

# Paternity leave information leaflet

## Amendment of the Loss of Earnings Compensation Act (EO)

In the popular vote held on 27 September 2020, the proposal for paid paternity leave was adopted with 60.3 percent of votes in favour. Fathers are now able to take two weeks of paid leave within six months of the birth of a child. Like maternity allowance, leave is funded through the Loss of Earnings Compensation Ordinance (EO). The proposal came into force on 1 January 2021.

### Two weeks' paternity leave

As the proposal has been adopted, all working fathers are entitled to a two-weeks' paternity leave (14 days), which corresponds to **ten days off work in the case of 100% employment**. This leave can be taken **within six months after the birth of the child**, either as one block, or spread over individual days. Employers are not allowed to reduce holiday leave in return. Entitlement expires after six months.

### Eligibility requirements

Loss of earnings during paternity leave is covered. The same principles apply as for maternity leave. Fathers receive paternity pay if they are gainfully employed at the time the child is born, either as an employee or as a self-employed person. The following requirements must also be met:

- Fathers must be compulsorily insured under the OASI scheme in the nine months prior to the birth, and
- have been gainfully employed for at least five months during this period

Pay is paid directly to the employee or to the employer if the employer continues to pay the salary during the period of leave.

### Amount of pay

Like maternity leave, the pay amounts to **80% of average earned income** prior to the birth of the child, up to a maximum of **CHF 196 per day**. For two-weeks' paternity leave, this corresponds to a maximum amount of CHF 2,744 (14 days x CHF 196).

Paternity pay also counts as income for the purposes of OASI. You must pay normal social security contributions (OASI, IV, EO, ALV and (normally) daily sickness allowance insurance) or deduct the employee's share. But paternity pay is not subject to a premium in the case of accident insurance.

### Coordinating with daily allowances drawn from other social insurance schemes

Like maternity pay, recipients of paternity pay cannot receive the following daily allowances at the same time:

- Unemployment insurance
- Invalidity insurance
- Mandatory accident insurance
- Health insurance
- Military insurance

Paternity pay takes precedence over these benefits or results in the suspension of these payments. Paternity pay corresponds to at least the daily allowance previously received from these insurance schemes. **But note there is no vested right to daily allowances under daily sickness allowance**

**insurance under private insurance law (IPA).** This is likely to be the case for most types of daily sickness benefit insurance. Only if daily allowance insurance has been taken out under the Health Insurance Act (HIA) is the amount of paternity pay based on the HIA daily allowance.

## Costs and funding

The two-weeks of paternity leave is funded through the Loss of Earnings Compensation Ordinance (EO). This means the cost mainly falls on employed persons and the employer through their social insurance contributions.

To fund the EO, the contribution to the EO must be increased as follows as of 1 January 2021:

	Employer and employee contribution as of 1 January 2020	Employer and employee contribution as of 1 January 2021
OASI	8.70%	8.70%
IV	1.40%	1.40%
<b>EO</b>	<b>0.45%</b>	<b>0.50%</b>

For a salary of CHF 1,000, the increase corresponds to 50 centimes (0.25 centimes in the case of employees).

## Procedure/making an application

As an employer, you will need to submit the application for your employees to your compensation office. The latter will put the application forms for this online in January 2021. The office will need the following information from you to make the payment:

- Period of employment
- Salary used to assess paternity pay
- Salary paid by the daily allowance insurance/employer during the period in which the daily allowance is drawn, and
- Paternity leave days taken

## Additional insurance cover

Our survey of daily sickness allowance insurance providers shows that in some cases, like maternity (birth allowance), supplementary cover can also be included for paternity leave as follows:

- 90% or 100% of salary over 14 days
- Salary exceeding CHF 88,200 per year.

Not all companies have a product yet or are planning to introduce such cover. Some insurers are currently working on their own solutions.

But before taking out a policy, it is worth checking whether you really need this extra cover. If you are interested, we would be happy to discuss the options available to you.

## Paternity pay compared with other countries

Country	Length	Amount
<b>Germany</b>	None	
		<i>[Fathers are encouraged to take at least two months' parental leave. If they do, the paid part of the leave is extended by two months and totals 14 months if the leave is taken full-time]</i>
<b>Austria</b>	28 , 29 , 30 or 31 days	with flat-rate per diem pay of EUR 22.60
<b>Belgium</b>	10 days	<ul style="list-style-type: none"> <li>• 100% pay for the first three days from the employer, then 82% from the social security scheme</li> <li>• Maximum amount: EUR 120/day</li> </ul>
<b>Denmark</b>	14 days/ 2 consecutive weeks	<ul style="list-style-type: none"> <li>• Pay based on last income</li> <li>• Maximum amount: around CHF 630/week or CHF 90/day</li> </ul>
<b>Spain</b>	84 days/ 12 weeks (4 of which are compulsory)	<ul style="list-style-type: none"> <li>• 100% pay</li> <li>• Maximum amount: EUR 4,070/month or <b>EUR 136/day</b></li> </ul>
<b>Finland</b>	63 days/ 9 weeks	paid at 70%, 40% or 25% of previous income (low income = higher pay share)
<b>France</b>	11 days	<ul style="list-style-type: none"> <li>• 100% pay</li> <li>• Maximum amount: EUR 89/day</li> </ul>
<b>Italy</b>	7 compulsory days	100% pay
<b>Luxembourg</b>	10 days	at 100% pay paid by the employer; paid by the state from the 3rd day onwards at the employer's request
<b>Norway</b>	None	
		<i>[Parents can choose between 49 or 59 (lower paid) weeks of parental leave. 15 or 19 weeks of parental leave are reserved for the father]</i>
<b>Netherlands</b>	5 days	at 100% pay paid by the employer
<b>Portugal</b>	20 compulsory days plus 5 optional days, depending on the total length of parental leave	at 100% pay or 83% of the average daily income.
<b>United Kingdom</b>	14 days	at 90% pay or a flat-rate of about CHF 177/week or CHF 25/day, whichever is the lower
<b>Sweden</b>	None	
		<i>[90 days of parental leave (out of a total of 480 days) are reserved for the father]</i>

This means that, compared with other European countries (length, amount and funding), Switzerland is in a very good position.

## Further information

Please refer to the OASI paternity pay information leaflet:  
<https://www.ahv-iv.ch/p/6.04.e>

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