

Swiss Staffingindex: pressure mounts on the labor market

The economic slowdown is impacting the labor market. The permanent staffing sector via staffing service providers fell by 25.9 percent in the third quarter compared with the previous year. The temporary staffing sector remains in significant decline.

The lingering economic slowdown has put the Swiss labor market under clear pressure. The permanent staffing sector in particular is seeing a marked decline compared with the previous year: the decrease in turnover for the third quarter was 25.9 percent, an even greater drop than the 20.8 percent in the previous quarter. The temporary staffing sector also experienced a further 5.3 percent drop in working hours. These developments indicate increasing uncertainty on the part of companies, which are being more reticent about creating jobs given the unsteady future outlook. Structural uncertainty is reinforcing the economic downturn and putting the entire sector under strain.

The latest data from SECO confirms the tense picture painted of the labor market by the Swiss Staffingindex. In September 2024, the unemployment rate rose to 2.5 percent and the number of job seekers increased by 20.1 percent. The employment outlook survey suggests that experts from regional unemployment offices (RAVs) are also pessimistic about this trend – they are expecting to see unemployment rise further and employment to drop in the fourth quarter. This particularly affects the industrial and service sector, as some vital foreign sales markets such as Germany and China are faltering. Companies that are already export-oriented have significantly fewer temporary staffing needs – especially as the strength of the Swiss franc is having an adverse impact on all international business. This is paired with excess production capacity and a drop in online trade. In areas that still have a skills shortage despite the economic slowdown, companies' needs often do not match the candidates available. Even when these do line up, many companies are hiring temporary staff on a permanent basis, which correspondingly reduces demand in the temporary and permanent staffing sector.

Study shows that temporary work serves as a stepping stone for changing careers

Temporary work gives companies and job seekers the flexibility they need to respond quickly to economic change and serves as a stepping stone to the labor market. According to a new study conducted by AMOSA (labor market monitoring for eastern Switzerland), 74 percent of temporary workers changed employer at least once in the last five years, 41 percent have taken a new career direction, and 21 percent experienced a period of unemployment. These figures illustrate the high level of mobility and adaptability

that temporary work offers job seekers on the labor market. Employees can respond flexibly to new circumstances and successfully shape career transitions. In an economic climate marked by uncertainty, temporary work is a tool that helps companies efficiently bridge staff shortages and offers workers a valuable opportunity to establish a foothold in the world of work.

Cautious outlook for 2025

The labor market is likely to remain strained for the foreseeable future. Clearly, the 1.2-percent growth predicted by SECO for 2024 will not be sufficient to provide employment stimuli for the labor market. The 1.7-percent rise forecast for the following year should brighten the economic situation, but this small increase is not expected to prompt a major fall in unemployment or rise in employment. Staffing service providers will thus continue to become ever more important as partners aiding with professional reorientation and job hunting. The same applies to the temporary training equal-opportunities further training fund, which has enabled temporary workers to prepare themselves for future challenges in the working world by financing continuing education services with sums of up to 5000 Swiss francs.

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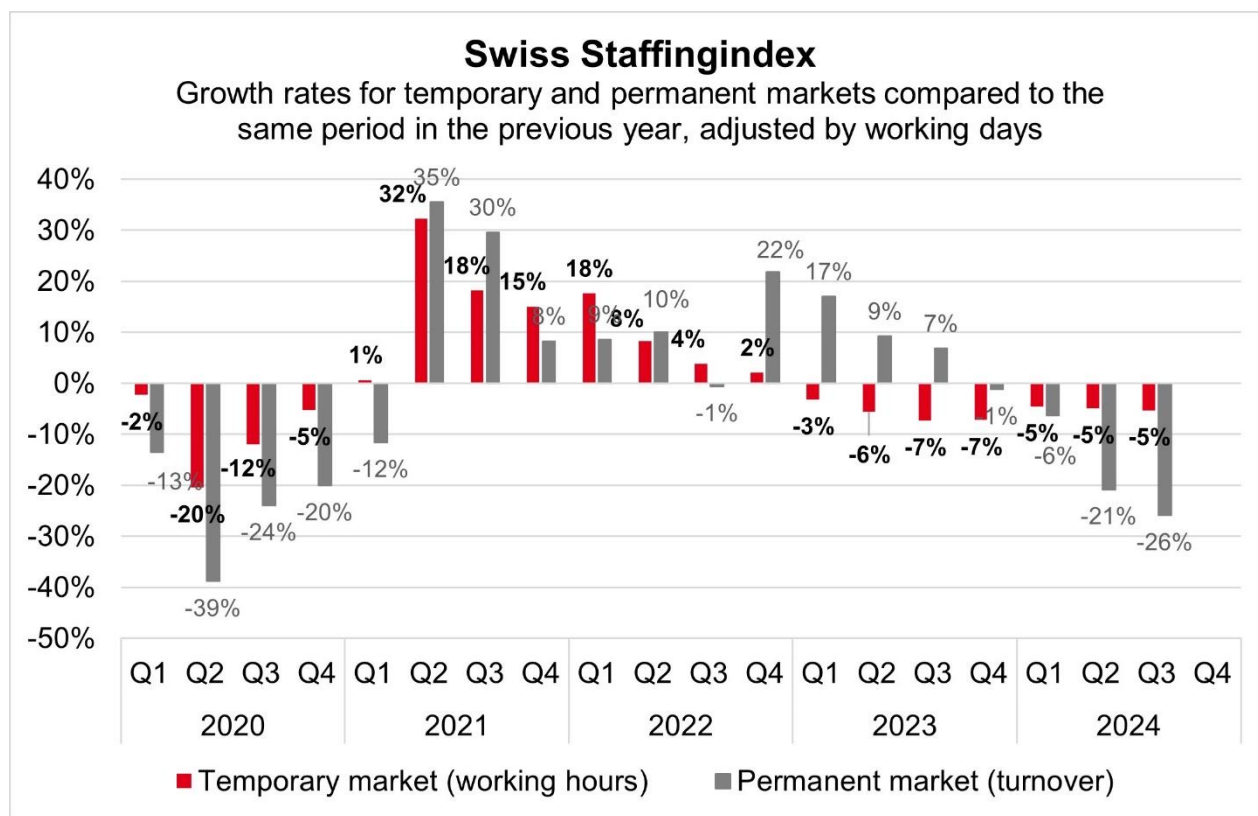
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The pages that follow show the index's key data and the development of the underlying index values. Other statistics are available by clicking on [this link](#).



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	January 30, 2025

Source: swissstaffing, Q3/2024

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

	2018	2019	2020	2021	2022	2023	2024
Q1	100.0	103.7	101.4	102.0	120.0	116.1	111.1
Q2	134.6	132.8	105.6	139.7	151.3	142.8	135.8
Q3	140.5	140.1	123.4	145.8	151.4	140.3	132.9
Q4	128.7	129.2	122.4	140.8	143.8	133.5	

Source: swissstaffing, Q3/2024

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

	2018	2019	2020	2021	2022	2023	2024
Q1	100	103.5	89.6	79.2	85.6	100.6	94.3
Q2	105.7	110.7	67.7	91.7	99.1	110.2	87.3
Q3	97.4	90.9	69.2	89.6	89.1	95.1	70.5
Q4	92.3	82.6	66.0	71.5	87.1	86.0	

Source: swissstaffing, Q3/2024

swissstaffing is the centre of excellence for staffing service providers in Switzerland. As an employers' association, swissstaffing represents the interests of its over 500 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](#).