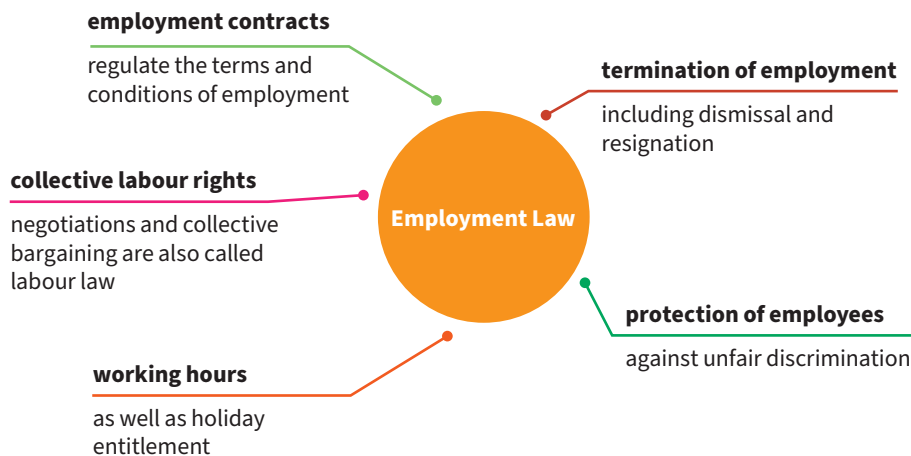


# 5 Employment Law

Across the globe, employment law deals with the rights and duties of employers and employees in our quickly changing world of work.



## Working in the office and in the garage

The contractual relationship between an employer and an employee is regulated by employment law.

salary  
Gehalt  
wage  
Lohn  
notice period  
Kündigungsfrist

probationary period  
Probezeit

be entitled to  
einen Anspruch haben

## 1 Employment contracts

When an employee is hired, the employer must provide an employment contract for them.

- **In Austria**, written employment contracts are obligatory and they contain, among other things, essential elements, such as a job description, the salary or wage, and the working hours.
- **In the United Kingdom**, employment contracts are also called “written statement of employment particulars” and give details of the key terms, the job duties, the payment, the working hours, and the notice periods.
- **In the USA**, employment contracts are less formal and often either party can terminate the employment relationship at any time without cause.

In Austria and the UK, **probationary periods** are quite common for new workers.

## 2 Working hours

When we compare the number of **standard working hours** per week, we shall find that the standard workweek in **Austria** is 40 hours, in the **United Kingdom** between 37 and 40 hours, and in the **USA** there exist no standardised working hours, but a typical work week is 40 hours.

In all three countries, **overtime** is generally paid at a higher rate for hours worked over 40 per week. All employees are of course entitled to breaks and rest periods at their various workplaces.

### 3 Termination of employment

If an employment relationship is to be terminated in **Austria**, the employer or the employee must give a **notice of termination**. No reasons need to be given, but there must be a certain period of time kept between giving notice and the end of the employment relationship. This also applies in the **United Kingdom**.

If, in general, either party **has given a reason** that is so important that it is unreasonable to continue working with the other party during the notice period (e.g. non-payment, assault, gross defamation, etc.), the employment relationship can be terminated immediately and without a notice period. If an employee provides a reason and the employer terminates the employment relationship, this is called **dismissal**. If the employee has a reason for terminating the employment relationship, this is called **resignation**.

In the **USA**, employers can dismiss employees without cause. Both, dismissal and resignation can be **challenged** in the labour court. The court will then decide whether or not the reasons given justify such a termination.

**termination of employment**  
Kündigung

**notice of termination**

Ausspruch der Kündigung  
(schriftlich oder mündlich)

**dismissal**  
Entlassung

**resignation**  
Austritt

**challenge**  
hier: anfechten

### 4 Anti-Discrimination laws

In all three countries **anti-discrimination laws** protect workers and employees against discrimination which is based on age, disability, sex, religion, and others, for which specific national laws may provide additional protections.

### 5 Collective labour rights

In connection to the relationship between employers and trade unions, the so-called collective labour rights play an important role.

In **Austria**, the **social partnership**, in which employer and employee councils negotiate employment matters, has a strong tradition. But also in the **United Kingdom**, the **trade unions** play a significant role, in particular in industries where there is a strong union tradition. In both countries, many workers and employees are members of different unions, whereas in the **USA** union membership is not so strongly represented and collective bargaining is less common than in Austria and the UK.

**collective bargaining**  
Kollektivverhandlungen,  
Tarifverhandlungen

### 6 Summary

- **Austria** has a more protective legal framework in employment law, because it insists on regulated working hours, on a structured dismissal process and on strong collective bargaining rights.
- In the **United Kingdom** there exists a balance between employer flexibility and employee rights, whereby also precise regulations on dismissal and strong anti-discrimination laws protect employees and workers.
- In the **USA**, the employers have obviously more rights, because they do not use written employment contracts and can dismiss employees and workers as they wish, but at the same time there are federal and state laws which protect the workers against discrimination and guarantee them fair wages and salaries.

However, each country is trying to reflect its **broader socio-economic context** and its labour market priorities in this important sector of law. In any case, employment law is of great significance for workers and employees all

over the world, because it guarantees that all legal issues related to employment relationships are regulated fairly.



## PRACTICE

### P 5.1 Employment Law

Please deal with the following tasks:

1. Explain what an employment contract typically includes in Austria and the UK.
2. Compare the probationary periods in Austria, the UK and the USA. What are the similarities?
3. Describe how employment contracts in the USA differ from those in Austria and the UK.
4. Illustrate how standard working hours are different between Austria, the UK, and the USA.
5. Outline in which country the role of trade unions is more significant, and why do you think that is so?
6. List some of the reasons that employers in Austria and the UK need to provide when dismissing an employee.
7. Explain what an employee can do if they feel they have been unfairly dismissed in Austria, the UK, or the USA.
8. Describe how anti-discrimination laws protect employees in all three countries.
9. In your view, why is collective bargaining less common in the USA than in Austria or the UK?
10. Compare the balance between employer flexibility and employee rights in the UK and the USA.
11. Summarise which country has the most protective employment law framework, and why.
12. Give reasons why employment law is important for workers all over the world.

### P 5.2 Gap-Filling Exercise

Fill in the gaps with the appropriate words. Note: Some of the following terms can be used several times, other terms do not fit in any of the spaces.

rest	overtime	contract	entitlement
collective	dismissal	discrimination	termination
regulations	bargaining	standardised	
probationary	flexible	unions	employment

Across the globe, ..... (1) law deals with the rights and duties of employers and employees. One key element of this is the employment ..... (2) , which sets out the terms of the job, including working hours and holiday ..... (3). In Austria and the UK, written ..... (4) contracts are very common, while in the USA, these are less formal.

Working hours differ across countries. In Austria, the ..... (5) work-week is 40 hours, while in the UK it is between 37 and 40 hours. In the USA, there

are no ..... (6) working hours, but the typical week is 40 hours. Over-time, which refers to hours worked beyond 40, is paid at a higher rate. Workers are also entitled to breaks and ..... (7) periods.

When it comes to the ..... (8) of employment, employers in Austria and the UK must provide a reason for ..... (9), while in the USA, employers can terminate employment without cause. However, in all three countries, employees can challenge unfair ..... (10) if they feel it is discriminatory.

Anti-..... (11) laws protect workers against unfair treatment based on age, sex, or disability. Trade ..... (12) also play an important role in representing employees, especially in Austria and the UK, where ..... (13) bargaining is common. In contrast, in the USA, union membership is less common and ..... (14) bargaining is rare.

To summarise, Austria has more protective employment ..... (15), while the UK offers a balance between flexibility and employee rights.

**P 5.3 Jumbled Letter**

Peter tells his friend Thomas about his dismissal. Put the sections of the letter A – F into the correct order.

**F**  
As you know, I've been working as a maintenance engineer at the „Plex Ltd“ plant for a few years now. Unfortunately, a couple of weeks ago, I made a mistake while servicing one of the machines on the production line. It was an honest error, but it caused some delays in production and cost the company a fair bit of money. Yesterday, my employer handed me a termination notice, claiming that the mistake was grounds for dismissal.

**E**  
Dear Thomas,  
I hope you're doing well. I'm writing to you because I've found myself in a bit of a difficult situation at work and I could really use your advice.

**D**  
From what I understand, under Austrian employment law, they need to provide a fair reason for terminating my employment. I was given the notice, but I'm not convinced it's justified, especially since there was no prior warning or discussion about the mistake before the dismissal. Do you think I have a case for this? Should I consider suing the company for unfair dismissal? I'm worried about the costs involved and whether it's worth pursuing, but at the same time, I don't want to just accept it if I've been treated unfairly.

**C**  
Best regards,  
Peter

**B**  
I'm shocked and upset because I didn't expect things to escalate so quickly. I've always worked hard and had no previous issues. I feel like they didn't give me a fair chance to explain myself or even properly investigate what happened. I'm wondering if I should take legal action and claim unfair dismissal.

**A**  
I'd really appreciate your thoughts on this, and if you have any advice on what my next steps should be. I'm feeling pretty lost at the moment.