

Swiss Staffingindex: a mixed year for staff leasing companies

The labour shortage in 2023 caused the temporary staffing sector to shrink and the permanent staffing sector to grow. Despite a noticeable slowdown in the economy, signals for the future remain mixed in the fourth quarter.

The labour shortage had a major impact on staff leasing companies' business development in 2023. As job seekers were less readily available, the temporary staffing sector shrank by 5.8 percent compared with 2022. However, on contrast, the permanent staffing sector grew for the third year in a row, seeing a rise of 8.7 percent compared with the previous year. The difficult labour market situation for companies has prompted them to increase working with staffing service providers to fill permanent positions. The trend reversed in the fourth quarter: the temporary staffing and permanent staffing sectors were both down for the first time since the coronavirus crisis, at -7.2 percent and -1.2 percent respectively. After two difficult months in October and November, the permanent staffing sector saw a significant rise in December. The drop in the temporary staffing sector was reduced to 3.3 percent. The market configuration in December showed that, staffing service providers were able to redeploy employees if they lost their jobs. Full employment is therefore likely to remain stable in Switzerland in 2024 despite a slight rise in unemployment figures.

Staffing service companies increasingly assisting the construction and healthcare sectors

The number of job advertisements in the primary and ancillary construction trade and the healthcare sector saw the strongest growth compared with 2022. There was particular demand for carpenters (+164 percent, 10,044 advertisements), tilers (+131 percent, 6,240 advertisements) and plasterers (+129 percent, 4,839 advertisements). In the primary construction trade, bricklayers were particularly in demand (+109 percent, 9,828 advertisements). The hot summer of 2023 also prompted a significant increase in the number of cooling system fitters required (+141 percent, 2,895 advertisements). In the healthcare sector, advertisements for care professionals increased significantly (+94 percent, 5,850 advertisements). We are now able to specify which professions were particularly in demand with staffing service providers thanks to a collaboration with Lightcast, a company specialising in labour market analysis.

Bernhard Hänggi, CEO of Randstad Schweiz, notes: 'There is an increasing amount of seasonality in construction. Building takes place if the weather allows.' To Hänggi, the boom in job advertisements with

staffing service providers does not necessarily mean strong business growth in these professions. Instead, the figures show which professional profiles are the most affected by the labour shortage among corporate clients. The number of candidates available is thus directly limiting growth for companies and sectors.

Sharp decline in job advertisements for childminders

Few professions saw a drop in job advertisements with staffing service providers comparable with 2022. One exception to this was advertisements for childminders, which fell from 3,213 to 936 – a decrease of 71 percent. ‘The labour shortage of childminders reached a new peak after the coronavirus pandemic. Staffing service providers tried to help daycare centres by entering this niche market’, explains Dr. Marius Osterfeld, economist at swissstaffing. Anna Langenscheidt, the owner of Kita Staff by Langenscheidt, has been placing childminders since 2019. She understands that ‘leasing staff to daycare centres is complicated. First of all, it is even more important than in other professions that all those involved are a good fit. Secondly, the minimum wage under the CBA on Staff Leasing is significantly higher than standard market rates in the sector.’ Bernhard Hänggi sees another issue: ‘Daycare centres in Switzerland are required to have a set percentage of accredited staff in order to be accredited. This means that they can not always fill gaps with staff from abroad.’ His assumption is that, by 2022, staffing service providers realised how difficult the market was for their work and only specialist providers remained.

Labour market integration becoming more important in 2024

Given the impending economic slowdown, staffing service providers will once again play a more important role for labour market integration in 2024. As it currently stands, they are able to quickly redeploy people who have lost their jobs. Bernhard Hänggi puts things into perspective: ‘The labour market remains robust, the recent increase in unemployment is due to a rise in frictional unemployment. Staffing service providers help to keep this period as short as possible.’ The CEOs of staffing service providers are pessimistic about market development. 34 percent of respondents to a survey conducted by gfs-zürich on behalf of swissstaffing expect to see an increase in business activities within the next six months.

More information:

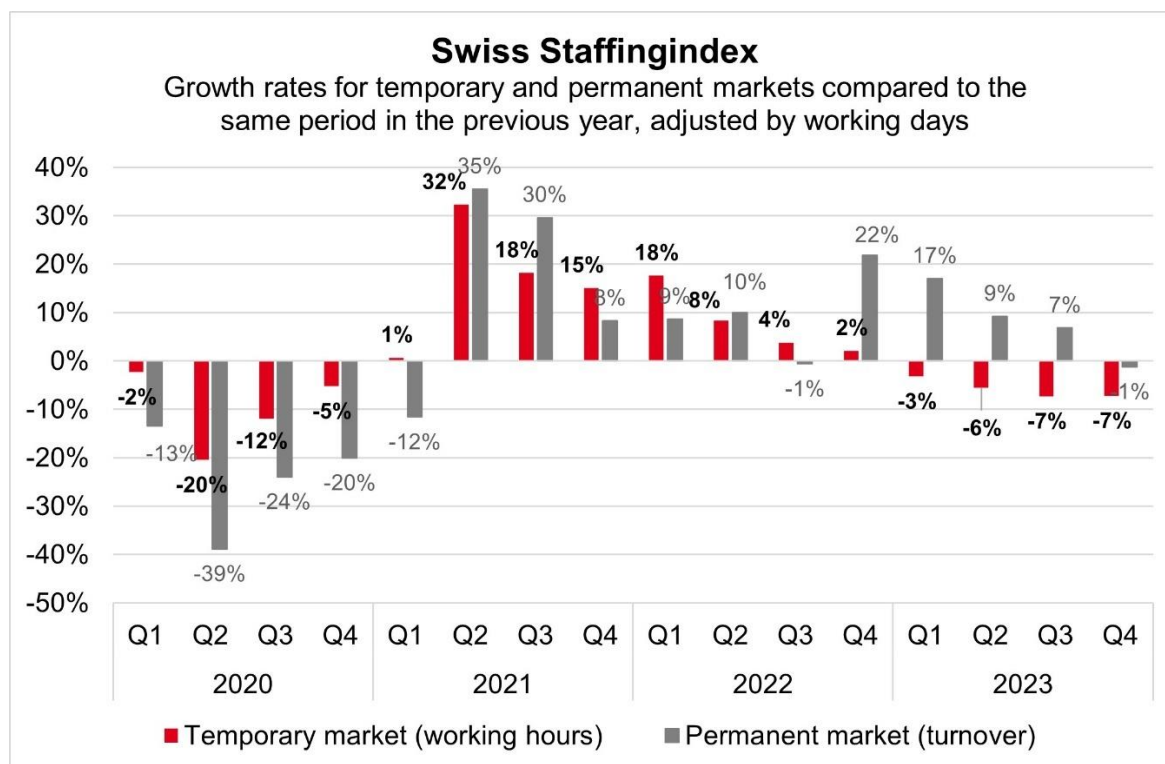
The next page shows the index’s key data and the development of the underlying index values. Other statistics are available by clicking on [this link](#).

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Swiss Staffing Index key data	
Staff leasing companies included	400 companies
Temporary staffing market	
Working hours recorded per year	103 million
Temporary staffing market coverage	approx. 50 percent
Permanent staffing market	
Permanent job placements recorded per year	8500
Permanent employment market coverage	approx. 40 percent
Publication dates	
Frequency of publication	Monthly
Frequency of press releases	Quarterly
Next provisional publication date	30 April 2024

Source: swissstaffing, Q4/2023

Swiss Staffingindex: temporary staffing market (working hours), basis: Q1 2018

	2018	2019	2020	2021	2022	2023
Q1	100.0	103.7	101.4	102.0	120.0	116.1
Q2	134.6	132.8	105.6	139.7	151.3	142.8
Q3	140.5	140.1	123.4	145.8	151.4	140.3
Q4	128.7	129.2	122.4	140.8	143.8	133.5

Source: swissstaffing, Q4/2023

Swiss Staffingindex: permanent staffing market (turnover in CHF), basis: Q1 2018

	2018	2019	2020	2021	2022	2023
Q1	100	103.5	89.6	79.2	85.6	100.6
Q2	105.7	110.7	67.7	91.7	99.1	110.2
Q3	97.4	90.9	69.2	89.6	89.1	95.1
Q4	92.3	82.6	66.0	71.5	87.1	86.0

Source: swissstaffing, Q4/2023

swissstaffing is the centre of excellence for staffing service providers in Switzerland. As an employers' association, swissstaffing represents the interests of its 470 members in matters of policy, the economy and society. swissstaffing is a social partner of the CBA on Staff Leasing, the contract covering the majority of Switzerland's employees.

Studies on temporary workers and staffing service providers in Switzerland

The market research institute gfs-Zürich completes regular surveys on behalf of swissstaffing. The current study can be found at [this link](#).