

American Council on International Personnel
Swiss American Chamber of Commerce
Coalition of Service Industries * European-American Business Council
Geneva Chamber of Commerce & Industry * Global Personnel Alliance
TechAmerica Europe * US Chamber of Commerce

March 23, 2010

Ms Eveline Widmer-Schlumpf
Federal Councillor
Federal Palace, West Wing
CH-3003 Berne

Dear Councillor Widmer-Schlumpf,

As trade associations that represent numerous industries critical to the vitality and growth of the Swiss economy, we are concerned about the dramatic decline in the availability of work permits made available for professionals from outside the European Union (EU). Exhaustion of work permits this early in the year likely would result in lost investment, existing and future work opportunities, and tax revenue, and for these reasons, we urge you and the Federal Council to consider revisiting the current quotas as soon as possible.

Last November, the Swiss government announced that it would set a maximum of 2,000 residency (“B”) permits and 3,500 short-term residency (“L”) permits for 2010 – a 50% reduction from the levels set for 2009. It was also announced that these levels could be revisited in June 2010.

Efforts to protect the interests of Swiss workers is rightfully in the national interest, and the Swiss work permit system contains a number of key requirements for permit applicants related to recruitment of local workers and appropriate wage levels.

Even with these requirements, several key Swiss-based industries, especially in financial services, high tech, life sciences and health care, find it difficult to recruit local professionals with the high level of specialized knowledge that is needed. Indeed, competition for this level of skilled talent is global, and that’s largely because highly skilled professionals can make a huge difference for a Swiss-based company’s ability to compete, innovate and create jobs.

It is our understanding that several cantons have signaled that they have reached or are close to reaching their 2010 work permit quotas. Because of these shortages, permit applicants are now experiencing increased restrictions and adjudication requirements as well.

Faced with limited or nonexistent work permits, as well as the restrictive application of the immigration regulations, impacted skill-based industries may be forced to consider shifting current and future jobs, and investment outside of Switzerland. This is particularly true, for example, for Swiss-based companies that rely on skilled personnel based outside of Switzerland but are assigned by their employers for specialized projects

for medium-term periods of time in Switzerland. In addition, the potential loss of current jobs is a real possibility because a significant number of non-EU professionals currently working in Switzerland are in need of permit extensions in 2010 -- extensions that would count against the reduced quota levels. The net result would be an obvious and adverse impact on local, cantonal and Federal tax revenues, as well as on the overall Swiss economy.

For these reasons, we urge the Federal Council to consider expediting its planned assessment of work permit levels, and to consider the importance of these permits in sustaining and growing the investment, job and tax revenue base of the Swiss economy.

Thank you for your attention to this important economic development issue.

Very respectfully yours,

Lynn Shotwell
Executive Director
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