

Information Sheet on the Labour Market

Switzerland offers liberal labour laws. Most of the content written into an employment contract is based on individual negotiations and agreements between employees and employers. The legal system has fewer regulations than the EU and thus allows much greater regulatory freedom.

Pay	Pay is individually negotiated; fixed pay based on collective bargaining agreements and minimum pay only exist in a few sectors. An end-of-year payment amounting to one month's salary is normal practice.
Non-wage labour costs	The non-wage labour costs to be paid by the employer (social security, unemployment benefit and accident insurance, pension contributions and child allowance ¹) are - at about 15% - much lower than in neighbouring countries (e.g. Germany about 25%; France about 50%).
Working hours	The maximum working hours per week in Switzerland are 45 hours for industrial businesses and office and sales personnel and 50 hours for all others. On average, people in Switzerland work around 42 hours from Monday to Friday. In addition to this high number of working hours, the Basel region also offers exceptionally high productivity.
Holidays	Employees between 20 and 50 years of age in Switzerland have 20 days (4 weeks) holiday a year. Additional holiday money is not customary.
Termination of contracts, periods of notice	Employers and employees are, in principle, free to terminate the employment contract subject to a specified period of notice. Justifications are not necessary, but the recipient of a dismissal may request a written explanation of the reasons. The unilateral notice of amendments to a contract is possible. Employment may be started with a probationary period of not more than 3 months, during which a seven-day period of notice applies. Finally, a one-month period of notice applies in the first year of work, two months between two and nine years of service and thereafter three months ² .
Culture of partnership, almost no strikes	Employee representative bodies exist mainly in large companies and have neither co-determination nor decision-making rights. Employers and unions cooperate in a spirit of partnership. Industrial conflicts are normally resolved around the negotiating table. The compromises achieved in this way contribute to industrial peace and stability in Switzerland. Strikes are almost unknown.
Standards of education	Swiss workers are extremely well educated. Over 53% have a secondary education qualification and about 34% have a tertiary qualification. More than 23% of the population has a university degree ³ .
Languages	Basel has the largest proportion of English-speaking employees in Switzerland at around 36%. Most of the population also has a basic knowledge of English. While German is the predominant local language, about 31% of people can also speak French and 14% Italian ⁴ .
International labour force	The Basel region benefits from a large pool of workers through its geographical proximity to France and Germany. Over 50,000 cross-border commuters come here to work every day. Local companies employ international specialists from all over the world; about 30% of the working population comes from abroad.

¹ Old-age and survivors' insurance / disability insurance, unemployment benefit insurance, compulsory accident insurance, occupational benefit schemes; for further details see separate info sheet on "Social Security in Switzerland".

² Article 335 Code of Obligations

³ Federal Statistical Office (2008), *Statistisches Lexikon der Schweiz: Statistik der Bildungsabschlüsse*

⁴ Federal Statistical Office (2005), *Sprachenlandschaft der Schweiz*