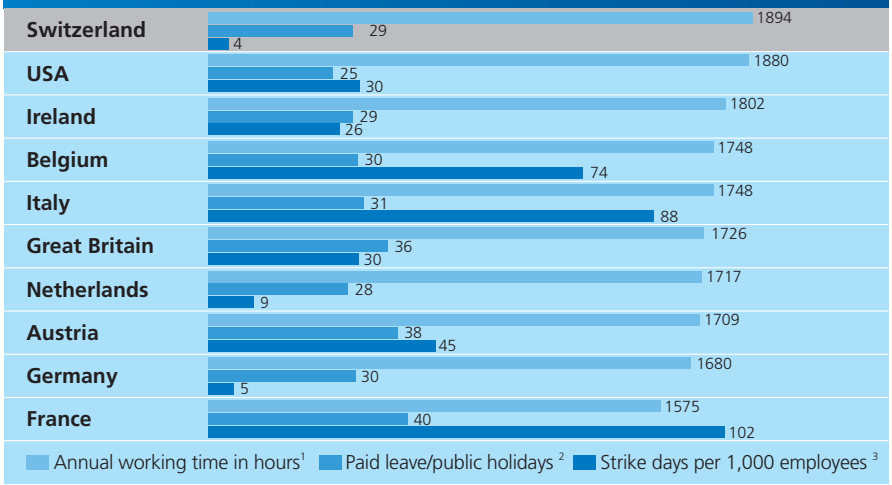
Labour market, labour costs & labour law

Flexibility and stability are two characteristics of Switzerland's labour market. On an international comparison Switzerland ranks 5th for labour productivity. This high level of productivity is due to many factors. Unlike most of its European neighbours Switzerland's labour law has a liberal orientation. And compared with other foreign countries there are few mandatory statutory provisions with regard to employment relationships and the way they are structured.

The statutory maximum number of working hours per week is 45 for employees in industrial companies and 50 hours for other employees. 42 hours is customary, with service-sector companies working 40-hour weeks. The annual working time in Switzerland is approx. 1,900 hours, the highest in Europe; the average working week in Switzerland is 40.5 hours. Absenteeism due to illness and other reasons is low. Strikes are rare. The statutory minimum leave (holidays) for employees is 20 working days or 25 days for employees under the age of 20. There are also relatively few non-working public holidays (around 10) to be remunerated. Regional variations due to local customs and traditions apply.

International comparison of working hours, leave/public holidays and strike days



[1] Source: Department of regional affairs, economy and health, Geneva, 2010
[2] Source: Mercer, 2009
[3] Source: OECD, average annual strike days of the years 2000 – 2008

Our Partners

Jörg Lienert AG
www.joerg-lienert.ch

Mercuri Urval
www.mercuriurval.ch

Job market print

Neue Luzerner Zeitung
(every Friday)

Alpha
(Sunday newspaper supplement)

NZZ
(twice weekly)

Job market online

www.alpha.ch/en

www.topjobs.ch

www.jobs.ch/en

www.stellen-zentral.ch

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LUZERN BUSINESS DEVELOPMENT

Labour market, labour costs & labour law

Labour costs

While Switzerland pays relatively high wages, labour costs are – on the whole – attractive. This is due to high labour productivity, relatively low incidental wage costs, and a significantly longer annual working time compared with other European countries. On average a Swiss employee works around 200 hours more than a colleague in other EU countries. Employees also contribute significantly to the social insurance system through their own payments.

Range of Gross Wages in Lucerne

Labour costs in Lucerne range in the middle segment compared with other Swiss cantons.

Position	Annual wage in CHF
Managing director at a medium-sized company	200,000+
Head of department for production/marketing/finance, many years of professional experience, approx. 100 employees	160,000+
Engineer, technical college or university graduate, five years of professional experience	100,000+
Admin. technician/back-office staff with professional experience, with family	80,000+
Secretary to the head of department, 1 foreign language, age approx. 25	70,000+
Skilled worker in industry with ten years of professional experience	60,000+
Workman, age approx. 25	50,000+

Source: KV Index 2010, Jörg Lienert, Moneyhouse March 2010

Mandatory social contributions

An international study shows the differences in mandatory employer's and employee's contributions, in percentage terms, for a range of countries, based on an annual income of CHF 100,000.

Country	Employer	Employee	Total
USA	7.50 %	7.50 %	15.00 %
Switzerland	12.75 %	10.55 %	23.30 %
Germany	19.55 %	19.55 %	39.10 %
Austria	21.90 %	18.00 %	39.90 %
Italy	40.33 %	9.19 &	49.52 %
France	41.80 %	20.90 %	62.70 %

Source: Corporate Consulting & Technology (CCT SA) Zurich, December 2008 (www.cc-t.ch)

The social contribution burden on employers and employees in Switzerland is therefore less than it is on employers and employees in our neighbouring countries.

Wages

For more details of wages and salaries visit the websites:

www.lohn-sgb.ch
www.lohncomputer.ch/en

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