



Information Sheet Nr 1

Information note on the situation regarding the Swiss welfare insurance scheme of the service staff of Philippine nationality recruited locally by the Permanent Missions and of the service staff recruited locally by the Permanent Missions of Philippine, holders of a legitimisation card of type "E"

Social welfare insurance (AVS/AI/APG/AC)

Swiss social welfare insurance consists of old age and survivors' insurance (hereinafter called AVS), disability insurance (hereinafter called AI), compensation fund for loss of income because of service or maternity leave (hereinafter APG) and unemployment insurance (hereinafter called AC). These four social welfare insurances form a complete, indivisible package based on the mutual fund system.

Maternity allowance:

- As of 1 July 2005, federal legislation on allowances for loss of salary (LAPG) introduced at the federal level the right to a maternity allowance which is paid to mothers in the form of a daily benefit. This new benefit is financed by contributions to cover loss of income (APG), as in the past. The entry into force of this maternity allowance has not necessitated any adjustment of contributions to APG, which are an integral part of the insurances AVS/AI/APG/AC. According to the LAPG, cantons may introduce a regime that is more favourable in terms of the duration and the amount of the allowance in order to complement the existing federal regime. To this effect they may levy a special contribution in order to finance this benefit. This is the case in the Canton of Geneva, which has had a maternity allowance before the entry into force of the federal legislation on maternity allowances. The employees, whether male or female, who are resident in the Canton of Geneva, are subject to the Geneva maternity insurance scheme, provided that they are insured with the insurances AVS/AI/APG/AC. All other Swiss cantons did not have a maternity insurance scheme before the entry into force of the maternity allowance at the federal level. The situation of the employees resident in the other Swiss cantons is therefore governed solely by federal legislation, to which they are subject whether they are male or female, provided that they are insured with the insurances AVS/AI/APG/AC. The mothers resident in the Canton of Geneva, who are insured with the insurances AVS/AI/APG/AC and with the maternity insurance scheme and who fulfil the necessary conditions may benefit on request from allowances for a maximum of 16 weeks. The mothers resident in the other Swiss cantons, who are insured with the insurances AVS/AI/APG/AC and who fulfil the necessary conditions may benefit on request from allowances for a maximum of 14 weeks. More information on this subject is available on the Website of the *Caisse cantonale genevoise de compensation* (Geneva Cantonal Compensation Fund Office) (www.ccgcavs.ch).

Mandatory membership:

- Geneva: apply to the *Caisse cantonale genevoise de compensation* (Geneva Cantonal Compensation Fund Office) ¹.
- Vaud: apply to the *Caisse cantonale vaudoise de compensation* (Vaud Cantonal Compensation Fund Office) ².

¹ Geneva : Caisse cantonale genevoise de compensation (Geneva Cantonal Compensation Fund Office), rue des Gares 12, 1211 Geneva 2, tel. 022 327 27 27, fax 022 327 27 10 (www.ocas.ch).

² All applications are then forwarded by the local authority to the Caisse cantonale vaudoise de compensation (Vaud Cantonal Compensation Fund Office), rue des Moulins 3, 1800 Vevey, tel. 021 964 12 11, Fax 021 964 15 38 (www.caisseavsvaud.ch/).

Application for exemption from mandatory membership:

- If the employee can be covered and wish to be covered by social security in another State, an original certificate of membership must be submitted by the employer to the *Caisse cantonale de compensation* of the canton of residence (Cantonal Compensation Fund Office) with an application for exemption. The *Caisse cantonale de compensation* (Cantonal Compensation Fund Office) has jurisdiction to accept or refuse the exemption.

Contributions:

- Contributions are due as to half by the employer and half by the employee. Every month, the employer deducts the employee's share of the contributions from his/her salary. Total contributions for AVS/AI/APG/AC represent 12.45% of total salary, i.e., 6.225 % to be paid by the employer and 6.225 % to be paid by the employee. The employer must pay the AVS administrative costs amounting 2.621 % of total salary.
- Total contributions for the Geneva maternity insurance scheme represent 0.082 % of total salary, i.e., 0.041 % to be paid by the employer and 0.041 % to be paid by the employee.
- The employee, working for an employer who is not responsible to pay the contributions (see the information note), must pay himself/herself the above mentioned contributions.

Liability:

- The employer is liable for affiliating his (her) employee at the *Caisse cantonale de compensation* (Cantonal Compensation Fund Office) or to apply for an exemption if his/her employee is insured abroad. No steps to register for federal maternity allowance or for the Geneva maternity insurance scheme must be taken; the registration is made automatically.
- The employer is also responsible for paying in the whole contributions of the insurances AVS/AI/APG/AC and of the Geneva maternity insurance scheme (i.e., both the employer's share and the employee's share) and must deduct the employee's share from the salary.
- The employee, working for an employer who is not responsible to register him/her (see information note), must register himself/herself for the above mentioned insurances.

Contribution refund and payment of a pension:

- The employee must have been registered for Swiss social insurance scheme for at least 12 months and must have paid contributions for at least 12 months. If the employee leaves Switzerland definitively, he/she may request reimbursement of the full amount of contributions to AVS (i.e. both the employer's and the employee's share), as long as he/she is not a citizen of a Member State of the EU or EFTA, or of a country with which Switzerland has concluded a social security agreement. Requests for reimbursement of contributions have to be submitted to the relevant Swiss Compensation Fund Office using form 602.101, which can be downloaded from the latter's Website ³. Citizens of the EU, EFTA or a country with which Switzerland has concluded a social security agreement ⁴ are entitled to receive a monthly pension upon reaching retirement age (64 for women, 65 for men), regardless of their place of residence, but are not entitled to receive reimbursement of contributions.

³ Swiss Compensation Fund Office (*Caisse suisse de compensation*), avenue Edmond-Vaucher 18, P.O. Box 3100, 1211 Geneva 2, tel. 058 461 91 11, fax 058 461 97 05 (www.zas.admin.ch/zas/en/home.html).

⁴ Switzerland has concluded social security agreements with Australia, Canada and Quebec, Chile, Croatia, the former Federal Republic of Yugoslavia (agreement now applies to Bosnia and Herzegovina, Kosovo, Montenegro and Serbia), Israel, Macedonia, Philippines, San Marino, Turkey and the USA. Chilean nationals can choose between the payment of a pension or a lump sum. Filipino and Australian nationals can choose between the payment of a pension, a lump sum or the reimbursement of their contributions. More information are available on the Website of the Swiss Compensation Fund Office (www.zas.admin.ch/zas/en/home.html).