

## The Potentialities of Social Security for the Integration of Foreigners in Switzerland Summary

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### Background

A person's ability to earn his/her living is at the heart of his/her socio-economic integration into society. This can be secured either through employment in the private sector or through benefits from the state social security system. If an economically active person loses his/her job through being made unemployed or illness or if they are unable to find a job, there is a risk that he/she will become entangled in a process of social exclusion. It is therefore interesting when considering «Integration and Exclusion» to consider whether all social groups are granted the same access to unemployment benefit, disability insurance and social welfare benefits. This question will be examined taking immigrants in Switzerland as an example.

### Questions

The following complexes of questions were investigated: (1) What access do immigrants have to Swiss unemployment insurance, disability insurance and social welfare? (2) What margin of judgment and action do the legal regulations afford the law enforcement agencies? (3) Is there a sufficient range, both in terms of quantity and in quality, of active measures at the disposal of immigrants for them to enter the private sector job market? (4) Does the context in which immigration took place play a role in the allocation of these measures? (5) What are the effects of the active measures? Do the effects differ according to the context in which the person's immigration took place? (6) Is there unexploited potential in the present execution of active measures for immigrants that could encourage/accelerate their (re-)integration into the private sector job market?

### Methods and data

The first part of the project portrays and analyses the current state of legislation (unemployment insurance, disability insurance and social welfare) at all levels for the year 2005. Social security legislation can only be analysed in connection with the law on immigrants in this study. In the second empirical part of the study, we selected various methodological approaches (analysis of secondary statistical data, semi-structured interviews) to find out about possible differences between legal entitlement and real access to benefits.

### Results

■ Not all immigrants are able to benefit from the advantages of unemployment insurance, disability insurance and social welfare to the same extent. Those with almost the same access to benefits as Swiss citizens are immigrants who hold a permanent residence permit or those from an EU/EFTA member state (they represent roughly 80 percent of the total of economically active immigrants). «Almost the same» means that there are exceptions even within this group of immigrants. All other economically active immigrants (about 20%) do not have equal rights to Swiss citizens. The extent to which access is limited depends on whether there is a social security agreement between the immigrant's home country and Switzerland, as well as on how complete the arrangements of this agreement are.

■ Immigrants are more often implicitly excluded from unemployment insurance, disability insurance and social welfare than their Swiss counterparts, as they are more frequently unable to fulfil the preconditions to be eligible for benefits (residential address, length of contributions) and more often have precarious working conditions with low pay.

■ It is still possible even today for immigrants to be obliged to leave Switzerland despite having claims for unemployment insurance, disability insurance and social welfare benefits. If, due to unforeseen circumstances, an individual can no longer satisfy the conditions for residence in Switzerland – i.e. gainful employment – and his/her residence permit thus expires, then, in matters of unemployment and disability benefits, it is up to the cantonal law enforcement agencies to determine whether the person has to leave the country before being able to receive his/her benefits. If an individual is due to continue receiving considerable amounts of social welfare payments, this can result in his/her being expelled from Switzerland or his/her family being denied entry.

■ In general, the law enforcement agencies and civil servants involved in the unemployment insurance, disability insurance and social welfare systems have considerable freedom of judgment and action, and this leads to the laws are implemented differently from one region to another.

■ With one notable exception, it proved hardly possible to establish any relationship between the context of the clients' immigration and either the organisation of the range of instruments amongst the active measures on the one hand or the assignment of immigrants to any particular active measure on the other. This exception is language skills and trans-cultural communication.

■ The active measures employed by social security (counselling, educational measures, employment measures, etc.) in general demonstrate great potential to reintegrate people affected by unforeseen circumstances into the private sector job market, thereby avoiding or limiting the process of socio-economic exclusion. The present studies on the efficacy of the active measures linked to the system of unemployment benefits do however raise doubts about whether further extension of the existing mechanisms would result in greater success. The conclusion seems irresistible that additional measures (such as further education) should be tested, which would however generate extra costs in the short-term. The system of disability insurance, whose range of active measures is far less developed, would benefit from an extension of the measures available for early identification and intervention. In social welfare, there are also indications that the measures are of limited effect. Social welfare is a special case inasmuch as certain groups of beneficiaries (family reunification, arrival of young immigrants after their education) claim benefits for the first time after having had no previous contact with social security. It would appear necessary in this case to strengthen the active integration measures with partial funding through unemployment insurance.