New pay system agreement for DESY

Implementation of new rules under Collective Bargaining Agreement

Chr. Harringa VL, P. Schmidt BR
Introduction of Federal Pay Scale Agreement 2016
Hamburg/Zeuthen, 11 February 2016
Agenda

- Introduction and background
- The „Entgeltordnung“
  - Federal pay system agreement
- Payment for extraordinary performance
- Allocation to higher pay group
Collective Bargaining Agreement was outdated

- Family benefits
  - For marriage and children
- Remuneration for loyalty, despite increase in temporary contracts
  - „Bewährungsaufstiege“ – Promotion by seniority
- Separate arrangements for white-collar and blue-collar employees
  - „Vergütungsordnung“ + „Betriebslohntabelle“ = „Entgeltordnung“
  - Salary system (white-collar) + Company pay table (blue-collar) = Pay system (employees)
- „Vergütungsordnung“ outdated, e.g.
  - Stockroom administrator Pay Group 2
  - IT employees
  - …
Collective Bargaining Reform 2005 – Results

> New version of Collective Bargaining Agreement – TV-AVH

- Removal of family benefits
- Removal of „Bewährungsaufstiege“
- Introduction of grades of experience
- Introduction of performance pay
- Conclusion initially without pay system
  - Transitional arrangement taking recourse to previous regulations
  - New regulation contractually agreed for 2007
    - Actual implementation
      - Federation 2014
      - DESY (AVH) 2016
      - Local bodies/AVH Not yet
DESY Agreement 2015 – Results

- Taking over results of Federal negotiations of 2013

> New arrangement of pay system

> Change in performance pay

> New system for allocation to higher pay groups
Agenda

➢ Introduction and background

➢ The „Entgeltordnung“
  ▪ Federal pay system agreement

➢ Payment for extraordinary performance

➢ Allocation to higher pay group
Revision of pay system

- Promotion by seniority – final and definitive abolition
- Pay group 9 split into pay groups 9a and 9b
- Editorial revision of job descriptions
Principle of promotion by seniority – examples

- Allocation before 01/10/2005
  - Allocation to pay gr. VII ⇒ gr. 5
  - Promotion to pay gr. Vlb ⇒ gr. 6

- Allocation from 01/10/2005 to 31/12/2015
  - Allocation to pay gr. VII ⇒ gr. 5

- Allocation on/after 01/01/2016
  - "Bewährungsaufstieg" up to 6 years
  - Allocation to pay group 6
  - more than 6 years
  - Allocation to pay group 5
### Specific feature of pay group 9 – three versions

> **“Big pay group 9”**

<table>
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<tr>
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<th>Stufe 2</th>
<th>Stufe 3</th>
<th>Stufe 4</th>
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> **“Small pay group 9” – white-collar**

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> **“Small pay group 9” – blue-collar**

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Transfer to pay group 9b

Pay group 9b corresponds to the previous “big pay group 9”

- No change

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Transition to pay group 9a

Grade allocation in pay group 9a depends on amount

- Initial: pay group 9 with extended grade times & without grade 5

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Transition to pay group 9a

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➤ Rules for time in grades in pay group 9a:
  ▪ Time so far in grade is included in calculation
  ▪ On “transfer”, upgrade is effected without new period in grade
    • except for the new grade 3
Editorial revision of job descriptions

- Reduction from about 3000 to about 1000
- New system of job groups
- Allocation of „Betriebslohntabelle“ (blue-collar)
- Introduction/revision of certain job groups
- In some cases upgrading of job groups
Wording of Collective Bargaining Agreement

➢ Initial wording

▪ Allgemeine Vergütungsordnung – Anlage 1 a zum Manteltarifvertrag für Angestellte
  General salary system – white-collar

▪ Betriebslohnstabelle Nr. 5 – Anlage 5 zum Tarifvertrag über die Einreihung der Arbeiter in die Lohngruppen und über die Gewährung von Schmutz-, Gefahren- und Erschwerniszuschlägen
  Company pay table No. 5 – blue-collar

➢ New wording

▪ Entgeltordnung – Anlage 1 zum Tarifvertrag über die Entgeltordnung des Bundes (TV EntgO Bund)
  Pay System Agreement – employees
Easy to find at www.desy.de – intranet

Wording is shown here:

- [http://www.desy.de/information__services/desy_user/index_eng.html](http://www.desy.de/information__services/desy_user/index_eng.html)

... mainly in German!
Skipping several examples

➢ There is no chance in translating examples

➢ You need support if you're not practicing to read special German wordings

➢ One example is indicated in information sheet
  ▪ Foreign language assistants (foreign language secretaries)
Example scientist with ordinary tasks

Allgemeine Vergütungsordnung – Teil I
Vergütungsgruppe II a Fallgruppe 1a

- Angestellte mit abgeschlossener wissenschaftlicher Hochschulbildung und entsprechender Tätigkeit sowie sonstige Angestellte, die aufgrund gleichwertiger Fähigkeiten und ihrer Erfahrungen entsprechende Tätigkeiten ausüben.

Entgeltordnung – Teil III

- Beschäftigte mit abgeschlossener wissenschaftlicher Hochschulbildung und entsprechender Tätigkeit in der Forschung sowie sonstige Beschäftigte, die aufgrund gleichwertiger Fähigkeiten und ihrer Erfahrungen entsprechende Tätigkeiten ausüben.
To apply or not to apply

➢ An application can as a rule be made any time up to 30/06/2017
➢ Once an application has been submitted, it cannot be withdrawn
➢ New calculation is effected in all cases with effect from 01/01/2016
➢ Allocation to a higher group based on an application is effected in accordance with the existing system of allocation to higher group
➢ Procedure for processing the application is described
  ▪ in the information sheet and info communication (as distributed)
➢ If you do not have the required contract data, please contact V2
➢ Advice is available from the Works Council
New pay scale agreement at DESY

The „Entgeltordnung“

Federal pay system agreement

Questions and comments
Introduction and background

The „Entgeltordnung“
  - Federal pay system agreement

Payment for extraordinary performance

Allocation to higher pay group
Performance pay

Performance pay in the present form (Art.18 TV-AVH) is no longer applicable, and is replaced by the regulations of Art.18 TVöD Bund

- Annual appraisal interviews will continue to be conducted
The Federal system provides for 3 possibilities:

- Performance pay no longer applicable
- Payment of performance pay in accordance with Collective Bargaining Agreement, now 1% (previously 2%)
- Application of a non-agreement arrangement under BLBV
  - Bundesleistungsbesoldungsverordnung (Federal Remuneration System)

The employer decides which possibility is to be applied
Bonuses

At DESY – performance bonuses pursuant to BLBV

- The same total amount is to be paid out in 2016 as in 2015
- Funding of costs of implementation of pay system and allocation to higher group with unchanged grade
- Bonus for outstanding performance to be paid for the first time to employees “not in scientific work”
- Central Company Agreement on Performance Pay is supplemented
Bonuses

Bonuses pursuant to BLBV

- Bonus round in December each year
- For the first time, all employees are eligible for bonus payment
- Bonuses are normally higher than performance pay
- Not all employees will receive bonuses
New pay scale agreement at DESY

Payment for extraordinary performance

Questions and comments
Introduction and background

The „Entgeltordnung“
  - Federal pay system agreement

Payment for extraordinary performance

Allocation to higher pay group
> Allocation to higher pay group up to 29/02/2016

**Amounts payable for allocation to higher group**

- If applicable guaranteed amount (pay gr. 1-8: €56.28 / pay gr. 9-15: €90.06)

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## Allocation to higher group, maintaining same grade

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New pay scale agreement at DESY

New system for allocation to higher pay group

Questions and comments
New pay scale agreement at DESY

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