

# Info about Initial employment

*information at first hand*

An employee's job performance should support your company and its development.



## The first steps

The basic conditions and performance levels are usually agreed upon in the form of an employment contract or labour agreement. This includes basic contact information of the employee and the employer, the work place, job description, starting date, working hours, holiday entitlement, value and composition of the salary, payment date and termination period.

This contract must conform to legal standards, collective and company agreements.

Employees can be classified into one of three main groups:

	Employees	Peripheral workers	Free-lancers
Salary	According to collective agreement	< 1 month: 28,72 Eur/day > 1month: 374,02 Eur / month	According to agreement
Social insurance	Full coverage according to ASVG*	Accident insurance at the GKK**	Full coverage according to ASVG*
Taxes	Income tax (deducted and paid by the employer to the authorities)	No income tax deducted	Income tax (paid by the free-lancer)
Duties	As instructed		Not bound by instructions
Rights	Holidays, sick leave, extra payments (e.g. 13th & 14th salary), number of working hours		

\* Allgemeines Sozialversicherungsgesetz (statutory social security law) \*\* Gebietskrankenkasse (compulsory health insurance)  
Trainees, apprentices, volunteers are regulated differently.



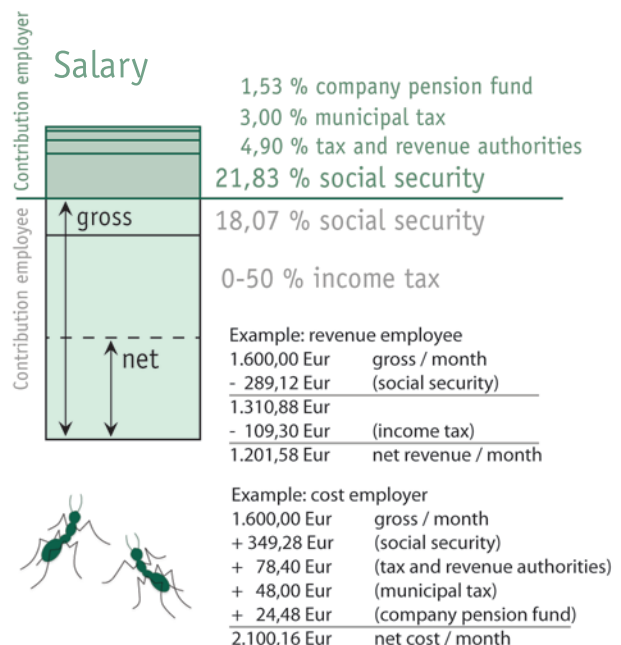
## Registration

Before the employee can start work, an **employee account number** has to be applied for from the social insurance company and the employee has to be registered. Holiday, health, retirement and unemployment coverage starts on the first day of employment.

The tax and revenue authorities need the registered tax number of the employer.

A **municipal tax number** must be applied for from the relevant district.

A **company pension fund** must also be established after a month.



We will be happy to deal, individually, with any questions you may have.  
*Know and then relax,*

Your  
Payroll Consultants