

# Collective Framework Agreement on Agency Work

of July 22<sup>nd</sup>, 2003

latest amendment by modified collective agreement of December 22<sup>nd</sup>, 2004  
as amended on the negotiation outcomes of March 28<sup>th</sup> and May 30<sup>th</sup>, 2006

Between the

- **German Association of Private Employment Agencies**  
Bundesverband Zeitarbeit Personal-Dienstleistungen e.V. (BZA),  
Prinz Albert Straße 73, 53113 Bonn

and the undersigned DGB member unions

- **Industriegewerkschaft Bergbau, Chemie, Energie (IG BCE)**  
[mining, chemical industry, energy],  
Königsworther Platz 6, 30167 Hannover
- **Gewerkschaft Nahrung - Genuss - Gaststätten (NGG),**  
[food, restaurants etc.]  
Haubachstraße 76, 22765 Hamburg
- **IG Metall,**  
[metal workers]  
Lyoner Straße 32, 60528 Frankfurt am Main
- **Gewerkschaft Erziehung und Wissenschaft (GEW),**  
[education and science]  
Reifenbergerstraße 21, 60489 Frankfurt am Main
- **Vereinte Dienstleistungsgewerkschaft e.V. (ver.di),**  
[services]  
Potsdamer Platz 10, 10785 Berlin
- **Industriegewerkschaft Bauen - Agrar - Umwelt (IG BAU),**  
[construction, agriculture and environment]  
Olof-Palme-Straße 19, 60439 Frankfurt am Main
- **TRANSNET,**  
[railways]  
Weilburger Straße 24, 60326 Frankfurt am Main
- **Gewerkschaft der Polizei (GdP),**  
[police]  
Forststraße 3a, 40721 Hilden

the following

## "Collective Framework Agreement on Agency Work"

shall be concluded:

## **Section 1 Scope**

This collective agreement shall apply

### **Section 1.1**

geographically:  
to the Federal Republic of Germany;

### **Section 1.2**

technically:  
to the member businesses of the German Association of Private Employment Agencies (Bundesverband Zeitarbeit Personal-Dienstleistungen e. V.) (including their auxiliary and subsidiary businesses) bound by collective agreement;

### **Section 1.3**

personally:  
to the workers (staff members), who are assigned to a hiring-out company (customer business) by a agency work business (employer) in the framework of the Provision of Manpower Act and who are members of one of the contracting trade unions.

Provisions deviating from the provisions of this collective agreement can be concluded with staff members who have not been employed on the basis of collective wages and salaries provided their annual income exceeds the annual collective income in the highest collective pay group.

Any male words used in this collective agreement shall only serve better legibility and apply to both sexes.

## **Section 2 Length of working time / Full-time work**

The individual regular working time shall be set at 151.67 hours per month; this corresponds to an average weekly working time of 35 hours. These working hours must be completed over a period of 12 calendar months on average pursuant to section 4.

In cases where a staff member is permanently assigned to a company with longer working hours, the parties to the employment contract can agree on a correspondingly longer working time (max. 40 hours/week). Pay shall be adjusted accordingly in this case.

Individual regular working time shall be calculated on the basis of the monthly working time pursuant to sentence 1 multiplied by 12.

## **Section 3 Part-time work**

If the agreed individual worker's regular monthly working time is less than 151.67 hours this shall be deemed part-time work.

## **Section 4 Distribution of working hours/ Flexibility**

### **Section 4.1**

Actual working hours shall be adjusted to the needs of the customer business. Start and finish times of the daily working time including breaks and the distribution of the working time over the days of the week shall be determined on the basis of the rules and/or needs of the customer business.

Changing, washing as well as rest periods within the meaning of the Working Time Act (e.g. breakfast, lunch, coffee breaks) shall not be deemed working time unless different rules apply to the workers in the customer business.

### **Section 4.2**

In order to deal with the monthly differences between the staff member's individual regular working hours agreed pursuant to section 2/section 3 and actual working hours pursuant to section 4.1, a working time account shall be established. Credit and debit hours can be entered into this account.

### Section 4.3<sup>1</sup>

Credit hours are hours worked in excess of individual regular monthly working hours. Debit hours are hours worked short of the individual regular monthly working hours.

The working time account must not exceed 200 credit hours.

In the case of seasonal differences the working time account may include up to 230 credit hours in exceptional cases in order to safeguard employment.

Where more than 150 credit hours have been accumulated the employer shall be obliged to secure the credit hours in excess of 150 hours including social security contributions against insolvency and to provide evidence to the staff member that these hours are insured against insolvency. Without this evidence the working time account must not – in derogation from paras. 2 and 3 – exceed 150 credit hours and the staff member shall not be obliged to work more than these 150 hours.

Working hours lost through public holidays are credited to the working time account as if they had been worked according to the distribution of working hours pursuant to section 4 paragraph 1.

### Section 4.4

The working time account must be settled after a period of at most twelve months.

Where it is not possible to settle the account within this period of time it shall be settled within the following three months. For this purpose the employer shall conclude a corresponding agreement with the worker concerned after at

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<sup>1</sup> **Protocol note concerning section 4.3:**

By early 2005 the collective bargaining parties shall on the basis of their experience gained up to that point in time enter into negotiations about the question of whether the hour limitations shall be dropped or redefined and whether a limitation of debit hours is necessary.

most twelve months with the aim to carry out a complete settlement of the account.

Where such settlement is not possible for operational reasons in this period of time either, a maximum of 150 hours can be transferred to the next settlement period. Any hours in excess of that shall be compensated with money.

The transfer of these credit hours shall take place in the framework of the working time account limits pursuant to section 4.3 and shall not extend them.

### Section 4.5

The settlement of the working time accounts shall as a rule be effected by taking time off pursuant to the following rules:

- a) Where an agreement to this effect has been concluded with the staff member credit hours can always be settled by taking time off.
- b) The staff member is entitled to one working day off from his working time account as spare time for every 35 hours worked during the time he is assigned to the customer business. This entitlement can only be used once per calendar month for a maximum of two assignment days.

This entitlement can only be used if the worker announces that he wants to take time off one week in advance.

The employer may object to granting days off for urgent operational reasons. An urgent operational reason within this meaning shall be the objection of the customer business unless a replacement worker can be found.

Where time off is not granted the staff member is entitled to a binding agreement on taking days off at a later, clearly defined date.

- c) On account of an agreement between staff member and employer extra days off per month or accumulated days off from several months can be provided for.
- c) By way of agreement between the worker and the employer up to 70 hours from the

time account can be compensated by money in the settlement period.

Where the staff member is unable to work due to sickness on his agreed day off, this day remains a day off and shall not become a day where he would otherwise be entitled to continued payment of wages and salaries in case of sickness; a transfer back to the working time account as credit hours account is not possible.

### **Section 4.6**

Where a staff member leaves the company the difference on the working time account shall be settled as follows: credit hours shall be paid, a maximum of 35 debit hours shall be deducted in cases where he gave notice himself and/or in cases where extraordinary notice was given provided that there was no possibility for operational reasons for the worker to complete the missing working hours at a later point in time.

### **Section 5 On-call / stand-by / on-call duty / rest period**

Insofar as staff members are working in customer businesses with on-call or on stand-by or on on-call duty and where in accordance with section 7 of the Working Time Act operational and/or collectively agreed special rules on working time and rest periods apply, these shall apply mutatis mutandis with the requirement that the respective provision shall fully apply to the staff member.

### **Section 6 Overtime**

Overtime hours are working hours that are worked additionally and which are ordered in excess of the individual regular working time pursuant to sections 2 to 4 and which are not based on the actual working time in the customer business.

### **Section 7 Night work, Sunday and holiday work / Supplements**

#### **Section 7.1**

Full working hours which exceed the agreed individual regular working time of the staff member pursuant to section 2/section 3 by more than 15 per cent in one month shall entitle the worker to supplements.

The supplement amounts to 25 per cent of the respective hourly wage pursuant to sections 2 to 4 of the collective pay agreement.

#### **Section 7.2**

Night work shall be deemed to be work between 11 p.m. and 6 a.m.

The amount of the supplement for night work is determined on the basis of the supplement regulation of the customer business. It shall amount to no more than 25 per cent of the respective collectively agreed hourly wage pursuant to sections 2 to 4 of the collective pay agreement.

#### **Section 7.3**

Sunday and holiday work shall be deemed to be work performed on Sundays or public holidays between 0 and 24 hours. Section 9 paras. 2 and 3 of the Working Time Act shall apply.

The question of whether work shall be deemed to be holiday work depends on the public holiday legislation of the work location.

The amount of the supplement for Sunday and holiday work shall depend on the supplement regulation of the customer business. It shall amount to no more than 50 per cent of the collectively agreed hourly wage pursuant to sections 2 to 4 of the collective pay agreement for Sunday work and to no more than 100 per cent for holiday work as well as for work on Christmas Eve and New Year's Eve after 2 p.m..

#### **Section 7.4**

Where several supplements apply simultaneously, only the highest applicable supplement shall be payable.

## **Section 8 Assignment regulations**

### **Section 8.1**

Insofar as tasks have been given to the staff member in the customer business, he shall be subject to the right of the customer business to give instructions. The general employer's right to give instructions shall apply notwithstanding any other provision.

### **Section 8.2**

Upon instruction from the employer the staff member shall be obliged to work at different work locations.  
Limiting regulations shall be explicitly agreed by contract.

The staff member shall be entitled to an assignment notification providing him with essential information about his assignment in the customer business.

### **Section 8.3**

Insofar as more than 1.5 hours are required to go from the subsidiary / office to the customer businesses work location while using the most favourable means of public transport the staff member shall receive the collectively agreed pay pursuant to sections 2 to 4 of the collective pay agreement provided it actually took him so long to cover this distance for any travelling time in excess of 1.5 hours per transport to and from the work location.

### **Section 8.4**

Where the time spent for travelling within the meaning of section 8.3 exceeds two hours the staff member shall be entitled to have his overnight accommodation costs refunded as follows:

The private employment agency shall arrange the accommodation and assume all costs. Where the staff member himself needs to organise his accommodation the costs shall be borne and/or refunded after prior consent and presentation of the corresponding evidence by the employer.

Alternatively a lump-sum per diem with overnight stay can be agreed upon corresponding to the tax rates.

### **Section 8.5**

Cancelled

### **Section 8.6**

The employer is entitled to pay collectively agreed benefits pursuant to section 8.4 and section 8.5 in lieu of the collectively agreed pay insofar as the total net income of the staff worker exceeds the collectively agreed total net pay which results from gross pay pursuant to sections 2 to 4 of the collective pay agreement. For this purpose no more than 25 per cent of the gross income may be deducted. This shall also apply to replacement benefits governed by collective agreement or outside collective agreements (e.g. travel compensation), insofar as they are agreed by individual contract.

### **Section 8.7**

Other cost refunds pursuant to section 670 of the Civil Code must be regulated by means of individual contract.

## **Section 9 Establishment /Termination of the employment relationship**

### **Section 9.1**

An employment relationship is established by means of a written contract of employment.  
In case of an unauthorised absence on the first work day the contract of employment shall be deemed null and void.

### **Section 9.2**

The contract of employment may be concluded as a fixed-term contract in derogation of section 14, para. 2, first sentence of the Act governing part-time and fixed-term employment for up to two years also without objective reasons. Within this period the employment relationship can be renewed up to four times. Section 14, para. 2,

second and third sentence of the Act governing part-time and fixed-term employment contracts shall remain unaffected.

### **Section 9.3**

The first six months of the employment relationship shall be deemed the probation period.

During the probation period the employment relationship can be terminated with one week's notice in the first three months. Later during the probation period the statutory period of notice two weeks shall apply pursuant to section 622, para 3 of the Civil Code shall apply.

In case of new recruitments the notice may be reduced to one day during the first two weeks of the employment relationship by means of the employment contract. Employment relationships with staff members who were not employed by that employer during at least the last three months shall be deemed new recruitments.

### **Section 9.4**

Apart from the above provisions the notice stipulated in section 622, paras. 1 and 2 of the Civil Code shall apply to the termination of the employment relationship by the employer or the staff member.

Notice has to be given in writing (section 623 of the Civil Code).

### **Section 9.5**

The statutory provisions concerning dismissals without notice shall remain unaffected.

### **Section 9.6**

After notice has been given the employer shall be entitled to release the staff member from service while continuing to pay his pay. Credit hours from the working time account are deducted and remaining leave entitlements shall be granted.

## **Section 10 Continued payment of wages and salaries in case of sickness**

The continued payment of wages and salaries in case of sickness and preventive health and rehabilitation measures shall be governed on the basis of the provisions from the Continued Payment of Wages and Salaries Act.

## **Section 11 Leave**

### **Section 11.1**

Staff members shall be entitled to paid annual leave. The leave year shall be deemed to be the calendar year.

### **Section 11.2<sup>2</sup>**

The length of the annual leave shall depend on the staff member's uninterrupted employment with the same company.

The annual leave shall amount to

- 24 workdays in the first year,
- 25 workdays in the second year,
- 26 workdays in the third year,
- 28 workdays in the fourth year,
- 30 workdays as of the fifth year.

Where a worker quits his job during the first six months of the employment relationship the worker shall have a leave entitlement according to sections 3 to 5 of the Federal Leave Act.

Where the staff member's individual regular working time is distributed over more or fewer than five work days per week annual leave shall be reduced accordingly.

Where a public holiday falls into the staff member's leave the question as to whether this day shall be deemed a leave day shall be decided according to the public holiday legislation applicable to the work location.

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#### **<sup>2</sup> Protocol note concerning section 11.2**

Section 1, para.1, No. 2 of the Posted Workers Act shall remain unaffected.

In the year of recruitment or in the year of termination of the employment relationship the staff member acquires his leave entitlement at the rate of one day per full month of effective service.

A staff member shall not have a leave entitlement if he was already granted annual leave by another employer or received compensation in lieu of leave not taken in the leave year. The staff member shall present a corresponding notification from his last employer.

### **Section 11.3**

Where annual leave cannot be taken fully or partially due to termination of the employment relationship the staff member shall receive compensation.

### **Section 11.4**

When planning annual leave customer assignments already determined shall be taken into account. Leave days that have already been granted cannot be used for customer assignments.

### **Section 11.5**

Where the employment relationship is terminated the leave entitlement shall be granted and taken during the notice period. Where this is not possible compensation shall be paid in lieu of leave not taken.

### **Section 11.6**

Apart from the above the provisions of the Federal Leave Act shall apply.

## **Section 12 Absences / releases**

### **Section 12.1**

Where the staff member is prevented from performing his work due to sickness or other unforeseeable events he shall notify the employer immediately, preferably by phone, and inform him of his inability to work and/or other reasons keeping him from work and the expected period

of his absence. The same obligation shall apply if he has to stay away from work longer than he had originally told the employer.

In case of an inability to work due to sickness the staff member is obliged to submit a medical certificate to the employer pursuant to section 5, para 1, sentence 2 of the Continued Payment of Wages and Salaries Act stating the inability to work as well as its expected duration. The employer shall be entitled to request the medical certificate earlier. Where the inability to work lasts longer than the period stated in the medical certificate, the staff member shall be obliged to submit another medical certificate. In case of absence due to sickness the employer shall be notified of the resumption of work as early as possible, but at any rate no later than one day before the resumption of work.

### **Section 12.2**

In case of foreseeable events the staff member shall only be allowed to stay away from work with the employer's prior consent.

### **Section 12.3**

In case of the following events that fall on a regular working day of the staff member the worker shall be entitled to paid time off:

- a) In the case of the death of a close family member
  - spouses, children, parents as well as of the registered partner

2 days

- brothers and sister, parents-in-law

1 day

- b) in the case of the staff member's own wedding, registration of partnership as well as staff member's spouse giving birth

1 day

- c) in the case of performance of public duties (e.g. honorary posts, being summoned as a

witness or comparable situations); the compensation received for this service shall be offset against the staff member's pay

#### Release from work for the required time

d) moving home for business reasons

1 day

The amount of the continued payment of wages and salaries shall be determined pursuant to section 13.3.

### Section 12.4

Through section 12.3 the cases possibly applicable pursuant to section 616 of the Civil Code are defined.

## Section 13 Pay regulations

### Section 13.1

The staff members shall receive monthly pay on the basis of their individually agreed regular working time which shall be payable by the 15<sup>th</sup> banking day of the subsequent month at the latest, as a rule by bank transfer.

### Section 13.2

The monthly pay is composed of the fixed pay components of the current month (the corresponding collectively agreed pay pursuant to sections 2 to 4 of the collective pay agreement) and the variable pay components (e.g. supplements and other variable pay components).

### Section 13.3

Where a staff member is entitled to continued payment of wages or salaries (e.g. in case of sickness) the fixed pay components shall be paid pursuant to para. 2. In the case of holiday pay additional supplements for Sunday and holiday work as well as for night work shall be payable provided the staff member would have been entitled to them had he not been on holiday.

### Section 13.4

Where there is a pro-rata entitlement to pay for a certain month (e.g. when taking up work or terminating work in the course of a month) or where the monthly pay shall be reduced for other reasons (e.g. unpaid excused periods of absence) the pay entitlement shall be determined by comparing the creditable hours to be worked by that staff member in this month compared with the hours to be worked by that staff member over that month.

## Section 14 Pay conversion

Staff members are entitled to convert collectively agreed pay components into pension credits for the purpose of old-age provision.

They can demand that their future pay entitlements are used for their occupational pension in the amount of up to 4 per cent of the respective contribution assessment ceiling. In respect of such pay conversion at least 1/160 of the reference value pursuant to section 18 para. 1 of the Fourth Book of the Social Code must be reached.

Details shall be fixed in a written statement concluded between employer and staff member.

In accordance with the new legal provision of company pension benefits the employees are entitled to a monthly amount of 13.30 Euros from the 7<sup>th</sup> month of employment, for the first time from July 1<sup>st</sup>, 2005. This amount is to be paid exclusively for occupational pension benefits (direct insurance, pension fund) if this should be requested by the employee.

## Section 15 Special annual payments

### Section 15.1

As of year two of uninterrupted employment the staff member shall be entitled to additional special annual payments taking the form of holiday and Christmas bonuses. As of 1 January 2006 this entitlement shall apply after six months of uninterrupted employment.

The holiday bonus shall be payable together with pay for the month of June of any year, the Christmas bonus shall be payable together with pay for the month of November of any year.

Holiday and Christmas bonuses are increased according to the staff member's length of employment, calculated on 30 June and 30 November.

### **Section 15.2**

Depending on the length of uninterrupted employment holiday and Christmas bonuses shall be as follows,

- 150 Euros gross in the second year,
- 200 Euros gross in the third and fourth year,
- 300 Euro gross as of the fifth year.

Part-time employees shall receive the extra payments on a pro-rata basis in line with the agreed individual regular monthly working time.

### **Section 15.3<sup>3</sup>**

The existence of a valid employment relationship – where notice was not given – shall be the prerequisite for making the special payments.

Entitled staff members whose employment relationship has been suspended shall not receive these payments. Where the employment relationship was suspended for a certain time in that calendar year they shall receive a pro-rata payment.

Staff members who leave the company by 31 March of the subsequent year must refund the Christmas bonus. This does not apply in case of a termination of employment for operational reasons by the employer.

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<sup>3</sup> **Protocol note concerning section 15.3**

For the purpose of calculating the uninterrupted existence of the employment relationship, period where the employment relationship is suspended shall be disregarded. Occupational diseases and accidents at work shall be disregarded for a period of up to 12 months following the continued payment of wages and salaries.

## **Section 16 Deadlines**

Employment-related claims must be submitted in writing within two months after they were due (in the case of a staff member's departure from the company within one month) after they were due.

Where the opposing party declines the claim in writing the claim must be raised with a court within one month after the rejections or the expiry of the deadline.

Claims that were not raised within these deadlines shall not be enforceable.

## **Section 17 Final provisions**

### **Section 17.1**

Staff members shall not be assigned to companies that are directly affected by a legal strike. Section 11, para. 5 of the Provision of Manpower Act shall apply mutatis mutandi. In exceptional cases the assignment can be possible within the framework of an emergency service agreed upon with the customer business.

Where staff members are indirectly affected by a strike, short-time work can be applied for. The parties to the collective agreement undertake to support such an application. This means that all necessary opportunities are made use of.

### **Section 17.2**

The calculation of the uninterrupted existence of an employment relationship within the meaning of this collective agreement shall start on January 1<sup>st</sup>, 2002.

## **Section 18 Entry into force and termination**

### **Section 18.1**

This collective framework agreement shall enter into force for employers and staff members bound by collective agreement on 1 January 2004.

It can be terminated with six months' notice to take effect on December 31<sup>st</sup>, 2008 for the first time.

### **Section 18.2**

This collective framework agreement shall enter into force upon its signature insofar as it can be made applicable by individual contractual agreement with the staff member already on that

same date (section 19 of the Provision of Manpower Act).

Where the Provision of Manpower Act is revised before the date of entry into force of this collective agreement pursuant to section 18.1 of the Provision of Manpower Act or where this amendment would become part of the legislative procedure, this collective framework agreement shall only enter into force if no party to the collective agreement revokes it. This revocation shall be permissible until 15 December 2003.

Where the Provision of Manpower Act is fundamentally amended after the entry into force of the collective framework agreement both parties to the collective agreement shall have the extraordinary right to terminate the agreement with one month's notice by the end of the month in derogation of section 18.1, para 2.

# **Collective Skeleton Agreement Governing Wages and Salaries for Agency Workers**

of July 22<sup>nd</sup>, 2003

latest amendment by modified collective agreement of December 22<sup>nd</sup>, 2004  
as amended on the negotiation outcomes of March 28<sup>th</sup> and May 30<sup>th</sup>, 2006

## **Section 1 Scope**

This collective agreement shall apply to the members of the collective agreement parties specified in section 1 (scope) of the collective framework agreement.

## **Section 2 Pay principles**

### **Section 2.1**

Staff members shall be categorised in a pay category on the basis of the activities predominantly performed by them. Only the actually performed work is relevant for this categorisation.

### **Section 2.2**

Vocational qualifications that are not applied in the framework of the work performed do not entitle to pay according to a higher pay category.

### **Section 2.3**

Temporary work in a higher pay category does not justify a review of the assigned pay category. Insofar as work of a higher pay category is assigned, an allowance in the amount of the difference between the collective pay of the lower pay category and the pay foreseen for this work shall be payable as of week 6.

### **Section 2.4**

Staff members can be obliged to temporarily perform work in a lower pay group. In this case his pay shall remain unchanged.

## **Section 3 Pay groups**

Staff members shall be categorised according to their predominant activities in one of the subsequent pay groups. The respective work descriptions are relevant for the categorisation.

### **Pay group 1**

Work requiring no job familiarisation after a period of five months of employment or work requiring a short job familiarisation period.

### **Pay group 2**

Work requiring an on-the-job-training beyond the training on the job required in pay group 1 and job familiarisation.

### **Pay group 3**

Work requiring knowledge and skills which are provided by a vocational training course. The knowledge and skills may also have been acquired by several years of work experience in pay group 2.

### **Pay group 4**

Work requiring knowledge and skills which are provided by a training course lasting at least three years as well as several years of work experience.

### **Pay group 5**

Work requiring knowledge and skills provided by a vocational training course lasting at least three years. In addition special skills are required that are provided by additional training as well as many years of work experience.

### **Pay group 6**

Work requiring a master craftsman and/or technician training or comparable qualifications.

### **Pay group 7**

Work requiring several years of work experience in addition to the characteristics of pay group 6.

### **Pay group 8**

Work requiring a degree from a university for applied sciences (Fachhochschule).

## **Pay group 9**

Work requiring a university degree, or work requiring a degree from a university for applied sciences (Fachhochschule) plus several years of work experience.

## **Pay group M<sup>4</sup>**

Work requiring no job familiarisation period.

Pay group M will only enter into force if the collective agreement on minimum wage in the form of a statutory decree by the Posted Workers Act becomes operative. In this case pay group M will be valid until December 31<sup>st</sup>, 2008.

This pay group shall only apply to those employees who will be employed from the date of the entry into force of the statutory decree regarding the collective agreement on minimum wage by the Posted Workers Act.

collective agreement pursuant to section 4.1 thereof or where this amendment would become part of the legislative procedure, the collective framework agreement on wages and salaries shall only enter into force if no party to the collective agreement revokes it. This revocation shall be admissible until December 15<sup>th</sup>, 2003 at the latest.

Where the Provision of Manpower Act is fundamentally amended after the entry into force of the collective framework agreement on wages and salaries in derogation of section 4.1, para 2 both parties to the collective agreement shall have the extraordinary right to terminate the agreement with one month's notice to the end of the month.

## **Section 4 Entry into force and termination**

### **Section 4.1**

This collective framework agreement on wages and salaries for temporary workers shall enter into force for employers and staff members bound by collective agreement on January 1<sup>st</sup>, 2004.

It can be terminated with a period of notice of six months to December 31<sup>st</sup>, 2008 for the first time.

### **Section 4.2**

This collective framework agreement on wages and salaries shall enter into force upon its signature insofar as it can be made applicable by individual contractual agreement with the staff member on that same date (section 19 of the Provision of Manpower Act).

Where the Provision of Manpower Act is amended before the date of entry into force of this

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#### **<sup>4</sup> Protocol note concerning section 3 para 11**

The parties agree that the application of section 8 para 6 of the Collective Framework Agreement on Agency Work BZA may occur for all pay groups insofar as the payment of pay group M constitutes the gross pay at least. This regulation shall only apply in case of the entry into force of a minimum wage in form of a decree-law by the Posted Workers Act.

# Collective Pay Agreement on Agency Work

of July 22<sup>nd</sup>, 2003

latest amendment by modified collective agreement of December 22<sup>nd</sup>, 2004  
as amended on the negotiation outcomes of March 28<sup>th</sup> and May 30<sup>th</sup>, 2006

## Section 1 Scope

This collective agreement shall apply to the members of the parties to the collective agreement who are covered by the scope (section 1) of the collective framework agreement.

## Section 2 Pay rates

The following hourly rates and supplements shall be paid. The claims to payment of the supplements are stipulated in section 4 of this collective agreement.

	Hourly rates in EURO			
Pay group	2004	2005	2006	2007
M*	-	-	7.00	7.15
1	6.85	7.02	7.20	7.38
2	7.25	7.43	7.62	7.81
3	8.70	8.92	9.14	9.37
4	9.20	9.43	9.67	9.91
5	10.40	10.66	10.93	11.20
6	11.50	11.79	12.08	12.38
7	12.50	12.81	13.13	13.46
8	13.50	13.84	14.18	14.54
9	15.50	15.89	16.28	16.69

\*) Pay group M will only enter into force if the collective agreement on minimum wage in the form of a decree-law by the Posted Workers Act becomes operative and shall only apply to those employees who will be employed from the date of the coming into force of the decree-law regarding the collective agreement on minimum wage by the Posted Workers Act.

## Section 3 Differentiation of pay rates

For staff members who have been hired out to client businesses in the federal states of Brandenburg, Mecklenburg-Western Pomerania, Saxony, Saxony-Anhalt and Thuringia, the pay rates (section 2) may be reduced as follows:

- by July 1<sup>st</sup>, 2006 up to 13%

The parties to the collective agreement shall enter into negotiations in time for the decrease for the year 2007 in consideration of the economic situation.

For staff members in the federal state of Berlin the same regulation shall apply as for the new federal states concerning employment/recruitment and agency work.

The tables shown in the Annex shall apply.

## Section 4<sup>5</sup> Supplements

If an assignment to the same customer is uninterrupted, the assignment-related supplement shall become payable in the amount of

- 1.5% upon the expiration of 9 calendar months
- 3.0% upon the expiration of 12 calendar months.

If the assignment is interrupted for a period not exceeding 3 months, the assignment-related supplement shall become payable after the interruption, to include the previous hiring-out times.

The tables shown in the Annex shall apply.

## Section 5 Standard pay development in the years 2004 to 2007

The parties to the collective agreement shall agree on the following increases in the hourly rates mentioned in section 2 for the term of this collective agreement which will become valid on each 1 January of the named calendar year and which are cumulative with regard to the respective previous year:

As of January 1<sup>st</sup>, 2005: 2.5%

As of January 1<sup>st</sup>, 2006: 2.5%

As of January 1<sup>st</sup>, 2007: 2.5%

The tables shown in the Annex shall apply.

The parties to the collective agreement shall enter into negotiations for the increase of the hourly rates then valid in the last quarter of 2007 at the latest.

## Section 6 Obligation to negotiate industry-related supplements

### <sup>5</sup> Protocol note concerning section 4

The hiring-out time relevant for calculating the supplements shall start with the entry into force or the prior implementation of the collective pay agreement according to section 8.

In consideration of the particularly difficult economic situation of the private employment agencies at the time of conclusion of this collective agreement, the parties of the collective agreement agree to enter into negotiations for regulating industry-related supplements as of October 1<sup>st</sup>, 2005 with regard to the economic situation of the agency.

## **Section 7 Miscellaneous**

### **Section 7.1<sup>6</sup>**

A diverging agreement on the compensation of assignment times may be concluded between the parties to this collective agreement and the employer of the customer business concerning the compensation of assignment times in this customer company (trilateral agreement) if this agreement is more favourable to the staff members of the temporary work agency working at the customer company.

### **Section 7.2**

The minimum pay rates then valid according to section 1, para 1 (1) no 1 of the Posted Workers Act (Entsendegesetz) shall be the minimum paid for each hour actually worked.

## **Section 8 Entry into force and termination**

### **Section 8.1**

This collective pay agreement shall enter into force on January 1<sup>st</sup>, 2004 for employers and staff members bound by collective agreement.

It may be terminated by giving six months' notice, the first such notice to be valid for December 31<sup>st</sup>, 2008.

### **Section 8.2**

This collective pay agreement shall enter into force upon signature insofar as it becomes applicable by written individual contract with the staff member from that same date (section 19 of the Provision of Manpower Act).

If the Provision of Manpower Act (AÜG) is amended before the date of entry into force of this collective agreement in accordance with section 8.1 above or such amendment is introduced in the legislative procedure, the collective pay agreement shall only enter into force if no party to the collective agreement revokes it. Revocation shall be permissible until December 15<sup>th</sup>, 2003.

If the Provision of Manpower Act (AÜG) is modified fundamentally after the collective pay agreement has entered into force, both parties to the collective agreement, in derogation of section 8.1 para 2, shall be entitled to extraordinary termination with one month's notice to the end of a month.

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<sup>6</sup> **Protocol note concerning section 7.1**

Party to the collective agreement as defined here, is, for the trade unions, the DGB member union competent in respect of the customer business in question.

## Annexes to the collective pay agreement

**Table of 2004 pay rates (in Euros)**

Pay group	Hourly rate	2.0%	3.5%	5.0%	7.5%	Pay key
		(> 3 months)	(> 6 months)	(> 9 months)	(> 12 months)	
1	6.85	6.99	7.09	7.19	7.36	74%
2	7.25	7.40	7.50	7.61	7.79	79%
3	8.70	8.87	9.00	9.14	9.35	95%
4	9.20	9.38	9.52	9.66	9.89	100%
5	10.40	10.61	10.76	10.92	11.18	113%
6	11.50	11.73	11.90	12.08	12.36	125%
7	12.50	12.75	12.94	13.13	13.44	136%
8	13.50	13.77	13.97	14.18	14.51	147%
9	15.50	15.81	16.04	16.28	16.66	168%

### 2004 special regulation East:

-13.5%

Pay group	Hourly rate	2.0%	3.5%	5.0%	7.5%
1	5.93	6.04	6.13	6.22	6.37
2	6.27	6.40	6.49	6.58	6.74
3	7.53	7.68	7.79	7.90	8.09
4	7.96	8.12	8.24	8.36	8.55
5	9.00	9.18	9.31	9.45	9.67
6	9.95	10.15	10.30	10.44	10.69
7	10.81	11.03	11.19	11.35	11.62
8	11.68	11.91	12.09	12.26	12.55
9	13.41	13.68	13.88	14.08	14.41

**Table of 2005 pay rates West (valid until June 30<sup>th</sup>, 2005; in Euros)\***

Pay group	Hourly rate	2.0% (> 3 months)	3.5% (> 6 months)	5.0% (> 9 months)	7.5% (> 12 months)	Pay key
1	7.02	7.16	7.27	7.37	7.55	74%
2	7.43	7.58	7.69	7.80	7.99	79%
3	8.92	9.10	9.23	9.36	9.59	95%
4	9.43	9.62	9.76	9.90	10.14	100%
5	10.66	10.87	11.03	11.19	11.46	113%
6	11.79	12.02	12.20	12.38	12.67	125%
7	12.81	13.07	13.26	13.45	13.77	136%
8	13.84	14.11	14.32	14.53	14.88	147%
9	15.89	16.21	16.44	16.68	17.08	168%

**Table of 2005 pay rates  
- Special regulation East  
(valid until June 30<sup>th</sup>, 2005; in Euros)\*  
-13.5%**

Pay group	Hourly rate	2.0% (> 3 months)	3.5% (> 6 months)	5.0% (> 9 months)	7.5% (> 12 months)
1	6.07	6.19	6.29	6.38	6.53
2	6.43	6.56	6.65	6.75	6.91
3	7.71	7.87	7.98	8.10	8.29
4	8.16	8.32	8.44	8.56	8.77
5	9.22	9.41	9.54	9.68	9.91
6	10.20	10.40	10.55	10.71	10.96
7	11.08	11.30	11.47	11.64	11.91
8	11.97	12.21	12.39	12.57	12.87
9	13.74	14.02	14.22	14.43	14.77

\*According to the agreement between the German Association of Private Employment Agencies (BZA) and the DGB member unions by December 16<sup>th</sup>, 2005 and March 28<sup>th</sup>, 2006.

**Table of 2006 pay rates West (valid from July 1<sup>st</sup>, 2006, in Euros)\***

Pay group	Hourly rate	1.5% (> 9 months)	3.0% (> 12 months)	Pay key
M**	7.00	-	-	
1	7.20	7.30	7.41	74%
2	7.62	7.73	7.85	79%
3	9.14	9.28	9.41	95%
4	9.67	9.81	9.96	100%
5	10.93	11.09	11.25	113%
6	12.08	12.26	12.44	125%
7	13.13	13.33	13.53	136%
8	14.18	14.40	14.61	147%
9	16.28	16.53	16.77	168%

**Table of 2006 pay rates  
- Special regulation East  
(valid from July 1<sup>st</sup>, 2006; in Euros)\*  
-13.0%**

Pay group	Hourly rate	1.5% (> 9 months)	3.0% (> 12 months)
M**	6.10	-	-
1	6.26	6.36	6.45
2	6.63	6.73	6.83
3	7.95	8.07	8.19
4	8.41	8.54	8.66
5	9.51	9.65	9.79
6	10.51	10.67	10.83
7	11.43	11.60	11.77
8	12.34	12.52	12.71
9	14.17	14.38	14.59

\*) According to the agreement between the German Association of Private Employment Agencies (BZA) and the DGB member unions by December 16<sup>th</sup>, 2005 and March 28<sup>th</sup>, 2006.

\*\*) Pay group M will only enter into force if the collective agreement on minimum wage in the form of a statutory decree by the Posted Workers Act becomes operative and shall only apply to those employees who will be employed from the date of the coming into force of the statutory decree regarding the collective agreement on minimum wage by the Posted Workers Act.

### Table of 2007 pay rates (in Euros)

Pay group	Hourly rate	1.5% (> 9 months)	3.0% (> 12 months)	Pay key
M*	7.15	-	-	
1	7.38	7.49	7.60	74%
2	7.81	7.92	8.04	79%
3	9.37	9.51	9.65	95%
4	9.91	10.06	10.20	100%
5	11.20	11.37	11.54	113%
6	12.38	12.57	12.76	125%
7	13.46	13.66	13.86	136%
8	14.54	14.76	14.97	147%
9	16.69	16.94	17.19	168%

### Table of 2007 pay rates - Special regulation East (in Euros)

-13.0%

Pay group	Hourly rate	1.5% (> 9 months)	3.0% (> 12 months)
M*	6.22	-	-

### Table of 2008 pay rates (in Euros)

Pay group	Hourly rate	1.5% (> 9 months)	3.0% (> 12 months)	Pay key
M*	7.31	-	-	

### Table of 2008 pay rates - Special regulation East (in Euros)

-13.0%

Pay group	Hourly rate	1.5% (> 9 months)	3.0% (> 12 months)
M*	6.36	-	-

\*) Pay group M will only enter into force if the collective agreement on minimum wage in the form of a statutory decree by the Posted Workers Act becomes operative and shall only apply to those employees who will be employed from the date of the coming into force of the statutory decree regarding the collective agreement on minimum wage by the Posted Workers Act.