

## The private employment agency industry's contribution to a better functioning labour market: *More work opportunities for more people*

- **Provide work to job-seekers.** Private Employment Agencies (PrEAs) employ worldwide over 9 million agency workers (full time equivalent) on a daily average. Additionally, the agency work industry employs approximately 750,000 internal employees working as recruitment consultants, administrators or managers.
- **Improve the labour market fluidity.** PrEAs can match labour force to companies' production needs virtually immediately, through their worldwide network of 120,000 branches and their recruitment expertise.
- **Help the creation of jobs that would not exist otherwise.** PrEAs are responsible for genuine employment creation: 80% of jobs created by the agency work industry would not have been created had agency work not been available to companies. Indeed, in most cases, these companies would not have been carried out the work or they would have carried it out using internal flexibility solutions, such as overtime, which do not contribute to employment creation.
- **Widens the range of work solutions to meet personal choice.** PrEAs meet a genuine demand for flexible work: In some countries, up to 35% of agency workers have a real preference for this form of flexible employment, so they can match personal lifestyle choices or constraints.
- **Act as a stepping-stone to permanent employment.** On average, 40% of agency workers are in longer-term employment within one year from their agency work assignment. Indeed, first-time entrants to the labour market gain experience through their assignments and can demonstrate their skills to prospective employers and be tested and hired on that basis.
- **Enhance workers' employability.** By keeping workers in touch with the job market and providing training, PrEAs help them remain as attractive as possible to the labour market. Agency workers also improve their skills by multiplying experience in a very specific working environment, moving from one assignment to another one in different industries or companies.
- **Work hand in hand with the Public Employment Services.** In many countries, PrEAs work in close cooperation with the national Public Employment Services to help jobseekers to find a position. These public-private partnerships include exchanging information on labour markets, sharing candidates and job vacancies, assessing and creating skills through training as well as subcontracting services to the private sector (e.g. placement of long term unemployed).
- **Help disadvantaged groups of people to enter the labour market.** 40% of the workers employed through PrEAs belong to the group defined by the OECD as the 'outsiders to the labour market' (i.e. long-term unemployed, first-time entrants to the labour market, women accessing the labour market, older people, ethnic minorities and disabled workers). Employment for this group means inclusion and is key to progress and social cohesion.
- **Contribute to economic growth and public budget incomes.** By putting millions of people at work, the PrEA industry reduces the unemployment allowances paid by governments while increasing public incomes through the income tax and social contributions paid for these agency workers.

\* All quoted figures are updated data from the Bain report 'More work opportunities for more people' - 2007.