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Switzerland: pension fund changed in the last 10 years



Pension funds with defined benefit schemes were fewer in Switzerland in 2015 than 10 years earlier, according to official statistics released today. The figures showed 230 funds disappeared, according to the country's federal statistics bureau (BFS): the number of pension funds with defined benefit (DB) plans (Leistungsprimat) fell from 289 to 58 between 2005 to 2015, with only 15 public.

Whereas one in five individuals were in DB schemes in 2005, **in 2015 this ratio was down to 1 in 15**, according to the statistics. The BFS said that the decline in the number of Pensionskassen running DB plans went hand-in-hand with a decline in the number of scheme members.

Private law pension providers had more than 172,000 plan members in 2005, and just under 22,000 in 2015, according to its statistics. They have also been switching to "Beitragsprimat" – a form of hybrid scheme – according to the BFS.

The number of individuals in public pension funds with DB schemes has almost halved over the 10 year period since 2005, according to the statistics. In 2005 they counted almost 220,000 members, and in 2015 this was down to just over 121,000.

The number of "mixed" pension funds – those offering both DB and DC plans as they transition to the latter – **also fell in the period from 2005 to 2015**. Separately, the BFS looked at underfunding and net returns in comparison with 2014.

It said that the level of underfunding, at CHF 31bn (€28.6bn), was "stable" (up 6.8%). The majority of that (CHF28.1bn) was at public pension providers (up 0.8%), and the remainder at private institutions (up 152.2%).

As at the end of 2015 total occupational pension scheme assets in Switzerland were CHF 788bn, up 1.4% compared with the previous year.

Also the net return from invested assets came crashing down: it was CHF 5.8bn in 2015, down 88.7%, and "thereby reflected the uncertain economic situation" that year.