ciett

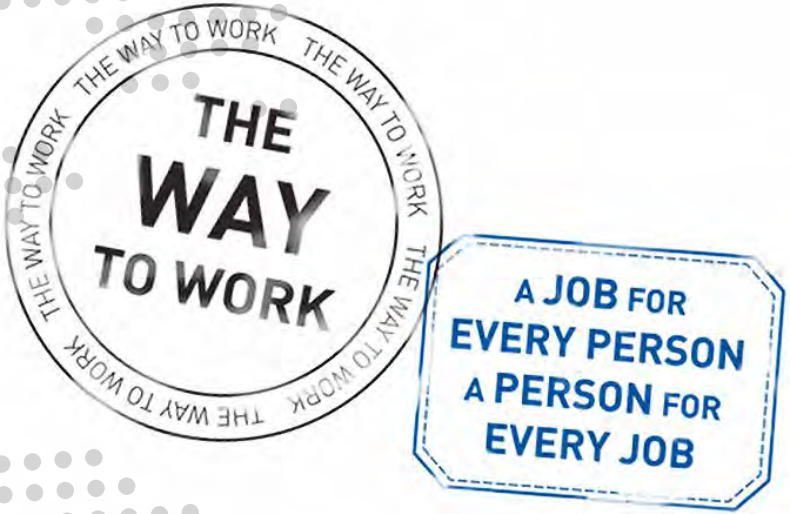
International Confederation of Private Employment Agencies

The AGENCY WORK INDUSTRY around the WORLD

Economic Report

2013 Edition

(based on figures available in 2011)



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INTRODUCTION

In 2011, the global agency work industry continued in its recovery from the economic downturn that started in the USA in 2007, and quickly spread to the rest of the world. The return to growth was witnessed in most countries which report activity of private employment services, however growth was stronger in some countries than in others and available information from 2012 suggests a downward trend for the industry in Europe, in line with changes witnessed in GDP.

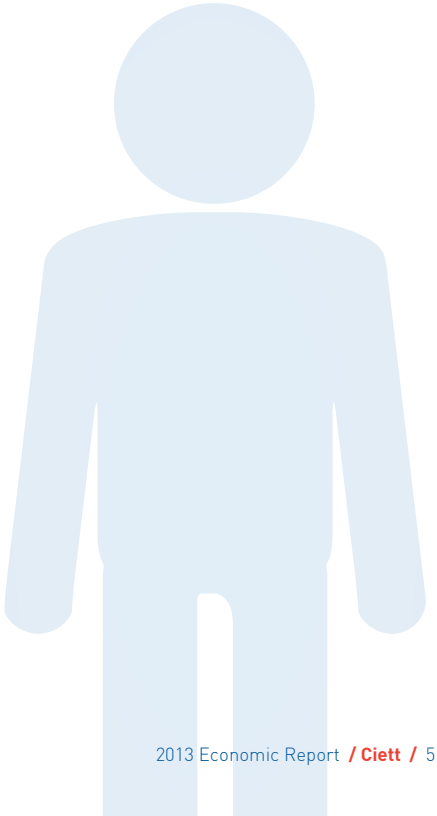
46 million people worked as agency workers in 2011, equivalent to 12.4 million full time jobs[1]. In parallel, global total annual sales revenues amounted to €259 billion[2]. This report provides information on the latest industry trends witnessed in 2012 as well as a more comprehensive picture of the agency work industry in 2011 around the world.

Where most markets witnessed growth throughout 2011, the industry in Europe began to decline in the first quarter of 2012 and continued to decline in Japan. The industry in the United States, the single largest market for agency work worldwide, continued to see positive growth throughout 2011 and 2012. Agency work plays - and still has the potential to play further - a valuable role in making labour market transitions happen: from unemployment to work; from education to work; from job to job; from temporary to permanent jobs; and for specially helping specially selected target groups; within and to the labour market. Agency work creates jobs that would not otherwise exist, enhancing companies' competitiveness and workers' employability, thereby promoting a labour market that corresponds better to people - and companies' - needs and aspirations.

In global markets, continuing to deal with the crisis, agencies serve as career agents for workers, showing them the way to work by immediately identifying job vacancies, providing training, and aiding their desired labour market transitions. With the right regulatory framework in place, private employment services benefit labour markets by minimising the time lag between economic upturns and job creation, reducing structural and frictional unemployment and decreasing the effect of labour market segmentation. In addition private employment services improve labour market intelligence and can contribute to evidence based policy.

The way to work; a job for every person, a person for every job is the vision for the global private employment services industry. It reflects the industry's unique position in building better labour markets and providing work opportunities and hope to millions of people every day.

1. based on data from 43 countries
2. based on data from 42 countries



AGENCY WORK PENETRATION RATE

1.6% EUROPE / **1.8%** USA / **1.5%** JAPAN

46 million individuals *employed as agency workers in 2011, equivalent to 12.4 million full time workers*

- **140,000** PRIVATE EMPLOYMENT AGENCIES
- **179,000** BRANCHES
- **€259 BILLION** TOTAL ANNUAL SALES REVENUE
- **863,000** INTERNAL STAFF

THE KEY FACTS AND FIGURES (2011)

The players

- There are 140,000 private employment agencies[3] and 179,000 branches[4] worldwide, employing 863,000 internal staff
- The total annual sales revenues of the top 10 private employment agencies worldwide accounted for 30% of the total agency work market
- The global total annual sales revenues amounted to €259 billion[5]
- The USA has the largest market share of the industry, with 23% of total annual sales. Japan represents 17% of the global agency work market, followed by the UK at 11%
- Europe is the leading regional entity by total annual sales revenues, accounting for 41% of global total annual sales revenues

Agency workers in numbers

- 12.4 million agency workers in full-time equivalents were employed by private employment agencies across the globe[6]
- The agency work penetration rate is 1.5% in Japan, 1.6% in Europe[7] and 1.8% in the USA
- On average agency workers work around half the number of hours as full-time permanent employees[8]
- Most agency work assignments are more than one month long

The profile of agency workers

- 57% of agency workers in Europe are aged less than 30[9]
- 77% agency workers have at best finished their secondary education[10]
- Agency workers are employed in a wide range of sectors represented most strongly in services and manufacturing

3. based on data from 39 countries
4. based on data from 30 countries
5. based on data from 43 countries
6. based on data from 42 countries
7. based on data from 29 countries. If Russia is included in calculations, penetration rate for Europe would be 1.2%
8. based on data from 31 countries
9. based on data from 24 countries
10. based on data from 22 countries

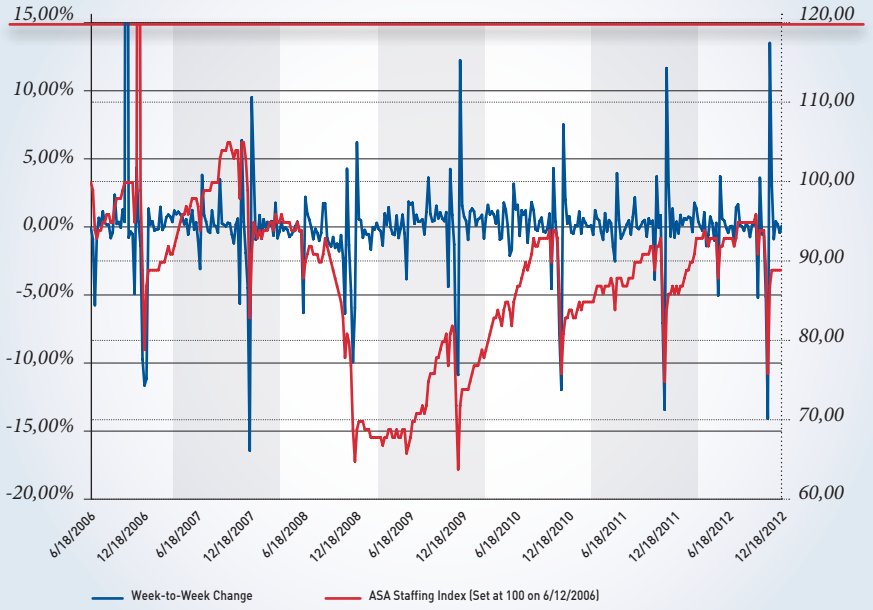
THE AGENCY WORK INDUSTRY LATEST TRENDS 2012

US: trends for agency work in 2012 are positive

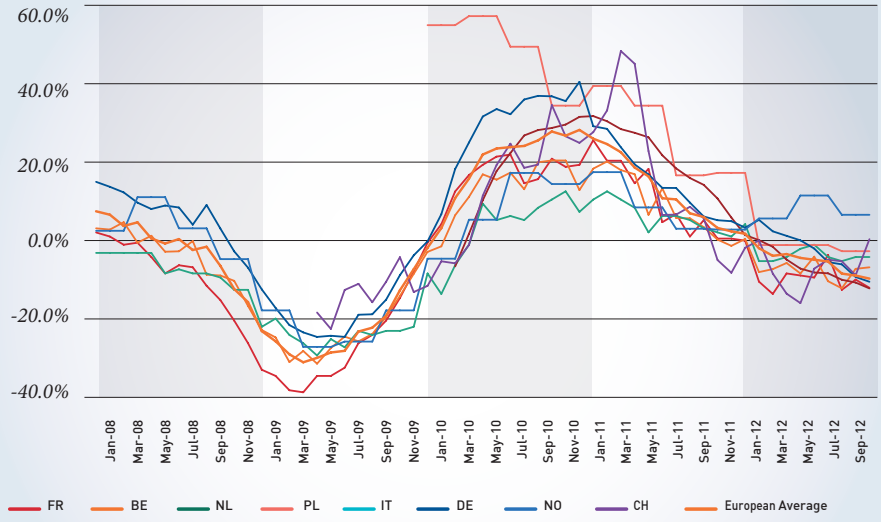
The agency work industry in the US grew gradually throughout 2011 and continued to do so in 2012. The industry in the USA was at its lowest point for during the first six months of 2009 and has been in recovery since that time. US staffing companies employed an average of 2.95 million temporary and contract workers per business day during the third quarter of 2012, which represents a 4.3% increase over the third quarter of 2011.

Source: American Staffing Association 2012

US staffing employment index since 2006



Evolution of number of hours worked by agency workers (year on year)



Note: The weighted European Average is the year on year change of agency workers in full-time equivalent employment on a daily basis (except where noted otherwise). The weighted average determined by the surveyed countries share of the European agency work market in 2010. The countries contributing to the weighted European Average account for 54% of the agency work market in Europe.

Source: Ciett National Federations

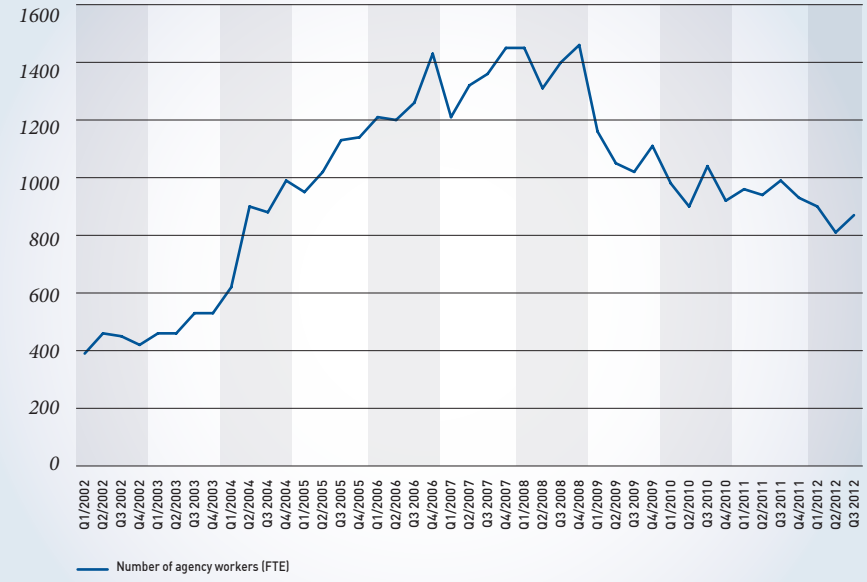
Europe: Agency work numbers in Europe fell in 2012

Eurociett, the European confederation of private employment services, has been tracking the number of hours worked by agency workers in the region since 2008. Year on year figures show a decline in the industry beginning in 2008 and continuing through to the second quarter of 2010. The industry was in recovery from the middle of 2010 until the early months of 2012 when the number of hours worked in Europe began to decline again. This fall in hours worked continued throughout the year. As 2012 progressed, the decline of the industry in the region gained pace, however the decline was not as marked as in 2009.

Japan: Agency work continued to decline in 2012.

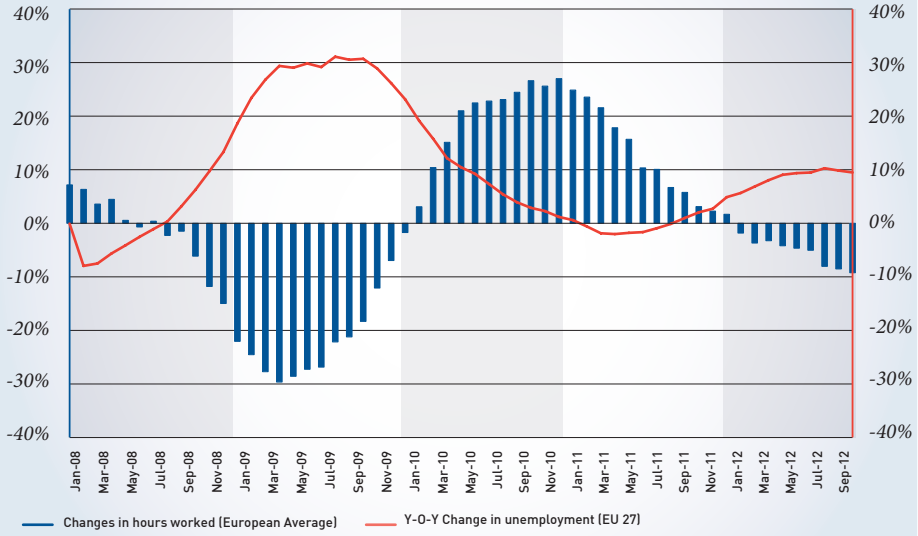
Agency work in Japan reached nearly 1.5 million full time equivalent workers in the 4th quarter of 2008. With the economic crisis and more restrictive regulations on the use of dispatched (agency) workers, numbers have fallen to 930 thousand for the full year of 2011 and below that figure in the first three quarters of 2012.

Japan: Number of agency workers '000 (FTE)



Source: Japan Ministry of Public Management, Home Affairs, Posts and Telecommunications

Evolution of number of hours worked by agency workers in Europe (year on year) versus average EU 27 unemployment change (year on year)



Source: Ciett national federations, Eurostat

Europe: Agency work is a bellweather of the employment situation.

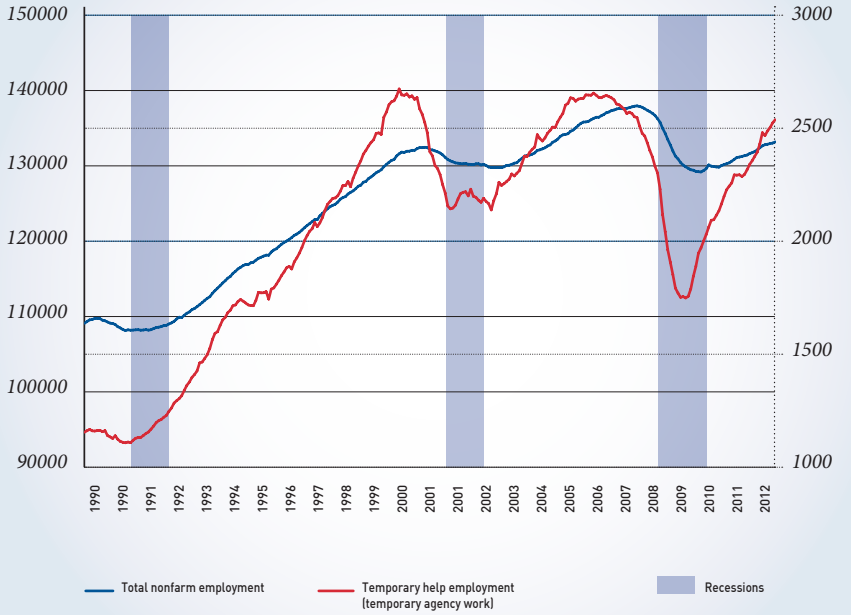
Agency work is a leading coincidental economic indicator, with changes in the number of agency workers employed foreshadowing developments in labour markets at large. Agency worker jobs are often the first positions to be lost during economic decline and conversely are some of the first jobs to be created in economic upswings. Latest available data (September 2012) showed EU unemployment levels rose by +8.9% compared with the same period in 2011. At the same time agency work posted -9.2% negative growth in hours worked. Recent months have reported lower numbers of agency workers, while at the same time, year on year unemployment levels have risen.

US: Agency work reacts to labour market demand first

"Peaks and troughs in temporary help services (temporary agency work) generally have led those of total nonfarm employment. Temporary help services employment reached a local high in March 1990, three months before nonfarm employment peaked; both series reached a trough in May 1991." [11] The BLS seasonally adjusted data shows high agency work job growth first detected again in September 2009, six months before nonfarm employment began an upward trend in March 2010 which continued through to 2012.

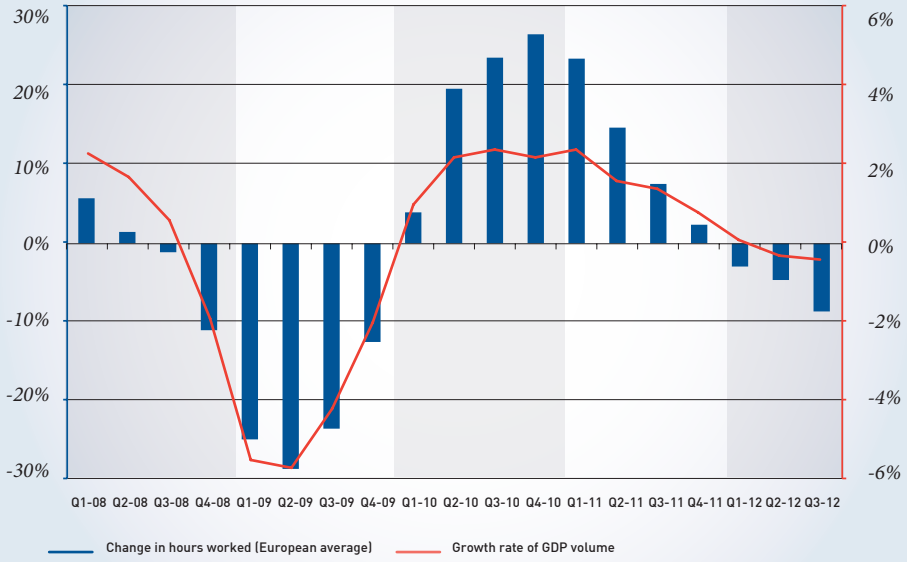
11. Source: U.S. Bureau of Labour Statistics

Employment, seasonally adjusted '000



Source: US Bureau of Labour Statistics

Evolution of number of hours worked by agency workers (year on year) versus EU 27 GDP growth rate (year on year)



Source: Ciett national federations, Eurostat

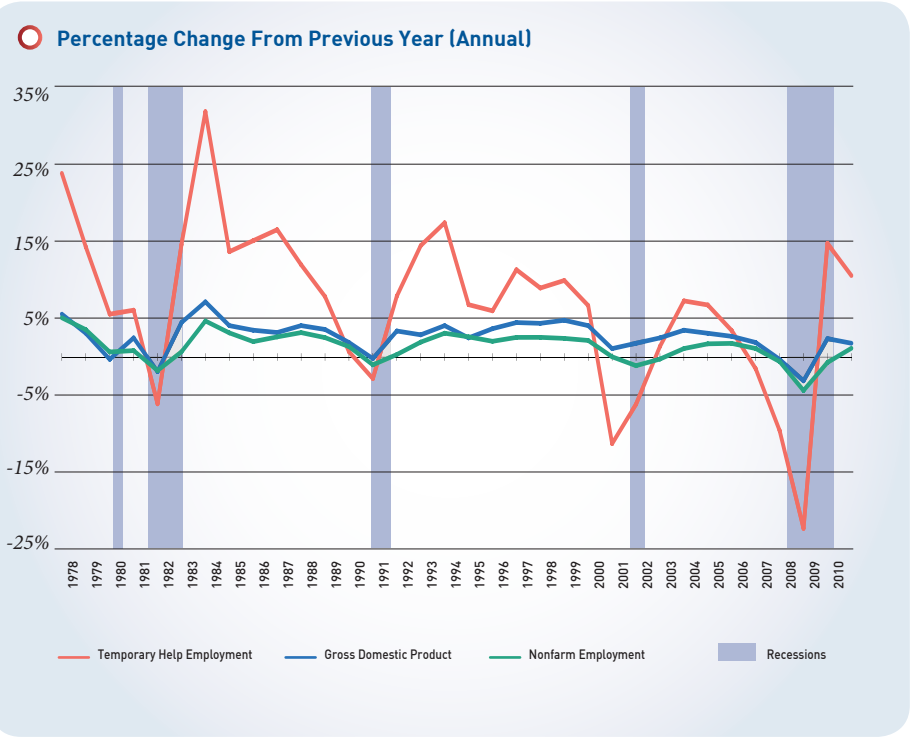
Europe: The use of agency work mirrors the behaviour of the economy at large

A direct correlation between variations in GDP and the level of use of agency work is well documented. In years of growth, the supply and demand of agency workers increase proportionally, and diminish when the economy falters. As a precise indicator of the economic situation, the evolution of the agency work industry is therefore monitored as such, as private employment agencies are among the first actors to feel the impact of economic changes. In Q3 of 2012, Europe measured a year on year decline in hours worked by agency workers of -8.6%. In the same period the year on year EU 27 GDP growth was also declined by -0.4%. These figures show a continuing pattern between the year on year growth rate of EU 27 GDP and evolution of the number of hours worked by agency workers in Europe.

US: Agency work is a coincidental economic indicator

Data from the United States illustrates the agency work industry's position as a leading coincidental economic indicator. Changes in temporary agency work occur concurrently with the evolution of GDP and ahead of movement in the labour market at large (represented in the chart opposite as non-farm labour). Agency work jobs are especially sensitive to the ebbs and flows of the economy. As the economy contracts, the number of staffing jobs dramatically declines. As the economy expands, the number of staffing jobs quickly rises. This is especially true when the economy pulls out of a recession.[12]

12. Source: American Staffing Association, 2012



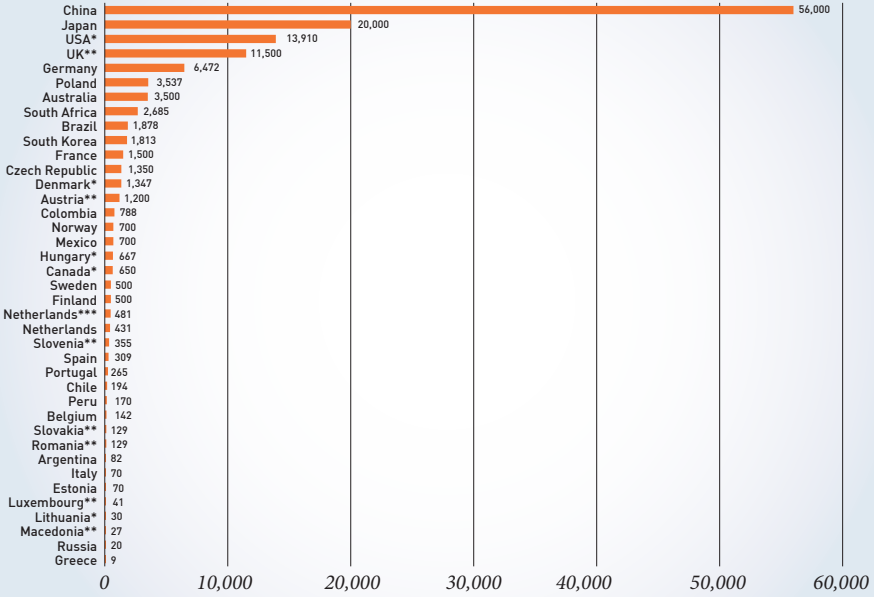
The PLAYERS

140,000 private employment agencies are operating around the world

In 2011 there was 140,000 private employment agencies globally[13]. The Asia/Pacific region accounts for 61% of all private employment agencies (PrEAs). Europe representing 24% of all PrEAs, and with North America accounting for 11%. China, Japan and the USA are the top three countries in terms of number of PrEAs, accounting collectively for 67% of all agencies worldwide. As recognised by the ILO: "Private employment agencies play an important role in the functioning of contemporary labour markets. For the past three decades, the increasing need to provide workers and services to a rapidly growing and flexible labour market has led to the spectacular development of these agencies."[14]

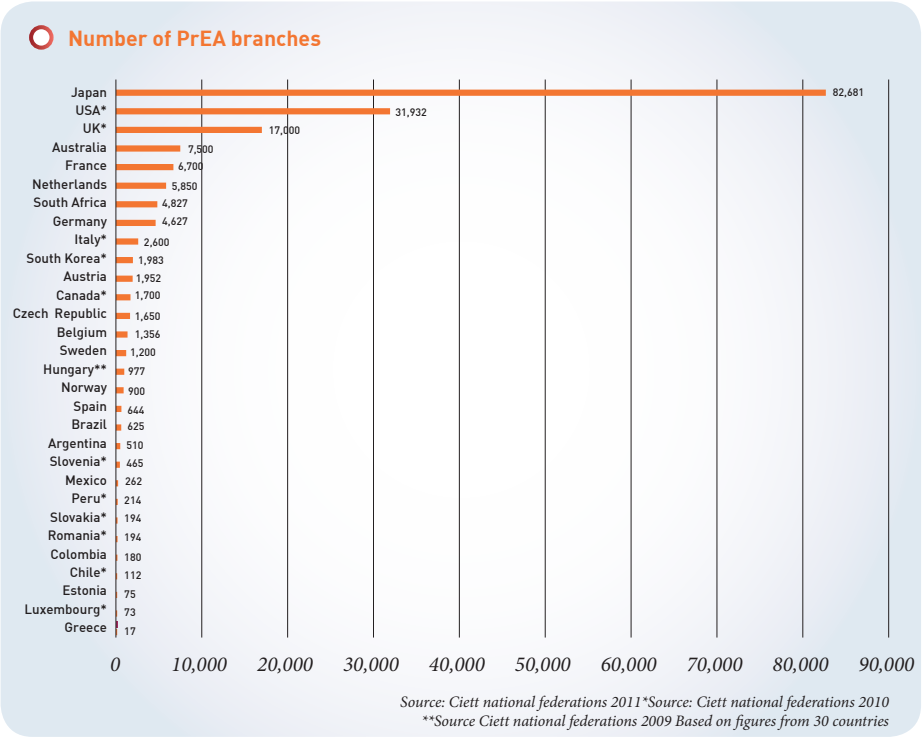
13. Based on data from 39 countries
14. Source: ILO – Private employment agencies , temporary agency workers and their contribution to the labour market, 2009

Number of private employment agencies



*Source: Ciett national federations 2011 *Source: Ciett national federations 2010 **Ciett national federations 2009 ***ABU members only represented. Based on figures from 39 countries*

20% NORTH AMERICA / **26%** EUROPE / **51%** ASIA PACIFIC



*Source: Ciett national federations 2011*Source: Ciett national federations 2010*
***Source Ciett national federations 2009 Based on figures from 30 countries*

Over 179,00 branches offer agency work around the world

In 2011 the total number of PrEA branches was 179,000[15]. The Asia/Pacific region accounting for 51%, Europe for 26%, and North America for 20%. Japan, USA and the UK are the top three countries by number of branches, accounting together for 74% of all branches worldwide.
The global average is 3 physical branches per PrEA.The "branch to PrEA" ratio varies greatly from country to country, from a staggering 37.5 branches per PrEA in Italy to fewer than one per private employment agency in Germany. This difference can be explained by the very high concentration of the Italian agency work market, characterised by a small number of large companies with an extensive network. This is in contrast to highly fragmented markets, such as Germany, characterised by a large number of PrEAs, often operating from a single local branch (some German companies operate without any branches, while there is also a number of dormant, non active agencies influencing this number).

15. Based on data from 30 countries

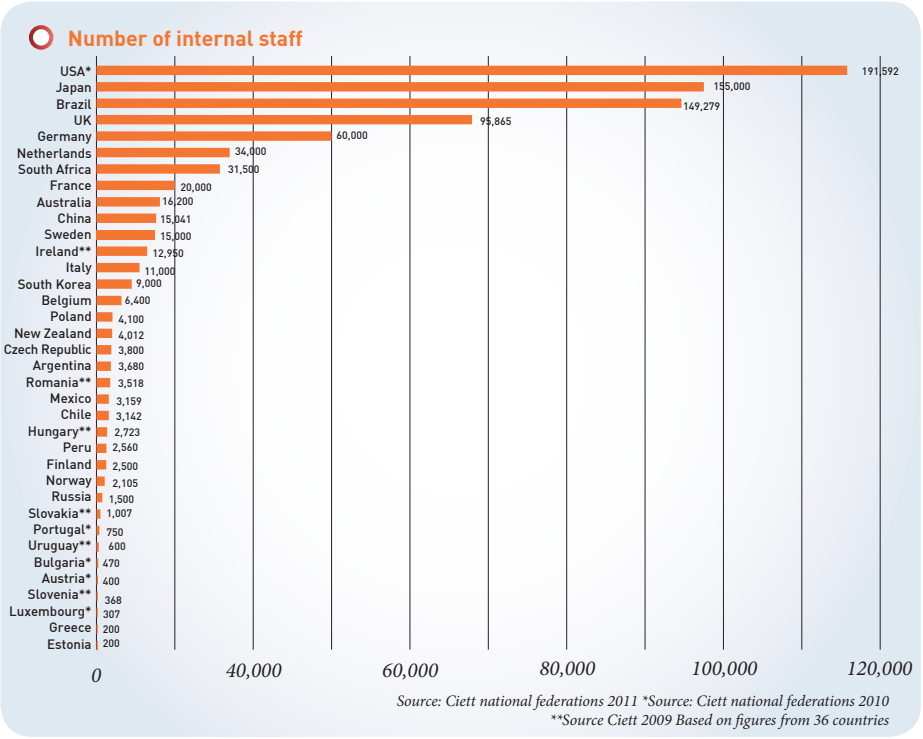
18% NORTH AMERICA / **32%** EUROPE / **23%** ASIA PACIFIC

863,000 people were employed as internal staff by agencies in 2011

863,000 people were employed as internal staff [managers, HR consultants and back-office people working in branches] by private employment agencies in 2011[16]. Europe accounts for 32%, Asia/Pacific for 23%, and North America for 18%. The top three countries in terms of internal staff are Japan, Brazil, and the USA, accounting together for 57% of all internal staff worldwide.

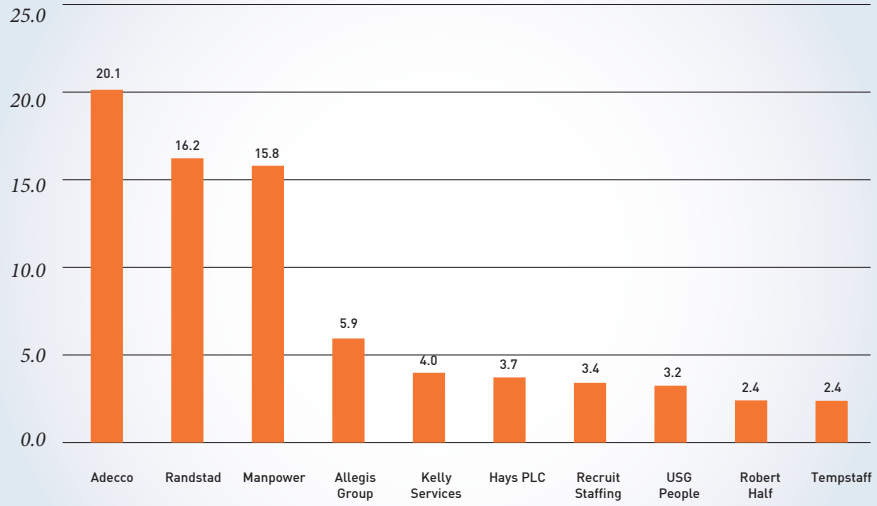
There is a global average of 4 people employed as internal staff per branch, and 10 per private employment agency This illustrates that the agency work industry is still mostly composed of small and medium-sized companies, despite the presence of several large multinationals operating worldwide.

16. Based on data from 36 countries



*Source: Ciett national federations 2011 *Source: Ciett national federations 2010*
***Source Ciett 2009 Based on figures from 36 countries*

Top 10 staffing companies in sales revenues 2011 - billion of €



Source: Staffing Industry Analysts 2012 - www.staffingindustry.com

The top 10 PrEAs worldwide accounted for 30% of global annual sales revenues in 2011

In 2011 the main global players continued their recovery from the economic crisis. Adecco maintains its position as the largest staffing company worldwide while Randstad with its acquisition of SFN in 2011 stood as the 2nd largest firm with ManpowerGroup taking its place as the third largest industry player.

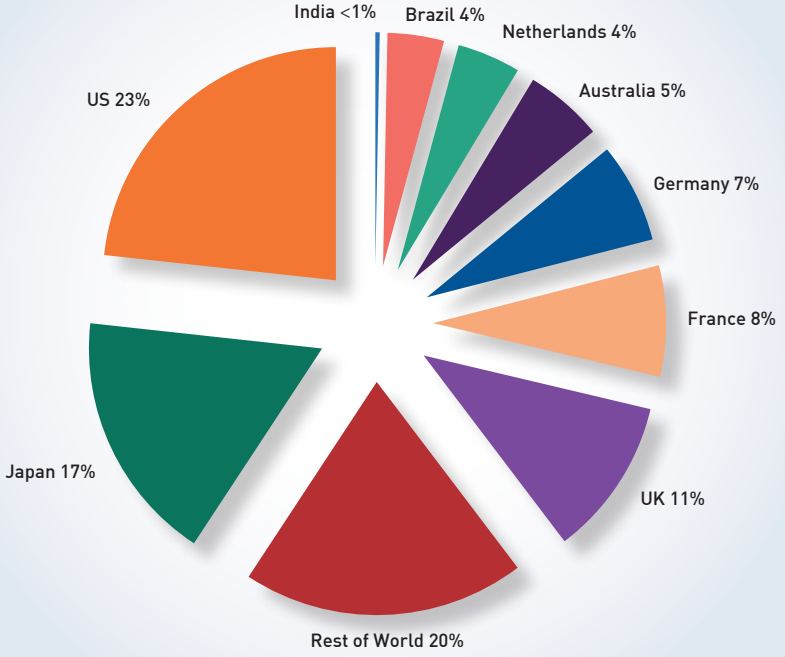
AGENCY WORK *in* NUMBERS

24% NORTH AMERICA / **41%** EUROPE / **25%** ASIA PACIFIC

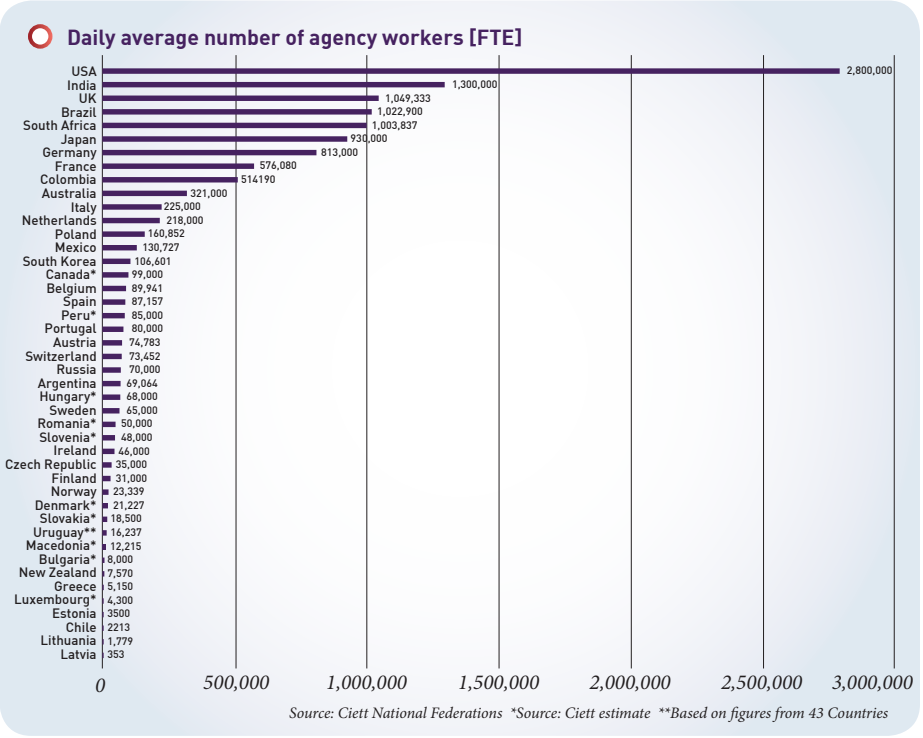
In 2011, the US and Japan are global agency work market leaders by total annual sales revenues

In 2011, the global market for agency work accounted for 259 billion Euros. The US is the world leader with 23% of global annual sales. The Japan represents 17% of the global agency work market. The UK remains the third largest market world-wide with 11% of global total annual sales revenues. From a regional perspective Europe accounts for 41% of global total annual sales revenues, Asia/Pacific for 25% and North America for 24%.

Percentage of total annual sales revenue in 2011



24% NORTH AMERICA / **32%** EUROPE / **14%** ASIA PACIFIC



*Source: Ciett National Federations *Source: Ciett estimate **Based on figures from 43 Countries*

12.4 million agency workers were employed daily in 2011[17]

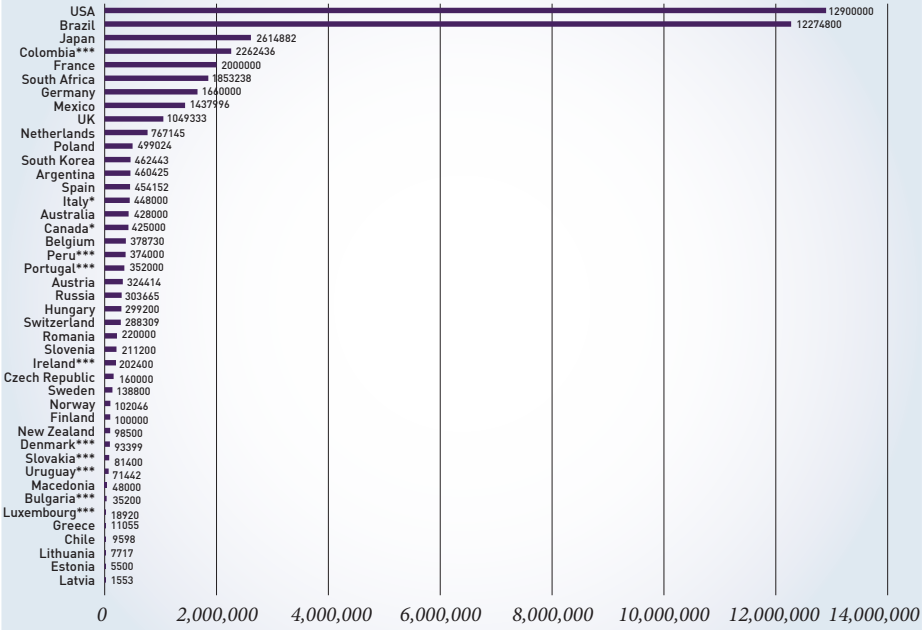
In 2011, the total number of agency workers worldwide amounted to 12.4 million in full-time equivalents[19]. Europe accounts for 32%, North America for 24%, and South America 14%.
The US employs nearly as many agency workers in full-time equivalents [2.8 million], than the second and third biggest suppliers of agency workers combined. India has the second highest number of agency workers in full-time equivalents [1.3 million], ahead of the UK [1 million] . The total number of agency workers in Europe amounted to 4 million in 2011. Together, the USA, India, and the UK account for 42% of all agency workers assigned worldwide.

17. based on data from 43 countries
18. UK figures are representative of the 2010/2011 financial year
19. ibid

On a yearly basis, 46 million people gain access to work through agency work

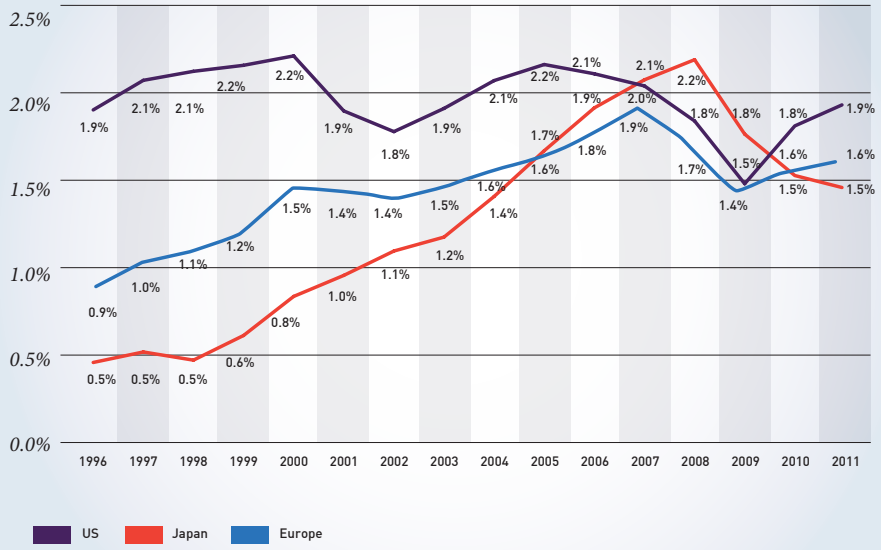
By offering an entry point to the labour market, agency work encourages increased participation and diversity in the labour market. In total 46 million people worked as agency workers in 2011. The USA employs the largest number of agency workers with 12.9 million people gaining employment through agency work each year, followed by Brazil [12.3 million] and Japan [2.6 million]. Europe employs 10.4 million people in agency work each year.

Total number of individuals employed as agency workers



*Source: Ciett national federations 2011, *Ciett national federations 2010, *** Ciett Estimate. Based on figures from 42 countries*

Agency work development since 1996



Source: Ciett national federations, Ciett estimates.
Note: European average calculated using data from available countries for each given year

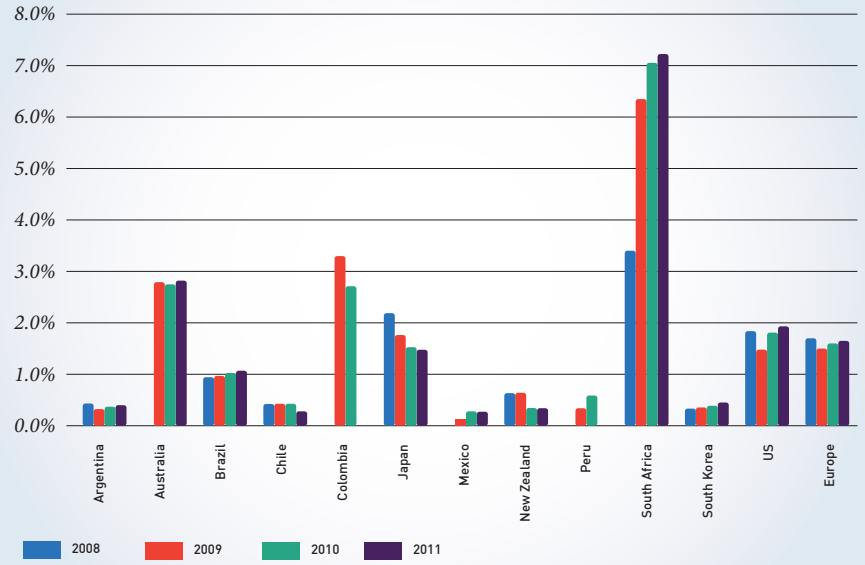
Agency work has developed in differently across regions

Between 1996 and 2011, the agency work industry developed at a different rate in the US, Japan and Europe. The early growth in Japan can be attributed to a gradual deregulation of the Japanese labour market, and the subsequent decline is due partly to the economic crisis, and partly to stricter regulation on agency work coming into place. In 1996 the industry was already well developed in the US and the fluctuations recorded relate more directly to changes in the economic environment facing the US. The industry in Europe evolved over this time as agency work began be established in a greater number of countries as time went on. In some, notably France and the UK, penetration rates hit their peak around 2000.

Penetration rates for agency work vary across the world

Most countries which report on the number of agency workers witnessed a fall in agency work penetration rate in 2009 followed by a recovery in 2010 and 2011. Significantly this trend does not occur in Japan where percentage of agency workers in relation to the total working population has fallen between from a high of 2.2% in 2008 and a low of 1.5% in 2011. Insufficient information was available to provide a comprehensive picture of the industry in 2012, however preliminary trends show a small decline for the industry Europe and Japan but an increase in the United States, which has the largest total number of full time equivalent agency workers in the world.

Penetration rate of agency work 2008-2011



Source: Ciett national federations, ILO KILM total working population (ILO estimate) European average estimates from 29 national federations
Penetration rate is the share of agency workers (FTE) as part of the total working population of a country

Evolution of agency work around the world

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Argentina	0,3%	0,3%	0,2%	0,3%	0,4%	0,4%	0,4%	0,4%	0,4%	0,3%	0,4%	0,4%
Australia	-	-	-	-	-	-	-	-	-	2,8%	2,7%	2,8%
Brazil	-	-	-	-	-	-	0,9%	1,0%	0,9%	1,0%	1,0%	1,1%
Canada											0,6%	-
Chile	-	-	-	-	-	-	1,3%	0,5%	0,4%	0,4%	0,4%	-
Colombia	-	-	-	-	-	-	-	-	-	3,3%	2,7%	-
India	-	-	-	-	-	-	-	-	-	-	-	0,3%
Japan	0,8%	1,0%	1,1%	1,2%	1,4%	1,7%	1,9%	2,1%	2,2%	1,8%	1,5%	1,5%
Mexico	-	-	-	-	-	-	-	-	-	0,1%	0,3%	0,3%
New Zealand	-	-	-	-	-	0,5%	0,5%	0,4%	0,6%	0,6%	0,3%	0,3%
Peru	-	-	-	-	-	-	-	-	-	0,3%	0,6%	-
South Africa	-	-	-	-	-	2,3%	2,2%	2,1%	3,4%	6,4%	7,1%	7,2%
South Korea	-	-	-	-	0,2%	0,3%	0,3%	0,3%	0,3%	0,4%	0,4%*	0,5%
USA	2,3%	1,9%	1,8%	2,0%	2,1%	2,2%	2,2%	2,1%	1,9%	1,5%	1,8%	1,9%
Europe	1,5%	1,4%	1,4%	1,5%	1,6%	1,6%	1,8%	1,9%	1,7%	1,4%	1,6%	1,6%

Source: Ciett national federations 2011

At the global level, agency work represents 1% of the working population

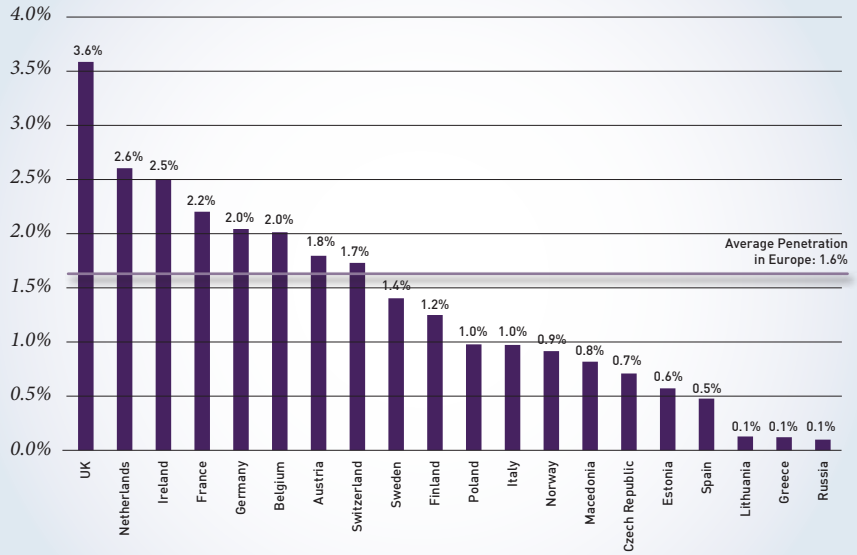
The agency work industry around the world has an average penetration rate of 1%[20]. Figures relating to the size of the agency work industry have been available for an extended period of time in only a small number of countries. The ability to collect such data is related to a number of factors ranging from the lack of legal recognition of agency work, relative size of the industry, availability of national government statistics, and the capacity of national federations to conducts surveys on the industry.

20. Compared to the working population of the 38 countries for which information was available.

Europe: Agency work represents 1.6% of the total working population

The average penetration rate for agency work in Europe is 1.6%. The appropriateness of regulation and degree of economic development explain the differences in pace of growth of the agency work industry. The countries in which the industry is most developed are also those which have a long history of using agency workers. The regulatory environment in which agency work is allowed to be carried out can also have a significant effect on the penetration rate of the industry.

Agency work penetration in Europe 2011



Note: estimate for Russia not used in calculating European Average. If included, penetration rate in 2011 would be 1.2%

Evolution of agency work penetration in Europe

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Austria	0,8%	0,9%	0,8%	1,0%w	1,2%	1,2%	1,5%	1,6%	1,6%	1,4%	1,6%	1,8%
Belgium	1,7%	1,7%	1,6%	1,6%	1,8%	1,8%	2,1%	2,2%	2,1%	1,6%	1,9%	2,0%
Bulgaria	-	-	-	-	-	-	-	-	0,1%	0,2%	0,3%*	-
Czech Republic	-	-	-	-	-	-	-	-	0,7%	0,7%	0,7%	0,7%
Denmark	0,3%	0,4%	0,4%	0,4%	0,5%	0,6%	0,7%	0,7%	0,7%	0,7%	0,8%	-
Estonia										0,5%*	0,5%	0,6%
Finland	0,4%	0,5%	0,4%	0,5%	0,6%	0,7%	0,7%	1,1%	1,3%	0,8%	0,9%	1,2%
France	2,5%	2,5%	2,3%	2,2%	2,3%	2,3%	2,4%	2,5%	2,3%	1,7%	2,0%	2,2%
Germany	0,9%	0,9%	0,9%	0,9%	1,1%	1,2%	1,5%	1,9%	1,9%	1,6%	2,0%	2,0%
Greece	-	-	-	-	-	-	-	0,2%	0,0%	0,1%	0,1%	0,1%
Hungary	-	-	0,8%	1,0%	1,3%	1,4%	1,4%	1,4%	1,4%	1,2%	1,8%*	-
Ireland	1,5%	1,4%	1,4%	1,4%	1,3%	1,3%	1,5%	1,7%	1,7%	0,9%	1,9%	2,5%
Italy	0,3%	0,3%	0,4%	0,6%	0,7%	0,7%	0,8%	1,0%	0,9%	0,7%	0,9%	1,0%
Latvia										0,2%*	0,3%*	-
Lithuania										0,2%*	0,2%*	0,1%*
Luxembourg	2,2%	2,1%	2,1%	2,1%	2,1%	2,0%	2,5%	2,4%	1,9%	1,9%	1,9%	-
Macedonia	-	-	-	-	-	-	0,4%	0,3%	0,3%	0,8%	0,8%*	0,8%
Netherlands	2,3%	2,2%	2,1%	1,9%	1,9%	2,2%	2,5%	2,8%	2,9%	2,4%	2,5%	-
Norway	0,5%	0,5%	0,5%	0,4%	0,5%	0,6%	1,0%	1,0%	1,0%	0,8%	0,9%	0,9%
Poland	-	-	-	0,1%	0,2%	0,2%	0,2%	0,4%	0,5%	0,5%	0,7%	1,0%
Portugal	0,9%	0,9%	0,9%	0,9%	0,9%	0,9%	0,9%	0,9%	1,6%**	1,6%**	1,7%*	1,6%
Romania	-	-	-	-	-	-	-	-	0,3%	0,3%	0,5%	-
Russia										0,1%¨	0,1%¨	0,1%
Slovakia	-	-	-	-	-	-	-	-	0,6%	0,6%	0,8%*	-
Slovenia	-	-	-	-	-	-	-	-	0,3%	0,3%	0,5%*	-
Spain	0,7%	0,7%	0,6%	0,6%	0,7%	0,7%	0,7%	0,8%	0,6%	0,4%	0,5%	0,5%
Sweden	1,0%	0,9%	0,8%	0,7%	0,7%	0,7%	0,8%	1,3%	1,3%	1,0%	1,3%	1,4%
Switzerland	1,0%	1,0%	0,9%	0,9%	1,0%	1,2%	1,5%	1,7%	1,7%	1,4%	1,6%	1,7%
UK	3,7%	3,7%	3,7%	3,9%	4,1%	4,2%	4,3%	4,7%	4,1%	3,7%	3,0%	3,6%

*Source: Ciett national federations *Source: Ciett estimate **Source: Eurostat (Nace Code 78.2)*

Europe: Evolution of agency work penetration

In Europe, the appropriateness of regulation and degree of economic development explain the differences in pace of growth of the agency work industry. Recently, countries such as Germany and Poland have revealed their potential, but each for very different reasons: Germany as a heavily-industrialised economy, slowly freeing itself of very strict regulatory measures, and Poland as a budding regional leader, rapidly catching up its Western European counterparts. The steady growth from 1996 to 2007 halted abruptly in 2008 and but in 2010 and 2011 a recovery can be witnessed in most countries. In 2011 the penetration rate for agency work stood at 1.6%[21]

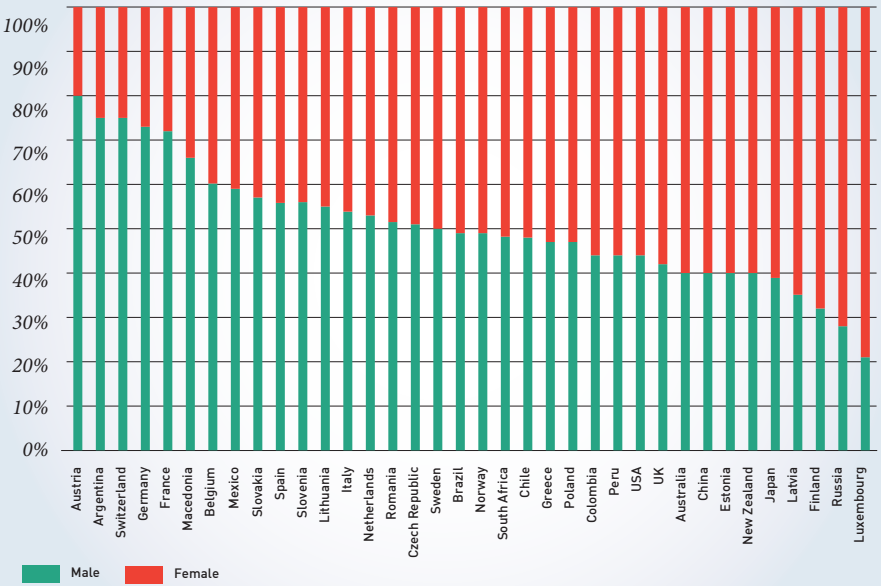
21. based on data from 29 countries

The PROFILE *of* AGENCY WORKERS

Gender balance of agency workers dependent on a number of factors

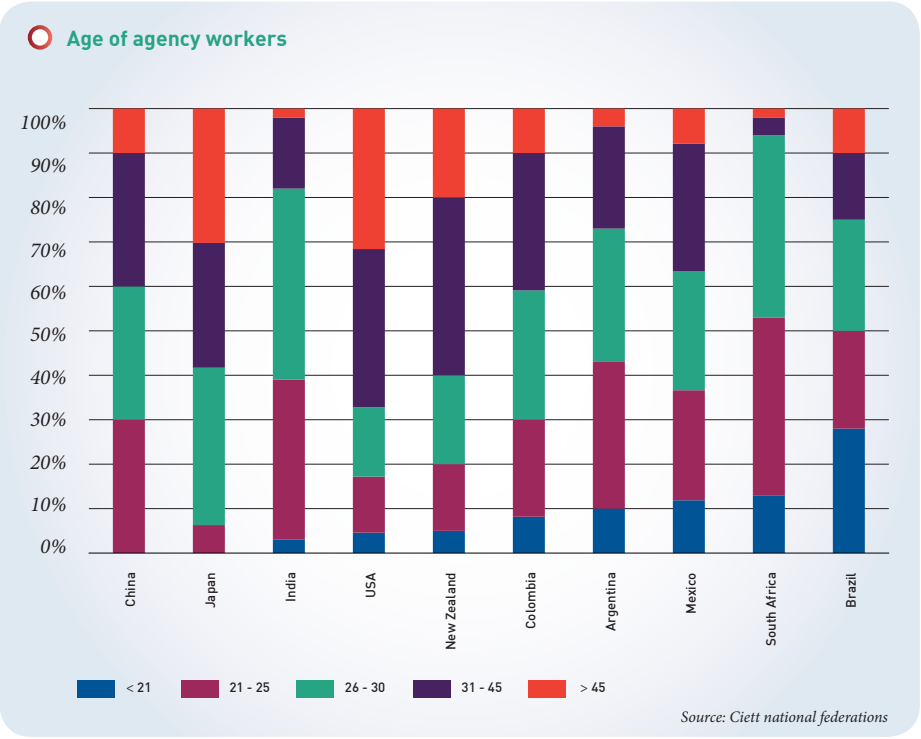
From country to country, differences in gender balance in agency work are determined by the particular socio-economic fabric and economic history of each country, as well as by the sectors allowed to use agency work. More services-oriented markets tend to employ more women, such as Sweden [60% of women and 57% in the services sector], whereas markets with a strong industrial history usually employ more men, such as Germany [72% of men and 48% in the manufacturing sector].

Agency worker gender balance



Source: Ciett national federations

58% JAPAN **OVER 30** / **68%** US **OVER 30** / **90%** SOUTH AFRICA **UNDER 30** / **75%** BRAZIL **UNDER 30**



Agency workers are typically young, but Japan and the USA have greater number of older workers

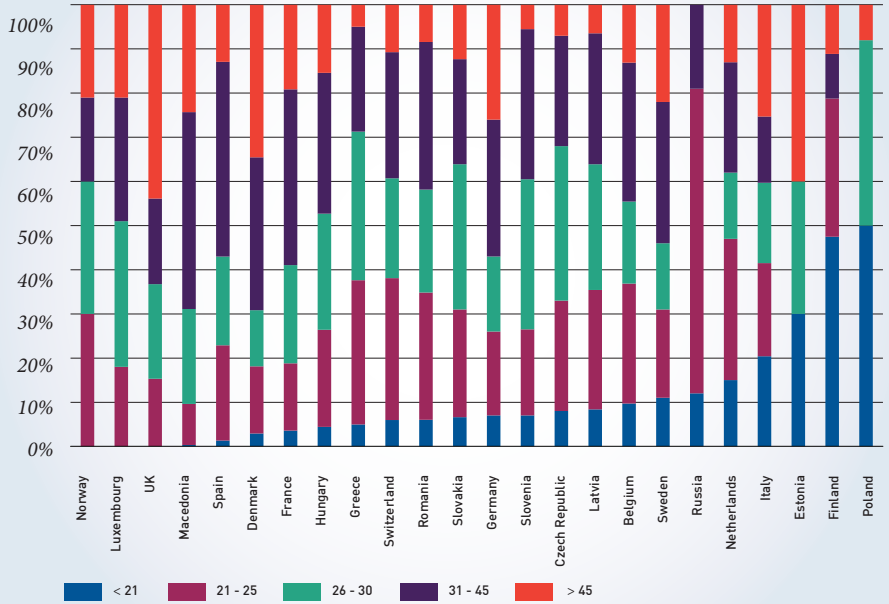
Agency workers tend to be older in Japan, where 58% of agency workers are over 30 and in the US, where 68% of agency workers are aged over 30. This can be explained by the fact that in some of these countries agency work is culturally accepted as a viable alternative to permanent employment, while in others agency work is a kind of work most often carried out by young people – such as in South Africa, where over 90% of agency workers are under 30.

57% UNDER 30 / **43%** OVER 30

Europe: Agency workers tend to be young

Over-represented in the agency work sector, when compared to the total active working population, most European agency workers are aged below 30. On average, 10% of agency workers are under 21 years old with 22% are between 21 and 25 years old. A further 25% are between 25 and 30 years old. This means that on average, 57% of agency workers are under 30 years old. Agency work often serves as a first professional experience for first-time entrants into the labour market, providing them with a valuable initial experience or serving as a stepping-stone to permanent employment. Notable exceptions to this trend are Denmark [70% over 30], and Macedonia [69% over 30].

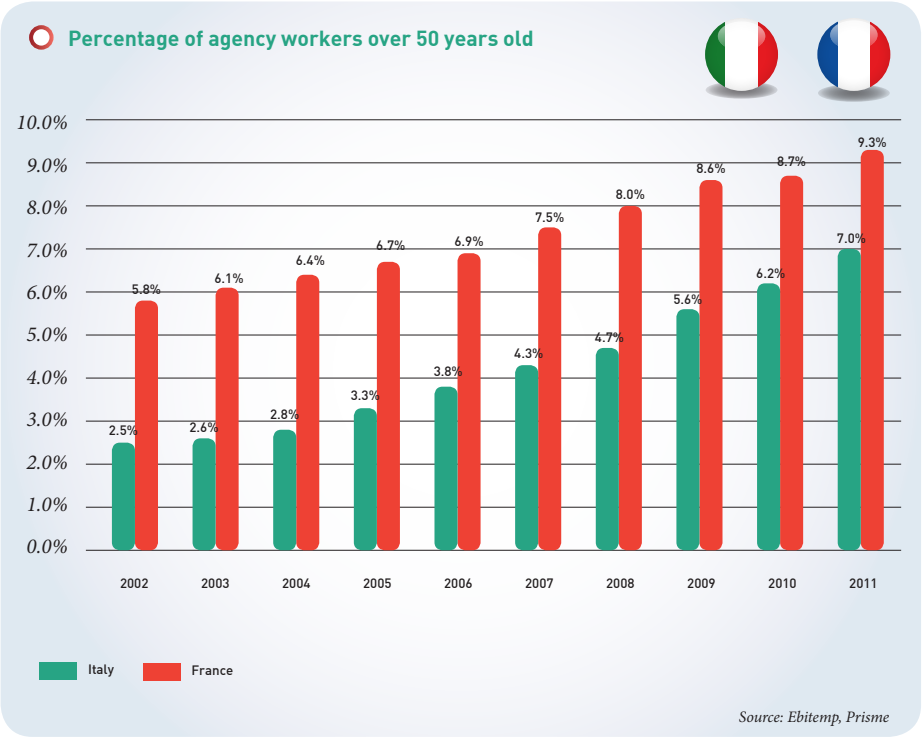
Age of agency workers in Europe



Source: Ciett national federations

+4.5%
ITALY

+3.5%
FRANCE



The share of agency workers aged 50+ is increasing

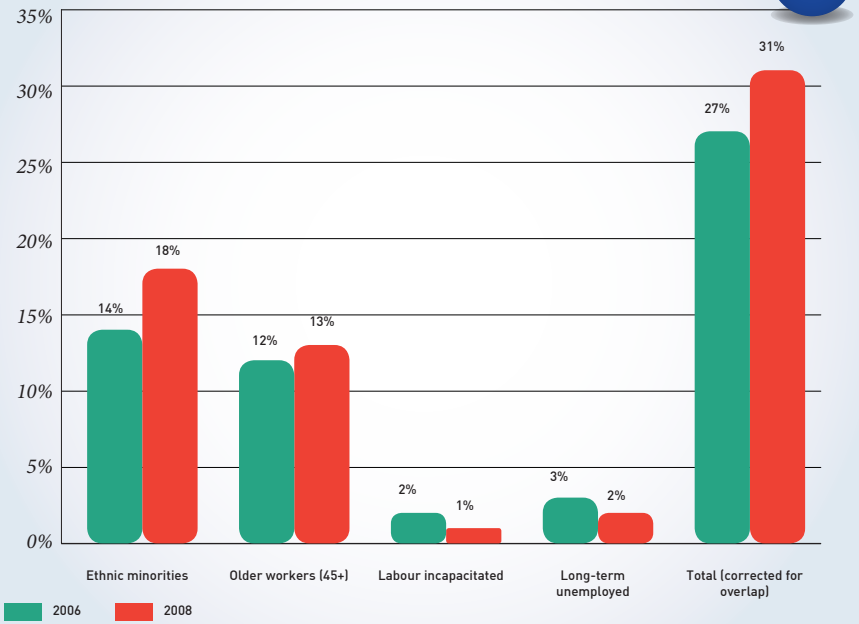
Agency workers over 50 make up an increasing share of the industry in France and Italy. Between 2002 and 2011, the proportion of agency workers aged over 50 has steadily increased from 2.5% to7% in Italy and from 5.8% to 9.3% in France. "Agency work offers groups such as migrant workers, women returning from childcare breaks, disabled and unemployed people across to the labour market. In principle, agency work can help workers develop their skills and experience, thereby offering pathways into more secure employment."[22]

22. Source: Eurofound - Temporary Agency Work and Collective Bargaining in the EU | 2009

Agency workers from target groups are on the rise in the Netherlands

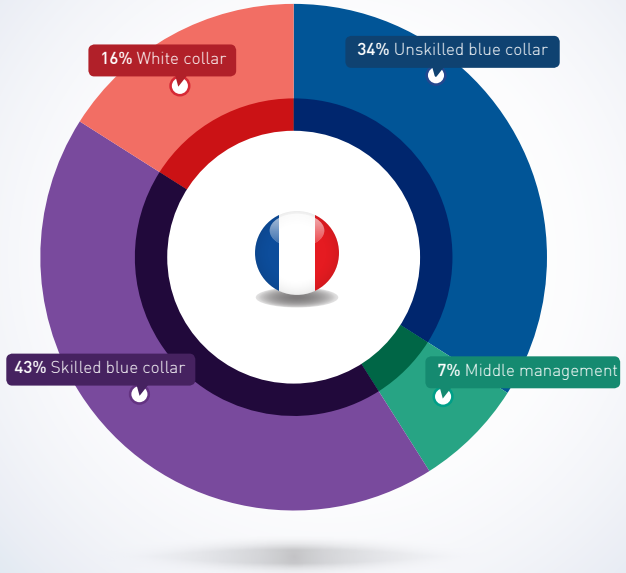
Agency work gives "outsiders" a viable access to the labour market, thereby increasing labour market participation and diversity. Ethnic minorities, older people, labour incapacitated and the long term unemployed accounted for 31% of agency workers in the Netherlands in 2008. This is up from 27% in 2006. Agency work increases labour market flexibility, whilst providing basic rights and working conditions to agency workers. Because the agency remains the worker's employer, his rights are capitalised from one assignment to the next. Agency work thus integrates "outsiders" in the labour market, who then benefit from the same working conditions as those provided to other agency workers.

The percentage of special target groups among temporary employees in the Netherlands



Source: ABU

Employment of disabled agency workers in France



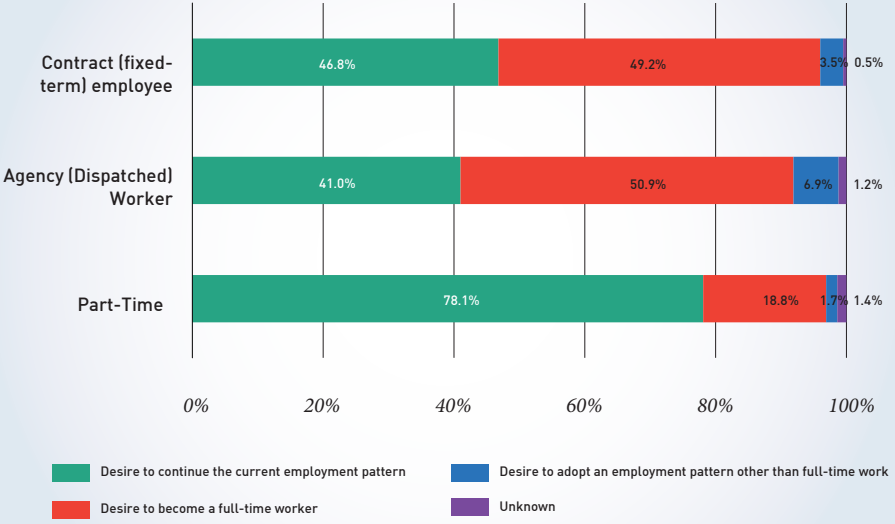
Source: Prisme 2011

France: Disable agency workers take on a range of positions

In France, 43% of disabled agency workers are classified as skilled blue collar workers, while 7% occupy middle management positions. 16% are white collar employees and 34% are unskilled blue collar workers. Through private employment agencies, disabled agency workers are integrated at every level of companies.

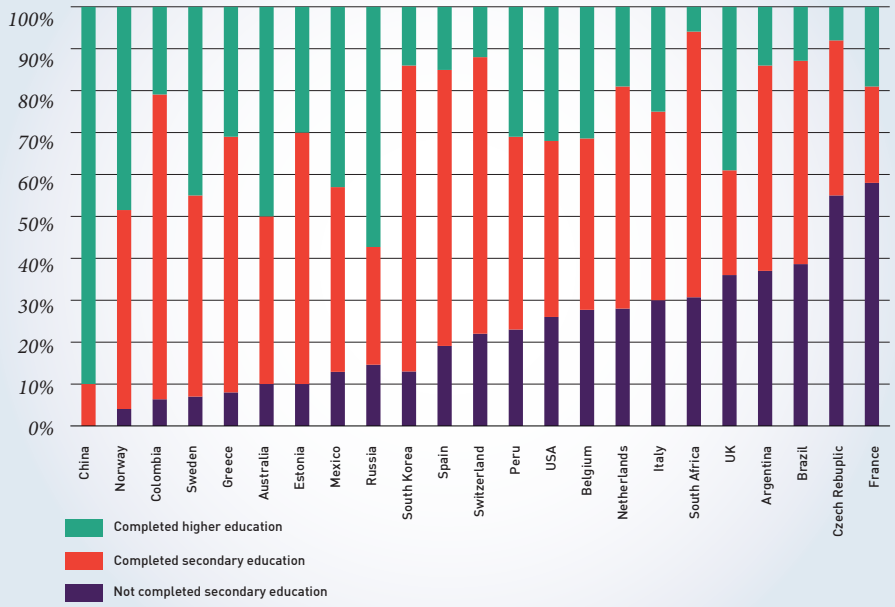
Japan: Many see agency work as a desirable form of employment

In Japan 41% of agency workers view agency work as their desired form of work, while half (50.9%) would prefer to have full time work. This reflects both agency works position as a desirable form of flexible work and a stepping stone into permanent work. The trends for fixed term work are similar to those for agency work, while a smaller percentage of part time workers want to become a full time worker.



Source: Japan Ministry of Health, Labour and Welfare, "Global Survey on Diversified Types of Employment (2010)

Educational attainment level of agency workers



Source: Ciett national federations

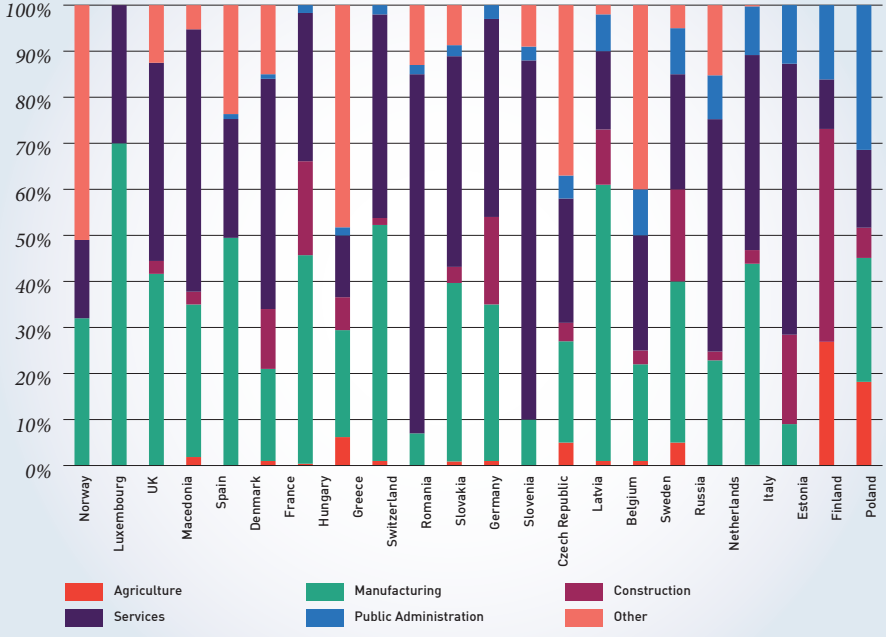
Educational attainment of agency workers varies across the globe

On average, 27% of agency workers have completed higher education. In Sweden and Australia, more than half of agency workers have completed higher education. In most countries, the majority of agency workers have a low to medium initial education level. On average, 50% of agency workers worldwide have finished secondary school, and 23% have not. The Czech Republic (60%) is the only country to report the majority of agency workers having not completed their secondary education. Agency work can play an important role in helping these low-skilled workers enter the labour market and gain valuable experience.

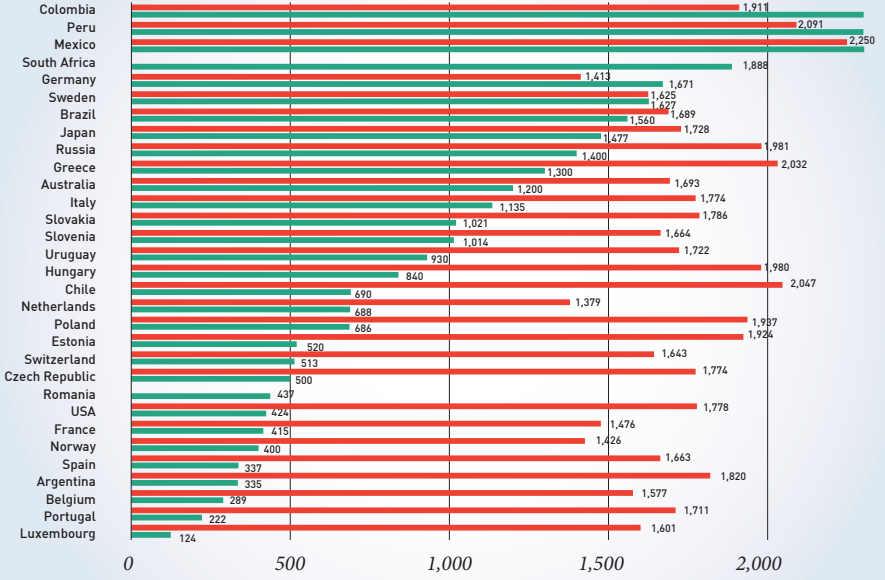
Most agency workers are employed in services or manufacturing jobs

Reflecting the ongoing mutations of the European economies, the sectoral distribution of agency work in Europe has seen a recent trend away from usage in the industrial sector [31% average], towards a growing use in the services sector [37% average]. Manufacturing remains an important user of agency work in traditionally industrial economies, such as Poland [70%] and Czech Republic [65%]. Mexico [29%], Norway [15%] and Peru [15%], make important use of agency work in public administration, as do Peru [43%] and France [23%] in the construction sector. More than three in four Chilean agency workers work in the services sector, and 45% of Argentinian agency workers work in the manufacturing sector. It is important to not that in some countries a large proportion of agency work is classified as "other". This relates to differing methodology in data collection compared to other countries.

Agency worker employment by sector



Source: Ciett national federations



** By an individual during one year*

Sources : Ciett National Federations, ILO Kilm 7th edition

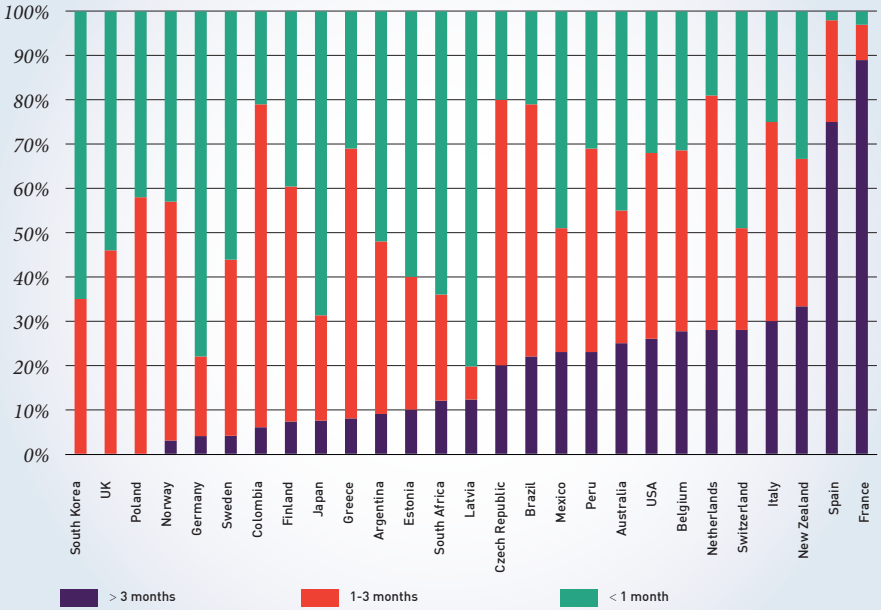
Agency workers tend to work fewer hours than full time permanent workers

Agency workers tend to work fewer hours during one year than a worker with a full-time, open-ended contract – with the notable exceptions of Colombia, Peru, Germany and Sweden. From country to country, the average number of hours worked by an agency worker compared to the average number of hours worked by a permanent full-time employee varies greatly, from less than 8% in Luxembourg to 141% in Colombia.

Most agency work assignments are more than 1 month long

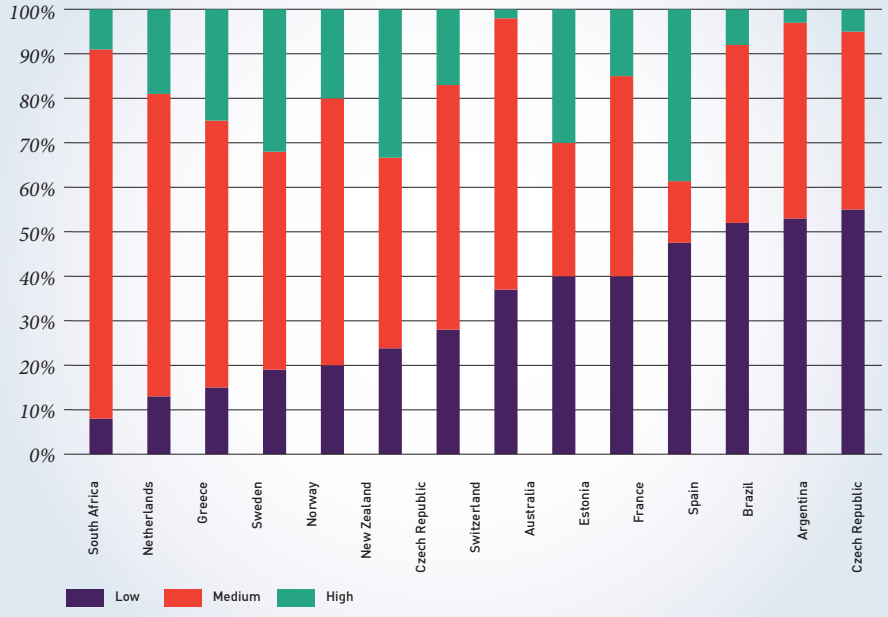
In most countries, the average length of assignment of an agency worker exceeds one month, and often even exceeds three, the notable exceptions being France [82%] and Spain [63%], where more than half of the assignments are less than one month long. Only 7% of assignments in Peru and 4% in Sweden last for less than a month.

Average length of temporary agency worker assignments



Source: Ciett national federations

Skill level required for temporary agency work jobs



Source: Ciett national federations

Agency workers tend to be employed in low and medium skilled jobs

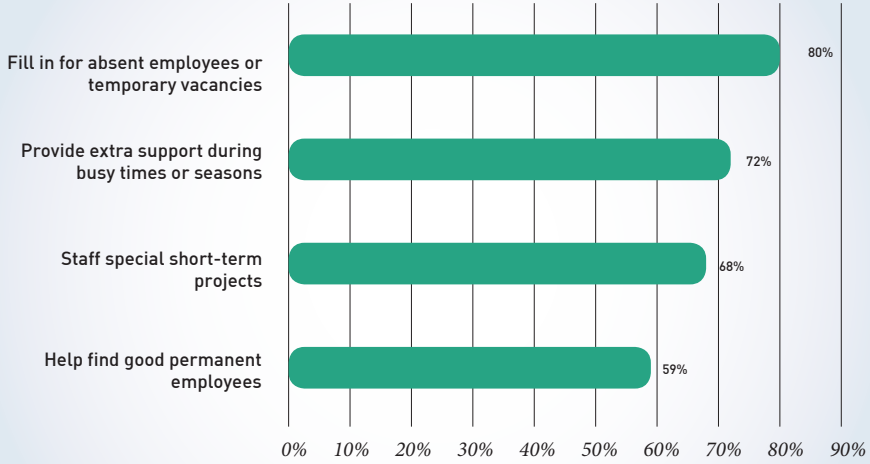
Most agency work jobs require low or medium skill levels. Notably however, 38% of agency work jobs in France and 33% of agency work jobs in New Zealand require a high degree of skill. Links can be seen between the level of skill required for agency worker jobs, the educational attainment of agency workers and the sectors in which agency workers are most often placed.

US: Filling temporary vacancies is the most common use for agency work

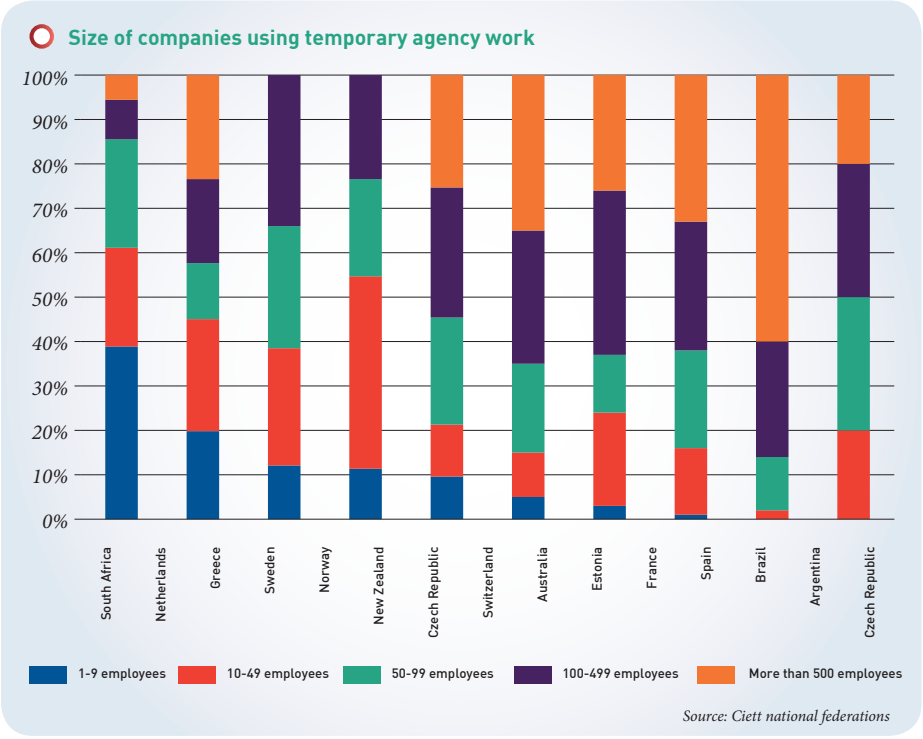
In an American Staffing Association poll of 500 businesses that use staffing services, 9 out of 10 said it was important to them that "staffing companies offer flexibility to businesses so that they can keep fully staffed during busy times." When survey participants were asked specifically why they use staffing firms to obtain temporary and contract employees, they cited three main reasons: To fill in for absent employees or to fill a vacancy temporarily, to provide extra support during busy times or seasons and to staff special short-term projects.[1]

Source: American Staffing Association

Percentage of businesses with 25+ employees that cite as a main reason



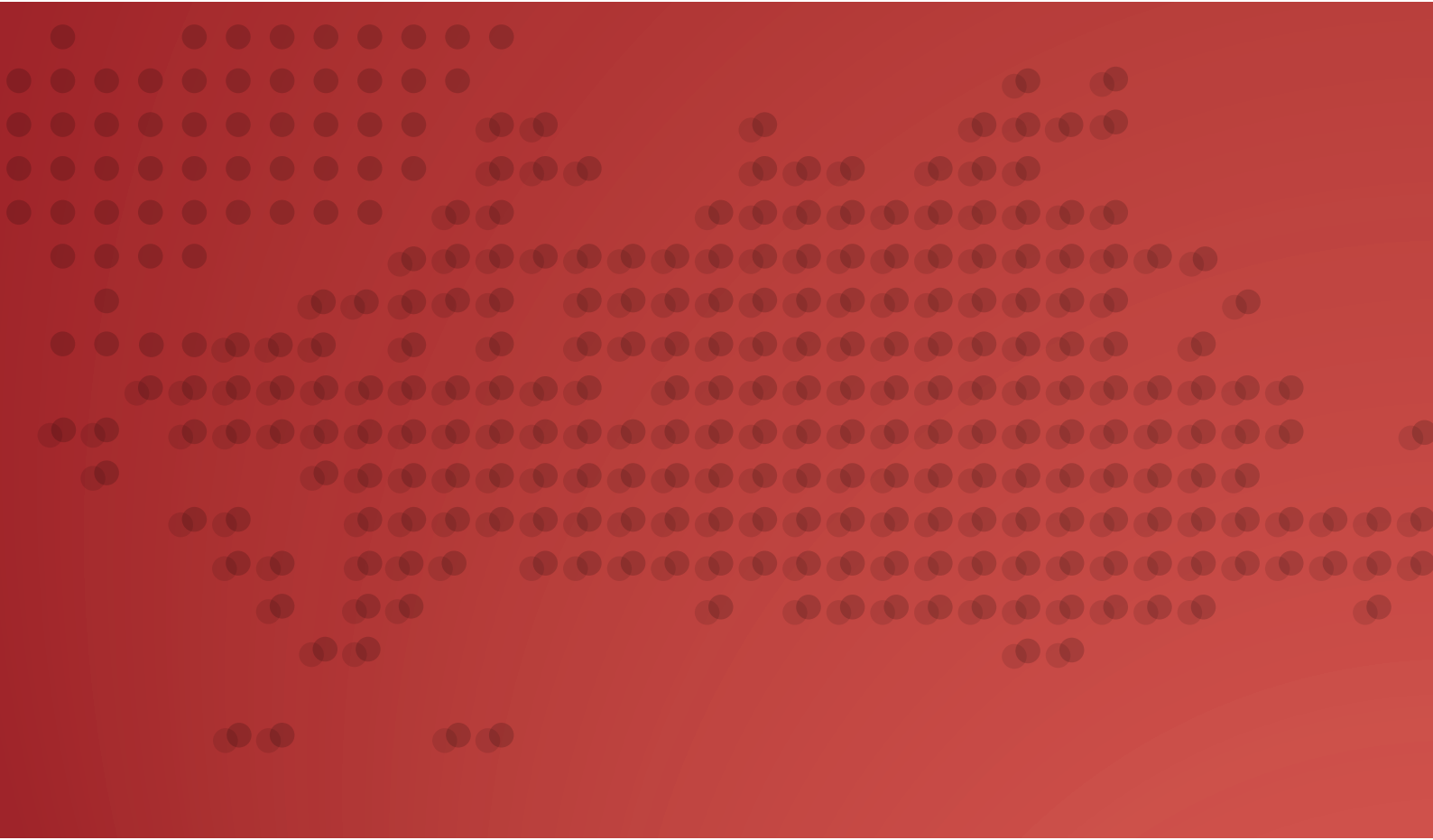
Source: American Staffing Association Client Survey



Agency workers are placed in companies of all sizes

Agency workers are placed in companies of all sizes. In Brazil these organisations tend to be small, with 61% of user companies having fewer than 50 staff, while in the Czech Republic the same percentage of user companies employ more than 500 employees. An IW Consult study[23] carried out in Germany and covering the 2009-2010 period demonstrated that those organisations using agency work recorded revenue growth a full 5% higher than those who did not The study highlighted that the ability to react to increasing demand quickly results in higher revenue growth and a better financial performance for user companies.

23. Source: IW Consult GmbH study "Zeitarbeit in Deutschland" 2011



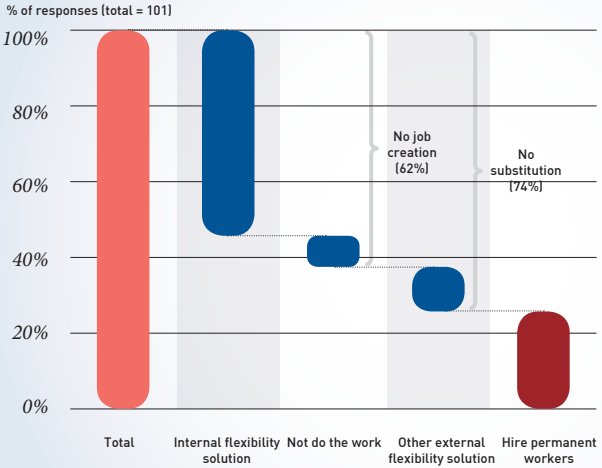
Agency work
CREATES JOBS
and aids
LABOUR MARKET TRANSITIONS

Two thirds of organisations would not have created jobs without access to agency work

Private employment services are an engine of job creation and help to boost employment by turning available work into jobs. The sector creates jobs that otherwise would not exist and is particularly effective in placing disadvantaged and under-represented groups in society, thereby providing a way for them to start to access job markets and join the world of work. Ciett and the Boston Consulting Group found in their report "Adapting to Change"[24] that 74% of user organisations would not consider hiring permanent workers as an alternative to taking on agency workers. In addition, 62% of the companies would choose internal flexibility solutions (such as overtime) or not to do the work if they had no access to agency work, resulting in a "no job creation".

24. Source: Ciett & the Boston Consulting Group, 2011, Adapting to Change

Alternatives to temporary agency work



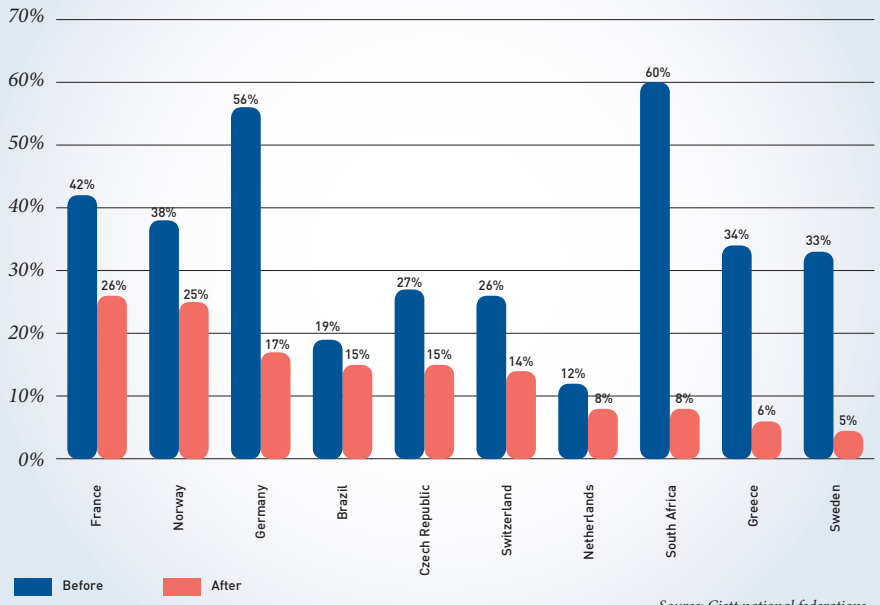
Conclusions

- 74% of companies do not consider hiring permanent workers an alternative to AW
- In 62% of the cases there would be no job creation as companies chose internal flexibility or not to do the work

Source: Ciett & Boston Consulting Group, Adapting to Change, 2011

Unemployed before & after agency work

% of agency workers that are officially registered as unemployed before and 12 months after temping



Source: Ciett national federations

Agency work provides a stepping stone from unemployment into work

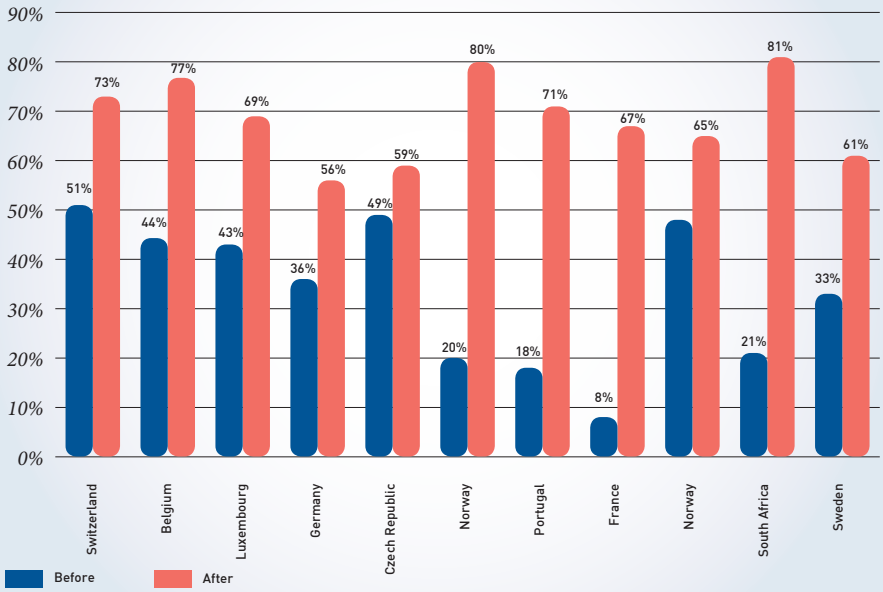
Agency work is successful in bringing people from unemployment situations into work. It has proven particularly effective in doing so in countries as diverse as South Africa, Germany, Greece and Sweden. In South Africa 60% of people entering agency work were previously unemployed, while after one year of agency work only 8% returned to unemployment. The agency work market in Greece is relatively small, however it has proven very successful in bringing people into employment, with only 6% of agency workers returning to unemployment following a year as an agency worker, compared with 34% of people who were unemployed before accepting their first assignment.

A high percentage of agency workers remain in employment after 1 year experience

Not only does agency work help move people from unemployment to work, it also transitions people into long lasting employment situations. After one year of agency work assignments most people stay in the labour market either as agency workers or in permanent or fixed term contracts. Some agency workers return to training or education and a small share return to unemployment or inactivity. In Portugal, only 9% of agency workers were employed before taking their first assignment while 71% remained in the labour market following 12 months of assignments. Similarly positive results can be found in 10 other countries which report this data.

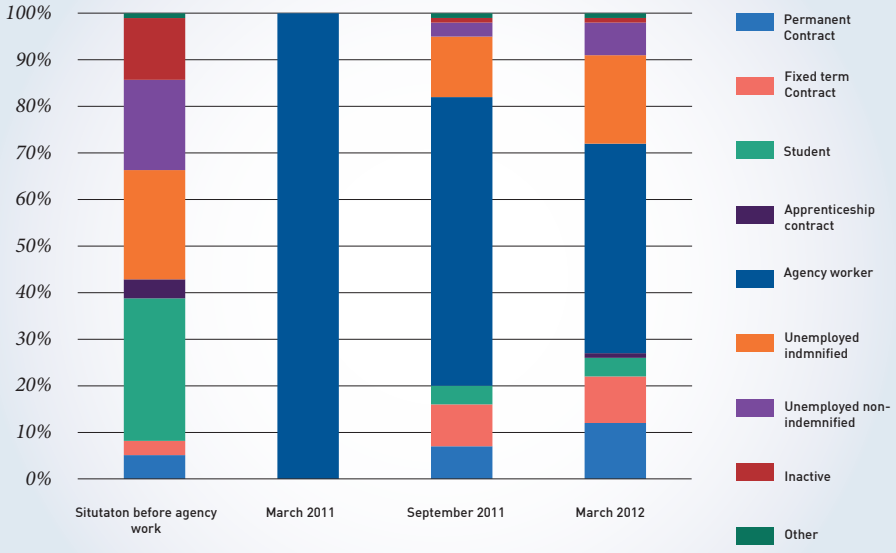
Employed before & after agency work

% of agency workers that are employed (either with a temp, fixed-term or open-ended contracts) before and 12 months after temping



Source: Ciett national federations

A closer look at agency worker transitions in France



Source: Prisme, 2012

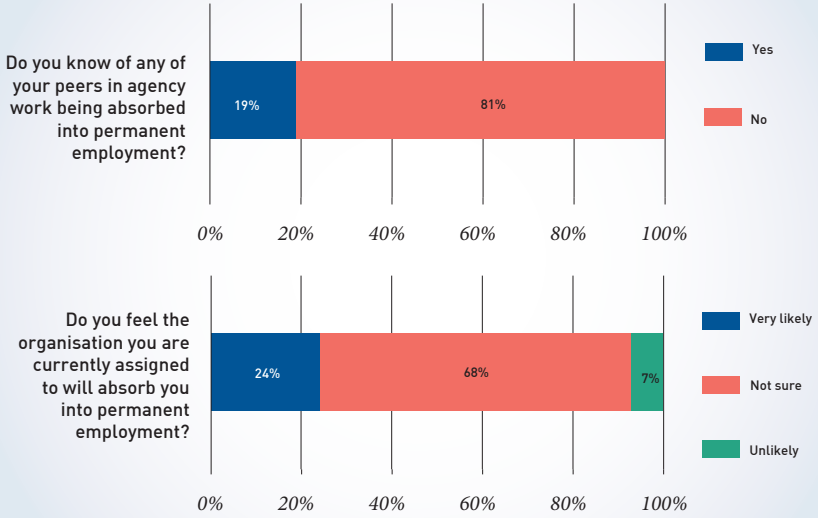
France: 55% of agency workers were unemployed or inactive before their first assignment

By taking a closer look at transitions in France a clearer image of agency work's transitionary role can be found. Prior to becoming agency workers, the largest share of people taking up assignments were unemployed (42% in total) followed by students (30%) reflecting the role private employment services play in finding work for young people. Six months after beginning as an agency worker 16% had already moved on to permanent or fixed term contracts and after a year that figure jumps to 22%. A 2012 study[25] commissioned by Eurociett and Uni Europa[26] noted that some agency workers are not looking for direct/permanent contracts, and this should be stressed in research on transitions.

25. Wilke, Maack and Partner: The role of temporary agency work and labour market transitions in Europe, 2012
26. Eurociett and Uni Europa are EU sectoral social partners for the temporary agency work sector

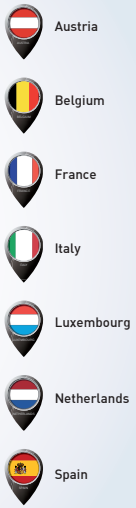
India: Agency work provides workers the opportunity to find permanent jobs

Though by general practice, an agency work assignment in India is temporary, a recent Indian Staffing Federation report found that most agency workers were in continuous employment for more than a year. This indicates the ample demand in the market for short duration employment contracts and the ability of staffing agencies to successfully tap this market. This can in turn lead to permanent employment opportunities, with 19% of agency workers in India knowing peers who have obtained permanent employment in the user company they were placed in.



Source: Indian Staffing Federation 2012

Bipartite funds for temporary agency work



Source: Ciett national federations

Bipartite funds play a key role in aiding agency workers professional and personal development

Seven EU countries have established sectoral agency work bipartite funds: Austria, Belgium, France, Italy, Luxembourg, Netherlands and Spain, where agency workers can have better access to vocational training to improve their employability or to obtain extra social benefits. In addition to the bipartite initiatives, collective labour agreements applicable to temporary agency workers have devised mechanisms to foster their transitions.

ABOUT CIETT

As the international confederation of private employment services, Ciett is the authoritative voice representing the interests of the agency work industry across the world.

Founded in 1967, Ciett consists of 49 national federations of private employment agencies and nine of the largest staffing companies worldwide: Adecco, Allegis Group, GI Group, Kelly Services, Kelly Group, Manpower Group, Randstad, Recruit and USG People.

Its main objective is to help its members conduct their businesses in a legal and regulatory environment that is positive and supportive.

Ciett is divided into six regional organisations: Africa/Near East, Northern Asia, Southern Asia, North America, South America [CLETT&A], and Europe [Eurociett].

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South Africa | APSO
Zambia | LEAAZ

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China | CAFST
Japan | JASSA
South Korea | KOSA

Southern Asia
Australia & New Zealand| RCSA
India | ISF
Nepal | Sewedha Sewa*
Singapore | SSA

North America
Canada | ACSESS
Mexico | AMECH
USA | ASA

Europe
Austria | VZA
Belgium | FEDERGON
Bulgaria | BG Staffing
Czech Republic | APPS
Denmark | Dansk Erhverv
Estonia | ESAA
Finland | HPL
France | PRISME
Germany | BAP
Greece | ENEPASE
Hungary | SZTMSZ
Ireland | NRF
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Slovenia | ZAZ
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South America
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Brazil | SINDEPRESTEM
Chile | AGEST
Colombia | ACOSET
Perú | AETT Perú

*Ciett Associate member

ABOUT "THE WAY TO WORK"

The way to work; a job for every person, a person for every job is the vision for the global private employment services industry. It reflects the industry's unique position in building better labour markets and providing work opportunities and hope to millions of people every day.

The values of the PrES industry are centred around people, because work is an essential part of life and identity. These values [listed below] demonstrate the industry's commitment to advancing people and businesses through work.

Quality: The industry promotes ILO core conventions and decent work and calls for appropriate regulation to be adopted on private employment services. The industry works to raise self regulation and quality standards and is committed to fighting rogue and untrustworthy providers in order to get rid of abuses and illegal practices.

Inclusiveness: The industry is committed to engaging in constructive dialogue with all relevant stakeholders – governments, trade unions, NGO, academics - to ensure every voice is heard. We are an open industry, willing to develop an inclusive society by increasing labour market participation and diversity.

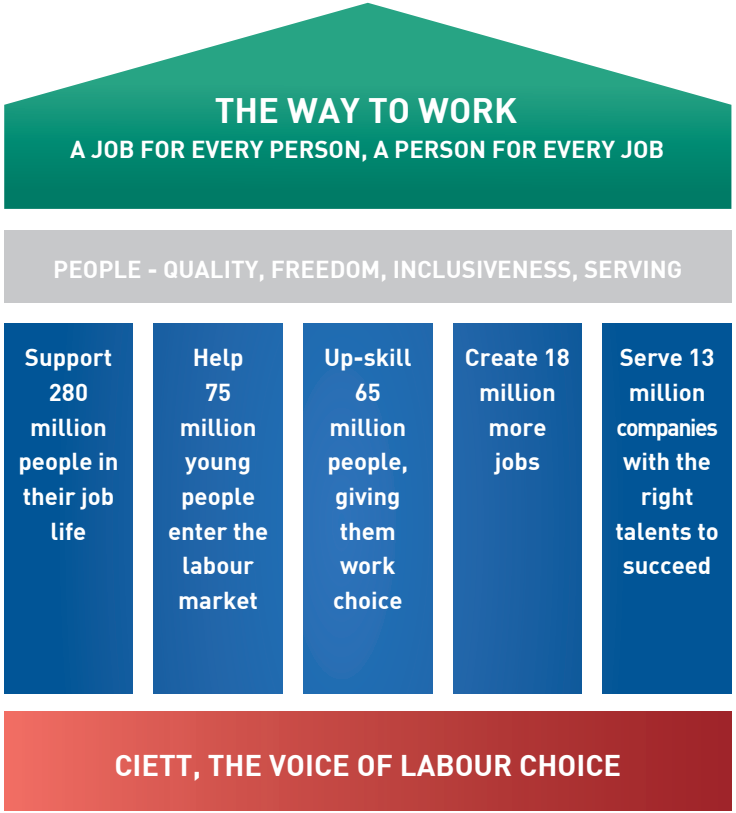
Serving: As a professional services industry, we are driven by customer satisfaction, be it companies or individuals. We are here to support our customers in their diverse needs and expectations, helping them to adapt to change and to realise their ambitions.

Freedom: We provide more work opportunities for more people, therefore increasing freedom of choice in the labour market. We give people the freedom to choose when, where and how they work.

CIETT'S WAY TO WORK PLEDGES

The private employment services industry has the collective power to bring about positive change to labour markets and act as a bridge to social and economic progress. As such, over the next five years, Ciett's members have pledged, on a global scale, to:

- Support 280 million people in their job life
- Help 75 million young people enter the labour market
- Up-skill 65 million people, giving them more work choices
- Create 18 million more jobs
- Serve 13 million companies with the right talents to succeed



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