

Unit4

Employment

Topics: work contract terms and conditions, duties & rights

Skills: analysing charts, making appointments, inquiry, providing information, giving advice, writing a letter of inquiry, writing short summaries

Work Contract: Duties, rights, benefits

Before signing the **work contract**, applicants negotiate details of employment with their future employer such as main responsibilities, basic salary, working hours, days off etc. Successful negotiations result in reaching agreement and drawing up the contract. Employment relationship is established between the two parties by a written **employment contract**. On the one end stands the employer while on the other other end stand the employee who is employed by the employer. Once it has been signed, the work contract is **legally binding** and it can be modified only by mutual consent of the parties. The terms of the contract set out duties and rights for both parties.

Finding employment in another EU country can be quite complicated due to legal differences and language barriers. The **EU Labour Law** only sets minimum standards within a legal framework through various **EU employment directives** concerning working time, discrimination, dismissal, health and work safety, information, data protection etc. which have to be followed by the member countries. The main problem is that the result of a directive is binding but the method of its implementation is the choice of the individual Member State. To put it simply, it is up to the countries which methods they use to achieve these standards. As a result, labour law, employment practices and regulations differ from country to country within the EU. To avoid further misunderstanding, it is advisable to have work contracts reviewed by a lawyer with experience in international employment issues. Employers also have the right to ask for a written translation of the employment contract.

The **employment contract** generally covers the following points:

- employer's and employee's data
- **employment status**: (employee, worker, work on assignment, outsourcing employment, simplified employment for seasonal work in the agricultural and tourism sectors, employment hiring out/leasing, paid internship, free-lance status, self-employed/sole proprietor status, teleworking, job sharing)
- date of the commencement of employment
- **probationary period** – new employees are usually put on probation for a certain time, after the probation period they are appointed if they met the work expectations
- period of employment (fixed-term, unfixed term)
- **working time** (full-time, part-time, flexible, overtime, shift-work, working on duty, limited working hours for lorry drivers, TOIL - **time off in lieu**; compensatory time; or comp time refers to a type of work schedule arrangement that allows (or requires) workers to take time off instead of, or in addition to, receiving overtime pay.
- minimum rest break, daily/weekly minimum rest
- place of work (work premises)





- **work description**/work profile (main responsibilities, duties)
- **remuneration** (base wage –not lower than the minimum wage, paid holiday, paid sick leave, **paid time off** (PTO), downtime, commission, paid overtime)
- frequency of payment (how often payment is made: wages –weekly, salary - monthly)
- car mileage, travel/commuting allowance
- bonus
- profit sharing
- capital share/stock buy options
- fringe benefits/perks (cafeteria benefits, in-kind payment)
- pension
- employment termination, period of notice, severance pay.

zero-hour contract on stand-by time, on-call time and downtime is a recent type of contract under which an employer does not guarantee the employee a fixed number of hours per week. The employee is expected to be on-call and get paid only for hours worked. In the United Kingdom, under the National Minimum Wage Regulations (1998), workers operating under a zero hour contract must be paid the national minimum wage. Similarly, this amount of time spent on premises of the company counts as working time if the worker has to be on-call at the place of work.

Exercise 1: read the following definitions carefully and try to find out which employee status they define.

- A person working partly or totally from the comfort of his/her home.....
- A new employee spending probation time at the company.....
- A teacher working full time at primary school.....
- A baker running his/her own bakery shop.....
- A lawyer working for clients.....
- A receptionist working in a skiing resort only in winter.....
- An undergraduate student working as an intern for a multinational company.....
- A jobseeker leased through the employment agency for a month to a local company.....
- A manager relocated by his/her company abroad for some years.....

Exercise 2: what type of working hours do the following jobs require in your country?

- nurse working in hospital.....
- free-lance translator teleworking.....
- truck driver working for a forwarding agency.....
- shop assistant sharing a job with another colleague.....
- managing director of a company.....
- office workers staying in longer
- people working on stand-by time.....
- estate agent.....
- firefighter.....
- social worker dealing with homeless people.....
- a mother with a one-year old child working four hours a day in an office which offers nursery care for its workers.....



Speaking

Dialogue1: Employment negotiation with the employer

Role A: You are Ana/Darko Maric, applicant for a receptionist position at a four star seaside hotel in Croatia. The hotel management has chosen you for the vacant position. Now you are negotiating the details of your future employment. Act out your role according to the following instructions:

- thank the employer for choosing you
- you are still employed at another company, the termination period will end in 3 weeks' time
- ask about and how long the probation period will take
- ask about your duties at work
- explain that you have to commute to work and ask how your travel expenses will be compensated
- accept the salary offered in the job advertisement

Your partner will start the conversation.

Role B: You are the hotel manager of a four star seaside hotel in Croatia. You have advertised a receptionist position and you are meeting the candidate who have been chosen by the hotel management. You are negotiating the details of his/her employment. Act out your role by considering the points below:

- inform the applicant that the hotel management's choice
- ask when he/she could take up work at the hotel
- the applicant will be put on a three months' probation time
- tell him/her about employment term (indefinite) and the working hours (morning/afternoon shift, rest days, overtime payment, work on national holidays)
- explain his/her duties at work (feel free to use the various verb patterns given in the 'supplementary information' section!)
- the hotel pays car mileage and compensates only the commuting costs by means of public transport, you can offer a car-sharing opportunity as the staff shares two company cars.
- mention some fringe benefits (lunch voucher, meals on duty, free use of the recreational facilities of the hotel, free language course for employees, holiday vouchers)
- ask if he/she agrees with the payment offered in the job advertisement

You will start the conversation.



Supplementary Information:

Duties & Obligations: tips for work description

You **have (got) to** work in the front-line area.

You **are supposed to** work in three shifts.

You **are expected to** be polite and patient with the hotel guests.

You **are required to** follow the dress code of our hotel.

You are to work in a rota system of 5 days out of 7 on a shift pattern of 7am-3pm or 3pm-11pm.

You are **in charge of** answering phone calls.

You **are responsible of** checking guests in and out.

It is your duty to deal with online bookings.

English and German knowledge are a **must**.

Dialogue 2: Cafeteria system

Role A: You are Barbara Meier, a newly employed paediatric nurse working in an English hospital. You are meeting the HR manager of the hospital to discuss what benefits you will be entitled to. Act out your role in the given situation:

- greet the HR manager, introduce yourself and ask about fringe benefits
- ask which types of benefits you are entitled to
- choose at least three items
- ask if you can change any of the items later on after signing the form
- say that you would like to think it over and ask for a brochure before you leave

You are starting the dialogue.

Role B: You are the HR manager of an English hospital. You are meeting a newly employed paediatric nurse. Inform her about the fringe benefits the hospital can offer her. Play your role and give the necessary information:

- tell her about the sum she is entitled to (overall cafeteria limit is EUR)
- inform her which types you can offer:

in-house sports facilities (tennis-court, gym), meals on duty, meal vouchers, work bus for employees, free accommodation in the nurse hostel, low-interest loan, free work clothing, discount on medicine, free health insurance, dental health, free life insurance

- ask her to choose the items she would like to get in her cafeteria package
- ask her to fill in the form
- tell her that her selection will apply to the whole financial year and she cannot change the package earlier than in a year
- tell her to take her time and ask her to return the form within a week to you

Your partner is starting the dialogue.



Dialogue 3: asking the accountant about the pay slip in the UK

Role A: You are Rózsa/Roland Nagy, You have joined a company recently and received your first pay slip. You would like to know how your payment is set up. You are visiting the company accountant in her office and asking for information:

- ask the accountant to explain you how your payment is set up
- ask what supplements you are entitled to
- contributions you have to pay

You will start the conversation.

Role B: You are responsible for payrolls as the company accountant. A new colleague is visiting you to inquire about payment calculations. Help her and give her the necessary information:

- offer your help, show her your pay slip
- tell her about her base salary
- tell her to what supplements she is entitled to
- tell her about the deductions for compulsory contributions

Use the pay slip sample in the Appendix.

Your partner will start the conversation.

Dialogue 4: comparing compulsory contribution-related country practices

Role A: You are Mira/Miroslav Stolar, a clerk in charge of international employment at the local employment office in Varasd, Croatia. You are calling your Hungarian colleague to inquire about the recent changes in the Hungarian social contribution payment schemes. Act out your role according to the following instructions:

- say that you have heard about the recent changes in the Hungarian labour affairs
- ask for information about contributions paid by employees in Hungary

You are starting the phone call.

Role B: You are Helga/Henrik Nagy, a clerk in charge of international labour affairs at the local employment office in Zalaegerszeg, Hungary. A Croatian colleague is calling you to get some information about the latest news on social contributions in Hungary. Act out your role according to the following instructions:

- tell her about the changes in 2012
- explain the new contribution system to your colleague
- ask your colleague to make some comparisons between the Croatian and Hungarian systems

Your partner is starting the phone call.

Hungarian contribution scheme:

Contribution payable by employee:

- Pension Contribution **10 %**
- Health insurance and labour market contribution:
 - In-kind health insurance contribution **4%**
 - Cash health insurance contribution **3%**
 - Labour market contribution **1.5%**

TOTAL 17.5 %

Social contribution tax paid by employer: 27%

- 24% pension insurance contribution
- 3% social security, healthcare and employment contribution

Croatian contribution scheme:

Employer (%)	Employee (%)
Pension contributions	15+5
Health insurance 15	
Special health insurance against work-related accidents 0,5	
Employment contributions 1,7	
Total contributions	17,2 20

Work Contract:

Interpreting skill development

In many cases SME employees and employment agents have to deal with legal texts written in English. For instance, a jobseeker would like to find employment in an EU country and has to understand the legal documents e. g. work contract written in English or a third-country citizen would like to be employed in your country and asks for the English translation of the work contract.

Exercise: please read through the following work contract template and try to translate it into your language.

Sample contract of employment

Statement of main terms and conditions of employment

Employer's name:

Employee's name:

Date of commencement of employment:

Main place of work: *(insert your address)*

Job title: Personal Assistant

Duties and responsibilities:

As set out in the job description. The employer may require you to carry out other reasonable duties as required.



Probationary period:

There will be a probationary period of (**usually three months*). At the end of this period the position will be reviewed and if satisfactory the continuation of your employment will be confirmed. During the probationary period either party can terminate employment by giving one week's notice.

Hours of work:

Your hours of work will be

(Insert number of hours) weekday hours

(Insert number of hours) weekend hours

(Insert number of sleepovers if required) sleepover(s)

There is a need for the employee to be flexible and these hours may be changed as required according to the employer's needs. Under these circumstances, where hours need to be changed or additional hours worked, the employer will give as much notice as possible.

Lateness:

If you are going to be more than 10 minutes late you are required to contact the employer as soon as possible but at the very latest 30 minutes before you are due to start work

Salary:

As an hourly paid employee, your salary will be £(*insert weekday hourly rate before NIC or Tax deductions*) for weekdays, £(*insert weekend hourly rate before National Insurance Contributions and Tax deductions*) for weekends and bank holidays and £(*insert rate for sleepover before National Insurance Contributions and Tax deductions*) for sleepovers. Your salary is payable (*insert either monthly or weekly*) and will be paid on (*insert date of salary payment. If monthly it could be the third working day of the month or last Friday in the month for example. If weekly insert day of payment*) by (*insert direct payment into your bank/cheque/cash*).

The employer will deduct National Insurance and Income Tax as required by law. The employer may also deduct any overpayment of wages or holiday entitlement.

Pensions:

There is no pension scheme available with employer's contributions however if you are eligible you may be offered access to a Stakeholder Pension scheme.

Time sheets:

You will be required to complete a (*insert either monthly / weekly depending on payment of salary*) signed time sheet and submit this to the employer on (*insert day of the month or week giving time to work out wages or send to payroll agency to ensure wages can be paid on the given date*).





Holiday entitlement:

The holiday year is from (*insert holiday year – usually either 1st January – 31st December or 1st April – 31st March*). Your holiday entitlement must be taken during this period. Payment will not be made for any unused holiday and these cannot be taken into the next holiday period.

The full amount of your holiday entitlement is (*insert number of weeks and days – 5.6 days is the minimum legal requirement*) per year pro-rata per completed months employment. One week being the equivalent of weekly hours worked.

Bank holidays may be booked as holidays or will be paid at the weekend rate.

Holidays must be agreed with the employer at least (*insert how many weeks – four weeks is usual*) in advance. You may not take more than (*insert number of days – 10 days is the usual*) working days consecutively without the employer's prior written consent.

Should you leave employment and you have exceeded your holiday entitlement then this will be deducted from your final pay packet. If holiday entitlement is owed you will be paid for the outstanding entitlement.

(Take out if this is not appropriate) If it is agreed that you will accompany your employer on holidays as part of the required support, this time will be counted as working hours and you will not be expected to use your holiday entitlement.

Sick leave:

If you are ill and unable to attend work you should inform your employer as soon as possible to enable other arrangements to be made.

You will be entitled to Statutory Sick Pay (SSP) on production of an Employee's Statement of Sickness (form SC2) which must be completed for sick leave of more than three days or a medical certificate for sick leave of more than seven days. These forms must be sent directly to your employer.

Termination of employment:

During the probationary period either party requires one week's notice.

Up to two years of continuous employment you will be given one week's notice.

After two years continuous service you will be given one additional week's notice for each completed year up to a maximum of 12 weeks' notice.

After satisfactory completion of your probationary period you are required to give (*insert one month or four weeks*) notice in writing irrespective of length of service.

The employer reserves the right to pay your basic salary in lieu of notice instead of requesting that you work your notice period. In these circumstances you may not be employed by any other person or company whilst receiving pay in lieu of notice.

The employer reserves the right to dismiss you without notice in cases of serious breach of the terms of your employment, gross misconduct or gross negligence by you.





Confidentiality:

All information regarding the employer, the employer's family and the employer's domestic or personal circumstances is strictly confidential and cannot be discussed with a third party without the Employer's specific permission, or in an emergency situation.

The employer will hold personal information about you as personnel records. The employer will abide by the Data Protection act and disclose this information only to the relevant third parties e.g. HM Revenue and Customs.

Grievance procedure:

If you have a grievance you should comply with the grievance procedure. For more information contact ACAS on 08457 47 47 47 or see their Grievance procedure guidance on www.acas.gov.uk/index.aspx?articleid=820

Disciplinary procedures:

Minor problems will be dealt with and resolved informally.

In cases of more serious problems, depending on the seriousness of the breach of terms and conditions of contract or conduct and performances of your duties, one of the following disciplinary actions may be taken.

- A verbal warning which will be confirmed to you in writing and recorded in your personnel file for a period of (six months is usual, but you must specify).
- A first written warning, which will be confirmed to you in writing and recorded in you personnel file for a period of (12 months is usual, but you must specify).
- A final warning which would be confirmed to you in writing advising that further misconduct could lead to dismissal and recorded in your personnel file for a period of (12 months is usual, but you must specify).

Dismissal:

In case of gross misconduct there will be no period of notice given. If you are in your probationary period or first year of employment, only one warning is required before dismissal.

Before any of these actions are taken you will receive a letter setting out the details of the alleged misconduct and inviting you to a meeting to discuss the matter. You will have the right to be accompanied to the meeting by a work colleague or a trade union representative. After the meeting you will be informed if any further action will be taken. You have the right to appeal but must do so within 10 working days of receipt of the notification of the decision.

Extra terms:

Garden Leave

A garden leave clause is highly desirable where an employee has access to sensitive information. It permits the employer to require an employee who is leaving employment to serve out his or her period of notice away from the employer's premises thereby keeping sensitive and valuable information (such as client lists) out of reach.



Confidentiality

Employers need protection if employees have access to intimate trade secrets and other confidential information that could be extremely damaging in the wrong hands, such as those of a competitor. The protection of such information and a prohibition on it ever being revealed is essential in such circumstances. However, employers must be specific when detailing the nature and identity of the information this obligation will extend to.

Restrictive Covenants

Restrictive covenants are used to prevent employees from competing or from going to a competitor for a certain period following the termination of their employment. The restrictions may also extend to an employee soliciting or dealing with other employees, clients and/or suppliers for a specific period after his or her employment has ended. However, to be capable of being enforced these clauses must not be unreasonable or unduly restrictive. Factors such as the length and geographical extent of the restriction are relevant to the issue of enforceability. The use of these clauses are particularly pertinent to sales staff and other key employees.

Intellectual Property

If employees are involved in the design, invention or creation of new ideas or products, it is advisable to ensure that the copyright, design right or trademark in such ideas or creations are expressly transferred/reserved for the benefit of the employer.

Motor Car

Employees who have the benefit of a company car should be provided with details of how the benefit operates. Consideration should be given to whether private petrol is to be paid, whether private journeys are allowed, and whether family members are allowed to drive the car.