



Schweizerische Eidgenossenschaft
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Federal Department of Home Affairs FDHA

Federal Social Insurance Office FSIO
International Affairs Division

Overview of Swiss Social Security

**Visit of the Special Rapporteur on the Right to
Development in Switzerland**
(Berne, 24 September 2019)

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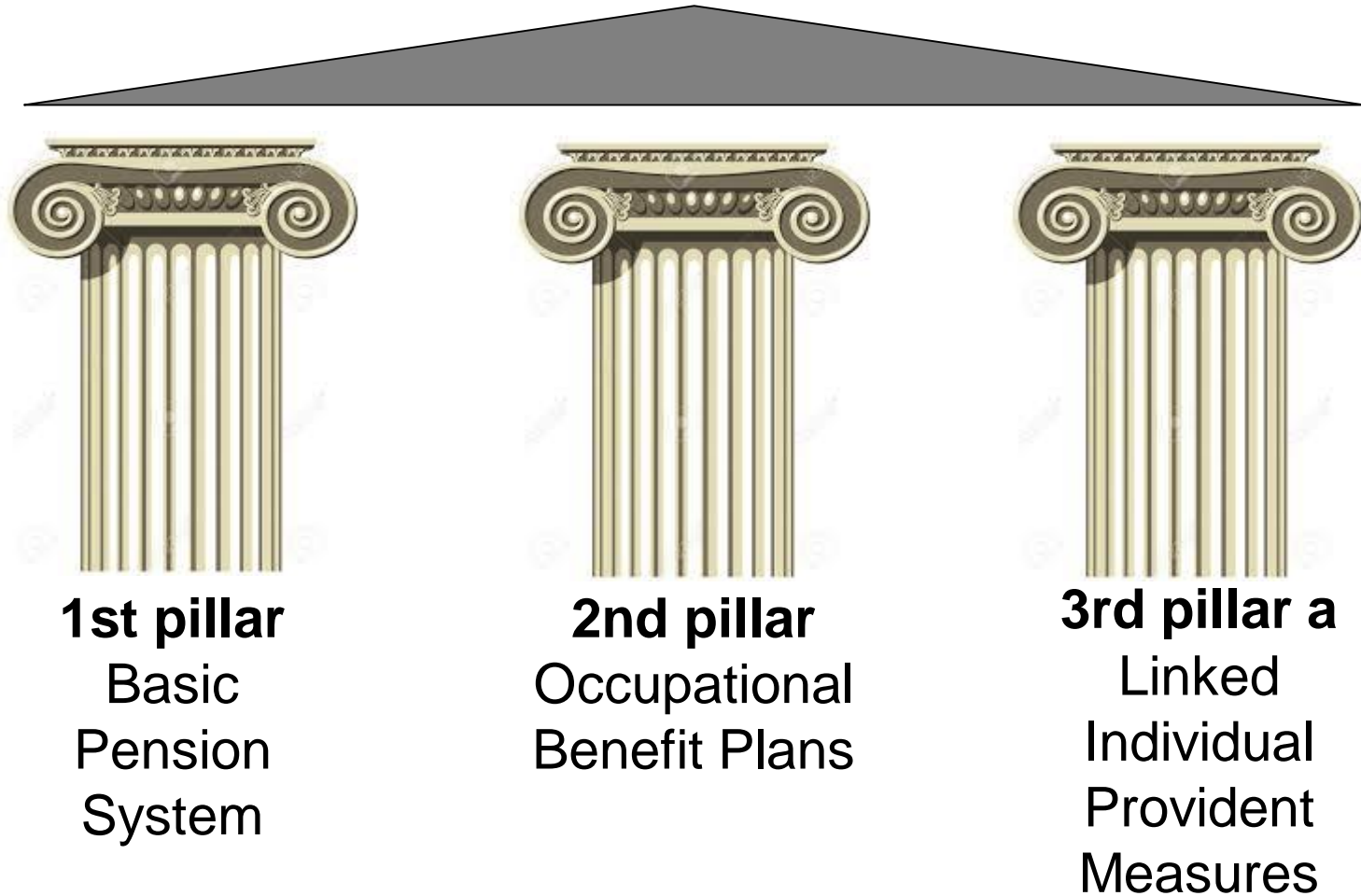


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1. Old-age, survivors and invalidity coverage
2. Sickness insurance
3. Accident and occupational disease insurance
4. Income compensation in case of military/civil service and in case of maternity
5. Family allowances
6. Unemployment insurance



1. Old-age, survivors and invalidity coverage : The three-pillar-system





Basic pension insurance (1st pillar)

Old-age, survivors' and invalidity insurance

- Covers basic needs
- Compulsory insurance for the whole working and/or residing population
- Pay-as-you-go system
- Contributions: approx. 10% of income (min. 461 CHF/year [465 USD])
- Pension amount: from 1'185 CHF [1'196 USD] to 2'370 CHF [2'392 USD] per month





Basic pension insurance (1st pillar)



Supplementary benefits

- Non-contributory
- Means-tested benefits (corresponding to the excess of expenses over income)
- Amount supposed to cover the basic needs for a person living at home: 19'450 CHF per year [19'617 USD], as well as the rent of an apartment up to a maximum of 13'200 CHF per year [13'313 USD]



Basic pension insurance (1st pillar): Financing



- Pay-as-you-go: revenue of one year covers expenditures of this year
- Revenue = contributions on incomes + participation by public authorities
- Contributions: Employee and Employer pay a parital % of income without any upper limit
- Self-employed pay a % of income
- Persons not in paid employment pay a fixed amount according to their social conditions



Basic pension insurance (1st pillar): old age insurance



Old age pensions:

- at the age of 65 for men / 64 for women
- at least one complete year of contributions
- for foreign nationals: domicile in Switzerland
- a complete pension is paid when the period of contributions is complete, i.e. when a person shows the same number of years of contributions as that of their age group



Basic pension insurance (1st pillar): survivors' benefits



- Entitlement to widows' and widowers' pension, if the widow or widower supports one or several children
- Entitlement to widows' pension, if the widow has completed her 45th year and was married for at least five years
- Entitlement to orphans' pension, if the father or mother is deceased; two orphans' pensions, if both parents are deceased



Basic pension insurance (1st pillar): invalidity insurance

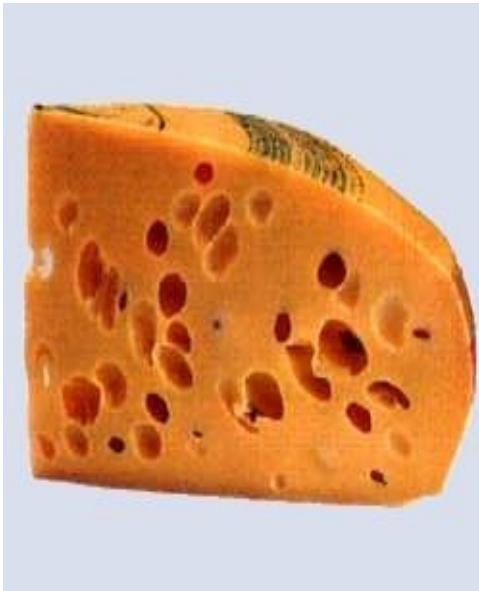


- Priority to rehabilitation measures in order to re-establish, maintain or improve work capacity
- Invalidity pension:
 - entitlement to a 1/4, 1/2, 3/4 or 1/1 pension in case of work incapacity or incapacity to perform housework of at least 40%, 50%, 60%, 70%
 - 3 years of contribution
 - for foreign nationals: domicile in Switzerland



Occupational benefit plans (2nd pillar)

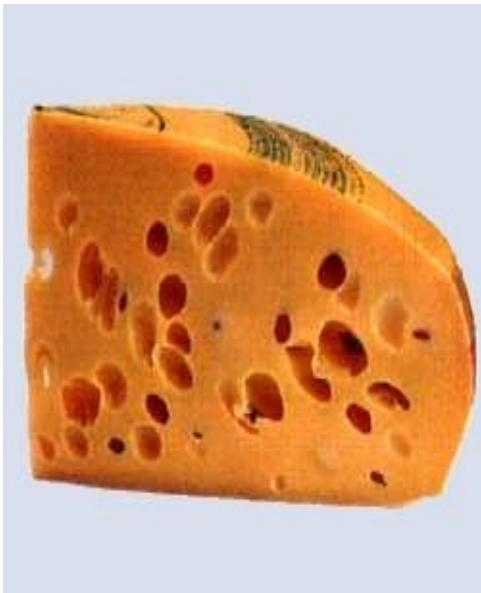
- Compulsory insurance for employees with annual income over 21'330 CHF [21'511 USD]
- Must enable to maintain the previous standard of living in an appropriate way
- Insurance for annual income between 24'885 CHF [25'096 USD] and 85'320 CHF [86'043 USD]
- Contributions according to regulations of 2nd pillar institution





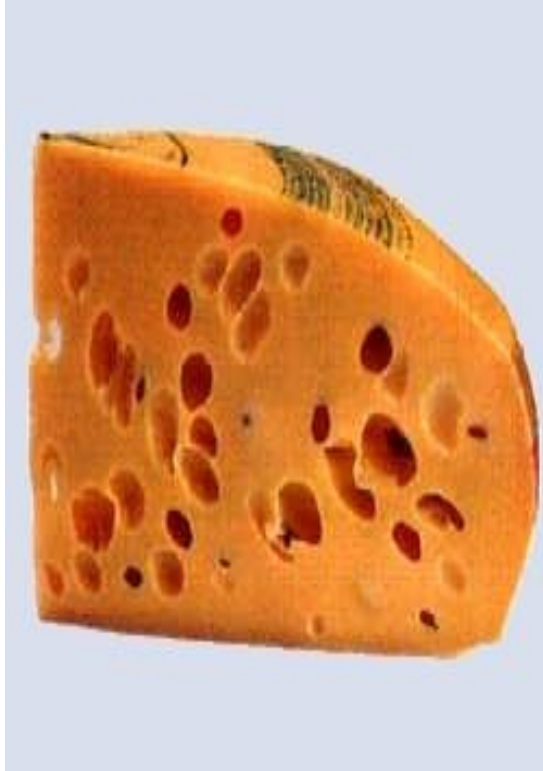
Occupational benefit plans (2nd pillar)

- Fully funded scheme: pensions are calculated in % of the retirement assets which the insured person has accumulated
- Old-age benefits, survivors' benefits, invalidity benefits, capital benefits
- Vested benefits, on departure from 2nd pillar institution
- Entitlement to old age pensions at the age of 65 for men and 64 for women





Occupational benefit plans (2nd pillar)



- Extra-Compulsory insurance:
2nd pillar institutions can insure salaries lower than 21'330 CHF [21'511 USD], e.g. for part-time workers, or beyond 85'320 CHF [86'043 USD]



Linked individual provident measures (3rd pillar a)



- Optional, additional coverage
- Payments to blocked bank account or blocked insurance policy
- Max. 6'826 CHF [6'882 USD] per year can be deducted from taxable income
- Amounts are blocked until the risk (old-age, invalidity, death) occurs



2. Sickness insurance



- Compulsory health care insurance for all persons domiciled in Switzerland; optional cash benefits insurance
- Free choice among about 50 insurance companies
- Insurance companies fix individual premiums; premiums must be approved by the authorities
- Insurance companies charge all those they insure the same premiums; premiums must be lower for children and young adults (<25 years) and may be graded according to different regional costs



Sickness Insurance



- Huge range of sickness and maternity benefits covered; exceptions: normal dental care, occupational and non-occupational accidents and occupational diseases covered by the accident insurance, rehabilitation measures covered by the invalidity insurance
- Free choice among the suppliers of services
- Participation by insured person



3. Accident and occupational disease insurance



- Compulsory insurance for all employed persons
- Covers occupational as well as non-occupational (!) accidents and occupational diseases
- Benefits: medical care, daily cash benefit, invalidity pension (80% of insured salary in case of full incapacity), survivors' pension
- Priority to benefits of the pension insurance in case of overlapping of benefits



4. Income compensation allowances in case of military/civil service and maternity



- Persons serving in the Swiss Army or carrying out a civilian service are entitled to an allowance in case of service amounting to 80% of the former average income (maximum: 245 CHF [247 USD] per day)
- Employed and self-employed women are entitled to an allowance in case of maternity during 14 weeks amounting to 80% of the former average income (maximum: 196 CHF [198 USD] per day)



5. Family allowances



- Federal system for agricultural workers and self-employed farmers
- 26 cantonal systems for the other sectors, covering employees, self-employed and persons not engaged in paid employment with low income
- Federal Law fixing minimum child allowances at 200 CHF [202 USD] per month and vocational training allowances at 250 CHF [252 USD] per month; cantons may provide higher allowances



6. Unemployment Insurance



- Compulsory insurance for all employees subject to the basic pension insurance (1st pillar)
- Requisites: 12 months of contribution, unemployed or partially unemployed, domicile in Switzerland
- In principle, 400 daily unemployment allowances, amounting to 70 or 80% of the insured salary (maximum insured salary: 12'350 CHF [12'449 USD] per month)