

## Sample employment contracts

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### Features of an employment contract

If an association awards work in exchange for payment, it is generally required to adhere to the same provisions of the Swiss Code of Obligations and labour law as any other employer.

According to the Swiss Code of Obligations: "By means of an individual employment contract, the employee undertakes to work in the service of the employer for a limited or unlimited period and the employer undertakes to pay him a salary..." (Article 319 of the Swiss Code of Obligations). For an association, this means:

- Employees provide the association with **labour for a certain amount of time**. They therefore owe the employer the performance of work over a certain period, but not specific work results.
- Employees **integrated into the association's organisational set-up**, have to follow instructions from superiors and need to be supervised. It is important to lay down who employees in an association report to, or who is responsible for supervising them.
- Employees do not bear **any business risk** and **do not have to make any investments** in order to work. The association must therefore provide the means necessary for fulfilling their tasks. Employees have a duty of loyalty to the association (as the employer), however, and are required to safeguard its interests.

### Content of an employment contract

Verbal employment contracts are also valid as a matter of principle. We definitely recommend making a written contract, however. Good employment contracts set out the following points at a minimum:

- Start and duration of the work (limited / unlimited)
  - Workplace
  - Function, areas and type of work to be performed (job description and specification sheet including details of powers to act and take decisions and supervision obligations)
  - Weekly working hours and working time percentage (full time/part time)
  - Probationary period: max. 3 months (if not specified: 1 month)
  - Notice period
  - Annual leave (law: 4 weeks from the age of 20; 5 weeks under the age of 20)
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- Gross monthly salary (including deductions and allowances)
- Continued pay in the event of illness and accident
- Pension fund
- Final provisions (applicable law, place of jurisdiction, written form clause, etc.)
- Date and signature

Aspects that apply to all employees can also be set out in an operating or personnel policy. The employment contract must then refer to such policy to ensure that it is an integral part of the contract. It is recommended to have the employee confirm receipt of the policies in writing.

The following sample employment contracts serve as general examples that will have to be checked and adjusted on a case-by-case basis (particularly with regard to voluntary insurance options). By means of explanation, the key statutory provisions are included in italics.

### **Legal basis**

- Swiss Code of Obligations, Articles 319 to 362
- Swiss Labour Act including regulations 1-5 (working hours and rest time, Sunday, night and shift work, youth and health protection).
- Swiss Gender Equality Act
- Swiss Data Protection Act (personal data)
- Social insurance legislation (OASI; disability insurance; loss of earnings compensation scheme; unemployment insurance; professional insurance)

### **Source and links:**

- Beobachter Ratgeber "Ich mache mich selbständig" (2013) (Guidance on becoming self-employed)
- Beobachter Ratgeber "Arbeitsrecht" (2011) (guidance on labour law)
- Vitamin B work aid on labour law/social security law, [www.vitaminb.ch/a-z/arbeitshilfen/](http://www.vitaminb.ch/a-z/arbeitshilfen/)
- [www.bsv.admin.ch/kmu/service/lohnabrechnungen/index.html?lang=de](http://www.bsv.admin.ch/kmu/service/lohnabrechnungen/index.html?lang=de)
- [www.zkgv.ch/index.php/vereinsvorstaende/statuten-und-vertraege.html](http://www.zkgv.ch/index.php/vereinsvorstaende/statuten-und-vertraege.html)
- [www.usc-scv.ch/index.php?pid=99&l=de](http://www.usc-scv.ch/index.php?pid=99&l=de)

## Sample employment contract for a position in an association as a cleaner on an hourly wage

*Between*

**Association:** Name .....

Address .....

.....

and

**Employee** First name / surname

.....

Born on .....

From

.....

Address .....

.....

### 1. Start of the employment relationship

The employment relationship shall begin on ..... and be concluded for an indefinite period.

*Unless otherwise specified, the contract shall be considered indefinite.*

### 2. Tasks

*Insert a description of the tasks here.*

### 3. Workload

The employee shall work for XXX hours/week. Any overtime rendered must be reported to the supervisor on a weekly basis. Overtime shall primarily be compensated for with time off in lieu. In exceptional cases, financial compensation may be arranged on a one-to-one basis.

### 4. Annual leave

*For employed cleaning staff, annual leave shall be paid for by adding an appropriate surcharge on top of the wages (see section 5, annual leave compensation). The following percentages shall apply:*

*8.33% for wages with 4 weeks' annual leave*

*10.63% for wages with 5 weeks' annual leave*

*13.04% for wages with 6 weeks' annual leave*

### 5. Wage

Basic wage per hour/month gross: CHF .....

Annual leave compensation (.... %) CHF .....

<i>Gross total wage:</i>	<i>CHF (Total)</i>
Deductions:	
OASI, disability insurance, loss of earnings compensation scheme, unemployment insurance (7.475%)	CHF .....
	CHF .....
Non-occupational accidents	CHF .....
Wage per hour/month net:	CHF .....

### 6. Continued pay in the event of inability to work

Continued pay in the event of inability to work shall be governed by the statutory provisions. In the event of inability to work due to illness, the Zurich scale shall be applied. Continued pay in the event of illness shall be based, unless there is accident insurance in place, on the provisions of the Swiss Federal Accident Insurance Act and Article 324b of the Swiss Code of Obligations. In the event of an accident resulting in an inability to work, the company shall pay the legally prescribed continued pay of 80% of the wage from the date of the accident. Continued pay in the event of pregnancy shall be based exclusively on the provisions of the Swiss system of compensation for loss of earnings. From birth, the compensation office will pay out 80% of the wage for up to 14 weeks (provided that all legal requirements have been met).

### 7. Accident insurance

The employer shall take out obligatory accident insurance for work-related accidents for the employee.

*Insurance for non-occupational accidents is obligatory if the workload is at least eight hours per week (insurance premiums CHF 100 per year: as at 2015).*

### 8. Termination of indefinite employment relationships

The statutory notice periods shall apply: During the probationary period, the employment relationship may be terminated by either party at any time with a notice period of seven calendar days. Once the probationary period has expired, the employment relationship may be terminated by either party at the end of a given month, subject to the following notice periods: 1 year of service: 1 month; 2 to 9 years of service: 2 months; 10 or more years of service: 3 months.

### 9. General provisions

In all other cases, the statutory provisions of the cantonal regular employment contract for domestic staff shall apply. Changes and supplements shall only be valid if made in writing.

Place/date.....

Place/date.....

Employee

Employer

## Sample employment contract for a position as a child minder on an hourly wage

*Between*

**Association:** Name .....

Address .....

.....

and

**Employee** First name / surname .....

Born on .....

From .....

Address .....

.....

1. The employee shall be employed as a child minder for association XY from ..... The employee shall perform their tasks even in the event that the children are ill, provided that this does not pose any health risks to the employee. The employee undertakes to adapt the day-to-day routine, ways of interacting with and educating the children to the employer's conditions and requirements. The parties agree to address any problems as they arise, such as any noticeable behaviour issues, as quickly as possible.

*Unless otherwise specified, the contract shall be considered indefinite.*

2. The employee shall work for XXX hours/week. Any overtime rendered must be reported to the supervisor on a weekly basis. Overtime shall primarily be compensated for with time off in lieu. In exceptional cases, financial compensation may be arranged on a one-to-one basis. The rota shall be agreed separately (enclosure). Travel time shall not count towards working hours.

*According to the law, the maximum number of working hours per week is 45 (Labour Act).*

*Daily rest period: 11 consecutive hours*

*For details on the difference between overtime and extra work, see the work aid on labour law and social security law, [www.vitaminb.ch/a-z/arbeitshilfen](http://www.vitaminb.ch/a-z/arbeitshilfen)*

3. The first three months are considered the probationary period. The employment relationship may be dissolved during this time with a notice period of seven days. After expiration of the probationary period, the notice period shall be one month in the first year of service, two months in the second to ninth years of service and three months from the

tenth year of service, pursuant to Article 335c of the Swiss Code of Obligations. The relationship must be terminated in writing, with an end date at the end of a given month.

*By law, the probationary period may not exceed 3 months.*

4. The employee shall receive an hourly wage of CHF ..... gross. This hourly wage shall include compensation for the 13th month salary. The wage shall be paid to the employee on a date to be agreed, but at the latest at the end of each month.
5. The employee shall be entitled to four weeks' paid annual leave. The employee shall not be charged for meals during working hours. The employer shall bear the costs of any necessary out-of-pocket expenses.

*By law, the annual leave entitlement shall amount to 5 weeks for employees aged up to 21; and to at least 4 weeks for other employees. Annual leave compensation: 8.33% of the wage for an entitlement of 4 weeks, and 10.63% of the wage for 5 weeks.*

*By law, annual leave must be actually taken and based on the proportionate holiday pay amount of the employee's salary to be paid at the time of the annual leave. Payment in lieu shall only be permissible for very irregular workloads or very short work assignments.*

6. In the event of illness, accidents or anything else rendering the employee unable to perform their tasks for a reason that is not their fault, the employee shall be entitled, following the probationary period, to continued pay pursuant to Article 324a of the Swiss Code of Obligations. Any wages owed in such a situation shall correspond to the average wage paid over the last six full calendar months previously. Should the inability to work last for longer than three days, the employee shall be required to submit a doctor's note, without being asked to do so.
7. Statutory deductions for OASI, disability insurance, loss of earnings compensation scheme, unemployment insurance and professional insurance (where mandatory) and 50% of the premiums for non-occupational insurance (where mandatory) shall be deducted from the gross wage.
8. The employee hereby confirms that they are covered by liability insurance. The employee shall submit a copy of the policy each year, without being asked to do so.
9. The employee agrees to treat confidentially all private and business information on the children being taken care of and their families. The employee shall remain bound by this obligation even after the employment relationship has come to an end.

Place/date.....

Place/date.....

Employee

Employer

# Sample employment contract for a managing director

*Between*

**Association:** Name .....

Address .....

.....

and

**Employee** First name / surname .....

Born on .....

From .....

Address .....

.....

## 1. Employment relationship

The employment relationship shall begin on ..... and be concluded for an indefinite period. The probationary period shall be 3 months.

*By law, the probationary period may not exceed 3 months.*

## 2. Notice periods

During the probationary period, the notice period shall be seven days. In the first year of service, the employment relationship may be dissolved with a notice period of one month. From the second year of service, the notice period shall be two months, and from the tenth year three months, with an end date at the end of a given month.

## 3. Tasks and assignments

The employee shall work as the managing director of association XY. The employee shall report directly to the executive committee and follow its instructions.

## 4. Working hours and annual leave

The employee shall work for XXX hours/week. Any overtime rendered must be reported to the supervisor on a weekly basis. Overtime shall primarily be compensated for with time

off in lieu. In exceptional cases, financial compensation may be arranged on a one-to-one basis. The annual leave entitlement shall amount to five weeks per calendar year.

*By law, the annual leave entitlement shall amount to 5 weeks for employees aged up to 21; and to at least 4 weeks for other employees. Annual leave compensation: 8.33% of the wage for an entitlement of 4 weeks, and 10.63% of the wage for 5 weeks.*

## **5. Salary**

The annual salary shall amount to CHF ..... gross, with the annual leave entitlement amounting to CHF .....

*By law, annual leave must be actually taken and based on the proportionate holiday pay amount of the employee's salary to be paid at the time of the annual leave. Payment in lieu shall only be permissible for very irregular workloads or very short work assignments.*

## **6. Social security contributions**

The statutory employee contributions for OASI, disability insurance, loss of earnings compensation scheme and unemployment insurance shall be deducted from the salary.

*Professional insurance is mandatory from a wage of CHF 21,150 per year. Note: This minimum limit may change periodically.*

## **7. Continued pay in the event of an inability to work**

The employee shall be insured against occupational and non-occupational accidents pursuant to statutory provisions. The association has taken out sick leave insurance to cover the event of an inability to work as a result of illness. This shall cover loss of earnings at 80% from the first day of the illness for a duration of 720 days. The premiums shall be covered fifty-fifty by the employer and the employee.

*Note: It is not mandatory to take out sick leave insurance.*

## **8. General provisions**

The provisions of the Swiss Code of Obligations shall apply. Any changes or supplements to this contract must be made in writing in order to be valid.

Place, .....

.....

The employee:

The employer:

First name / surname

Association YX