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Swiss Confederation

Federal Department of Home Affairs FDHA

Federal Statistical Office FSO

3 Employment and income

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Definitions

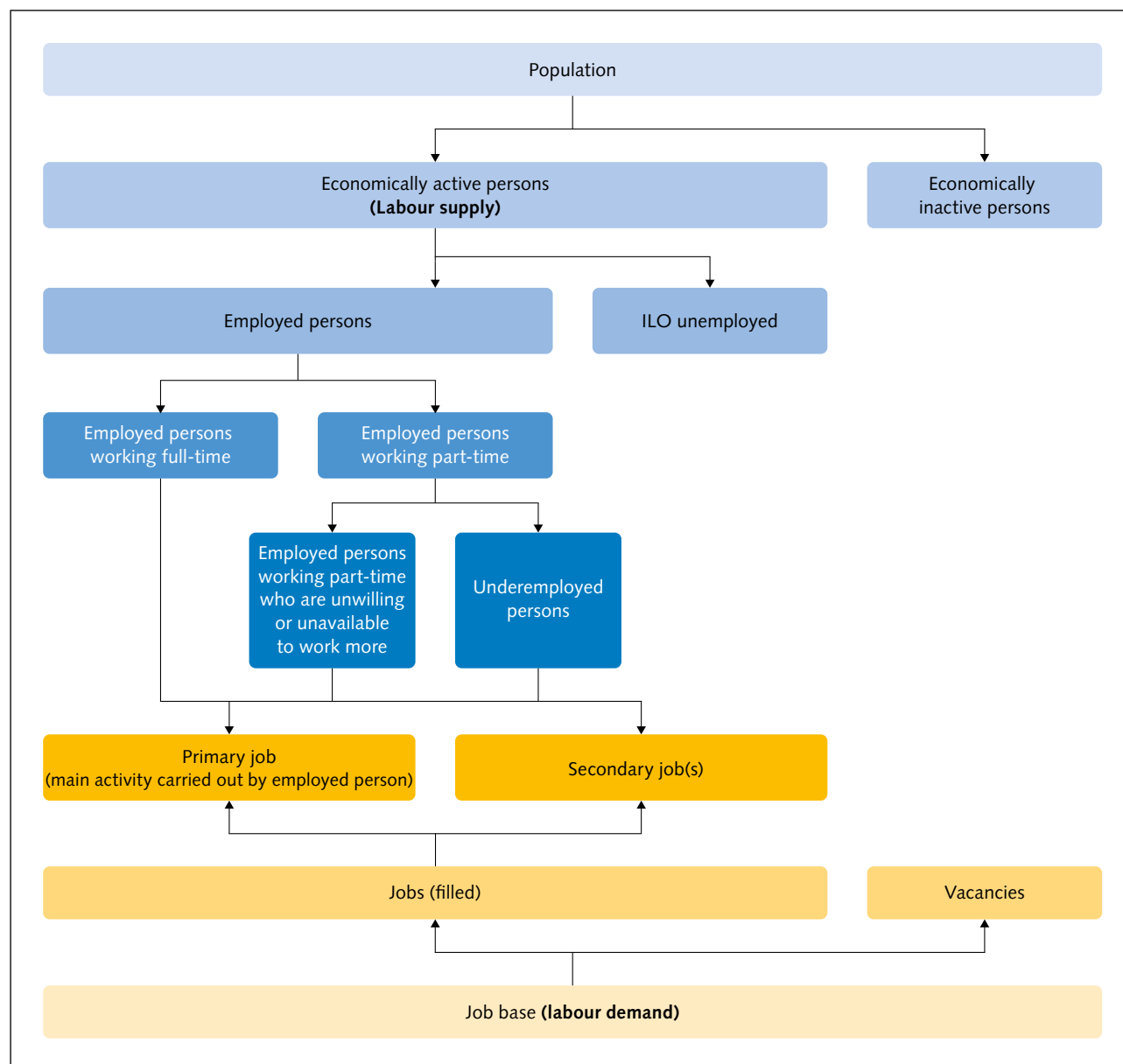
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The Swiss Statistical Encyclopedia, Nr. do-e-03-ami-def.pdf

Box 1 : Labour supply and demand



3.1 Concepts relating to people

Employed persons

The term «employed persons» refers to all persons aged 15 and over who, during the reference week:

- worked at least one hour for payment
- or who, although temporarily absent from their work (due to illness, holidays, maternity leave, military service, etc.) had a job in an employed or self-employed capacity
- or who worked in the family business without payment.

This definition covers the following, irrespective of the place where this work is done (in a company/business, at home or in another private household): employees, self-employed persons, family workers in family businesses, apprentices, recruits, junior officers and officers who, while undergoing basic or further military training, retain their jobs and employment contracts, school pupils and students who work in parallel with their studies, and retired persons who continue working. People who only do housework in their own households, assist others free of charge, or carry out other voluntary activities are not regarded as employed persons.

(See also related concept: «jobs».)

Statistical sources

Employment Statistics (ES), Labour Market Accounts (LMA): employed persons based on the domestic concept.

Swiss Labour Force Survey (SLFS), structural survey conducted within the framework of the population consensus: employed persons in the permanent resident population.

ILO Unemployed (ILO = International Labour Organization)

The term «ILO unemployed» refers to people aged 15–74 who:

- were not employed during the reference week and
- were actively looking for work during the previous four weeks and
- were available for work.

This definition complies with the recommendations of the International Labour Organization and the OECD as well as with the EURO-STAT definition.

(See also related concepts: «registered unemployed persons» and «registered job seekers»)

Statistical sources

Labour Market Accounts (LMA): ILO unemployed in the permanent resident population and the registered unemployed with a non-permanent residence permit.

Unemployment Statistics as defined by ILO, Swiss Labour Force Survey (SLFS): ILO unemployed in the permanent resident population.

Underemployed persons

The term «underemployed persons» refers to employed persons who:

- usually work less than 90% of the normal full-time workweek in companies (cf. definition of normal hours of work) and
- wish to work more and
- are available to take on a job with a higher occupancy rate within the next three months.

Statistical source

Swiss Labour Force Survey (SLFS): underemployed persons in the permanent resident population.

Economically active persons

The term «economically active persons» refers to employed and ILO unemployed. This concept is also expressed in economic terms as «labour supply».

Statistical sources

Labour Market Accounts (LMA): economically active persons = employed persons based on the domestic concept + ILO unemployed in the permanent resident population + registered unemployed with a non-permanent residence permit.

Swiss Labour Force Survey (SLFS), structural survey conducted within the framework of the population consensus: economically active persons in the permanent resident population.

Economically inactive persons

The term «economically inactive persons» refers to people who are neither employed nor ILO unemployed.

Statistical sources

Swiss Labour Force Survey (SLFS), structural survey conducted within the framework of the population consensus: economically inactive persons in the permanent resident population.

Labour Market Accounts (LMA): economically inactive persons in the resident population.

Registered unemployed persons

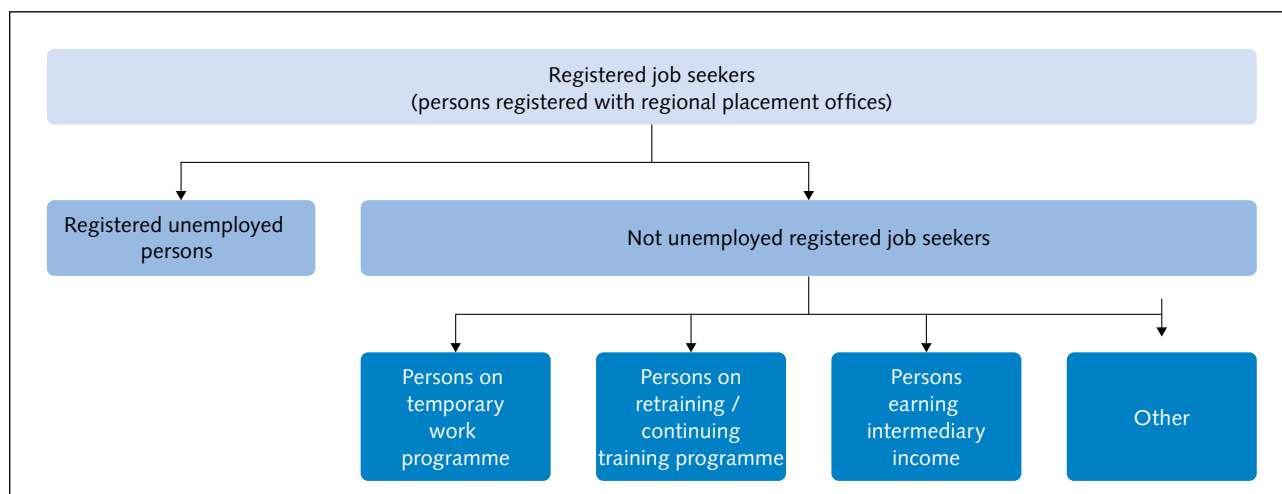
The term «registered unemployed persons» refers to persons who have registered with a regional placement office. Such individuals do not have work and are immediately available for job placement, regardless of whether or not they receive unemployment benefits.

(See also related concepts: «ILO unemployed» and «registered job seekers».)

Statistical source

Unemployment Statistics of the State Secretariat for Economic Affairs: registered unemployed persons in the resident population.

Box 2 : Persons registered with a regional placement office



Registered job seekers

The term «registered job seekers» refers to all economically active persons who are registered with regional placement offices. There are two groups of registered job seekers: Persons registered as unemployed and persons registered as not unemployed. The latter group differs from the first in that the persons are already gainfully employed or are not immediately available for job placement. Such people are either on a temporary work programme, a retraining or continuing training programme or earn intermediary income.

(See also related concepts: «unemployed persons» and «registered unemployed persons».)

Statistical source

Unemployment Statistics (based on SECO definition): registered job seekers in the resident population.

3.2 Concepts relating to jobs

Jobs (filled)

The term «jobs» refers to all positions of employment that are filled. While largely covering the same concept, «jobs» and «employed persons» do not coincide, given that an employed person may hold several jobs. In such cases, the employed person holds one primary job and one or more secondary jobs.

(See also related concept “employed persons».)

Statistical sources

Job Statistics (JOBSTAT) and Federal Business Census (FBC): Jobs involving at least 6 hours' work per week in secondary- and tertiary-sector establishments with a total of at least 20 hours' work per week. Persons employed in private households and self-employed who do not own a company are not included. Since 2011, in JOBSTAT a job is counted for every person who carries out a professional activity in an enterprise and who is subject to compulsory contributions to the old-age and survivors insurance (AVS/AHV). Jobs under 6 hours are counted in a special category; to ensure the consistency of series over time, they are not included in the total employment.

Structural and demographic business statistics: Employment is defined as paid economic activity, either in a company or as self-employed, implicating the payment of old age and survivors' insurance contributions (AHV), starting from a certain wage threshold (in 2011 this was for an annual income of CHF 2300 or more). Employment in agriculture is recorded without an income threshold, based on data from the farm census and the farm structure survey. A person with several employment contracts has several jobs as long as the employment contracts are with different companies. However, if the person has several employment contracts with the same employer, they are only recorded as having one job.

Federal Primary Sector Census (FPSC) and Agricultural Structures Survey: jobs where the workweek is at least 6 hours long.

Full-time equivalents (FTE)

The term “full-time equivalents” refers to a conversion of volume of work (measured in terms of the number of jobs or the number of hours of work) to full-time jobs. The number of full-time equivalents is determined by taking the total number of hours worked and dividing this total by the nearly average number of hours worked in a full-time job.

Statistical sources

Employment Statistics: The number of employed persons in full-time equivalent employment (FTE) corresponds to the total work-time percentage of the occupied jobs. A person who has a work-time percentage of 50% in one job and 20% in another is therefore recorded as 0.7 FTE. The work-time percentages are calculated from the actual hours worked for each job divided by the average of the actual hours worked in full-time jobs.

Job Statistics (JOBSTAT) and Federal Business Census (FBC): Full-time equivalents are estimated by placing the jobs into three workweek categories (full-time, part-time I and part-time II) and then multiplying the number of jobs by the average workweek percentage for each category. The Swiss Labour Force Survey (SLFS) is used to determine this rate. Only jobs involving at least 6 hours' work per week in secondary- and tertiary-sector establishments with a total of at least 20 hours' work per week are covered. Persons employed in private households and self-employed who do not own a company are not included.

Structural business statistics: Full-time equivalents are estimated using a company level model (old age and survivors' insurance (AHV) unit) and then allocated to the establishments. The structure is taken from the surveys carried out to supplement the Business and Enterprise Register. Full-time equivalence estimates in the private sector are made by economic activity and based on information about income from old age and survivors' insurance (AHV) data or information that is directly collected from surveys carried out to supplement the Business and Enterprise Register. For the public sector, employment in full-time equivalents is directly taken from the same supplementary surveys. For the agricultural sector, employment in full-time equivalents is estimated on the basis of the average work-time percentage calculated in the scope of the Swiss Labour Force Survey (SLFS).

Vacancies

The term “vacancies” refers to a position (new, unfilled or soon to be vacant position) that the employer intends to fill either immediately or in the near future. Moreover, a position is deemed to be vacant if action has been taken, or will be taken very shortly, to recruit a new member of staff.

Statistical sources

Job Statistics (JOBSTAT): vacancies in secondary or tertiary sector establishments.

SECO statistics of vacancies reported to regional placement offices. However, since businesses are not required to report vacancies, SECO statistics cover only a limited proportion of all available vacancies in Switzerland.

Difficulties in personnel recruitment

Indicator intended to estimate recruitment difficulties experienced by secondary and tertiary sector establishments during the quarter under review.

Statistical source

Job Statistics (JOBSTAT): establishments are asked to indicate if they have experienced difficulties in recruiting personnel according to 4 categories: (1: personnel found without difficulty; 2: personnel found with difficulty; 3: personnel not found; 4: other (don't know, not looking for personnel, recruitment process not finished) and according to 4 levels of professional training (1: personnel with no training since leaving school; 2: apprenticeship or similar training; 3: higher professional training; 4: university). The indicators are presented as percentages and are weighted by the number of jobs. They are shown in detail for each category. A synthetic indicator (difficulties in recruiting qualified personnel) includes cases where the personnel required was found with difficulty or not found in at least one of the 3 categories with a post-obligatory education qualification. The series starts in the 1st quarter 2004.

Employment outlook

The term “employment outlook” refers to a set of indicators used to predict the job situation in the secondary and tertiary sectors for the next quarter.

Statistical source

Job Statistics (JOBSTAT): These indicators express in percentages the proportion of establishments that reported that they would increase, maintain or decrease their total number of employees (figures weighted by the number of jobs) during the coming quarter. In addition, these percentages are presented as a synthetic indicator varying from 0.50 (decrease) to 1.5 (increase). The series starts in the 1st quarter 2004.

3.3 Concepts relating to the economy

Labour supply

The term «labour supply» refers to the total quantity of labour offered by employed persons and ILO unemployed. Also referred to as «economically active persons».

Statistical sources

Labour Market Accounts (LMA): economically active persons = employed persons based on the domestic concept + ILO unemployed in the permanent resident population + registered unemployed with a non-permanent residence permit.

Swiss Labour Force Survey (SLFS), structural survey conducted within the framework of the population consensus: economically active persons in the permanent resident population.

Labour demand

The term «labour demand» refers to the total quantity of labour required by employers. Also referred to as «job base», the labour demand is composed of all filled and vacant positions of employment.

Statistical source

Job Statistics (JOBSTAT), Job Vacancy Statistics, Structural and demographic business statistics.

3.4 Concepts relating to working hours

Normal working hours

The term «normal working hours» refers to the number of hours decided upon in the employment contract. In the case of self-employed persons, this figure corresponds to the number of hours usually devoted to their professional activities. Hours of overtime and absences do not have an impact on normal working hours.

Statistical sources

Work Volume Statistics (WV): normal working hours based on the domestic concept, expressed either yearly or weekly per job or in terms of annual volume.

Statistics on Normal Workweek in Companies (NW): normal duration of workweek for full-time employees, per job and week.

Actual hours worked

The term «actual hours worked» refers to the number of hours that employed persons devoted to their professional activities (i.e. actual hours worked = normal hours of work plus hours of overtime minus hours of absence).

Statistical source

Work Volume Statistics (WV): actual hours worked based on the domestic concept, expressed per job and year, expressed per job and week or in terms of annual volume.

Overtime

The term “Overtime” refers to paid or unpaid hours

- worked over and above the normal workweek, and
- which are not compensated by leave or by a later reduction in working hours within a flexible working hours system.

Statistical source

Work Volume Statistics (WV): Overtime based on the domestic concept, expressed per job and year, expressed per job and week, in terms of annual volume, or as an overtime rate for the given year.

Hours of absences

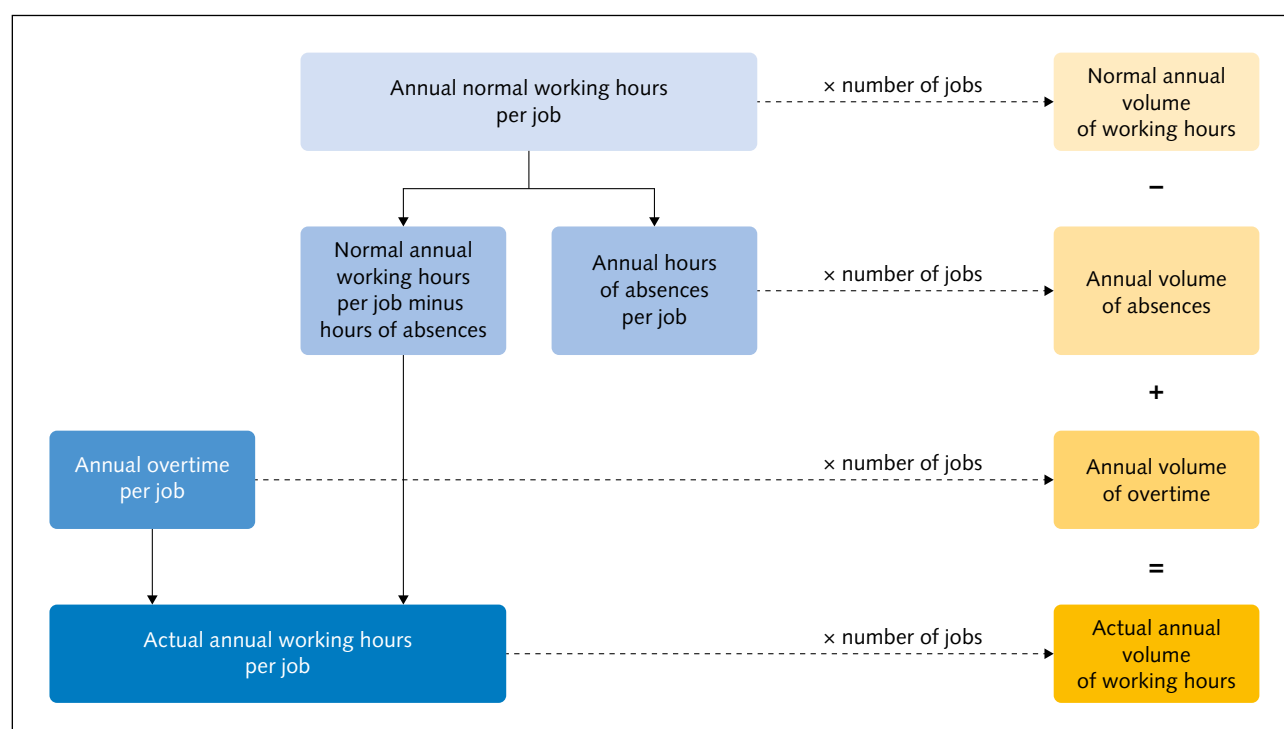
The term «hours of absences» refers to the number of normal hours of work in which a person was not at his place of work due to illness, accident, maternity leave, military or community service, civil defence, reduction of working hours, labour dispute, personal or family reasons and bad weather.

Employee holidays, public holidays and time off work made possible by flexible working schedules are not considered as hours of absence.

Statistical source

Work Volume Statistics (WV): hours of absence based on the domestic concept, expressed per job and year, expressed per job and week, in terms of annual volume, or as an absence rate for the given year.

Box 3 : Working time



3.5 Concepts relating to labour market flows

Gross transitions between employment, unemployment as defined by ILO and economic inactivity

Gross transitions reflect the transition from an (initial) status to another (final) status over a certain period. Measuring gross transitions between employment, unemployment as defined by ILO and economic inactivity produces a distinction between nine different groups of persons (employed persons who have become ILO unemployed, employed persons who have become economically inactive, employed persons who have stayed in employment, ILO unemployed who used to be employed, etc.).

Statistical source

Labour Market Accounts (LMA): gross transitions are observed over a calendar year.

International migrations

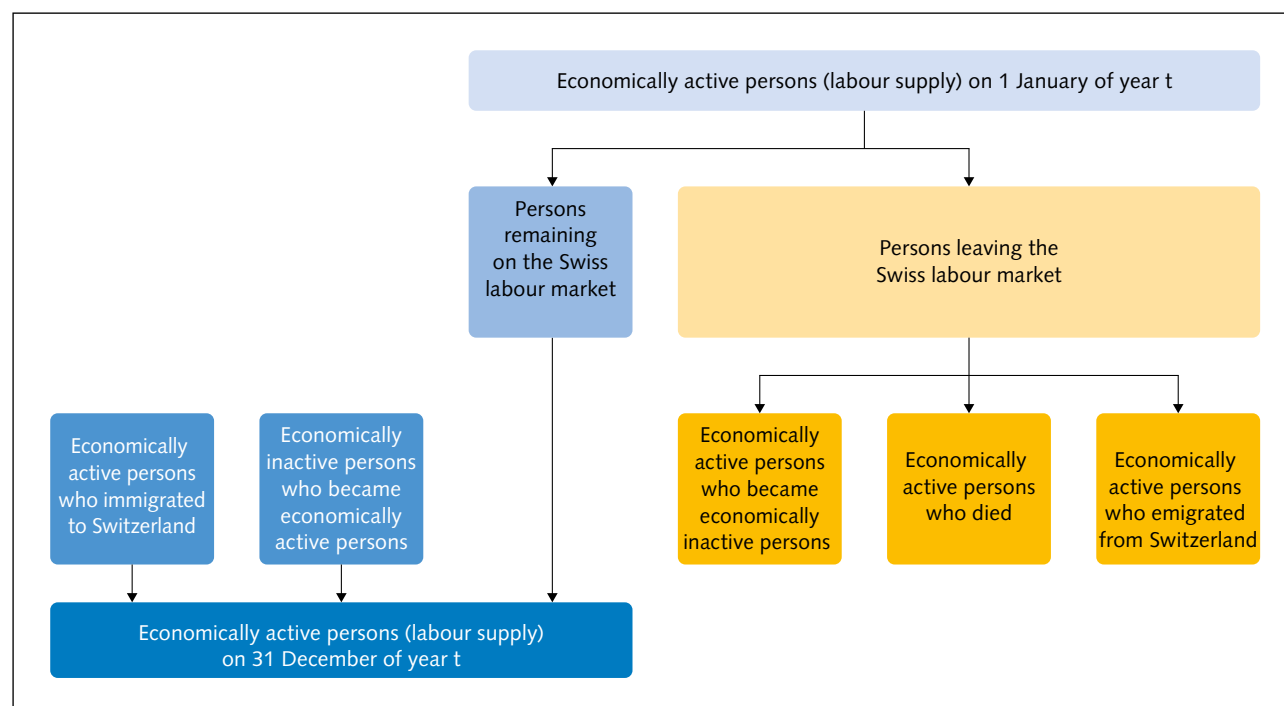
International migrations are movements of persons who change their place of usual residence from one country to another. A distinction is made between immigration (when the reference country is the arrival country) and emigration (when the country of reference is the departure country). The balance between immigration and emigration movements is referred to as net migration.

Statistical sources

Population and Household Statistics (STATPOP): international migration by Swiss and foreign nationals who are part of the permanent resident population. STATPOP replaced the Statistics on Annual Population Status (ESPOP) as of 2011.

State Secretariat for Migration (SEM): international migration of foreigners

Labour Market Accounts (LMA): international migrations by labour-market status. For statistical purposes, the concept of international migration is expanded to cover new cross-border commuters (counted as immigrations) and persons losing the status of cross-border commuters (counted as emigrations).

Box 4 : Labour market flows

3.6 Concepts relating to employment income

Remuneration

Remuneration is made up of revenue (in cash, in kind or in the form of services) earned through work by persons in salaried employment or by the self-employed. Remuneration comprises the sums received as the direct result of professional activity (salaries or profits from self-employment) or because of a person's professional situation (job-related social security benefits). Remuneration does not cover revenue from other sources, such as property, social assistance, transfers, etc. that are not linked to employment.

(See also related concept «Salary».)

Statistical sources

Swiss Labour Force Survey (SLFS): captures the professional income of employees and the self-employed belonging to the permanent resident population. The components of an employee's remuneration are the gross salary, 13th and 14th month's salary, premiums and bonuses.

Household Budget Survey (HBS): provides an overview of the remuneration of private households derived from employment. According to the HBS, «remuneration» is regarded as meaning everything coming into a household under the heading of salaries, profits from self-employed activity and social security benefits linked to employment.

Salary

The term «Salary» corresponds to remuneration (in cash or in kind) for the work done by a person on another person's behalf under the terms of a written or oral contract. This other person may be a natural person or a corporate entity (business, non-profit-making institution or government department). Thus, the concept of salary does not cover income from self-employed activity on a person's own account. It is customary to make a distinction between gross salary (before deduction of the employee's social security contributions) and net salary (after deductions).

(See also related concept «Remuneration».)

Statistical sources

Swiss Earnings Structure Survey (SESS): the salary components taken into consideration are the gross salary for October (including benefits in kind, regular bonus payments, turnover participation and commissions), teamwork allowances and allowances for Sunday or night work, $\frac{1}{2}$ of the 13th month salary and $\frac{1}{2}$ of special annual payments. The findings are expressed either in standardized gross monthly salaries (recalculated on the basis of a full-time equivalent of $4\frac{1}{3}$ weeks with a 40-hour working week), or in net monthly salaries (amounts actually paid, including remuneration for overtime).

Salary Trend Statistics (STS): The following salary components are considered for the calculation of the salary index: basic gross salary, compensation for inflation and 13th salary. The following are excluded: bonuses and commissions, family allowances, various compensations and payments in kind. The following persons are taken into consideration in the calculation: men and women aged 18 and older who are employed full-time or part-time.

Swiss Labour Force Survey (SLFS): captures the professional income of employees and the self-employed belonging to the permanent resident population. The components of an employee's remuneration are the gross salary, 13th and 14th month's salary, premiums and bonuses.

Wage Agreements Survey (WAS): measures the adjustment of actual salaries and minimum salaries (generally: basic gross salary + 13th-month salary) agreed by management and staff within the framework of the collective labour agreements (CLA) selected. Minimum salaries are the minimum amounts collectively negotiated and laid down in a CLA or in a rider thereto. Other sources: Household Budget Survey and administrative data from the Old-Age and Survivors' Insurance System (AHV/AVS) which make it possible to calculate the «remuneration of employees» used in the Income Account that is part of the National Accounts.

Collective Labour Agreement

An agreement signed on the one hand between one or more employer associations and/or one or several employers and on the other hand by one or more employee associations in order to establish together clauses on the conclusion, the subject and the purpose of individual employment contracts between employers and the employees concerned (normative provisions). A CLA may also contain other clauses (semi-normative provisions), provided that they deal with relations between the employers and workers (contributions to a compensation fund, representation of employees within the enterprise, professional training and development etc); it can even be limited to these clauses. Furthermore, the agreement can define the reciprocal rights and obligations of the contracting parties (provisions on contractual obligations), as well as the monitoring and application of the prescribed clauses. The CLA is governed by articles 356 to 358 of the Swiss Code of Obligations.

CLAs signed on behalf of the employer by one or more employer associations are called associative CLAs, CLAs signed on behalf of the employer by representatives of one or more companies are called company CLAs.

Statistical source

Swiss Collective Labour Agreements Survey (SCLA).

Wage agreements

Agreements reached between the contractual parties of a CLA with regard to the extent and type of effective and minimum wage adjustments and, where applicable, working time or other wage conditions. Any wage development that directly results from the CLA and falls within the competence of both contractual parties shall be deemed equal to a wage agreement.

Statistical source

Survey on Collective Agreements in Switzerland (EGL).

Labour disputes

A labour dispute is a difference of opinion concerning one or several problems which have resulted in a dispute between employees and their employers or due to which employees or employers have formulated a claim, or due to which employees or employers support other employees or employers in their claims or grievances.

Strikes

A strike is defined as a temporary cessation of work at the initiative of one or several groups of employees in order to enforce or ward off claims, to express grievances or to support other employees in their claims or grievances.

Lockouts

A lockout is defined as a temporary closure or partial closure of one or several places of work, or as a measure by one or more employers to prevent employees' normal work routine in order to enforce or ward off claims or to support other employers in their claims or grievances.

Statistical source

Survey on Collective Labour Disputes (KASE).

3.7 Miscellaneous rates

Employment rate

$$\text{Employment rate} = \frac{\text{Employed persons}}{\text{Reference population}} \times 100$$

Statistical source

Swiss Labour Force Survey (SLFS), structural survey conducted within the framework of the population consensus. A distinction is made between:

- the gross employment rate in terms of the total population
- the standardised employment rate in terms of the population aged 15 and over
- the net employment rate in terms of the population aged between 15 and 64.

Unemployment rate as defined by ILO

$$\text{Unemployment rate as defined by ILO} = \frac{\text{ILO unemployed}}{\text{Economically active persons}} \times 100$$

Statistical source

Unemployment Statistics as defined by ILO, Swiss Labour Force Survey (SLFS).

Unemployment rate (SECO-based)

$$\text{Unemployment rate} = \frac{\text{Registered unemployed persons}}{\text{Economically active persons}} \times 100$$

Statistical source

Unemployment Statistics of the State Secretariat for Economic Affairs (SECO): economically active persons according to the structural survey conducted within the framework of the population census.

Underemployment rate

$$\text{Underemployment rate} = \frac{\text{Underemployed persons}}{\text{Economically active persons}} \times 100$$

Statistical source

Swiss Labour Force Survey (SLFS).

Activity rate

$$\text{Activity rate} = \frac{\text{Economically active persons}}{\text{Reference population}} \times 100$$

Statistical source

Swiss Labour Force Survey (SLFS), structural survey conducted within the framework of the population census. A distinction is made between:

- the gross activity rate in terms of the total population
- the standardised activity rate in terms of the population aged 15 and over
- the net activity rate in terms of the population aged between 15 and 64.

Overtime rate

$$\text{Overtime rate} = \frac{\text{Annual overtime per job}}{\text{Annual normal working hours per job}} \times 100$$

Statistical source

Work Volume Statistics (WV).

Absence rate

$$\text{Absence rate} = \frac{\text{Annual hours of absences per job}}{\text{Annual normal working hours per job}} \times 100$$

Statistical source

Work Volume Statistics (WV).

Job vacancy rate

$$\text{Job vacancy rate} = \frac{\text{Vacancies}}{(\text{Jobs} + \text{vacancies})} \times 100$$

Statistical source

Job Statistics (JOBSTAT) and Job Vacancy Statistics.

3.8 Concepts relating to the population and statistical coverage

Domestic concept

The domestic concept describes the productive activity carried out on Swiss economic territory, regardless of whether it is performed by residents or non-residents. This concept can be used to demarcate the population in employment, jobs or even working hours. In practical terms, productive activity under the domestic concept covers activity carried out in Switzerland by the following groups: Swiss citizens residing in Switzerland, holders of a permanent residence permit, holders of a residence permit (including recognised refugees), cross-border commuters working in Switzerland, holders of a seasonal work permit (this permit was discontinued on 1 June 2002), holders of a short-term residence permit, EU/EFTA citizens who are engaged in paid employment (not self-employed) for a Swiss employer for a maximum of 90 days per civil year, persons in the asylum process, the staff of Swiss embassies and consulates and members of the Swiss naval fleet. In contrast, the activities of foreign embassies and consulates in Switzerland, the work of international civil servants in Switzerland and the activities of persons residing in Switzerland but working abroad are not included in the domestic concept.

Statistical source

The domestic concept is mainly used in Employment Statistics (ES), Work Volume Statistics (WV), the Business and Enterprise Register (BER), the Structural and Demographic Business Statistics, the Job Statistics and the Swiss Wage Structure Survey. It is also used in the National Accounts.

Permanent resident population

The term "permanent resident population" refers to all Swiss nationals whose main place of residence is in Switzerland and all foreign citizens holding a residence permit for at least 12 months or who have resided in Switzerland for at least 12 months, i.e. foreign citizens holding a permanent residence permit, foreigners holding a residence permit (including recognised refugees), short-term residents with a cumulative duration of residence of at least 12 months, persons in the asylum process with a total residence duration of at least 12 months, as well as diplomats, international civil servants and their family members.

Statistical source

The concept of the "permanent resident population" is used by the Population and Households Statistics (STATPOP). It is used in a slightly adapted form by the structural survey carried out in the scope of the Federal Population Census (FPC) (without diplomats and international officials), by the Unemployment Statistics as defined by ILO and by the Swiss Labour Force Survey (SLFS) (without diplomats and international officials and without persons in the asylum process).

Resident population

The resident population includes all persons who officially reside in Switzerland at a given point in time regardless of their citizenship, duration of residence and type of permit. Persons who do not officially reside in Switzerland (e.g. cross-border commuters working in Switzerland, tourists, visitors or business travellers) do not fall into this category. Specifically, the resident population includes the following types of foreigners: foreign citizens holding a permanent residence permit, foreigners holding a residence permit (including recognised refugees), seasonal workers (this type of permit has not been issued since 1 June 2002), holders of a short-term residence permit, persons in the asylum process, diplomats and international civil servants and their family members.

Statistical source

The resident population concept was used in the Federal Population Census (FPC) until 2000 and is also used in the Unemployment Statistics of the State Secretariat for Economic Affairs (SECO).

3.9 Major regions

Major regions

Lake Geneva region:	Vaud, Valais, Geneva
Espace Mittelland:	Bern, Fribourg, Solothurn, Neuchâtel, Jura
Northwestern Switzerland:	Basel-Stadt, Basel-Landschaft, Aargau
Zurich:	Zurich
Eastern Switzerland:	Glarus, Schaffhausen, Appenzell Ausserrhoden, Appenzell Innerrhoden, St. Gallen, Graubünden, Thurgau
Central Switzerland:	Lucerne, Uri, Schwyz, Obwalden, Nidwalden, Zug
Ticino:	Ticino

Statistical source

The findings of most of the labour market statistics are also available by region.

Box 5 : Resident population, permanent resident population and domestic concept

