

## SWITZERLAND

### *Nomenclature*

AA	Assurance-accidents (Accident insurance)
AC	Assurance-chômage (Unemployment insurance)
AF	Allocations familiales (Family allowances)
AI	Assurance-invalidité (Invalidity insurance)
AM	Assurance-maladie (Sickness insurance)
APG	Allocations pour perte de gain (Income-replacement scheme)
AVS	Assurance-vieillesse et survivants (Federal old age and survivors' insurance)
EPF	Ecoles polytechniques fédérales (Federal polytechnical schools)
PC	Prestations complémentaires à l'AVS et à l'AI (Complementary benefits to AVS and AI)
PP	Prévoyance professionnelle, partiellement volontaire (Old age occupational benefit plans, partially voluntary)

### *Monetary unit*

Social spending is expressed in millions of Swiss francs (CHF).

### *General notes*

The Swiss social protection system is largely based on social insurance. However, the benefits that supplement AVS and AI are means-tested, as is social assistance.

The quality of statistical reporting varies. For family allowance schemes (as paid by employers), estimates are produced by OFAS, the Federal Social Insurance Office, while estimates for sickness and maternity payment by employers and benefits provided by NGO are the responsibility of the OFS, or Federal Statistical Office. For the other schemes (social assistance, housing, youth protection, jobseeker measures, political asylum and drug abusers rehabilitation), estimated benefits in cash and in kind are based on known aggregate spending figures.

Additional information on specific benefits:

- **Federal old-age and survivors' insurance (AVS) and invalidity insurance (AI):** these partially offset loss of earnings due to age, death or invalidity. AVS and AI benefits are available to the entire Swiss population; they are funded by a levy on earnings and by government subsidies.
- **Occupational pensions (PP).** These supplements AVS/AI benefits. Mandatory occupational pensions' coverage for employees was introduced in 1985 for all employees in Switzerland subject to income limits. Many participants make pension contributions that are above the statutory minimum. The expenditure data given for occupational pension include both the obligatory part of the scheme (benefits derived from mandatory contributions) and benefits that accrue from additional contributions).

- **Sickness insurance (AM):** Mandatory since 1996, this system covers in-patient and out-patient healthcare treatment based on a comprehensive list of “benefits under mandatory healthcare insurance”. It is financed by standard per capita premiums that are modulated at the regional/cantonal level (The Confederation and Cantons pay (part of) the contributions of low-income households).
- **Accident insurance (AA):** Mandatory since 1984, this compensates for temporary or permanent loss of earnings due to accidents (including occupational accidents).
- **Family allowances (AF):** All wage-earners are entitled to family allowances financed by employers subject to Cantonal regulation. Although the legal base for federal regulation exists in the constitution, to date only agricultural family allowances are regulated at federal level.
- **Social assistance:** detailed data is not yet available. Cantons and more than 3000 municipalities are responsible for the provisions of social assistance benefits.
- **Sickness benefits:** employers are required by law to continue paying salaries (in part) for a specific period of time in the event of illness or accident. Benefits paid include loss (of salary payments) by employers and by private persons who are re-insured by health funds. Employers, may, however, continue salary payments without paying re-insurance premiums or may insure themselves with private insurers.

The individual country notes of the OECD Benefits and Wages ([www.oecd.org/els/social/workincentives](http://www.oecd.org/els/social/workincentives)) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

#### ***Break in series:***

Data for 1990 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1989 and 1990) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set for the 1990-98 period to “missing”; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-89.

***Secretariat estimates:*** No.

#### ***Sources***

##### **1980-89**

National submissions by the Office fédéral des assurances sociales.

Additional sources at programme level: Social assistance, relief campaign, youth protection, public expenditure for disabled: Finances publiques en Suisse, 1997; Administration fédérale des finances, 1999.

### 1990-2001

Data provided by EUROSTAT (ESSPROS database)

OECD Labour Market Policy database.

OECD Health Data 2003 ([www.oecd.org/health/healthdata](http://www.oecd.org/health/healthdata)).

Statistique des assurances sociales suisses, 1999 edition, Office fédéral des assurances sociales.

« Info Social : la sécurité sociale dans les faits », February 2001, No. 4, Office fédéral de la statistique.

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Code	Title of the programme	Description of the programme and attached notes
<b>1.</b>	<b>OLD AGE</b>	
756.10.1.1.1.1	Old age and survivors insurance (non means-tested)	There is no separate programme for civil servants or for early retirement pension. Both items are included in "old age pension".
756.10.1.1.1.1	Military insurance	"Military insurance" includes pensions due to accidents that occurred during military service.
756.10.1.1.1.4	Occupational pension for magistrates and EPF teachers	This is a separate programme financed completely by the Confederation.
756.10.1.1.1.5	Complementary benefits to AVS	These benefits supplement the basic cover given by AVS, and are means-tested
<b>3.</b>	<b>INCAPACITY-RELATED BENEFITS</b>	<b>(Disability, Occupational injury and disease, Sickness)</b>
756.10.3.1.1.1 and 756.10.3.1.1.2	Incapacity insurance	There is no separate programme for civil servants.
756.10.3.1.2.1 756.10.3.1.2.2 756.10.3.1.3.1	Accident insurance (compulsory)	Mandatory sickness insurance (AAO) is financed through a combination of funded and pay-as-you go schemes. The funded part is used to finance incapacity and survivors' benefits (long-term benefits). Short-term benefits include health care benefits, reimbursements of expenses and daily benefits. Benefits include continued payment of wages by employers or through insurance coverage. The amount of spending by employers without re-insurance is unknown at present.
756.10.3.1.5.2	Military insurance	"Military insurance" includes pensions related to accidents that occurred during military service.
756.10.3.1.4.3	Paid sick leave: Sickness allowance	There is no uniform benefit system for all workers: employers may pay wages directly, take out coverage for daily allowances with a health fund, or take out paid sick leave insurance with a relevant insurer, subject to the Insurance Contract Act (LCA).
<b>4.</b>	<b>HEALTH</b>	
756.10.4.2.0.0	Public expenditure on health	See OECD Health Data, 2003. As data may include some data on sickness benefits, there may be some double counting.
<b>5.</b>	<b>FAMILY</b>	
756.10.5.1.1.1	Family allowances (AF)	The benefits include household and children's allowances, although some cantons have replaced children's allowances with vocational training allowances for apprentices and students up to the age of 25.
756.10.5.1.2.1	Daily cash benefits	See 3.1.4.3
756.10.5.2.1.1	Child care: youth protection	Youth protection concerns schools for delinquents, children's or youth homes, day-nurseries and crèches, orphanages, etc.

<b>6.</b>	<b>ACTIVE LABOUR MARKET PROGRAMMES</b>	
	See OECD Labour Market Policy database.	
<b>7.</b>	<b>UNEMPLOYMENT</b>	
	See OECD Labour Market Policy database.	
756.10.7.1.1.1	Unemployment benefits (except those during training)	1980-84 data include unemployment benefits during training.
<b>8.</b>	<b>HOUSING</b>	
756.10.8.2.1.1	Social housing	It includes housing allowances, and financial support to improve living conditions in mountainous areas.
<b>9.</b>	<b>OTHER SOCIAL POLICY AREAS</b>	
756.10.9.1.1.1	Maintenance income: scholarships	Scholarships are included under social protection, as they redistribute revenue to those in modest economic circumstances.
756.10.9.1.1.2	Maintenance income: social assistance	Social assistance includes staff expenditure in the areas of old-age care, assisting the poor, labour market integration and other types of care.
756.10.9.2.2.3	Accommodation: asylums	Financial support for refugees seeking asylum.