

# **PREPARING**

**FOR RETIREMENT – BROCHURE FOR MIGRANTS**



This brochure describes the legal situation after entry into force of the bilateral agreements with the EU.

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Publishers:

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Project responsibility:

Luzia Kurmann, Migros-Kulturprozent  
Paul Sütterlin, Swiss Federal Commission for Foreigners (SFCF)  
Christina Werder, Pro Senectute Switzerland

Members of the working group:

Flavio Tessaro, Associazioni Cristiane Lavoratori Italiani (ACLI), Zurich  
Antonio Giacchetta, Istituto Nazionale Confederale di Assistenza (INCA), Zurich  
Rosanna Raths-Cappai, Cristina Büttikofer-Beltrán, Fachstelle für interkulturelle Fragen (FiF), Zurich  
Franco Narducci, Syna Trade Union, Zurich  
Adora M. Fischer, North-South Dialogue of the Council of Europe, Chur  
María Arribas Rosell, Embassy of Spain in Switzerland, Berne  
José Baños, Federación del movimiento asociativo español en Suiza (FEMAES), Zurich

Design:

Gianpaolo Buffoli, Zurich

Text:

Susanna Heimgartner

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# ***Rights - Opportunities - Possibilities***

Retirement means both farewell and a fresh start. Life is now no longer defined through work. Nine hours per day are freed for new tasks, there is time to enjoy idle moments, time to devote to hobbies and friendship. A whole range of new opportunities and possibilities opens up to you. However, the loss of work, colleagues and the familiar daily routine also bears difficulties – for everyone. The beginning of work-free life needs to be planned and prepared carefully in advance. Someone who was born abroad and has spent many years looking forward to returning to their home country faces an important additional decision: Will they stay here or will they return?



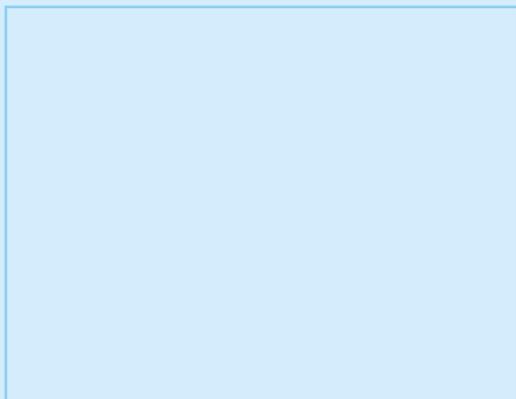


### ***Stay or return?***

This question needs to be pondered carefully, and maybe even both alternatives need to be tested before a final decision can be made. Staying and leaving both have advantages and disadvantages that sometimes only become apparent after a certain time. Has the old home country with its customs and way of life not become strange? Is returning not only a dream left over from youth that will bring unexpected difficulties in old age? Emotions and homesickness are bad guides in this decision. Moreover, someone living in a couple cannot decide on their own – if they do, they are sure to become unhappy. Both partners need to give honest consideration to a number of questions: Where do I really feel at home? Where does my partner feel at home? Where do our children and friends live? Where do we want to live and grow old? What support can we get if one of us falls ill and needs care?

### ***Commuting***

There is a third option which, perhaps, combines the advantages of staying and of leaving: commuting. All three options raise similar questions: Will our money be enough to ensure a happy old age? Where and how can I best live in the long run? What can I do to stay physically and spiritually healthy? Who will take care of me if I fall ill? Everyone faces these questions as their retirement draws near. However, the situation is different for each person, and each of us must find our own individual answers.



When retirement draws near, many things need to be reorganised on a private basis. For example, you are no longer insured by your employer in the event of an accident.

When work no longer forces you to move, you have to find your own ways of keeping fit. As you grow older, your body's reserves diminish, and a balanced diet becomes increasingly important for your health.

The OASI contributions that were deducted from your salary month after month will come back to you once you are retired – but not automatically. Three months in advance you must submit an application form indicating where you want your pension paid to.

People who have worked in Switzerland have certain rights, opportunities and possibilities. You need to know them in order to make use of them.

This brochure informs migrants approaching retirement of the rights they have in Switzerland, abroad, and if they choose to commute. The brochure also points out legal pitfalls and dangers. Inattention can easily lead to a loss of rights and options. Most importantly, however, this brochure calls attention to all important questions that need to be considered, discussed and clarified prior to retirement. There are no blueprint answers; occupational benefit plans, insurance, cantonal benefits and many more aspects are different for each individual.

Finally, this brochure also indicates where you can find information on how to build yourself a healthy and safe life once you are retired.

# ***Financial Aspects***

Contributions to old age insurance were regularly deducted from your salary while you were working in Switzerland. Now this money will flow back to you. As long as you live, you will receive a Swiss Old Age and Survivors' Insurance (OASI) pension. However, this does not happen automatically. Three months prior to your retirement you must fill in a form at your OASI compensation office. You will find the corresponding address on the last page of the telephone directory. As for the money you have accumulated in your occupational benefit plan, you can have it paid to you as a lifelong monthly pension or, in certain cases, withdraw all at once in the form of a one-time capital benefit. Normally when retiring you have many years ahead of you; therefore, a monthly pension will probably be of more use to you.

The big question is: will your money be enough to pay for a good and long life? It is important to calculate expenses and income in advance. On the average you have almost three decades ahead of you.



Find out from your OASI compensation office how high your monthly payment will be. They can calculate this sum for you. They also need to know where you want the money paid to. If a couple was insured during one year or more, both partners will receive an OASI pension, including divorced or widowed wives who were themselves not gainfully employed.



The occupational benefit plan guarantees a life-long pension and also includes a widow's pension. Your employer can inform you of the monthly fee you will receive.

The total yearly pension is indicated under "Old age benefits" on the benefit certificate from your occupational benefit institution (e.g., your pension fund). A one-time withdrawal of the entire accumulated capital is possible in certain cases only.



What benefits can you get from your private savings and optional provident schemes?



If you were insured in a member state of the EU for any length of time, you will receive a pension from the given EU member state along with your Swiss OASI pension.



In Switzerland you are entitled to supplementary benefits if your pension and savings do not cover your basic needs. The OASI agency of your community (or, the Office for Supplementary Benefits) can help you find out what possibilities you have.



Report to your OASI compensation office in Switzerland three months prior to your retirement. You will then receive a Swiss pension. If, for example, you live in Italy, the provincial agency of the Istituto Nazionale della Previdenza Sociale (INPS) is responsible for your application and the remittance of your pension.



Until 2006, if you are a citizen of the EU and decide to move abroad, you are entitled to withdraw your accumulated occupational benefit capital all at once. After 2006 this will remain possible only in certain specific cases.

You should think carefully about whether it is wise to withdraw your capital. As a rule, you have many years ahead of you. Therefore, a monthly pension will probably be of more use to you.



What benefits can you get from your private savings and optional provident schemes?



Are you entitled to a pension from your old home country?



Careful! If you leave Switzerland permanently, you lose your right to supplementary benefits!

However, if you move your place of residence back to Switzerland, you regain entitlement to supplementary benefits.



Report to your OASI compensation office in Switzerland three months prior to your retirement. If you are insured in Switzerland, you will receive a life-long pension. The OASI needs to know where you want your benefits paid to. If, for example, you move your domicile to Italy, the provincial agency of the Istituto Nazionale della Previdenza Sociale (INPS) is responsible for old age benefits and the remittance of your pension.



The occupational benefit plan guarantees a life-long pension and also includes a widow's pension. Your employer can inform you of the monthly fee you will receive.

The total yearly pension is indicated under "Old age benefits" on the benefit certificate from your occupational benefit institution (e.g., your pension fund). After 2006, withdrawal of the total accumulated capital will be possible in certain cases only.



What benefits can you get from your private savings?



Are you entitled to a pension in your old home country that you could receive and use locally?



If you stay domiciled in Switzerland, you are entitled to supplementary benefits in case your pension and your individual savings do not cover your basic needs. However, supplementary benefits are not paid to foreign accounts. If you move your place of residence to another country, you lose your right to supplementary benefits; if you move your place of residence back to Switzerland, you regain entitlement to them.

# ***Health***

The human body changes all life long. Nothing can stop the process of ageing, but a healthy lifestyle can have a positive influence on it.

As we grow older, our body needs more attention, the right diet, and a lot of movement in order to stay free of aches and pains as long as possible.

Have yourself examined regularly by a physician and ask what is good for your body. Provisions in case of illness also become more important. There is help available for the days when your strength may diminish and ailments come – but only if you know where and how to get it.



Do sports regularly, go hiking, or do gymnastics. This will keep you mobile.

Eat lots of fresh fruit and vegetables in order to get enough vitamins, mineral nutrients and fibre. Reduce your intake of calories, fat, alcohol, salt, and sugar: they are responsible for many typical old age illnesses.



Check your health insurance policy. Are you well enough insured? Are accidents included?



Find out while you are healthy whether your community has organisations offering home care or meal services to assist you at home in case of illness.



Is there a hospital nearby where friends and family can come and visit you?



How will you get around once you can no longer drive your own car? Is there public transport nearby? Is there a taxi service for disabled persons?



One of the healthiest leisure activities is to grow your own vegetable garden and eat your own crops. While the garden work keeps you mobile, your home-grown fruit and vegetables contain important vitamins, mineral nutrients, and fibre. A lot of movement, combined with less calories, is the best recipe for prolonged good health. When buying food, read the labels: many ready-made products contain too much fat and sugar.



Citizens of the EU can, under certain conditions, keep their health insurance when leaving the country. Find out about this from your health insurance company. Ask them also about whether you are entitled to a premium reduction. Finally, clarify whether your insurance covers travel outside the EU.



Who will take care of you if you fall ill? Is there an organisation that provides medical home care? Who can you address?



Where is the nearest hospital? How will you get there? Get all necessary addresses in advance so you have them ready in case of an emergency.



Is there public transport or a taxi service for disabled persons to help you get around when you will no longer be able to drive yourself?



Make sure in both homes and while travelling that you get enough movement and healthy nutrition. Eat fresh fruit and vegetables in order to get enough vitamins, mineral nutrients and fibre. Reduce your intake of calories, fat, alcohol, salt, and sugar: they are responsible for many typical old age illnesses.



Talk to your health insurer. Do you need a supplementary insurance in order to get adequate coverage in both countries?

Make sure that transport is taken care of in case you need to be transferred when you are ill or after an accident.



Check home care offers here and there in order to find out which place offers better conditions should you one day grow weaker and need help.



Find out about the locations and quality of hospitals in both of your home communities. Ask for information on the conditions of a possible transfer to the other country.



How will you get around once you can no longer drive your own car? Where can you stay independent for a longer time, where do you get more support? Where do you want to stay once you are no longer fit to travel back and forth?

# ***Living***

Regardless of whether you live alone or in a couple, as you grow older you need to think about your housing situation. Your home becomes more important once you no longer work.

The first question is: Where do I, where do we really feel at home? Where do friends and family live? Where do I have what kind of options for leisure activities? Will the place where we live now still be adequate when I can no longer drive a car or when one of us dies or becomes disabled?

If you plan to return to your home country, you should discuss the advantages and disadvantages of a move with all concerned. Is moving away from your children and grandchildren a good idea? It is often wiser to try it out for a few months than to immediately break up your Swiss household.



Will your home still be adequate when you will be spending a lot more time in it? Are the most important people in your life near you and accessible also by public transport? Should you look for an apartment with an elevator? Does the furniture need to be adapted to new needs?

Pro Senectute offers counselling with regard to measures that facilitate living in your own apartment in case of old age disabilities.



Clarify whether your shared home does not limit you too much in your freedom of movement. If necessary, prepare a move as long as you are still healthy and able to adapt to new surroundings. Rights of use and transfer of ownership to your children need to be settled.



Nearly every community has retirement housing schemes and residential homes. More rarely there are also flat-sharing communities for elderly people. Before you move, you should find out as much as possible about all available offers.

If you can no longer manage with your household, you can get assistance from Pro Senectute and meal service organisations.



When care becomes necessary, home care services can support medical care at home. When that is no longer sufficient, there are care homes, nursing homes, and extra care housing.

It is important to know these institutions in your community, including costs and possibilities for financial support from your health insurance and in the form of supplementary benefits.



Will your home remain adequate as you grow older? Are shops, friends and family within reach even if you can no longer drive a car? Do you have access to public transport? Can you find support nearby in case you fall ill or if your partner dies? Are there stairs and other obstacles that might become insurmountable should you once have trouble walking?

How easily can you cope with leaving Switzerland, your children, your friends and former colleagues from work? Try living in your new home for some time before you move permanently and lose your permit of residence in Switzerland.



Is your family able to accommodate you without difficulty? How did it work out during your trial move? Do you have enough freedom and privacy? Have you talked about illness and disability? Are rights of use and ownership settled in case there should ever be a conflict?



Where can you live once your strength diminishes? Is there retirement housing near where your friends and family live? Is there a meal service in case you should no longer be able to cook on your own, or residential homes in case you should need yet more assistance?



Who will take care of you if you fall ill and need care? Does the community have a home care organisation? Is there a care home nearby?

What will assistance services cost? Are you sufficiently insured to be able to afford them? Are there organisations that could provide financial support in case of need?



If you have the possibility to commute back and forth, you can be at home in two places – or none at all, if you lack interest and commitment. It takes more time and energy to keep up two apartments and two circles of friends than one.

However, if you manage to stay active in both places, you can benefit from many advantages: your life is enriched by the company of family, former colleagues from work, as well as old and new friends; the change of cultures will be stimulating.



Commuting and being able to live with your family is probably the most ideal of all settings. This way you can enjoy relationships in both places, you never lack change, and at the same your family also have certain periods to themselves.

However, ownership and the procedure in case of illness still need to be discussed.



If you remain mobile, you can continue to commute even from a retirement housing flat or a residential home. In fact, this is an ideal opportunity to clarify where you will get better care when your strength diminishes. Where can you move independently for a longer time, where are you taken better care of?



As a commuter, you need to decide in time where you would like to live once you need care.

Go and visit homes in both places, find out about costs, transport, and application procedures in case of emergency. Settle your decision with your family and your health insurance.

# **Lifestyle**

Up to now, work has determined your everyday routine. Now you can organise your time more freely. While work kept your body and mind going, holidays and weekends were there to relax.

This rhythm changes once you are retired. You need to actively pursue and plan new challenges in order to stay healthy. Your body needs movement, your brain stimulation, and your heart company. Organising your leisure time becomes more important than ever.





Your body now requires special care in order to stay free of aches and pains as long as possible. Do sports, it will help you stay fit and mobile. Mushroom hunting is healthier than collecting stamps; dancing keeps you more mobile than watching TV, and stairs are better than the elevator.

Ask about sports clubs in your community. Some of them offer special training for senior citizens. Go hiking in nature – you will often be able to benefit from cheaper fares if you travel outside the main peak periods.



Have you not long wanted to learn how to play an instrument or learn a new language? The Migros Club School, Pro Senectute, and other organisations offer a wide range of courses including activities to stimulate your creativity.

There are even special introductions to the Internet for senior citizens. This will allow you to correspond around the world and stay informed on courses and activities offered in the “Seniorweb”.



Relationships are a vital part of life. If you have your own family, you can visit your children and take care of your grandchildren. You also have more time for friendships. If you make an effort to spend time with your neighbours, former colleagues, and remote acquaintances, you may well discover common interests and make new friends.

What kind of clubs and associations are there in your community? Do you have a hobby that you could share with others? Does your former employer organise reunions? What kind of social activities does your religious community offer?



Moving and creating a new home provides a lot of movement. But what happens once this is done? Is there a garden to keep you fit and mobile? Is there a swimming pool nearby, or sports clubs that offer training for senior citizens?

Are there groups that organise group hikes? Are women as independent in your new home community as you are used to them being in Switzerland? Will you have enough freedom to move around independently? You will get the soundest answers to these questions if you try it out and experiment.



What about mental stimulation in your old and new communities? Are there courses for senior citizens where you can learn something creative? Are there religious communities or other community centres who organise events? Are there interesting local radio programmes that you have overheard so far?

Your brain will need as much challenge as it can get to prevent it from degenerating. Learning something new is certainly the best option.



How many close friends or relatives live nearby? Are they there for you when you are worried or not feeling well? Are there people around with whom you can have good conversations and share your joys and sorrows?

Are there dances or interest groups where you can meet new friends? Consider carefully whether the community will welcome you after having been away for so long.



Commuting in itself does not keep you fit, especially if you drive from door to door. You need to find out in both places where you can engage in physical activities. Sports clubs usually expect regular participation, and members start asking questions when someone repeatedly misses training.

As a commuter you need to be more disciplined to pursue regular activities in both places. If you miss training too often, it will not help to keep you fit.



Your mind will stay active simply because you have to keep two households and organise your trips back and forth. You can benefit from advantages and offers in both places, visit exhibitions, pursue your hobbies in both places.

With a rich experience from two countries, you will remain an interesting person to talk to.



Commuters rarely suffer a lack of social integration, since they can cultivate friendships and contacts in both their old and their new environment. Visits with family and friends are possible in both countries; there is a lot of change of scenery, which also provides ample topics for conversation.

# **Legal Issues**

Although you no longer go to work, legally you still remain an independent and responsible person. You can conclude contracts or marry, have to pay taxes, and, if worse comes to worst, appear in court if you have violated the law. All of this remains unchanged.

There are regulations that need to be observed when you retire. Moreover, there are useful pieces of advice and recommendations that can help you and your family avoid unnecessary trouble.



Citizens of the EU who move abroad have a right to return. Non EU citizens lose their residence permit once they leave the country permanently or if they stay abroad longer than six months. If you make an application before the six months are over, you can keep your permit for two years.



Because spouses receive their OASI pension separately, married couples need to inform the compensation office when the wife reaches the age of 63. As of 2005 women are entitled to an OASI pension only after they reach the age of 64. Widows and wives who were never gainfully employed are nevertheless also entitled to an OASI pension. It is possible to retire two years in advance, at the age of 62 for women and 63 for men; however, this reduces the monthly pension.



If you live in an unmarried couple, the changed financial situation will probably require a new agreement. It is wise to conclude this agreement in writing.



Have you thought about the distribution of your inheritance? There is a legal succession that applies to everyone who has not made a will. You should check if this regulation conforms with your ideas or if you want to modify it by making a will or concluding a marriage contract.



Seek legal counselling and advice from experts. Find out from your community administration where you can get legal counselling free of charge.

Non EU citizens are partly subject to different regulations.

# **Rights - Opportunities - Possibilities**





***Rights***

***Opportunities***

***Possibilities***