



OECD ECONOMIC SURVEY OF SWITZERLAND

20 January 2022, Bern and Paris

Towards a strong and sustainable recovery

www.oecd.org/economy/switzerland-economic-snapshot/

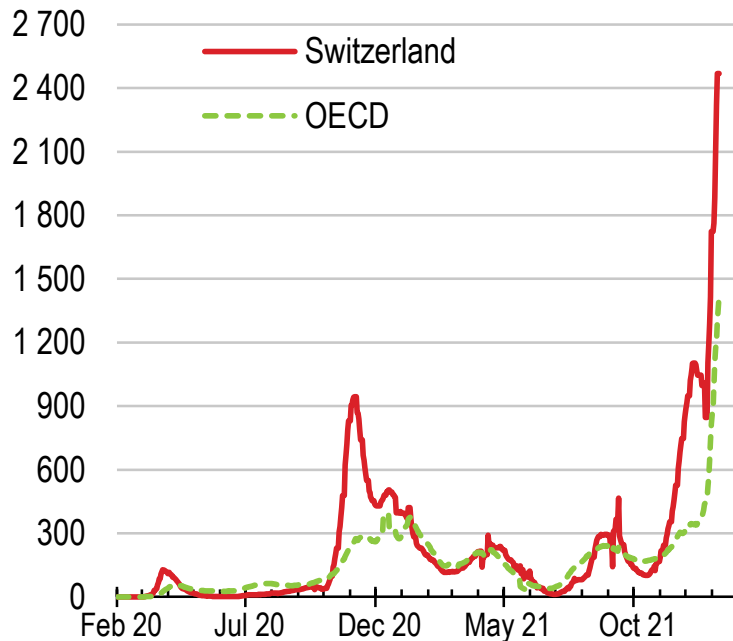
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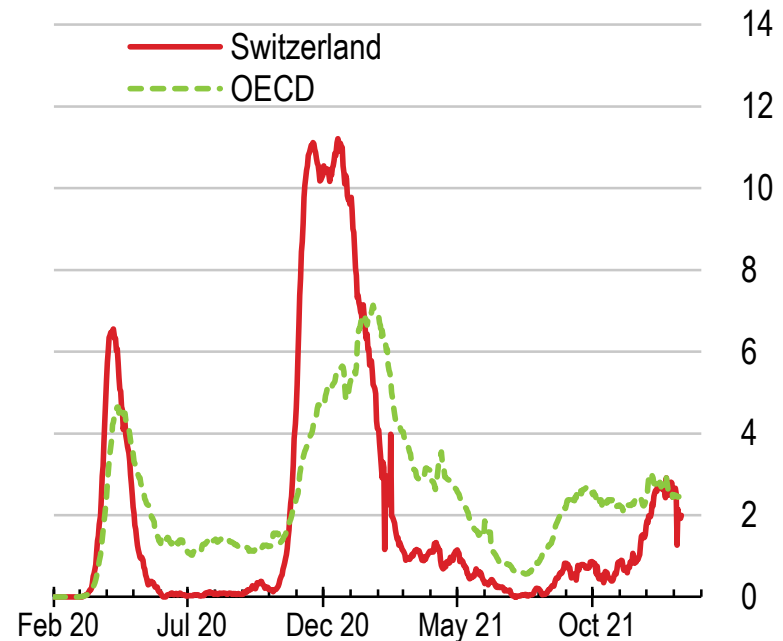


The COVID-19 pandemic continues

Daily COVID-19 new cases
Per million inhabitants, 7-day
moving average



Daily COVID-19 deaths
Per million inhabitants, 7-day
moving average

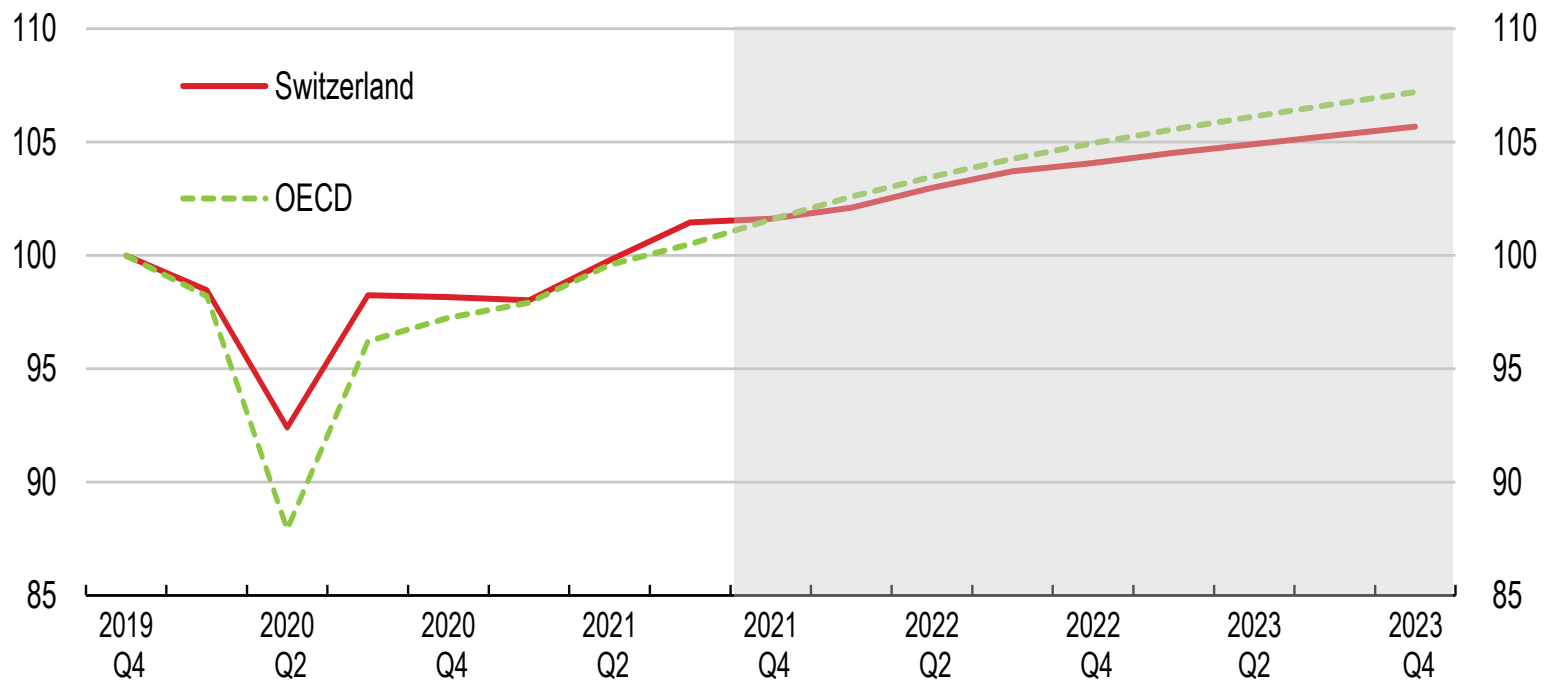


Source: OECD calculations based on Our World in Data.



The Swiss economy has been resilient

Real GDP, index 2019 Q4 = 100

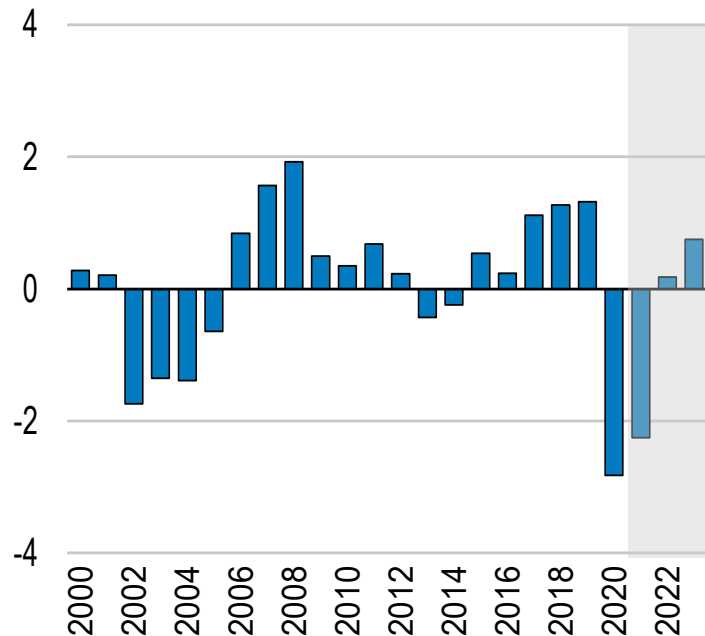


Source: OECD Economic Outlook database.

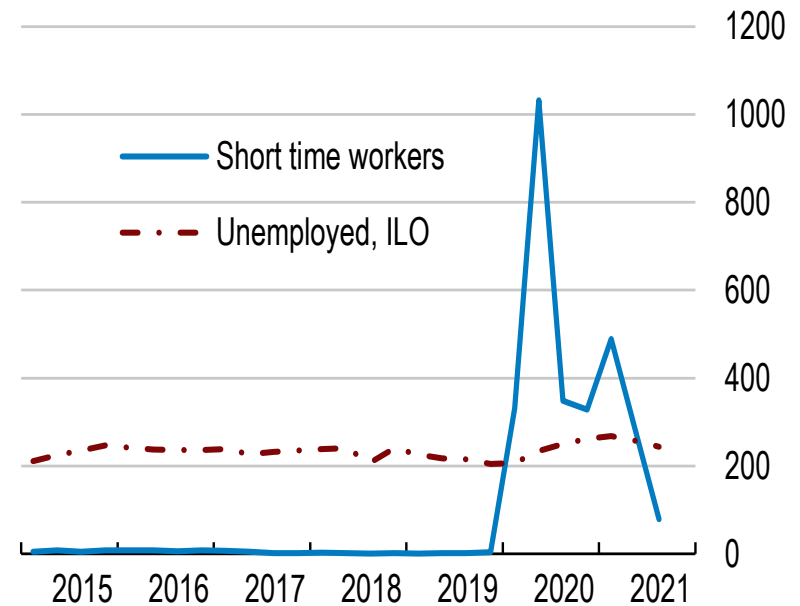


The authorities have provided extensive fiscal support

Government deficit % of GDP



Unemployed and short-time workers Thousand

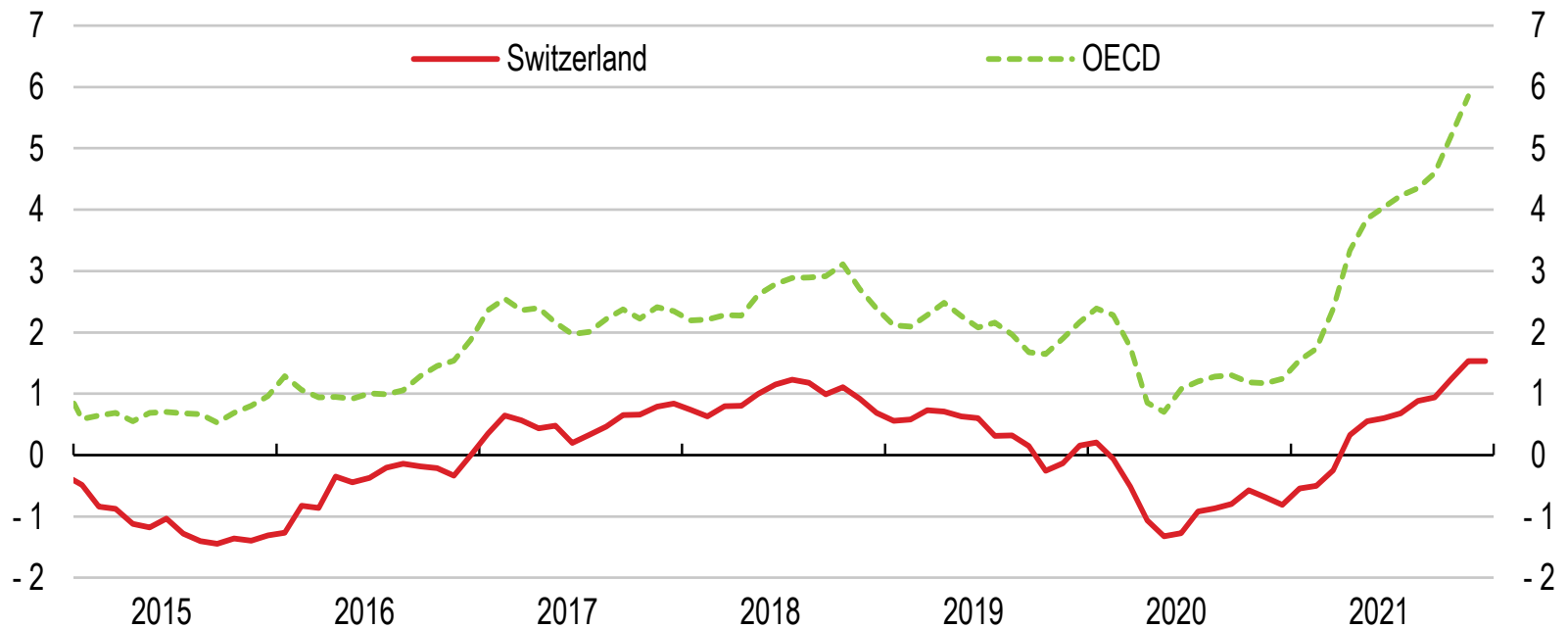


Source: OECD Economic Outlook database; SECO; FSO



Inflation has risen but remains moderate

Inflation
Consumer prices index, year-on-year % change

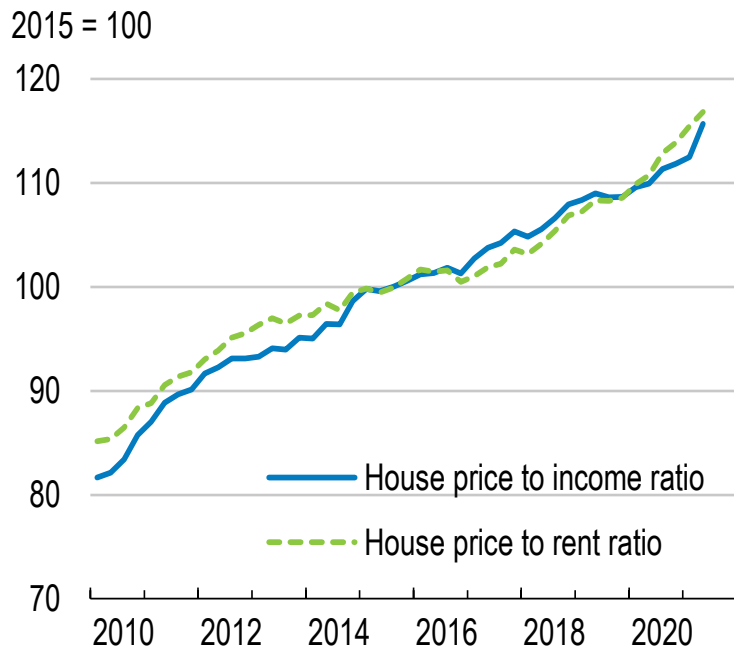


Source: OECD Consumer prices database.

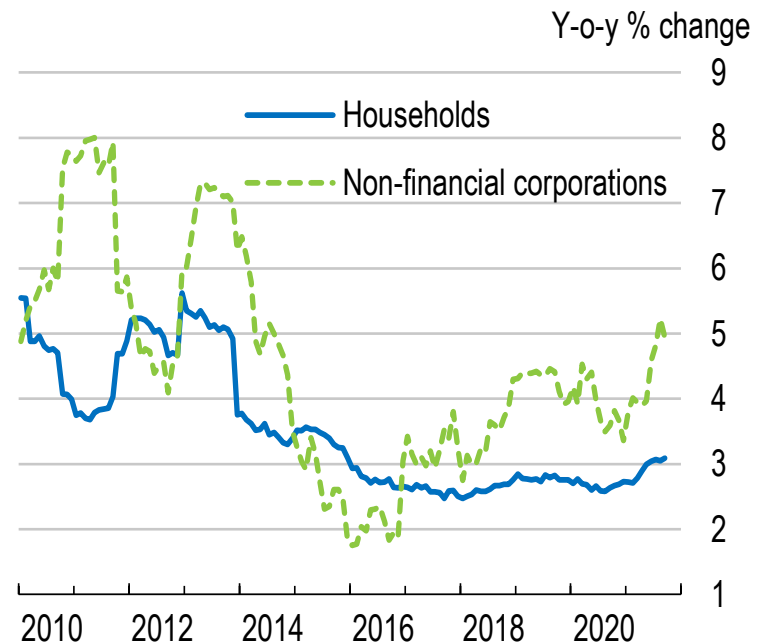


Vulnerabilities in the housing market have not abated

House prices



Banks' mortgage claims



Source: OECD, Analytical House Price Indicators database; SNB.



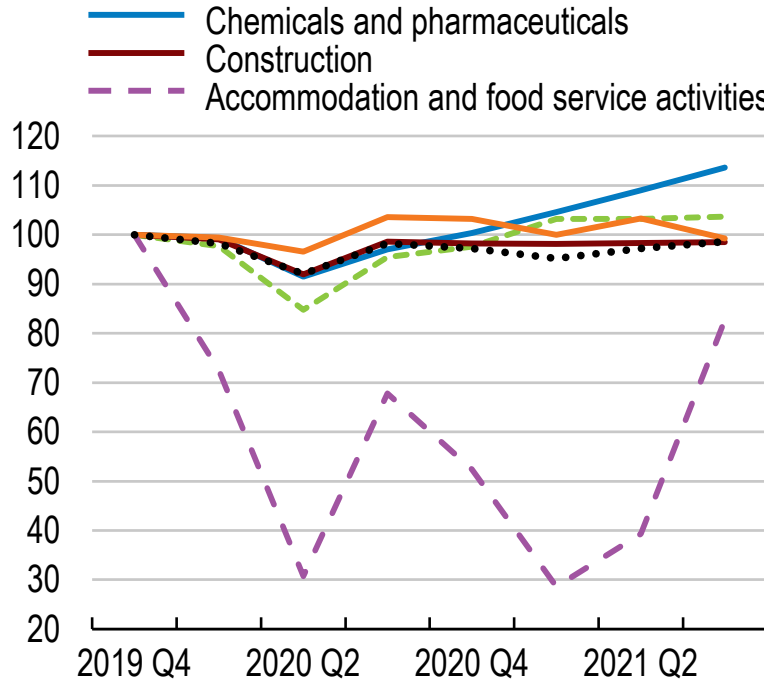
**Policy support should
continue while facilitating
restructuring**



Accommodation and food service activities have been particularly hard hit

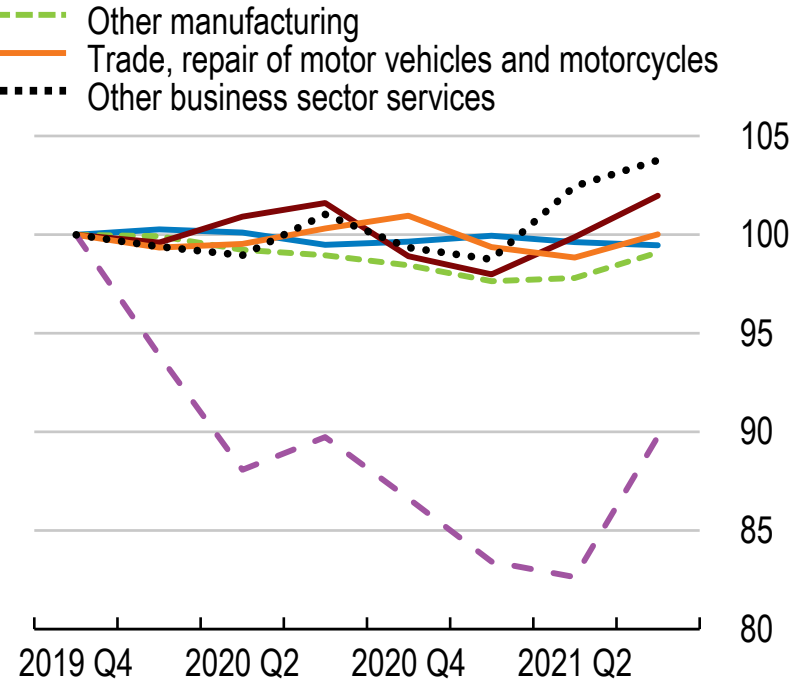
Real gross value added

Index 2019 Q4 = 100, seasonally and calendar adjusted



Employment

Index 2019 Q4 = 100, full time equivalent

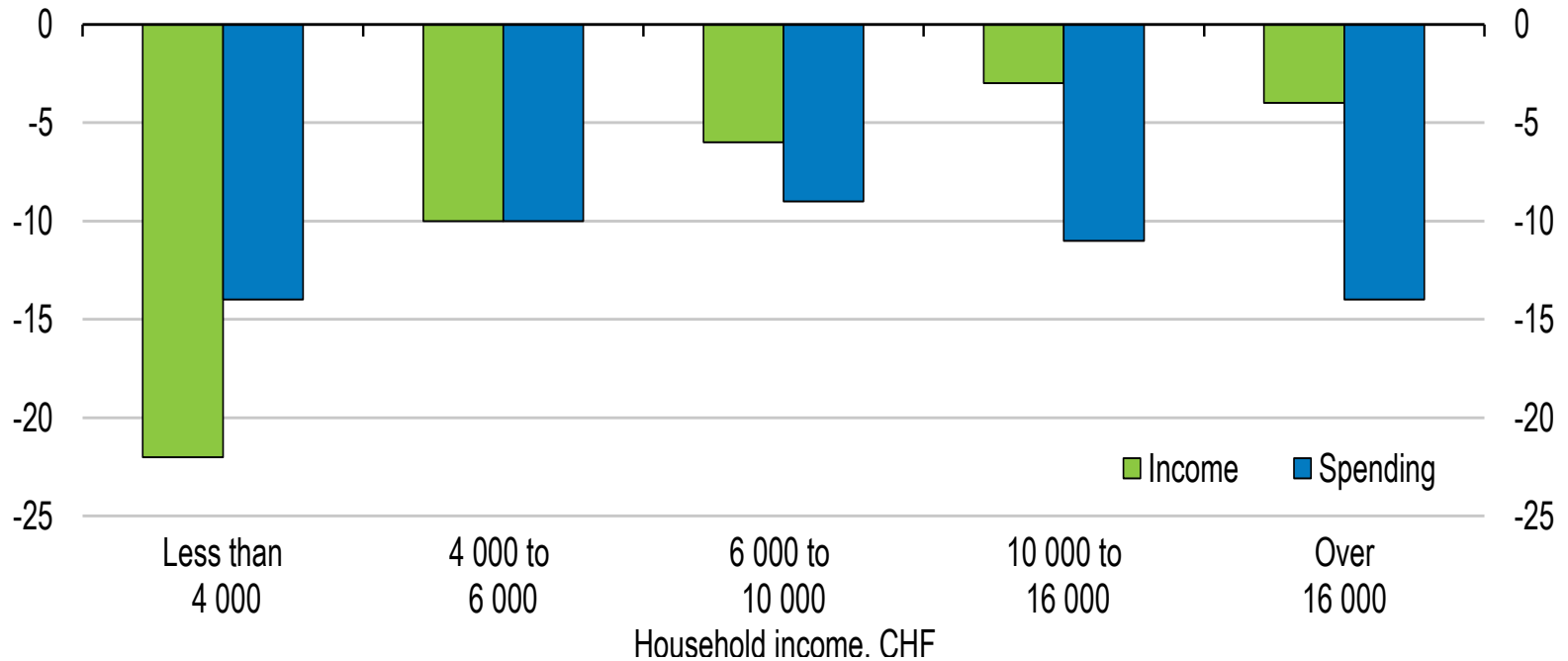


Source: SECO; FSO.



The crisis has hit low-income households more

Change in income and spending
October 2020 compared to normal situation, %



Source: SRG/Sotomo, 2021.



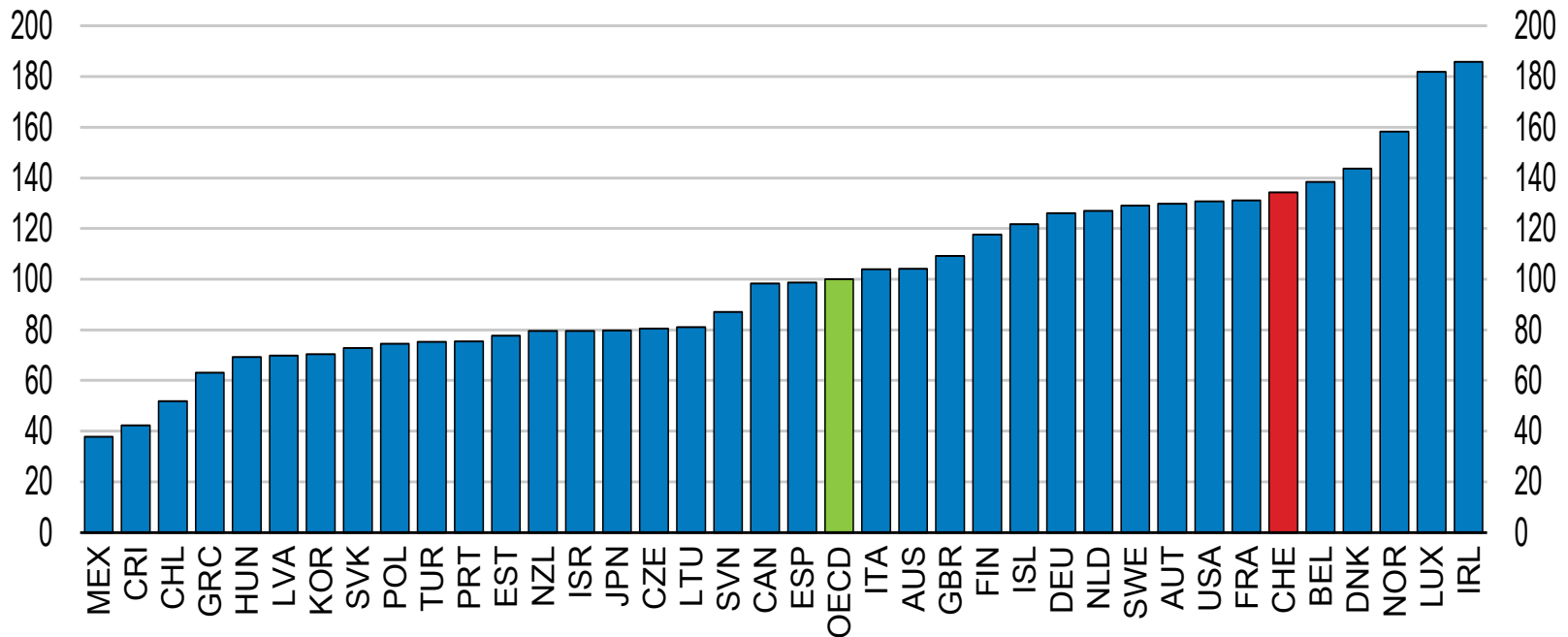
Boosting competition to raise productivity and growth



Labour productivity is one of the highest in the OECD...

GDP per hour worked

USD, current prices, current PPPs, OECD = 100, 2019

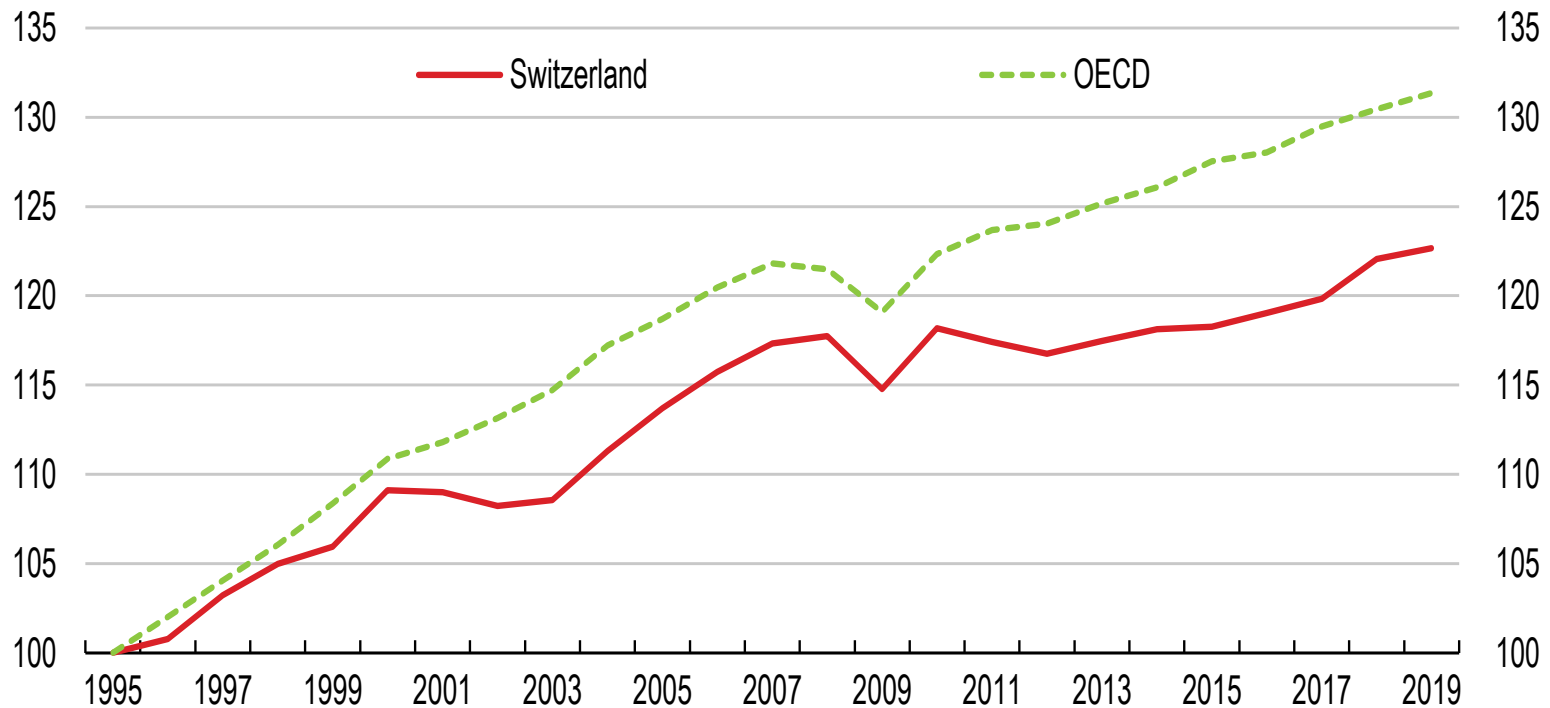


Source: OECD Productivity database.



...but productivity growth has slowed

Labour productivity (real GDP per person employed)
1995 = 100

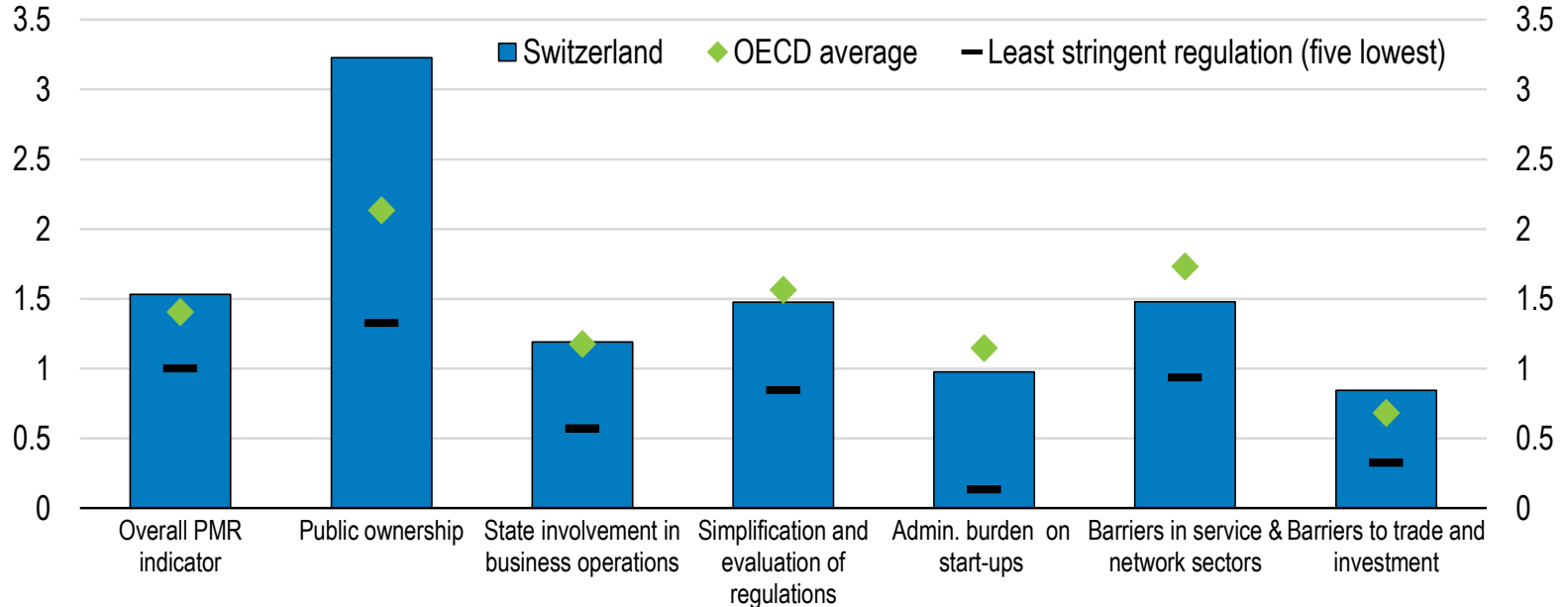


Source: OECD Productivity database.



Barriers in the internal market and state involvement reduce competition

Product Market Regulation indicators
From 0 (best practice) to 6 (most stringent), 2018

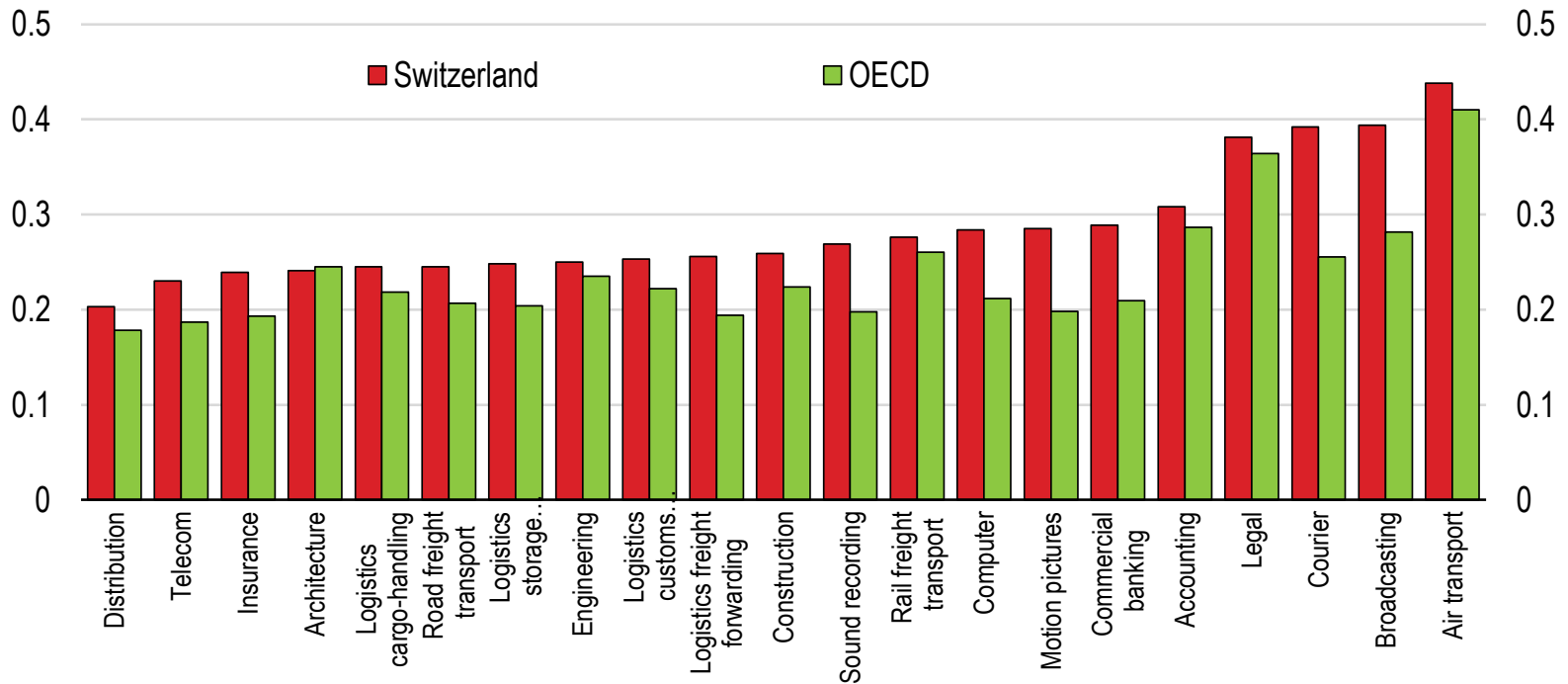


Source: OECD 2018 PMR database.



Agriculture and some services sectors are protected from global competition

Services trade restrictiveness index (STRI)
From 0 to 1 (most restrictive), 2020



Source: OECD STRI Regulatory database.

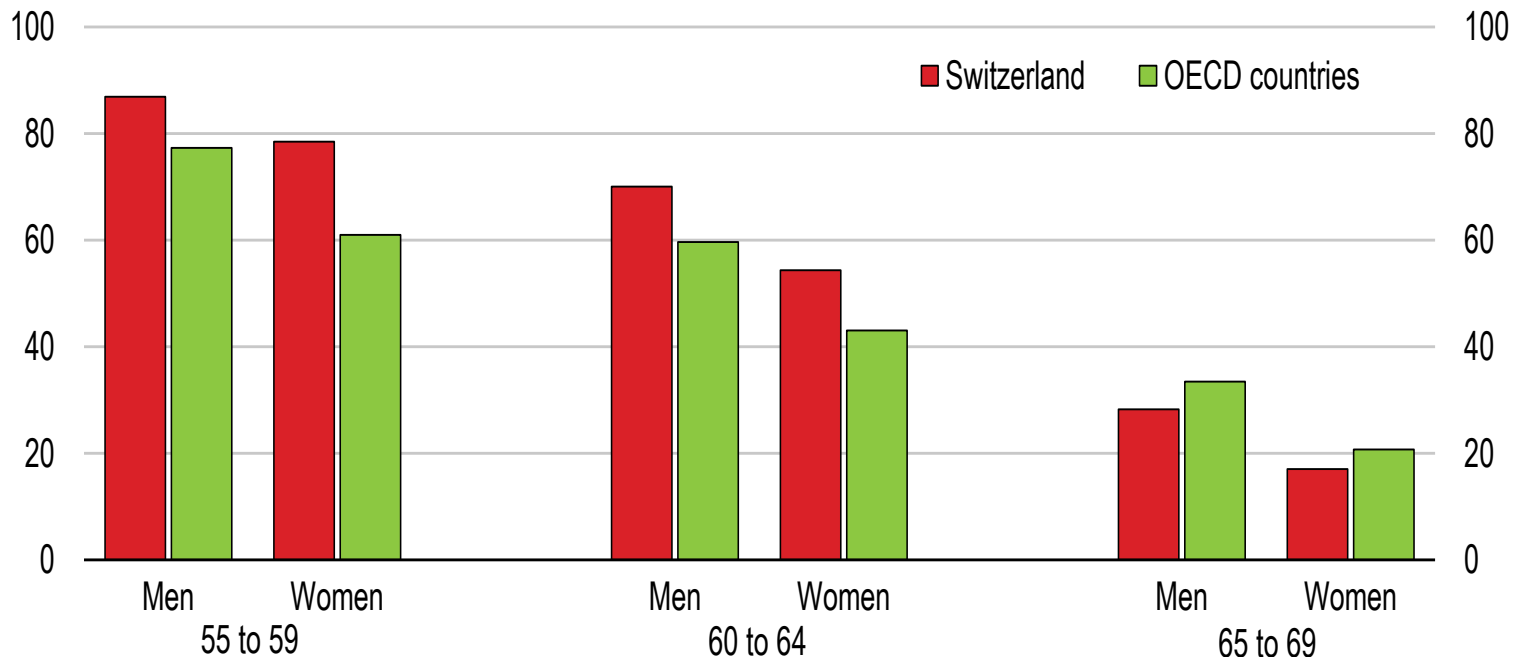


Raising labour market inclusion and improving sustainability



Uptake of work by older workers is low

Employment rate
% of respective population, 2020



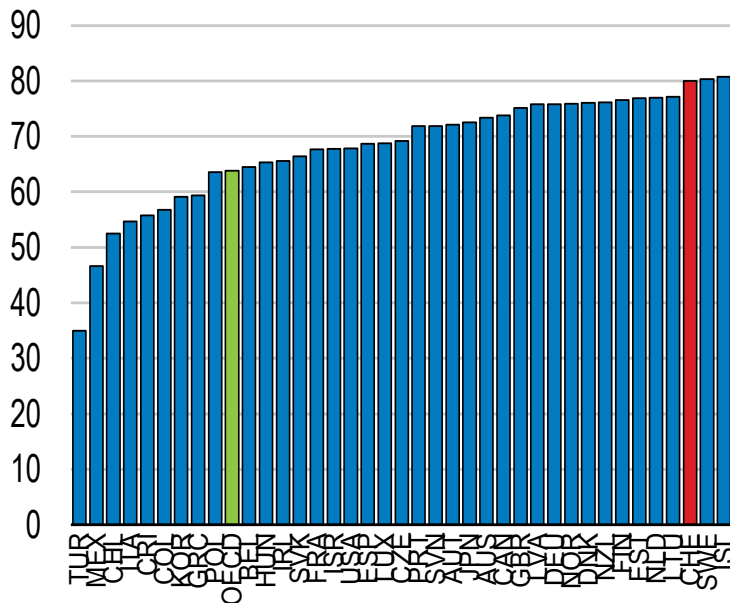
Source: OECD Employment and Labour Market Statistics database



Female labour force participation is high but many women work part-time

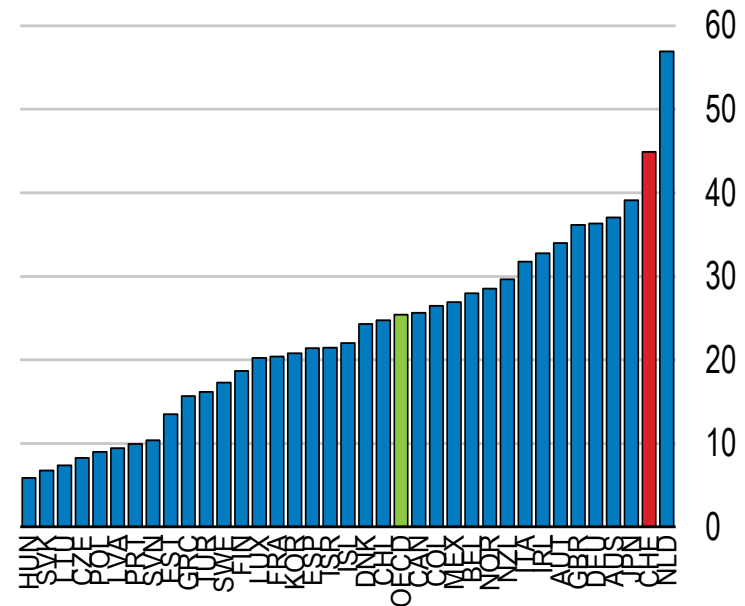
Labour force participation rate

Women, aged 15-64, 2020



Incidence of part time employment

Women, 2019 and latest available year



Note: Part-time employment is based on a common 30-usual-hour cut-off in the main job.

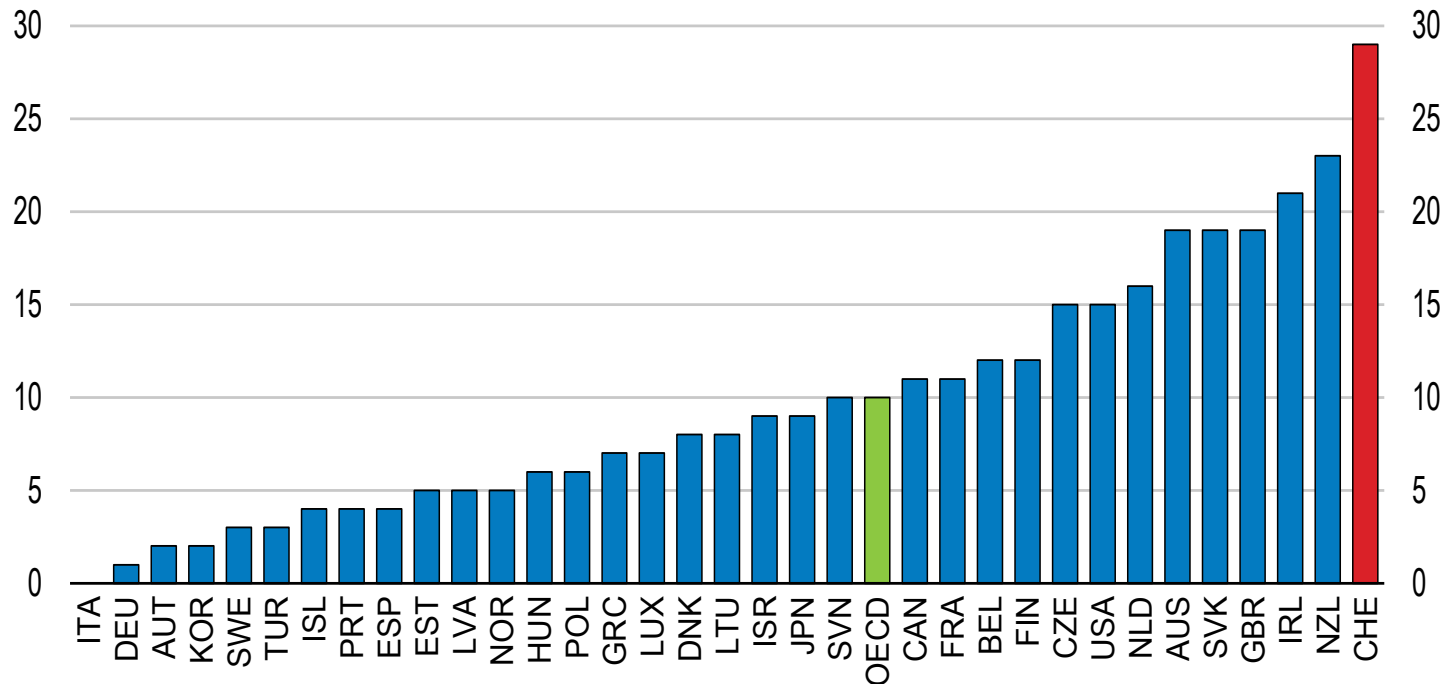
Source: OECD Labour Force Statistics database.



High costs of childcare discourage mothers to take up full-time work

Net childcare costs for parents using childcare facilities

Couple with 2 children earning the average wage, 2020 or latest available year
% of net household income



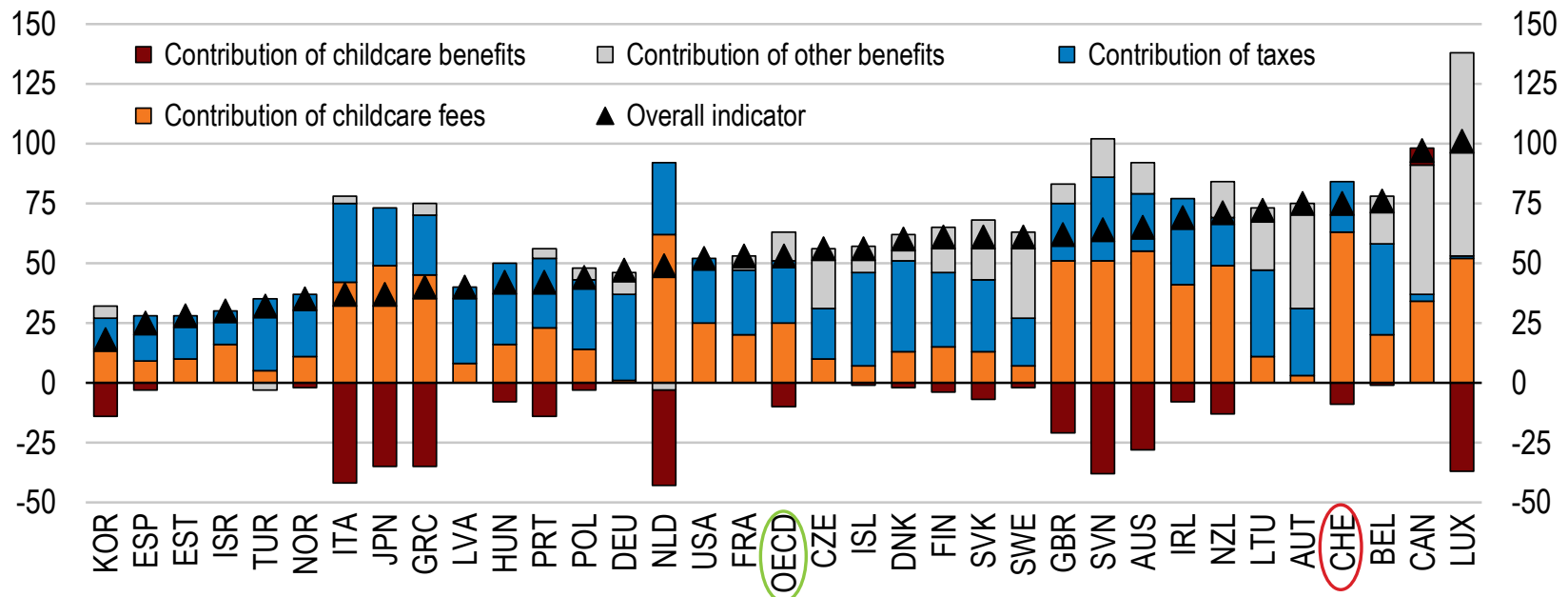
Source: OECD Social Expenditure Database, <http://www.oecd.org/social/expenditure.htm>;
OECD Family database, <http://www.oecd.org/social/family/database.htm>.



Taxes and a reduction in benefits when taking up work act as a disincentive

Participation Tax Rate (PTR) for parents claiming Unemployment Benefits and using childcare services¹

Couple with 2 children earning the average wage, 2020 or latest available year, %



1. This indicator measures the financial disincentives to participate in the labour market. It calculates the proportion of earnings in the new job that are lost to either higher taxes or lower benefit entitlements when a jobless person takes up employment and claims unemployment benefits. Higher values means higher financial disincentives.

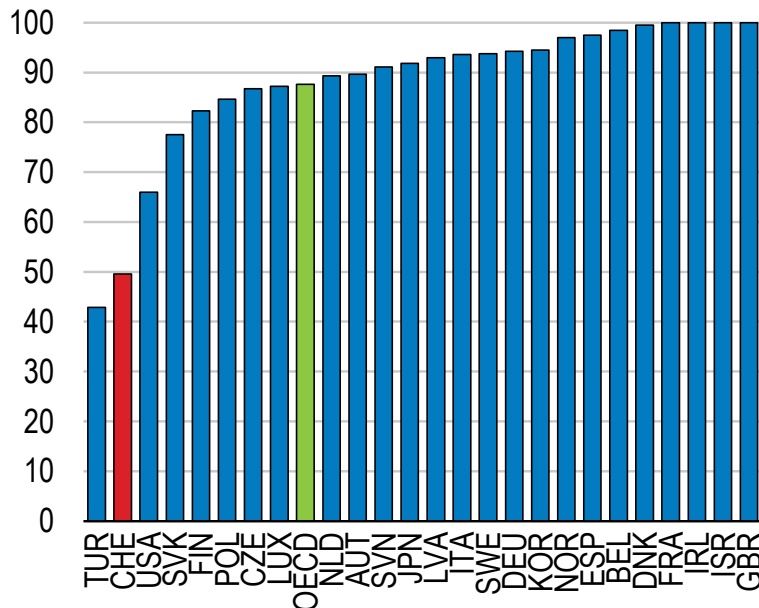
Source: OECD Social Expenditure Database, <http://www.oecd.org/social/expenditure.htm>; OECD Family database, <http://www.oecd.org/social/family/database.htm>.



There is room to reduce inequities in education

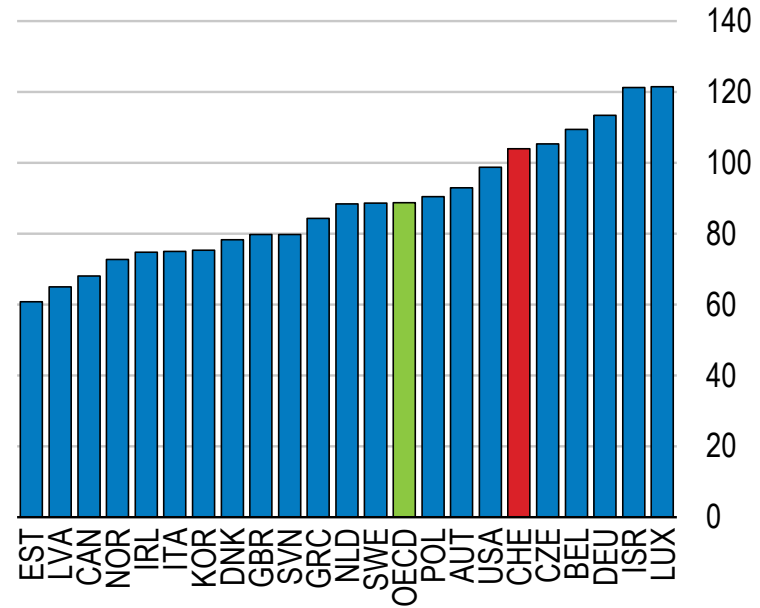
Children enrolled in early childhood education and care services

3 to 5-year-olds, %, 2018



Gap in reading performance between advantaged and disadvantaged groups

Score difference, 2018



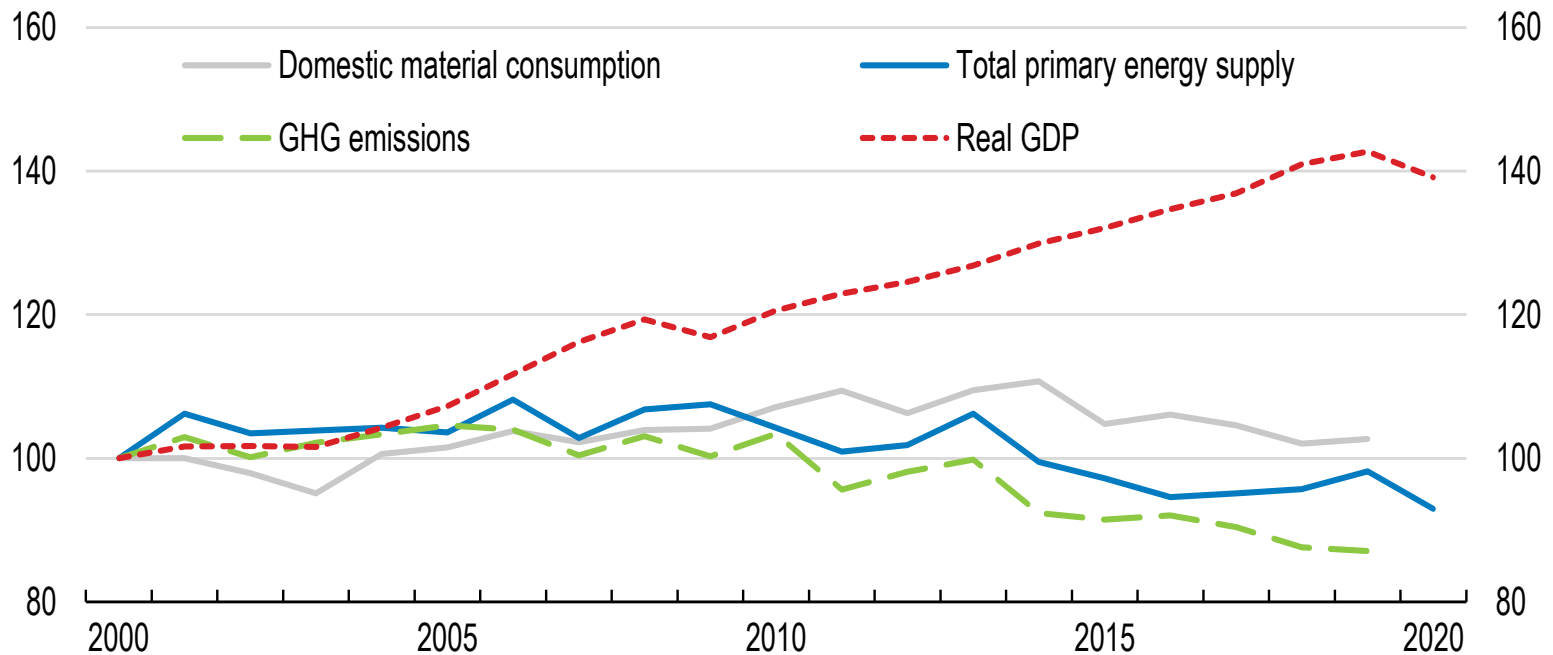
Note: A socio-economically advantaged (disadvantaged) student is a student in the top (bottom) quarter of ESCS (PISA index of economic, social and cultural status) in his or her own country.

Source: OECD, PISA 2018 Database, OECD (2020), "How do early childhood education systems differ around the world?", in Education at a Glance 2020: OECD Indicators.



Domestic emissions and material consumption have been decoupled from growth

Decoupling 2000 = 100



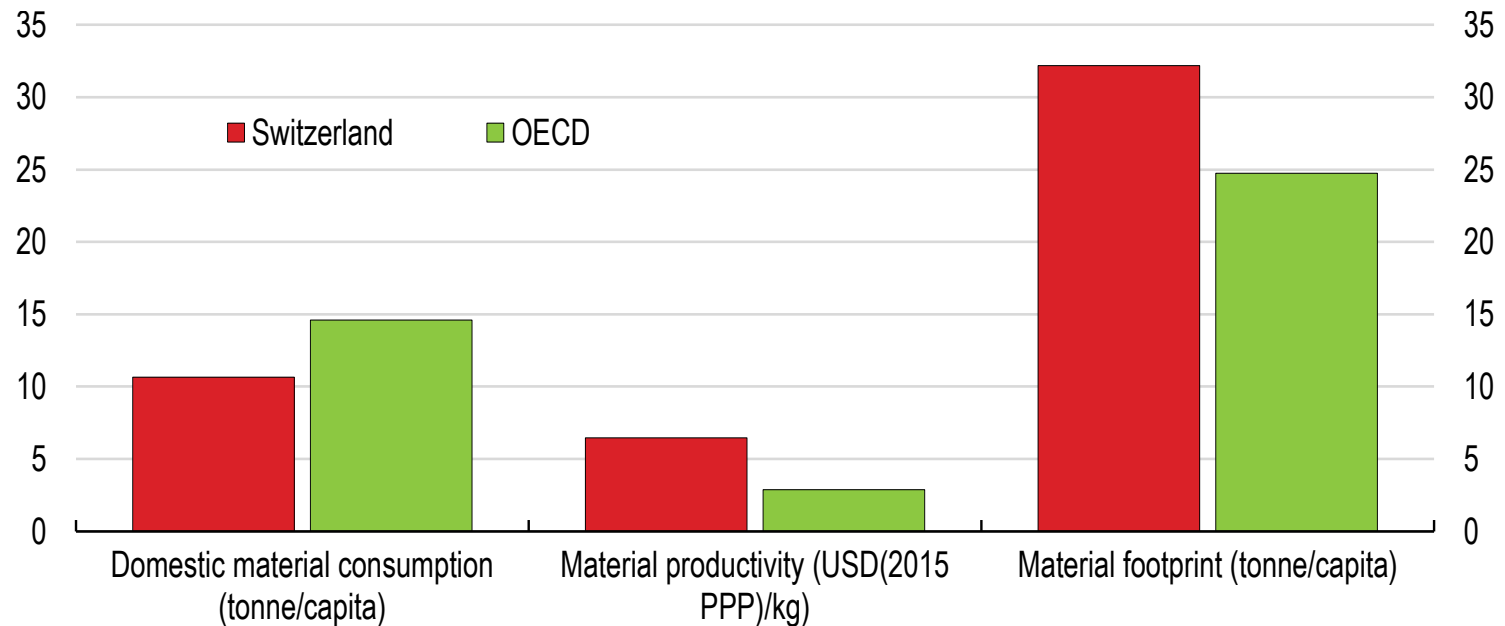
Note: Domestic material consumption measures the total amount of materials directly used by an economy, which refers to the apparent consumption of materials.

Source: OECD Environment Statistics (database).



Environmental pressures remain

Use of material resources 2019 or latest available year



Note: Domestic material consumption measures the total amount of materials directly used by an economy, which refers to the apparent consumption of materials. Material productivity refers to GDP per unit of domestic material consumption. Material footprint refers to the global allocation of used raw material extracted to meet the final demand of an economy.

Source: OECD Environment Statistics (database).



For more information

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