

Press release on the study: «Banks and insurers in Switzerland – an analysis of the importance of the financial sector to the economy»

The financial sector is an important economic pillar

The financial sector remains one of the most important sectors of the Swiss economy. This fact is clearly shown by a study on the banks and insurers in Switzerland conducted by Polynomics for the Swiss Bankers Association (SBA) and Swiss Insurance Association (SVV).

With gross value creation of approximately CHF 60 billion, the financial sector contributed around 9.2 percent to total gross value creation in Switzerland in 2017, which is significantly above average compared with other countries. The financial sector employed around 207,500 people (full-time equivalents) in the past year, which corresponds to a year-on-year decrease of 1.2 percent. One main reason for this reduction in jobs was the transfer of one major bank's central services to an internal service provider of the group.

Due to its strong economic interlacing, the financial sector triggered additional value creation in other sectors of around CHF 24 billion (9.7 percent up on the previous year) and at least 253,300 additional jobs (7.5 percent up on the previous year).

Finally, the financial sector makes an important contribution to public income. It generates a total of CHF 16.5 billion in income and accounts for around 11.5 percent of the tax income of the Confederation, cantons and municipalities.

With regard to future developments, we expect the direct real gross value creation to grow in the next 12 months, both in the banking (3 percent) and insurance (2.5 percent) sector. Whereas this growth will increase slightly to around 3 percent in the insurance sector in the medium term, it is expected to decrease slightly to around 2 percent in the banking sector due to the continuing increase in digital innovation and outsourcing.

In terms of jobs, this means that the trend of shifting jobs into other sectors will continue due to the adjustment of the business models, particularly in the banking sector. A slight decrease in the number of jobs in the banking sector and only a slight increase in the number of jobs in the insurance sector are therefore to be expected in the short and medium term.

This shift of jobs and value creation goes hand in hand with an increase in the indirect importance of the financial market. This does not just shift part of value creation, but also part of the jobs in companies that are no longer reported as financial institutions in statistical terms. We therefore expect that the financial sector's demand for advance services will increase and that therefore this sector's importance to other sectors will grow.

	Direct impact	Impact in other industries	Total
Gross value creation in billion CHF	59.9	23.8	83.7
of which banks	31.0	16.7	47.7
of which insurances	28.9	7.1	36.0
Employees in thousand full-time equivalents	208	253	461
of which banks	136	172	308
of which insurances	71	82	153
Taxes in billion CHF	16.5	2.8	19.3
of which direct taxes	7.4	2.8	10.2
of which banks	4.6	1.9	6.5
of which insurances	2.8	0.9	3.7
of which indirect taxes financial sector	9.1	–	9.1
of which banks	7.4	–	7.4
of which insurances	1.7	–	1.7

The figures listed in the table may not always add up due to rounding differences.

Information and full study

The press release summarises the “Banks and insurers in Switzerland – an analysis of their importance to the economy” study conducted by Polynomics. This study was prepared for the Swiss Bankers Association (SBA) and Swiss Insurance Association (SVV). The study is available on the websites of Polynomics (www.polynomics.ch), the Swiss Bankers Association (www.swissbanking.ch) and the Swiss Insurance Association (www.svv.ch).

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