Collective Agreement on Minimum Annual Salaries

for University Graduates in the Chemical Industry

2024

October 9, 2024

The following is hereby agreed between the

Federal Employers' Association for Chemistry (BAVC), Wiesbaden

and the

Association of Employed Academics and Executives in the Chemical Industry (VAA), Cologne.

Section 1

Scope:

1. Geographical:

This Collective Agreement applies to the federal states of Baden-Württemberg, Bavaria, Bremen, Hamburg, Hesse, Lower Saxony, North Rhine-Westphalia, Rhineland-Palatinate, Saarland, Schleswig-Holstein and Berlin (West) ¹;

2. Personal:

This Collective Agreement applies to employees as defined in Section 1 (1 a)) of the Framework Collective Agreement for University Graduates in the Chemical Industry of 5 March 1976 as revised on 2 May 2000.

This Collective Agreement does not apply to executive employees. For the purposes of this Collective Agreement, executive employees are employees who are regarded as executive employees in accordance with the provisions of the Works Constitution Act and whose individually agreed conditions of service are at least equivalent in all respects to the provisions in the Framework Collective Agreement for University Graduates in the Chemical Industry.

3. Area of activity:

This Collective Agreement applies to enterprises and sales companies as defined in Section 1 (3) of the Framework Collective Agreement for University Graduates in the Chemical Industry of 5 March 1976 as revised on 2 May 2000.

¹ Berlin (West) comprises the area of the German state of Berlin in which the German constitution (Grundgesetz) applied before 3 October 1990.

Section 2

1. The remuneration for the first year of employment shall be freely agreed.

For the second year of employment, the minimum collectively agreed annual remuneration for the **2024** calendar year is:

 for graduate employees and employees with a Master's degree ²

Euro 74,050.00

for employees with a doctorate

Euro 86,075.00

- 2. After the second year of employment, the salaries of employees are to be reviewed periodically in accordance with company practice and, subject to appropriate activity and performance, continue to increase compared to the respective minimum annual salaries under the collective agreement.
- 3. Within the company, it should be ensured, taking into account previous practice, that the minimum annual salary is allocated appropriately in terms of both the regular monthly salary and any other non-regular benefits such as bonuses, year-end payments and similar remuneration.
- 4. Regular and other remuneration shall be structured in a way that ensures the minimum annual salary as per the collective bargaining agreement is reached during the current calendar year. Benefits for the first year of employment that are not paid until the second year of employment shall not count towards the minimum annual remuneration for the second year of employment.

Bonuses, year-end payments or similar benefits that can count towards the collectively agreed minimum annual salary may be paid up to 30 June of the following year if this has been agreed with the employee.

5. If the second year of employment begins during the course of a calendar year, the employee is entitled to 1/12 of the agreed minimum annual salary for each month of employment commenced in the second year of employment. Point 4 paragraph 2 shall apply analogously.

² This also includes employees with other final examinations within the meaning of Section 1 (1a) of the collective labour agreement for academics.

Section 4 paragraph 2 applies accordingly.

- 6. Part-time employees are entitled to a pro-rata minimum annual salary.
- 7. In terms of salary, graduate employees and employees with a Master's degree are regarded as employees not covered by collective bargaining agreements (non-tariff employees) after the fifth year of employment at the latest, and employees with a doctorate after the third year of employment at the latest, unless in either case the employer decides differently and notifies the relevant employees in writing.

The remuneration of employees not covered by collective bargaining agreements shall increase depending on their activities and performance in an appropriate manner as customary for employees not covered by collective bargaining agreements.

The salaries of both graduate employees and those with a Master's degree who are outside the collective bargaining agreement shall be above the higher rate specified in Point 1 after five years of employment at the latest.

8. If a company or enterprise makes use of the 'opening clause' in Section 10 of the Federal Collective Bargaining Agreement or of the 'opening clause' in Note 1 (2) of the Framework Collective Agreement for Employees in the Chemical Industry, the percentage reduction in the collective rates agreed between the employer and the works council shall also extend to the minimum annual salary amounts under the present Collective Agreement.

The same shall apply if a company or enterprise makes use of an option provided for in district collective wage agreements to postpone the start of a pay increase applicable to the rates of pay set out in the relevant table(s).

9. Contributions to the company pension scheme can be made from the minimum annual salary by means of earnings conversion.

Section 3

This collective agreement is valid until December 31, 2024 and replaces the collective agreement on minimum annual salaries for the calendar years 2022 and 2023.

At a suitable point in time, the parties to the collective agreement will begin negotiations on the reorganisation of the regulation for the year 2025. At the request of one of the contracting parties, these negotiations shall be commenced within a period of six weeks. If negotiations are not commenced within this period or if they do not lead to a result, the Federal Arbitration Board may be called upon. The minimum annual salaries set for 2024 shall continue to apply until a new regulation is agreed for 2025.

Cologne, October 9, 2024

On behalf of the Federal Employers' Association for Chemistry (BAVC), Wiesbaden On behalf of the Association of Employed Academics and Executives in the Chemical Industry (VAA), Cologne

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