

## Immigration - Switzerland

### Federal Council to increase penalties for breaches of Posted Workers Act

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On July 1 2015 the Federal Council adopted a motion proposing that Parliament increase the existing upper limit of administrative penalties (fines) prescribed in the Posted Workers Act. The upper fine limit would increase from Sfr5,000 to Sfr30,000 in case of breach of minimum wage and work conditions.

Administrative penalties should be imposed against foreign employers posting workers to Switzerland which do not respect Swiss minimum wage and work conditions. Cantonal authorities should also be able to fine Swiss employers which breach collective labour agreement minimum conditions.

The change aims, among other things, to prevent foreign employers from salary dumping on the Swiss market. However, the Federal Council estimates that certain exceptions to the fine increase would be admitted for specific situations, including:

- breaches of the online notification procedure;
- breaches of minimum accommodation prescriptions; and
- instances involving independent workers.

In such cases, the upper fine limit would remain Sfr5,000, as this would be deemed sufficiently dissuasive by the authorities.

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