asga pensionskasse

Rosenbergstrasse 16
Postfach, 9001 St.Gallen

T +41 71 228 52 52
F +41 71 228 52 55

info@asga.ch
www.asga.ch

Information sheet on salary notifications for salaries that fluctuate strongly (e.g. hourly wage / seasonal employees, etc.)

1. Advance declaration

Salary notifications for salaries that fluctuate strongly can be challenging for employers, as the principle of salary notifications is based on advance declaration. In accordance with Article 16 of our Pension Fund Regulations the **most recently known** OASI annual salary applies as the reference annual salary for persons previously insured with Asga and the **expected** OASI annual salary for newly insured persons.

When an employee joins their company, the employer must determine whether and to what extent they are subject to mandatory occupational benefits insurance.

Unlike for OASI, there is no definitive assessment at the end of the year at Asga; accordingly, the Asga insured salary may differ from the actual OASI annual salary.

As a general rule, advance declaration does not present any difficulties in the case of a fixed monthly salary. However, if elements for advance calculation are missing, the salary declaration may be challenging, particularly if it is unclear how often and how long the employee will be working. This therefore applies in particular to people employed on an hourly paid rate and whose monthly salary fluctuates strongly. To ensure that employees receive the correct salary deduction figures from Asga, these person must be registered relatively quickly after joining the company.

2. Determining the provisional salary

For occupations in which the degree of employment or the level of salary fluctuates considerably as well as for seasonal employees and persons receiving an hourly wage, the previous year's salary may be reported for the determination of the relevant **annual salary**. If the relevant annual salary cannot be determined in this way, the **expected OASI annual salary** shall apply. This may need to be estimated in certain cases.

By obtaining an approximate estimate of the provisional salary, you can register the insured person immediately and avoid unnecessary frequent corrections. This also eliminates any financial burden at the end of the year because establishing that an employee's salary is subject to OPA later and the resulting later registration may lead to additional demands for contributions, which are shared by the employer and employee in accordance with financing. Prompt registration therefore simplifies administration while also balancing out fluctuations in insured benefits over the year.

As a result of advance calculation (forward-looking salary determination), the reported salary may differ from the actual effective OASI annual salary and the salary is not corrected retroactively. Effective salary changes apply from the date on which they take effect.

Please refer to the following page.

3. Degree of employment

If your benefits plan states that the co-ordination deduction is adjusted to the degree of employment and you are unable to readily determine the degree of employment, it is recommended that you notify the average of the last three months. It can be reasonably assumed that this will result in as fair a solution for the insured person as possible. Note: If you enter a degree of employment of 100% due to an unclear starting situation, this could result in unequal treatment of your employees and the insured person may accumulate less retirement assets.

4. Examples

If no previous year's salary is available for a person with strongly fluctuating income, the expected annual salary must be estimated. To determine this, the salary of the first three months of employment may for example be used:

- Determination of the expected annual salary for an employee paid an hourly wage if no previous year's salary exists
- CHF 50.00 per hour, including allowances for vacation/public holidays, 13th monthly salary.
- The company working time is 42 hours per week (in accordance with employment regulations).

Month	Hours	Hourly salary in CHF	Salary in CHF
August	40	50.00	2,000.00
September	35	50.00	1,750.00
October	42	50.00	2'100.00
Total from three months of employment	**117**		**5'850.00**

Annual reference salary calculation:
CHF 5,850 (total of first three months of employment)
: 3 months
x 12 months (for the full year)
= **CHF 23,400.00** ► enter this salary on registration / notification of joining.
► *The OPA entry threshold has been reached; this person must be registered.*

Note

In principle, the minimum entry threshold is defined in your benefits plan. If no minimum entry threshold is stated, the statutory minimum entry threshold applies.

Calculation of degree of employment:
117 hours (total of the first three months of employment)
: 12 weeks
x 100 (for percent)
: 42 hours
= **23.214285%** ► enter the degree of employment of 23% on registration/notification of joining
► *The degree of employment should be entered as a whole number.*

Note

Please note that no decimal places can be processed for the salary. Always round the salary up or down to the nearest whole number.

Please refer to the following page.

If, at the end of the year, you notice that the reported annual salary was too high or too low, adjustments will be made as of 1 January of the following year by reporting the most recently known OASI annual salary.

Month	Hours	Hourly salary in CHF	Salary in CHF
August	40	50.00	2,000.00
September	35	50.00	1,750.00
October	42	50.00	2’100.00
November	30	50.00	1’500.00
December	35	50.00	1’750.00
Total effective annual salary	**182**		**9’100.00**

Annual reference salary calculation:
CHF 9,100.00
: 5 months
x 12 months (for the full year)
= **CHF 21,840.00** ► The OPA entry threshold has not been reached.
► *The insured person must be deregistered by 31 December of the year as the previous annual salary does not meet the minimum entry threshold. The next review will take place on 31 December. of the following year.*

Month	Hours	Hourly salary in CHF	Salary in CHF
August	40	50.00	2,000.00
September	35	50.00	1,750.00
October	42	50.00	2’100.00
November	45	50.00	2’250.00
December	42	50.00	2’100.00
Total effective annual salary	**204**		**10’200.00**

Annual reference salary calculation:
CHF 10,200.00
: 5 months
x 12 months (for the full year)
= **CHF 24,480.00** ► The OPA entry threshold has been reached.
► *The effective OASI annual salary is higher than estimated on joining. The insurance obligation is therefore deemed to exist as the minimum entry threshold has definitely been met. This salary can be notified in the salary list for 1 January of the following year.*

This information sheet only provides an overview, and the information contained herein does not constitute a legal claim. The legal and regulatory provisions are exclusively authoritative for the assessment of individual cases.