

# Labour Market Intelligence Insights

Q1 2026



WORLD  
EMPLOYMENT  
CONFEDERATION  
The Voice of Labour Market Enablers



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# Market Comment





# Market Comment for Q1



## Economic Environment

Global economic conditions entering 2026 reflect soft but stabilising momentum. GDP growth across major regions remains modest, with Europe still subdued but showing early signs of recovery, while North America and Asia maintain comparatively stronger performance patterns. Monetary tightening continues to weigh on activity, yet inflation is easing globally, and the manufacturing PMI signals a mixed picture as high borrowing costs still suppress demand and corporate confidence. Job vacancy rates continue to drift downward, indicating cooling labour demand in most advanced economies, even as structural mismatches keep unfilled vacancies elevated.



## Labour Market

**Labour markets** are undergoing a gradual cooling phase, with job vacancy rates easing in most countries through 2025, reflecting weaker GDP growth, persistent uncertainty and the lagging effects of tight monetary policy. Despite lower labour demand, unfilled job vacancies remain high, driven by skills shortages, demographic ageing and shifting worker preferences.

**Private employment agency market** started indicating early but uneven signs of recovery. Agency work activity in Europe stabilised toward late 2025, though growth remains weak and varies considerably by country, with the UK and Spain performing better than others. Turnover data point to a slow recovery phase in 2025, with more resilience in the Netherlands, Belgium, Italy and Spain, while Germany, Finland and Norway lag behind.

**Online job postings** for agency work grew strongly in Asia, South America and Oceania, but remain below the surface in Europe and Africa. The online job market saw a major rebound in Q4 2025, particularly in Asia, South America and Oceania. Globally, online hiring is driven by two sectors: professional, scientific & technical activities and information & communication, with retail trade as a strong secondary contributor. In the agency work segment, these same two sectors dominate job-posting demand across all regions. Communication skills remain the top cross-regional requirement, with high demand also for management, customer service and English language skills. AI-related skills are rising rapidly, with countries such as Israel, Ukraine and Norway showing the highest concentration of AI-skill job postings.

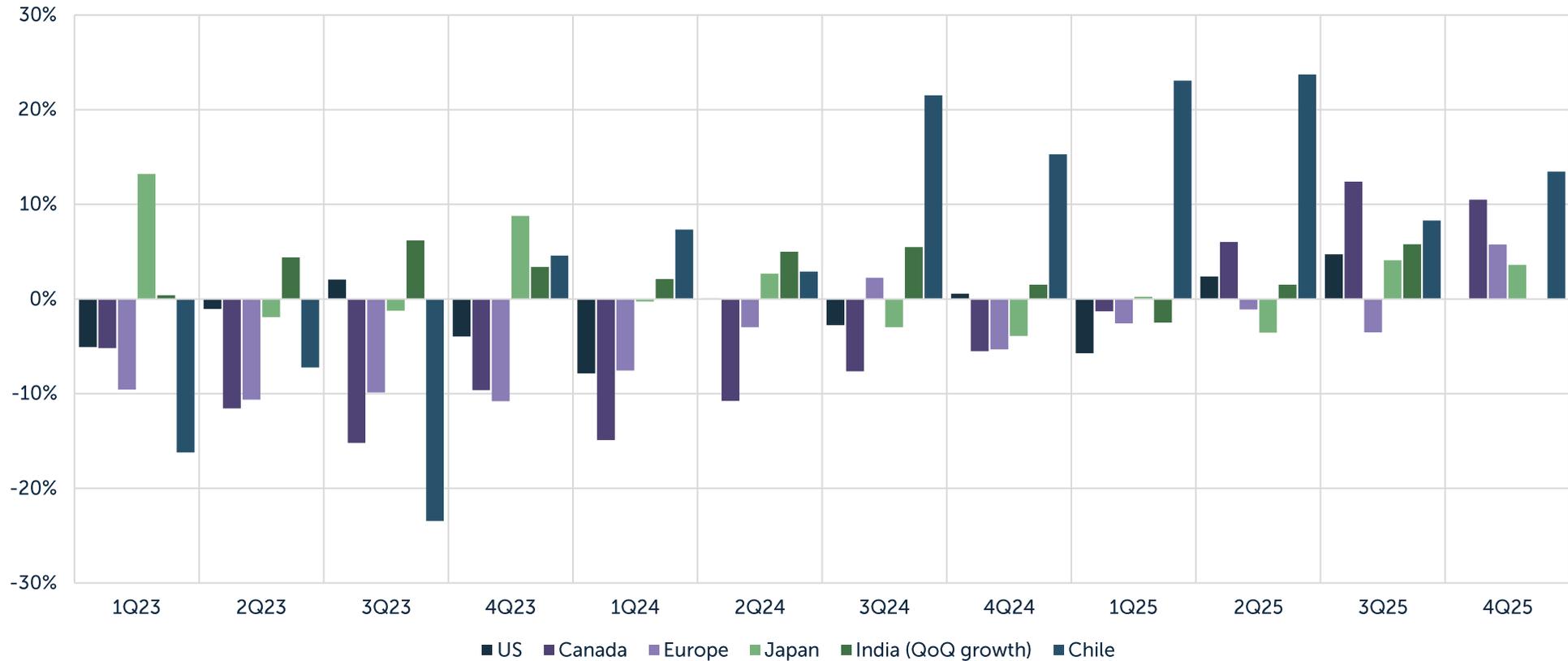
# Agency Work Activity





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

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



Source: WEC members

Agency Work Activity is based on the dynamics of hours worked by agency workers in each period

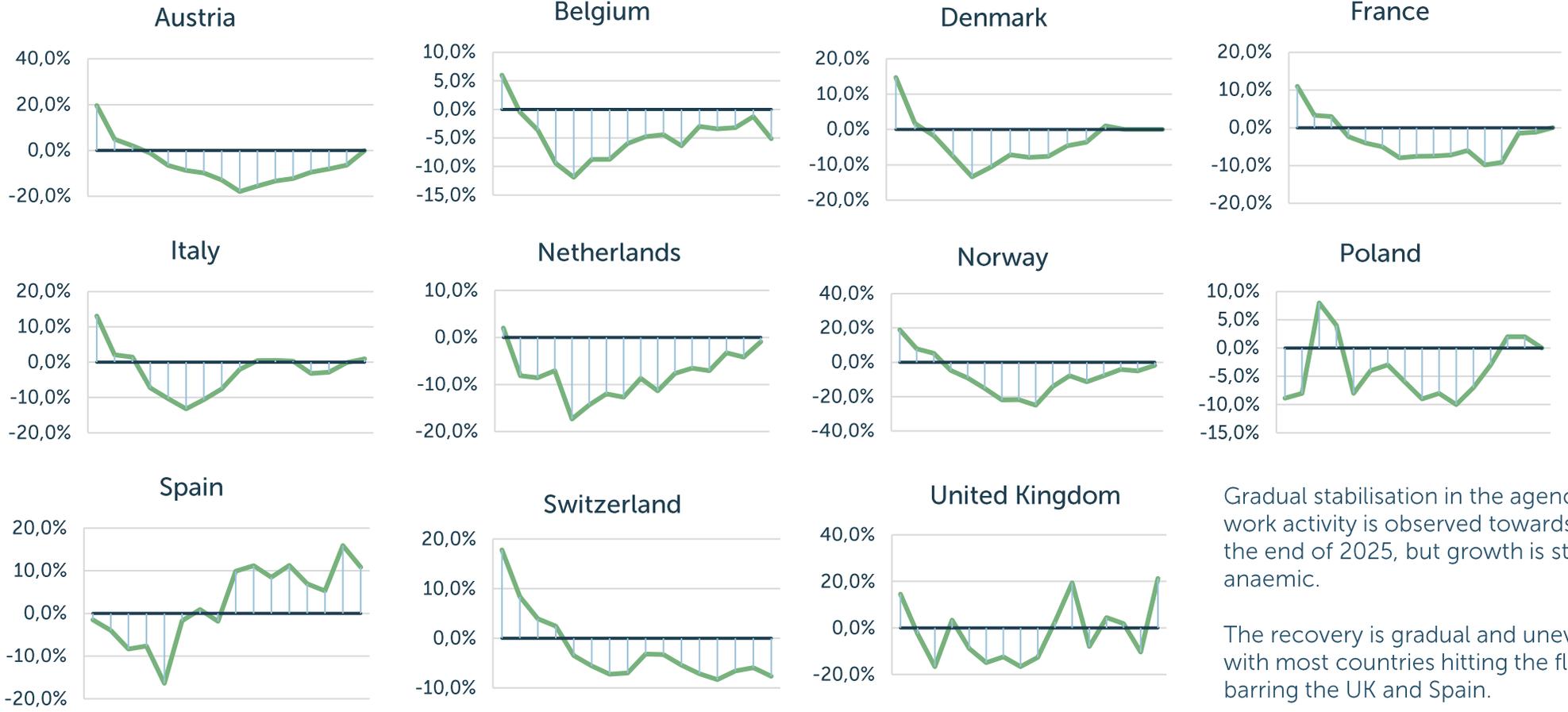
NB: Data for India in Q4 2025 is not available

NB2: Inclusion of the quarterly data for the UK (a large European agency work market with high volatility in temporary agency hours worked) has a strong impact on the European total, making it go strongly positive in Q4 2025, which would otherwise be at around zero.



# Agency Work Hours Worked in Europe

Number of hours worked by agency workers  
Monthly dynamics (YoY % change) – Q1 2022 – Q4 2025



Gradual stabilisation in the agency work activity is observed towards the end of 2025, but growth is still anaemic.

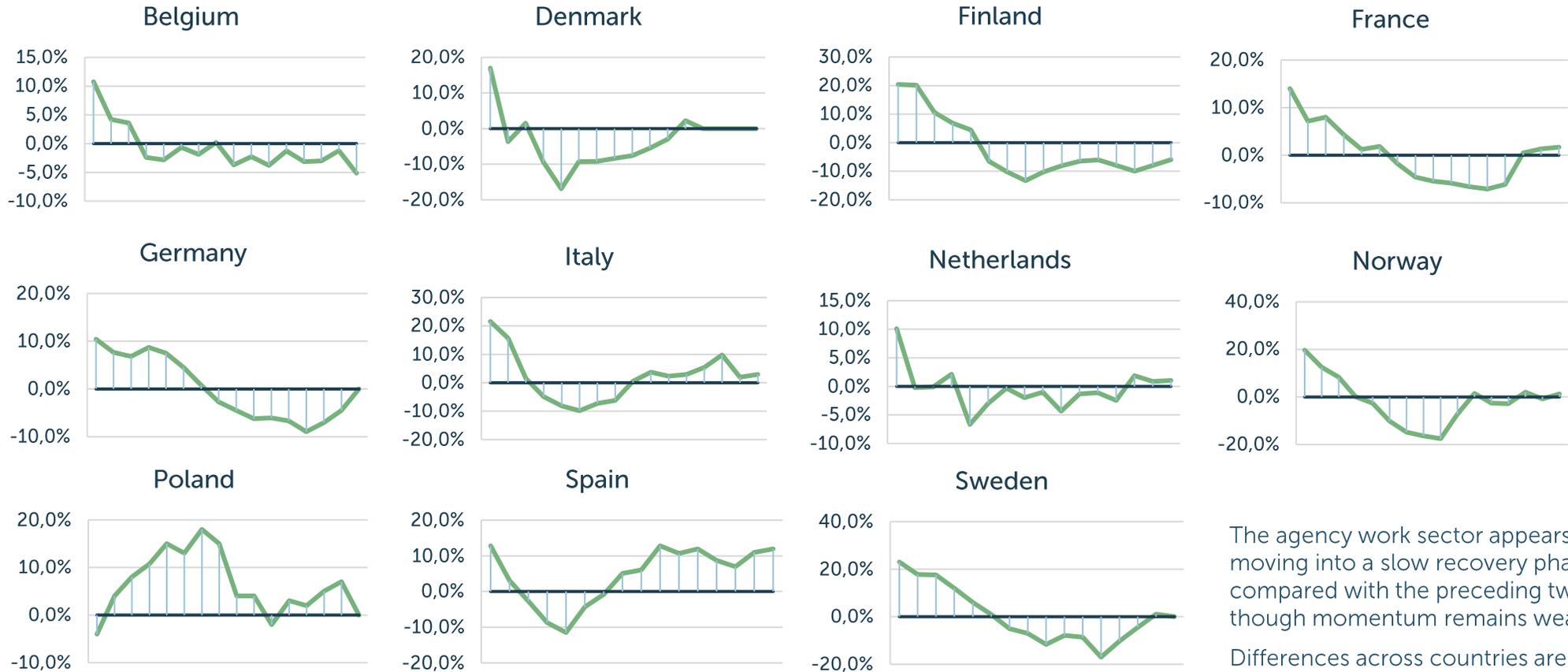
The recovery is gradual and uneven, with most countries hitting the floor, barring the UK and Spain.

Source: WEC Members



# Agency Work Turnover in Europe

Turnover of private employment agencies  
Monthly dynamics (YoY % change) – Q1 2022 – Q4 2025



Source: WEC Members  
NB: Finland tracks top 20 largest companies

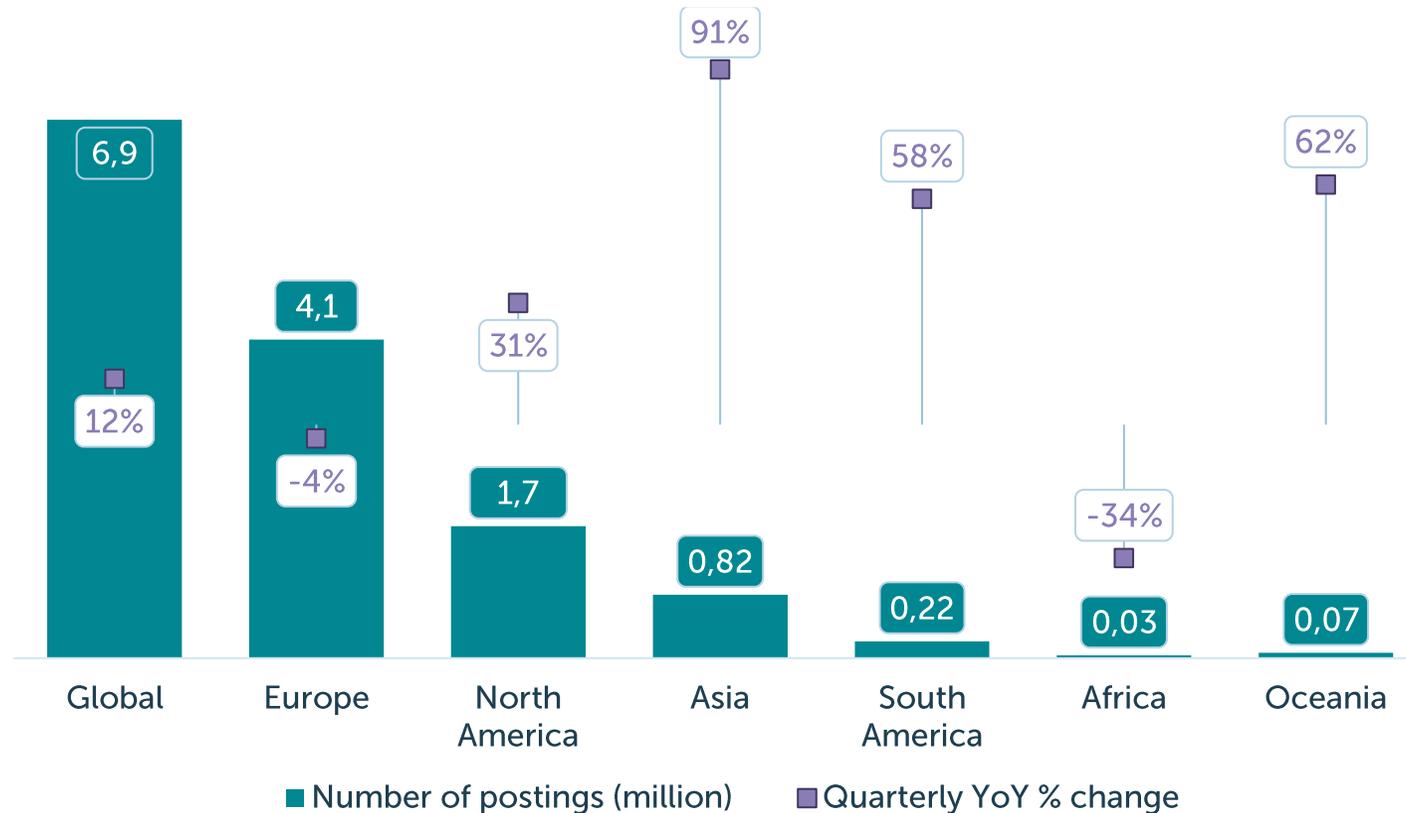
The agency work sector appears to be moving into a slow recovery phase in 2025 compared with the preceding two years, though momentum remains weak.

Differences across countries are significant, with Netherlands, Belgium, Italy and Spain more resilient compared to Germany, Finland and Norway.



# Agency Work: Online Job Postings

Agency work online job postings by geographical region  
Number of postings & quarterly dynamics – Q4 2025



Fourth quarter of 2025 was marked by a strong rebound in the online job market space in Asia, South America and Oceania, while still below surface in Europe and Africa

Source: Lightcast, in-house calculations

The number of job online postings represents the number of individual (i.e., deduplicated) job postings made in the public online domain.

# Economy





# Evolution of GDP

After a temporary slowdown in mid-2004, global GDP strengthened in Q1 2005, slowed again in Q2 due to higher oil prices and weakening confidence.

In Q3, manufacturing and trade were rebounding, and leading indicators had started to pick up again.

However, this improvement was tempered by continued increases in crude oil and refined product prices, exacerbated by Hurricane Katrina, which posed a growing drag on global growth.

IMF

REGION	Country	ANNUAL		QUARTERLY		
		2023	2024	1Q25	2Q25	3Q2025
NORTH AMERICA	Canada	1.5	1.6	2.9	1.6	1.4
	Mexico	3.4	1.4	0.4	1.0	-0.2
	United States	2.9	2.8	2.0	2.1	2.3
SOUTH AMERICA	Argentina	-1.9	-1.3	6.0	6.8	3.3
	Brazil	3.2	3.4	4.0	2.6	1.8
	Chile	0.5	2.6	2.6	3.7	1.9
ASIA	Australia	2.1	1.0	1.4	2.0	2.1
	China	5.4	5.0	5.4	5.2	4.8
	India	9.2	6.5	6.9	7.4	8.0
	Japan	1.2	0.1	1.6	1.9	0.7
	New Zealand	1.8	-0.6	-0.7	-1.1	1.3
	South Korea	1.6	2.0	-0.3	0.6	1.9
EUROPE	Austria	-1.0	-1.0	0.3	0.5	1.0
	Belgium	1.2	1.0	-0.9	-1.5	-2.0
	Bulgaria	1.9	2.8	3.5	3.4	3.2
	Czech Republic	0.0	1.2	2.4	2.6	2.8
	Denmark	0.6	3.5	2.6	2.0	4.0
	Estonia	-2.7	-0.1	-0.3	0.3	0.9
	Finland	-0.9	0.4	1.0	0.4	-0.7
	France	1.6	1.1	0.6	0.7	0.9
	Germany	-0.9	-0.5	0.2	0.3	0.3
	Greece	2.3	2.3	2.4	1.6	2.0
	Ireland	-2.5	2.6	18.3	18.1	10.9
	Italy	0.7	0.7	0.8	0.5	0.6
	Latvia	2.9	-0.4	1.6	1.5	1.8
	Lithuania	0.4	2.7	3.0	3.2	2.1
	Luxembourg	0.1	0.4	-2.6	-0.7	2.7
	Netherlands	-0.6	1.1	2.5	1.7	1.6
	Poland	0.3	2.9	3.7	3.0	3.8
	Portugal	2.6	1.9	1.7	1.8	2.4
	Romania	2.4	0.8	0.7	2.2	1.5
	Spain	2.5	3.5	3.1	2.9	2.8
Sweden	-0.2	0.8	0.8	2.0	2.5	
Norway	0.1	2.1	-0.6	-1.3	n/a	
Switzerland	0.7	1.4	2.3	1.5	0.5	
Turkey	5.0	3.3	2.7	4.5	4.9	
United Kingdom	0.4	1.1	1.8	1.4	1.3	
AFRICA	Egypt	3.8	2.4	4.8	5.0	5.3
	South Africa	0.8	0.5	0.5	1.1	1.9

Source: OECD & IMF via Macrobond





# Global GDP Growth Is Projected At 3.3% In 2026

GDP growth projections  
(YoY % change)

Global growth is projected at 3.3 percent for 2026 and 3.2 percent for 2027, remaining steady, with the momentum in high-tech sectors set to slow but to continue to partly offset the drag elsewhere.

While tariffs and uncertainty are projected to continue to weigh on the level of activity, the effect on growth is expected to fade during 2026 and 2027.

IMF



Source: IMF



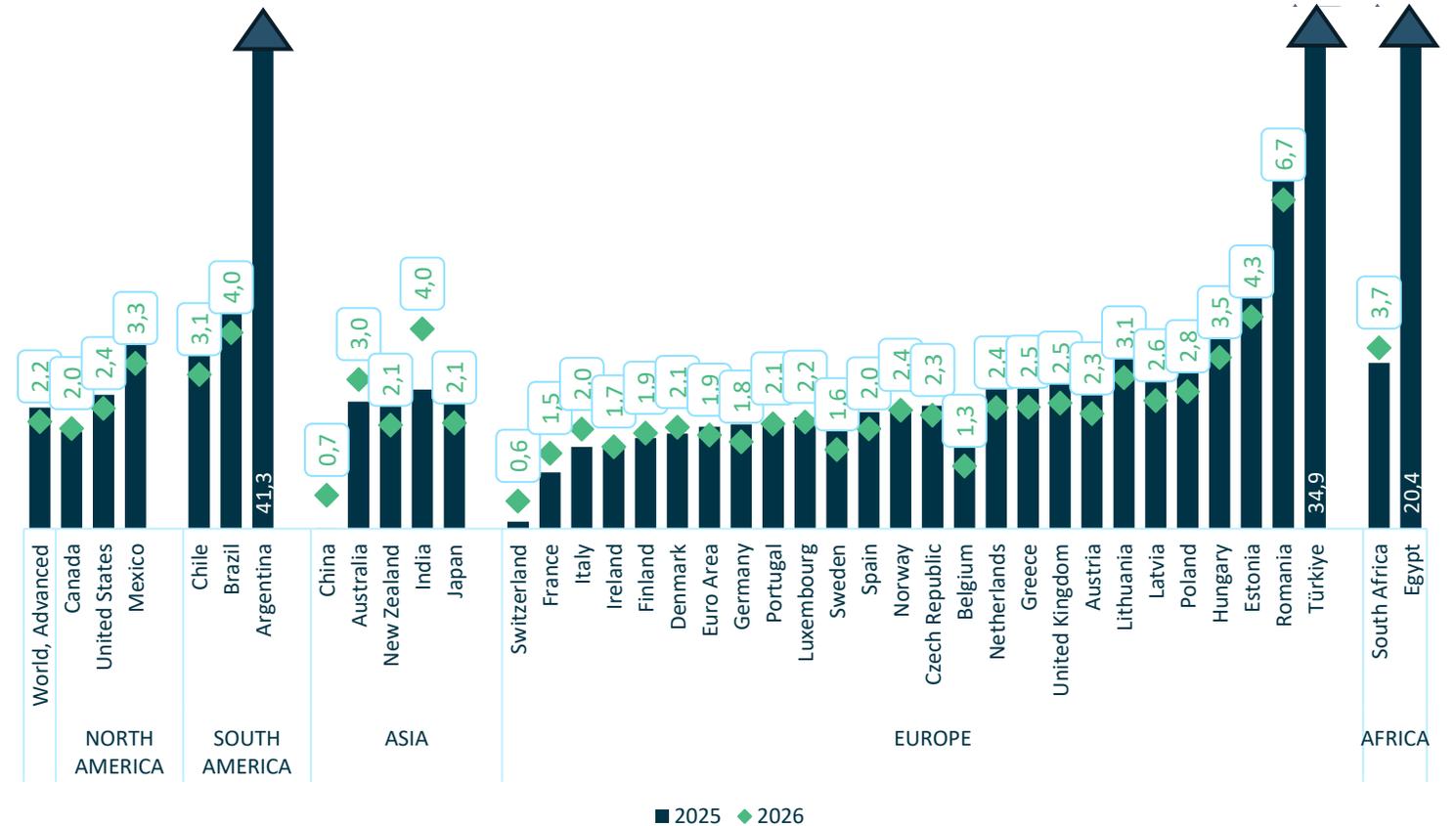
# Inflation At Bay

Global inflation is expected to fall, but US inflation will return to target more gradually. Key downside risks are re-evaluation of technology expectations and escalation of geopolitical tensions.

IMF

Sample Averages (excl. AG, TR, EG):  
2025: 2.9%  
2026: 2.5%

### Inflation rate projections (YoY % change)



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



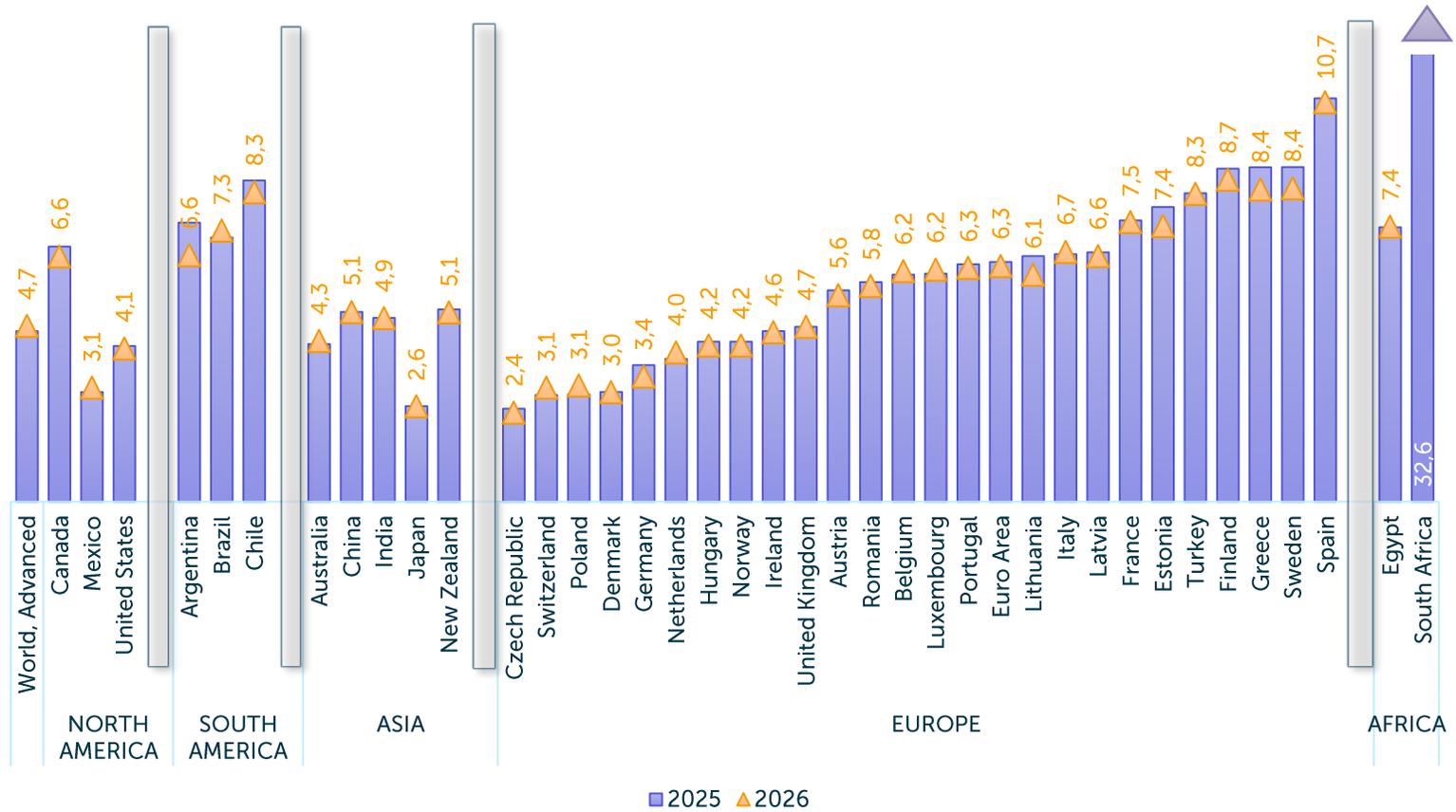
# Unemployment Responds To Weaker Demand

The 2025–2026 IMF projections around the world show more upward pressure on unemployment compared with the broadly stable conditions observed in 2024.

Slight increases in the unemployment level in 2025 is expected in the United States, Norway, Switzerland, Netherlands, New Zealand, Mexico, Finland, and Belgium.

Unemployment is expected to ease in 2025 in Greece, Lithuania and Czech Republic.

### Unemployment rate projections (YoY % change)



Source: IMF Economic Outlook

# Labour Market

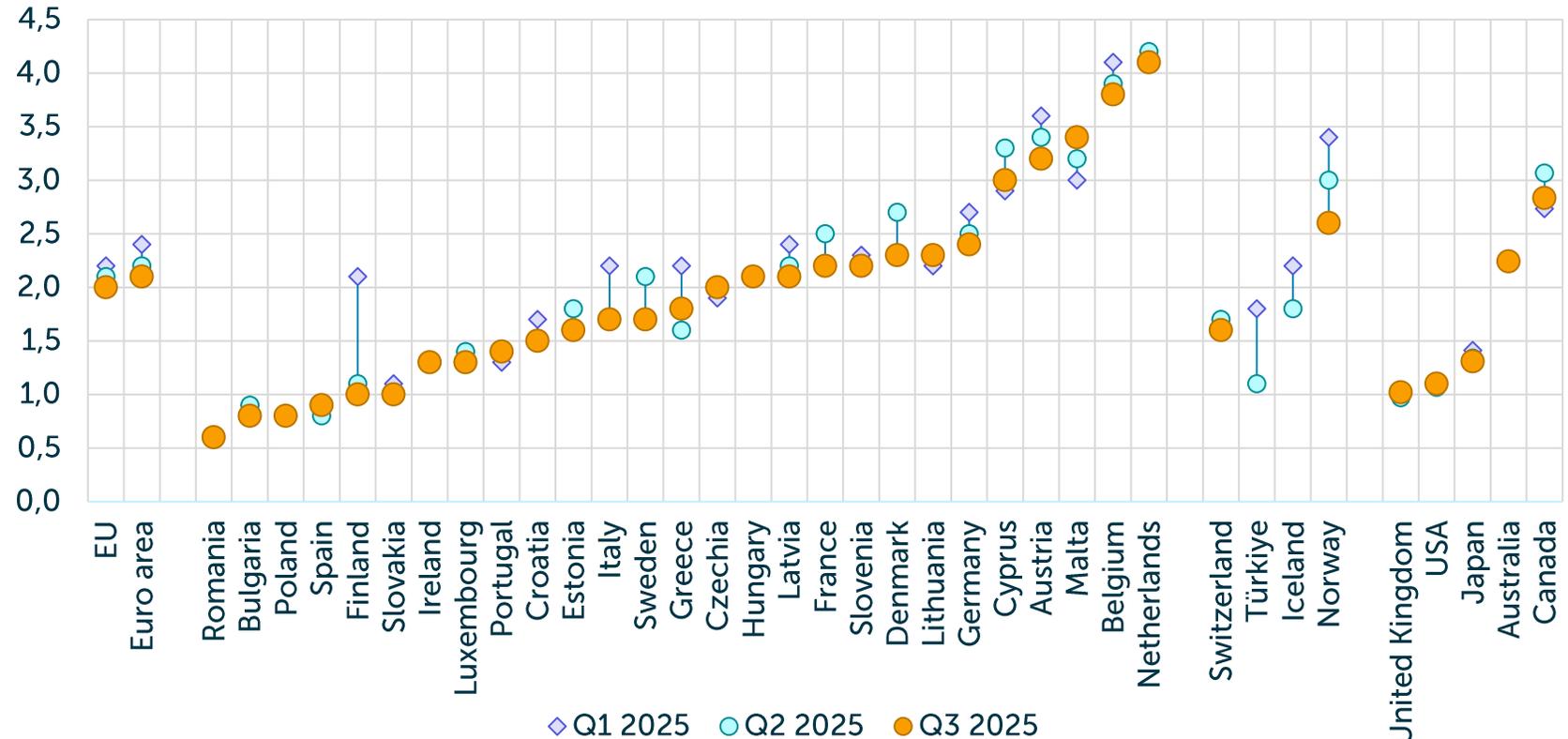




# Job Vacancy Rates

Job vacancy rates have continued to ease in most countries, including in the third quarter of 2025, signalling a prolonged cooling in labour demand. This trend reflects broader economic conditions: lacklustre GDP growth, persistent uncertainty from geopolitical tensions, and the lagged impact of tight monetary policy aimed at curbing inflation. While inflation has eased, businesses remain cautious, leading to restrained hiring despite signs of macroeconomic stabilisation.

Job vacancy rates (%)



Source: Eurostat; BLS; ONS; ABS; own calculations

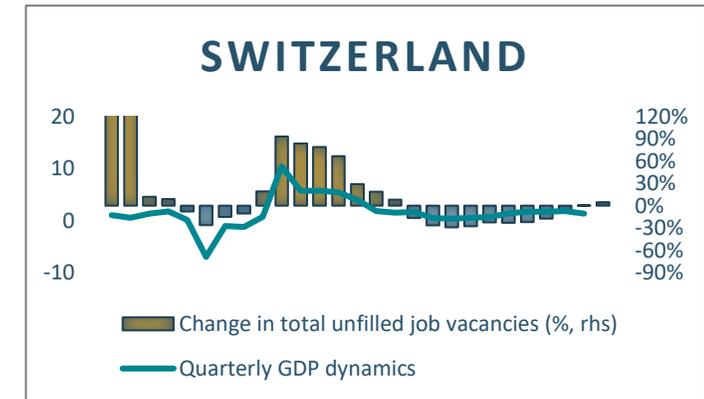
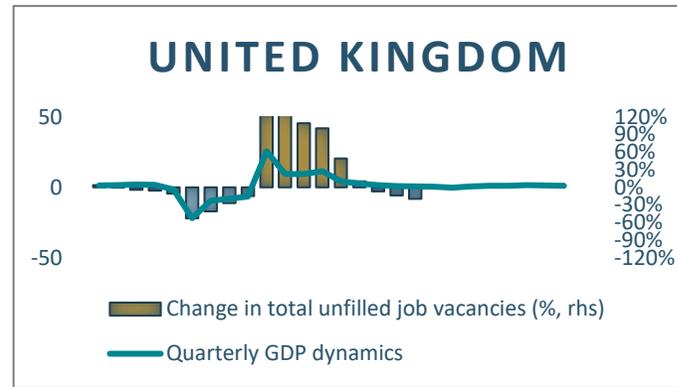
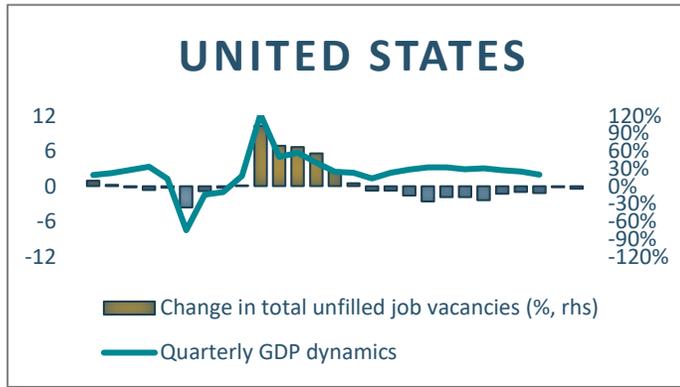
Note: Job vacancy rates for the EU include "Industry, construction and services"

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 Q3 2025



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

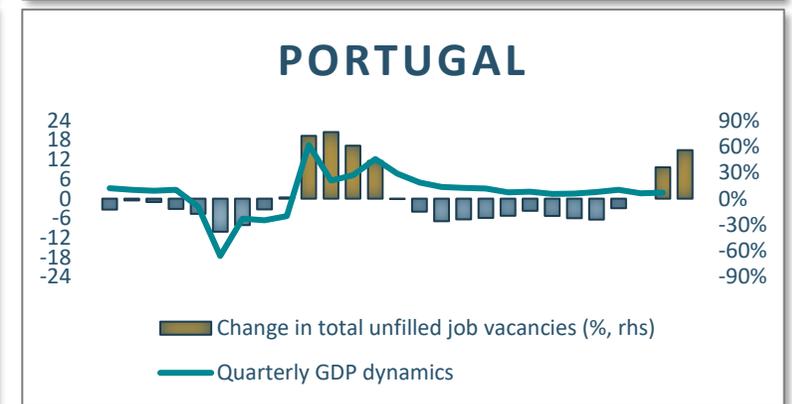
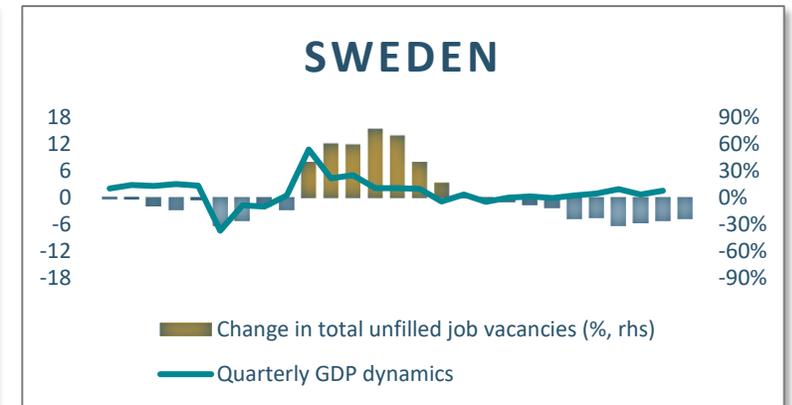


# Unfilled Job Vacancies

Quarterly dynamics of GDP and unfilled job vacancies (YoY % change and % respectively) – Q1 2019 to Q3 2025

While job vacancy rates have been easing, the number of unfilled job vacancies remains elevated globally. This is due to persistent skills mismatches, demographic ageing reducing labour supply, and evolving worker preferences for flexibility and better conditions.

Even as overall hiring slows, demand in sectors like tech, healthcare, and green industries outpaces the availability of qualified talent, creating structural gaps that monetary policy alone cannot resolve.



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



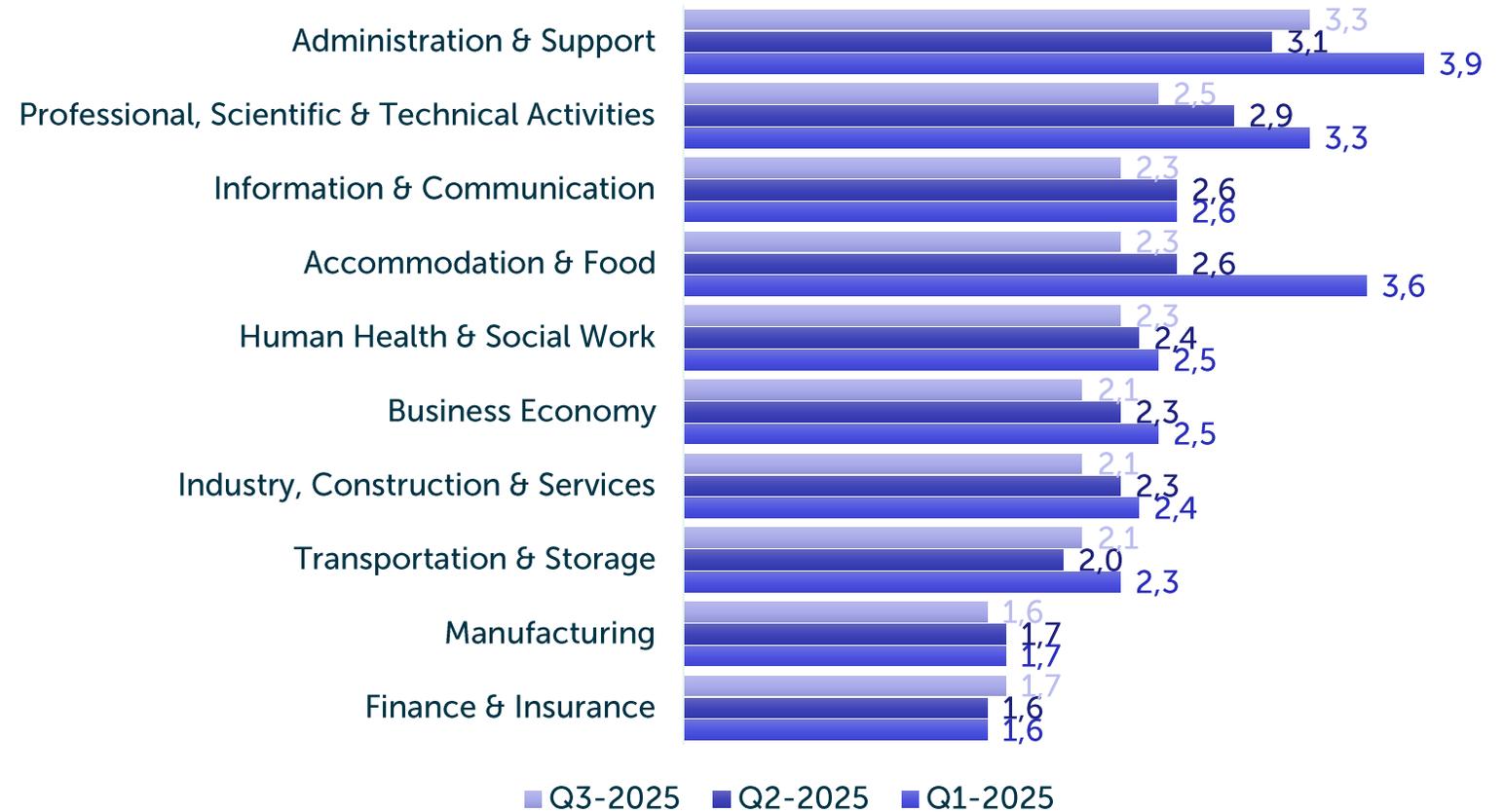
# Labour Shortages in the EU by Economic Sector

Job vacancy rates in the EU (%)

EU-20 job vacancy rates continued easing in Q3 2025 compared with the previous quarter, except in the:

- Administration & support
- Transportation & Storage
- Finance & Insurance

where an uptick was registered in the third quarter of 2025.



Sources: Eurostat

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



# Self-Employment

Share of self-employed  
(% of total employment) – 2023-2024

The share of self-employed people globally has been stable over the past few years, averaging around 17 per cent of the population in 2024.



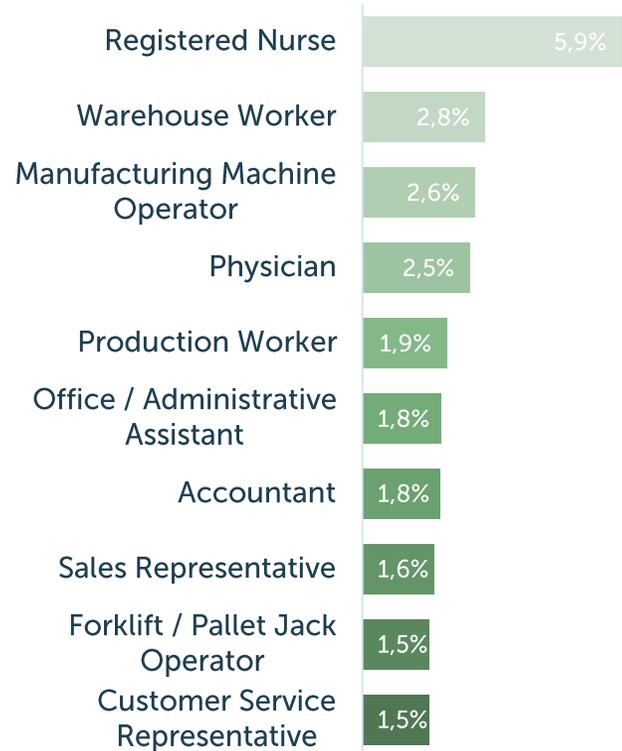
Source: OECD

NB: the average global number is a simple average across national percentages.

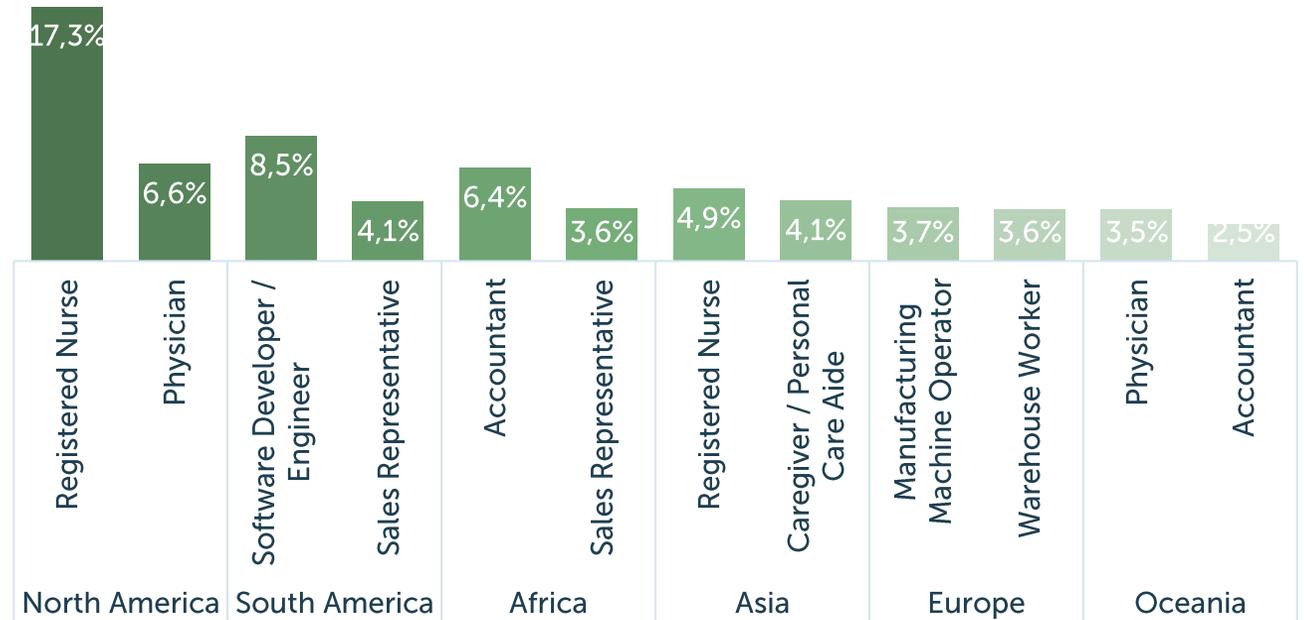


# Top Occupations Sought Online – AGENCY WORK

Global ranking of occupations staffing firms seek by difficulty to fill (% of all staffing firms' online job postings) – Q4 2025



Most in-demand occupations by region (% of staffing firms' job ads in the respective region) – Q4 2025

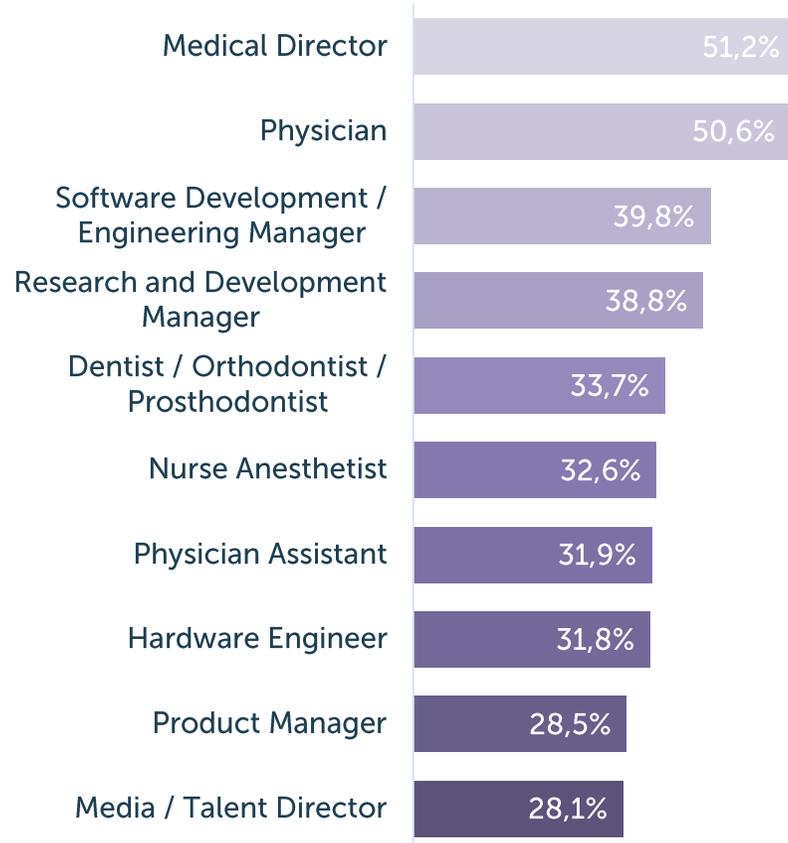


Source: Lightcast, in-house calculations  
Number of online job postings represents the number of individual (i.e., deduplicated) job postings made in the public online domain.

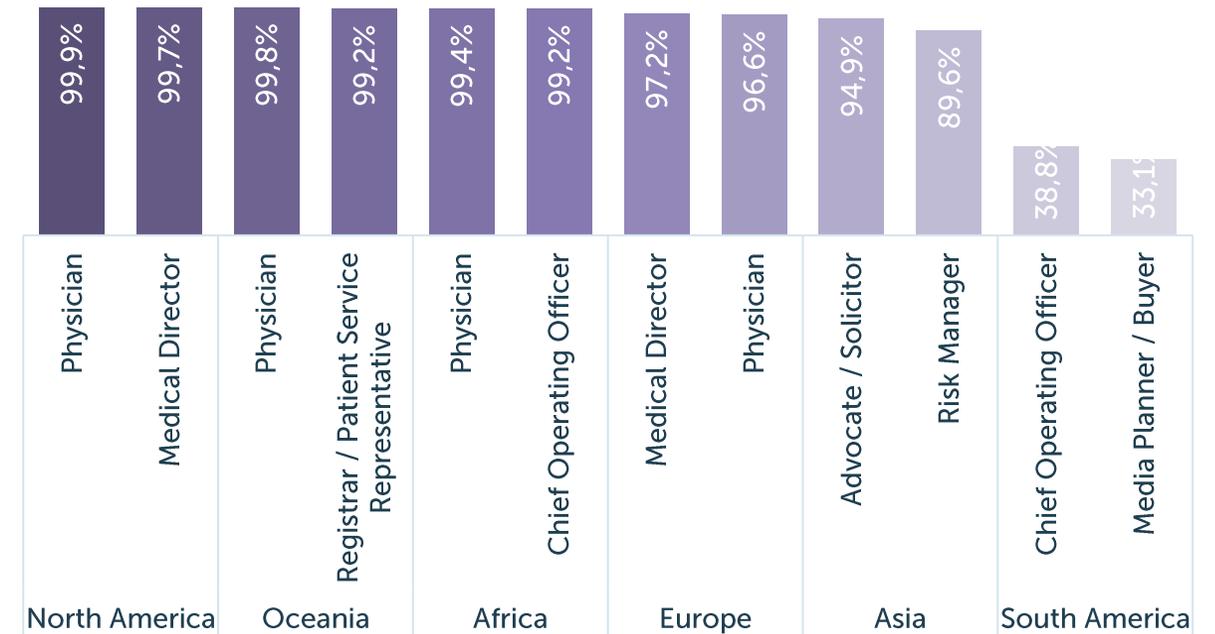


# Top 10 Hardest-to-Fill Occupations Online - GLOBAL

Global ranking of 10 most difficult-to-fill\* occupations via online job postings – Q4 2025



Hardest-to-fill\* occupations by region – Q4 2025



Source: Lightcast

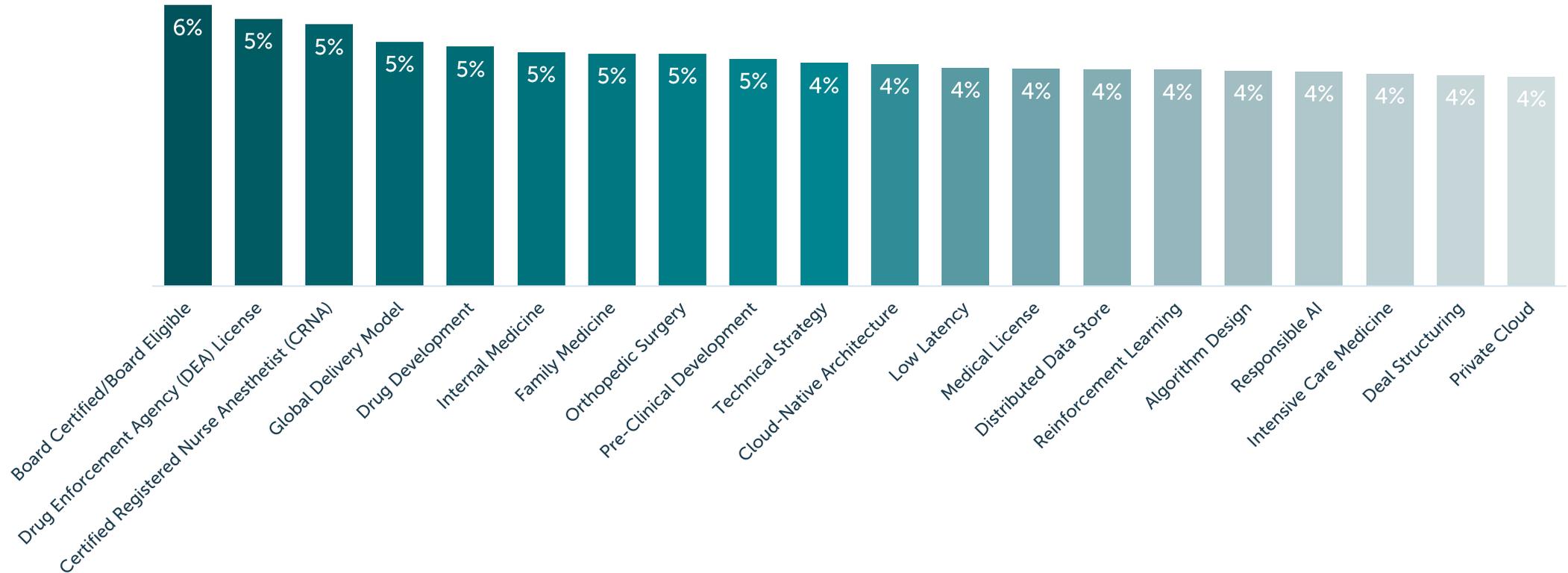
Number of online job postings represents the number of individual (i.e., deduplicated) job postings made in the public online domain.

\* 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").



# Top Hardest-to-Find Skills Online - GLOBAL

Global ranking of 20 most difficult-to-source skills via online job postings – Q4 2025



Source: Lightcast

The number of job online postings represents the number of individual (i.e., deduplicated) job postings made in the public online domain.

\* 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").

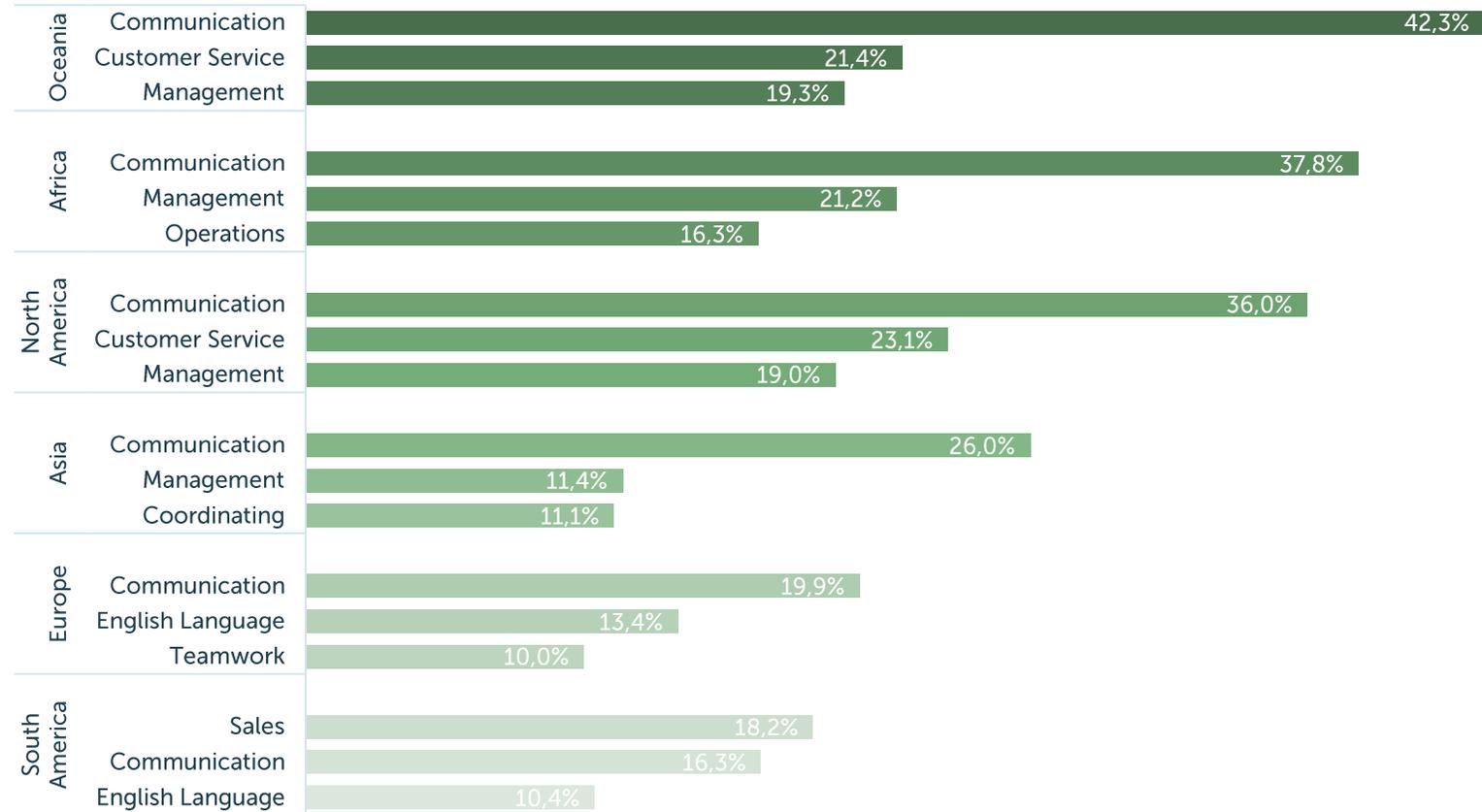


# Leading Skills in The Online Labour Market - GLOBAL

Leading skills in demand on the online job market across regions (% of job postings) – Q4 2025

Top skills across most regions in the fourth quarter of 2025 were:

- Communication
- Management
- Customer Service
- English Language



Source: Lightcast

The number of job online postings represents the number of individual (i.e., deduplicated) job postings made in the public online domain.

\* 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").

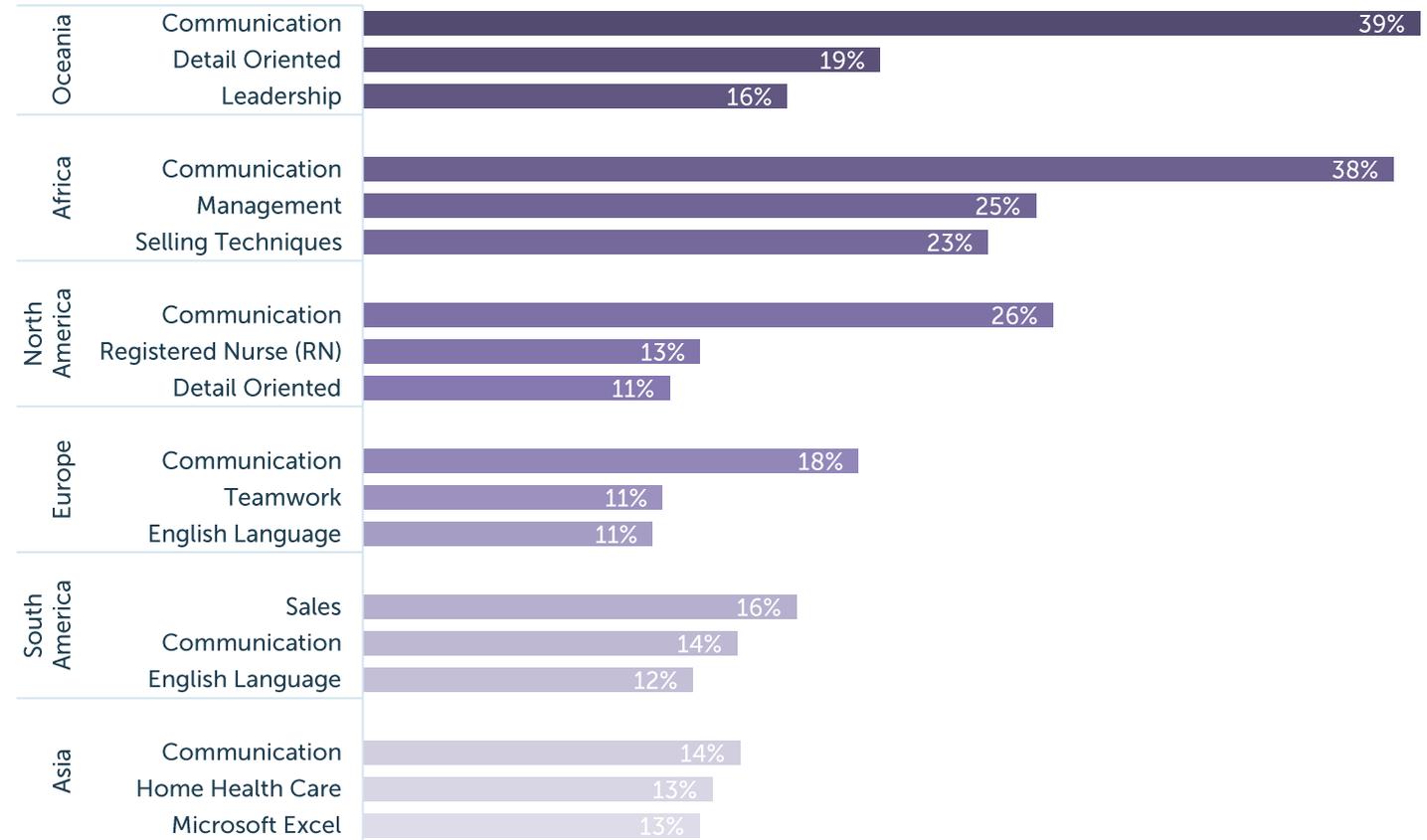


# Leading Skills in The Online Labour Market - AGENCY WORK

Leading skills in demand on the online job market across regions (% of staffing agencies job postings) – Q4 2025

Top skill across most regions in the fourth quarter of 2025 was Communication.

Other popular skills include Attention to detail and mastery of the English language.



Source: Lightcast

The number of job online postings represents the number of individual (i.e., deduplicated) job postings made in the public online domain.



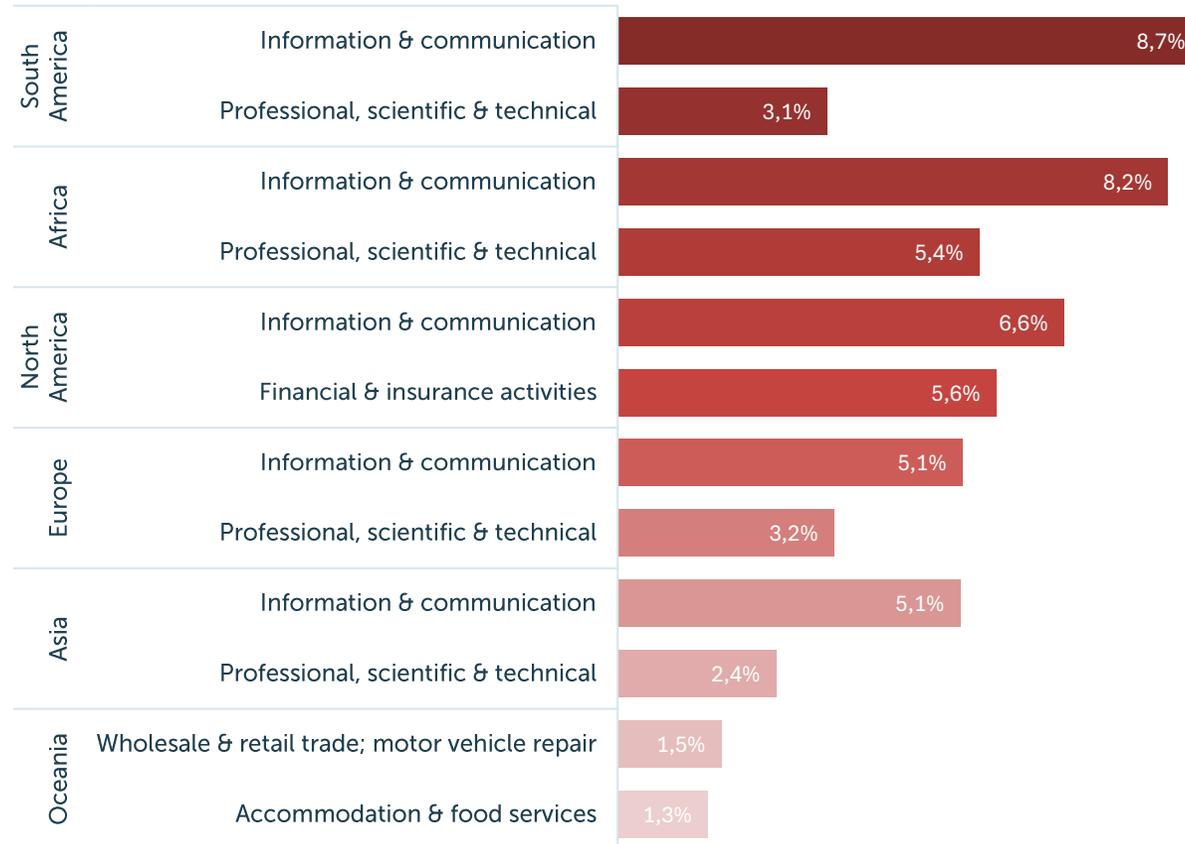
# Top Economic Sectors Seeking To Fill Job Posts Online - GLOBAL

Top economic sectors driving online job demand by region – Q4 2025

In Q4 2025, global hiring through the online job market in all four corners of the world was driven by two main sectors:

- Professional, scientific and technical activities
- Information and communication activities

Close second was the wholesale and retail trade, motor vehicle and motorcycle repair.



Source: Lightcast

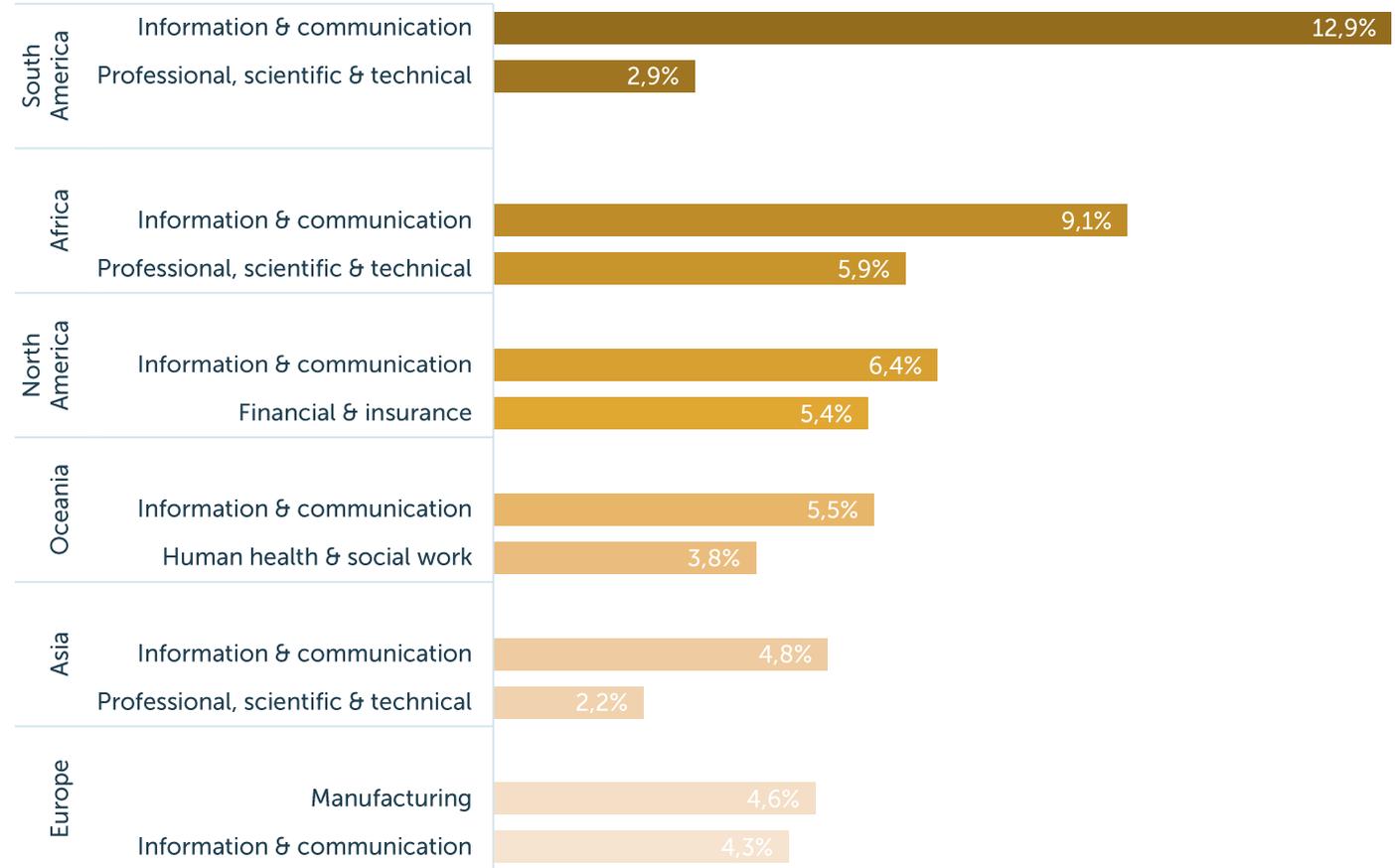
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# Top Economic Sectors Seeking To Fill Job Posts Online - AGENCY WORK

Top economic sectors driving online job demand by region – Q4 2025

In Q4 2025, both, the Information & Communication sector as well as Professional, scientific and technical activities sector, were driving global hiring for private employment agencies through the online job market in all four corners of the world.



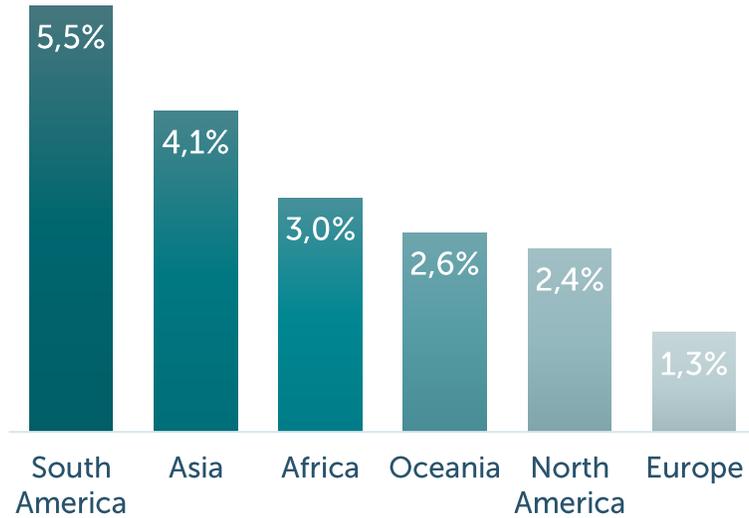
Source: Lightcast

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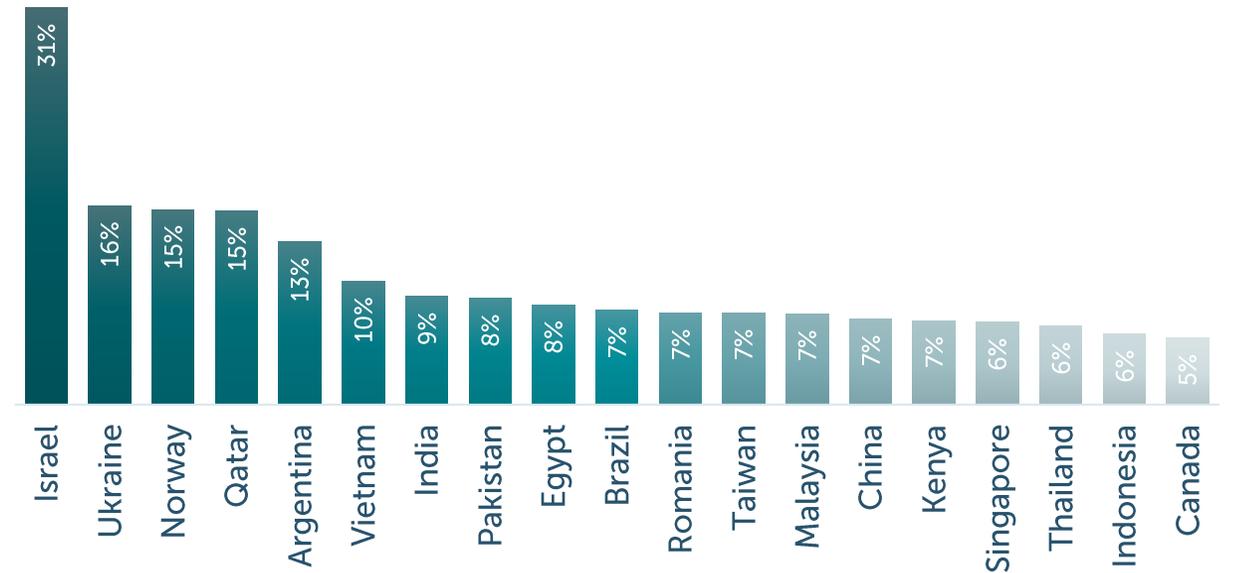


# AI-Index of Online Job Postings

## AI Index by Geographical Region Q4-2025



## Top 20 Countries with the highest demand for AI related skills Q4-2025



Source: Lightcast

The number of job online postings represents the total number of individual job postings (i.e., deduplicated) made available in the public online domain.

The AI Index 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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