



Schweizerische Eidgenossenschaft
Confédération suisse
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Swiss Confederation

Federal Department of Finance FDF
Federal Finance Administration FFA

Fiscal Outlook and Fiscal Challenges in Switzerland

April 20, 2023

Annual Meeting of the Network on Fiscal Relation across Levels of Gvt
Werner Weber
Swiss Federal Finance Administration



Fiscal Outlook for Switzerland

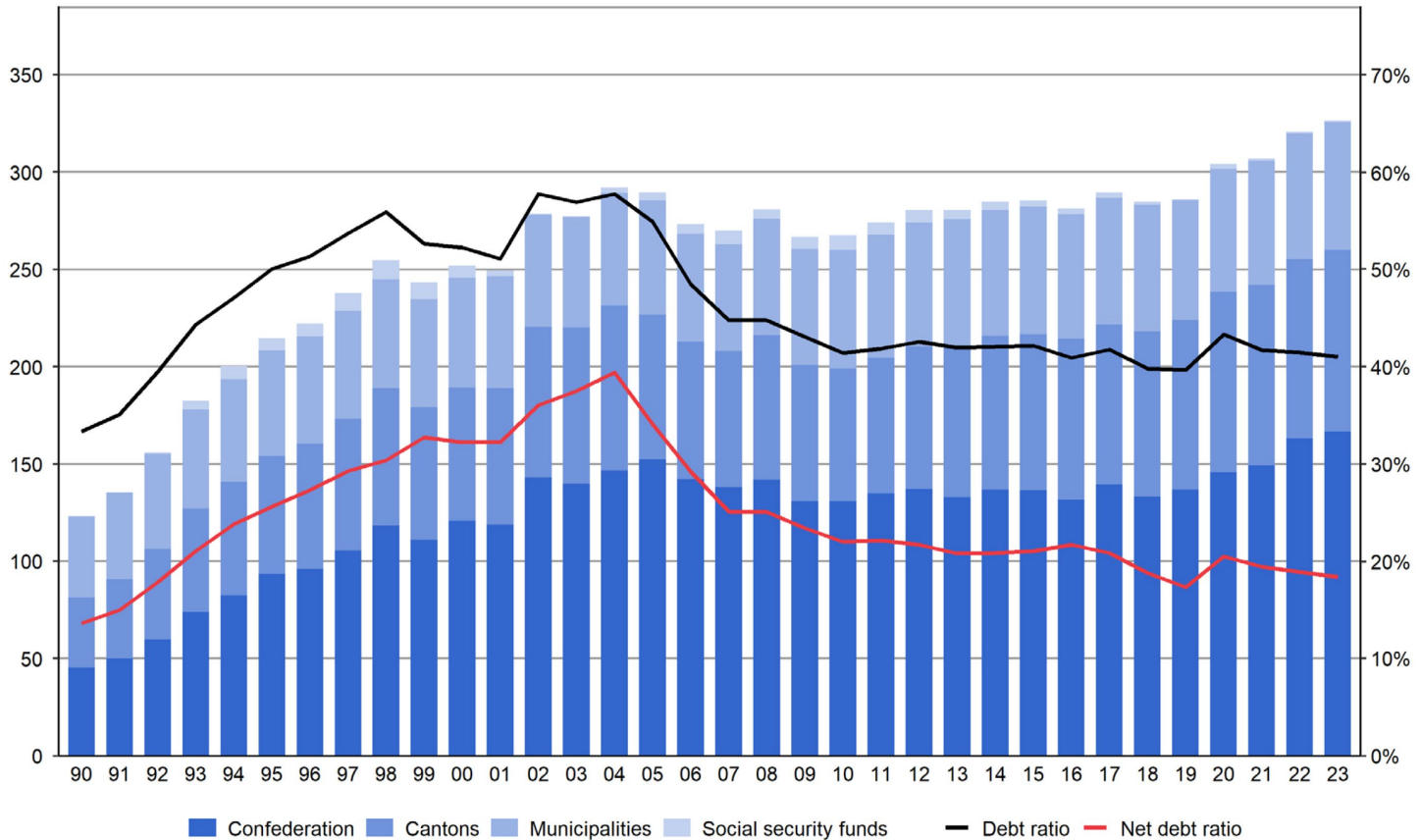
Deficit/Surplus to GDP

	2022	2023	2024	2025	2026
General Gvt	1.0	0.1	0.5	0.4	0.6
Federal Gvt	-0.2	-0.5	-0.3	-0.3	-0.1
Cantons	0.6	0.2	0.3	0.3	0.3
Municipalities	-0.1	-0.1	-0.1	-0.1	0.0
Social Security	0.7	0.5	0.6	0.4	0.4



Public Debt in Switzerland

Debt trend 1990-2023: in % of GDP for the general government (rhs) and liabilities in CHF bn for all sub-sectors (lhs)





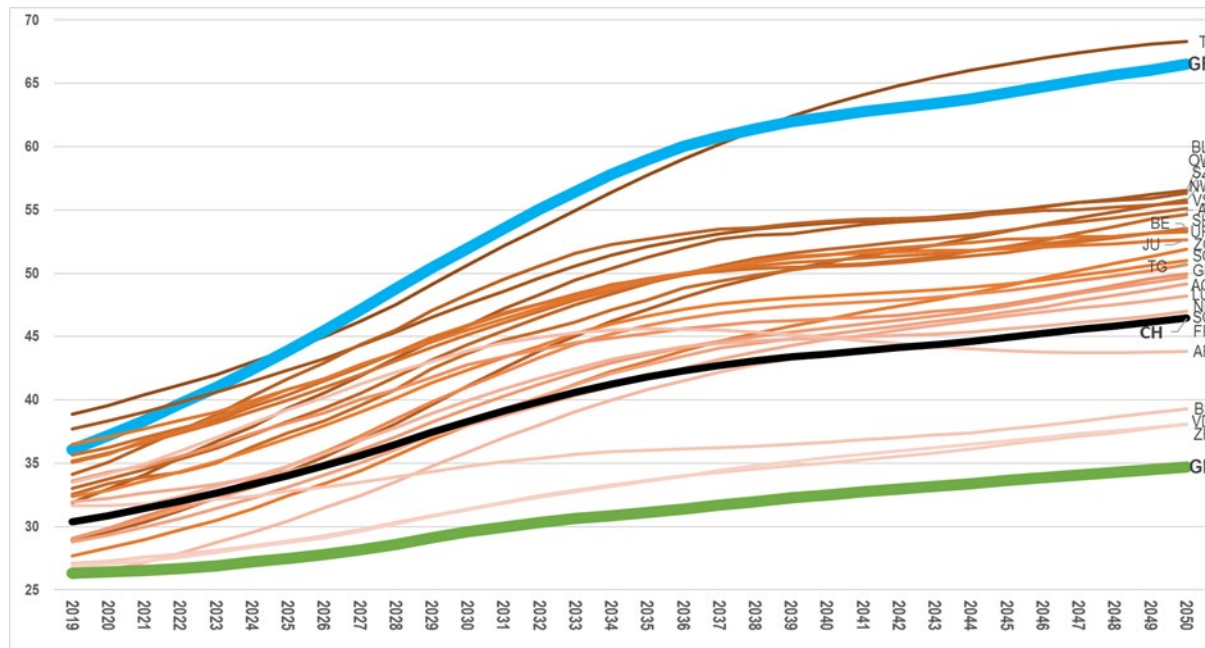
Challenges for Fiscal Policy

**Demographic-related increase in Gvt spending
2050 in PP of GDP:**

Federal Gvt	+0.7	}	Levels of Gvt
Cantons	+1.1		
Municipalities	+0.4		
Social Security	+0.6		
Task areas	}	Old-age/Disability	+1.0
		Health Care	+0.7
		Long-Term Care	+0.6
		Education	+0.6



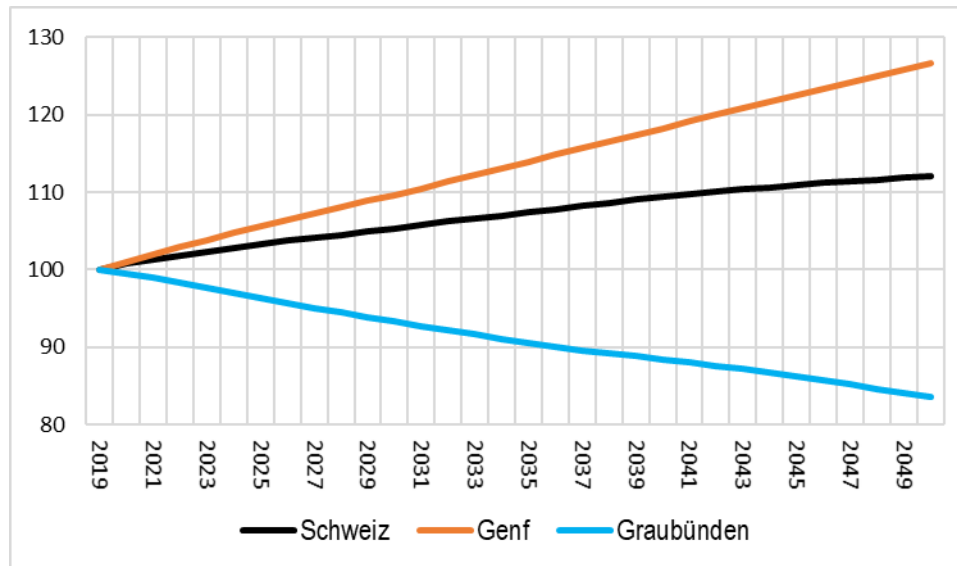
Challenges for Intergovernmental Relations: Uneven Impact of Demographics on SNGs



Age ratios for individual cantons: Ratio of over-65s to working-age population (20-64)
black line: Switzerland



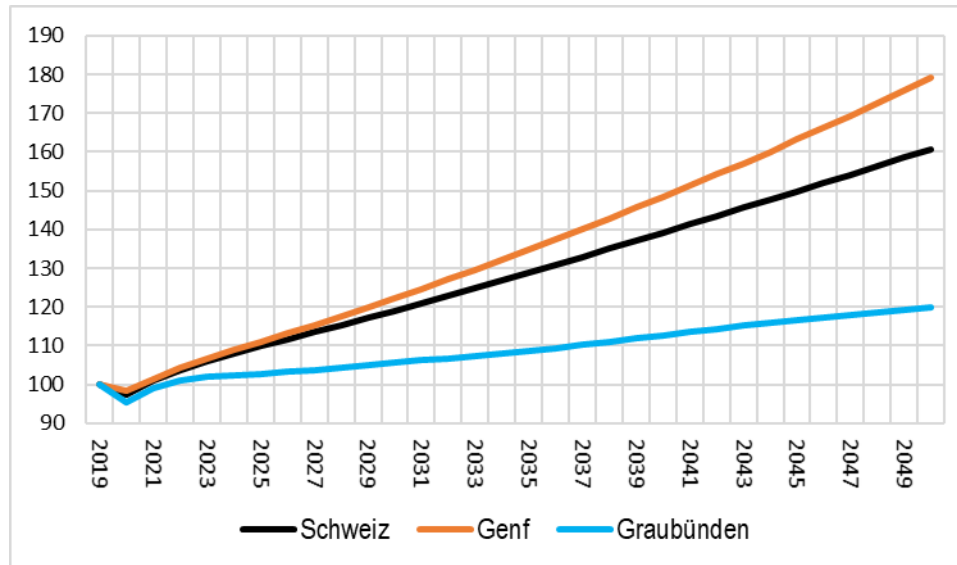
Challenges for Intergovernmental Relations: Uneven Impact of Demographics on SNGs



Labor force in full-time equivalents (Index 2019=100)
black line: Switzerland



Challenges for Intergovernmental Relations: Uneven Impact of Demographics on SNGs



Development of real GDP (Index 2019=100)
black line: Switzerland



Challenges for Intergovernmental Relations

Impact

- ... on economic activity and disparities across cantons
- ... on subnational budgets
- ... on fiscal equalization
- ... on federal budget