

Ifo Employment Barometer for Germany

Results of the Ifo Business Survey for October 2011

Further Decline in the Employment Barometer

The Ifo Employment Barometer for German industry and trade fell again in October, after it had increased slightly in the previous month. The personnel plans of firms in Germany are hence not as expansive as in the spring, but they are still positive. Employment growth is expected to continue at a slower pace.

In manufacturing the employment barometer has fallen, following its rise in the previous month. Overall, manufacturers plan to continue creating new jobs. Many capital goods manufacturers are looking for additional staff. In contrast, the employment outlook in the intermediate goods sector is dampened. Consumer goods manufacturers will hardly increase the number of their employees. In retailing and wholesaling as well as in construction, companies also plan to expand staff numbers more cautiously.

Germany (Index value, 2005 = 100, seasonally adjusted)

Month/Year	10/10	11/10	12/10	01/11	02/11	03/11	04/11	05/11	06/11	07/11	08/11	09/11	10/11
Index	113.3	113.5	114.1	114.4	115.1	115.9	115.5	114.7	114.3	114.1	112.3	113.1	112.0



Legend: The Ifo Employment Barometer is based on ca. 7,000 monthly responses from businesses in manufacturing, construction, wholesaling and retailing. The companies are asked to report on their **employment plans** for the coming three months. They can describe their plans for the number of employees for the coming six months as “increasing”, “stable”, or “decreasing”. The **balance** value of the plans is the difference in the percentage shares of the responses “increasing” and “decreasing”. To calculate the **index value** the balances are normed to the average for the year 2000.

The Ifo Employment Barometer is calculated exclusively for the *Financial Times Deutschland*.