

Press release

Zurich, 3 August 2022, 9 am

KOF Employment Indicator continues to rise

The KOF Employment Indicator has risen this quarter as well. The renewed increase is due to modest improvements in almost all sectors. Employment expectations for the next three months, on the other hand, are being dampened slightly.

The KOF Employment Indicator continues to perform well in the third quarter of 2022 despite the war in Ukraine and inflation concerns. The indicator has improved every quarter since the second quarter of 2020 in the immediate aftermath of the COVID pandemic. The indicator has now hit 17.2 points in the current quarter, which is an unprecedented value for the KOF Employment Indicator. Despite the challenging market environment, the level of the indicator suggests that we will see a highly encouraging employment trend across almost all sectors in the near future.

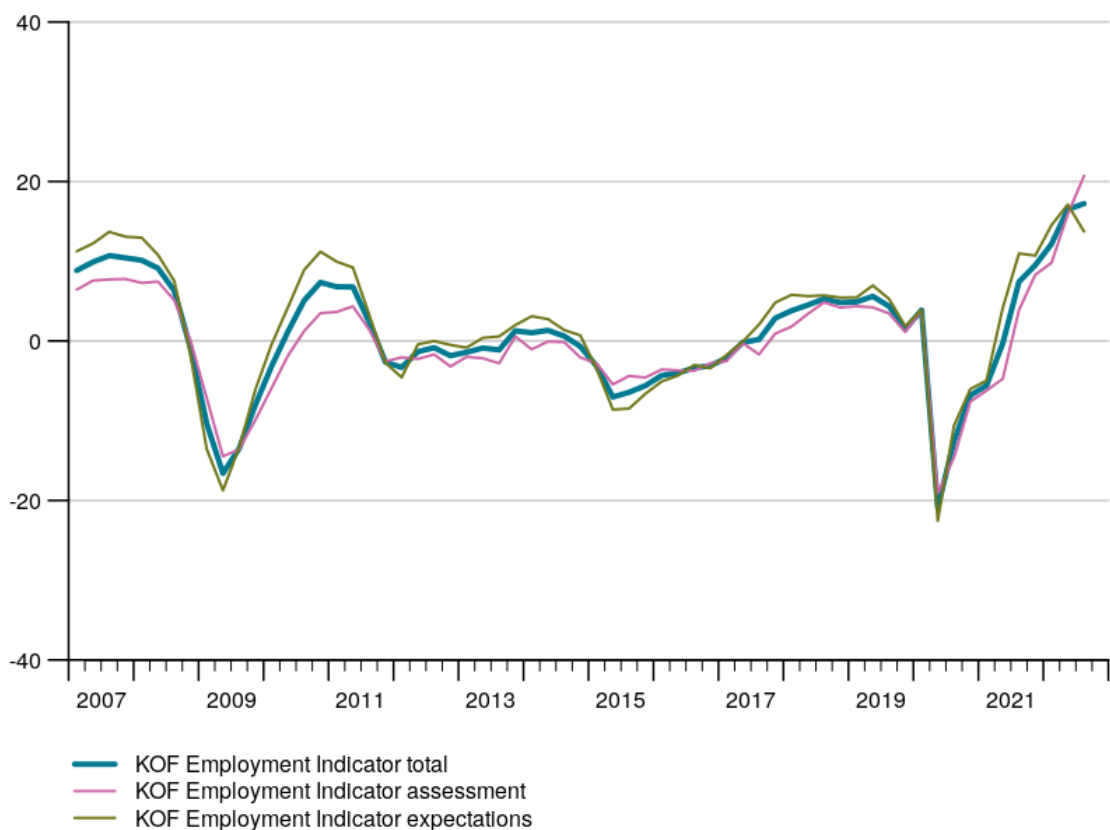
The KOF Employment Indicator is calculated from the quarterly KOF Business Tendency Surveys. The evaluations for the third quarter of 2022 are based on the responses of around 4,500 firms that were surveyed in July about their employment plans and expectations. On balance, a clear majority of the companies surveyed reckon that their current staffing levels are too low. In addition, there are significantly more businesses that are looking to increase their workforce in the next three months than firms that are planning to reduce their headcount. This second component of the KOF Employment Indicator – employment expectations for the next three months – has deteriorated slightly from a high level compared with the previous quarter. This could be the first sign that the indicator has peaked. Overall, however, the KOF Employment Indicator points to strong employment growth in the Swiss labour market over the current and subsequent quarters.

Employment outlook highly positive in virtually all sectors

The encouraging employment outlook is broad-based across all industries. After several sectors had already achieved historically very high indicator values in the last quarter, these values have actually been exceeded in the current quarter. The last time a similarly positive indicator value was recorded in manufacturing, for example, was in the first quarter of 2001. According to KOF surveys, the employment outlook also remains very encouraging in the hospitality industry, in the construction sector, in project engineering, in wholesaling, and in banking and insurance.

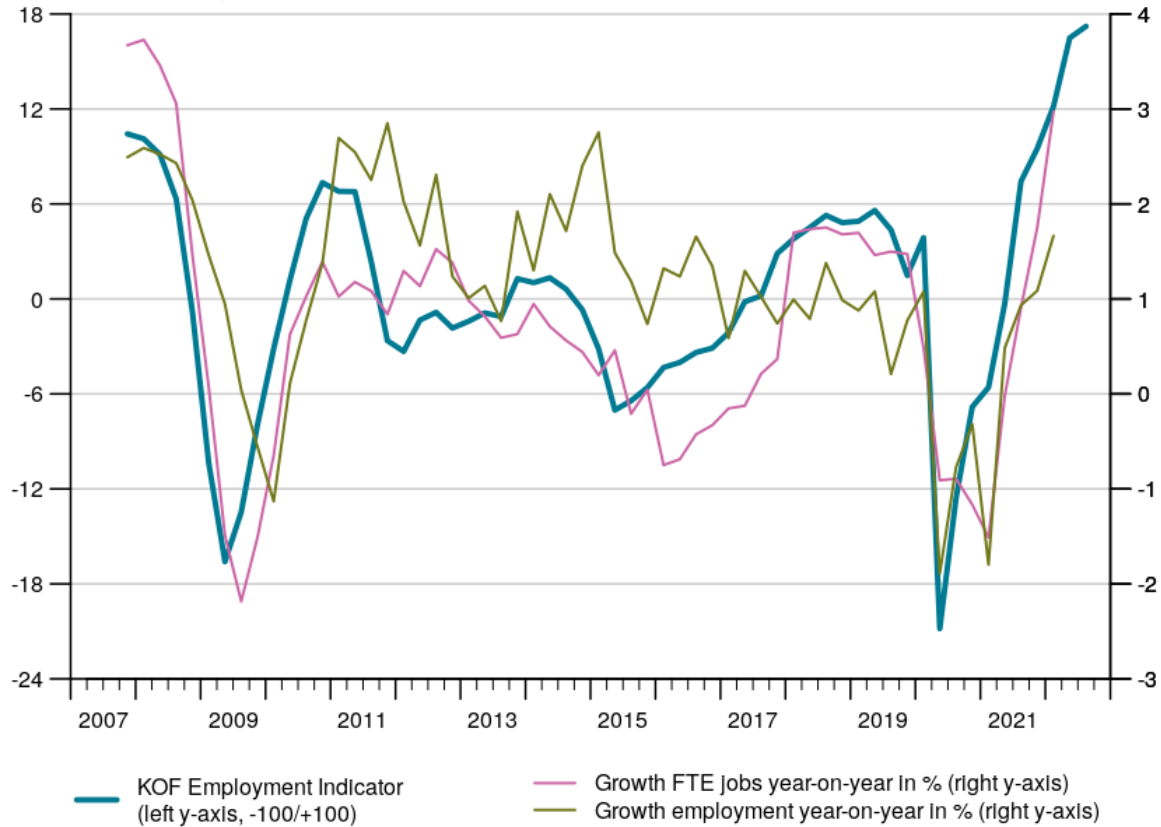
Period	Current indicator value	Value in the preceding quarter
3rd quarter 2020	-12.6	-12.5
4th quarter 2020	-6.8	-6.9
1st quarter 2021	-5.6	-5.5
2nd quarter 2021	-0.3	-0.3
3rd quarter 2021	7.4	7.4
4th quarter 2021	9.5	9.5
1st quarter 2022	12.2	12.2
2nd quarter 2022	16.5	14.8
3rd quarter 2022	17.2	

KOF Employment Indicator



KOF Employment Indicator, Job and Employment Growth

Job and Employment Growth According to FSO



The KOF Employment Indicator

The KOF Employment Indicator is calculated from the quarterly Business Tendency Surveys conducted by KOF. As part of these surveys, KOF asks private firms in Switzerland to assess their current staffing levels and to state whether they plan to change them over the next three months. A positive indicator value means that the number of surveyed companies considering job cuts during the reference quarter is smaller than the number of businesses intending to increase their workforces. In the past it has been shown that these assessments anticipate actual labour market trends.

Click here for more information on the indicator and its methodology and to download the indicator data:

<https://www.kof.ethz.ch/prognosen-indikatoren/indikatoren/kof-beschaefigungsindikator.html>

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