

# Press release

Zurich, 5 February 2024, 9am

## KOF Employment Indicator: labour market remains in good shape

**Starting from a fairly high level, the KOF Employment Indicator fell slightly in the first quarter of 2024 compared with the previous quarter. This decline is the result of the deteriorating outlook in the retail, hospitality and manufacturing sectors. Overall, however, the Swiss labour market is expected to perform well in the current and coming quarters.**

In the first quarter of 2024 the KOF Employment Indicator fell by 0.5 points compared with the last quarter of 2023 and now stands at 7.5 points. The indicator value has fallen slightly since mid-2022, when it reached a historic high. Nevertheless, the situation in the Swiss labour market remains encouraging. The indicator is still well above its long-term average of 1.5 points.

The KOF Employment Indicator is based on KOF's quarterly Business Tendency Surveys. The evaluations for the first quarter of 2024 are derived from the responses of around 4,500 firms that were surveyed in January about their employment plans and expectations. On balance, the majority of survey respondents still consider their current staffing levels to be too low. In addition, the proportion of firms that would like to increase their workforces over the next three months exceeds the percentage of those planning to reduce their headcount. As the KOF Employment Indicator has in the past shown itself to be ahead of general economic trends in terms of employment and labour market activity, the indicator for the current and coming quarters suggests that employment in Switzerland will remain strong.

### Positive outlook for all sectors except industry

The majority of survey respondents in the manufacturing sector consider their current staffing levels to be too high and are planning to reduce their workforces over the coming months. The employment outlook for this sector over the next three months in particular has continued to deteriorate since the previous quarter. Overall, the KOF Employment Indicator for the manufacturing sector has been in negative territory for a year now.

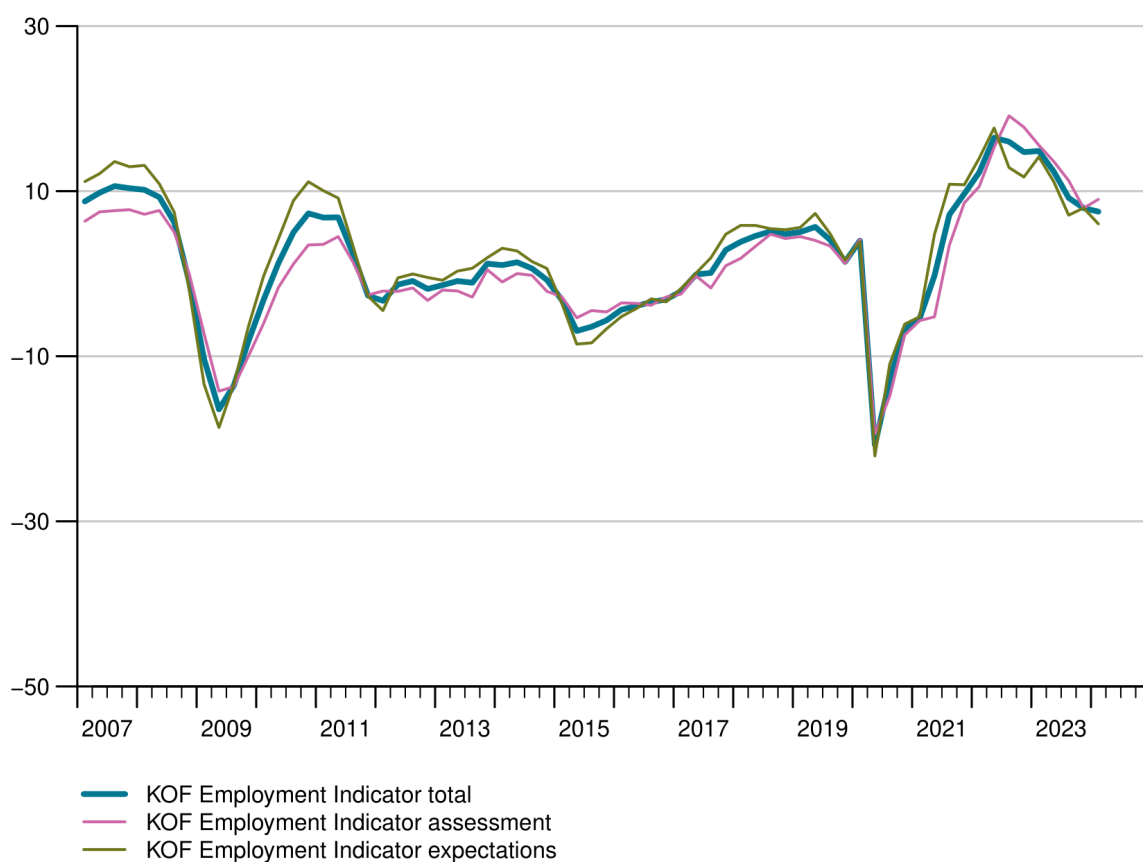
The indicator for retail, hospitality and insurance is also down on the previous quarter. However, the indicator value for these three sectors remains in positive territory: the number of firms in these sectors that are more likely to expect an increase in jobs therefore exceeds the number of businesses in these sectors expecting employment to fall on balance. The KOF Employment Indicator remained fairly stable or rose slightly in the other sectors.



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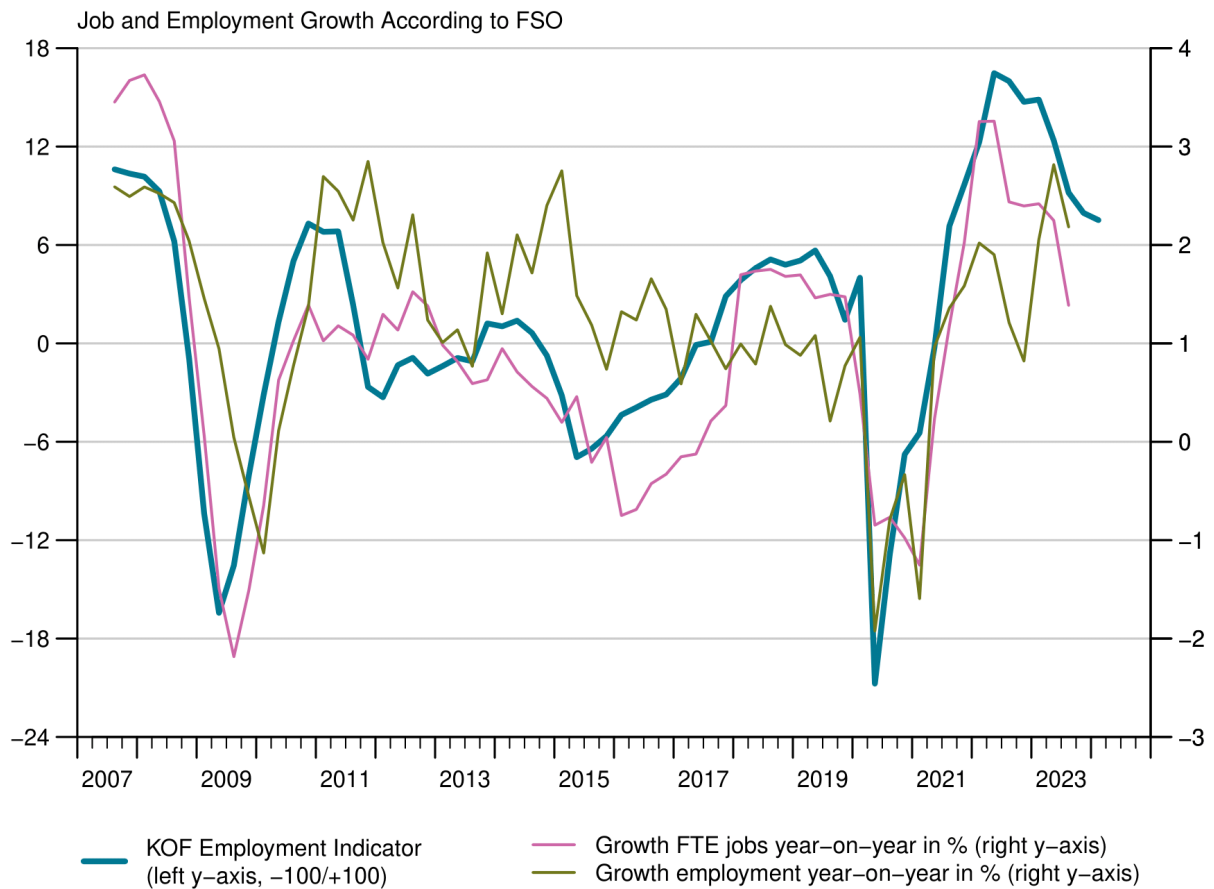
Period	Current indicator value	Value in the preceding quarter
1st quarter 2022	12.3	12.3
2nd quarter 2022	16.5	16.4
3rd quarter 2022	16.0	16.0
4th quarter 2022	14.7	14.7
1st quarter 2023	14.9	14.9
2nd quarter 2023	12.4	12.3
3rd quarter 2023	9.2	9.2
4th quarter 2023	8.0	<b>7.7</b>
<b>1st quarter 2024</b>	<b>7.5</b>	

### KOF Employment Indicator



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## KOF Employment Indicator, Job and Employment Growth



Further information on the indicator and its methodology as well as indicator data to download are available here:

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

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