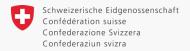




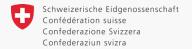
Free movement of persons As of April 2022



# Voting on free movement of persons

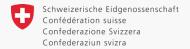


Free movement of persons



# The AFMP's importance for Switzerland

- The free movement of persons is very important for Switzerland as a business location because it facilitates labour mobility, improving the opportunities for companies based in Switzerland to recruit suitable personnel.
- As recruitment in the EU area is demand-driven and complementary to the domestic labour supply, the labour market integration of immigrant workers works well.
- Swiss citizens also make use of the free movement of persons; two thirds of the Swiss abroad live in Europe.



### Principles of the free movement of persons

#### **Entitlement to work/live/study**

At least one of the following conditions must be met:

- Valid employment contract or confirmation of employment from employer.
- · Adequate financial resources and comprehensive health insurance
- · Self-employed.

#### **Coordination of social security systems**

Insurance entitlements are not affected by working in another EU country or Switzerland.

### **Recognition of qualifications**

Swiss and EU professional qualifications in regulated professions are mutually recognised.

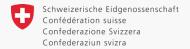
#### **Provision of services**

Cross-border services may be provided for up to 90 days per calendar year.

Workers remain subject to the employment contract in their country of origin.

#### **Conditions**

- · Maximum of 90 days per calendar year allowed.
- Prevailing wage and working conditions must be applied (Posted Workers Act as part of the accompanying measures).
- Self-employed persons must provide proof of self-employment.



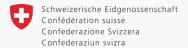
## Coordination of social security systems

### **Contents**

- National social security systems not standardised or harmonised, but coordinated.
- Each country is free to decide who is to be insured under its national legislation and what benefits are granted and under what conditions.
- Guarantee that no one loses insurance entitlements when working in another state.

### **Principle**

Insurance entitlements are not affected by working in another EU/EFTA state or Switzerland.



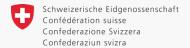
# Recognition of qualifications

### **Contents**

 The regulations on the recognition of professional qualifications significantly simplify access to the labour market and the exercise of regulated professions within the EU and Switzerland.

### **Principle**

Swiss and EU professional qualifications in regulated professions are mutually recognised.



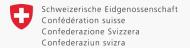
# Posted workers and accompanying measures

### **Contents**

- An employer sends workers on a temporary assignment in a country of the contracting states other than that of its head office.
- Workers remain subject to the social security systems of their country of origin.
- Introduction of accompanying measures on 1 June 2004 to prevent unfair undercutting of wage and working conditions applicable in Switzerland.

### **Principle**

Freedom to provide services for 90 working days per calendar year.



### **Accompanying measures**

### **Objective**

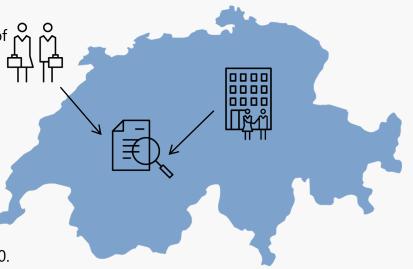
 Protection of Swiss and posted workers against the undercutting of wage and working conditions applicable in Switzerland.

#### Content

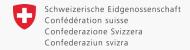
 Includes the advance declaration requirement, facilitated declaration of the general application of collective employment agreements, standard employment contracts with mandatory minimum wages, possibility of penalties in the event of violations (fines of up to CHF 30,000).

### **Implementation**

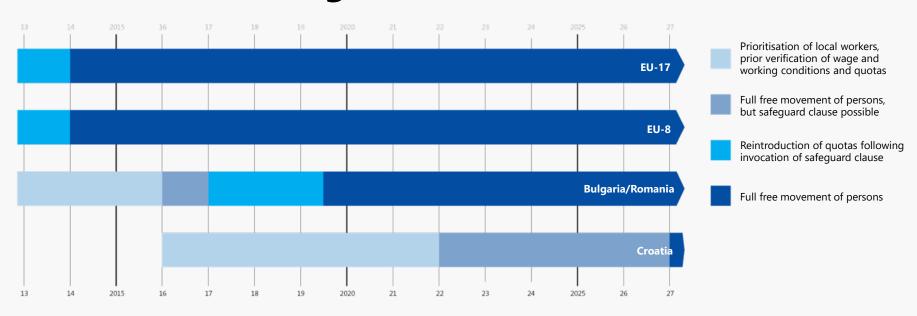
• Verification of wage and working conditions of 34,126 companies and 132,922 individuals by tripartite and joint commissions in 2020.



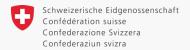
2019. Source: State Secretariat for Economic Affairs



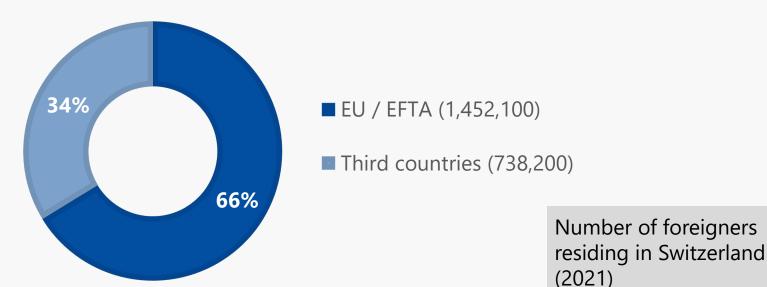
### **Transitional arrangements**



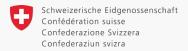
Free movement of persons



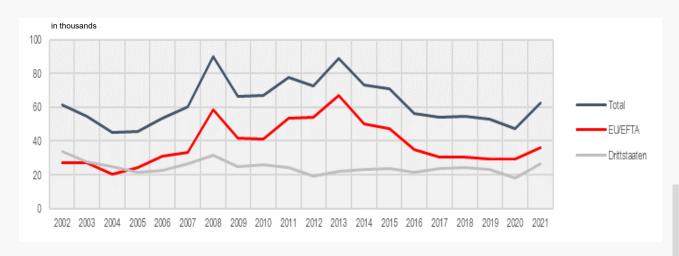
## Foreign nationals residing in Switzerland



As at: 24.02.2022. Source: State Secretariat for Migration (SEM)



# **Net migration**

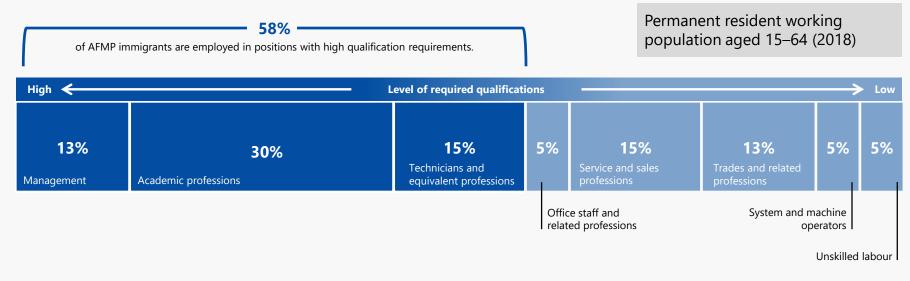


Number of foreigners with (non-)permanent residence in Switzerland

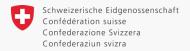
As at February 2022: Source: State Secretariat for Migration (SEM)



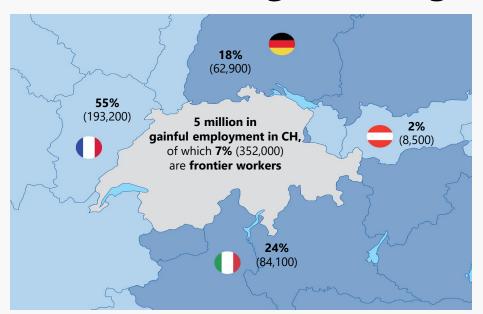
# **Professional profiles of AFMP immigrants**



2018. Source: 15th Report of the Observatory for the Swiss-EU Agreement on the Free Movement of Persons

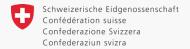


### Frontier workers from neighbouring countries



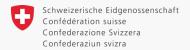
Foreign frontier workers, annual average 2021 (rounded)

2022. Source: Federal Statistical Office



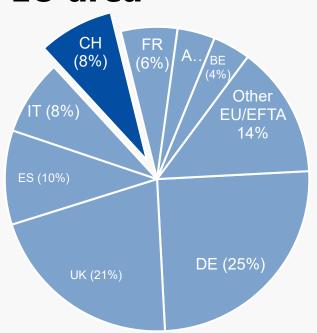
# Facts and figures – social security

First pillar	Invalidity insurance	Social assistance	Unemployment insurance
<ul> <li>EU/EFTA immigrants pay in more to the social security system than they receive from it.</li> </ul>	<ul> <li>No increase in the number of foreign nationals receiving invalidity pensions due to the free movement of persons.</li> </ul>	<ul> <li>Reduction in social assistance rate in recent years thanks to high professional qualifications of EU/EFTA immigrants.</li> </ul>	• EU/EFTA citizens made 24.7% of contributions and received 31.4% of benefits in 2019.

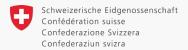


Workforce mobility within the EU area

- EU/EFTA labour markets: Mobile workforce of 11.2 million persons (2019).
- With 0.9 million workers (8%) from EU/EFTA countries, Switzerland ranks fifth after Germany, the UK, Spain and Italy.
- This means that as a destination country, Switzerland has a significant share of intra-European labour migration.



2019, Source: 17th Report of the Observatory for the Swiss-EU Agreement on the Free Movement of Persons



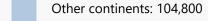
## Swiss citizens living abroad

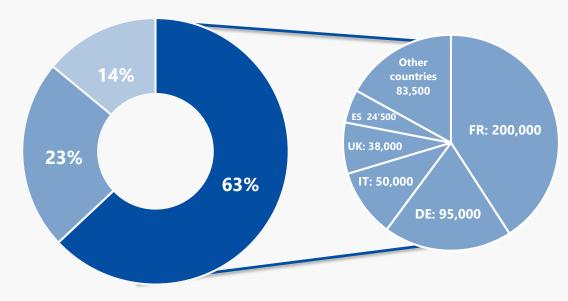
A total of **776,300** Swiss citizens are living abroad.

(as at 31.12.2020)









2020, Source: Federal Statistical Office

