

## Niederer Kraft & Frey Ltd.

Bahnhofstrasse 13,  
8001 Zurich,  
Switzerland

T: +41 (0)58 800 8000  
F: +41 (0)58 800 8080

www.nkf.ch



**Adrian W. Kammerer**



**Michaela Zehnder**



**Laurence Uttinger**



**Allegra Sosso**

### **Niederer Kraft & Frey Ltd. Contacts:**

**Adrian W. Kammerer**  
Partner

T: +41 (0)58 800 8000 (switchboard)  
adrian.kammerer@nkf.ch

**Michaela Zehnder**  
Senior Associate / Immigration Law  
T: +41 (0)58 800 8000 (switchboard)  
michaela.zehnder@nkf.ch

**Laurence Uttinger**  
Associate / Social Security and  
Pension Schemes  
T: +41 (0)58 800 8000 (switchboard)  
laurence.uttinger@nkf.ch

**Allegra Sosso**  
Associate / Contractual and  
Corporate  
T: +41 (0)58 800 8000 (switchboard)  
allegra.sosso@nkf.ch

Established in 1936, Niederer Kraft & Frey Ltd. is a preeminent Swiss law firm with a proven track record of legal excellence and innovation. Its offices are located on Bahnhofstrasse, near Paradeplatz, in the heart of Zurich's banking and financial district. As a market leader in Switzerland, the firm is noted among industry insiders for building long-standing relationships with the world's leading international law firms.

Swiss labour law is very liberal, particularly when compared to the jurisdictions surrounding Switzerland. The legislation contains only a few basic mandatory provisions; meanwhile, unions act mostly reasonable and do not have a major detriment impact on the labour market. Swiss employees are, as a rule, motivated, well-trained and happy in their jobs. This may partly be attributed to the stability and reliability of Switzerland's fairly high standard social security system as well as its overall social and political stability.

The most significant mandatory provisions to labour law in Switzerland pertain to safeguarding the employee's health and safety. Except for certain employment relationships, a Swiss law-governed employment agreement requires no special form in order to be valid; it may be concluded in writing, verbally or even tacitly.

Parties are nonetheless well-advised to conclude a written contract. Still, termination provisions are flexible and notice periods are reasonable at one-to-three months, depending on the employee's terms of service or contractual arrangements. Statutory restrictions to terminating the contract only apply in cases of termination for abusive reasons.

Switzerland's predominant legislation on employment relationships is the Swiss Code of Obligations (Obligationenrecht, CO). Under certain circumstances, the Federal Labour Act (Arbeitsgesetz) and the Federal Act Governing the General Applicability of Collective Labor Agreements (Bundesgesetz über die Allgemeinverbindlicherklärung von Gesamtarbeitsverträgen) apply.

While legislation initiatives are in the pipeline, specific regulation on whistleblowing is not yet available. The respective guidelines of Transparency International may serve as a guideline of 'best practice' in that regard until enactment of respective legislation. For decades, Switzerland's unemployment quotes continue to be consistently and outstandingly low; the actual unemployment rate, status January 2012, stands at 3.4%

In connection with immigration law aspects it may be of interest that Switzerland offers four categories of residence permits: (i) Permit L (short term permit), (ii) Permit B (annual permit), (iii) Permit G (cross border commuter permit) and Permit C (settlement permit).

Switzerland, not being a member state of the EU, has entered into bilateral agreements with the EU concerning the free movements of persons. The latter applies a dual recruitment system for Switzerland. Depending on whether the applicant is an EU/EFTA national or from a non-EU/EFTA country, the requirements and procedures for obtaining a work and/or residence permit vary (considerably).

As a rule, the only requirement to be observed for work assignments of EU/EFTA nationals – except for Romania and Bulgaria for which stricter rules apply – is the availability of an employment agreement. Meanwhile, if EU/EFTA nationals take residence in Switzerland without employment, proof of sufficient assets to cover the cost of living in Switzerland will suffice.