

Employment contracts

A contract of employment is an agreement between an employer and an employee which sets out their employment rights, responsibilities and duties. These are called the 'terms' of the contract.

The terms of a contract

Contract terms can come from a number of different sources. For example they could be:

- verbally agreed
- in a written contract, or similar document
- in an employee handbook or on a company notice board
- in an offer letter from your employer
- required by law, like the requirement by your employer to pay you at least the minimum wage
- in collective agreements
- implied terms

The employment contract is made as soon as you accept a job offer. If you start work it will show that you accepted the job on the terms offered by the employer, even if you don't know what they are.

Your employment contract doesn't have to be in writing, but you're entitled to a written statement of the main terms within two months of starting work. Having a written contract could cut out disputes with your employer at a later date, and will help you understand your employment rights.

If there's anything in your contract that you're unsure about, or which is confusing, ask for it to be explained to you. It should be made clear what forms a legally binding part (that is, a 'term') of your contract and what does not. For example, your company handbook may set out a procedure that your employer will aim to follow if they can, but that is not legally binding.

You and your employer are bound to the employment contract until it ends (usually by giving notice) or until the terms are changed (usually in an agreement between you and your employer).

Written statements

If you are an employee, who has been working for your employer for more than one month you have the right to receive a '[written statement of employment particulars](#)' that sets out some of your main terms. Your

employer must give you this within two months of starting work. The statement must include details on:

- the business name
- your name, job title or description of work and start date
- pay
- hours of work
- where you'll be working
- holiday entitlement
- sick pay arrangements
- notice periods
- information about disciplinary and grievance procedures
- any collective agreements that affect you
- pensions and pension schemes

If you haven't been given a written statement of employment particulars, it's either wrong or unclear, or you've been dismissed for asking for one, you should first try to sort it out with your employer directly.

Collective agreements

Employers sometimes make agreements with a trade union or staff association. These are known as collective agreements. Your contract should make it clear which agreements apply to you and who can negotiate on your behalf. These agreements can apply to you even if you're not a member of the trade union or staff association.

- [Introduction to trade unions](#)

Implied contract terms

Implied terms aren't written down anywhere, but are understood to exist. If there's nothing clearly agreed between you and your employer about a particular matter, then it may be covered by an implied term. Terms are implied into a contract for a number of reasons.

Terms that are necessary to make the contract work

Terms can also be implied because they are necessary to make the contract work. The most important of these is the 'duty of mutual trust and confidence'. This means that you and your employer rely on each other to be honest and respectful. For example, your employer trusts you not to destroy company property and you trust your employer not to bully you.

Terms that are obvious or assumed

Some terms are included either because they are so obvious that it is not felt necessary to write them down, or because it will be assumed that such a term exists.

An example of this might be where a contract provides for sick pay without saying how long it will be paid. It will be assumed that it is not intended to be paid forever.

Terms implied by custom and practice

These are specific to an employer or kind of work. They are arrangements that have never been clearly agreed but over time have become part of the contract.

For example, you might get a Christmas bonus every year, or the business might close early on particular days. If a company practice has become a part of your contract then your employer must stick to it and cannot normally change it without your agreement.

Whether a particular practice has become a part of the contract can be very difficult to decide. There is no fixed time limit after which something is definitely part of the contract. Among other things, it depends on:

- how seriously it has been treated (has the employer acted like they have a choice?)
- how clear it is (has the employer treated the matter differently each time?)
- how long it has been in place
- [Changes to employment conditions](#)

If either you or your employer breaks a term of the contract, the other is entitled to sue for [breach of employment contract](#).

If your employer is bought by another company, or moves to a new location, your existing terms and conditions should continue, although the new owners should give you an amended written statement in their name.

- [Relocation of work](#)
- [Employment protection during business transfers and takeovers \(TUPE\)](#)

Where you can get help

The [Labour Relations Agency](#) (LRA) and [Advice NI](#) offer free, confidential and impartial advice on all employment rights issues.

Seek legal advice from a solicitor or advice agency on contract conditions.

- [Solicitor's Directory \(The Law Society of Northern Ireland website\)](#)