

Comparison

Employee Expenses for the Employer ./ Freelancer Expenditures for the Employer

Description / Type	Factors	per Month	annual	
"Gross" Salary of Employee	12 months	10.000	120.000	Euro
Social Charges paid by Employer for the Employee	20%	2.000		
Retirement / "pension fund" = 3,5% per annum, minimum!	3,5%	350		
Total Expenses for Employee by Employer	12	12.350	148.200	Euro
Benefits of the Employee:				
paid holidays, based on 5 working days per week	10	working days		
paid leave	20			
paid sickness days, on average	10			
no acquisition days	20	working days		
Total days of "non-ability to earn" money as a free lancers	60	days "non-utilization" to deliver services		
A free lancer has to bill - based on a monthly salary of 10.000 Euro equal 148.000 Euro annual income.				
The Free lancer is only able to earn this money (12 months - 3 months) within 9 months - fully utilized.				
Required billing per months for an free lance engineer / MBA	148.200	div. 9 mths services	16.467	EUR p m
		to cover the benefits of the Employee as well.		
Per diem / Daily subsistence allowance, / Meals + Incidental Expenses will be paid seperately.				
Conclusion : Monthly Salary of an Employee has to be increased by an factor of 1,65 that the Free Lancer is receiving the equal income with the a.m. benefits				