



KEY FIGURES



Sources: BFS/WEF/GfK Kaufkraft Europa, 2021

JOB MARKET IN SWITZERLAND

AT A GLANCE

Switzerland is attractive to employers, as it has some of the most liberal labor legislation in the world. Companies can employ and dismiss staff at short notice and with no difficulty, depending on their commercial requirements. The incidental wage costs are also comparatively low in Switzerland and the number of strikes that took place in the last ten years is lower than in any other European country. Switzerland is also very appealing to highly qualified employees, as it offers a very high quality of life and attractive salaries.

Number of Strike Days

European rankings (per 1,000 workers and year, 2010 – 2019)

Country	Days	Country	Days
Switzerland	1	Denmark	45
Ireland	16	Spain	49
Germany	17	Norway	55
United Kingdom	18	Finland	59
Netherlands	19	France	121

Source: European Trade Union Institute, 2021

Attractiveness as a Location for Talent

Level of attractiveness for recruiting talent to a country, 2021

Country	Ranking	Country	Ranking
Switzerland	1	The Netherlands	6
Singapore	2	Finland	7
USA	3	Luxembourg	8
Denmark	4	Norway	9
Sweden	5	Iceland	10







Source: INSEAD Global Talent Competitiveness Index, 2021

BENEFITS FOR EMPLOYERS

- As a result of the high quality of life and excellent working conditions, Switzerland is highly attractive for foreign qualified staff and managers. According to a survey conducted among “expatriates”, Switzerland is considered the most attractive destination for talented foreign workers.
- Switzerland is notable for its **high level of productivity**. This is particularly high in comparison with other countries in the pharmaceutical, insurance and financial sectors, as well as the mechanical and electrical engineering industries.
- The Swiss labor market is **considered extremely flexible as a result of the liberal legislation**. Companies can easily employ and dismiss employees according to their commercial requirements.
- A liberal attitude towards work is firmly rooted in Swiss culture – and this is repeatedly confirmed by its population. In the last decade, most initiatives and referendums calling for stronger regulation of the labor market have failed. This was also true of an initiative calling for a universal six weeks of holidays (2012).

Flexibility of Companies in Hiring and Firing Employees

Switzerland compared to other countries

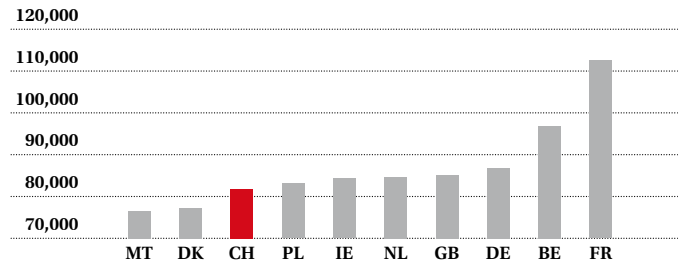
Country	Ranking
 Hong Kong	1
 Switzerland	2
 Singapore	3
 Azerbaijan	4
 USA	5
 Iceland	6
 Denmark	7
 Qatar	8
 United Arab Emirates	9
 Malaysia	10

Source: WEF Global Competitiveness Report, 2019

- In addition to the gross salary, employers also incur costs for social security when they take on an employee. These **social security costs are low** for employees in Switzerland. With the same gross salary, an employer in Switzerland incurs the third lowest cost compared to other European countries.

Comparison of effective employer costs across Europe

for an employee with a gross salary of 75,000 Euro













Source: Deloitte, 2019

- The Swiss education system is characterized by its **high practical relevance**, which is ensured by the **dual education system** together with strong universities of applied sciences (see factsheet Vocational Training in Switzerland at www.s-ge.com/education). The World Economic Forum (WEF) has awarded Switzerland top marks in an international comparison of continuing education and retraining of employees and also with regard to the level of education of its university graduates.

- Switzerland boasts an effective social partnership, with few conflicts between employees and employers, and virtually no strikes. The level of cooperation between employers and employees is unequalled in any other country.

Quality of Cooperation between Employers and Employees

Switzerland compared to other countries

Country	Ranking
 Singapore	1
 Switzerland	2
 Denmark	3
 The Netherlands	4
 Norway	8
 USA	21
 Ireland	23
 Germany	30
 United Kingdom	33
 France	92

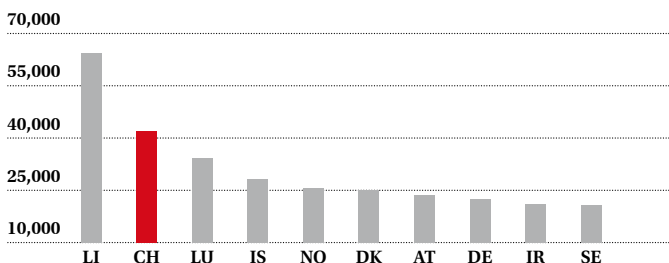
Source: WEF Global Competitiveness Report, 2019

BENEFITS FOR EMPLOYEES

- Switzerland's **employment rate** is second only to Iceland. At the end of 2020, 79.9% of the working age population was in paid employment, well above the OECD average of 66.1%. At the same time, the unemployment rate in Switzerland is very low at 3.1% (2020).
- Swiss employees enjoy **high purchasing power**. Here, Switzerland ranked second in Europe in 2020 with an average disposable income of 41,998 euros, superseding both Luxembourg and Iceland.

Top 10 purchasing power in European comparison

Average purchasing power of employees in euros in 2020



Source: GfK Kaufkraft Europa, 2020

- Switzerland is a magnet for middle management-level staff, as wages are higher than in other countries. After the deduction of tax, obligatory payments and other fixed costs (rent, etc.), wages are by far the highest, amounting to over 100,000 euros.

- In the OECD's "Better Life Index", Switzerland performs very well with regard to many **quality-of-life** variables. It scores above average in the areas of subjective well-being, employment, income and wealth, health, social relations, environment, education, work-life balance, housing and security.

TAXES

Withholding tax

Many employees who are not Swiss nationals and who do not hold residence permits (identity document C) are subject to withholding tax in Switzerland. This is deducted directly from their wages by the employer and paid to tax authorities. If, as a non-Swiss employee with a tax domicile in Switzerland, one's income subject to withholding tax exceeds 120,000 Swiss francs, a subsequent statutory assessment will be carried out on all income and assets.

The income of people (Swiss and non-Swiss nationals) who are not tax residents in Switzerland (cross-border commuters, people who stay during the work week, people who work on advisory boards, artists, athletes, speakers) is also subject to taxation at source if it is earned in Switzerland. No subsequent tax assessment is carried out for these people, however, even if their income reaches a certain level.

CURRENT DEVELOPMENTS

- The national government is committed to ensuring that the benefits of the dual vocational training system are better appreciated at an international level. The aims are to achieve improved recognition for vocational training qualifications and greater (international) mobility for the professionals involved. Switzerland therefore supports the EU's Copenhagen Process, the aim of which is to enhance the efficiency, quality and appeal of vocational training.

CONTACTS AND OTHER INFORMATION

Authorities and regulators

State Secretariat for Education,
Research and Innovation
sbfi.admin.ch

State Secretariat for Economic
Affairs
seco.admin.ch

Deployment - Platform for em-
ployment and pay conditions in
Switzerland
entsendung.admin.ch

Publications and tools

Better Life Index OECD
oecdbetterlifeindex.org

Deloitte European Salary
Survey 2018
www2.deloitte.com

WEF Global Competitiveness
Report
weforum.org

National wage calculator
entsendung.ch

KPMG Tax Rates Online
kpmg.com

Living and working in Switzer-
land - a guide for foreign nationals
relocating to Switzerland
www2.deloitte.com

Associations and networks

Employers' association
(in German, French and Italian)
arbeitgeber.ch

S-GE resources

Handbook for Investors
s-ge.com/handbookforinvestors

More fact sheets on
Switzerland as a business location
s-ge.com/factsheets

WE OFFER FREE CONSULTATION

Are you expanding in Europe and considering Switzerland as a business location for your company? Here, you can get free advice and support through the entire evaluation and settlement process: we will connect you unbureaucratically with the cantonal business promotion agencies and provide you with expert contacts for practical issues such as taxes or real estate.

Get in touch with us: s-ge.com/invest