

Press release

Zurich, 3 May 2023, 9 am

Positive outlook for the Swiss labour market persists

Starting from a high level, the KOF Employment Indicator is decreasing slightly. However, above-average employment growth on the Swiss labour market can still be expected in the current quarter.

In the second quarter of 2023, the KOF Employment Indicator recorded a value of 13.1 points and is thus below the value of this year's first quarter of 14.4 points (revised from 14.8). The indicator thus continues its slight downward trend of the last four quarters. Overall, however, the KOF Employment Indicator is still well above the long-term average of 1.0 points and the level it had before the Corona crisis.

The KOF Employment Indicator is calculated from the quarterly KOF Business Tendency Surveys. The evaluations for the second quarter of 2023 are based on the responses of around 4,500 companies that were surveyed in April about their employment plans and expectations. On balance, a clear majority of the companies surveyed continue to assess the current number of employees as too low. In addition, there are still significantly more companies that want to increase the number of employees in the next three months than companies that plan to reduce employment. The KOF Employment Indicator thus points to above-average employment growth on the Swiss labour market for the current and next quarters.

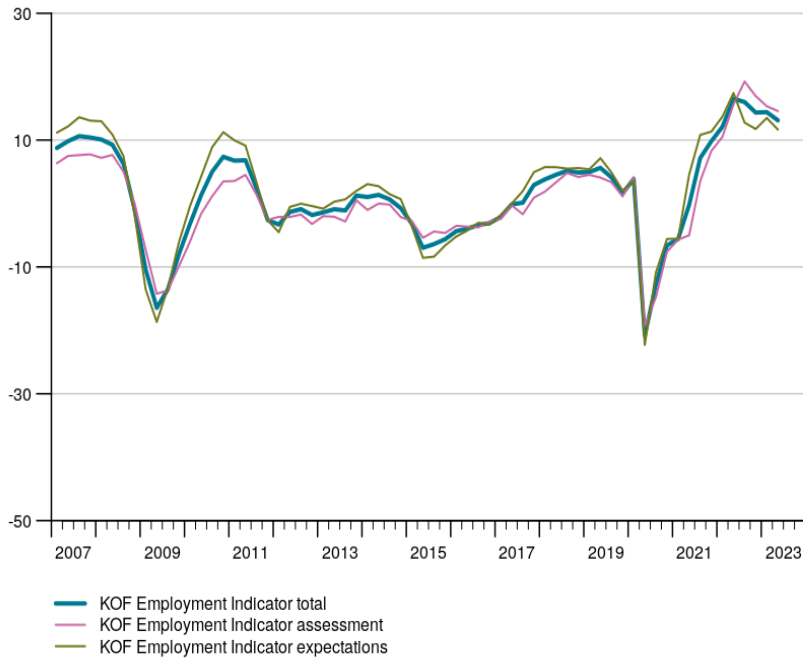
All sectors except industry with positive outlook

The good labour market situation is also reflected in the KOF Employment Indicators for the individual sectors. Various sector indicators show a slight decrease in the KOF Employment Indicator compared to their highs last year. For example, the indicator decreased in construction, retail trade, wholesale trade, hospitality and project planning. However, with one exception, the sector indicators are still well above the long-term averages.

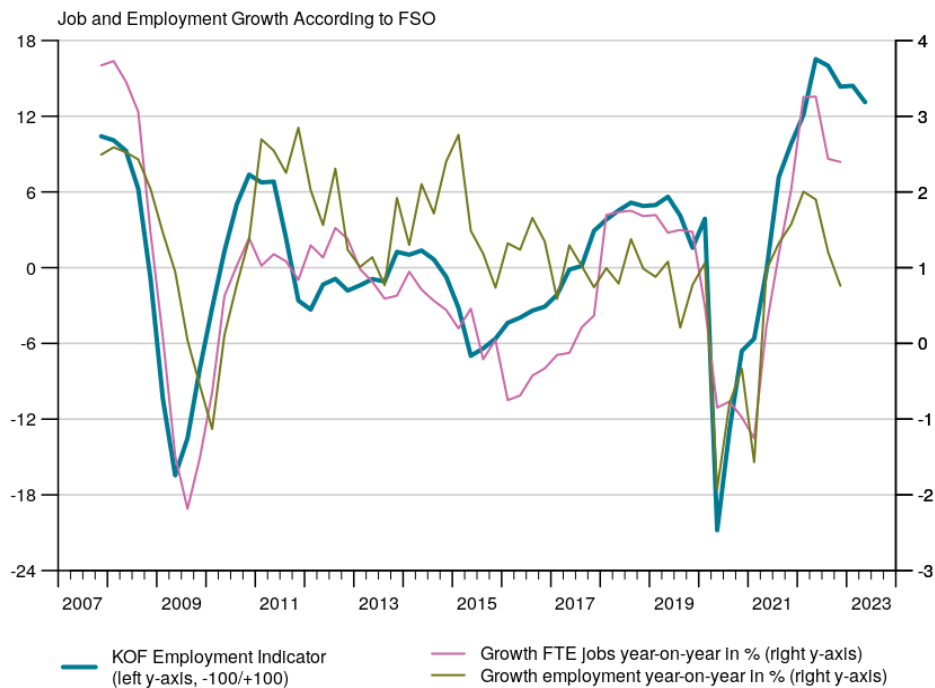
The exception is manufacturing. Its employment indicator continued its negative trend of the last quarters in April and is now just below zero again for the first time. Slightly more firms in the manufacturing sector assess the current number of employees as too high than too low and therefore plan to reduce employment in the next months.

Period	Current indicator value	Value before one quarter
2nd quarter 2021	-0.2	-0.3
3rd quarter 2021	7.2	7.1
4th quarter 2021	9.8	9.8
1st quarter 2022	12.1	12.3
2nd quarter 2022	16.5	16.4
3rd quarter 2022	16.0	15.9
4th quarter 2022	14.3	14.3
1st quarter 2023	14.4	14.8
2nd quarter 2023	13.1	

KOF Employment Indicator



KOF Employment Indicator, Job and Employment Growth



The KOF Employment Indicator

The KOF Employment Indicator is calculated from the quarterly business surveys conducted by the KOF. As part of these surveys, the KOF asks private-sector companies in Switzerland how they assess their current workforce and whether they intend to change it in the next three months. A positive value of the indicator means that the number of participating companies that are considering job cuts in the reference quarter is smaller than the number of companies that are aiming to increase their workforce. In the past it has been shown that these assessments anticipate the actual labour market development.

Find here more information on the indicator and its methodology as well as download the indicator data:

<https://kof.ethz.ch/en/forecasts-and-indicators/indicators/kof-employment-indicator.html> →

Contact:

Justus Bamert | Tel. +41 44 632 85 33 | bamert@kof.ethz.ch

KOF Corporate Communications | Tel. +41 44 633 99 48 | media@kof.ethz.ch