

# **Collective Employment Contract**

**for commercial and commercial-technical  
employees and sales personnel in  
the retail trade**

Valid as of 1 January 2023

**Important Note:**

**This is a translation of the binding German version; in the  
event of a dispute, only the German version is legally valid.**



# Good reasons for the Collective Employment Contract

The value of a culture of dialogue and mutual willingness to engage in discussion cannot be overestimated.

## Win-win situations

The Kaufmännischer Verband Zürich as the employees' association and Arbeitgeber Zürich VZH as the employers' association represent the interests of their respective members. The fields of interest and the negotiating positions are clear. If constructive solutions can be found collectively on the basis of positive long-term relationships, win-win situations for employees and employers arise.

## Dependable operating conditions

The Collective Employment Contract is binding for a specific period, and can therefore offer the security needed for forward-looking action. The Collective Employment Contract protects and stabilises the business location. The Collective Employment Contract helps ensure order and legal certainty. The solving of crises and interventions are regulated and institutionalised in partnership.

## A high degree of flexibility

Social partners are flexible and can amend and adapt the Collective Employment Contract autonomously and rapidly to new developments. By contrast, revisions of a statute and their implementation require a lot of time.

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# Preamble

### In order:

- to establish modern working conditions and to maximise legal certainty for employees and employers;
- to contribute towards the interests and further development of a competitive business location which is attractive for companies and employees alike;
- to promote responsible, sustainable social welfare as well as self-regulating action of employees and employers;
- to nurture and promote cooperation and dialogue based upon trust and respect between the social partners in accordance with the principle of good faith;
- to support the continuing vocational education and training of employees, and specifically to continue promoting, strengthening and developing the dual educational system;

the Kaufmännischer Verband Zürich as the employees' association and Arbeitgeber Zürich VZH as the employers' association (together "**the Contracting Parties**") conclude the following Collective Employment Contract:

## General Provisions

### 1. Purpose

In the interest of employers as well as of commercial and commercial-technical employees and sales personnel in retail trade, hereinafter called "employees", this Collective Employment Contract aims at

- maintaining and furthering good relations between employers and employees,
- establishing modern employment relationships,
- strengthening cooperation between the social partners.

## General Provisions

The Contracting Parties strive to ensure that the provisions set forth in this Collective Employment Contract are complied with.

### **2. Scope of Application**

This Collective Employment Contract regulates the employment relationships between employers who are members of Arbeitgeber Zürich VZH and have not declared in writing that they are not subject to this Collective Employment Contract on the one hand, as well as the trained commercial and commercial-technical employees, the trained retail sales personnel and the academically trained employees of all faculties employed by these employers on the other hand.

Employers who are members of Arbeitgeber Zürich VZH have the option to declare in writing by 31 March with effect as of 30 June or by 30 September with effect as of 31 December, respectively, that they are not subject to this Collective Employment Contract (opt out). Employers who are members of Arbeitgeber Zürich VZH may declare anytime in writing that they are subject to this Collective Employment Contract (opt in).

During the first three months of their membership, new members of Arbeitgeber Zürich VZH may declare in writing that they are not subject to this Collective Employment Contract with effect from their joining Arbeitgeber Zürich VZH (opt out).

The office of Arbeitgeber Zürich VZH shall maintain a register of its members who are not subject to this Collective Employment Contract. The Kaufmännischer Verband Zürich shall be provided with an updated list by 30 June and by 31 December of each calendar year, which has been updated with effect as of 1 July or 1 January respectively, of the members that are subject to as well as of those that are not subject to this Collective Employment Contract.

Employers who are members of Arbeitgeber Zürich VZH and who on the basis of their written declaration are not obliged to adhere to this Collective Employment Contract are recommended to adhere, in general terms, to the employment

## General Provisions

conditions contained in this Collective Employment Contract insofar as no other collective employment contract is applicable.

Employees who, based on their educational training, can neither be classified as commercial or commercial-technical employees nor as sales personnel in retail trade, but who have fulfilled the respective duties independently for a minimum of two years, shall be treated equally.

The provisions of this Collective Employment Contract shall also apply to reduced levels of employment.

### **3. Duty to Preserve Good Industrial Relations**

The Contracting Parties recognize the importance of good industrial relations and commit themselves to unconditionally preserve these and, if necessary, to influence their members accordingly. For the duration of this Collective Employment Contract, they shall refrain from any feuding, also with regard to questions which are not covered by this Collective Employment Contract. This ban does not include objective reports without reproaches.

The unlimited duty to preserve good industrial relations also applies to individual employers and employees.

Disagreements shall be settled by direct negotiations between the Contracting Parties or by the Joint Commission (cf. article 5).

### **4. Employees' Representations in the Company**

The Contracting Parties strive to further mutual good understanding and cooperation in the company between employers and employees and their representatives.

Their duties include, in particular, monitoring of compliance with and adherence to the Collective Employment Contract as well as supporting in-house training and the employees' continuing education.



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The members of employee representations enjoy a position of trust committing them to act in good faith. On the other hand, they shall not be disadvantaged for properly exercising their activity.

The appointment, activity and powers of employees' representations are governed by the Participation Act ("MWG").

### 5. Joint Commission

For the implementation of this Collective Employment Contract and for furthering cooperation, a Joint Commission shall be appointed. This Commission shall comprise of an equal number of employer and employee representatives appointed by the Contracting Parties. The chairmanship shall alternate between an employee and an employer representative.

The Contracting Parties commit themselves to discuss basic issues concerning employer-employee relations in the Commission when such issues are raised by a Contracting Party.

In the case of disagreements concerning the interpretation of the Collective Employment Contract or in the case of an alleged violation by a Contracting Party, reconciliation shall be sought in the Commission.

Disputes arising from individual employment contracts between employers and employees shall be settled by direct negotiations between the parties involved. Secondly, the ordinary court shall decide.

### 6. Court of Arbitration

For the settlement of disputes arising out of this contract, the Contracting Parties shall be submitted to a court of arbitration which shall have the final decision. The court of arbitration shall consist of the president and of two arbitrators appointed by each of the Contracting Parties.

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The president shall be elected by the arbitrators elected according to paragraph 1, whereby unanimity is required. If no agreement can be reached, the president shall be appointed by the President of the Court of Appeal of the Canton of Zurich.

The president may conduct an oral arbitration procedure. In other respects, the Code of Civil Procedure ("ZPO", articles 353 et seq.) shall apply.

## Beginning and Termination of Employment Relationship

### 7. Conclusion of Employment Contract

The employment relationship shall be governed by an individual employment contract. The provisions of this Collective Employment Contract shall be observed. It is recommended to conclude the contract in writing.

### 8. Probation Period

If the employment relationship is not entered into for a limited period of time, the first month shall be deemed to be the probation period according to article 335b of the Code of Obligations unless otherwise agreed upon in writing. The probation period may not exceed three months.

In case the probation period is shortened due to illness, accident or performance of a legal obligation which is not voluntarily assumed, the probation period shall be prolonged accordingly.

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### 9. Notice of Termination

- 9.1. The following notice periods shall be observed for the notice of termination:
- during the probation period, seven days, effective at the end of a working week;
  - after termination of the probation period or if the probation period has been waived by written agreement:
    - during the first year of service with a notice period of one month, effective at the end of the month following the notice of termination,
    - from the 2nd through the 9th year of service with a notice period of 2 months, effective at the end of the second month following the notice of termination,
    - as of the tenth year of service with a notice period of 3 months, effective at the end of the third month following the notice of termination.

These notice periods may, by written agreement, be extended or shortened but not to less than one month.

If employers terminate the employment relationship and if employees are entitled to paternity leave in accordance with article 329g of the Code of Obligations before the end of the employment relationship, the period of notice of termination shall be extended by the number of days of paternity leave not yet taken.

- 9.2. The party giving notice shall, upon request of the other party, state the reasons in writing.
- 9.3. The notice of termination shall reach the party being given notice of termination at the latest on the last day of the month in which the notice is being given. If it is being given in writing, which is recommended, it is not sufficient to give it to the post office on the last day of the month the notice is being given (the date of the postmark is not the determining factor).

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9.4. No differing notice periods for employers and employees may be agreed. In case of an agreement to the contrary, the longer period shall apply to both parties.

9.5. Unless otherwise agreed upon, the employment relationship is not automatically terminated when the employee reaches the age of entitlement to retirement benefits (AHV/AVS).

9.6. Abuse of Termination Notice

The notice of termination of the employment relationship is wrongful, according to article 336 of the Code of Obligations, if it is given by a party:

- a) because of a quality inherent in the personality of the other party, unless such quality relates to the employment relationship or significantly impairs cooperation within the enterprise;
- b) because the other party exercises a constitutional right, unless the exercise of such right violates a duty of the employment relationship or significantly impairs cooperation within the enterprise;
- c) to solely frustrate the establishment of claims by the other party arising out of the employment relationship;
- d) because the other party in good faith asserts claims arising out of the employment relationship;
- e) because the other party performs compulsory Swiss military or civil protection service or Swiss civil service or a legal duty not voluntarily assumed.

Furthermore, the notice of termination of the employment relationship by the employer is wrongful if it is given:

- a) because employees belong or do not belong to an employee association, or because they lawfully exercise a union activity;
- b) during the period employees are elected employee representatives in a company institution or in an institution affiliated thereto and if employers cannot prove that they had a justified motive for the termination;
- c) in connection with a mass dismissal without prior consultation with the employees' representative body or, if there is none, the employees.

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The protection of an employee representative according to paragraph 2, subparagraph b whose mandate ends because of a transfer of the employment relationship shall last as long as it would have lasted if the employment relationship had not been transferred.

- 9.7. The party wrongfully giving notice of termination of the employment relationship shall pay compensation to the other party according to article 336a of the Code of Obligations.

The compensation shall be determined by the ordinary court considering all circumstances. It shall, however, not exceed the employee's wages for six months. Claims for damages based on any other legal grounds remain reserved.

If the notice of termination is wrongful according to article 336, paragraph 2, subparagraph c, of the Code of Obligations the compensation may not exceed the employee's wages for two months.

- 9.8. Who, based on articles 336 and 336a of the Code of Obligations, want to assert his or her claim for compensation shall file a written objection to the termination with the party who gave notice of termination no later than by the end of the notice period. The objection must be received by the party giving notice by the end of the employment relationship, at the latest (the postmark is therefore not the determining factor).

If the objection is validly made and if the parties cannot agree on a continuation of the employment relationship, the party who has received notice of termination may assert his or her claim for compensation. The claim is forfeited if no legal action is taken within 180 days after the employment relationship has ended.

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### 9.9. Termination without notice

With good cause, employers as well as employees may terminate the employment relationship at any time without notice. The terminating party shall justify the termination of the contract in written form if so requested by the other party.

Good cause is deemed to be, in particular, any circumstance under which, if existing, the terminating party may in good faith no longer be expected to continue the employment relationship.

The ordinary court shall decide at its own discretion on the existence of such circumstances. In no case, however, shall it consider the fact that employees are prevented, with no fault of their own, from performing work to constitute good cause.

If employers dismiss employees without notice in the absence of good cause, the latter shall have a claim to compensation for what they would have earned if the employment relationship had been terminated by observing the notice period or until the expiration of the fixed agreement period.

Employees must accept a set-off against this amount for what they saved because of the termination of the employment relationship, or for what they earned from other work or for what they intentionally failed to earn.

According to article 337c, paragraph 3, of the Code of Obligations, the ordinary court may oblige employers to pay compensation to employees which the court may determine at its discretion, taking into account all circumstances. Such compensation may not, however, exceed the employee's wages for six months.

### 10. Protection from Termination by Notice

Upon expiration of the probation period, employers, according to article 336c of the Code of Obligations, may not terminate the employment relationship:

- a) during the other party's performance of compulsory Swiss military or civil protection service or Swiss civil service, and, in case such service lasts more than eleven days, during the four weeks prior to and after the service;
- b) during the period that employees are fully or partially prevented by no fault of their own from performing their work due to illness or accident for 30 days in the first year of service, for 90 days as of the second year of service until and including the fifth year of service, and for 180 days as of the sixth year of service;
- c) during pregnancy and during the 16 weeks following delivery of a female employee;
- c<sup>bis</sup>) before the end of the prolonged maternity leave according to article 329f, paragraph 2 of the Code of Obligations;
- c<sup>ter</sup>) for as long as the employee is entitled to carer's leave under article 329i of the Code of Obligations, but for no longer than six months from the day on which the period within which to take the leave begins;
- d) during the employee's participation, with the agreement of the employer, in a foreign aid service assignment abroad ordered by the competent federal authority.

Notice given during one of the prohibited periods in paragraph 1 shall be void.

If, however, notice is given prior to the beginning of such period and if the notice period has not expired prior to such period, the expiration shall be suspended and shall continue only after termination of the prohibited period.

If a final date is fixed for the termination of the employment relationship, such as the end of a month or of a working week, and if such date does not coincide with the end of the continued notice period, the notice period shall be extended until the next following final date.

# General Rights and Duties

## 11. Continuing Vocational Education

- 11.1. After one year of service at the latest, all interested employees shall, upon request, be given the opportunity to attend qualified in-house or external continuing vocational training or to train for tasks in professional associations and company commissions during at least five paid working days. The same shall apply for language trips abroad of apprentices, beginning from the commencement of the apprenticeship. In the case of reduced levels of employment, the paid working days may be reduced accordingly. Instead of working hours, employees may be granted an equivalent sum for the cost of the aforementioned vocational training. The professional training as well as the time of attendance shall be fixed with due consideration of the interests of the employer and the employee. Employees shall provide evidence of the attendance at the agreed vocational training; employers shall, upon request of the employees, confirm the attendance at in-house vocational trainings.
- 11.2. For federal and higher vocational examinations (i.e. examinations for federal diplomas or diplomas of higher educational schools and universities) up to four additional free days shall be provided without deduction of pay, if the examinations take place during working hours.
- 11.3. It is recommended for employers to determine an annual budget for continuing vocational education and record the mutual rights and duties regarding the continuing vocational education in an individual agreement.



## Employment Contract Provisions

### **12. Exercise of Public Office**

The consent of the employer is required for the exercise of a public office, to the extent the employment relationship is affected thereby. Such consent may only be denied for valid reasons. The continuation of wage payment for the working time loss is governed by article 25.

### **13. Duty of Care and Loyalty**

Employees shall carefully perform the work assigned to them, and loyally safeguard the employers' legitimate interests.

They shall operate the employers' machinery, tools, technical equipment, installations, and vehicles in a professional manner, and handle them carefully, as well as any materials given to them for the performance of their work.

During the employment relationship, employees may not perform work against remuneration for third parties to the extent such work violates their duty of loyalty, or, in particular, to the extent it competes with their employers.

In the course of an employment relationship, employees may not make use of or inform others of any facts to be kept confidential, such as, in particular, manufacturing or business secrets that come to their knowledge while in their employers' service. Also, after termination of the employment relationship, they shall continue to be bound to secrecy to the extent required to safeguard their employers' legitimate interests.

### **14. Duty to Render Accounts and to Make Restitution**

Employees shall render account to their employers for everything they receive for their employer from third parties in the course of their contractual activity, such as, in particular, amounts of money, and they shall immediately remit all to their employer.

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In particular, at the termination of the employment relationship, they shall immediately return everything they produced in the course of their contractual activity, or was entrusted to them or obtained by them during the employment relationship.

### 15. Treatment of Personal Data

Employers may treat data of employees only to the extent they concern the employees' qualifications for the employment relationship or are necessary for the execution of the employment contracts (article 328b of the Code of Obligations). Furthermore, the provisions of the Data Protection Act ("DSG") shall apply.

## Working Time and Vacation

### 16. Working Time

- 16.1. The usual weekly working time is 40 to 42 hours. Different company work time designs are possible. In any case, the usual working time for full time employees shall add up to 40 to 42 hours per week or 2080 (52 x 40 hours) to 2184 (52 x 42 hours) per year, breaks not included.
- 16.2. Working time is deemed to be the time during which employees are to be at the disposal of their employers. For sales personnel, working time includes the time used for preparatory work and clearing up as well as the serving of clients after closing time. The time used to get to and from work is not deemed to be working time.
- 16.3. In the Canton of Zurich, the following days are public holidays on which no work is performed: New Year's Day, Good Friday, Easter Monday, First of May, Ascension, Whit-Monday, 1 August, Christmas Day (25 December), and Boxing Day (26 December).

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The same applies to local holidays (e.g. in the city of Zurich, Berchtoldstag (2 January) as well as the afternoons of the Mondays of "Sechseläuten" and "Knabenschieszen"). An equivalent different solution is possible.

- 16.4. In addition to the weekly day off (usually Sunday), employees are entitled to another full or two half days off. This entitlement is dropped if a public holiday according to article 16.3 falls on the weekday on which a half day or a full day off is usually granted.

On the days on which a half day off is granted, the working time shall not exceed half of the regular daily working time.

- 16.5. Employees working during evening sales hours until at least 8:00 p.m. are entitled to a meal break of at least 30 minutes if they begin work by 4:30 p.m. If the working time including evening sales amounts to more than 8 hours on this day, then employees shall, in addition, be entitled to an adequate meal at the employers' expense on or off the company's premises.

Due consideration shall be given to convenient public transport services for employees living out of town and working during evening sales hours.

## 17. Overtime

- 17.1. Overtime arises in the event that the working hours agreed upon pursuant to article 16.1 or that are standard within the company are exceeded. Employees are obliged to work overtime insofar as they are able to perform it, and it is reasonable in good faith for this to be expected of them. Any claims to the compensation or payment of overtime shall be reported to the employer at the end of each month.
- 17.2. Unless otherwise provided for in writing, employers shall compensate any overtime that is ordered or operationally necessary with a supplement of 25% per hour as follows:

## Employment Contract Provisions

- As a matter of principle, overtime is compensated by equivalent time off, plus a time supplement of 25%.
- If operational reasons do not allow for compensation by equal time off, overtime shall be paid out along with the salary, subject to a salary supplement of 25%.

17.3. Any mandatory supplements provided for under the Swiss Employment Act ("ArG") shall apply in place of overtime supplements pursuant to article 17.2 (no cumulation).

### 18. Vacation

18.1. The annual entitlement to paid vacation shall be 5 weeks (= 25 working days for a five-day full-time working week).

From the beginning of the calendar year of the sixtieth birthday, an additional vacation day shall be granted and, subsequently, an additional day in each additional further year. The employer is not obligated to grant more than six weeks vacation (30 working days) if the previous entitlement already exceeded five weeks.

For apprentices, the annual entitlement to paid vacation shall be 6 weeks (= 30 working days).

Vacation of employees in managerial positions shall be given special attention with due consideration of their performance, function and responsibility.

18.2. For part-time employees, the wage payment during vacation is calculated on the basis of regularly performed working hours during the respective calendar year.

If the calculation is made on the basis of working days, part-time employees are entitled to the respective share of the annual paid vacation according to the extent of their employment.

## Employment Contract Provisions

- 18.3. Vacation should, to the extent possible, be granted uninterruptedly - once a year for at least two weeks. As a rule, a division of vacation time into less than one week periods should be avoided. Employers determine the time of the vacation taking into account, to the extent possible, the employees' preferences.
- 18.4. Public holidays according to article 16.3, paragraph 1, falling on working days during the employees' vacation are not to be counted as vacation days.
- 18.5. Company vacations are deducted from the annual vacation entitlement; if, however, the employees' vacation entitlement is too small at the time of the company vacation, the company vacation may not lead to any salary reductions during regular employment nor in case employers give notice or employees give notice based on reasons caused by their employer.
- 18.6. In case of illness or accident during employees' vacations, days of full incapacity to work, caused by no fault of their own and certified by a physician, are not considered to be vacation days. Employees shall notify their employers immediately thereof.
- 18.7. In the case of absences caused by illness, pregnancy, accident as well as military, civil protection, civilian or Red Cross service exceeding three months during the calendar year or per case, vacation time may be reduced. For the period during which maternity leave pursuant to article 329f of the Code of Obligations, paternity leave pursuant to article 329g of the Code of Obligations, carer's leave pursuant to article 329i of the Code of Obligations or adoption leave pursuant to article 329j of the Code of Obligations is taken, the vacation entitlement shall not be cut.

For each exceeding month of absence, the vacation entitlement is reduced by one twelfth; fractions of 15 and more calendar days are counted as a full month.

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- 18.8. Short-time absences for valid reasons (cf. article 19) as well as working time used for the exercise of public office duties (cf. article 12) are not counted as vacation.
- 18.9. Employees entering or ending an employment relationship during the year are entitled to a pro rata share of vacation. It is possible to require compensation for excess vacation days taken.
- 18.10. The vacation shall be taken as time off during the respective calendar year. Compensation in money is usually not permitted.

### **18a. Maternity, Paternity and Adoption Leave**

- 18a.1 Maternity leave of at least 14 weeks is governed by article 329f of the Code of Obligations and its indemnification by articles 16b et seq. of the Loss of Earning Compensation Act ("EOG").
- 18a.2 Paternity leave of 2 weeks and its indemnification are governed by article 329g of the Code of Obligations and articles 16i et seq. of the Loss of Earning Compensation Act ("EOG").
- 18a.3 Adoption leave of 2 weeks and its indemnification are governed by article 329j of the Code of Obligations and articles 16t et seq. of the Loss of Earning Compensation Act ("EOG").

### **18b. Carer's Leave**

- 18b.1 Leave to care for family members and its indemnification are governed by article 329h of the Code of Obligations.
- 18b.2 Leave to care for one's child whose health has been seriously impaired by illness or accident and the carer's allowance are governed by article 329i of the Code of Obligations and articles 16n et seq. of the Loss of Earning Compensation Act ("EOG").

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### 19. Time Off

19.1. Upon request, employees shall be granted the following hours or days off without wage reduction if they have to be taken during working time:

- Marriage of the employee 2 days
- Marriage in the family or of a relative 1 day
- Death of a family member
  - in the own household 3 days
  - outside of the own household up to 3 days
- Death of other relatives or close acquaintances time for participation at the funeral
- Orientation day and recruitment for military, civil protection, civilian or Red Cross service time required
- Change of own residence
  - in the area of former residence 1 day
  - to a more distant place (80 km or more) up to 2 days
- Physician's and dentist's visits time required
- Search for employment after notice of termination has been given time required

19.2. Members of religious minorities shall, on their religious holidays, be granted the time required to attend religious services.

### 19a. Health Protection

Employers promote health at the work place through continuous information and awareness raising. It is recommended to furnish the employees with the information sheet "Psychosozialer Gesundheitsschutz am Arbeitsplatz" (socio-psychological health protection at work) of Arbeitgeber Zürich VZH and Kaufmännischer Verband Zürich.

### 19b. Measures in Support of Flexible Working Hours

19b.1 Employers aim to examine the possibilities for the flexible handling of working hours in accordance with the operational interests and conditions and in consideration of the respective demands of the employees' life phases.

Besides adaption of the level of employment, in particular for employees with care obligations and employees above the age of 55, as well as unpaid leave, in particular for special circumstances such as birth or adoption of a child, the following further possible measures may be considered:

- transition from normal working times to flexible working hours or annual working hours, working hour accounts, etc.
- introduction of home-office, job-sharing etc.
- acquisition of additional vacation or free days.

19b.2 It is recommended to examine respective requests of the employees, in particular regarding the adaption of the level of employment or the granting of unpaid leave, sympathetically.

Employers should advise the employees whose levels of employment are reduced to seek information regarding the possible impacts on their pension entitlements under the old age and survivors insurance law as well as the pension scheme before a reduction of the level of employment is agreed. This applies in particular to employees over the age of 55 with regard to the statutory options for maintaining the full pension entitlements under the pension scheme.

### 19c. Home-Office

If employees perform their work also at home (or at other places) it is recommended that the employers regulate the respective requirements and conditions in writing in accordance with the information sheet "Homeoffice" of Arbeitgeber Zürich VZH and Kaufmännischer Verband Zürich.



# Remuneration

### **20. Wages and Wage Adjustments**

Wages shall be individually fixed between employer and employee and shall be reviewed periodically and in accordance with the circumstances. Wage fixing and adjustments shall primarily be based on performance and, furthermore, on function and job requirements as well as on changes in the cost of living. Furthermore, the duration of employment may be taken into account.

Under equal conditions, male and female employees shall be equally compensated.

### **21. Minimum Starting Wages and Apprentices' Remuneration**

The minimum starting wages of commercial and commercial-technical employees and sales personnel in retail trade as well as the minimum remuneration for apprentices in these categories shall be fixed in wage regulations which are part of this Collective Employment Contract, but which may be terminated or changed separately by the Contracting Parties.

### **22. Family Allowances**

Employers are obligated to pay their employees' family allowances at least in the amount of the legal provisions applicable at the time.

### **23. Assignment of Wages**

Employees may assign or pledge rights to future wages as security for alimony and support obligations arising under family law to the extent that these can be the subject of attachment. Upon the request of an interested party, the Office for Debt Collection at the employee's domicile shall determine the amount which cannot be subject to attachment pursuant to article 93 of the Debt Collection and Bankruptcy Act ("SchKG").

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Assignment and pledging of future wages as security for other obligations are null and void.

### 24. Loyalty Bonuses

It is recommended that employees be paid after completion of

- 10 years of service one quarter of a monthly salary
- 15 years of service half a monthly salary
- 20 years of service three quarters of a monthly salary
- 25 years of service one full monthly salary
- and, after each completion of an additional 5 years, one full monthly salary, unless there are other comparable benefits.

## Continuation of Wage Payment in the Event of Inability to Work

### 25. Illness, Accident, Compliance with Legal Duties, Service in Public Office

25.1. Provided that the employment relationship has lasted for more than one month, employees, in the case of inability to work by no fault of their own due to illness, accident, compliance with legal duties or service in public office, are entitled to continued payment of full wages as follows:

- during the second month of employment      1 week
- during the third month of employment      3 weeks
- during the fourth through the 12th month  
of employment      5 weeks
- together, however, a maximum of 5 weeks  
during the first year of employment
- during the second and the third year  
of employment      9 weeks

## Employment Contract Provisions

- during the fourth year of employment            10 weeks
- during the fifth year of employment            11 weeks
- during the sixth year of employment            12 weeks
- during the seventh year of employment        13 weeks

per year of employment; any continuation of wage payment pursuant to article 25.1 through article 25.4 shall be cumulated for the purpose of this calculation. In case of longer employment duration, wages shall be paid accordingly (calculation: number of years of employment plus 6 = number of weeks of continuation of payments).

25.2. If the employment relationship has been concluded for a fixed term of more than one month, the right to salary payments begins on the first working day and amounts to three weeks up to and including the third month of employment..

25.3. Provided that the employees have been insured against the consequences of illness for 720 days within 900 days or by an equivalent insurance solution providing daily benefits of 80% of the salary subject to Old Age and Survivors' Insurance and provided that the employers pay at least half of the premiums, the obligation to continue to pay wages according to article 25.1 is fulfilled upon payment of the insurance benefits.

Employers are advised to take out appropriate daily sickness benefits insurance for their employees.

25.4. Employees covered by mandatory insurance against the consequences of accidents do not have any entitlement to continuation of full wage payment where the insurance benefits cover at least 80% of the salary subject to Old Age and Survivors' Insurance for the period referred to in article 25.1. If the insurance benefits are lower, for instance during a waiting period, the employee, in the case of inability to work by no fault of his own, is entitled to the difference between the insurance benefits and 80% of the salary subject to Old Age and Survivors' Insurance for the period referred to in article 25.1.

## Employment Contract Provisions

- 25.5. Other equivalent solutions may be agreed to in writing pursuant to article 324a, paragraph 4 of the Code of Obligations.
- 25.6. Employers are entitled to request a medical certificate as of the fourth day of illness. Employers are entitled, at their cost, to request an examination by a medical examiner. In all other instances of inability to work, and as a matter of exception also in the event of illness, employers are entitled to request a certificate from the first day of absence.

### **26. Swiss Military, Civil Protection, Civilian or Red Cross Service**

- 26.1. Employees are entitled to continuation of wage payment as follows during training as a recruit, during basic training for military service performed in a single block and during the days of civilian service corresponding to training as a recruit:
- 60% of the salary to employees with no children entitled to support under the Loss of Earning Compensation Act ("EOG")
  - 80% of the salary to employees with children entitled to support under the Loss of Earning Compensation Act ("EOG").

Throughout the remaining duration of military service performed in a single block or civilian service following training as a recruit or respectively the days of civilian service corresponding to training as a recruit, employees are entitled to 80% of the salary.

- 26.2. Throughout the duration of further military and civilian service as well as civil protection service and service in the Red Cross (except voluntary commitments), employees are entitled to the following continuation of wage payment within any given calendar year:

## Employment Contract Provisions

- up to four weeks 100% of the salary
- for any service in excess of this period:
  - 60% of the salary to employees with no children entitled to support under the Loss of Earning Compensation Act (“EOG”)
  - 80% of the salary to employees with children entitled to support under the Loss of Earning Compensation Act (“EOG”).

26.3. Continued wage payment beyond the above mentioned payments may be made dependent upon a written reimbursement obligation by the employee. An agreement of this nature may stipulate that wage payments made in addition to the provisions of the Loss of Earning Compensation Act (“EOG”) may be reclaimed if employees terminate their employment contract within 6 months of the completion of the service, or cause the employment contract to be terminated.

26.4. Loss of earning compensation under the Loss of Earning Compensation Act (“EOG”) shall be payable to the employer, provided that this compensation does not exceed the total continuation of wage payments made under this article during the calendar year concerned or for the period of call-up for service concerned.

26.5. Benefits during active military service are governed by the applicable statutory provisions.

# Personnel Welfare Provisions

### 27. Payments in the Case of Death

If employment relationships are terminated by the death of the employee, employers shall pay, in addition to the wages for the month in which the employee passed away, wages for an additional month and, after more than five years employment, for an additional two months if employees leave a spouse or registered partner or children under age or, in the absence of such heirs, other persons for whom they had fulfilled an obligation of support.

### 28. Severance Pay where a Pension Plan is Lacking or Insufficient

28.1. In the case of employment relationships with no or an insufficient pension plan, provided that the employment relationship has lasted for at least ten years and is terminated without any serious fault of the employee and provided that the employer does not run into serious difficulties thereby, employees are entitled to the following severance pay:

- a) commercial and commercial-technical personnel:
  - in the 11<sup>th</sup> through the 15<sup>th</sup> year of service: 3 months' wages
  - in the 16<sup>th</sup> through the 20<sup>th</sup> year of service: 6 months' wages
  - in the 21<sup>st</sup> through the 25<sup>th</sup> year of service: 12 months' wages
  - in the 26<sup>th</sup> through the 30<sup>th</sup> year of service: 15 months' wages
  - after the 31<sup>st</sup> year of service: 18 months' wages
- b) Sales personnel in the retail trade:
  - in the 11<sup>th</sup> through the 15<sup>th</sup> year of service: 1 month's wages
  - in the 16<sup>th</sup> through the 20<sup>th</sup> year of service: 2 months' wages
  - in the 21<sup>st</sup> through the 25<sup>th</sup> year of service: 4 months' wages
  - in the 26<sup>th</sup> through the 30<sup>th</sup> year of service: 6 months' wages
  - after the 31<sup>st</sup> year of service: 8 months' wages

## Employment Contract Provisions

- 28.2. The maximum monthly wages of commercial and commercial-technical employees to be taken into account shall be calculated on the average of the last five years prior to the termination of the employment relationship, but shall, however, not exceed a maximum of CHF 4,000.00 on average. Bonuses, 13th month salaries, etc., are not included in this calculation.
  
- 28.3. Articles 339b, paragraph 2 and article 339d of the Code of Obligations as well as the provisions of the Federal Law on Occupational Old Age, Survivors' and Disability Act ("BVG") and the Vested Benefits Act ("FZG") shall have precedence.

## Final Provisions

### **29. More Favourable Agreements**

This Collective Employment Contract establishes the minimum standards of the employment relationship. Agreements between individual employers and employees (e.g. individual employment contracts, company regulations) which are more favourable for the employee shall not be restricted by this Collective Employment Contract.

The latest valid version shall apply. Employers may refer to the provisions of this Collective Employment Contract in their own favour only if they can prove that the employees knew them.



## Final Provisions

### 30. Entry into Force of this Collective Employment Contract

This Collective Employment Contract replaces the Collective Employment Contract of 17 December 1948 and all following versions and enters into force on 1 January 2023. It shall be valid for an unlimited period of time and may be terminated by the Contracting Parties by written notice, subject to a three-month notice period, effective as of 31 December.

Zurich, October 2022

#### **Arbeitgeber Zürich VZH**

Ph. Marti  
President

H. Strittmatter  
Managing Director

#### **Kaufmännischer Verband Zürich**

A. Kuhn-Senn  
President

A. Zurkirchen  
Managing Director

### 31. Table of Contents of the Articles of the Code of Obligations concerning the Individual Employment Contract

To the extent to which the employment relationship is not regulated through this Collective Employment Contract, the provisions of the Swiss Code of Obligations ("OR"), in particular the terms governing individual employment contracts, as well as further relevant federal (e.g. Employment Act – "ArG", Equality Act – "GIG", and Participation Act – "MWG") as well as cantonal regulations shall apply.

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