

WORK

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1. Legal basis

- **Employment Law ("ArG")**
- **Employment Contract Law (Swiss Code of Obligations "OR")**

The aim of the Employment Law is to ensure safety at work and thus to protect employees from dangers to their health. The law is applicable to all public and private operations, but particularly those in manufacturing, small business and trading.

In very general terms, the Employment Law regulates, in particular, working times (maximum weekly working times, overtime, rest times and breaks), night-work, work on Sundays, shift-work and round-the-clock operation, special protection for adolescent staff, pregnant mothers and mothers with small children, industrial operations and health protection.

The Employment Contract Law is regulated in the Swiss Code of Obligations ("OR"). It includes the individual employment contract, the apprenticeship contract, the employment contract for external sales staff, the home work contract, the collective labour agreement ("GAV") and the normal employment contract ("NAV"). All these contractual arrangements are a component of private law, but due to the strong influence of working arrangements on the personality are supplemented by compulsory stipulations. The freedom of the way in which a contract is structured is also limited by mandatory regulations set forth by the public authorities and which are contained in the Employment Law as well as the Vocational Education Law (BBG).

Links: www.dbk.ch

2. Individual employment contract

We look at the **individual employment contract** specifically here because this usually regulates the employment arrangements between the employer and the employee.

The individual employment contract should regulate the salary which the employee receives for his or her work, and the weekly working hours, the holidays, the duration of the contract and the periods of notice should be explicitly mentioned.

If a period of notice is not defined in the individual employment contract, the Employment Contract Law applies. This stipulates one month's notice in the first year of employment, two months from the second until and including the ninth year of service and three months from the tenth year of service onwards.

It is normal in Switzerland for a 13th month's salary or a bonus to be paid out at the end of a year. This should also be mentioned in the written individual employment contract. If the employee leaves the job during the course of a calendar year, the 13th month's salary is paid out pro rata for the months which have been worked.

The weekly working time is defined by the employer or by collective labour agreements for the relevant industry. For full-time employment, the weekly working time is between 40 and 45 hours. Holidays amount to a minimum of four weeks during a calendar year.

The retirement age is currently 65 for men and 64 for women.

Public holidays

The following public holidays are celebrated in the Canton of Zug:

1st January	New Year's Day
Friday before Easter	Good Friday
40th day after Easter	Ascension Day
In June	Corpus Christi
1st August	Swiss National Day
15th August	Assumption Day
1st November	All Saints
8th December	Immaculate Conception
25th December	Christmas

In the Canton of Zug, the 2nd January and 26th December are often taken as public holidays.

3. Work permit for foreigners

The gainful employment of foreign citizens who do not have a permanent residence permit C requires a formal permit or, in certain cases, at least notification to the responsible authorities.

EU/EFTA citizens

Applications by persons from the EU/EFTA territory (without the new EU-8 states) must be submitted to the **Department for Migration (Amt für Migration Zug "AFM")**.

From 1st June 2007, five years after the agreement with the EU regarding the free movement of persons took effect, the limitation on the number of residence and work permits for independent or employed activity for gain for citizens of the following countries has been abolished: Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Great Britain, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxemburg, Malta, the Netherlands, Norway, Portugal, Spain and Sweden.

Citizens of the new EU-8 states and non-EU/EFTA citizens

Applications for work permits for non-EU/EFTA citizens as well as those of the new EU-8 states must be submitted to the **Department for Business and Employment (Amt für Wirtschaft und Arbeit ("AWA"))**.

Offices: Kantonales Amt für Ausländerfragen Zug (KAFA), Verwaltungsgebäude 2, Aabachstrasse 1, Postfach 857, 6301 Zug, Tel. 041 728 50 50
Amt für Wirtschaft und Arbeit (AWA), Verwaltungsgebäude 1, Aabachstrasse 5, Postfach, 6301 Zug, Tel: 041 728 55 20
Bundesamt für Migration, Quellenweg 6, 3003 Bern-Wabern, Tel: 031 325 11 11

Links: www.zug.ch/kafa
www.zug.ch/awa
www.bfm.admin.ch

Arbitration office for employment disputes

For disputes regarding rights and obligations under employment contracts and which cannot be resolved in discussion between the employee and the employer, there is a cantonal arbitration office which attempts to settle the differences.

This arbitration office deals with disputes arising from the employment contract in accordance with **Art. 319 et seq.** of the **Swiss Code of Obligations** before the matter is taken to court.

Claims arising from the employment contract must be submitted in writing to the chancellery of the cantonal court for the attention of the arbitration office. That office will then immediately summon the parties to a conciliation meeting. The mediators handling the dispute will submit a proposed settlement to the parties. If the meeting results in mutual agreement and settlement of the dispute, it is deemed to represent a court settlement. If not, a claim will have to be lodged with the cantonal court. The process at the arbitration office is basically free of charge.

If the claim exceeds CHF 50,000, proceedings can be instituted immediately at the cantonal court.

Link: www.zug.ch/recht/144_60.htm

5. Unemployment and job search

Unemployment insurance

If an employed person loses his or her job, there is a time-limited claim to unemployment compensation ("ALV"). On the other hand, sole proprietors of a business have no claim to unemployment benefits because they are deemed to be self-employed. All employees and their employers who have to pay social security premiums ("AHV") also have to contribute to the unemployment insurance. The employee and the employer pay half each, whereby the employee's half is deducted from his or her salary. The employers pay all the social security and unemployment insurance premiums to the so-called "Compensation Fund".

Those people who lose their jobs are obliged to search for new employment from the date on which they receive notice of termination so that their efforts to find alternative employment can be evidenced before they claim benefits. In order to stake claims for payment from the unemployment insurance, the unemployed person must register with the municipal employment office of the place in which he or she lives on the first day after expiry of the period of notice at the latest.

For this purpose, the following documents are required: the social security card, the employment contract (if available), the letter giving notice and the work/residence permit.

Under the mandate of the Economic Department of the Canton of Zug, the **Association for Employment Market Measures (Verein für Arbeitsmarktmassnahmen ("VAM"))** provides **regional job centres ("RAV")** and programmes which help unemployed people to find their way back into the employment market.

Pro Arbeit is a contact point for unemployed people. Apart from a club-room, a lunchtime get-together and a PC training room, advice is also offered and support given for all matters regarding the search for new employment. Access to the services provided by Pro Arbeit depends upon membership of the organisation.

Further aids in the search for employment:

The **Zuger Amtsblatt** is available from kiosks in the Canton of Zug and the wider agglomeration or by subscription. It appears once a week, on Fridays.

The "Zuger Zeitung" newspaper publishes job advertisements on a daily basis. For a search in other cantons too, the "Neue Zürcher Zeitung NZZ" provides an additional job advertisement supplement on Wednesdays and Saturdays, and the "Tagesanzeiger" on Tuesdays and Thursdays.

Offices: Arbeitsamt der Wohnsitzgemeinde
Arbeitslosenkasse des Kantons Zug, Industriestrasse 24, Postfach 857, 6301 Zug, Tel. 041 728 37 40
Verein für Arbeitsmarktmassnahmen VAM, Hertizentrum 6, Postfach, 6303 Zug, Tel. 041 728 25 77
Regionales Arbeitsvermittlungszentrum RAV, Hertizentrum 6, Postfach, 6303 Zug, Tel. 041 728 25 88
ProArbeit, General-Guisan-Strasse 22, 6300 Zug, Tel: 041 711 78 14

Links: www.zug.ch/alk
www.proarbeit-zug.ch
www.zug.ch/vam
www.stellenzug.ch
www.jobsuchmaschine.ch
www.stellenlinks.ch