

# LIVING AND WORKING IN SWITZERLAND



✚ THE SWISS SOCIAL SECURITY SYSTEM ✚

## SOCIAL SECURITY SYSTEM

The Swiss social security system is relatively complex. Each branch has its own special characteristics. This is a result of federalism and direct democracy: in sectors where the federal government does not have the power to legislate, social security lies within the competence of the cantons.

In Switzerland, social security covers the risks of illness, accident and occupational illness, old age, death and disability (basic system and occupational pension provision) as well as unemployment. Furthermore, the system comprises maternity benefits and family allowances.



Social security in Switzerland:

[www.bsv.admin.ch](http://www.bsv.admin.ch)

> Topics > Overview > Basic facts

## HEALTH

Out-patient treatment is mainly provided in doctors' practices, in the polyclinics at public hospitals or in private clinics. Pa-

tients basically have a free choice of doctors; direct access to specialists is not restricted.

## HEALTH INSURANCE<sup>1</sup>

Health insurance is compulsory for all persons residing in Switzerland. Adults and children are insured individually. Each insured person pays an individual premium which does not depend on income but on the insurance provider chosen, on the place of residence and the form of cover chosen.

The insurance pays out benefits in the event of illness, accidents that are not covered by accident insurance and maternity.

**Note: Persons who are not gainfully employed must also conclude an accident insurance contract on taking out health insurance.**

Stationary and out-patient medical treatment are covered as well as any

<sup>1</sup> You can conclude various additional insurances (for dental treatment, alternative medicine, private wards in hospitals). These are relatively expensive.



«I like it here in Switzerland because all the customers are friendly and there's a good working atmosphere.»

Alex Marxer, IT specialist, Liechtenstein

medicines prescribed by a doctor but not, as a rule, dental treatment. Insured persons have a free choice of insurance company and participate in the costs up to a fixed annual limit.



Health insurance:  
**[www.bag.admin.ch](http://www.bag.admin.ch)** > Topics  
Arbeit/Krankheit:  
Employment/Illness:  
**[www.seco.admin.ch](http://www.seco.admin.ch)**  
> Topics > Employment >  
Employment law >  
Information sheets, information

### **OLD-AGE AND SURVIVORS' INSURANCE (OASI , 1<sup>ST</sup> PILLAR)**

Men who have reached the age of 65 and women aged 64 are entitled to an old-age pension. Payment may be advanced by one to two years or postponed by one to five years. Drawing your pension early results in a reduction of 6.8% per year advanced, postponed payment means a rise of 5.2 to 31.5%, depending on the number of months postponed. Under certain circumstances, children's pensions are also granted.



OASI/DI Homepage:  
**[www.ahv-iv.info](http://www.ahv-iv.info)**



OASI basic facts:  
**[www.bsv.admin.ch](http://www.bsv.admin.ch)**  
> Topics > OASI

### **DISABILITY INSURANCE (DI, 1<sup>ST</sup> PILLAR)**

All persons resident or gainfully employed in Switzerland are compulsorily insured against disability (DI). Under certain conditions, nationals from Switzerland, the EU and EFTA living outside EU or EFTA countries may become voluntarily insured.

Insured persons are entitled to DI benefits if, as a result of a health defect, they partially or fully lose their ability to be gainfully employed or to be active in their previous sphere of activities.

As a first step, DI takes measures aimed at professional reintegration.



«As a child, my destiny led me to Switzerland. Today I am the one who has decided to live and work in Switzerland.»

Marisa Fragnelli, statistics specialist, Italy





«I love Switzerland's cultural diversity, its differences. In Switzerland I can speak several languages and meet people from all over the world.»

Raquel Fernandez, healthcare worker, Spain



DI basic facts:  
[www.bsv.admin.ch](http://www.bsv.admin.ch)  
> Topics > Disability insurance DI

## OCCUPATIONAL PENSION PROVISION, (2<sup>ND</sup> PILLAR)

Under the BVG (Occupational Pensions Act), as the second pillar beside OASI/DI, occupational pension provision has the task of enabling insured persons to maintain their previous living standards in an adequate manner. Thus, by adding the two pensions, they should reach approximately 60% of their last salary. Occupational pension provision is compulsory for all employees who are already insured under the first pillar and who receive an annual income of at least CHF 20,520 (as per 2009). The insurance obligation begins at the start of the employment relationship, at the earliest on completion of the 17<sup>th</sup> year. During an initial period, i.e. until completion of the 24<sup>th</sup> year, contributions cover only the risks of death and disability. From the age of 25 upwards, insured persons pay contributions towards their old-age pension.

Various groups of persons are exempt from the BVG obligation: self-employed persons, employees with a limited employment contract up to a maximum of three months, family members in their own agricultural business or persons who, as defined by the DI, are up to 70% disabled. Under certain conditions, these groups of persons may, however, be voluntarily covered for the minimal level of provision.



Occupational pension provision:  
[www.bsv.admin.ch](http://www.bsv.admin.ch)  
> Topics > Occupational pension provision and 3rd pillar

## UNEMPLOYMENT INSURANCE

All salaried employees in Switzerland who have not yet reached the statutory retirement age are compulsorily insured against unemployment. Contributions to the unemployment insurance (UI) are shared in equal parts between the employer and the employee. In order to qualify for unemployment benefit, insured persons must fulfil the following conditions: they must have worked for

at least twelve months in the course of the two previous years before becoming unemployed or substantiate their grounds for exemption from the obligation to make contributions; they must be resident in Switzerland, hold a residence permit, have reported to the regional employment centre (RAV) and also have looked for a job themselves.

Since the entry into force of the agreement on the Free Movement of Persons, contribution periods in an EU/EFTA country are also credited (totalisation).

Unemployment benefit amounts to 70% of the insured salary (the average salary received during the previous six contribution months). If the calculation is more favourable, benefits are based on the average salary over the preceding twelve months. Insured persons with dependent children or whose unemployment benefit does not reach the minimum level receive 80% of the insured salary. Monthly salaries above CHF 10,500.– or under CHF 500.– are not insured (as per 2009).

During the benefit period of two years, you may draw a maximum of 400 daily allowances if you are aged below 55. Persons aged above 55 who have paid contributions for at least 18 months are entitled to 520 daily allowances.

In order to claim your benefits, you should report to your local authorities or to the competent regional employment centre (RAV) at the latest on the first day of your unemployment. Subsequently, you generally have to visit the RAV office once monthly for supervision and advice. The benefits are paid by the unemployment insurance fund that you chose on your registration. You can obtain further information from your EURES adviser.



Unemployment:  
**[www.ch.ch](http://www.ch.ch)**

> Private persons > Employment  
Unemployed – what can I do?  
**[www.treffpunkt-arbeit.ch](http://www.treffpunkt-arbeit.ch)**





«The things I like about Switzerland are the people's reliability, their cleanliness and punctuality. I can offer my family, children and wife security for the future. More than in my own country.»

Salvatore Tre Rose, cleaning specialist, Italy

## MATERNITY INSURANCE

Maternity insurance grants all self-employed or salaried female employees a maternity benefit amounting to 80% of their last salary or income. The benefit may not exceed a maximum of CHF 196 per day (as per 2009) and is paid during 14 weeks after birth. In order to become entitled to this benefit, women must have been insured for 9 months before the birth and gainfully employed for at least five months during this time.

## FAMILY ALLOWANCES

As a rule, family allowances are paid by the employer together with the salary. The following allowances are paid per child and month:

- a child allowance of CHF 200.– for children under 16;
- an educational supplement of CHF; 250.– for children between 16 and 25.

The cantons may foresee benefits exceeding the legal provisions.



For persons employed in the agricultural sector:

**[www.bsv.admin.ch](http://www.bsv.admin.ch)**

- > Practice > SME advice service
- > Advice service > farmers

## WELFARE ASSISTANCE

The cantons resp. the communes are responsible for the organisation of welfare assistance.

In order to promote legal equality and legal security beyond cantonal borders, the Swiss Conference on Social Assistance (SKOS) has drawn up guidelines for the organisation and calculation of welfare assistance – in short, SKOS guidelines.



Welfare assistance:

**[www.skos.ch](http://www.skos.ch)**



## Important addresses

### State Secretariat for Economic Affairs (SECO)

Labour Directorate  
Effingerstrasse 31  
3003 Berne/Switzerland  
eures@jobarea.ch  
www.job-area.ch  
www.eures.ch

**Federal Office for Migration (FOM)**  
Emigration and Trainees  
Quellenweg 6  
3003 Berne-Wabern/Switzerland  
euresinfo@bfm.admin.ch  
www.bfm.admin.ch



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

«In Switzerland I particularly like  
the wonderful dawns over the lake  
and the Alps.»

Claudia Ruisi, midwife, Belgium