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Federal Department of Economic Affairs FDEA
State Secretariat for Economic Affairs SECO
Labour Directorate
Labour Market / Unemployment Insurance

“The Swiss unemployment insurance and its collaboration with partners»

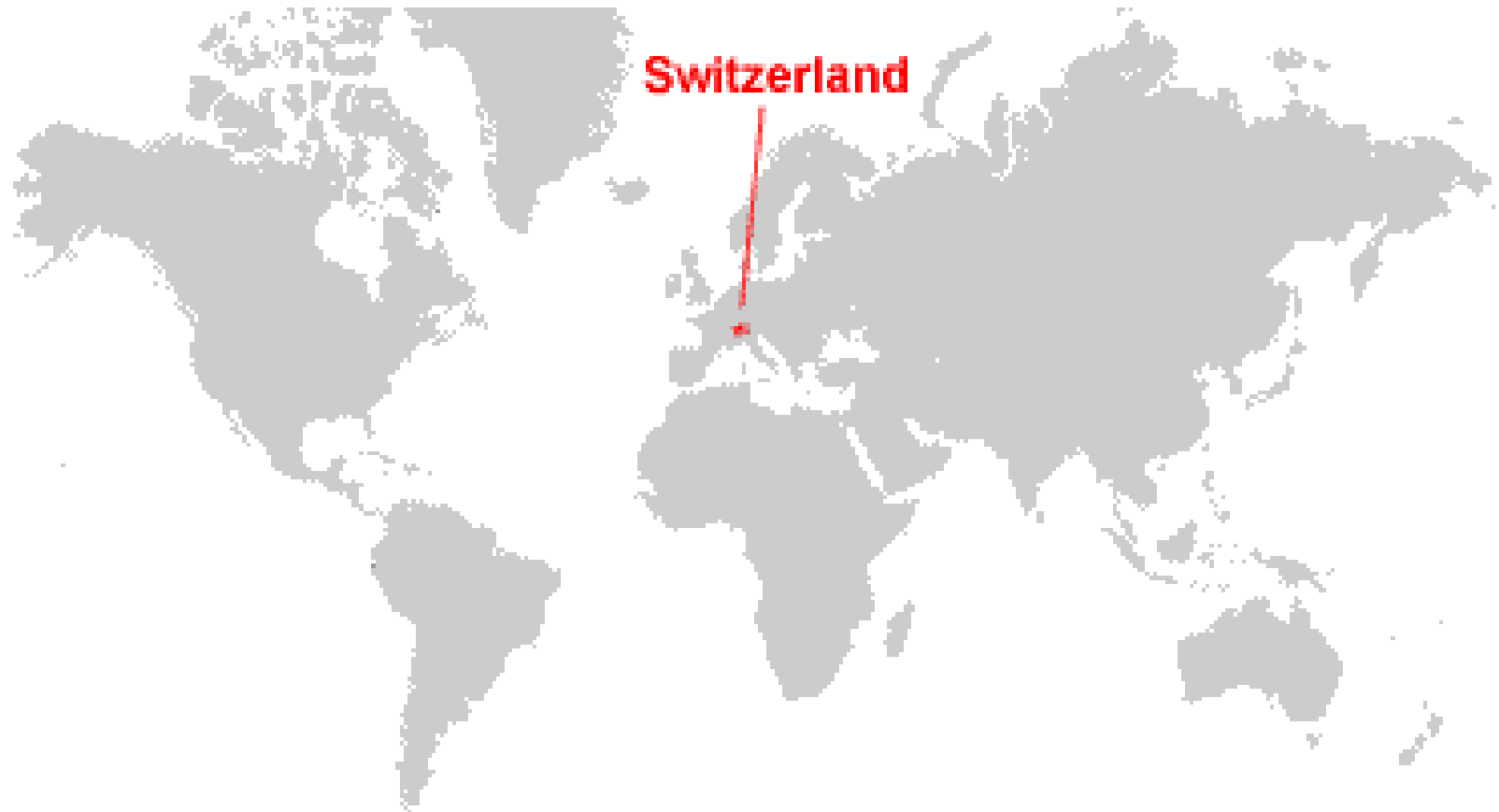
Seoul

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Ida Gertsch, Switzerland
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Switzerland









Some facts and figures

- Switzerland: 41.285 km² (South Korea: 100.210 km²)
- Population of 8.42 million (end 2016) (South Korea: 51.44 million), 24.3% resident foreigners, 22% of which speak a language other than one of the four Swiss official languages
- Four official languages: German (65%), French (23%), Italian (8%), Romansh (0.5%)



Overview Social security

Everybody living or working in Switzerland is subject to the Swiss social security system. It includes several compulsory public and private insurance plans to promote the welfare of the population. It offers broad protection against risks of financial consequences which could not be covered without insurance.

It is divided into five areas:

- old-age, survivor and invalidity insurance (three-pillar system)
- protection against the consequences of illness and accidents
- income compensation allowances in case of military service and maternity
- **unemployment insurance**
- family policy: child allowances

Social assistance is not an insurance. It is financed through cantonal taxes.



Quelle: BFH, Soziale Arbeit



Unemployment insurance in Switzerland

- Employment rate (15 - 64 age range): 85.3% (End March 2017)
- Unemployment rate by ILO standards: 5.3% (End March 2017)
- Youth unemployment rate by ILO standards: 7.9% (End March 2017)



Unemployment insurance in Switzerland

- In case of loss of employment, reduced working hours, reduced working hours due to weather conditions and insolvency of the employer.
- 12 months minimum of contribution in the past two years (24 months) to have a right to unemployment benefits.
- Rate of compensation : 70% or 80% of the average salary of the 6 or 12 last monthly incomes (max insured salary : CHF 12'350.- x rate of compensation)
- Duration : 4, 10, 12, 18 or 24 months according to age, child support and periods of contribution (working months).
- The self-employed are not covered by the unemployment insurance.

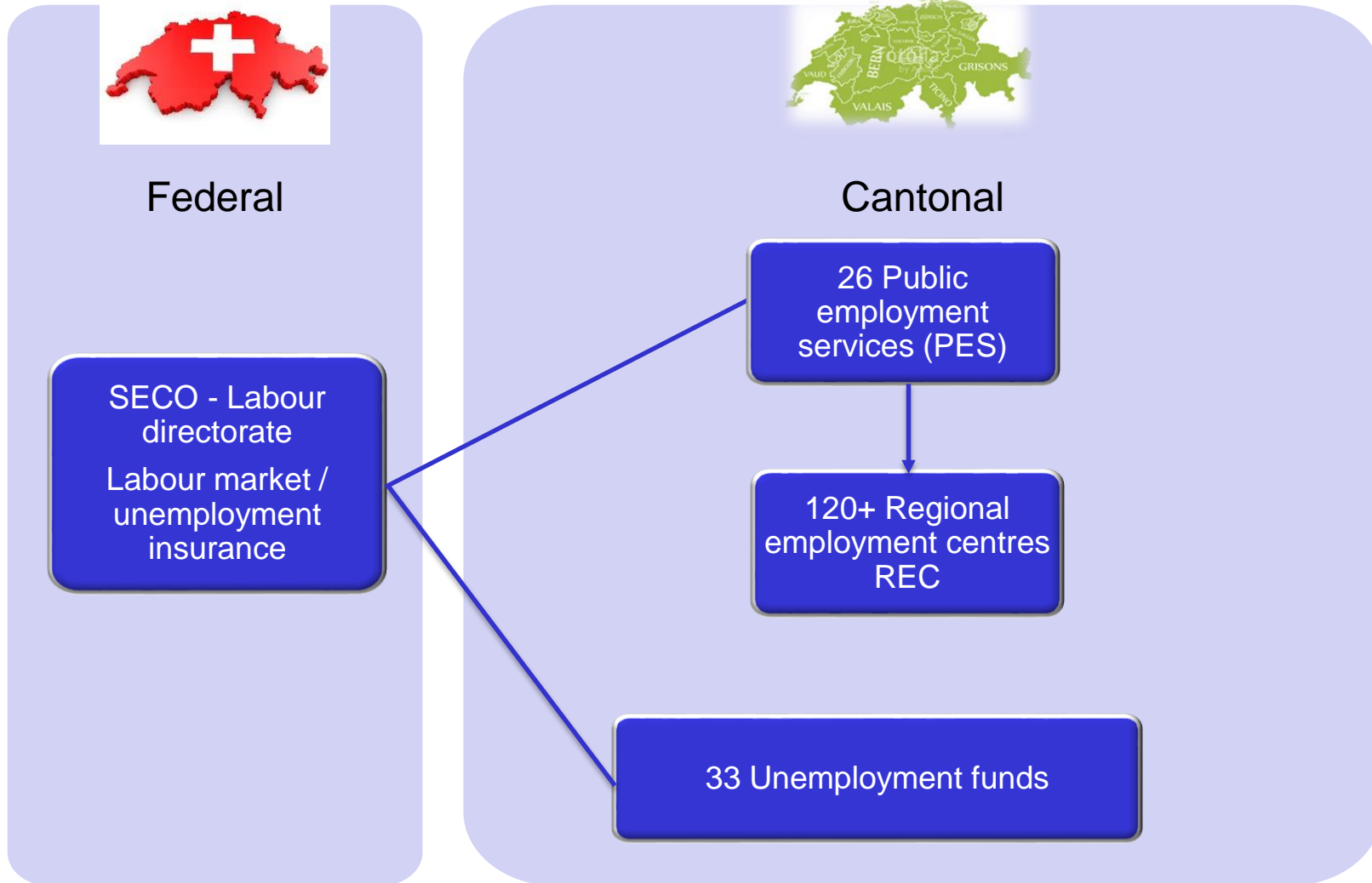


Main tasks of the unemployment insurance

- ensure a replacement income (70% or 80% of previous salary)
- Promote a quick and sustainable integration of jobseekers into the labour market
- Preventive measures (e.g. qualification programs and employment centres in case of mass redundancies)
- Reduced working hours and bad weather benefits
- Insolvency compensation

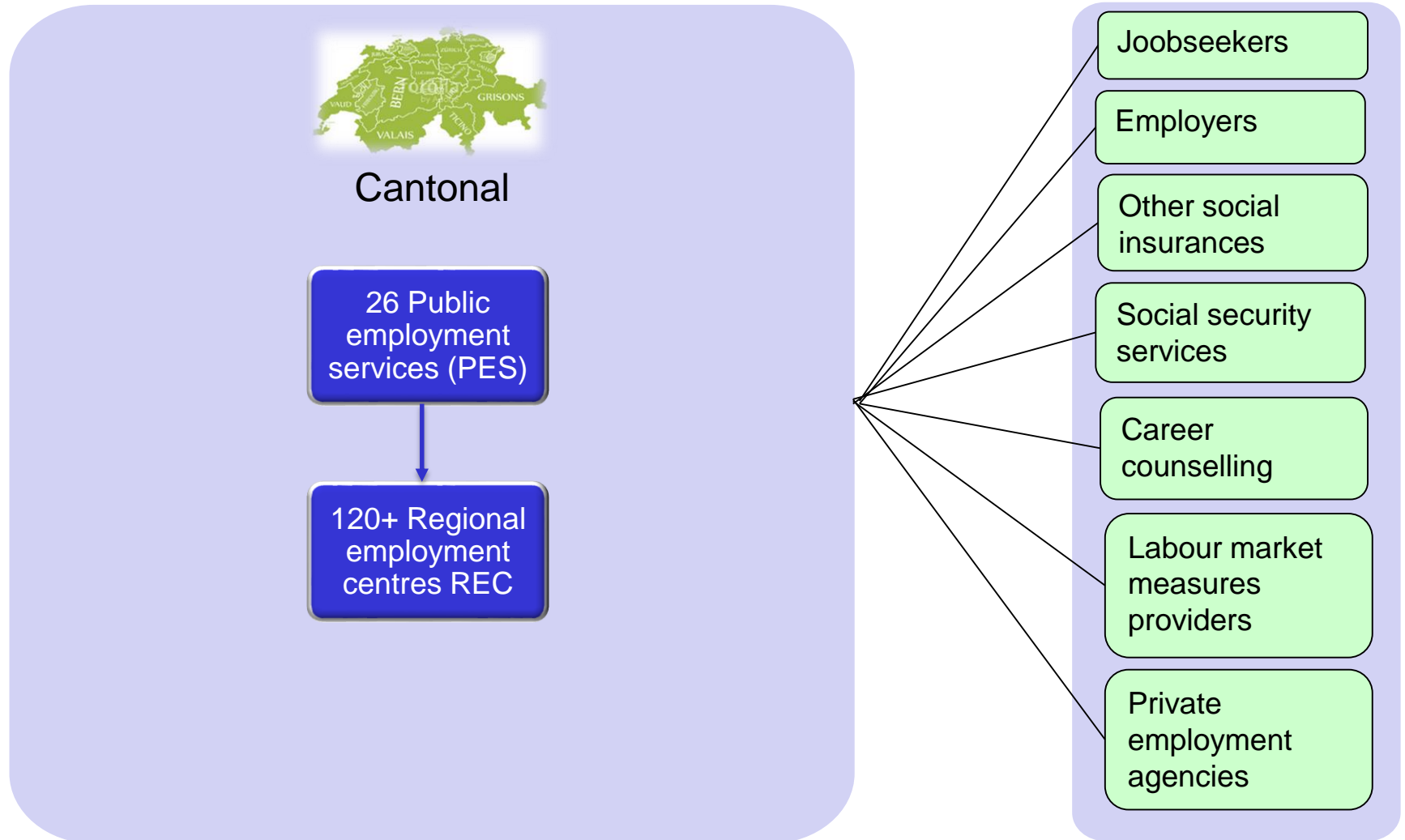


Organisation





Organisation





Partnership





Objectives

Primary Objective

Enhancement of the person's chances to find a job on the first labour market and an optimal coordination of the various social security systems involved.

Objective of the national partnership

Further development and active participation of all partners. The **interfaces** between the institutions shall be optimised and simplified in the light of the primary objectives. Firstly, it is about finding solutions to unclear responsibilities. Secondly, the collaboration of the following areas shall be improved:

- **Labour market integration**
- **Integration through education and/or guidance (motivation semesters)**
- **Early identification of health issues**



Objectives and Challenges

Objectives

Optimal coordination of the various security systems

- Handle and solve complex stakeholders situations (cases involving several partners)
- Quick and sustainable integration of the final users
- Development of projects
- Early identification of health issue of the final users

Challenges

- The process concerns various institutions
- Responsibility issues
- Legal co-sharing (f/c)
- Different systems concepts
- Changes only possible through cooperation between all partners



Focus Areas

- 1. Professionalization, coordination, collaboration and best practices.**
2. Enhancement of education and labour market cooperation for targeted groups like young adults and migrants.
3. Improvement of the collaboration between the health sector and the social security.

Partnership with private/half private

Labour market providers

- IPT (Half private placement agency)
- Migros Klubschule (Trainingschool)
- Swissstaffing (Federation of private placement agencies)
- Employers (Settling-in allowances)



LMM: Settling-in allowances

Is based on a partnership between employers/unemployment insurance

- Part of the wages are paid to employers who recruit jobseekers that
 - Need a special settling-in support
 - because of age or hindrances
 - Are unable to perform fully
 - because of insufficient knowledge or experience
 - Would not be recruited or would lose their job



Conclusions

- Cooperation is very important for the reintegration of the jobseekers on the labour market
- The process started in 2000 and we are still at the beginning
- Next challenge comes with the digitalisation
- **Close cooperation with organisations in charge of education, career guidance, vocational training, university is the key element of a successful labour market functioning. It is the only way to remain among the winners.**



Information on the web

- Legislation: www.admin.ch
- Federal social insurance office: www.ofas.admin.ch
- Salarium: www.lohnrechner.bfs.admin.ch
- Old-age insurance – Disability insurance: www.ahv-iv.info
Occupational pension fund: www.mon-2epilier.ch
- Health insurance rates: www.bag.admin.ch > Topics > Health insurance
- Accident insurance: www.comparis.ch
- LAMAL Federal law on health insurance: www.comparis.ch
- Net salary calculation : www.lohncomputer.ch
- General information: www.seco.admin.ch
- Social security in Switzerland: <https://www.ahv-iv.ch/p/890.e>
- Inter-institutional collaboration: <http://www.iiz.ch/>



Questions?

Thank you very much for your attention!

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