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Switzerland's "No to Ten Million" Referendum: Key Issues and Implications

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Executive Summary

Switzerland's Latest Referendum

- Swiss voters rejected the proposal to cap the population at 10 million by 55% to 45%, highlighting immigration, housing pressures, demographic change and Switzerland's distinctive system of direct democracy.
- The initiative emerged amid record immigration and growing demographic pressures, with foreign-born residents accounting for 32.2% of the population, intensifying debate over housing, infrastructure, labour market needs and Switzerland's relationship with the EU.
- Switzerland's direct democracy enables citizens to shape legislation through referendums and popular initiatives.

The "No to Ten Million" Initiative

- The initiative proposed capping Switzerland's population at 10 million by 2050 through progressively tighter immigration restrictions, including limits on asylum, family reunification and potentially free movement with the EU.
- The proposal had right-wing support but faced broad opposition over labour, economic and EU-related risks.
- Housing affordability and infrastructure pressures emerged as the initiative's main drivers of support, with many voters viewing rapid population growth as outpacing housing construction, transport capacity and public services, even as experts pointed to broader structural causes of housing shortage.

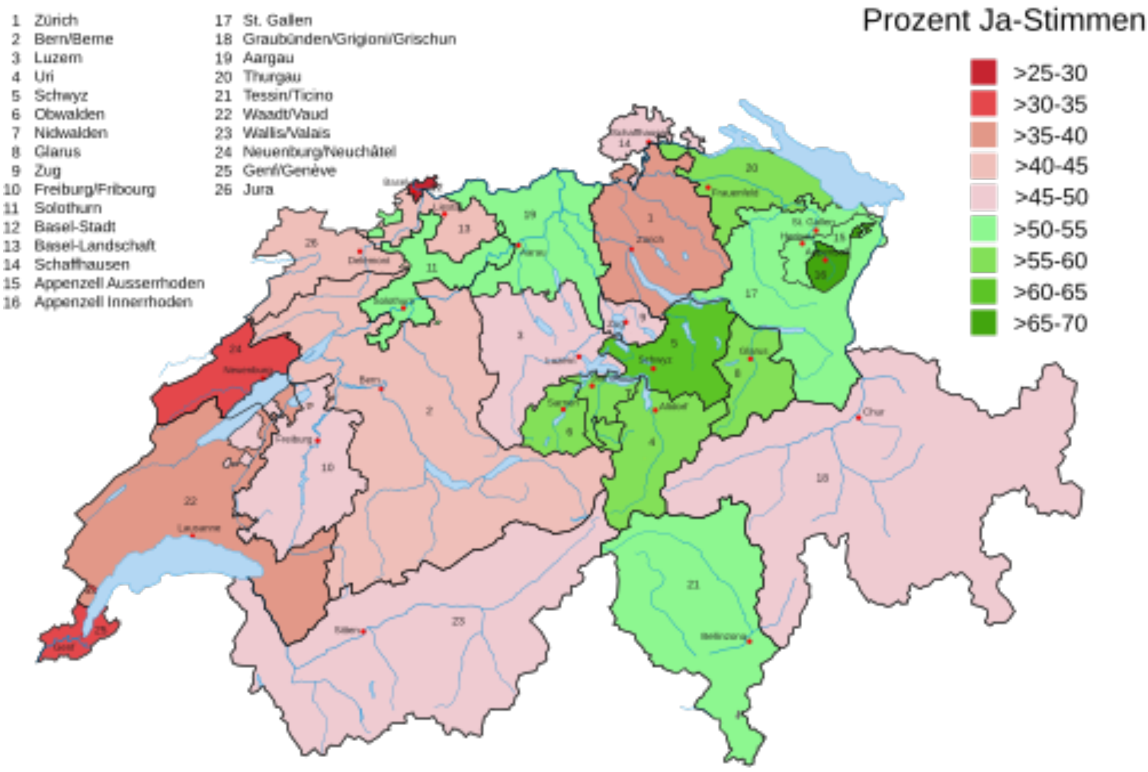
Economic Outlook and Political Implications

- Restricting immigration was expected to reduce labour supply and slow GDP growth, but the overall macroeconomic impact was likely to remain limited due to Switzerland's diversified economy and the global orientation of its largest companies.
- Economists warned that limiting immigration could worsen labour shortages in key sectors such as healthcare, engineering and finance, where EU workers play a critical role in supporting economic growth and addressing demographic ageing.
- The main long-term risk was to Switzerland-EU relations, as restricting free movement could have weakened bilateral agreements, market access and exports.

Political Debate and Electoral Implications

- The referendum debate was frequently compared with Brexit, with critics warning that restricting free movement could shift rather than reduce migration while weakening cooperation with the EU, whereas supporters argued Switzerland could tighten migration controls without repeating the UK's experience.
- The campaign exposed deep political divisions over immigration, free movement and Switzerland's relationship with the EU, while also raising questions about the rights of Swiss citizens living abroad and the long-term sustainability of the current migration model.
- Although the initiative was defeated, the campaign confirmed that immigration remains one of Switzerland's most politically salient issues and positioned the Swiss People's Party to continue making migration a central issue ahead of the 2027 federal elections.

Key Picture: The Result of the Referendum



Source: [Abstinmmungen](); Notes: Red indicates opposition and green supports

Introduction

On 14 June 2026, Swiss voters rejected the popular initiative "No to a Switzerland with 10 Million! (Sustainability Initiative)" by a margin of 55% to 45%. The proposal sought to limit Switzerland's permanent resident population to 10 million by 2050 through progressively tighter restrictions on immigration, including limits on asylum, family reunification, and, if necessary, the termination of the Agreement on the Free Movement of Persons with the EU. Although the initiative was defeated, the vote highlighted the growing political salience of immigration, demographic change, and housing pressures in one of Europe's fastest-growing economies.

The referendum attracted attention well beyond Switzerland because it addressed questions faced by many advanced economies: how to reconcile labour market needs, demographic ageing, infrastructure constraints, and public concerns over migration. It also raised broader questions about the future of Switzerland's bilateral relationship with the European Union, given the central role of free movement in the existing framework of agreements.

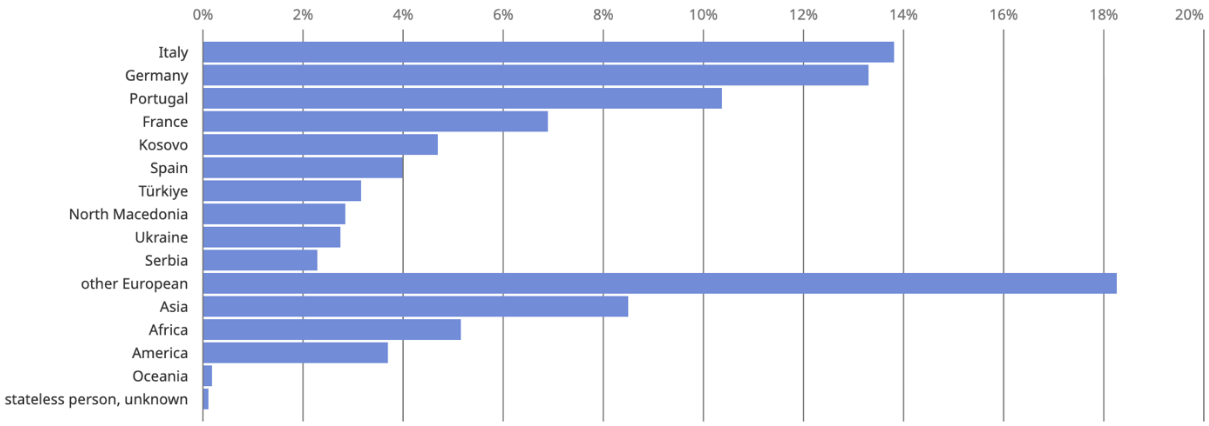
At the same time, the vote demonstrated the distinctive nature of Switzerland's political system. As the world's most developed system of direct democracy, Switzerland regularly allows citizens to approve or reject legislation and constitutional amendments through referendums and popular initiatives. Consequently, migration policy is not determined solely through parliamentary politics but can be decided directly by the electorate, making Swiss referendums an important indicator of both domestic political preferences and broader policy trends.

Switzerland has one of the highest shares of foreign-born residents among advanced economies, with immigrants accounting for 32.2% of the population (2.9 million), up 25% since 2014. The largest migrant communities originate from Germany, Italy, and Portugal. In 2024, Switzerland admitted 136,000 long-term immigrants, of whom 74% entered under the EU free movement regime, while 15% arrived through family reunification, 10% on humanitarian grounds, and 2% as labour migrants. First-time asylum applications declined by 15% to approximately 23,000.

Swiss migration policy seeks to balance labour market demands with tighter migration management. Alongside maintaining quotas for third-country and UK nationals, the government has strengthened migration enforcement, expanded labour market integration for refugees, and aligned elements of its asylum framework with the EU Pact on Migration and Asylum.

Against this backdrop of sustained immigration and growing demographic pressures, the Swiss People's Party proposed the "No to Ten Million" initiative, arguing that population growth had outpaced the country's housing, infrastructure, and public services.

Figure 1: Permanent Foreign Resident Population (as of 31 Dec 2024) by Citizenship



Source: Federal Statistics Office

Switzerland's Direct Democracy

Switzerland is widely regarded as the world's leading example of direct democracy. Unlike most representative democracies, where citizens participate primarily through periodic elections, the Swiss political system enables voters to directly shape legislation and constitutional change through a well-developed system of popular votes. These instruments of direct democracy are deeply embedded in the country's political culture and constitutional framework, making referendums and popular initiatives routine components of governance rather than exceptional political events.

The Swiss system rests on three principal instruments: mandatory referendums, optional (or facultative) referendums, and popular initiatives. Mandatory referendums are required for all constitutional amendments, accession to certain supranational organisations, and other major constitutional changes, requiring approval by both a majority of voters and a majority of cantons. Optional referendums allow citizens to challenge legislation passed by parliament if 50,000 signatures are collected within 100 days of the law's publication. Popular initiatives enable citizens to propose amendments to the Federal Constitution by gathering 100,000 signatures within 18 months, after which the proposal is submitted to a nationwide vote.

These institutions reflect the Swiss principle of popular sovereignty and serve as an important check on representative institutions. By giving citizens the ability to approve, reject, or propose legislation, direct democracy encourages broad public participation, fosters political compromise, and enhances the legitimacy of government decisions. At the same time, the frequent use of referendums has shaped Switzerland's consensus-based political system, requiring governments and political parties to anticipate public preferences throughout the policymaking process.

Since the establishment of the modern Swiss federal state in 1848, citizens have participated in hundreds of nationwide referendums and initiatives on issues ranging from taxation and social policy to immigration, environmental protection, and foreign relations. This extensive experience has made Switzerland a unique laboratory for studying the opportunities and challenges of direct democracy, including voter participation, agenda-setting, policy outcomes, and the relationship between popular decision-making and representative government.

Effect on Policymaking

Although only a small share of popular initiatives are ultimately approved, Switzerland's system of direct democracy has a significant influence on policymaking. Since the introduction of the popular initiative in 1891, 237 initiatives have been put to a federal vote, with 26 accepted. Since optional referendums were introduced in 1874, 219 have been held, resulting in 91 laws being rejected by voters.

The impact of these instruments extends beyond their formal outcomes. The possibility of a referendum encourages legislators to consult widely and build political consensus when drafting new laws. At the same time, critics argue that frequent voting on complex policy issues can lead to voter fatigue and relatively low participation, with average turnout at federal votes around 45%. Supporters, however, contend that direct democracy enhances political legitimacy by giving citizens a direct voice in public decision-making and strengthening accountability. As a result, referendums and popular initiatives remain a defining feature of Switzerland's political system and national identity.

The "No to Ten Million" Initiative

Objectives of the Proposal

The proposed referendum sought to cap Switzerland's population at 10 million by 2050 through progressively tighter migration controls. Restrictions on asylum applications and family reunification would have been introduced once the population reached 9.5 million, with broader measures to reduce immigration taking effect at 10 million, a threshold projected to be reached around 2040 under current demographic trends.

The initiative was supported by the Swiss People's Party (SVP), the Federal Democratic Union (EDU), the Geneva Citizens' Movement (MCG), and the Swiss Democrats. Opposition came from a broad coalition of parties, including the Centre, the Social Democratic Party (SP), the Green Party (GPS), the Green Liberal Party (GLP), the Free Democratic Party (FDP.The Liberals), the Evangelical People's Party (EVP), and the Swiss Party of Labour (PdA). The broad cross-party opposition reflected concerns over the proposal's potential economic consequences, labour shortages, and implications for Switzerland's relationship with the European Union.

Right-wing Swiss People's Party (SVP), argues that rapid population growth is placing excessive pressure on housing, transport networks, public services and the environment. The proposal has attracted support beyond traditional anti-immigration voters. Rising housing costs, crowded trains, traffic congestion and visible construction across the country have created a perception that Switzerland's infrastructure is struggling to accommodate continued population growth. Many supporters therefore insist that the initiative is not opposed to immigration itself but seeks to restore a sustainable balance between population growth and available resources.

Drivers of the Support

Housing affordability emerged as one of the central issues in the campaign surrounding the Swiss People's Party's (SVP) "No to a Switzerland of 10 Million" initiative. The party argued that rapid immigration had caused population growth to outpace housing construction, placing excessive pressure on rents, infrastructure, public services, and the environment. Opponents acknowledged that immigration had increased housing demand but argued that the shortage primarily reflected long-standing structural constraints, including restrictive planning regulations, lengthy permitting procedures, limited land availability, higher construction costs, and insufficient investment in new housing.

Switzerland is currently experiencing its most severe housing shortage in decades. Demand has consistently exceeded supply, particularly in Zurich, Geneva, and Basel, leading to historically low vacancy rates, rising rents, and declining affordability. Around 42,000 new homes are expected to be completed in 2025, well below the estimated annual requirement of approximately 50,000, suggesting that housing shortages are likely to persist despite lower interest rates supporting future construction.

Housing pressures have become an increasingly important political issue because they intersect with broader concerns over living standards and inequality. Although Switzerland remains one of Europe's wealthiest economies, housing costs represent a growing financial burden for many households, particularly tenants, younger people, and lower-income groups. Around one-quarter of households report housing costs as a significant financial strain, while overcrowding is becoming more common in major urban centres.

These pressures helped broaden support for the initiative beyond traditional anti-immigration voters. For many supporters, the referendum was viewed less as a rejection of immigration itself than as a response to concerns that population growth was outpacing the country's capacity to expand housing, transport infrastructure, and public services. The debate therefore reflected broader questions about how Switzerland can reconcile continued economic growth and labour market needs with limited land availability, demographic change, and the preservation of living standards.

Economic and Political Implications

The proposal's economic implications were expected to be mixed. Tighter migration could reduce labour supply and slow overall GDP growth, although its effect on living standards was likely to be limited, as GDP per capita has historically evolved independently of population growth. The impact on major Swiss companies was also expected to be modest, given that most firms listed on the Swiss Market Index generate the majority of their revenues abroad. Property markets could face weaker demand over the longer term, although persistent housing supply constraints would likely moderate any adjustment.

Switzerland's migration debate is distinctive because it is not primarily driven by refugees. Instead, most recent migrants have come from neighbouring EU countries under free movement arrangements, filling shortages in sectors such as healthcare, engineering, science and finance. With low birth rates and an ageing population, immigration has been the principal driver of Switzerland's population growth and an important source of economic dynamism. Economists and business leaders therefore warn that restricting immigration would exacerbate labour shortages, undermine innovation and weaken the country's competitiveness. The multinational workforce of Swiss sportswear company On is presented as an example of how international talent has contributed to Switzerland's economic success.

Implications for Switzerland-EU Relations

The more significant economic risk lay in Switzerland's relationship with the EU. Curtailing the free movement of people could have jeopardised recently negotiated agreements with the EU, Switzerland's largest trading partner, potentially reducing market access and weighing on exports and long-term economic growth. However, any such effects would likely have emerged only gradually through future negotiations.

Overall, while the referendum had the potential to reshape Switzerland's migration policy and political landscape, its immediate macroeconomic impact was expected to be limited. Switzerland's strong institutional framework, high levels of prosperity, and diversified economy suggested that the country's broader economic performance would remain resilient even if the proposal had been adopted.

The Political Debate

Brexit as a Cautionary Example

The referendum debate was frequently compared with the United Kingdom's experience following Brexit, as both centred on concerns over immigration and the future of free movement. Supporters of the comparison argued that ending free movement in the UK did not reduce overall migration but instead changed its composition, with lower immigration from the European Union offset by increased arrivals from non-EU countries. The UK also experienced rising irregular migration and greater challenges in managing asylum flows after leaving the EU.

Critics of the Swiss proposal warned that similar substitution effects could emerge in Switzerland, including increased reliance on cross-border workers and more irregular migration, while potentially weakening cooperation with the European Union. Supporters of the initiative rejected the Brexit analogy, arguing that Switzerland could curb immigration through stricter asylum rules, family reunification policies, and safeguard clauses without terminating free movement. More broadly, the debate highlighted that migration policy involves complex trade-offs between economic needs, demographic pressures, and political objectives, with no single policy capable of eliminating migration pressures altogether.

Domestic Political Divisions

Opponents argued that limiting free movement could undermine Switzerland's economic ties with the European Union and drew comparisons with the United Kingdom's experience following Brexit, where efforts to reduce immigration produced substitution effects rather than sustained declines in migration. Critics also warned that the proposal failed to address potential increases in cross-border commuting, particularly in Switzerland's border regions. As a result, concerns over economic disruption and strained EU relations contributed to the rejection of the initiative.

The proposed initiative also highlighted tensions surrounding the status of Swiss citizens living abroad. Although the proposal primarily targeted immigration, it initially failed to clarify how restrictions would apply to the Swiss diaspora. The sponsoring Swiss People's Party later stated that Swiss citizens would retain their constitutional right to return to Switzerland and that this would be reflected in implementing legislation. The episode nevertheless underscored a broader political narrative that frames free movement largely as inward immigration, while giving less attention to the rights and mobility of the nearly half a million Swiss citizens residing in European Union member states.

The referendum also served as an important test ahead of the 2027 federal elections. With campaign spending reaching a record CHF15 million, it became one of the most significant political contests of the legislative term. The Swiss People's Party centred its campaign on immigration, national sovereignty, and quality of life, combining moderate policy arguments with more emotive messaging aimed at mobilising its electoral base. Opponents, including business groups, liberal parties, and the left, argued that restricting immigration would harm Switzerland's economy while failing to address underlying challenges such as housing shortages and infrastructure pressures.

Although the initiative was defeated, the campaign demonstrated that immigration remains a politically salient issue. By returning to its traditional electoral focus, the Swiss People's Party reinforced its position ahead of the 2027 federal elections, suggesting that migration policy will continue to be a central theme in Swiss political debate.

Conclusion

Despite the initiative's rejection, the vote demonstrated that concerns over population growth remain politically significant, with 45% of voters supporting the proposal. Issues such as housing affordability, infrastructure capacity, and the social consequences of rapid demographic change are expected to remain high on the political agenda.

At the same time, demographic trends suggest that Switzerland will continue to depend on immigration. An ageing population and labour shortages, particularly in sectors such as healthcare and construction, are expected to increase demand for foreign workers while placing additional pressure on pension financing. Consequently, future policy debates are likely to focus less on whether immigration is needed and more on how population growth can be managed through effective planning, investment, housing, infrastructure, and integration policies.