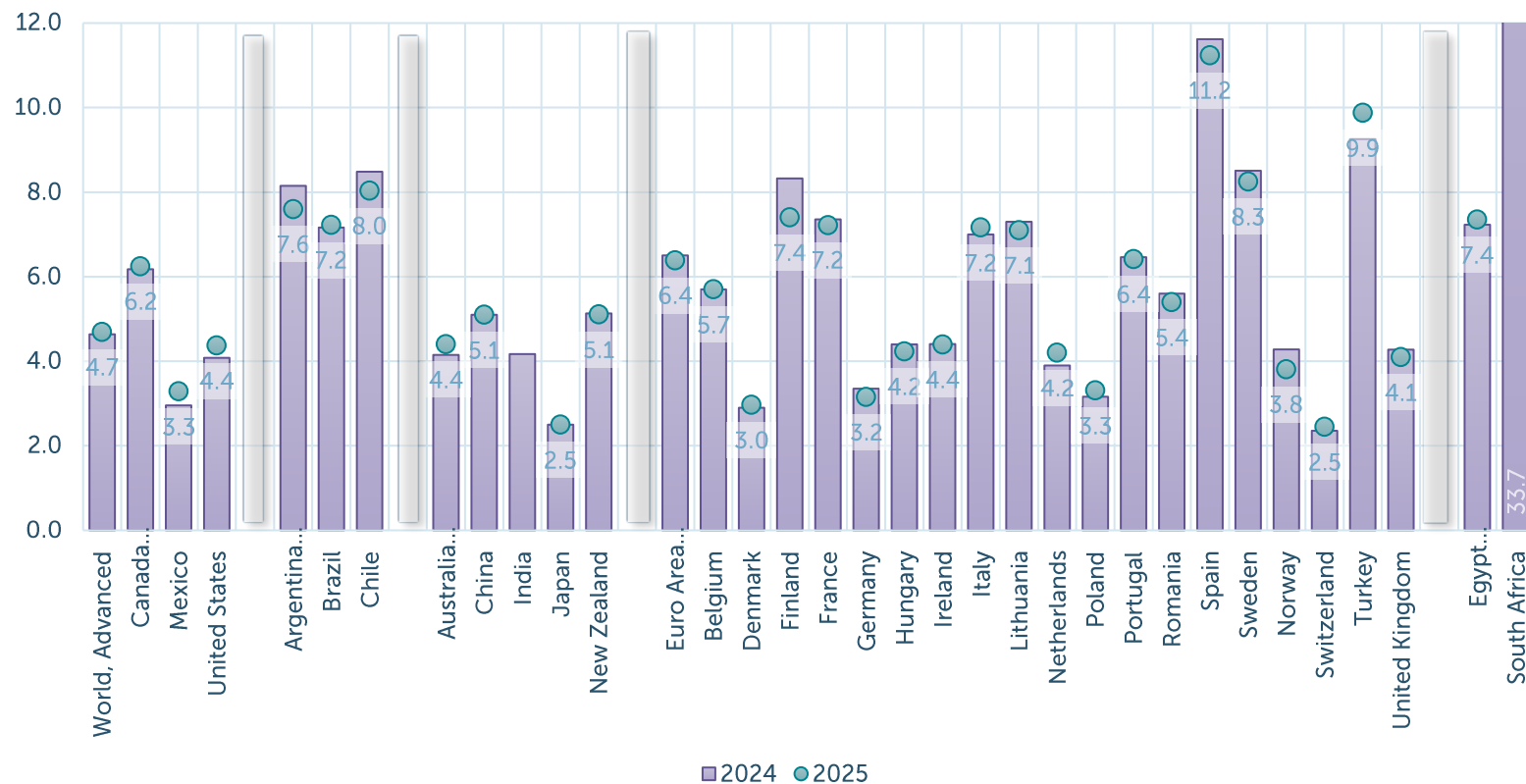The Voice of Labour Market Enablers

MACROBOND

Pressures on labour market are easing

Labour market pressures have continued to ease. The number of job vacancies has fallen steadily from peak levels observed during the pandemic. Survey measures of labour shortages have also continued to moderate in many major advanced economies.

Unemployment has risen since the beginning of 2024 in the United States, Canada, Türkiye, India and South Africa. In part this reflects moderating demand, but rising labour supply has also been a key element, often reflecting stronger immigration flows.

(OECD)

Unemployment Rate Projections (YoY % change)

Legend: ■ 2024 ● 2025

Source: IMF WEO via Macrobond
For India: Central Intelligence Agency

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Unfilled Job Vacancies

Quarterly dynamics of GDP and Unfilled job vacancies (YoY % change and % respectively) – Q1 2019 to Q2 2024

■ Change in total unfilled job vacancies (%, rhs)
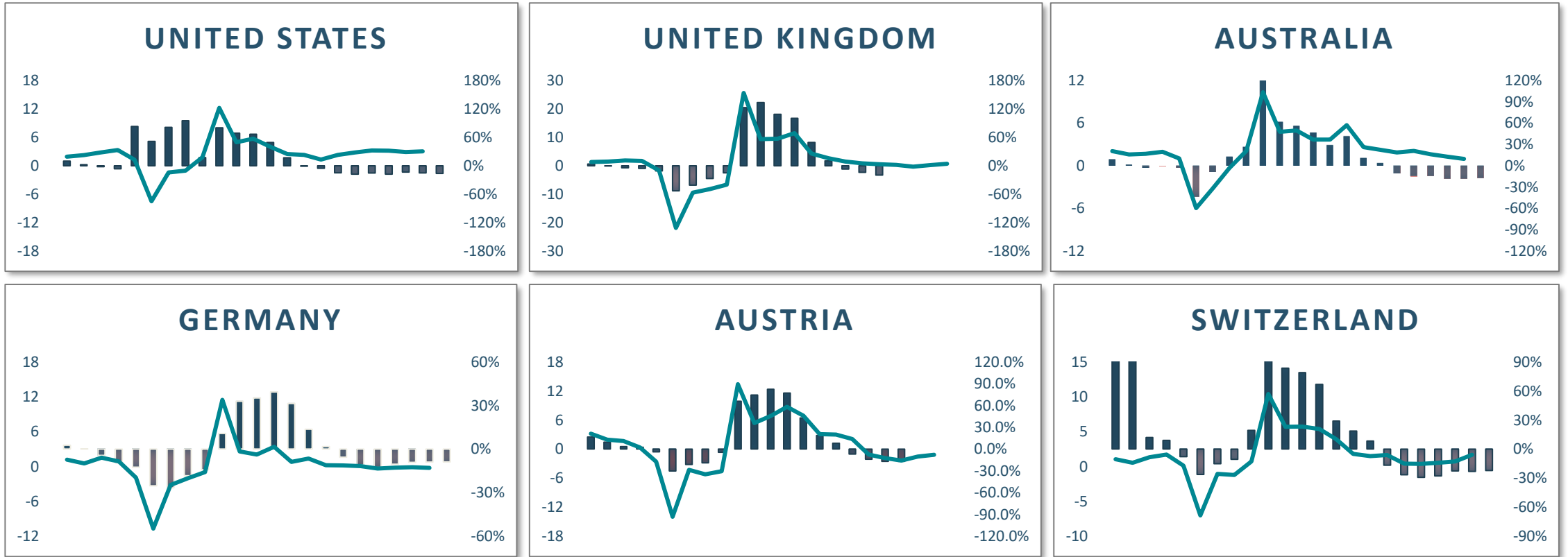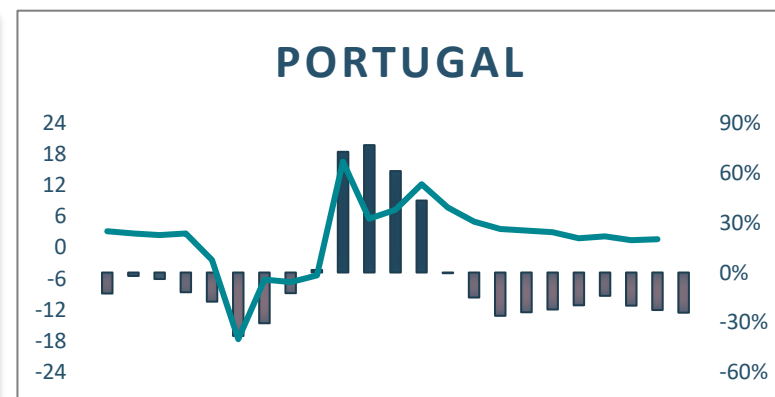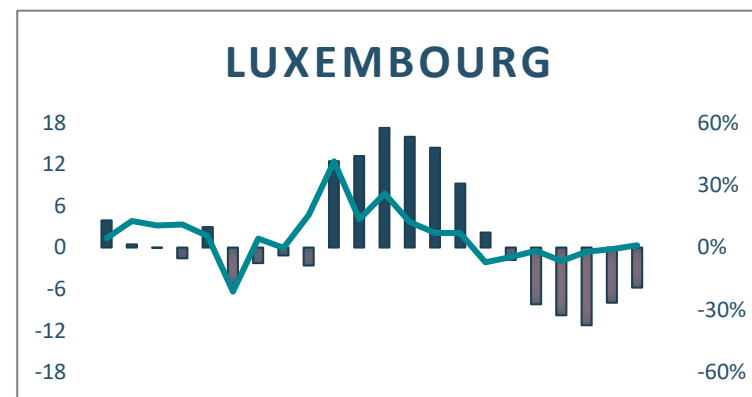— Quarterly GDP dynamics

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

Unfilled Job Vacancies

Quarterly dynamics of GDP and Unfilled job vacancies (YoY % change and % respectively) — Q1 2019 to Q2 2024

- Change in total unfilled job vacancies (%, rhs)
- Quarterly GDP dynamics

FINLAND · SWEDEN · LUXEMBOURG · PORTUGAL

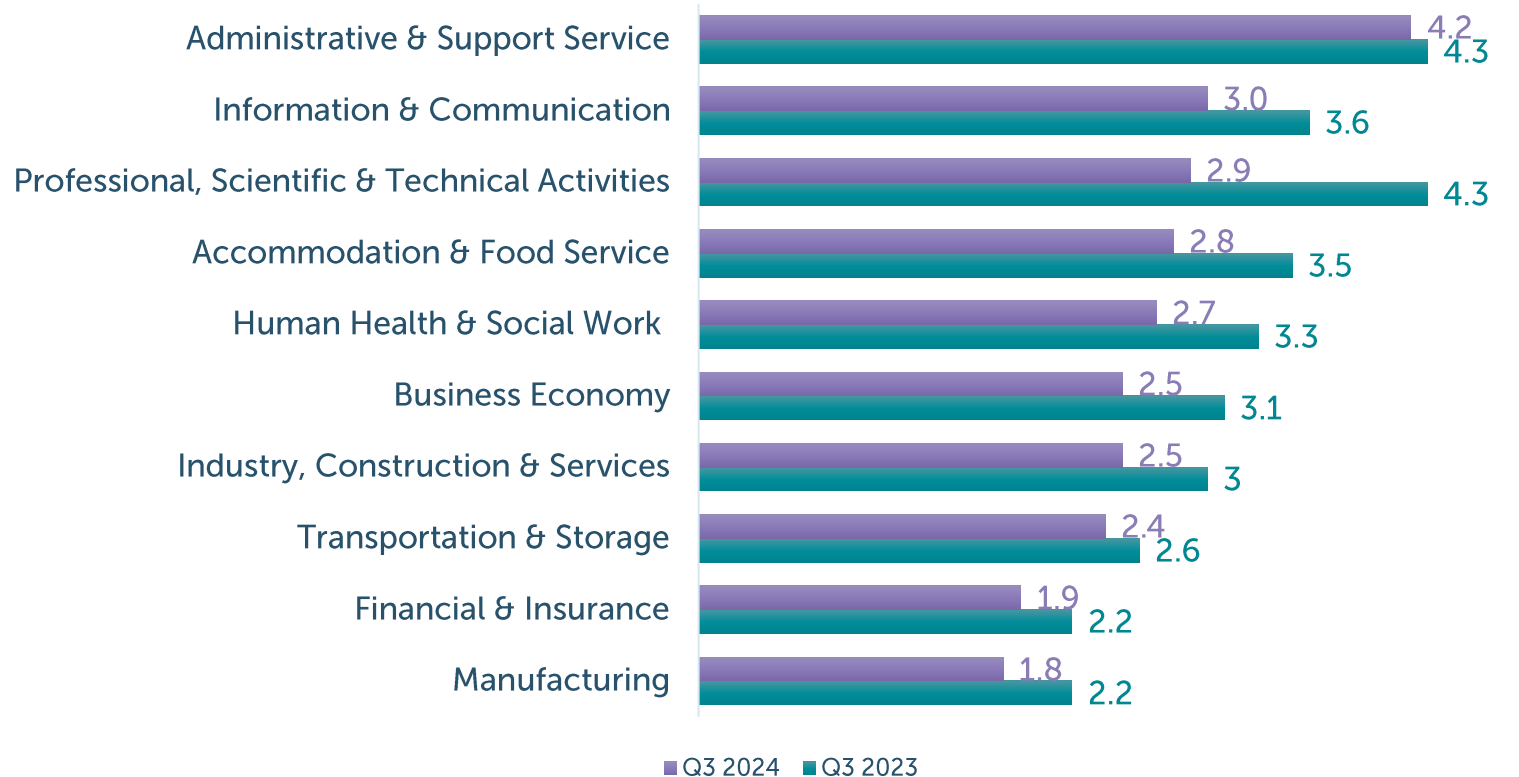Source: Eurostat; BLS; ONS; ABS; own calculations
Note: Job vacancy rates for the EU include "Industry, construction and services"
Note: vacancy rate = number of vacancies / (number of vacancies + number of occupied posts) * 100

Labour Shortages by economic sector

EU-20 job vacancy rates continued easing in Q3 2024 across all economic sectors.
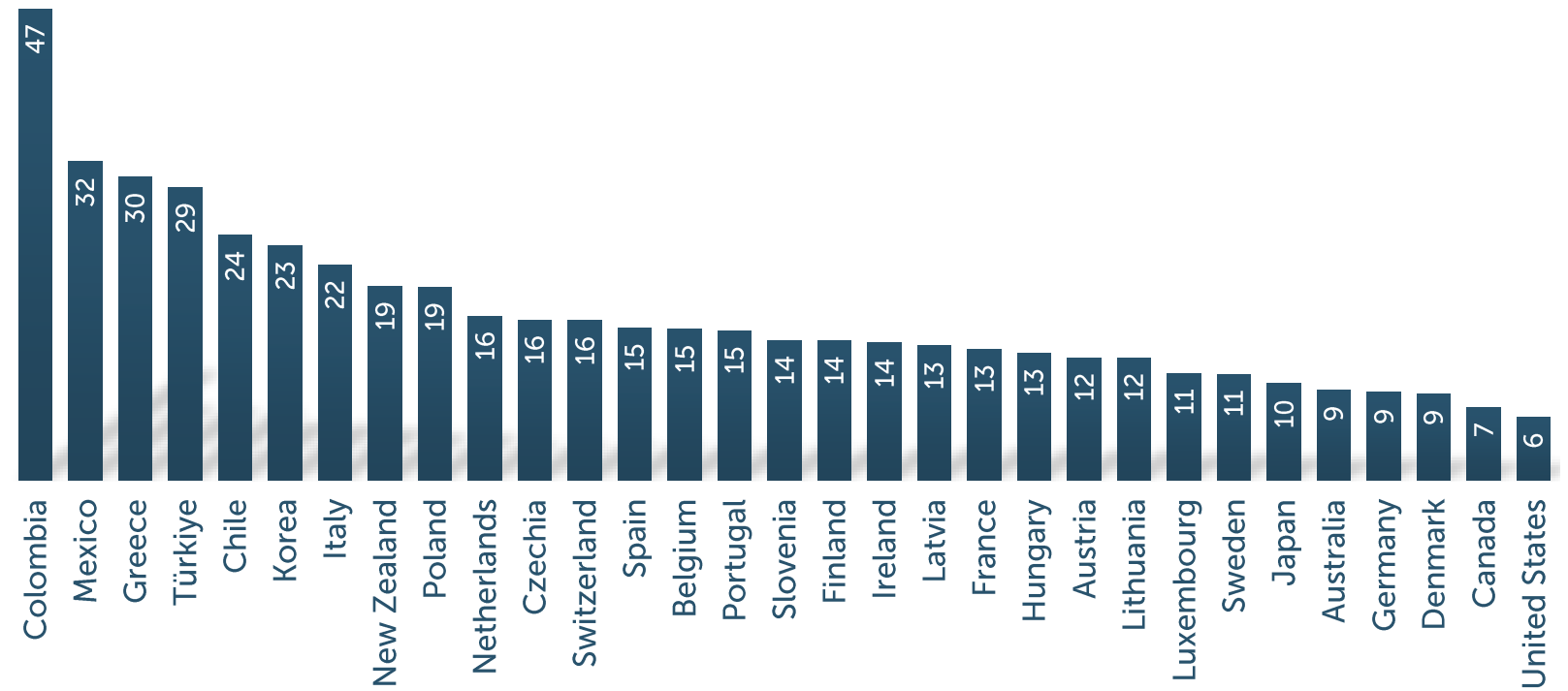
Job vacancy rates in the EU (%)

Sector	Q3 2024	Q3 2023
Administrative & Support Service	4.2	4.3
Information & Communication	3.0	3.6
Professional, Scientific & Technical Activities	2.9	4.3
Accommodation & Food Service	2.8	3.5
Human Health & Social Work	2.7	3.3
Business Economy	2.5	3.1
Industry, Construction & Services	2.5	3
Transportation & Storage	2.4	2.6
Financial & Insurance	1.9	2.2
Manufacturing	1.8	2.2

■ Q3 2024   ■ Q3 2023

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

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Self-employment

On average, one in six-seven working people is self-employed
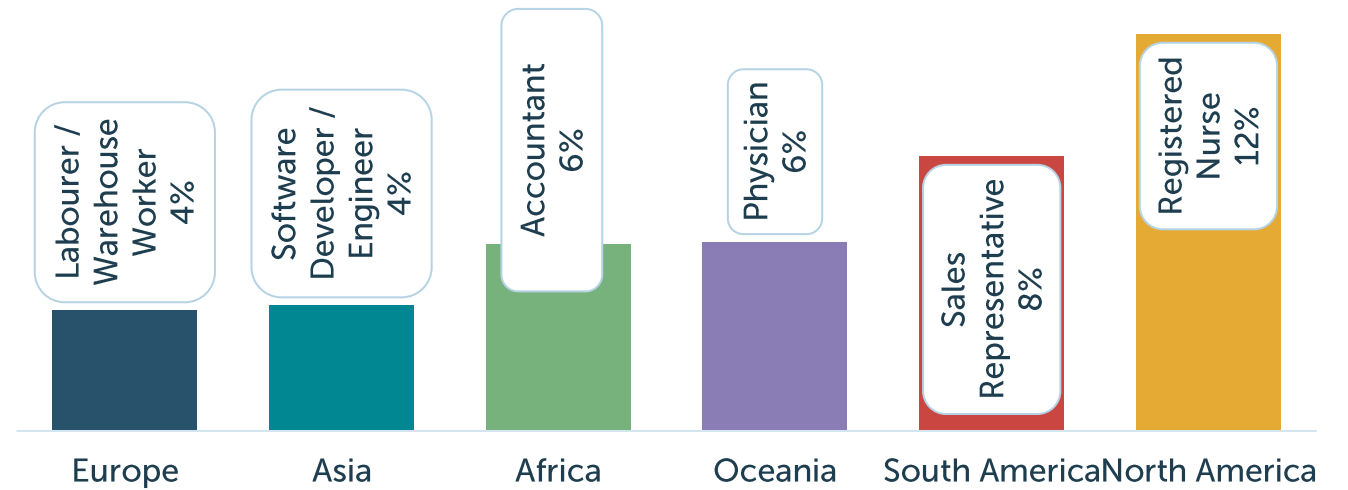
Share of self-employed (% of total employment) - 2022

Country	%
Colombia	47
Mexico	32
Greece	30
Türkiye	29
Chile	24
Korea	23
Italy	22
New Zealand	19
Poland	19
Netherlands	16
Czechia	16
Switzerland	16
Spain	15
Belgium	15
Portugal	15
Slovenia	14
Finland	14
Ireland	14
Latvia	13
France	13
Hungary	13
Austria	12
Lithuania	12
Luxembourg	11
Sweden	11
Japan	10
Australia	9
Germany	9
Denmark	9
Canada	7
United States	6

Sources: OECD

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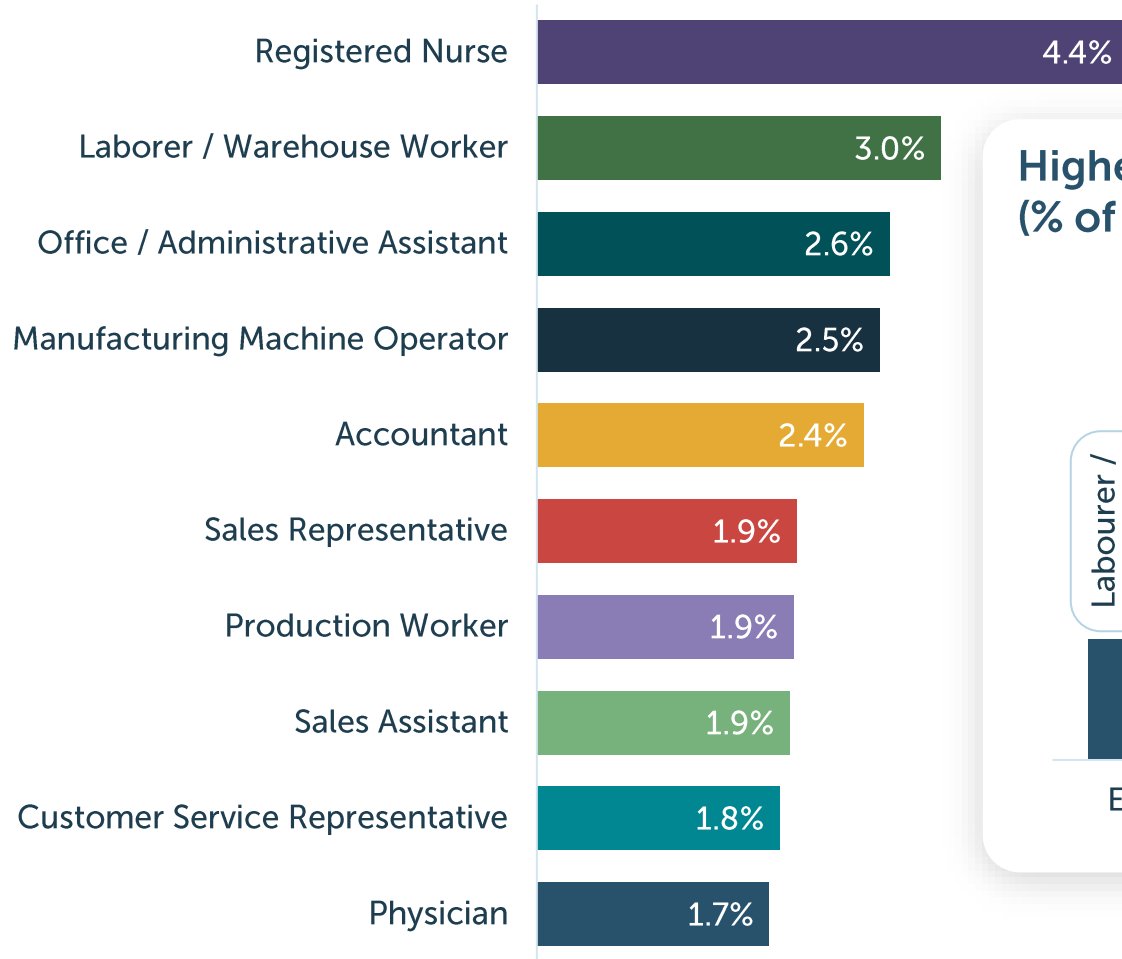
Top 10 Hardest-to-Fill Occupations

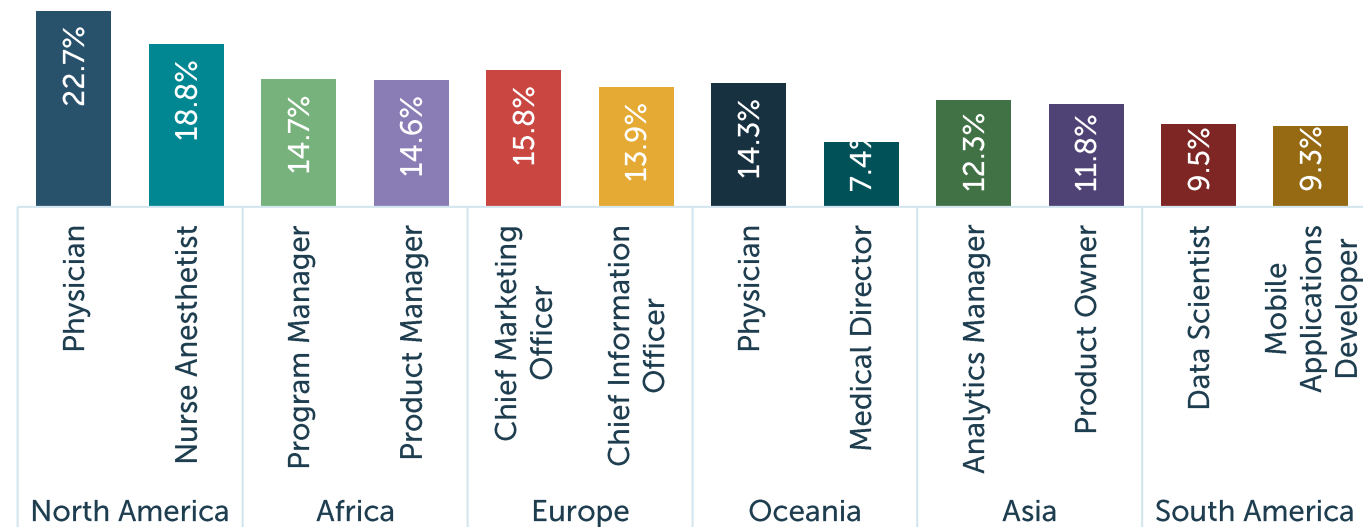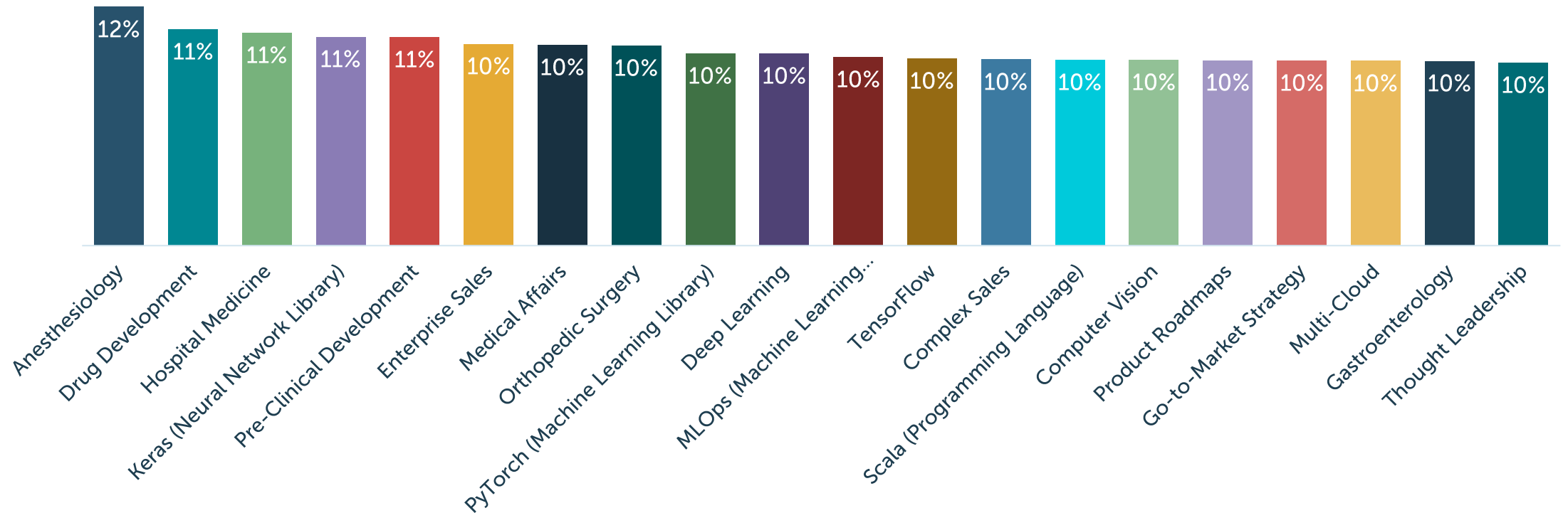## Top 10 Occupations By Difficulty-To-Fill Via Online Job Posts Globally — Q3 2024
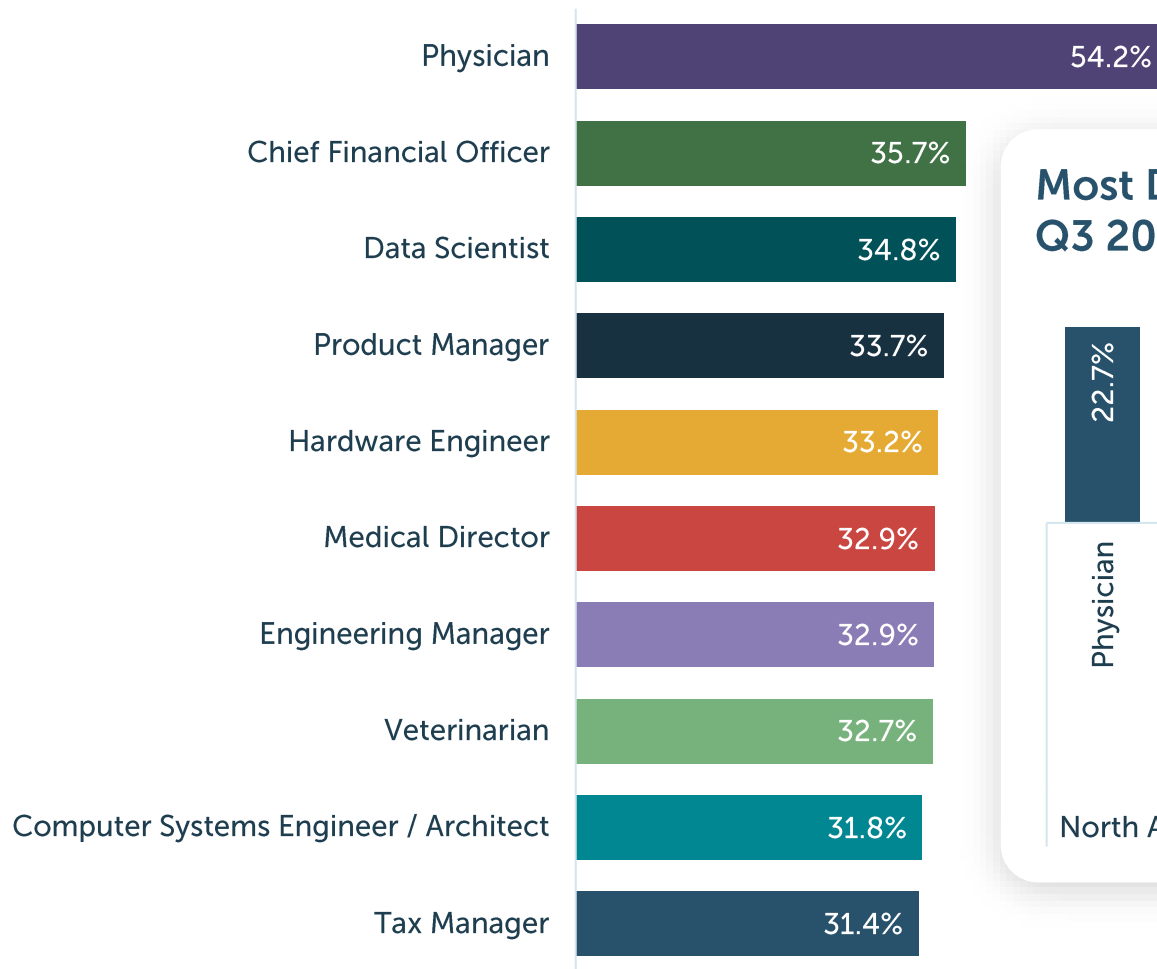
* The Difficulty-To-Fill index (on a scale from 0 to 100%) is the average number of days it takes to fill a job vacancy that requires a given skill, weighted by the difference between the average salary for that job and the offered salary (a skill-enhanced "salary premium").

Occupation	Difficulty-To-Fill
Physician	54.2%
Chief Financial Officer	35.7%
Data Scientist	34.8%
Product Manager	33.7%
Hardware Engineer	33.2%
Medical Director	32.9%
Engineering Manager	32.9%
Veterinarian	32.7%
Computer Systems Engineer / Architect	31.8%
Tax Manager	31.4%

Most Difficult Professions To Find By Geographical Region - Q3 2024

Region	Profession	Value
North America	Physician	22.7%
North America	Nurse Anesthetist	18.8%
Africa	Program Manager	14.7%
Africa	Product Manager	14.6%
Europe	Chief Marketing Officer	15.8%
Europe	Chief Information Officer	13.9%
Oceania	Physician	14.3%
Oceania	Medical Director	7.4%
Asia	Analytics Manager	12.3%
Asia	Product Owner	11.8%
South America	Data Scientist	9.5%
South America	Mobile Applications Developer	9.3%

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Top Hardest-to-Find Skills

Top 20 Hardest-To-Find Skills Globally Via Online Job Postings – Q3 2024

Skill	Value
Anesthesiology	12%
Drug Development	11%
Hospital Medicine	11%
Keras (Neural Network Library)	11%
Pre-Clinical Development	11%
Enterprise Sales	10%
Medical Affairs	10%
Orthopedic Surgery	10%
PyTorch (Machine Learning Library)	10%
Deep Learning	10%
MLOps (Machine Learning…	10%
TensorFlow	10%
Complex Sales	10%
Scala (Programming Language)	10%
Computer Vision	10%
Product Roadmaps	10%
Go-to-Market Strategy	10%
Multi-Cloud	10%
Gastroenterology	10%
Thought Leadership	10%

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* 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").
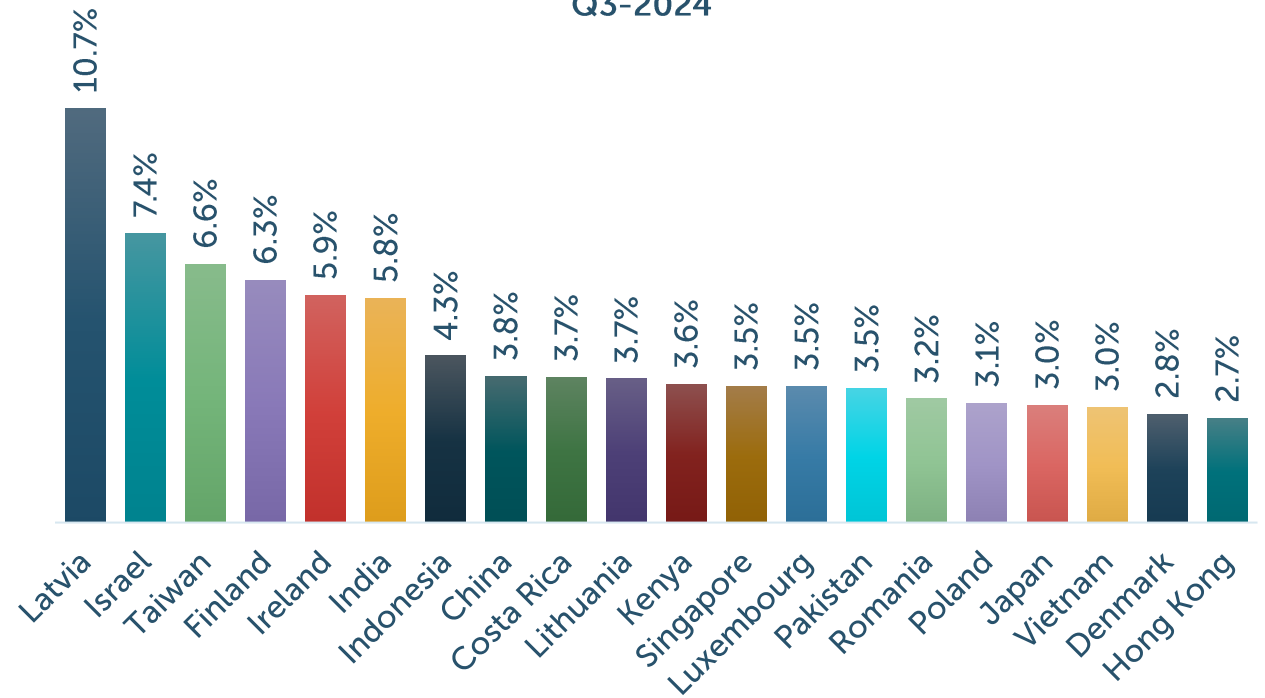
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AI-Index
of Online Job Postings

AI-Index of Online Job Postings – Q3 2024

AI Index by Geographical Region
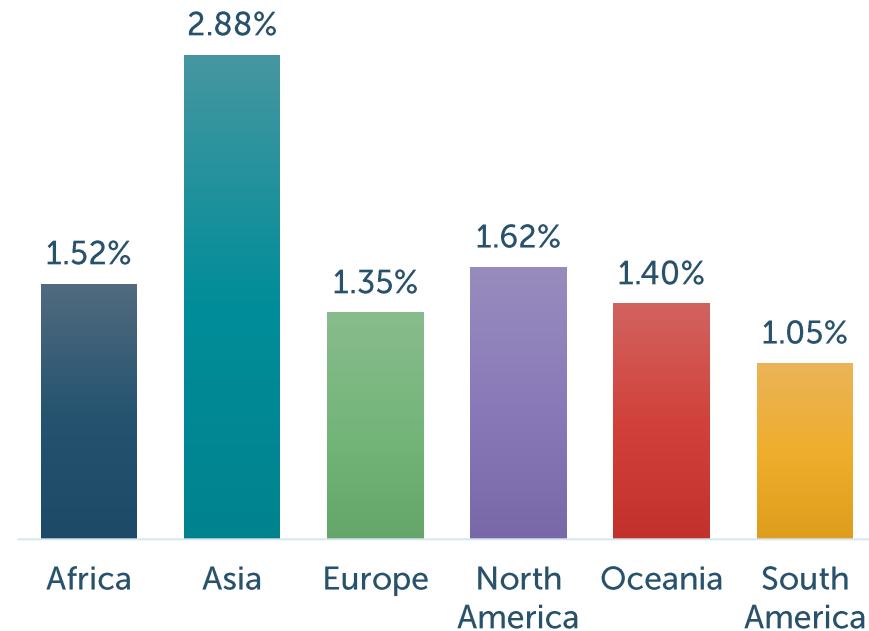
Top 20 Countries with the highest demand for AI related skills Q3-2024

- <u>The AI Index</u> is the ratio of the number of job postings with at least one AI-related skill to the total number of unique job postings in a specific area for a specific period.
- An AI Index close to 1 (or 100%) indicates a high prevalence of AI-related skills in job postings, suggesting strong demand for AI expertise in that area or period. The reverse is true for an AI Index close to 0. Usually the number is around 2-5%.

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