The Swiss financial centre – a key pillar of the economy

Breadcrumb

[Context](#)09 October 2017

Insurance companies, banks, exchanges and other financial service providers generate one tenth of the added value in our country, making the Swiss financial centre a key pillar of the country's economy.

For the last twenty years, the financial industry has been one of the strongest drivers of the Swiss economy and it is still going strong: In 2016 its gross added value amounted to CHF 60 billion or nearly 10% of the value added by the entire Swiss economy. In other words: Nearly every tenth franc of the Swiss gross domestic product (GDP) stems from the financial industry, with the insurance industry contributing nearly every fifth franc (CHF 30 billion). This means that the Swiss insurers are close to drawing level with the Swiss banks. By productivity, the Swiss insurers even rank first.

Banks and insurance companies therefore play an important role in the Swiss economy and profoundly affect the country's identity and outlook. Among the OECD countries, only Luxembourg and Singapore have a higher share of banks and insurance companies than Switzerland.

Partnering with the workplace

No modern economy can function without financial services. A reliable financial services industry is one of the prerequisites for an efficient and effective economy. Thousands of Swiss SMEs depend on it, as many of their endeavours are only possible through investment financing from banks or risk coverage from insurance companies. This is the foundation of the close partnership between the financial services industry and the workplace in Switzerland.

Significance of the insurance sector

Insurance companies are an important mainspring of the Swiss economy:

- They employ over 46,000 people and offer some 2,000 apprenticeships.

- If an insured event materialises, they rapidly cover losses, rebuild destroyed objects and contribute to mitigate the effects of health impairments, thereby helping to stabilise the financial system.

- They provide services for companies and individuals, contributing to their safety and enabling them to focus on other goals.

- Insurance companies are major investors and significant taxpayers.

  The financial services industry depends on solid and viable framework conditions – not least, because these benefit the people, enterprises and innovative capabilities of our country.

An ideal location

Switzerland offers excellent framework conditions. The domestic and international significance of its financial centre is based on a number of factors that make Switzerland especially attractive. These include:

- economic and political stability

- a foreign policy based on neutrality

- legal certainty

- systemic stability

- a strong currency

- a balanced tax system

- linguistic and cultural diversity

- a high standard of living, quality awareness and safety

- capability for innovation

- an excellent education and training system

These assets need safeguarding. Domestically, the entrepreneurial capabilities of innovation have to be strengthened further, while the Swiss foreign economic policy is called upon to ensure a level playing field and internationally compatible legal frameworks, especially as regards the EU.

Financial services industry
GDP
Werkplatz
Financial services industry
Taxation, taxes
Workforce

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Despite the challenging environment, the financial sector continues to make a large direct and indirect economic impact on the Swiss economy.

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