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Wage & employment contract

You have found a job. Here's what you need to know.

Employment contract

If you are employed by an employer, you enter into an employment contract. Usually, the employment contract is drawn up in writing, but verbal contracts are also acceptable.

What is in the employment contract?

The employment contract sets out the terms and conditions of employment as well as the rights and obligations for both parties. At a minimum, the following items are included:

- your own name and the name of your employer
- the date on which the employment relationship begins
- the future function in the company
- the salary and possible wage supplements
- the weekly working hours
- the number of vacation days / *Ferien* ([🔗 that's what vacation days are called in Switzerland](#))
- the duration of the *Probezeit* ([🔗 Period of time with a short notice period so that you and your employer can find out at the beginning whether the job is a good fit.](#))
- the period of notice
- the end date for a fixed-term employment contract
- special regulations such as a non-compete clause or the regulation of overtime

Specific rules apply to certain sectors, which are set out in a national or regional *Gesamtarbeitsvertrag (GAV)* ([🔗 Contract that applies to an entire professional group](#))

Gesamtarbeitsvertrag (GAV) - Special industry contract

A **Gesamtarbeitsvertrag (GAV)** ([? Contract that applies to an entire professional group](#)) is a contract concluded between employers' associations and workers' associations/trade unions.

It specifies the minimum requirements, such as:

- the minimum wage
- 13. Monthly salary and compensation
- Continued payment of wages in the event of incapacity due to illness, maternity and military service
- Number of vacation days / **Ferien** ([? that's what vacation days are called in Switzerland](#))
- Working time regulations
- Extension of protection against dismissal

In Switzerland, such contracts exist in various industries, for example:

- Hospitality / Hotel Industry
- Retail (e.g. Coop, Migros)
- Building trade
- Hairdressing
- Bakery / confectionery
- Post & Post Finance

[↗](#) List of collective employment agreements (CLA) in the Canton of St.Gallen

Probezeit: Working during a trial period

During the **Probezeit** ([? Period of time with a short notice period so that you and your employer can find out at the beginning whether the job is a good fit.](#)), you and the employer are given 7 calendar days' notice. However, a shorter or longer period can also be agreed in the employment contract.

You can terminate the employment contract **at any time**, provided that the employer receives the notice of termination no later than the last day of the **Probezeit** ([? Period of time with a short notice period so that you and your employer can find out at the beginning whether the job is a good fit.](#)) . You do not have to give reasons for the termination.

Working hours

Your employment contract specifies how many hours per week you have to work. On average, people in Switzerland work 42 hours per week.

The law provides for a **maximum working time** per week:

- 45 hours in industrial companies as well as for office staff, technical staff and sales staff in large retail companies
- 50 hours for everyone else

If you work more than the contractually stipulated number of hours, but do not exceed the maximum weekly working hours, these additional hours are considered **overtime**.

Under what conditions do you have to work overtime?

Your employer may require you to work overtime if:

- overtime is necessary.
- the overtime is not overly physically and mentally demanding.
- working hours and daily rest periods are respected.

Even if you decide for yourself to work overtime, you must comply with these rules.

How is overtime compensated?

- Overtime must be compensated with a **wage supplement** of 25%.
- However, overtime can also be compensated for by **time off** of at least the same duration. This requires your consent and a written agreement between you and your employer.
- Executives with a management contract are generally not entitled to a salary supplement. This is regulated in the employment contract.

Are you unable to work?

If you are sick or injured, you will continue to receive your wages for a certain period of time.

In case of illness, the following applies:

If you are sick or if you do not feel well during pregnancy, you must inform your employer as soon as possible.

As a rule, you must submit a medical certificate of incapacity for work from the 3rd day of absence. Check with your employer to find out which regulation applies to you.

If you are only able to work a reduced workload due to illness or pregnancy, the doctor must indicate on the certificate of incapacity for work the maximum number of hours you can work per day or per week.

You will continue to receive your salary for a certain period of time.

In the event of an accident / injury, the following applies:

Inform your employer of your injury/accident as soon as possible, regardless of whether it happened during working hours or during your free time.

The employer must inform his insurance company immediately. They will send you a form in which you and your doctor must provide information about the injury/accident and your state of health.

In Switzerland, employers insure their employees against the consequences of injuries caused by accidents. From the 3rd day after the accident/injury, you will receive a [Taggeld \(Ⓢ Continued payment of wages if you are unable to work\)](#) equal to 80% of your salary.

The [Taggeld \(Ⓢ Continued payment of wages if you are unable to work\)](#) is paid regardless of whether the accident occurred at work (occupational accident) or during leisure time (non-occupational accident).

The only exception: if you are employed and your weekly working hours are less than 8 hours, then only accidents at work are insured.

Protection against dismissal:

During the period during which you are on sick leave, your employer is not allowed to dismiss you, but you can also submit your resignation during sick leave.

Termination of employment / dismissal

Both you and the employer have the right to terminate the employment relationship.

When terminating one's job, certain conditions must be met. It is stated in the employment contract if the notice of termination must be in writing. If not, a verbal notice of termination is sufficient.

Period of notice

If you wish to terminate the employment relationship, you must comply with the **notice period** agreed in the employment contract. If your employment contract or [Gesamtarbeitsvertrag \(GAV\)](#) ([? Contract that applies to an entire professional group](#)) does not contain a notice period, the following deadlines apply:

- during the probationary period on the job: 7 calendar days
- in the 1st year of employment: 1 month, termination possible at the end of each month
- from the 2nd to the 9th year of employment: 2 months, at the end of each month
- from the 10th year of employment: 3 months, at the end of each month.

A **fixed-term employment contract** ends automatically on the agreed date.

If you do not have a new job after the notice period has expired, you must **register as unemployed**.

Protection against dismissal in the event of illness / injury / accident

In the event of illness or accident/injury, your employer may not dismiss you. In these cases, there is protection against dismissal:

- 30 days in the 1st year of employment
- 90 days from the 2nd - 5th year of employment
- 180 days from the 6th year of employment
- during pregnancy and in the 16 weeks after birth.

In all these cases, the employer will have to wait until you come back to work. Only then is termination permitted.

Important: As an employee, you can also terminate your contract during a blocking period.

What happens in case of illness or injury/accident after the employer has dismissed you?

If you fall ill or have an injury/accident after being terminated by the employer, the notice period is interrupted as long as you are absent due to illness or accident. The deadline will continue as soon as you are able to return to work and will be extended until the next possible termination date (for example, until the end of the month).

Please note: if you have terminated your employment of your own accord, this blocking period does not apply.

Arbeitszeugnis: Employer's Reference / Certificate of Employment

When your employment ends, you will receive a certificate of employment or, usually, an [Arbeitszeugnis](#) ([? Evaluation / testimony of your work performance by the employer](#)). This will come in handy when you apply for a new job.

The [Arbeitszeugnis](#) ([? Evaluation / testimony of your work performance by the employer](#)) states:

- Start and end of the employment relationship
 - Your function and activities on the job
 - Your workload as a percentage
 - an assessment of the quality of your work
 - an assessment of your behaviour
 - Reason for issuing the [Arbeitszeugnis](#) ([? Evaluation / testimony of your work performance by the employer](#)) (dismissal, change of supervisor, new function, etc.)
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Counselling centres of trade unions and workers' associations

Unia trade union

Unia is the largest trade union in Switzerland. It is cross-sectoral and organises employees in industry, commerce, construction and the private service sector. Unia also runs the largest unemployment insurance fund in Switzerland.

[Answers from the Unia CLA Service](#)

Syna trade union

As a trade union, Syna represents workers from all kinds of professions in trade, service and industry. The advisors speak German, French, Italian, Spanish, Portuguese, Croatian and English.

[Syna Region Eastern Switzerland](#)

SGB Swiss Trade Union Confederation

20 trade unions have joined forces in the Swiss Trade Union Confederation and form the largest umbrella organisation for the interests of employees in Switzerland.

[SGB Topics](#)

Travail.Suisse

Travail.Suisse is the independent umbrella organisation of employees, to which 10 associations belong. These associations represent 150,000 members from a wide range of industries and areas of the private sector and the public service.

[Information and advice](#)

trade union syndicom

syndicom organizes employees in the mail, courier, express, parcel market (incl. logistics), mail, traffic and infrastructure, telecom, IT, call centers, telecommunications industry, graphic arts and packaging, book and media trade, press and electronic media and visual communication.

[free guide syndicom](#)

Hotel & Gastro Union

The professional organisation for the hospitality, hotel and bakery industries

[Hotel & Gastro Union](#)

Wage

You will receive a salary for the work you do.

Fair wages

If you want to know what the median salary is that is usually paid per month in Switzerland for a certain job, you can use the [national salary calculator](#). There are major differences between the cantons, so you may earn more in Zurich than in St.Gallen.

Minimum wage

In Switzerland, there is no minimum wage at the national level. The Canton of St.Gallen has also not defined a minimum wage. To this end, trade unions and employers' associations have negotiated minimum wages in some sectors. These can be found in the collective or standard employment contract.

In an international comparison, however, Swiss wages are generally high, even though there is no national minimum wage.

Equal pay

The Federal Constitution and the Equality Act require equal pay for men and women. This means that a woman and a man must receive the same salary for equal work.

Payroll Calculator

[National Payroll Calculator](#)

[Salarium - Statistical Salary Calculator](#)

Wage payment

Your employer usually transfers the salary payment to your bank or postal account at the end of each month.

As a rule, a **time wage** is agreed. The salary is determined according to the hours worked:

- Hourly wage
- Daily wages
- Weekly pay
- Monthly wage

The piecework wage

The piecework wage is directly based on the performance performed (e.g. piecework). The faster you work, the higher the wage per unit of time.

Payslip and salary statement

As an employee, you will receive a **pay slip** at the end of the working month. On it, you will see the details of your payslip.

The **salary statement** is a form that is intended for you as an employee. It provides information about the salary received. It includes all wage components, non-wage labour costs and social benefits.

Your employer is obliged to issue a salary statement every year. You will usually receive it at the end of January. If you have several jobs or have changed jobs in the course of a year, you will receive one salary statement for each job.

The salary statement is the most important document for the annual **tax return**.

Sample Documents

[Beispiel Lohnabrechnung](#)  PDF, 232 kB

[Beispiel Lohnausweis](#)  PDF, 696 kB

Social security

Social insurance offers people living and working in Switzerland protection against social risks.

Old Age and Survivors' Insurance (AHV)

In Switzerland, you are obliged to pay **AHV** (🔗 **this insurance covers old-age pensions as well as widow's, widower's and orphans' pensions**) contributions until you reach retirement age so that you can receive an old-age pension at a later date. These contributions are paid half by you and half by your employer.

Disability Insurance IV and Loss of Acquisition Compensation EO

In addition, you and your employer also pay a mandatory contribution for the **IV** (🔗 **this insurance pays for integration measures or cash benefits for subsistence if you become disabled**) and **EO** (🔗 **You will receive compensation in the event of a career break, e.g. during maternity, paternity leave or military or civilian service**) EO.

The agreed salary is a gross salary. Compulsory social security contributions are deducted from this:

8.7% for AHV

1.4% for IV

0.5% for PO


10.6 % total

In addition to this 10.6%, there is also the contribution to unemployment insurance.

Your employer takes care of everything: he deducts half of your contributions (5.3%) directly from your salary and transfers them to the **compensation office**.

Example of a monthly pay slip

Detailed information on social security

 [Social security](#)

 [Detailed information on all social insurance schemes](#)  [deutsch](#)

 [Social Security Contributions Calculator](#)

Accident insurance

In Switzerland, all people must be insured against accidents. Employers are obliged to insure all employees with accident insurance:

- If you are employed, you are registered with an accident insurance company through your employer. An insurance premium will be deducted from your salary. This also applies to people who work at home and to trainees.
- If you work less than 8 hours a week or are self-employed, you must take out accident insurance yourself. You can take this out as an add-on with your **health insurance**. Check your health insurance policy.
- If you are registered as unemployed and receive unemployment benefit, you are automatically insured with **Suva** (🔗 **Switzerland's largest accident insurance company**). The insurance premium is deducted from the unemployment benefit.

Family allowances

Employees and the self-employed can receive family allowances.

You must submit your application for family allowances at the following locations:

- as an employee: via your employer at the employer's Familienausgleichskasse FAK ([?](#) the compensation office regulates family allowances)
- if you are self-employed: at the Ausgleichskasse ([?](#) The compensation offices administer the Swiss social security system. You are responsible for paying out the benefits of these insurances) to which you are affiliated

Family allowances for employees

[Forms and leaflets of the FAK](#)

Family allowances for employed persons

[Information and forms of the SVA St.Gallen](#)

[Information on labour law](#)

Contact points

Find the right contact point, advice or authority in your area: [Contact points](#)

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