

**COLLECTIVE AGREEMENT FOR  
SALARIED EMPLOYEES  
IN TECHNOLOGY INDUSTRIES**

14 February 2020 – 30 November 2021

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## **SIGNING MINUTES TO THE COLLECTIVE AGREEMENT FOR SALARIED EMPLOYEES IN TECHNOLOGY INDUSTRIES**

Date 14 February 2020

Place Technology Industries of Finland, Helsinki

Present	Technology Industries of Finland	Trade Union Pro
	Jaakko Hirvola	Jorma Malinen
	Minna Helle	Anssi Vuorio
	Jarkko Ruohoniemi	Roni Jokinen
	Johanna Laine	Katariina Stoor
	Pasi Lehtinen	Petteri Halvari
		Ville Varila
		Pasi Heikkinen
		Petri Jokiranta

### **Section 1**

#### **Signing of the collective agreement**

It was noted that a collective agreement reflecting the negotiated settlement achieved on 10 February 2020 was signed today between the federations. The collective agreement now signed will enter into force on 14 February 2020.

Changes to the contents of the agreement will take effect on 14 February 2020, unless otherwise agreed in the respective part of the agreement.

### **Section 2**

#### **Salary settlement**

##### **Year 2020**

##### *Negotiations on the salary settlement and its grounds*

The salary settlement shall be negotiated locally, while taking into account the company's or workplace's order book, financial and employment situation, and cost competitiveness on the market. In good time before the start of local negotiations, the employer shall provide the shop steward with the required information on the order book and financial and employment situation of the enterprise or workplace and of their anticipated development. For the basis of the negotiations, it would also be appropriate to provide information on the grounds for the proposed salary settlement.

The aim of the local negotiations is to reach a salary settlement in line with the circumstances of each company or workplace. In addition, the objective is to support motivating salary formulation, equitable salary structures and salary grading and the improvement of productivity at the workplace.

#### *Local salary settlement*

Matters to be agreed upon in a local salary settlement include the implementation, schedule and magnitude of salary adjustments. The agreement shall be concluded with the shop steward by no later than 29 February 2020, unless an extended bargaining period is agreed upon.

#### *Method of implementing salary adjustments without local salary settlements*

If no agreement on local salary settlement is reached, salaries shall be adjusted by an increase of 1.3% applied to all salaried employees no later than from 1 March 2020 or from the beginning of the next pay period after that.

#### *Information to be provided to the shop steward on the allocation of the salary settlement*

The shop steward shall have the right to obtain an account of the allocation of salary increases within a reasonable time after the salary increases take place, but no later than within one month from the time the salary settlement was implemented. The account shall specify the number of salaried employees, the number receiving an increase, the average amount of the increase, and the total sum of the salary increases awarded to salaried employees.

## **Year 2021**

#### *Negotiations on the salary settlement and its grounds*

The salary settlement shall be negotiated locally, while taking into account the company's or workplace's order book, financial and employment situation, and cost competitiveness on the market. In good time before the start of local negotiations, the employer shall provide the shop steward with the required information on the order book and financial and employment situation of the enterprise or workplace and of their anticipated development. For the basis of the negotiations, it would also be appropriate to provide information on the grounds for the proposed salary settlement.

The aim of the local negotiations is to reach a salary settlement in line with the circumstances of each company or workplace. In addition, the objective is to support motivating salary formulation, equitable salary structures and salary grading and the improvement of productivity at the workplace.

#### *Local salary settlement*

Matters to be agreed upon in a local salary settlement include the implementation, schedule and magnitude of salary adjustments. The agreement shall be signed with the shop steward by 15 January 2021, unless an extended bargaining period is agreed upon.

#### *Method of implementing salary adjustments without local salary settlements*

If no agreement on local salary settlement is reached, salaries shall be adjusted by an increase of 1.2% applied to all salaried employees no later than from 1 February 2021 or from the beginning of the next pay period after that.

In addition, on 1 February 2021, or at the beginning of the next pay period after that, a company- or workplace-specific element amounting to 0.8% of the previous month's salaries of salaried employees, including fringe benefits, shall be used to increase the salaries of employees. The

employer shall allocate a personal increase to each salaried employee from the company- or workplace-specific element.

The purpose of the company- or workplace-specific element is to support motivating salary formulation, equitable salary structures and salary grading, the advancement of productivity in the workplace, the implementation of the employer's salary policy and corrections of any distortions.

The principal factors determining the distribution of personal salary increases should be the salaried employees' professional capability and work performance. Larger salary increases shall be assigned to the salaried employees whose company-specific share of salary is, in relation to the personal share of salary, smaller than the average ratio.

#### *Information to be provided to the shop steward on the allocation of the salary settlement*

The shop steward shall have the right to obtain an account of the allocation of salary increases within a reasonable time after the salary increases take place, but no later than within one month from the time the salary settlement was implemented. The account shall specify the number of salaried employees, the number receiving an increase, the average amount of the increase, and the total sum of the salary increases awarded to salaried employees.

### **Section 3**

#### **Improvement of the salary system**

The federations shall extend the assignment of the remuneration working group appointed in the preceding agreement period. To maintain and improve the salary system, the working group shall be assigned the following functions in the new agreement period:

- Executing both general and company-focused trainings on salary systems during the agreement period.
- Continuing to develop remuneration systems that promote productivity and provide incentives.
- Promoting the appointment of remuneration working groups at workplaces.
- Reviewing the feasibility of the salary table ratios.

### **Section 4**

#### **Occupational well-being, development of expertise and maintenance of working capacity**

Occupational well-being activity comprises continual and comprehensive development of work, the working environment and the working community. Staff welfare also establishes the conditions for successful business operations. The shrinking working age population amplifies the importance of measures taken to extend working careers.

As part of the promotion of occupational well-being, the federations recommend that all work communities participate in the Well-Being at Work Card training.

The federations encourage workplaces to participate in the ongoing Occupational Well-Being and Productivity project and continue to support the participating workplaces in the implementation of well-being projects.

The federations shall provide joint guidance on organising training to promote employees' vocational expertise and on drafting a training programme at workplaces. The federations urge enterprises to apply their jointly prepared Harness Expertise process format.

Particular attention shall be paid to employee stress and ability to work. Workplaces should use workplace surveys, drawn up by occupational health care, as well as risk assessments and personnel plans, to reduce the incidence of illness and the resulting absences. Individual measures for the maintenance of working ability shall be designed on the basis of the above-mentioned tools where necessary. In this work, workplaces can draw on the common materials created by the federations.

#### *Promoting the working and operating capacity of aged employees at the workplace*

On the basis of the survey conducted by the employer, the employer and employees aged 58 or older shall discuss measures for supporting the employee's ability to cope with work. The Work Cycle model for the technology industry, jointly published by the federations, presents examples of possible measures.

### **Section 5**

#### **Status of the shop steward and effectiveness of staff representation**

The federations shall continue the mandate of the working group instituted in the previous agreement period. The task of the working group is to organise joint training on the role and status of shop stewards and on local bargaining, and to monitor the progress of the reform of administrative representation and to take jointly agreed measures to promote the implementation of administrative representation in the companies to which administrative representation is applied.

### **Section 6**

#### **Problem situations related to the status of elected representatives**

For various reasons, problems may arise in the relationship between the elected representative and employer, which, if they become severe, can lead to the employer considering termination of the elected representative's employment.

When the federations are apprised of such a situation, they shall rapidly begin negotiations in order to determine the causes, circumstances and facts behind the problem. When considering other necessary measures, the federations shall keep in mind their reciprocally heightened duty of supervising compliance with the collective agreement, and the labour peace obligation stipulated therein, in these situations.

The federations shall take action on the matter without undue delay. The objective of the federations is to reach a common position on the conditions for restoring the mutual trust between the shop steward and employer on which the employment contract is based.

The federations' duties shall also include providing other advice, training and guidance to local parties in order to ensure the functioning of the shop steward system.

## **Section 7**

### **Work groups**

#### **7.1 Revision work**

The federations shall institute a working group for improving the work of salaried employees and the competitiveness of companies by discussing matters related to employment contracts according to the principle of continuous negotiation and by taking any measures required. The working group shall continue clarifying agreement texts, with particular emphasis on improving the structure and legibility of the collective agreement during this agreement period.

#### **7.2 Workplace-specific experiments**

The federations shall institute a working group tasked with the monitoring of workplace-specific experiments concerning terms of remuneration and other terms of employment of salaried employees and other personnel.

Subject to local agreement, such experiments can deviate from the collective agreement's provisions issued in the sections concerning the salaries and other monetary payments made to all salaried employees. Such deviations require the approval of the federations.

Workplace-specific experiments will increase the workload of the chief shop steward, which must be taken into account in evaluating the need for the exemption referred to in Section 3.1 of the co-operation agreement. Especially in the early stages of such experiments, this usually means freeing the chief shop steward from work duties for a specific period of time. This exemption shall not decrease the shop steward's income.

#### **7.3 On-the-job training**

The federations shall appoint a working group, which is tasked to investigate best practices of on-the-job training. The federations shall use the results of the investigation as a basis for a joint recommendation, which promotes the sharing of best practices and they shall take other measures if needed.

#### **7.4 Industry-specific dialogue on the impacts of digitalisation**

During the agreement period, the federations shall start an industry-specific dialogue on the effects that technological development and digitalisation have on the development, training needs, working environments and the evolving ways of working related to the work of salaried employees, as well as on other changes in working life.

## **Section 8**

### **Parallel agreements**

The parties to the agreement shall use their influence to prevent parallel agreements from being made within the scope of application of this agreement.

## **Section 9**

### **Scope of the collective agreement**

The federations shall establish a joint working group to review questions related to the scope of the collective agreements for salaried employees and senior salaried employees in the industry. The working group shall be tasked with clarifying and harmonising, to the extent possible, the instructions provided concerning the scope of application.

## **Section 10**

### **Equality**

The federations consider the promotion of equality between different genders at the workplace, in accordance with the Equality Act, to be important and, for the attainment of this objective, emphasise the significance of fulfilling the obligations and taking the measures specified by law.

In support of this work, the parties to the agreement shall update their training material as appropriate and organise, during the agreement period, common training on drawing up equality plans and conducting salary surveys at workplaces and communicate of the same. The aim is to arrange national training events twice a year in a manner agreed upon by the parties. Local and company-specific training events shall be arranged in addition to these events where necessary.

The parties shall evaluate the gender impact of the collective agreement's provisions during the agreement period.

*Minuted note:*

*The parties shall institute a joint working group for this purpose, which may consult experts when necessary. In the evaluation of gender impact, the federations shall pay particular attention to indirectly discriminatory provisions and situations and structures that may lead to inequality.*

## **Section 11**

### **Preventing inappropriate behaviour**

The federations shall institute a working group, the purpose of which is to clarify, during the agreement period, methods that can be used to effectively prevent and intervene in any inappropriate behaviour at workplaces. Based on the report, the working group shall prepare, where possible, joint recommendations on how to intervene in harassment and inappropriate treatment or how to create a model for actions.



## **Section 12**

### **Review of the minutes**

It was agreed that Jaakko Hirvola, Minna Helle, Jorma Malinen and Anssi Vuorio shall review these minutes.

In witness of *Jarkko Ruohoniemi*

Reviewed by

*Jaakko Hirvola*

*Minna Helle*

*Jorma Malinen*

*Anssi Vuorio*

## **COLLECTIVE AGREEMENT FOR SALARIED EMPLOYEES IN TECHNOLOGY INDUSTRIES**

### **Section 1 Scope**

1 This agreement shall cover persons performing salaried employee duties in enterprises affiliated to Technology Industries of Finland. These persons may include, for example, individuals who have completed qualifications at universities of applied sciences or other vocational institutions for service in technological, financial, administrative and managerial positions.

2 Upper limitation

This agreement shall not apply to individuals representing the employer in determining the pay and conditions of service of salaried staff, or to individuals with an independent status and administrative, financial or operational responsibility within the enterprise or a substantial part thereof, or to persons of comparable status. This assessment shall allow for the size of the enterprise.

The scope of this agreement shall also exclude persons in enterprise organisations of medium size engaged in production operations, who are classified at the level of “departmental head” and enjoy in their duties the independent status and administrative, financial or operational responsibility referred to in the preceding paragraph. An enterprise organisation may also include individuals at the said level or at higher levels who have no managerial responsibilities, but who provide expertise in a particular specialism and who are therefore, and in view of the independence of their positions, to be equated with the foregoing persons. Large organisations naturally have more organisational levels, and thus persons working at a higher number of organisational levels may also fall outside the scope of the agreement, provided that the other conditions specified in the preceding paragraph obtain.

Mere service as the supervisor of salaried employees shall not suffice to exclude a position from the scope of this agreement. There shall be no upper educational limit to this agreement’s scope of application. This means, for example, that salaried employees with university or other specialist training fall within the scope of this agreement if the duties of the position are not those of a senior salaried employee. The duties of a senior salaried employee shall be determined in accordance with the provisions governing the scope of the collective agreement for senior salaried employees.

3 Lower limitation

This agreement shall not apply to persons in blue collar positions.

#### 4 Exceptional and special provisions

The relevant provisions of this agreement shall apply to persons who mainly work on commission.

The parties shall agree that collective agreements for salaried employees may be concluded solely in compliance with industry-based unionism to cover all salaried employees serving in the whole of the industry in question regardless of special occupation or training.

If an employer engaged in the technology industry is also engaged in some other industry, but belongs to Technology Industries of Finland only in respect of plants or departments that are engaged in the metal industry, then this agreement shall only govern the employment relationships of salaried employees in the said plants or departments.

If the work of a salaried employee (for example, in a group company or head office) directly serves more than one branch of the Confederation of Finnish Industries (EK), then the salaried employee shall be deemed to work in the main business sector of the enterprise.

*Implementation regulation:*

*The scope shall be job-related and determined on the basis of the actual content of duties. It is a consequence of the job-related character of the agreement that an individual's educational level, the statistical heading assigned, or the manner of salary payment shall not be decisive in settling the question of which collective agreement applies to the individual.*

*When hiring new employees, and when changes in duties occur, the employer's representative shall furnish the representatives of staff groups with details of the content of duties and of the collective agreement that governs them.*

The appendix on the board of settlement shall apply as part of the collective agreement.

## **Section 2 Annexed agreements**

- Cooperation agreement for the technology industry
- Agreement on protection against dismissal for salaried employees in technology industries
- Protocol of the board of settlement

## **Section 3 Employment and general duties of employment**

### 1 Right to direct work

The employer shall be entitled to direct and distribute work and to engage and dismiss a salaried employee.

### 2 Right to organise and withholding of trade union membership subscriptions

The parties affirm that both sides shall enjoy the unfettered right to organise and freedom of association.

The membership subscription to Trade Union Pro shall be set off from the salary of a salaried employee who has provided an authorisation and credited by salary payment period to the bank account designated by Trade Union Pro. Withholding shall be arranged in the manner separately agreed in the agreement minutes signed by the federations. A certificate of the sum withheld shall be given to the salaried employee for taxation purposes after the end of the calendar year or the end of employment.

### 3 Liability insurance and group life insurance

The employer shall arrange employer's liability insurance for salaried employees in supervisory positions, which shall cover the liability of the employer, the employer's deputy, and salaried employees in the service of the policyholder in a managerial or supervisory capacity, e.g. the liability of a supervisor for damage to person and property sustained by workers in the said supervisor's charge, insofar as compensation for the said damage is not payable under statutory industrial accident insurance or motor insurance. The maximum compensation for personal injury shall be EUR 150,000, subject to limits of EUR 60,000 per person and EUR 30,000 for damage to property. The other terms of insurance shall also be determined in accordance with the current general and special insurance terms for employer's liability insurance.

The employer shall arrange and defray the cost of group life insurance for salaried employees in the manner agreed between the national labour and employer confederations.

### 4 General obligations

Salaried employees shall promote and safeguard the employer's interests as required from employees in their position.

The employer shall maintain confidence in the salaried employee and shall, where possible, also support the efforts of individual salaried employees to improve their vocational skills. The employer shall notify the salaried employee at the earliest opportunity of any changes in the latter's status and shall support the salaried employee in serving as the employer's representative. Decisions pertaining to the salaried employee's subordinates shall be notified no later than at the time when the said subordinates are notified thereof.

A salaried employee shall be familiarised with the work and with any changes occurring therein. A new salaried employee shall also be familiarised with the enterprise and its operating principles, human resources policy and any workplace regulations.

A new salaried employee shall be advised of the applicable collective agreement, the associated bargaining system and the representatives of salaried employees.

### 5 Terms of service of sales staff on commission

The terms and conditions of service of sales staff working wholly or partly on commission shall be agreed with optimal precision, having regard to the Act on Commercial Representatives and Salesmen. This will involve determining such matters as remuneration, criteria for compensating for expenses, reckoning annual holiday and sick pay, and determining the

commission element, and the time of payment of commission. It will be expedient for the employer and the sales staff concerned to discuss sales targets before the employer confirms such targets. The employer shall compensate for all expenses incurred in attending to work duties.

#### 6 Amendment of terms and conditions of employment

The terms and conditions of employment may be amended if both parties agree thereto. If no agreement is reached, then the amendment may be implemented where grounds for termination obtain and the period of notice is observed. The procedure is thus the same as when terminating the employment contract.

A salaried employee may be transferred to other duties while retaining salaried employee status. If this signifies any deterioration in the benefits of the salaried employee, then the foregoing grounds for termination shall obtain in such a case and the period of notice specified in the agreement on protection against dismissal shall be observed.

### **Section 4 Regulations on salaries**

- 1 The pay of a salaried employee shall comprise a job-related element based on the job requirement of the position, an individual element determined on the basis of job performance and qualification factors, and any enterprise-specific element. A separate seniority bonus shall be paid on the basis of length of employment.

#### Minimum salary

The minimum pay of a salaried employee is obtained by adding the individual pay element to the job-related salary element.

#### **2 Job-related salary element**

- 2.1 The job requirement of a position shall be determined on the basis of the job description or some other adequate account.

#### *Minuted note:*

*The training materials prepared by the federations include an example of a job description form.*

Only one method of determining job requirement shall be used at the workplace. The basic measuring instrument is METTOVA. Use of other job requirement measuring instruments may be agreed locally. The instrument must be structured to enable measurement of the job requirement in all positions falling within the scope of this collective agreement.

## The METTOVA job requirement measuring instrument

The following factors are used to measure job requirement at the workplace:

### 1 REQUIRED KNOWLEDGE AND SKILLS

Factors increasing the job requirement the degree of independent judgement involved in the work the degree of knowledge and skill demanded by the work

1.1	Detailed work instructions. Guidance at the workplace.	40
1.2	General work instructions. Necessary knowledge and skills acquired through training or brief experience.	70
1.3	General assignment of duties. Necessary versatile knowledge and skills acquired through training or lengthy experience.	100
1.4	General operating models. Necessary versatile and extensive knowledge and skills acquired through training or long experience supplemented with additional knowledge.	130
1.5	Actions guided by operating principles and precedents. Necessary versatile and in-depth specialist knowledge and skills acquired through training or long experience.	160

### 2 IMPACT OF SOLUTIONS AND DECISIONS

Factors increasing the job requirement

#### 2.1 extent of impact on the entire workplace

2.11	Decisions generally affect the employee's own job/working team.	10
2.12	Decisions generally affect an area beyond the employee's immediate surroundings.	20
2.13	Decisions generally affect the employee's department/unit.	30
2.14	Decisions generally affect several departments/a major unit.	40

#### 2.2 extent of financial, operational and other effects of solutions and decisions

2.21	Decisions have an ordinary impact.	10
2.22	Decisions have a moderate impact.	20
2.23	Decisions have a sizeable impact.	30
2.24	Decisions have a major impact.	40

### 3 INTERACTION

**Factors increasing the job requirement the depth and scope of the counselling, guidance, motivating or negotiation and cooperation skills required for the job.**

3.1	Contacts generally involve receiving, conveying and disseminating information.	25
3.2	Expert contacts pertaining to the job and immediate working environment.	50
3.3	The job requires negotiating or cooperation skills.	75
3.4	The job requires the ability to influence and special cooperation skills.	100

### 4 JOB-RELATED AND MANAGERIAL RESPONSIBILITY

**Factors increasing the job requirement the degree of difficulty involved in managing and reconciling various aspects of the work the degree of demands pertaining to the status of the job in operational and managerial systems.**

4.1	Individual duties, or advisory or guiding function.	15
4.2	Independent area of duties or responsibility for organisation and resources, or supervisory function.	30
4.3	Extensive, independent area of duties or extensive responsibility for organisation and resources, or extensive supervisory function.	45
4.4	Extensive and varied independent area of duties or wide-ranging responsibility for organisation and resources, or supervisory function with subordinates at several organisational levels.	60

The specified job requirement must correspond to the true demands of the position. All job requirement specifications shall be reviewed at regular intervals not exceeding one year, and for each individual salaried employee whenever permanent changes occur in duties.

The job requirement of a new salaried employee shall be determined as soon as possible, and no later than four months after employment as a salaried employee begins. The same four-month time limit shall also apply whenever permanent changes occur in duties.

Representatives of the employer and of salaried employees shall review the specified job requirements and changes at least annually, and also with respect to new duties and when permanent changes are made in duties. A representative of salaried employees shall be entitled to submit a reasoned opinion concerning the determination of job requirement, the effectiveness of the system, and any problems arising.

*Minuted note:*

*If there is no elected representative of salaried employees at the workplace, then a salaried employee shall be entitled on request to details of the job requirement category and job requirement factors governing the said employee's duties.*

*Implementation regulation:*

*A joint remuneration working group of the employer and salaried employees shall be established to maintain the salary system at a workplace where the number of salaried employees so requires. The remuneration working group shall comprise individuals who have received salary system training and are familiar with the determination of job requirement. The remuneration working group shall serve as a specialist committee meeting as necessary to consider maintenance and monitoring issues pertaining to job requirements. The group shall be entitled to submit a reasoned opinion concerning the determination of job requirements, the effectiveness of the system, and any problems arising. The working group may also consider other remuneration-related issues as locally agreed. The working group shall avoid needless delay in conducting its business. The working group shall in any case meet at least once a year.*

*Redetermination of the job requirement of all duties by the remuneration working group may be warranted if changes of work organisation implemented at a workplace have significantly affected the content of duties. This also applies to the introduction of a system to be deployed at new workplaces.*

*The federations shall issue more detailed guidelines on the functions of a workplace remuneration working group in their training materials.*

## 2.2 Salaries for job requirement categories

The job requirement category salaries applied as of 1 January 2019 under subsection 2.2 of section 4 of the collective agreement in force for the period from 1 November 2017 to 31 October 2019 shall continue to apply until the end of the salary payment period ending on 29 February 2020 or soonest thereafter.

Job requirement category salaries as of the start of the salary payment period beginning on 1 March 2020 or soonest thereafter (EUR/Month):

Job requirement points	Job requirement category	Weekly working time 37.5 hours, monthly salary EUR	Weekly working time 40 hours, monthly salary EUR
100-129	1	1573	1586
130-159	2	1711	1726
160-189	3	1862	1877
190-219	4	2026	2043



220-249	5	2204	2222
250-279	6	2398	2418
280-309	7	2609	2631
310-339	8	2839	2862
340-369	9	3089	3114
370-400	10	3360	3388

Job requirement category salaries as of the start of the salary payment period beginning on 1 February 2021 or soonest thereafter (EUR/Month):

Job requirement points	Job requirement category	Weekly working time 37.5 hours, monthly salary EUR	Weekly working time 40 hours, monthly salary EUR
100-129	1	1604	1617
130-159	2	1745	1759
160-189	3	1899	1914
190-219	4	2066	2083
220-249	5	2248	2266
250-279	6	2445	2465
280-309	7	2661	2682
310-339	8	2895	2918
340-369	9	3149	3175
370-400	10	3427	3454

Working times that differ from the times shown are to be taken into consideration in the job requirement category.

### 2.3 Locally agreed job requirement measuring instrument

When using a locally agreed job requirement measuring instrument, the salaries based on job requirement categories shall be determined according to the salary table above so that the whole range of the table is used.

If the number of locally agreed requirement categories is the same or greater than that shown in the table above, then the lowest figure shall be the lowest figure in the table and the highest figure shall be the highest figure in the table.

If there are fewer job requirement categories than are shown in the table above, then the lowest category in the new table shall be based on the weighted average of the two or more lowest categories and the highest category in the new table shall be based on the weighted average of two or more highest categories in the table above.

*Implementation regulation:*

*The weighting used for determining the weighted average shall be the quotient calculated by dividing the number of grades in the above table by the number of grades in the locally agreed table.*

*If, for example, the number of grades in the table above is 10 and the number of grades in the locally agreed table is 8, then the quotient is  $10/8 = 1.25$ .*

The following formulae shall be applied:

lowest table figure + second lowest table figure x (quotient 1)  
quotient

highest table figure + second highest table figure x (quotient 1)  
quotient

#### 2.4 Job-related salary element

The job-related element in the pay of a salaried employee shall be determined on the basis of the requirement category for the employee's job according to its job requirement.

### 3 Individual salary element

The individual salary element shall be determined on the basis of factors important for the operation of the workplace (enterprise) and the duties performed therein. Such factors may include vocational expertise, job performance and other competence factors.

Vocational competence shall be determined by examining the employee's performance in situations involving choices made at work with respect to working methods and procedures and to their development. Wide-ranging expertise shall be determined by assessing the ability and readiness of an employee to perform various duties in the organisation.

Job performance shall be determined by comparing the results of the employee's work with a "normal" outcome of work.

Other competence factors may include flexibility, interpersonal skills, development at work and the ability to allow for the needs of the working community.

The employer shall prepare a locally agreed evaluation system, which shall be discussed with the employees or with their representatives before it is introduced. The evaluation system shall be provided in writing on request.

When preparing an evaluation system, the scaling factors should consist of the vocational expertise, job performance and other competence factors that are necessary locally.

*Minuted note:*

*The training materials prepared by the federations include competence evaluation models.*

The job performance and competence of salaried employees shall be evaluated by their immediate supervisors.

The amount of the personal salary share of a salaried employee is 5% at minimum and 26% at maximum of the salaried employee's job-based salary share.

Determination of the individual element in the pay of a salaried employee shall be independent of the job requirement. This means that differing job performance may arise in jobs of both greater and lesser requirement.

The average percentage of the locally determined individual elements in the pay of salaried employees shall vary between 11 and 17 percent.

Attainment of the average shall be verified when determining the pay of all salaried employees. The determinations shall be performed at regular intervals of no less than one year, unless otherwise agreed.

The individual element of pay shall be determined again when a permanent change occurs in the duties of a salaried employee.

The individual element of pay for a new salaried employee shall be determined at the earliest opportunity, and no later than four months after employment as a salaried employee begins.

#### **4 Maintenance**

When redetermining, at regular intervals, the job requirement category or the individual element of pay, the corresponding changes in the job-related or individual elements of pay shall be made as of the beginning of the next pay period.

On any permanent change in duties, the job-related and individual element of pay shall be redetermined at the earliest opportunity, and no later than four months after the change occurs.

Any increase in monthly salary due to a redetermination shall be implemented as of the beginning of the next pay period.

Except where otherwise agreed with the employee concerned, there shall be no decrease in pay in the event of any reduction in the resulting job-related or individual element of an employee's salary, unless reasons comparable to grounds for dismissal obtain and after observing the individual period of notice.

#### **5 Salary determination period and modes of payment**

The pay of a salaried employee shall be determined on a monthly basis.

The applicable mode of payment shall be based on the characteristics of the job and on the technical conditions for salary payment.

Modes of payment shall include time rates and various incentives. The pricing of incentives shall be agreed in advance between the employer and the salaried employee or employees to whom the incentive-pay job is offered.

Regardless of the mode of payment, a salaried employee shall be paid at least the minimum rate of pay determined by adding the salaried employee's individual pay element to the job-related pay element.

Modes of payment may be supplemented with various productivity bonuses.

If an employer introduces productivity bonuses payable as rewards supplementing the modes of remuneration referred to in this collective agreement, then the employer shall explain the operation of the reward system to the salaried employees before it is introduced. The said introduction shall be agreed locally and records thereof shall be kept.

The grounds for a productivity bonus shall be other than direct work performance. The grounds shall generally be a financial result, or achievement of a productivity or development target. A bonus shall often accrue over periods exceeding the regular salary payment period.

## **6 Substitution**

Substitutions forming an essential part of a job shall be taken into account when evaluating the job requirement and individual competence of a salaried employee.

Other substitutions shall be examined to ascertain any increase in the salaried employee's job requirement, volume of work and responsibility, and special compensation shall be agreed unless the changes are so minor that there are no grounds for paying such compensation.

*Implementation regulation:*

*Substitutions forming an essential part of a job shall mean substituting for another salaried employee during repeated brief absences or when working is otherwise prevented.*

Other substitution shall mean substituting for another salaried employee under otherwise unforeseeable circumstances due to such factors as a long period of illness, family leave or some other corresponding extended absence.

## **7 Young salaried employees**

The recommended pay for a salaried employee over 17 years of age is 80 percent of the job-related pay in the appropriate job requirement category.

The recommended pay for a salaried employee over 16 years of age is 70 percent of the job-related pay in the appropriate job requirement category.

If an employee under 18 years of age performs the same job as an adult salaried employee, possesses the skills and competence required for the job, and there are no legal limitations on performance of the said job other than overtime regulations, then the pay for the job shall be determined according to the appropriate salary-setting criteria.

## **8 Trainees**

The salaries referred to in subsection 2.2 need not govern the pay of students working as trainees who lack the experience required for the job and whose degree requirements include one or more periods of on-the-job training.

## **9 Other salary structures**

Other salary structures may be agreed locally. However, the rate of pay comprising the lowest job-related salary under this collective agreement plus the lowest individual pay element (5 percent of the job-related pay) shall constitute a minimum.

## **10 Local collective bargaining of salary regulations**

The parties to the local agreements referred to at several provisions of this section shall, unless otherwise specified in the said individual paragraph, be the employer and the shop steward referred to in the collective agreement or, where there is no such shop steward, the workplace employees to whom this collective agreement applies as agreed among themselves. The agreement may be concluded for a fixed period or until further notice. An agreement concluded until further notice may be terminated at three months' notice unless some other period of notice of termination has been agreed. The agreement shall be made in writing.

## **11 Payment of salaries**

Salaries shall be paid regularly on the salary payment dates specified in the guidelines governing salaried employees in each workplace or, if no such dates are so specified, on fixed payment dates announced in advance in some other manner.

If a permanent change in the salary payment day affects several employees or an otherwise significant part of the staff, then negotiations on the change shall be conducted with the shop steward in advance. The change shall be implemented subject to a notification period of two months, unless otherwise locally agreed.

Compensation for work performed in excess of regular working time shall be paid together with the salary for the pay period immediately following the period during which the said work was performed.

At the time of payment, the salaried employee must receive a salary advice note specifying the salary paid and the criteria for determining the salary.

## **12 Information to be given to a salaried employee**

The employer shall furnish a salaried employee annually with a written account of the job requirement category, the individual salary element and the grounds for other salary elements. The account shall also be provided on redetermining the job-related and individual salary element. No account need be provided if the details are shown in the salary advice note.

### 13 Benefits in kind

The fair value of a benefit in kind shall be applied as its cash value when applying the remuneration system. If the fair value cannot be determined, then the taxable value shall be applied instead. The National Board of Taxes annually specifies the criteria for determining the cash value of benefits in kind for tax purposes.

An example of reckoning the value of a benefit in kind (motor vehicle benefit and telephone benefit)

Cash salary	EUR 2,200	
Taxable value of motor vehicle benefit	EUR 300	
Taxable value of telephone benefit	EUR 20	
Cash value of benefits in kind notified in salary statistics	<u>EUR 320</u>	<u>EUR 320</u>
Total salary applicable for the purpose of salary regulations		EUR 2,520

### 14 Seniority bonus

Unless the time of payment of seniority bonus is otherwise locally agreed, a seniority bonus shall be paid to the salaried employee at the time of the salary payment immediately following 1 December according to the length of the employee's continuous employment at the end of November of the same year.

The bonus shall be paid as follows:

Length of uninterrupted employment	Formula for calculating the bonus
At least 10 but not 15 years	$0,15 \times \frac{\text{Lkk}}{12} \times$ monthly salary including benefits in kind
At least 15 but not 20 years	$0,30 \times \frac{\text{Lkk}}{12} \times$ monthly salary including benefits in kind
At least 20 but not 25 years	$0,45 \times \frac{\text{Lkk}}{12} \times$ monthly salary including benefits in kind
25 years or longer	$0,60 \times \frac{\text{Lkk}}{12} \times$ monthly salary including benefits in kind

Where

Lkk is the number of leave-earning months in the preceding leave-earning year.

A seniority bonus payment period of less than one year may also be agreed locally.

If the seniority bonus is paid at periods of three months or less, then it shall be treated as ordinary monthly salary for various pay and pay administration purposes (including annual holiday pay, salary for part-time work, and supplements for overtime and Sunday work).

*Verification of grounds*

The entitlement of a salaried employee to the bonus and the criteria on which a bonus (if any) should be paid shall be settled on 30 November of each year. The criteria that are found at this time shall be applied until the next review. The duration and continuity of employment shall be determined in the same way as eligibility for benefits under the Annual Holidays Act.

#### *Seniority bonus switch to period of leave*

The employer and the salaried employee can arrange that the seniority bonus earned by a salaried employee, or part of the same, is exchanged to the corresponding period of leave. The leave can be taken after the seniority bonus has been adjusted. The employer and the salaried employee shall agree on the time of taking the leave or on the procedure for taking a leave. This agreement shall be made in writing.

Seniority bonus or part thereof shall be converted into time off as follows:

$$\frac{\text{Seniority bonus}}{\text{monthly salary}/21} = \text{number of days off}$$

The salary for regular working hours shall be paid to the salaried employee for the leave. Seniority bonus that has been converted to a period of leave is counted as time worked when calculating annual leave.

#### *End of employment*

In the event that the employment of a salaried employee who is eligible for the bonus ends before the annual payment of the bonus, 1/12 of the sum that was last paid to the employee in seniority bonus shall be paid to the employee at the time of the final salary payment for each month for which the employee has earned annual holiday as of the start of the preceding December.

## **Section 5**

### **Salary for part-time work**

When reckoning the salary payable for part-time work, the hourly rate is determined by dividing the monthly salary by the number of regular, scheduled hours worked in the month in question. The concept of monthly salary applied at this point shall be the same as in paragraph 2 of subsection 6 of section 12. A corresponding number of hours worked may also compensate for absence from work.

#### *Implementation regulation:*

*Part-time salary shall be paid, for example, when the employment begins or ends on a date other than the beginning or end of a salary payment period, or when a salaried employee has been absent from work and the employer is not required to pay salary for the period of absence.*

*If the absence is not made up by an equal number of hours worked, then the following procedure shall be followed:*

*A day or hour of absence*

- *the regular scheduled working days or hours in the month are reckoned*
- *the monthly salary is divided by the number of working days or hours = the salary for a day or hour of absence*
- *the salary for the day or hour of absence is deducted from the monthly salary = the part-time salary*

*The salary for a day or hour of absence will vary each month according to the number of working days or hours of work in the month concerned:*

### **Monthly working times 2020–2021**

2020	Working days	Hours 37.5h/week	Hours 40h/week
January	21	157.5	168
February	20	150	160
March	22	165	176
April	20	150	160
May	19	142.5	152
June	21	157.5	168
July	23	172.5	184
August	21	157.5	168
September	22	165	176
October	22	165	176
November	21	157.5	168
December*	21	157.5	168

\*) Finland's Independence Day is Sunday

2021	Working days	Hours 37.5h/week	Hours 40h/week
January	19	142.5	152
February	20	150	160
March	23	172.5	184
April	20	150	160
May	20	150	160
June	21	157.5	168
July	22	165	176



August	22	165	176
September	22	165	176
October	21	157.5	168
November	22	165	176
December*	22	165	176

\*) December includes Finland's Independence Day

Extension of regular working time that has been implemented in accordance with subsection 1.3 of section 6 extends the regular working hours of the month in question, and also increases the number of working days of the month in question.

A prerequisite for using this table is that the case involves reckoning part-time salaries, the case does not concern uninterrupted three-shift work, and that one of the two days off is a Saturday.

The table shall also be applied as necessary in the situations referred to in subsection 2 of section 7 hereof, unless otherwise locally agreed.

## **Section 6**

### **Regular working time**

#### **1 Length of regular working time**

- a. The regular working time of a salaried employee working in a production department or workplace where an 8-hour day and 40-hour week is the standard practice shall not exceed 8 hours a day and 40 hours a week.
- b. In other cases, the regular working time shall not exceed 7.5 hours a day and 37.5 hours a week.

##### **1.1 Average weekly working time**

In daytime and two-shift work with regular working time of eight hours a day and 40 hours a week, working time shall be scheduled as follows:

in 2020, an average of 36.5 hours per week; and  
in 2021, an average of 36.6 hours per week.

In such cases, worktime shortening leave, weekday holidays, Midsummer's Eve and Christmas Eve will balance the weekly working hours to these amounts during the calendar year. The provisions of subsection 2 of this section shall govern averaging of working time.

Working time in daytime and two-shift work with regular working time of 7.5 hours a day and 37.5 hours a week, having regard to public holidays falling on weekdays and the eves of Midsummer and Christmas Day, shall be scheduled as follows:

in 2020, an average of 36.2 hours per week; and  
in 2021, an average of 36.3 hours per week.

Any extension of working time that has been implemented in accordance with subsection 1.3 of section 6 shall be added to the average weekly working hours referred to in this subsection 1.1.

Regular working time in discontinuous three-shift work shall be 35.8 hours per week on average. Average weekly working time in continuous three-shift work and underground work in mines shall be 34.9 hours on average. Working time in three-shift work shall average to the foregoing weekly working time over a period not exceeding one year and generally of one calendar year in duration, while taking into account the provisions of subsection 1.3 on local bargaining.

On conversion to some other form of working time, working time shall be determined after conversion according to the regulations governing the form of working time in question.

*Implementation regulation:*

*Definitions of working time forms*

*TAM 1/5 refers to single shift work done on five days a week.*

*TAM 2/5 refers to two-shift work done on five days a week.*

*TAM 3/5 refers to discontinuous three-shift work done on five days a week.*

*TAM 3/7 refers to continuous three-shift work done in daily periods totalling 24 hours on seven days a week.*

## 1.2 Changing of weekly working time in daytime and two-shift work

Conversion from a 37.5-hour week to a 40-hour week or from a 40-hour week to a 37.5-hour week may be agreed locally by the collective bargaining procedure. The monthly salary shall be proportioned on conversion to the true change in working time unless otherwise agreed.

## 1.3 Deviating from working time regulations

*Through local bargaining*

Deviations to the working time regulations in section 6 of the collective agreement and the contract of employment may be made through local bargaining so that working time may be extended by no more than 32 hours per year. However, the parties shall always comply with the peremptory provisions of the Working Hours Act.

The need for such an arrangement, its benefits to the company, the working hours both parties need, the method of implementation and compensation shall be discussed when planning the said arrangements. The agreement shall be concluded with the shop steward in writing. If it is locally agreed that a weekday public holiday should be changed to working time, work will be done on the said day without paying any Sunday work bonus, unless otherwise agreed. The purpose of locally agreed arrangements is to promote working time solutions that support the company's profitability and competitiveness and take the individual needs of salaried employees into account when determining working times.

*Allocation by the employer*

Notwithstanding section 6 of the collective agreement and the contract of employment, and in addition to what is agreed in them, if local negotiations on the allocation of working hours

justified by the company's production requirements fail, the employer may allocate up to 8 hours of regular working time as an uninterrupted work shift to each salaried employee in a calendar year. If the arrangement concerns several salaried employees, its implementation shall be discussed with the shop steward at least two weeks in advance. The employer shall take the employee's individual needs for working hours into account when allocating working hours. Working hours may not be scheduled for weekday holidays or the Saturday of a week with a weekday holiday.

In addition to the monthly salary, basic salary and any bonuses paid for shift work and due to working conditions are paid for the additional regular working hours. Salaried employees may reject the changes to working hours referred to in this paragraph on a case-by-case basis for appropriate and weighty personal reasons.

## **2 Reduction of working time in daytime and two-shift work**

Reduction of working time in accordance with subsection 1 a. in daytime and two-shift work shall be implemented by granting leave so that working time reckoned over a period not exceeding one calendar year reaches the average number of hours per week referred to in subsection 1.1. Annual leave days may not be used for averaging working time.

Leave shall be taken as indicated by the employer for periods no shorter than a full shift at a time, unless other arrangements for leave or compensation are agreed with the salaried employee in question. Any outstanding period of leave that has not been entered in the schedule of working hours and has not been taken shall be granted by no later than the end of June of the following year. If the said leave has not been granted by this date, then compensation shall be paid for it in the same manner as for weekly overtime.

*Implementation regulation:*

*The employer and a salaried employee may agree on cash compensation for working time reduction leave or part thereof. This agreement shall be concluded for the calendar year in question or for an indefinite period. This agreement shall be made in writing. An agreement concluded for an indefinite period may be terminated to end at the end of the calendar year in question by giving notice by no later than the end of October.*

The compensation payable for outstanding working time reduction leave shall be reckoned using the divisors referred to in subsection 6 of section 12. The compensation shall always be redetermined when the salary changes.

It may be agreed locally that leave based on reduction of working time may be exchanged for flexible leave. Flexible leave shall be governed in other respects by section 27 of the Annual Holidays Act with the exception that the time of the said leave shall be agreed. No holiday bonus shall be paid in respect of flexible leave.

If no separate decision is made to grant each individual period of leave but the dates of several or all of the leave periods are confirmed on a single occasion, then such a plan shall be called a schedule of working hours. When preparing a schedule of working hours, the employer shall seek to allow for the individual wishes of salaried employees concerning the times of leave periods within the limits imposed by the needs of production and the times of operation and service.

A schedule of working hours is essentially collective, and applies to the time when the form of working time used at the worksite in question, or in a department or workplace generally, is daytime or two-shift work. On conversion to some other form of working time, such as three-shift work, working time shall be determined after the conversion according to the regulations governing the form of working time in question.

Where the foregoing schedule of working hours has not been decided in advance, no less than one week's notice of time off shall be given unless otherwise locally agreed before the time off is taken.

A reduction in working time shall be implemented without reducing earnings.

Leave granted pursuant to this subsection that would otherwise have been working days shall be regarded as equivalent to days worked for the purpose of earning entitlement to annual holiday.

Unless otherwise indicated by the schedule of working hours, a salaried employee who is absent from work shall be considered to have received time off, even though the person absent has not been separately notified thereof, when the entire enterprise or the work department or working group thereof to which the said salaried employee belongs has taken the time off referred to in this agreement.

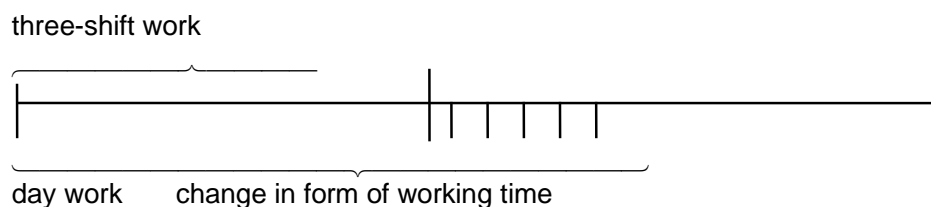
The employer shall negotiate with the representatives of the salaried employees before implementing the schedule of working hours referred to in this agreement. These negotiations shall allow for the nature of the work of salaried employees at the workplace, for secure operation and service times, for the working time arrangements of other staff groups, and for other corresponding aspects.

*Certain special situations*

When employment begins or ends in the middle of the year, working time reduction leave shall be proportioned to the average weekly working time of the salaried employee in the calendar year concerned. Compensation corresponding to salaries for regular working time shall be paid for any leave reckoned in this way that is outstanding at the end of employment.

*Change in the form of working time or department:*

Before taking working time reduction leave a salaried employee may, for example, be transferred to discontinuous three-shift work so that the intended leave days become days worked.



No leave shall be carried over with the employee when changing the form of working time. However, leave may, for example, be granted earlier than planned or, where the period of three-shift work is a brief one, after the employee has been reassigned to day work. If the form

of working time of a salaried employee changes frequently, then care shall be taken not to extend the relative working time of the said employee.

### **3 Compensation for working time reduction in three-shift work**

#### *Discontinuous three-shift work:*

Working time reduction shall be implemented without reducing earnings. Any reduction in earnings shall be investigated locally and a local decision shall be made as to the manner of compensation. There is no need to change any existing arrangements at the enterprise that allow for compensation.

#### *Continuous three-shift work:*

A separate monthly bonus of 5% shall be paid to a salaried employee in compensation for lost earnings in uninterrupted three-shift work and in underground work in mines. There is no need to change any existing arrangements at the enterprise that already allow for compensation.

## **Section 7 Scheduling of regular working time**

### **1 Schedule of working hours**

A schedule of working hours shall be prepared at the workplace where this is possible having regard to the nature of the work. The schedule of working hours for three-shift work shall be prepared in advance to cover the period over which weekly working time is averaged to the weekly average number of hours referred to in subsection 1.1 of section 6. The schedule of working hours shall state the beginning and the end of regular daily working time, the duration and time of the meal break and the weekly days off.

The salaried employees concerned and the shop steward shall be notified of permanent changes in the schedule of working hours at the earliest opportunity and no later than two weeks before the change takes effect. If the change affects several salaried employees or an otherwise significant part of the staff, then negotiations on the change shall be conducted with the shop steward in advance.

The salaried employees concerned shall be informed of temporary deviations from the schedule of working hours at the earliest opportunity and no later than on the third day before the change takes effect except in case of emergency work. The shop steward shall also be notified if the change concerns a department or corresponding operational unit.

#### *Implementation regulation:*

#### *Definition of a temporary change*

*A change shall be of temporary nature if the intention is for the workplace to revert to the current schedule of working hours after the circumstances motivating the change have ended.*

The foregoing notification periods may be modified by local agreement.

The working week shall begin on Monday unless otherwise locally agreed.

The working day shall begin at 07:00 unless otherwise locally agreed.

## **2 Flexible working hours**

When planning the implementation of different working-time arrangements, it is appropriate to also investigate possibilities for the implementation of flexible working hours. Flexitime arrangements, range and accumulation different to those specified in the Working Hours Act can be agreed upon locally, to a maximum accumulation of -40/+120 hours.

If the workplace has agreed on the implementation of flexitime, the monitoring of working time shall be arranged in a manner that appropriately enables reliable monitoring of working time, start and end times of work, accrued flexitime and realisation of breaks.

Under the Working Hours Act, the reference period for flexible working time is 6 months. However, the reference period may be extended to 12 months by local agreement.

The employer and employee may agree that the employee's accumulated surplus of hours is reduced by a paid leave given to the employee. At the request of the employee, the employer shall endeavour to provide leave as whole working days.

*Minuted note:*

*The schedule for flexitime may include a mechanism that prevents the balance from exceeding the agreed accumulation threshold, with the intention to guide employees to use their regular working hours within the limits of flexitime. The federations shall monitor the use and functioning of mechanisms, while also taking into account the provisions of the new Working Hours Act (5 July 2019/872). Based on the received reports, the federations shall develop the stipulation so that it is more functional and provide further instructions, as necessary.*

## **3 Average regular working hours**

Deployment of average regular weekly working time requires the preparation of a schedule of working hours covering no less than the period over which weekly regular working time will be averaged to the agreed number of hours for the form of working time concerned; this is not to exceed 40 hours per week.

### **3.1 By decision of the employer**

Provided that the regular daily working time does not exceed 8 hours, regular weekly working time may be averaged as follows:

- in daytime work, where absolutely required for enterprise operations, so that regular weekly working time is averaged over a period of no more than 4 months;
- in discontinuous two-shift work, so that regular weekly working time is averaged over a period of no more than 4 months; and
- in discontinuous and uninterrupted three-shift work and in continuous shift work, so that regular weekly working time is averaged over a period of no more than one year.

Both in shift and daytime work, the averaging period shall include an average of two days off per week.

Due to a justified and unforeseeable production-related reason, the employer may impose a temporary extension of the regular working time of salaried employees carrying out daytime work and two-shift work by notifying of the same at least three days in advance. The regular daily working hours of such employees may be extended to no more than 10 hours, while the regular weekly working hours may be extended to no more than 50 hours.

Under this stipulation, the employer may extend the regular daily working time for no more than 20 work shifts for 6 weeks in a calendar year. The extension of working time may be allocated to no more than two consecutive working weeks.

The working time shall be averaged to the regular working time, as referred to in section 6, subsection 1.1 of the collective agreement, within a period of 52 calendar weeks.

If working time is not averaged within a period of 52 calendar weeks, a compensation with a 50% increase shall be paid for the hours not averaged when salaries are next paid, unless the salaried employee has agreed to exchange the leave for flexible leave. Flexible leave shall be governed in other respects by section 27 of the Annual Holidays Act with the exception that the time of the said leave shall be agreed.

Salaried employees may reject the changes to working hours referred to in this stipulation for appropriate and weighty personal reasons.

### 3.2 By local agreement

- a. Working time may also be scheduled by local agreement so as to correspond on average to the daily and weekly working time specified in subsection 1.1 of section 6 of the collective agreement. The averaging period shall not exceed one year. Averaging of working time to these limits may also occur by granting whole days of leave in addition to the weekly time off.

Regular daily working time may nevertheless not exceed 12 hours in such cases. The averaging period shall not exceed one year.

- b. If employment in this form of working time ends during the averaging period, then the number of hours whereby the average weekly time worked exceeds the regular working time based on the agreement shall be reckoned, and compensation corresponding to the salary for regular working time shall be paid for the said excess hours. Similarly, the employer shall be entitled to deduct the corresponding sum from the salary of the salaried employee if average weekly working time falls short of the said time based on the agreement. The same principles shall apply when salary payment has been interrupted during the averaging period and the time worked fails to reach the average by the end of the averaging period.

*Implementation regulation:*

*Use of working time averaging leave shall be the primary response in cases of underemployment, resorting only thereafter to temporary layoffs where necessary.*

- c. The schedule of working hours shall be prepared for a period no shorter than three weeks at a time. It shall specify the time at which the work begins and ends.

## 4 Local agreement on working time regulations

The following matters may be agreed locally under collective agreement regulations:

- the maximum length of regular daily and weekly working time (section 6, subsections 1 a and 1 b, and section 7, subsection 2.2)
- deviations to working time regulations (section 6, subsection 1.3)
- taking of or compensation for working time reduction leave (section 6, subsection 2)
- the time when the working day and working week begin (section 7, subsection 1)
- changes in the schedule of working hours (section 7, subsection 1)
- adoption of flexitime and the maximum limits of flexitime (section 7, subsection 2)
- reference period for flexitime (section 7, subsection 2)
- averaging period for working time, no more than one year (section 7, subsection 2.2)
- length of the daily rest period (section 10, subsection 1)
- compensating for additional work by corresponding time off (section 11, subsection 5)
- reference period for the maximum working time (section 12, subsection 1)
- compensating for overtime and Sunday work by fixed monthly compensation or corresponding time off, or exchanging for flexible leave (section 12, subsection 2 and section 13, subsection 3)
- one concept of overtime (section 12, subsection 5)
- compensating for holiday bonus by corresponding time off or by exchanging for flexible leave (section 24, subsection 4).

*Minuted note:*

*Working time reduction leave under subsection 2 of section 6 of this agreement and the foregoing locally agreed leave periods or other time off under flexible scheduling shall be granted in periods of several shifts where the work situation so permits and the salaried employee so desires.*

## **Section 8 Days off**

1. One of the two days off granted in each week may be:
  - a fixed day of the week, which shall be Saturday, or a Monday where this is not possible, or
  - a varying day of the week if work is done on no fewer than six days in the week.
2. If average weekly working time is observed, then days off shall be scheduled to include enough days off to reach the average regular weekly working time over the period.

If days off cannot be scheduled in advance, then a notification of granting days off to reach the average shall be provided no later than one week in advance, unless otherwise agreed locally.
3. If regular working time is increased in accordance with section 6, subsection 1.3 by making a Saturday or other off day a working day, two days off will not be required in that week.

## **Section 9 Weeks including a weekday public holiday**

1. In weeks including a weekday public holiday regular working time on the eve of the said holiday and on Saturday shall be the same as on other weekdays.



2. The following days shall nevertheless be days off:
  - In weeks including a weekday public holiday, regular working time on the eve of the said holiday and on Saturday shall be the same as on other weekdays.
  - The following days shall nevertheless be days off:
  - the Saturday of the week including New Year's Day
  - the Saturday of the week including Epiphany
  - Easter Saturday
  - the first Saturday after Easter
  - the Saturday of the week including the first of May
  - the Saturday of the week including Ascension Day
  - Midsummer's Eve
  - the Saturday of the week including Finnish Independence Day (6 December)
  - Christmas Eve
  - the first Saturday after Christmas.
  
3. Working time in certain weeks including a weekday public holiday in 2020–2021

Working time in certain weeks including a weekday public holiday in 2020

1.	week	New Year's week	4 days
2.	week	Epiphany week	4 days
15th	week	week before Easter	4 days
16th	week	week after Easter	4 days
18th	week	May Day week	4 days
21st	week	Ascension Day week	4 days
25th	week	Midsummer's week	4 days
52nd	week	Christmas week	3 days
53rd	week	week after Christmas	4 days

Working time in certain weeks including a weekday public holiday in 2021

1.	week	Epiphany week	4 days
13th	week	week before Easter	4 days
14th	week	week after Easter	4 days
19th	week	Ascension Day week	4 days
25th	week	Midsummer's week	4 days
49th	week	Independence Day week	4 days
51st	week	Christmas week	4 days

4. See subsection 8 of section 12 for cases in which a salaried employee has done more work in a week including a weekday public holiday than required by the working time for such weeks (collective agreement overtime).
5. If regular working time is increased in accordance with section 6, subsection 1.3 by agreeing on working on a weekday public holiday or the Saturday of a week with a weekday public holiday, the working time for that week will be increased correspondingly.

## **Section 10**

### **Rest periods and compensation for weekly rest**

#### 1. Daily rest period

Where work is arranged in regularly changing shifts of more than six hours, even in work referred to in section 7 of the Working Hours Act, a salaried employee shall be granted a rest period with a duration of not less than half an hour or an opportunity to take a meal during working time.

When working time in day work exceeds six hours, a salaried employee shall be granted at least one regular rest period of not less than one hour. This rest period may be reduced to not less than half an hour where locally agreed. A salaried employee shall be freely entitled to vacate the workplace during the rest period. This shall nevertheless not apply to employees whose presence at the workplace is essential for continuing operations. Arrangements in other respects for taking meals while working may be agreed locally.

All of the time during which a salaried employee is bound to duties of work or required to remain at the workplace shall be counted as working time, but any break during which the employee has both the right and the practical opportunity to leave the workplace freely shall not constitute working time.

The parties recommend that a salaried employee be given a daily opportunity while working, at the time most convenient for performance of duties, to take coffee or soft drinks in a manner causing minimal disruption to the flow of work.

#### 2. Weekly rest

- 2.1 The working time of a salaried employee shall be arranged so that the employee receives a continuous weekly rest period of not less than 35 hours, scheduled where possible for Sunday or a day adjacent thereto. The said weekly rest may be arranged as an average of 35 hours over a period of 14 days. The weekly rest period shall nevertheless be not less than 24 hours in any week. The employer shall always notify a salaried employee of any averaging of weekly rest before work is carried out during weekly rest.
- 2.2 Weekly rest in continuous shift work may nevertheless be scheduled to average 35 hours per week over a period of 12 weeks, provided that it does not fall below 24 hours in any one week.
- 2.3 Weekly rest may be given at the end of a work week and the beginning of the next one as an uninterrupted period that takes place partly during the first and partly during the second work

week, provided that most of the hours of the weekly rest take place during the week for which the weekly rest is applied to.

2.4 Exceptions to the provisions of this section governing weekly rest may occur:

- a) when the regular working time of a salaried employee does not exceed three hours in a 24-hour period;
- b) when a salaried employee is needed for emergency work;
- c) when the technical character of the work does not permit full job release of some salaried employees;
- d) when a salaried employee is temporarily needed for work during the weekly rest period in order to maintain a regular flow of work at the enterprise.

3. Compensation for weekly rest

3.1 A salaried employee shall be compensated for work performed temporarily during the weekly rest period by deducting from the employee's regular working time a corresponding number of hours as soon as possible and no later than during the three calendar months immediately following the said work.

3.2 Compensation shall be paid for temporary work performed during a weekly rest period even when the salaried employee has been absent from work during the same week due to illness, temporary child care leave, accident, training ordered by the employer, or travel at the employer's behest.

3.3 The regular working time during the week in which the said time off in lieu is granted shall be the weekly scheduled working time minus the number of hours of weekly rest granted.

3.4 The following cash compensation for time worked may be paid in full for weekly rest, in addition to the monthly salary, with the consent of the employee concerned:

- basic salary + 100 percent, and
- the increases stipulated herein for overtime and Sunday work if the time worked also constitutes overtime or Sunday work.

The mode of compensation shall be agreed when settling the work to be performed during a weekly rest.

## **Section 11 Additional work**

1. Concept of additional work

Additional work refers to work done with the consent of the salaried employee in excess of agreed working time, but without exceeding the maximum regular working time under subsection 1a) of section 6 and subsection 2 of section 7.

This means that, with the exception of absence from work, additional work may apply only to salaried employees with whom regular working time of less than 40 hours a week has been agreed.

2. Forms of additional work

Additional work may occur in the following forms:

- a. As daily additional work, usually of only 0.5 hours per day.
- b. As additional work on off days
  - usually not exceeding 2.5 hours when no additional work has been performed during the week, or
  - up to 40 hours per week when the salaried employee has been absent from work in the course of a week.

3. When applying average weekly working time, additional work shall be any work done in addition to the agreed weekly working time averaging fewer than 40 hours over the entire period.

When the period forming the basis for the schedule of working hours is too long to fit into a single pay period, additional work may be calculated on a weekly basis using the regular weekly working time confirmed for the week in question as the basis for comparison.

4. Salary for additional work

Unless agreement has been made to grant equal time off in lieu of additional work, the said work shall be remunerated at the normal hourly rate according to the number of hours worked. The basic hourly rate payable for additional work shall be reckoned in the same manner as the overtime rate.

A salaried employee with regular daily working time of 7.5 hours and regular weekly working time of 37.5 hours shall nevertheless be remunerated for additional work performed in excess of the scheduled daily or weekly working time in the manner agreed with respect to daily or weekly overtime. Additional work shall not constitute overtime.

Compensating additional work with a fixed monthly payment may be agreed upon with a salaried employee when agreeing on the monthly compensation for overtime. The bargaining shall be carried out in the same way and at the same time as when agreeing on the monthly fixed compensation for overtime, pursuant to section 12, subsection 2, paragraph 4.

5. Additional work may be exchanged for flexible leave by local agreement. Flexible leave shall be governed in other respects by section 27 of the Annual Holidays Act with the exception that the time of the said leave shall be agreed. No holiday bonus shall be paid in respect of flexible leave.

**Section 12  
Overtime**

1. Any work done in excess of the statutory maximum regular working time shall be counted as overtime.

Unless otherwise stipulated herein and when applying average working time, any work performed in excess of the regular working time specified in the schedule of working hours

shall be counted as overtime, except when the average working time is less than 8 hours per day or 40 hours per week.

Compensation for three-shift work exceeding the weekly working time set out in the schedule of working hours for the week in question shall be paid in the manner agreed for weekly overtime in the collective agreement.

Under the Working Hours Act, the reference period for maximum overtime shall be six months. For technical or practical reasons related to work arrangements, the maximum averaging period for maximum working time may be locally agreed to be 12 months.

2. The pay for daily overtime shall be increased by 50 percent ("time-and-a-half") for the first two hours and 100 percent ("double time") for any subsequent hours. The pay for weekly overtime (Working Hours Act overtime and collective agreement overtime) shall be increased by 50 percent ("time-and-a-half") for the first eight hours and 100 percent ("double time") for any subsequent hours.

When eight hours of weekly overtime have been accumulated, the daily overtime performed shall be compensated by increasing the salary paid for the said time by 100 percent ("double time").

The pay for daily overtime worked on a Saturday or on the eve of a public holiday shall be double time for all hours worked.

The pay for weekly overtime and collective agreement overtime (section 12, subsection 8) worked on Easter Saturday, Midsummer's Eve and Christmas Eve shall be double time for all hours worked.

The increase for additional work or overtime or the entire salary paid for the overtime or additional work period may be paid as a separate fixed monthly compensation based on the estimated overtime or additional work time or exchanged for time off provided that this has been agreed with the salaried employee in question. The agreement may be made during employment. The date of the said time off shall be agreed with the salaried employee concerned.

Alternatively, it may be agreed that the overtime increase or entire overtime salary will be exchanged for a period of flexible leave. Flexible leave shall be governed in other respects by section 27 of the Annual Holidays Act with the exception that the time of the said leave shall be agreed. No holiday bonus shall be paid in respect of flexible leave.

3. When a salaried employee has been unable to work for a period corresponding to the regular hours indicated in the schedule of working hours on account of annual holiday, illness, accident, travel performed at the employer's behest, layoff for reasons of production or finance, the taking of leave granted for the annual reduction of the weekly 40-hour working time, the taking of flexitime leave, seniority leave, working time bank leave, or participation in vocational training or cooperation training arranged by the employer or referred to in the inter-confederation agreement on training and education, and the said salaried employee has to work on a scheduled day off, then any work performed on the said day off shall be remunerated as agreed with respect to weekly overtime.

4. Unless otherwise provided by this agreement or an annex hereto, if a salaried employee transfers from one form of working time to another in the middle of a working week, then any work performed in excess of 40 hours a week without exceeding the regular daily working time shall be deemed weekly overtime.
5. It may be locally agreed that the compensation paid for overtime is determined using a single overtime concept. This means that compensation is no longer paid separately for daily and weekly overtime, but that compensation is paid for all overtime hours accruing over a specified longer period on the basis of one and the same overtime compensation regulation.

This local agreement shall specify the length of the overtime compensation tracking period and the amount of overtime compensation payable, which will either be graded according to the number of overtime hours worked or expressed as a flat percentage rate.

The local agreement shall be concluded between the employer and the shop steward in writing.

When preparing a local agreement, the level of the current overtime compensation scheme applied at the workplace shall be investigated over a sufficiently long period, together with the objectives of the settlement, which may concern such matters as promoting diversified scheduling, managing costs, and simplifying the principles governing compensation for overtime.

*Minuted note:*

*The average overtime percentage at a workplace shall be reckoned as follows:*

*The sum of overtime percentages accruing to salaried employees is divided by the sum of hours worked that are eligible for an overtime increase.*

*The calculation will include the sum of overtime percentages accruing to the employees during the current year up to the time of concluding the agreement and during the preceding year.*

*Hours worked refers to the sum of hours worked that are eligible for an overtime increase over the corresponding period.*

6. When calculating increased salary payable for overtime, the basic rate shall be reckoned by dividing the monthly salary, including benefits in kind, by 160 when the regular weekly working time is 40 hours and by 158 when the regular weekly working time is 37.5 hours. A divisor of 149 shall be used for continuous three-shift work and underground work in mines. The divisor for discontinuous three-shift work shall be 155. If the regular working time is some other figure, then the monthly salary shall be divided by the correspondingly reckoned average number of regular working hours actually worked during a month.

In addition to the monthly salary, items to be included when reckoning the basic rate shall be the cash value of any benefits in kind, commission and productivity bonuses, and compensation for work as a substitute. However, shift-work bonus, compensation for regular Sunday work and extraordinary compensation items of temporary character such as overtime, Sunday work and additional work bonuses shall be excluded from the said reckoning.

If the work performed by a salaried employee continues from one day (24-hour period) or one working day to another, then the work performed until the time when the employee's regular

workday normally begins shall be deemed to have been performed during the preceding day for the purpose of reckoning increases for additional work or overtime. These hours shall not then be included when reckoning the regular working time of the subsequent day.

7. When a salaried employee remains for overtime work following the end of regular working hours for an estimated period of not less than two hours, it must be considered reasonable to allow the said employee an opportunity to take a necessary meal break or an opportunity to have a meal while working.
8. A salaried employee who has worked more time in a week including a public holiday than is stipulated for the said week (collective agreement overtime) shall be remunerated for the excess time in the manner agreed for weekly overtime unless the said remuneration is paid as daily overtime. This regulation shall apply only to daytime and two-shift work arranged with five regular working days in the working week (TAM 1/5 and TAM 2/5). The regulation shall not apply when average working time has been arranged in accordance with a schedule prepared in advance.
9. Remuneration shall be paid for any daily overtime incurred in starting-up and running-down work. It is therefore necessary to clarify duties involving such starting-up and running-down work at the workplace. At the same time, the mode of remuneration applicable to such cases shall also be specified.

An example of overtime compensation under section 12:

Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Sun.
8	8	8	10	8	1.5	10
-reckoning total time worked in the week					53.5 hours	
-deducting total daily overtime from the foregoing (Thu and Sun)					4.0 hours	
					<u>49.5 hours</u>	
-deducting appropriate scheduled regular working time from the remainder					40.0 hours	
weekly overtime					9.5 hours	

Time-and-a-half (basic rate + 50 percent) is payable for daily overtime (on Thursday). However, when 8 hours of overtime have already accrued during the week, double time (basic rate + 100 percent) becomes payable for any further daily overtime. This means that the last two hours worked on the said Sunday are payable at double time.

Time-and-a-half (basic rate + 50 percent) shall be paid for the first eight hours of weekly overtime and double time (basic rate + 100 percent) for overtime hours worked thereafter. The Saturday hours shown above and the first 6.5 hours on the Sunday are remunerated as weekly overtime at time-and-a-half, and the following 1.5 hours on the Sunday as weekly overtime at double time. The last two hours on Sunday are remunerated as daily overtime at double time.

In addition to other salary payments, a Sunday work bonus comprising the single hourly rate payable for all 10 hours shall be paid for working on a Sunday.

The weekly rest period shall also be granted at a later date, or the compensation governed by the provisions of section 10 hereof shall be paid for the said weekly rest.

Compensation for additional work is governed by section 11 of this collective agreement. Working time in weeks including a weekday public holiday is governed by section 9. Overtime on the eve of a public holiday is governed by section 12, subsection 2 of this collective agreement.

### **Section 13 Sunday work**

1. Sunday work shall denote work performed on a Sunday, on some other public holiday, on the First of May and on Finnish Independence Day (6 December). In addition to other salary payable for the said day, a Sunday work bonus comprising a single basic rate shall be paid for Sunday work.
2. If regular working time is increased in accordance with section 6, subsection 1.3 by agreeing on working on a weekday public holiday, no Sunday increase will be paid for the weekday public holiday in question. Working on the weekday public holiday in question does not require the employee's consent.
3. Any additional or overtime work done on a Sunday shall be remunerated under the regulations governing additional or overtime work in addition to the single rate Sunday work bonus referred to at subsection 1.
4. By agreement with the salaried employee concerned, the Sunday work bonus or the entire salary for Sunday work may be paid at a fixed monthly rate or exchanged for an equivalent period of time off in lieu. The date of the said time off shall be agreed with the salaried employee concerned. Alternatively, it may be agreed that the Sunday work bonus or entire salary for Sunday work shall be exchanged for flexible leave. Flexible leave shall be governed in other respects by section 27 of the Annual Holidays Act with the exception that the time of the said leave shall be agreed. No holiday bonus shall be paid in respect of flexible leave.

### **Section 14 Shift work and evening and night work**

1. Work shifts shall be changed regularly in shift work and rotated at intervals not exceeding four weeks. A salaried employee may nevertheless work the same shift continually where so agreed. Work in which consecutive shifts overlap by no more than one hour or are separated by an interval not exceeding one hour, and in which the shifts are amended in a predetermined manner shall also be regarded as shift work.
2. Until 29 February 2020, the shift bonuses compliant with the collective agreement ending 31 October 2019 shall be observed. The amount of the shift work bonus per hour shall apply from the start of the pay period beginning 1 March 2020 or immediately afterwards:



Monthly salary including benefits in kind (EUR/month)	Evening shift cents	Night shift cents
less than 1952	167	313
1952–2055	171	323
2056–2157	176	331
2158–2255	182	340
2256–2353	188	355
2354–2456	196	361
2457–2556	199	369
2557–2657	204	379
2658–2758	207	386
2759–2856	216	396
2857 or more	220	404

The amount of the shift work bonus per hour will apply from the start of the pay period beginning 1 February 2021 or immediately afterwards:

Monthly salary including benefits in kind (EUR/month)	Evening shift additional cents	Night shift cents
less than 1991	170	319
1991–2096	174	329
2097–2200	180	338
2201–2300	186	347
2301–2400	192	362
2401–2505	200	368
2506–2607	203	376
2608–2710	208	387
2711–2813	211	394
2814–2913	220	404
2914 or more	224	412

3. A salaried employee who works overtime in shift work shall be paid a shift work bonus for the shift during which the overtime is worked. A salaried employee in two-shift work who remains for overtime after the end of the evening shift shall be paid the night shift bonus for this overtime.
4. When the work is not shift work, overtime or emergency work, and a salaried employee has to perform the said work between 18.00 and 22.00, such work shall be deemed to be evening work, while work done between 22.00 and 06.00 shall be regarded as night work. The same bonus shall be paid for such work as would have been payable as a shift bonus for the said work if it had been shift work in the evening or night shift.
5. When a salaried employee on the evening or night shift remains for overtime following the end of the shift, the evening or night shift bonus payable for regular working time shall also be paid for the said overtime until no later than 06:00.
6. Shift work bonus may also be paid as a separate fixed monthly bonus. This monthly bonus shall be based on no less than the sums specified in cents herein.
7. Any shift work bonus payable for overtime or Sunday work shall be paid inclusive of any bonuses applicable to the rest of the salary payable for the period concerned.
8. Night work may be ordered in accordance with the provisions of the Working Hours Act or by local agreement.

## **Section 15**

### **Standby time**

1. Standby refers to circumstances in which a salaried employee is contractually required to remain on standby duty outside of working hours so that the employee may be assigned to perform duties. This work may be done at the workplace, on the premises of a customer, or via remote connections. Standby time shall not constitute working time.
2. The employer shall be obliged to compensate the salaried employee for the restrictions on use of time off arising from standby.
3. The following compensation shall be payable for standby time:
  - a) 50 % of the basic rate if the salaried employee is required to start work at no more than 2 hours' notice
  - b) 30 % of the basic rate if the salaried employee is required to start work at no more than 4 hours' notice
  - c) 15 % of the basic rate if the foregoing response time is more than 4 hours.
4. Standby compensation shall be paid for the time during which the salaried employee has to remain ready for duty but without working. Standby compensation shall nevertheless be paid for not less than four hours of standby time. Other standby compensation arrangements may be agreed locally.
5. If a salaried employee on standby is called to work, then salary shall be paid for the time spent at work in accordance with other regulations of this agreement. No standby or emergency work compensation shall be paid for the said working hours.

#### *Implementation regulation:*

*Standby arrangements shall be agreed with the salaried employee concerned in sufficient detail to prevent subsequent disputes on the nature and duration of the intended restriction.*

*Standby time involving a restriction referred to in subsection 3 a) shall not permanently exceed 150 hours per calendar month unless otherwise locally agreed.*

## **Section 16**

### **Emergency work and consultation by telephone**

1. Emergency work is work done in response to an emergency call when the salaried employee concerned must attend work outside of the employee's regular working hours and after vacating the workplace.
2. Emergency compensation shall be based on the time of the emergency call as follows:
  - a) two hours at the basic rate if the emergency call occurs within regular working hours ending by 16:00, or thereafter but before 21:00, and
  - b) three hours at the basic rate if the emergency call occurs between 21:00 and 06:00.

3. Double time (basic rate + 100 percent), which shall include any applicable overtime increases, shall be paid for time spent at work when the call to emergency work is issued between 21:00 and 06:00.
4. A salaried employee shall be paid the salary for a full hour of emergency work, even if the said work takes less than one hour.
5. Compensation for emergency work may not be arranged by a corresponding shortening of the regular working time of the salaried employee concerned.
6. When the duties of a salaried employee characteristically and permanently include the obligation, even during time off, to provide specific operating instructions or to issue orders by telephone where the operations of the company so require, then this shall be taken into account either when determining the employee's total salary or in the form of a separate bonus, as locally agreed.

*Implementation regulation:*

*A salaried employee called to perform emergency work suffers extraordinary inconvenience, which is compensated by emergency pay. When a salaried employee is called to work at a time of day when there is no public transportation available or at such urgency that it is not possible to use public transportation, then the employee's travelling expenses shall be reimbursed on rendering an account thereof.*

*This regulation shall nevertheless not apply if the emergency work is immediately followed by the regular work of the next working day.*

*The duty to issue orders by telephone specified at subsection 6 shall be considered in the enterprise-specific element of the salaried employee's overall salary. A written account of this element shall be provided on request.*

*Salary for emergency work*

In addition to emergency pay, a salaried employee shall receive the normal salary and any applicable overtime bonus for work constituting overtime. Work performed in response to a call issued between 21:00 and 06:00 shall be remunerated as separately agreed. Double time (basic salary + 100 percent), which shall include any applicable overtime increases, shall always be payable for emergency work performed during the said period.

Emergency work regulations shall not apply to the standby situations covered by section 15 of this agreement.

## **Section 17**

### **Bonus for mine work and uninterrupted and continuous shift work**

*Mining work bonus*

A salaried employee regularly working underground shall be paid, independently of any minimum pay comparison figure, a separate monthly bonus of EUR 263 until the end of the salary payment period ending on 29 February 2020 or soonest thereafter, and EUR 266 as of the salary payment period beginning on 1 March 2020 or soonest thereafter, and EUR 271 as of the salary payment period beginning on 1 February 2021 or soonest thereafter.

If part, but more than half, of the regular hours of work of a salaried employee are spent underground, then the mining work bonus shall be reckoned by multiplying the average monthly number of hours worked underground by EUR 1.54 until the end of the salary payment period ending on 29 February 2020 or soonest thereafter, and EUR 1.56 as of the salary payment period beginning on 1 March 2020 or soonest thereafter, and EUR 1.59 as of the salary payment period beginning on 1 February 2021 or soonest thereafter.

A sum reckoned by multiplying the number of hours worked above ground by EUR 1.54, EUR 1.56 or EUR 1.59 respectively according to the foregoing dates shall be deducted from the mining bonus for any time worked above ground by a salaried employee regularly working in a mine. A salaried employee regularly working above ground at a mine shall be paid a corresponding hourly mining bonus of EUR 1.54, EUR 1.56 or EUR 1.59 respectively according to the foregoing dates for any time worked underground.

#### *Allowance for uninterrupted and continuous shift work*

For each regular working hour worked on a Saturday, a salaried employee in uninterrupted three-shift work and continuous two or single shift work shall be paid a separate bonus of EUR 2.19 until the end of the salary payment period ending on 29 February 2020 or soonest thereafter, and EUR 2.22 as of the salary payment period beginning on 1 March 2020 or soonest thereafter, and EUR 2.26 as of the salary payment period beginning on 1 February 2021 or soonest thereafter.

#### *Minuted notes:*

- 1 *The bonus shall be excluded when determining the basic rate used for reckoning overtime, Sunday, additional work or other corresponding increases. It shall not be paid for overtime. A single bonus shall be paid for work on Sundays and public holidays. The bonus shall not be included in salary payable by collective agreement on a basis other than for time worked (e.g. sick pay).*
- 2 *This shall be considered at industrial plants that are already using major festive holiday compensation or a corresponding bonus. It may be implemented either by discontinuing the bonuses that were previously paid or by calculating the difference between the annual costs of the Saturday bonus now under consideration and of the bonuses that were previously paid, and using the said difference to determine the hourly bonus payable on Saturdays by dividing the said difference by the number of hours in the year.*

## **Section 18**

### **Salary during sickness or incapacity due to accident**

#### **Duty of notification and medical certificate**

1. A salaried employee who is incapacitated for work due to illness shall notify the employer thereof without delay and advise the employer of the estimated duration of the said incapacity.
2. Should the employer so require, a salaried employee shall provide a medical certificate acceptable to the employer.
3. If the employer fails to approve a medical certificate submitted by the employee and refers the employee for examination by another designated physician, then the employer shall compensate for any fee charged for issuing the said medical certificate.

## Conditions for sick leave salary payment

4. A salaried employee shall be paid the salary for regular working time, including benefits in kind, if the employee is incapacitated for work due to illness or accident and has not brought about the said incapacity wilfully or through gross negligence, or knowingly concealed an illness from the employer when concluding the contract of employment. Salary shall be paid as follows for working days included in the following periods:

Duration of continuous employment	Length of paid period
At least 1 month, but less than 1 year	28 calendar days
At least 1 year, but less than 5 years	35 calendar days
at least 5 years or longer	90 calendar days

If incapacity to work due to illness or accident begins before the employment has lasted for one month, then the employer shall pay sick leave salary at a rate of 50 percent of the employee's salary, but for no longer than the scheduled working days over the period between the day when the incapacity to work began and the following nine weekdays.

5. The employer shall be entitled to recover any statutory or agreed daily allowance or comparable compensation payable to the salaried employee for the period during which the employer has paid sick leave salary that does not exceed the sum paid by the employer.

This right to deduction shall nevertheless not apply to any daily benefit or compensation paid to the employee on the basis of voluntary insurance that is wholly or partly financed by the employee.

If the daily benefit or comparable compensation is not paid or if the sum paid is lower for reasons due to the employee, then the employer shall be entitled to deduct that part of the daily benefit or compensation from the employee's salary that was not paid due to the employee's default.

## Relapse

6. Should the same illness of a salaried employee recur within 30 calendar days of returning to work, then the period of employer's liability for sick leave salary shall be reckoned as for a single uninterrupted period of illness. Should the same illness recur in the foregoing manner, sick leave salary shall nevertheless be paid for not less than the waiting period referred to in chapter 8, section 7, subsection 2 of the Sickness Insurance Act.

*Implementation regulation:*

*The question of whether an illness is the same or different shall be settled in unclear cases by applying the interpretations of the Sickness Insurance Act.*

## Section 19 Medical examinations

### Conditions for salary payment

A salaried employee shall be entitled to attend the following reviews and examinations during working hours, provided that they are so arranged as to avoid undue loss of working time:

**1. Illness**

Essential medical examination owing to illness or accident and associated laboratory or X-ray examinations or cancer treatment if the appointment has not been secured outside of working hours.

Specialist examinations that are necessary for determining treatment or that are the occasion for issuing necessary prescriptions for procuring instruments such as spectacles.

**2. Acute dental illness**

For the time taken to treat an acute dental illness if:

- the untreated dental illness incapacitates the salaried employee for work
- the dental illness requires treatment on the same day or during the same work shift
- a certificate issued by the dental practitioner indicates incapacity for work and urgency of treatment.

**3. Pregnancy**

When a salaried employee attends the prenatal medical examinations referred to in chapter 4, section 8, subsection 2 of the Employment Contracts Act.

**4. Statutory examinations and reviews**

- a. When the salaried employee attends examinations and reviews that are associated with the work and required by law and by the employer.
- b. The employer shall compensate a salaried employee who is sent for the said examinations for loss of earnings arising from time spent travelling during regular working hours. Necessary travelling expenses and per diem allowances shall be paid in accordance with section 22 of this collective agreement.
- c. Compensation corresponding to the minimum rate of sickness benefit under section 7 of chapter 11 of the Sickness Insurance Act shall also be paid for examinations occurring during the employee's time off.

**Section 20**

**Maternity and paternity leave pay and return to work following family leave**

1. A salaried employee shall be paid the salary for regular working hours, including benefits in kind, for a total of three months during the special and ordinary maternity leave referred to in chapter 4, section 1, subsection 1 of the Employment Contracts Act. A salaried employee shall be paid salary and benefits in kind for no longer than six ordinary weekdays of paternity leave.
2. It shall be a condition of salary payment that the salaried employee's employment has continued for an uninterrupted period of not less than six months before the estimated date of confinement.

3. A female salaried employee who has adopted a child below school age shall be granted paid leave for three months, comparable to maternity leave, at the immediate time of adoption and on the foregoing conditions.
4. The employer shall be entitled to recover any statutory or agreed daily allowance or comparable compensation payable to the salaried employee for the period during which the employer has paid maternity or paternity leave pay that does not exceed the sum paid by the employer.
5. At the end of the family leave periods referred to in chapter 4 of the Employment Contracts Act, a salaried employee shall be primarily entitled to return to the said employee's previous duties. If this is not possible, then the employer shall primarily provide other duties under the contract of employment that correspond to the previous work, and where no such duties are available the employer shall provide other work under the contract of employment. The salaried employee referred to in this paragraph shall be entitled to any work before this work is assigned to any substitute who was engaged for the duration of the family leave.
6. Voluntary communication during a salaried employee's family leave can be agreed upon with the employee. The purpose of this communication is to ease and promote return to work.

The employer introduces a salaried employee returning from family leave to the changes which have occurred at the workplace as well as their impacts on the tasks of the salaried employee. The introduction takes place soon after returning to work.

## **Section 21**

### **Brief temporary leave of absence**

1. No deduction shall be made from the salary or annual holiday of a salaried employee on account of a brief and temporary leave of absence granted due to the sudden illness of a family member or the death of a close relative. The latter term shall denote the spouse, parents or parents-in-law of the employee, the children of the family, and any brothers and sisters.
2. A brief temporary leave of absence shall also be granted for attendance to the duties of official public appointments.

A sum corresponding to the loss of regular working time arising from participation in the meetings of elected local authority organs shall be deducted from the monthly salary of a salaried employee. The said deduction shall be implemented so that the employee continues to receive the same regular monthly salary after the reduced salary has been supplemented by compensation for lost earnings paid by the local authority. Any element payable by the employer shall be paid after the employee has furnished the employer with an account of the said compensation for lost earnings.

A corresponding adjustment of earnings shall also be made for other official public appointments.

3. Short temporary leave of absence for a child under 10 years of age denotes a period of no more than 4 working days to care for the child or arrange such care. In other respects, the length of leave of absence shall be determined in relation to the foregoing circumstances and any necessary travelling time.



4. The parties recommend that enterprises pay sufficient salary to a salaried employee for any period of military reserve training to ensure that the salaried employee enjoys full regular salary benefits after receiving reservist pay from the State.
5. Salaried employees belonging to the Delegate Councils and Boards of the Finnish Confederation of Salaried Employees STTK and of Trade Union Pro shall be permitted, during their hours of work, to take part in meetings of the said organs that are arranged to consider issues pertaining to collective bargaining.

## **Section 22**

### **Travel compensation**

#### **1. General regulations**

- 1.1 Salaried employees shall make the journeys required by their duties. Journeys shall be made in an appropriate manner, so as not to spend more time or incur more expense than is necessary for performing the said duties.
- 1.2 A journey shall be deemed to have begun when the salaried employee departs from the workplace or, when separately agreed, from the employee's home before the start of regular working hours, and to have ended when the employee returns to the workplace, except where the employee goes straight home after the regular hours of work, in which case the journey shall be deemed to have ended at this time. Days earning entitlement to a per diem allowance shall be reckoned from the beginning of the journey to its end. The regulations governing salary payable for travelling time shall not apply to the reckoning of travelling days.
- 1.3 The employer shall defray all necessary travelling expenses, including the cost of accommodation, travel tickets, luggage expenses and the cost of sleeping berths where the journey involves overnight travel.

Compensation for travelling expenses and other details of travel shall be mutually agreed as necessary before the journey begins.

#### **2. Per diem allowance**

Per diem allowances shall be paid when the distance between the place where work is done and the salaried employee's workplace proper or home, depending on the place from which the journey is made, exceeds 40 kilometres as measured along public highways. The place of work shall also be 15 kilometres from both the salaried employee's workplace proper and home. Per diem allowances shall be paid for each travel day as follows:

A full per diem allowance shall be paid when the work-related travel exceeds 10 hours.

A partial per diem allowance shall be paid when the work-related travel exceeds 6 hours but is less than 10 hours.

The partial per diem allowance shall also be paid for any partial day following on from a full travel day and comprising not less than 2 and not more than 6 hours, and a full per diem allowance shall be paid when the said continuation exceeds 6 hours.

The per diem allowance shall equal the tax-exempt sum determined annually by the National Board of Taxes.

### **3. Meal allowances**

When no per diem allowance is paid for a travel day, the duties of the salaried employee exceptionally prevent the employee from taking meals in the employer's canteen or at the employee's home, and there is no opportunity in the vicinity of the place of work to take meals of the same standard as at the usual workplace, then the employee shall be paid a meal allowance of  $\frac{1}{4}$  of the per diem allowance for journeys in Finland.

### **4. Overnight travel expenses**

Compensation shall be paid for overnight travel expenses by paying either the accommodation costs or an overnight travel allowance as follows:

If no accommodation opportunity has been arranged for the salaried employee, then the employer shall compensate for accommodation costs during the journey in accordance with an account approved by the employer.

An overnight travel allowance equal to the tax-exempt sum determined annually by the National Board of Taxes shall be paid for any travel day that is eligible for a per diem allowance when no accommodation has been arranged free of charge for the salaried employee, or when the employee has received no accommodation compensation or been provided with a sleeping berth during the journey. No overnight travel allowance shall be paid, however, to a salaried employee who, without reason, fails to use an accommodation option that has been reserved and notified by the employer.

### **5. Work abroad**

A per diem allowance for foreign travel shall be payable for work-related travel abroad, amounting to the tax-exempt sum determined annually for each country by the National Board of Taxes.

The partial per diem allowance paid for any partial travel day following on from a full foreign travel day and comprising not less than 2 and not more than 10 hours shall be half of the full per diem allowance for foreign travel, and a full per diem allowance shall be paid when the said continuation exceeds 10 hours.

The per diem allowance payable for part of a day shall be determined according to the foreign travel per diem allowance that was paid for the last full day of travel.

A full per diem allowance for the country in question shall be paid to the salaried employee if the total time spent in travelling abroad is less than 24 hours but not less than 10 hours.

## **6. Compensation for travelling time**

- 6.1 Within the limits of the scheduled hours of work, any work performed during a travelling day shall be counted as regular working time.

When a salaried employee travels at the employer's behest at a time that is scheduled as time off, the basic rate shall be paid in compensation for travelling time for no longer than 8 hours on a working day and for 16 hours on a day off. Such travelling time shall be reckoned in full half-hours. Travelling time shall not be counted as working time. The basic rate shall be reckoned in accordance with subsection 5 of section 12.

This benefit may also be granted as locally agreed separate fixed monthly compensation.

*Implementation regulation:*

*Travelling time pay shall be determined by the working day. When travelling across time zones, the working day shall begin in accordance with the time zone of departure until reaching the assignment site or the place of accommodation, or until the work-related travel ends on the return journey. A working day at the assignment site shall begin in accordance with the local time zone.*

- 6.2 The monthly salary of a salaried employee may not be reduced because the hours required by the schedule of working hours could not be performed within the same 24-hour period.

When reckoning the completion of regular weekly working time for the purpose of calculating weekly overtime, travelling time shall also be included up to the maximum daily regular working time on travelling days in which the full regular working time cannot otherwise be reached. Such time shall nevertheless not count as regular working time.

- 6.3 No compensation shall be paid for travelling time when the normal duties of a salaried employee require repeated travelling or when the employee, owing to the nature of the said duties, decides on travelling and the use of working time. In such cases the travelling required for the duties shall be included when determining the salary of the salaried employee.

Instead of the per diem allowances and meal allowances referred to above, a fixed separate sum of compensation payable with the monthly salary may be agreed with a salaried employee referred to in this subsection.

## **7. Compensation for use of a private motor vehicle**

If it has been agreed that salaried employees are to use their own motor vehicles, then compensation shall be paid for this corresponding to the tax-exempt sum determined annually by the National Board of Taxes.

## **8. Divergent agreement**

Other regulations on payment of costs and compensation arising from work-related travel may be agreed locally. The local agreement shall be concluded in writing between the employer and the shop steward for salaried employees. If performance of work requires continuous residence in the same district for not less than 2 weeks, then the per diem allowances payable may also be agreed locally with the salaried employee, having regard to local conditions and to any measures taken by the employer in respect of the said residence.

## **Section 23**

### **Training events**

#### **1. Training events**

When the employer provides vocational training to salaried employees or when salaried employees are sent by the employer for training events with a view to improving their vocational skills, the directly associated costs of the training and travelling expenses excluding compensation for travelling time shall be defrayed in the manner stipulated in section 22 hereof.

The compensation referred to in the preceding paragraph shall also be paid to a salaried employee participating in the joint training event referred to in section 5 of the Cooperation Agreement if the purpose of the event is found locally to be the promotion of the employee's vocational abilities.

Notwithstanding section 6 of the collective agreement and the contract of employment and in addition to the provisions laid down in them, the employer may assign to salaried employees, during a calendar year, up to 8 hours of training organised by the employer outside the schedule of working hours, with such training aimed at developing or maintaining the vocational skills of the salaried employee. The time spent in such training is considered regular working hours, for which compensation at the basic rate is paid in addition to the monthly salary. Such training may take place on a single day. The need for the training as well as its contents and schedule shall be discussed with the salaried employee well in advance before organising it, while taking into account the salaried employee's individual needs related to working time. Such training may not be scheduled for public holidays.

If a training event is arranged at a time, for example, requiring an employee working the night shift to attend during time off, then the said employee shall either be paid compensation for the said attendance time at the basic rate or granted corresponding time off in lieu.

No reduction in salary shall occur if the event takes place during the salaried employee's regular working hours. The parties note that if the foregoing training event occurs on the employee's day off, then the attendance compensation criteria shall be agreed locally as necessary.

Care shall be taken when arranging training events to ensure that the employees concerned are granted a daily rest period of sufficient length.

#### **2. Assessing the need for training**

The federations stress the importance of systematic human resource development. The employer shall, as necessary, give a salaried employee an opportunity to take part in annual vocational training enabling maintenance and improvement of the employee's vocational skills. The need for training may be verified, for example, at performance appraisals conducted between the employer and the salaried employee.

*Minuted note:*

*Under section 16 of the Act on Co-operation within Undertakings (334/2007), companies shall prepare an annual plan of human resources and training objectives through cooperation negotiations in order to maintain and improve the occupational skills of salaried employees.*

*Foreseeable changes in enterprise operations of evident relevance to the structure, number or occupational skills of the workforce must be considered when preparing the plan of human resources and training objectives.*

## **Section 24**

### **Annual holiday**

1. Annual holidays shall be governed by the Annual Holidays Act, unless otherwise provided in this collective agreement.
2. Annual holiday pay for salaried employees shall be reckoned using a standard divisor of 25. If a salaried employee is not on annual holiday for the whole of the pay period, then the holiday pay shall be reckoned in proportion to the holiday and working periods so as to correspond to the salary otherwise payable to the salaried employee for a corresponding period.

The daily salary payable as annual holiday pay shall be reckoned on the basis of commission pay by dividing the salary earned during the leave-earning months by the number of such months and further dividing by 25 to convert the average monthly salary thereby determined into daily salary.

3. Where so agreed, the salary for the annual holiday may be paid on the regular salary payment day for the enterprise.
4. Holiday bonus
  1. The holiday bonus shall be 50 percent of the pay for the annual holiday (= cash salary) reckoned using the standard divisor of 25.
  2. The holiday bonus shall be paid when paying annual holiday pay or in the manner agreed within the enterprise.
  3. The holiday bonus shall always be paid with respect to holiday taken.

The holiday bonus shall also be paid in respect of holiday compensation payable for a leave-earning year that has already ended if regular employment is terminated during the holiday period for reasons not due to the employee, or when temporary employment ends during the holiday period.

The holiday bonus shall be payable to a salaried employee retiring on old-age or disability pension and on early old-age or individual early pension at the foregoing percentage of annual holiday salary and of any annual holiday compensation to which the employee is entitled.

A salaried employee returning to work after completing regular duties in the armed forces as provided in the Continuance of the Employment and Civil Service Relationship of Military Conscripts Act (305/2009) shall be entitled to an annual holiday bonus payable at the foregoing percentage on the annual holiday compensation that was paid to the employee on entry into the said military service.

It may be agreed locally that the holiday bonus will be exchanged for a corresponding period of time off to be taken by the end of the leave-earning year referred to above. It may alternatively be agreed that the holiday bonus will be exchanged for a period of flexible leave. Flexible leave shall be governed in other respects by section 27 of the Annual Holidays Act with the exception that the time of the said leave shall be agreed. If the employment of a salaried employee ends before the date on which it has been locally agreed that the holiday bonus will be paid, then the holiday bonus shall be paid when the employment ends if the employee concerned is otherwise entitled to holiday bonus.

When agreeing to carry forward annual leave in accordance with section 27 of the Annual Holidays Act, it shall also be agreed whether the holiday bonus payable with respect to the leave to be carried forward will be paid at the time of payment of annual holiday pay or whether the holiday bonus will be exchanged for a period of flexible leave in accordance with the provisions of this agreement.

5. When so warranted by the due organisation of production and work, the employer shall be entitled to grant the portion of the holiday exceeding the 18 days referred to in section 20, subsection 2 of the Annual Holidays Act (the summer holiday) as a single continuous period outside of the holiday season. In addition to other agreed stipulations governing the holiday bonus, an extraordinary holiday bonus of 50 percent of the annual holiday pay for this part of the holiday shall be paid for the said part of the holiday granted outside of the holiday season at the initiative of the employer.

6. Annual holiday in uninterrupted three-shift work

Unless other arrangements are warranted for justified reasons of production technology, or unless otherwise locally agreed, when using a five-shift system in uninterrupted three-shift work a salaried employee shall be allowed a continuous period of 24 days of time off for an annual holiday to be taken between 20 May and 20 September.

The unused holiday days remaining from the foregoing 24-day holiday period shall generally be allowed in a continuous period during the calendar year when the leave-earning year ends.

In all of the shift work systems referred to in this agreement, the portion of the annual holiday exceeding 24 days shall be allowed during the calendar year when the leave-earning year ends or by the end of April of the subsequent year.

In other respects, the regulations of the Annual Holidays Act shall govern annual holidays and notification of the time thereof.

The federations nevertheless consider it expedient to seek to settle the timing of annual holidays in the schedule of working hours at the earliest opportunity.

Days off according to the schedule of working hours shall be treated as working days for the purpose of determining annual holidays, but excluding the number of ordinary days off taken by day workers included in the calendar month in question.

## **Section 25**

### **Right of assembly**

Provided that the arrangements and procedures are agreed in advance with the employer, associations affiliated to Trade Union Pro may arrange meetings at the workplace to discuss employment-related matters outside of working hours. The organiser of the meeting shall be entitled to invite to the meeting representatives of a federation that is a party to this collective agreement and of any association that is affiliated thereto, and representatives of the competent national labour and employer confederations.

## **Section 26**

### **Use of outside labour**

A term shall be included in contracts concerning subcontracting and leasing of labour whereby the subcontractor or the enterprise that leases labour undertakes to comply with the general collective agreement in its industry and with labour and social legislation.

The employer shall notify the shop steward and, where possible, also the labour protection delegate, in advance, of any external labour that is involved in salaried employee duties at the enterprise. If this is not possible on account of the urgency of the work or for some similar reason, then the said notification may exceptionally be given afterwards and without delay.

Efforts shall be made to limit the use of leased outside labour to alleviating peak load situations or otherwise to duties that cannot be assigned to the enterprise's own salaried employees, either expediently or at all, on account of the urgency of the work, its limited duration, the requirement of vocational skills or special know-how, or other corresponding reasons.

### **Subscriber liability and information gathering**

A justified suspicion that the subscriber's contractual partner is failing to discharge its obligations under statute or collective agreement may arise when using outside labour.

Together with the shop steward, the subscriber shall assess the situation and any information gathering that is required to resolve it, and shall take steps accordingly to obtain reports. The subscriber's shop steward shall be entitled to examine the reports obtained.

The federations are committed to promoting the prevention of the grey economy, in particular by supporting authority supervision that is used to implement the targets of the Act on Posting Workers and the Act on the Contractor's Obligations and Liability when Work is Contracted Out regarding posted workers' equal status to Finnish workers, and equal competition between companies and following terms of employment.

*Minuted note:*

*A condition may be included in subcontracting and agency work agreements entitling the subscriber to require its contractual partner to provide a reliable report of the foregoing*

*details during the contractual relationship. This report may not include information that is protected by privacy provisions.*

## **Section 27**

### **Negotiating procedure**

1. The contracting parties shall negotiate on all issues arising within their competence with a view to resolving them by mutual understanding. The parties shall each endeavour to establish effective and businesslike bargaining relationships at workplaces.
2. Any disputes arising in relation to the application, interpretation or breaching of this agreement, or in relation to some other employment-related matter, shall be resolved in accordance with the negotiating procedure presented below.
  - a) Disputes shall be primarily resolved through local negotiations at the workplace.
    - In matters related to the terms of employment or the employment relationship of a salaried employee, the issue shall be first negotiated between the salaried employee in question and the employee's manager.
    - If the salaried employee and the employee's manager fail to resolve the issue, the matter may be referred for consideration by the shop steward and the employer.
    - If the matter is of general concern to the salaried employees within the scope of the shop steward's sphere of responsibility, negotiations may be started directly between the shop steward and the employer.
    - Matters related to the application, interpretation and breaching of the collective agreement shall be negotiated between the shop steward and employer.
  - b) If the parties fail to resolve the dispute through local negotiations, the issue shall be referred for consideration by the federations.
  - c) Local negotiations shall be started without delay and no later than within two weeks from submitting the negotiation proposal to the other party.
  - d) Minutes of the local negotiations shall be prepared upon the request of either party. No minutes shall be required to be prepared in matters for which minutes of dispute are prepared.
  - e) Joint minutes of dispute shall be prepared concerning an issue on which no agreement was reached in local negotiations, with such minutes including a brief summary of the disputed issue and the opinions of both parties.
  - f) The minutes or dispute shall be prepared no later than within a week from the end of the local negotiations. Both parties shall sign the document that is prepared.
3. Any disputes concerning the collective agreement, which the federations negotiated but failed to reach consensus on, may be referred by either party to the Labour Court for settlement.
4. No work stoppage may be initiated, nor may any other measures be taken to apply pressure on the other party or to impede the regular process of work while negotiations on the dispute continue.



5. Representatives of the employee and employer organisations that are bound by the collective agreement shall have the right to participate in local negotiations where the said employee and employer organisations so agree. A prerequisite for this shall be that local negotiations on the issue have previously been conducted. If such negotiations fail to achieve unanimity, then the parties shall apply the procedure specified at subsections 2–4 of section 27.

## **Section 28**

### **Local bargaining**

Cooperation and local bargaining as a part thereof contribute to the maintenance and improvement of the company's profitability, competitiveness, employment situation and the well-being of personnel. Above all, local bargaining is a tool for the development of operations.

Each workplace shall define joint targets for local bargaining. In a rapidly changing environment, such targets require constant review and revision. The necessary means shall be agreed upon once the targets have been set.

Local bargaining is a practice that involves the entire work community. It requires open dialogue that builds trust between the employer and personnel. An efficient method of promoting the success of local bargaining is to provide all information related to the local bargaining negotiations to the shop steward in good time before the start of negotiations.

According to the negotiation procedure set forth in the collective agreement, the local bargaining option provided in several provisions of this collective agreement is possible between the employer and a salaried employee or between the employer and shop steward. Appendix 6 provides a more detailed list on the determination of the parties to the local agreement.

Local agreements can be valid for a fixed period or indefinitely. The agreement shall be made in writing if so requested by either party.

An agreement concluded until further notice may be terminated at three months' notice unless some other period of notice of termination has been agreed. No special reasons shall be required for terminating the agreement.

The local agreements referred to in this section shall constitute a part of the collective agreement. They shall remain in effect even after the expiration of the collective agreement. During this time and within one month from the entry into force of a new collective agreement, even local agreements valid for a fixed period of time may be terminated with a three-month period of notice.

*Minuted note:*

*The special regulations governing local agreement of the system for determining salaries are set out at subsection 10 of section 4.*

## **Section 29**

### **Binding character of agreement**

1. This agreement shall bind
  - a) the undersigned organisations
  - b) the employers, the salaried employees and the associations thereof that are members of the foregoing associations or that were members during the validity of this agreement.
2. After this agreement has become binding on the employee and employer organisations, all industrial action that is directed against this agreement as a whole or in respect of any individual regulation thereof shall be prohibited. The federations and their affiliated associations shall also be required to ensure that none of their member employers and salaried employees that are bound by the agreement engage in any industrial action of this kind or infringe the regulations of this agreement in any other manner.

## **Section 30**

### **Duration of agreement**

This agreement shall be in force from 14 February 2020 until 30 November 2021, and shall continue thereafter for one year at a time unless written notice of termination of the collective agreement has been served by either of the parties hereto no later than two months before the said termination takes effect.

Helsinki, 14 February 2020

TECHNOLOGY INDUSTRIES OF FINLAND

*Jaakko Hirvola*

*Minna Helle*

TRADE UNION PRO

*Jorma Malinen*

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## **COOPERATION AGREEMENT FOR SALARIED EMPLOYEES IN TECHNOLOGY INDUSTRIES**

### **1 GENERAL REGULATIONS**

The parties shall seek to promote negotiating channels and bargaining at workplaces. They shall seek to improve these objectives through various forms of cooperation and to assist in supervising compliance with any agreements concluded. The fundamental right of citizens to freedom of association shall be inviolable. This shall apply to both employers and salaried employees. Salaried employees shall have the right to establish and serve in trade union organisations, and may suffer neither dismissal nor discrimination at work on this account. The health and safety, freedom from discrimination and equitable treatment of individual salaried employees shall be a basic principle of agreed regulations.

The national conciliator and the federations of employers and salaried employees concerned shall be notified, where possible, no later than four days before any political or sympathetic industrial action is taken. Any subsequent decision on industrial action shall be announced at the earliest practical opportunity. The announcement shall specify the causes of the intended industrial action, the time when it begins and the scope of the action.

Subject to the exclusions specified below, this agreement shall be observed at enterprises that are affiliated to Technology Industries of Finland. The term "workplace" shall here denote a production unit or corresponding operating unit of an enterprise that is affiliated to Technology Industries of Finland.

The cooperation organisation shall be brought into line with the altered size and structure of a workplace when the operations of the workplace substantially contract or expand, or due to assignment of business operations, merger, incorporation or comparable substantial reorganisation.

The salaried employee association operating at a workplace shall notify the employer in writing of any shop stewards who are elected, of times at which a deputy is serving as a shop steward, of the service of a labour protection delegate or labour protection agent in the capacity of a shop steward, and of the service of a shop steward in a labour protection capacity. A labour protection delegate shall notify the employer in writing when a deputy deputises for the labour protection delegate. The employer shall notify the shop steward in writing of the persons who will negotiate with the shop steward on behalf of the enterprise.

The parties agree that the employer enjoys the right, pursuant to labour legislation and agreements, to engage and dismiss salaried employees and to determine the management of work.

Except where otherwise agreed herein, the Act on Co-operation Within Undertakings and the Act on Occupational Safety and Health Enforcement and Cooperation on Occupational Safety and Health at Workplaces shall be observed, and shall form no part of this agreement.

## **2. COOPERATION DUTIES AND COOPERATION ORGANISATIONS**

### **2.1 Regulations on shop stewards**

The purpose of the shop steward system is to maintain and develop bargaining and cooperation channels between the employer and salaried employees. Shop stewards shall represent their associations and salaried employees in matters concerning the application of collective agreements, ensuring industrial peace and complying with labour legislation.

The salaried employees at the workplace in question who belong to organisations bound by this agreement shall be entitled to elect a shop steward and deputy shop steward from among themselves. The election may be organised at the workplace. All of the foregoing salaried employees shall then be given an opportunity to participate in the election. It may be agreed at the workplace that a labour protection delegate shall attend to the duties of shop steward or vice versa.

In addition to a shop steward, the salaried employees may elect a departmental shop steward after agreeing with the employer on the operational entity for which the departmental shop steward will be elected. The scope of the departmental shop steward's responsibilities shall be appropriate and such that it promotes the discussion of matters in accordance with the bargaining system. At the same time, the matters and extent in which the departmental shop steward represents the salaried employees shall be agreed in accordance with the bargaining procedure.

If local agreement cannot be reached on the election, number and responsibilities of departmental shop stewards, the salaried employees of workplaces employing a minimum of 160 salaried employees belonging to a union that is party to this agreement are entitled to elect one departmental shop steward for each 50 salaried employees or part thereof.

Within the framework of the area of operations represented by the shop steward, the departmental shop steward shall have the same rights and duties as regular shop stewards, with the exception of the shop steward's compensation.

In addition to the shop steward, a deputy shop steward may participate in the negotiations with the employer which affect the entire personnel group or significant numbers of the same in the event that several persons on the employer's side take part. Adequate leave from work should be given to the deputy shop steward to participate in the negotiations, and the opportunity to exchange information should be provided before the negotiations. The shop steward must also provide information connected with the negotiations concerned for the use of the deputy shop steward.

The aims and effectiveness of the bargaining system shall be regularly discussed at the workplace. The first such discussion shall take place within two months of the beginning of the term of office of shop steward and a departmental shop steward, and further discussions shall take place annually thereafter. The parties to these discussions shall be each shop steward and departmental shop steward together with the counterpart employer's representative, and all representatives together where so warranted. Feedback shall be provided from both sides in these discussions, which shall serve as the basis for efforts to further improve cooperation. The need, timetable and aims of training for the duties and vocational skills of the shop steward shall also be planned at this time.

A salaried employee shall seek to resolve employment-related matters with his or her supervisor. If no resolution is achieved in this way, then the salaried employee may refer the matter for consideration in negotiations between a shop steward and the employer's representative.

## **2.2 Regulations on labour protection cooperation**

Labour protection cooperation regulations shall apply at workplaces where a total of no fewer than 20 employees and salaried employees work regularly. However, a labour protection delegate must be elected when the total number of employees and salaried employees is not less than ten. Under section 29 of the Act on Occupational Safety and Health Enforcement and Cooperation on Occupational Safety and Health at Workplaces, the employees of a workplace enjoying salaried employee status are entitled to elect one of their number to serve as their labour protection delegate.

In addition to the head of labour protection responsible for cooperation on occupational safety and health and the delegates and deputy delegates elected for this purpose, employee groups intended for this agreement shall also have the right, when locally agreed, to elect one or more labour protection agents where this is warranted by the size and other circumstances of the enterprise.

The duties of a labour protection agent shall include maintaining contact with the labour protection delegate and head of labour protection regarding labour protection matters in the agent's sphere of activities and participating in labour protection inspections when necessary. The term of office of a labour protection agent shall be the same as that of a labour protection delegate. If a labour protection agent is temporarily required to transfer to work outside of the sphere of activities proper of the said agent, efforts shall be taken to ensure that the transfer does not unreasonably impede attendance to the duties of labour protection agent. To the extent required by the duties of a labour protection agent, the agent shall be entitled to agree with the employer on discharge from work for the purpose of attending to those duties.

The parties shall participate, together with occupational health care staff, line management and human resources administration, in planning, implementing and monitoring measures to maintain working capacity. This will involve monitoring how the personnel of the enterprise copes at work, and preparing instructions where necessary on referring to the care of specialists any individuals who are in need of measures to maintain working capacity.

The head of labour protection and labour protection delegate shall participate in planning measures to maintain working capacity when preparing the occupational health care action programme. They shall also take part in implementing and monitoring the plans.

## **3 REGULATIONS ON THE STATUS OF SHOP STEWARDS, LABOUR PROTECTION DELEGATES AND LABOUR PROTECTION AGENTS**

### **3.1 Release from work and compensation for lost earnings**

Temporary, regularly repeated or complete release from work duties shall be arranged for the shop steward and labour protection delegate for the purpose of attending to their duties. The volume of work shall be proportioned or other arrangements shall be made to ensure a real opportunity to use the time allotted for the duties of an elected representative. This shall allow for such factors as the number of salaried employees in the staff group concerned, the nature of production and operations, and the volume of duties required under this agreement.

If no local agreement has been concluded for releasing from work duties a labour protection delegate representing all staff groups at the workplace, then the time spent by the labour protection delegate shall be reckoned in accordance with the industry-specific coefficients in force as of 1 April 1986. A

labour protection delegate who only represents salaried employees shall be entitled to adequate release from work duties for appropriate attendance to the functions of a delegate at times that are suitable from the point of view of work. The extent of the release and the related arrangements shall be investigated and agreed locally.

There shall be no reduction in the monthly salary of a staff representative referred to in this agreement if the representative negotiates with representatives of the employer during working hours or performs other duties agreed with the employer. If a shop steward or labour protection delegate performs duties agreed with the employer outside of regular working hours, then overtime compensation shall be paid for the time so spent or some other additional compensation shall be agreed with the person concerned.

The employer shall pay the following separate monthly compensation to shop stewards:

Number of salaried employees at the workplace	Monthly compensation as of 1 March 2020, EUR
5–9	77
10–24	129
25–50	162
51–100	233
101–200	271
201–400	324
401–600	364
600–	423

Number of salaried employees at the workplace	Monthly compensation as of 1 February 2021, EUR
5–9	79
10–24	132
25–50	165
51–100	238
101–200	276
201–400	330
401–600	371
600–	431

Unless otherwise agreed, the employer shall pay the following separate monthly compensation to a salaried employee serving as a labour protection delegate:

Number of salaried employees represented by the labour protection delegate	Monthly compensation as of 1 March 2020, EUR
5–24	66
25–50	71
51–100	79
101–200	90
201–400	101
401–600	116
600–	134

Number of salaried employees represented by the labour protection delegate	Monthly compensation as of 1 February 2021, EUR
5–24	67
25–50	72
51–100	81
101–200	92
201–400	103
401–600	118
600–	137

In the event that the same person performs combined shop steward and labour protection duties, this shall be considered a factor tending to increase the agreed length of release from work duties and the monthly compensation payable.

### **3.2 Status of shop stewards and labour protection delegates**

Where necessary, the employer shall arrange an appropriate place for the shop steward and labour protection delegate to keep the materials that are required for performing their duties. The employer shall, where possible, designate appropriate premises in which the discussions necessary for performing the duties may be conducted. Where the size of the workplace so requires, it shall be agreed locally that the shop steward may, as necessary, use the office and similar equipment that is customarily used at the enterprise.

A salaried employee serving as shop steward, departmental shop steward or labour protection delegate may not, while attending to these duties or on account thereof, be assigned to work at lower pay than at the time when the employee was elected to serve in the said capacity. If the working duties of a person elected to serve as a labour protection delegate representing all staff groups hamper attendance to the duties of labour protection delegate, then other work shall be arranged for the said employee, having regard to conditions at the workplace and to the vocational skills of the labour protection delegate. Arrangements of this kind may cause no reduction in the earnings of the person concerned.

Changes in the earnings of a shop steward and labour protection delegate shall correspond to changes in earnings occurring within the enterprise. This shall be reviewed annually, and any changes that are thereby warranted shall be implemented annually.

At the end of the term of office of a shop steward or labour protection delegate who has been entirely or mainly released from work duties, the employer and the said employee shall jointly determine whether maintenance of the employee's vocational skills requires vocational training for the said employee's former duties or for corresponding duties. The employer shall arrange any training that is required by the said determination. It is the common interpretation of the federations that, also



during the term of office of a shop steward/labour protection delegate, the employer and the said representative are to determine whether any vocational training that is also arranged for other salaried employees is required in order to maintain the skills of the representative with respect to the representative's previous or corresponding duties.

### **3.3 Security of employment**

In the event that the workforce of the enterprise is dismissed or laid off for reasons of finance or production, such measures may not affect a shop steward or labour protection delegate unless the operations of the production unit are entirely discontinued with respect to the staff group concerned. This regulation shall not apply, however, if it is jointly verified with the shop steward or labour protection delegate that no work can be offered thereto that corresponds to the said employee's vocation or is otherwise suitable for the said employee.

The employment contract of a departmental shop steward may be terminated or a departmental shop steward may be laid off in accordance with chapter 7, section 10, subsection 2 of the Employment Contracts Act only when the work entirely ends and the employer is unable to arrange work for the shop steward that corresponds to the said employee's vocational skills or is otherwise suitable for the said employee, or to retrain the employee for other duties in the manner referred to in chapter 7, section 4 of the Employment Contracts Act.

A shop steward, departmental shop steward or labour protection delegate may not be dismissed for individual reasons pertaining to the said employee without the consent of a majority of the salaried employees represented by the said elected official, as required by chapter 7, section 10, subsection 1 of the Employment Contracts Act.

The employment contract of a shop steward, departmental shop steward or labour protection delegate may not be rescinded in a manner contrary to the provisions laid down in chapter 8, section 12 of the Employment Contracts Act. Rescission of employment contract on the grounds that the said elected official has infringed administrative rules shall not be possible unless the said employee has also repeatedly and substantially failed to perform work obligations despite being cautioned for so doing.

The foregoing regulations on security of employment shall also apply to a candidate for the position of shop steward, the candidature of whom has been notified in writing to the employer, and to a candidate for the position of labour protection delegate, the candidature of whom has been notified in writing to the labour protection commission or to some other corresponding cooperation body. However, protection of candidates shall begin no sooner than three months before the start of the term of office of the shop steward or labour protection delegate to be elected, and shall expire with respect to a candidate who is not elected when the outcome of the election has been verified.

The regulations on security of employment shall also continue to apply to a salaried employee who has served as a shop steward or labour protection delegate for a further period of six months after the said employee's duties in the said capacity come to an end.

The status of a shop steward and labour protection delegate shall continue as such, notwithstanding assignment of business operations, if the assigned business or part thereof retains its independence. If a business or part thereof to be assigned loses its independence, then the shop steward and labour protection delegate shall be entitled to the subsequent protection referred to in the preceding paragraph as of the end of the term of office arising from the assignment of business operations.

If the employment contract of a shop steward, departmental shop steward or labour protection delegate has been discontinued in a manner contrary to this agreement, then the employer shall pay compensation of no less than 10 months' and no more than 30 months' salary to the person concerned. However, in the case of a labour protection delegate, the foregoing compensation shall be no less than four months' and no more than 24 months' salary when the total number of employees and salaried employees working regularly at a production plant or corresponding operating unit is less than 20. This compensation shall be determined on the same basis as is prescribed in chapter 12, section 2, subsection 2 of the Employment Contracts Act.

### **3.4 Deputies**

The regulations of this chapter shall apply to a deputy shop steward and to a deputy labour protection delegate for the period during which the said deputy is serving as a deputy in accordance with the notification required under this agreement.

If the employer terminates the employment contract of the deputy shop steward or temporarily lays off the said employee at a time when the individual in question is not deputising for the shop steward or does not otherwise enjoy the status of shop steward, then the said dismissal or layoff shall be deemed to have taken place due to the employee's duties as a shop steward unless the employer can prove that it was due to some other reason.

In business enterprises where there are at least 30 salaried employees tied to this agreement, the employment contract of a deputy shop steward may be terminated in accordance with chapter 7, section 10, subsection 2 of the Employment Contracts only when a significant number of the deputy shop steward's work tasks end and the employer is unable to arrange work appropriate to his/her professional skill or otherwise suitable for him/her, in the manner intended by chapter 7, section 4 of the Employment Contracts Act.

## **4 COOPERATION**

### **Development activities**

In accordance with the principles of this agreement, salaried employees and their representatives shall be provided with the opportunity to take part in developing and implementing any change in work organisations, technology, working conditions and duties at work.

Development activities and any associated application of new technology must seek more meaningful, varied and progressive employee duties and improved productivity. This will facilitate the personal development of salaried employees at work and improve their ability to undertake new duties.

The measures adopted must not result in an increase in overall work burden that jeopardises the health and safety of the salaried employee.

### **Implementation of cooperation**

Cooperation between the employer and salaried employees may be arranged through a committee of permanent character, through task forces established for the purpose of implementing improvement projects or through negotiations between the employer and the staff. The enterprise and its employees and salaried employees shall be evenly represented on any task force that is convened for the purpose of implementing an improvement project. The salaried employees shall

nominate their own representatives, who shall primarily be salaried employees at the improvement site in question.

### **Cooperation body**

A cooperation body may be set up by local agreement to consider various aspects of development activities and other matters. This cooperation body may replace separate cooperation and labour protection commissions, and other corresponding committees. To the extent locally agreed, the same cooperation body may also be responsible for activities and plans under the Act on Cooperation Within Undertakings, the Act on Occupational Safety and Health Enforcement and Cooperation on Occupational Safety and Health at Workplaces, the Occupational Health Care Act and the Act on Equality Between Women and Men.

## **5 TRAINING**

### **5.1 Joint training**

Training to promote cooperation at the workplace shall be arranged jointly by the national labour and employer confederations or by the employer and salaried employees collectively at the workplace or elsewhere.

The basic labour protection cooperation courses and the specialist courses that are necessary for labour protection cooperation shall be included in the joint training referred to herein.

The regulations on joint training shall also apply to training in participation systems and local bargaining. Participation in training may also be agreed between the employer and the person concerned.

Compensation shall be paid to those involved in the said training in the manner stipulated in section 23 of the collective agreement. Participation in training shall be agreed locally by the appropriate cooperation body or between the employer and a shop steward, depending on the nature of the training.

### **5.2 Trade union training**

#### **5.2.1 Retention of employment and notification periods**

Salaried employees shall be given an opportunity to participate in courses arranged by the Trade Union Pro lasting for no longer than one month unless this substantially inconveniences enterprise operations. Attention shall be paid to the size of the workplace and the number of training days when assessing the said inconvenience. The intention to take part in a course shall be notified at the earliest opportunity. In the event of refusal of permission, the shop steward shall be notified, no later than 10 days before the beginning of the course, of the grounds on which granting of release from work duties would cause substantial inconvenience. It would be desirable in such cases to jointly investigate the prospects for participating in the course at some other time when there would be no impediment to so doing.

It must be determined in advance whether the training event is one for which the employer pays compensation to the employee under this agreement.

In accordance with the foregoing collective agreement section, the staff representatives referred to in subsection 5.2.2 shall be given an opportunity to participate in any training referred to in this agreement tending to improve their capacity to attend to duties under this agreement.

### 5.2.2 Compensation

For courses that have been approved by the work group on education and are arranged by Trade Union Pro, the employer shall pay the monthly salary to a shop steward, a departmental shop steward, a deputy shop steward, a labour protection delegate, a deputy labour protection delegate, a member of the labour protection commission and a labour protection agent for a period of training required for their duties not exceeding one month in the case of the foregoing shop steward and departmental shop steward, and for a period not exceeding two weeks in the case of the foregoing persons engaged in elected occupational health and safety functions.

A shop steward and departmental shop steward shall be correspondingly compensated for loss of earnings for one month when participating in a three-month course arranged by Trade Union Pro. The same procedure shall apply with respect to the chairperson of an affiliated association, provided that the person in question works at an enterprise with no fewer than 180 employees and that the said association has no fewer than 50 members.

In compensation for the cost incurred by the course organiser in providing meals, the meal allowances agreed in the training task force between the federations shall also be paid for each course day attended by the employees referred to in subsection 5.2.2, for which the monthly salary is not reduced.

The employer shall be required to pay the foregoing compensation referred to in this clause only once to the same person for the same training event or for a training event of comparable content.

Participation in the training referred to in subsection 5.2 for no longer than one month shall cause no loss of annual holiday, pension or other comparable benefits.

## **6 PROVISION OF INFORMATION**

The employer shall furnish the staff or their representatives with:

- 1 An explanation of the financial condition of the enterprise based on the financial statements thereof after these have been confirmed.
- 2 An account of the financial situation of the enterprise stating the outlook for production, employment, profitability and cost structure, at least twice during the financial year.
- 3 An annual staffing plan including estimates of anticipated changes in the number, type and status of staff.

The enterprise shall provide information on any substantial changes in all of the foregoing details without delay.

In enterprises with a regular staff of no fewer than 30, the enterprise's financial statement data referred to in section 10, subsection 1 of the Act on Co-operation in Undertakings shall be provided on request to the staff representatives in writing.

A staff group in the sense of this agreement shall be entitled to arrange, at the workplace or in some other agreed premises, meetings to discuss labour market issues or matters that concern employment at the workplace or that pertain to the Act on Co-operation in Undertakings. Staff groups shall also be entitled to distribute to their members meeting notifications and communications concerning employment at the workplace or concerning labour market issues.

In addition to labour market issues, staff groups shall also be entitled to communicate on general issues through the customary information sharing channels of the enterprise.

### **Personal and statistical information to be provided to shop stewards**

#### 1. General communications

The employer shall generally ensure that the shop steward is advised at the earliest opportunity of all matters directly or indirectly affecting salaried employees at the workplace in question.

#### 2. Disputes

In the event of any uncertainties or disputes concerning the employment of a salaried employee, the shop steward or departmental shop steward shall be advised of all details required for investigating the cause of complaint.

#### 3. Personal data

A shop steward shall be entitled to the following details regarding the salaried employees covered by this agreement:

1. Forenames and surname of the salaried employee
2. Time of entry into the employer's service
3. Organisational department
4. Job requirement category
5. Statistical heading

These details shall be provided at annual intervals. The details under subsections 1–5 shall be provided for new salaried employees at the earliest opportunity, and in any case no later than four months after employment begins.

#### 4. Salary statistics

The following statistical details regarding salaried employees covered by this agreement shall be provided to the shop steward annually as a workplace-specific average and distributed by job requirement category and gender:

- a) monthly salary including benefits in kind
- b) monthly earnings for regular working hours excluding productivity rewards
- c) average personal salary component.

The shop steward shall also be furnished with details of the division of salaried employees into various job requirement categories.

The monthly salary including benefits in kind shall include the basic monthly salary, the variable element of the incentive rate, and the average monthly value of taxable benefits in kind. In addition to the foregoing, monthly earnings for regular working hours shall include shift and Sunday work bonuses paid for regular working hours.

These details shall be provided in writing on December salaries after the payroll statistics for the workplace have been prepared. A shop steward shall not be entitled to salary statistics on groups consisting of fewer than three persons.

#### 5. Workforce data

As information on changes in the workforce, the shop steward shall be provided, at quarterly intervals and by organisational department, with information on the numbers of employees and salaried employees covered by this Agreement who are fully fit for work and fall within the shop steward's operating sector.

The shop steward shall also be notified of salaried employees engaged for a trial period or on a temporary basis. The shop steward shall also be advised on request of the grounds for concluding a temporary contract of employment.

#### 6. Salary system, etc.

The shop steward shall be given an opportunity to examine the salary determination and payroll accounting systems for salaried employees that are currently used by the enterprise in the shop steward's sphere of activities. The shop steward shall also be entitled to examine the statutory register of emergency and overtime work and of the bonuses paid for such work with respect to salaried employees in the shop steward's sphere of activities.

#### 7. Confidentiality of information

The shop steward shall receive the foregoing information in confidence for the purpose of performing the shop steward's duties. This information shall not be disclosed to elected representatives in other enterprises, nor otherwise disseminated.

## 7 ENTRY INTO FORCE

This agreement shall be in force as of 1 November 2013 as part of the collective agreement.

The agreement shall supplant

- the cooperation agreement for the technology industry signed on 24 October 2011

Helsinki, 23 October 2013

TECHNOLOGY INDUSTRIES OF FINLAND

*Jorma Turunen*

*Risto Alanko*

TRADE UNION PRO

*Antti Rinne*

*Markku Palokangas*

## **AGREEMENT ON PROTECTION AGAINST DISMISSAL APPLICABLE TO SALARIED EMPLOYEES IN TECHNOLOGY INDUSTRIES**

### **Section 1**

#### **Scope**

This agreement shall govern the termination of regular employment contracts, temporary layoffs of salaried employees and the rescission and cancellation of employment contracts.

It shall also govern the resignation of salaried employees and the procedures to be followed when terminating employment contracts and laying off salaried employees.

*Implementation regulation:*

*This agreement shall not apply to termination of employment or salaried employee layoffs on the following grounds:*

- *rescission of employment contract during a trial period (chapter 1, section 4 of the Employment Contracts Act)*
- *enterprise restructuring (chapter 7, section 7 of the Employment Contracts Act)*
- *bankruptcy or death of the employer (chapter 7, section 8 of the Employment Contracts Act).*

The procedural regulations of sections 5 and 6 of this agreement shall nevertheless apply on terminating an employment contract on the foregoing grounds, and the procedure agreed in section 11 hereof shall be followed in cases of rescission of employment contract during a trial period.

This agreement shall also not apply to the apprenticeships referred to in the Vocational Education and Training Act (Laki ammatillisesta koulutuksesta).

## **I GENERAL REGULATIONS GOVERNING TERMINATION OF EMPLOYMENT CONTRACT**

### **Section 2**

#### **Periods of notice**

1. If no other period of notice has been agreed at the time of termination, the employer shall observe the following periods of notice when terminating an employment contract:
  - a. 14 days' notice of termination when the employment has continued for no longer than one year;
  - b. one month's notice when the employment has continued for longer than one year, but no longer than four years;
  - c. two months' notice when the employment has continued for longer than four years, but no longer than eight years;
  - d. four months' notice when the employment has continued for longer than eight years, but no longer than twelve years;
  - e. six months' notice when the employment has continued for longer than twelve years.



2. If no other period of notice has been agreed at the time of resignation, the salaried employee shall observe the following periods of notice when terminating an employment contract:
  - a. 14 days' notice of termination when the employment has continued for no longer than five years;
  - b. one months' notice when the employment has continued for longer than five years.

*Minuted note:*

*The periods of notice for layoffs are set out in section 16 of this agreement.*

### **Section 3**

#### **Right of a salaried employee to re-employment leave**

Unless otherwise agreed by the employer and the salaried employee, after the employer has terminated the employment contract on grounds referred to in chapter 7, section 3 of the Employment Contracts Act, the salaried employee shall be entitled to a leave of absence on full salary for the purpose of participating, during the said employee's period of notice, in preparing the employment programme referred to in the Act on Public Employment and Business Service (916/2012), in employment policy adult education, traineeship and on-the-job training under the said programme, or in voluntary or officially sponsored job-seeking and job interviews or redeployment training.

The length of re-employment leave shall be governed by the length of the period of notice in the following manner:

- 1) no more than a total of five working days if the period of notice is no longer than one month;
- 2) no more than a total of ten working days if the period of notice is longer than one month but not longer than four months;
- 3) no more than a total of twenty working days if the period of notice is longer than four months.

In addition to the foregoing, a salaried employee shall be entitled to no more than five working days of re-employment leave for employment policy adult education, traineeship and on-the-job training under an employment programme.

Before taking re-employment leave or part thereof, the salaried employee shall notify the employer of the leave and of the reasons for it at the earliest possible opportunity, and shall provide a reliable account of the said reasons for each period of leave if so requested.

Exercise of the right to re-employment leave may not substantially inconvenience the employer.

*Implementation regulation:*

*Working days shall denote working days according to the schedule of working hours. The total entitlement to re-employment leave may also be taken in parts of a working day.*

## **Section 4**

### **Failure to observe the period of notice**

An employer who fails to observe the period of notice when terminating an employment contract shall compensate the salaried employee by paying full salary for a term corresponding to the period of notice.

Should a salaried employee resign without observing the period of notice, then the said salaried employee shall be liable for a non-recurrent payment to the employer of a sum corresponding to the salary for the period of notice in compensation for failure to observe the period of notice. Subject to the provisions of chapter 2, section 17 of the Employment Contracts Act governing the employer's right of set-off, the employer may withhold the said sum from the final salary payment payable to the salaried employee.

If either of the parties has failed to observe only part of the period of notice, then the duty to pay compensation shall concern a corresponding proportion of the salary for the period of notice.

## **Section 5**

### **Notification of termination of employment contract**

Notification of termination of an employment contract shall be served on the employer, the employer's representative or the salaried employee in person. If this is not possible, then the said notification may be delivered by letter or electronically. The recipient shall be deemed to have learned of such notification no later than on the seventh day following the date of despatch thereof.

When sending notification of termination of an employment contract by letter or electronically, the grounds for termination referred to in chapter 1, section 4 and chapter 8, section 1 of the Employment Contracts Act shall be deemed to have been cited within the agreed or prescribed period if the notification was sent by post or electronically within the said period.

If, however, the salaried employee is on annual holiday according to law or agreement, or on a period of leave of no less than two weeks granted in order to achieve an average number of working hours, then termination of employment contract based on a notification sent by letter or electronically shall be deemed to have been served no sooner than on the day following the end of the said period of holiday or leave.

## **Section 6**

### **Notification of grounds for termination of employment contract**

At the request of a salaried employee, the employer shall notify the employee in writing and without delay of the date on which the contract of employment ends, and of the grounds for termination or rescission that are known to the employer and constitute the basis for terminating the employment contract.

## **II TERMINATION OF EMPLOYMENT CONTRACT AND LAYOFF OF SALARIED EMPLOYEES FOR REASONS PERTAINING TO THE CONDUCT OR PERSON OF AN INDIVIDUAL SALARIED EMPLOYEE**

### **Section 7**

#### **Grounds for termination of employment contract and layoff**

##### **Grounds for termination of employment**

The employer may not terminate an employment contract for reasons pertaining to the conduct or person of an individual salaried employee without the proper and pressing grounds referred to in chapter 7, sections 1–2 of the Employment Contracts Act.

##### *Implementation regulation:*

*Proper and pressing grounds shall denote reasons depending on the individual salaried employee such as neglect of duties, contravention of instructions issued by the employer within the limits of the employer's right of direction, unfounded absence from work and recklessness at work.*

##### **Grounds for rescission**

The employer may rescind an employment contract on the grounds referred to in chapter 8, section 1 of the Employment Contracts Act.

##### **Grounds for considering an employment contract dissolved**

The employer shall be entitled to treat an employment contract as dissolved in accordance with chapter 8, section 3 of the Employment Contracts Act.

##### **Layoff for reasons pertaining to the conduct or person of an individual salaried employee**

The employer may lay off a salaried employee for a fixed period without observing a period of notice on grounds upon which the employment contract could be terminated or rescinded.

### **Section 8**

#### **Effecting termination of employment**

The employer shall effect the termination of an employment contract on the grounds referred to in chapter 7, sections 1–2 of the Employment Contracts Act within a reasonable time after learning of the grounds for the said termination.

### **Section 9**

#### **Hearing of a salaried employee**

Before terminating an employment contract on the grounds referred to in chapter 7, section 1–2 of the Employment Contracts Act, or rescinding the employment contract on the grounds referred to in section chapter 1, section 4 or chapter 8, section 1 of the said Act, the employer shall give the salaried employee an opportunity to be heard regarding the grounds for terminating the employment contract. At such a hearing, the salaried employee shall be entitled to call upon the assistance, for example, of a shop steward or colleague.

### **III TERMINATION OF EMPLOYMENT AND LAYOFF OF SALARIED EMPLOYEES ON GROUNDS OF FINANCE, PRODUCTION OR REORGANISATION OF THE EMPLOYER'S OPERATIONS**

#### **Section 10**

##### **Negotiation procedure**

Should the need arise at a workplace to dismiss, lay off or reduce the regular working hours of salaried employees, then the following regulations shall be considered in any statutory cooperation procedure:

##### *Implementation regulation:*

*The duty to negotiate applies in enterprises falling within the scope of the Act on Co-operation within Undertakings (334/2007), in force as of 1 July 2007. The transition provisions of this Act provide that the Act and also collective agreement provisions take effect on 1 January 2008 with respect to enterprises regularly employing no fewer than 20 but fewer than 30 persons. The Act nevertheless took effect on 1 July 2007 with respect to situations in which an enterprise employing no fewer than 20 persons is considering the dismissal of at least ten employees.*

*The Act on Co-operation within Undertakings shall form no part of this agreement. The stipulations of this section shall supplement the said Act and supplant the corresponding provisions of the Act.*

Notwithstanding the provisions of sections 45 and 51 of the Act on Co-operation within Undertakings, the duties of codetermination shall be deemed discharged when the matter has been considered in cooperation procedures on the basis of necessary information provided in advance in the manner agreed below, following submission of a written negotiation proposal.

##### *Minuted note:*

*The information to be appended to the negotiation proposal is prescribed in section 47 of the Act on Co-operation within Undertakings*

#### **1 Grounds of finance, production or reorganisation of the employer's operations**

- a) If the negotiations concern a measure that will evidently lead to a reduction in regular working hours, layoff or dismissal of fewer than ten persons, or to a layoff of no fewer than ten persons for no longer than 90 days, then, unless otherwise agreed, the employer's duty to negotiate shall be considered discharged when negotiations on the matter have continued for a period of 14 days following submission of the negotiation proposal.
- b) If the negotiations concern a measure that will evidently lead to a reduction in regular working hours, dismissal or layoff for longer than 90 days of no fewer than ten persons, then, unless otherwise agreed, the employer's duty to negotiate shall be considered discharged when negotiations on the matter have continued for a period of six weeks following submission of the negotiation proposal.

In an enterprise that regularly employs at least 20 persons but fewer than 30 persons, the employer's duty to negotiate in accordance with this regulation shall, unless otherwise agreed, be considered discharged when negotiations on the matter have continued for a period of 14 days following submission of the negotiation proposal.

In an enterprise undergoing restructuring in the sense of the Restructuring of Enterprises Act (47/1993), the employer's duty to negotiate shall, unless otherwise agreed, be considered discharged when negotiations on the matter have continued for a period of 14 days following submission of the negotiation proposal.

## **2 Plan of action and operating principles**

When an employer has submitted a negotiation proposal regarding the employer's intention to dismiss no fewer than ten persons on grounds of finance or production, the employer shall, at the start of cooperation negotiations, furnish the representative of salaried employees with a proposal for a plan of action to promote employment. When completing the plan of action the employer shall, together with the employment authorities, immediately investigate the public employment services that support employment.

Under section 49, subsection 2 of the Act on Co-operation within Undertakings, the plan of action must specify the planned timetable for cooperation negotiations, the applicable negotiating procedures, and the planned operating principles to be applied during the period of notice when using the services referred to in the Act on Public Employment and Business Service (916/2012) and to promote job-seeking and retraining.

If the employer is contemplating the dismissal of fewer than ten persons, then in the course of cooperation negotiations the employer shall set out the operating principles for supporting the voluntary efforts of salaried employees, during the period of notice, to seek other work or training, and their employment through the services referred to in the Act on Public Employment and Business Service.

### **Section 11**

#### **Grounds for termination of employment**

The grounds for termination of employment shall comply with the provisions of chapter 7, sections 1 and 3 of the Employment Contracts Act (grounds of finance, production, or reorganisation of the employer's operations).

*Minuted note:*

*It is the view of the federations that the duty of the employer to offer work or to arrange training shall primarily apply to work available in the same working district to which the salaried employee may be expediently and reasonably redeployed.*

### **Section 12**

#### **Order of staff reductions**

Dismissals and layoffs for reasons not pertaining to the individual salaried employee shall, where possible, adhere to a rule whereby the last individuals to be dismissed or laid off shall be the salaried employees who are vital to the operations of the enterprise and necessary for specialised functions, and those who have lost part of their working capacity while working for the same employer and, in addition to this rule, attention shall also be paid to the duration of employment and to the number of dependants of the salaried employee in question.

## **Section 13**

### **Re-employment of salaried employees**

An agreement may be concluded between the employer and the shop steward for salaried employees to set aside the re-employment provision referred to in chapter 6, section 6 of the Employment Contracts Act. This agreement shall be concluded separately in writing at the time of dismissal or termination of employment contract, and shall allow for the measures taken by the employer to promote re-employment of the salaried employee.

## **Section 14**

### **Temporary layoffs**

#### **1 Grounds for layoffs**

The grounds for layoff shall comply with the provisions of chapter 5, section 2, subsections 1–3 of the Employment Contracts Act.

*Minuted note:*

*It is the view of the federations that the duty of the employer to offer work or to arrange training shall primarily apply to work available in the same working district to which the salaried employee may be expediently and reasonably redeployed.*

##### a) Temporary reduction in work

If a temporary reduction has occurred in the work or in the employer's ability to provide work, then a salaried employee may be laid off for a period corresponding to that of the temporary scarcity of work, or for an indefinite period.

*Implementation regulation:*

*A reduction in work may be considered to be temporary when its estimated duration does not exceed 90 calendar days.*

##### b) Non-temporary reduction in work

If it is estimated that the work will be reduced for a period of more than 90 calendar days, then a salaried employee may be laid off for a fixed period or indefinitely.

#### **2 Shortened hours of work**

The procedures governing layoff shall also be observed when changing over to shortened daily or weekly working hours corresponding to layoff.

#### **3 Period of layoff notice**

Unless otherwise agreed at the time of layoff, the period of notice of layoff shall be 14 days.

There shall be no duty to provide an advance explanation of a layoff.

#### **4 Local bargaining**

Other arrangements for layoff and the length of layoff notice may be settled by local agreement pursuant to section 28 of the collective agreement.

## **5 Deferment and interruption of layoff**

### **a) Deferment of layoff**

If the employer secures temporary work during the period of notice of layoff, then the beginning of the layoff may be deferred. The beginning of the layoff may be deferred only once without observing a new period of layoff notice and only for the duration of the said temporary work.

### **b) Interruption of layoff**

The employer may secure temporary work after the layoff has already begun. The employer and the salaried employee shall agree on any interruption of the lay off if the intention is to continue the lay off immediately after the work has been performed with no new lay off notice. Any such agreement should be concluded before the work begins. At the same time the estimated duration of the temporary work must be clarified.

## **6 Termination of employment of a salaried employee during a layoff and employer's duty to pay compensation in certain situations**

### **Rescission of employment contract by the salaried employee**

A salaried employee who has been laid off shall be entitled to rescind the employment contract without observing a period of notice unless the said employee has already learned that the layoff is due to end within a period of seven days.

### **Termination of employment contract by the employer**

#### *Salary for the period of notice*

A salaried employee who has been laid off shall be entitled, pursuant to chapter 5, section 7, subsection 2 of the Employment Contracts Act, to salary for the period of notice.

The salary from the period of layoff notice shall not be deducted from the salary for the period of notice.

The compensation shall be reckoned on the same grounds as stipulated below in this agreement in the paragraph "Resignation of a salaried employee".

Compensation for the period of notice shall be paid by the salary payment period.

### **Resignation of a salaried employee**

A salaried employee, who resigns pursuant to chapter 5, section 7, subsection 3 of the Employment Contracts Act after the said employee's layoff has continued without interruption for no less than 200 days, shall be entitled to compensation amounting to the salary for the prescribed period of notice that the employer must observe. Said compensation shall be paid no later than one week after the employment relationship has ended, unless otherwise agreed.

### **Annual holiday compensation for the period of notice**

A salaried employee shall be entitled to holiday compensation for the period of notice in accordance with the Annual Holidays Act regardless of the party terminating the employment contract.

*Minuted note:*

*Notwithstanding the end of employment, the parties may agree on a temporary employment contract for the period of notice or part thereof.*

*In such cases, the salary received by the salaried employee shall be deducted from the compensation corresponding to the salary for the period of notice.*

## **IV COMPENSATION**

### **Section 15**

#### **Compensation**

##### **Infringement of grounds**

The employer's liability to pay compensation for terminating an employment contract or laying off an employee in a manner contrary to the grounds specified in this agreement shall be determined as follows:

##### *Termination of employment contract (sections 9 and 13)*

Compensation determined according to chapter 12, section 2 of the Employment Contracts Act.

##### *Rescission and dissolution of employment contract (section 9)*

Any damage arising from the loss of period of notice shall be compensated according to section 4, subsection 1 of this agreement.

Should no entitlement exist even for terminating the employment contract by dismissal, then in addition to the foregoing, the compensation payable shall be determined according to chapter 12, section 2 of the Employment Contracts Act.

##### *Laying off of a salaried employee (section 9 and section 16, subsection 1)*

Compensation for damages shall be determined according to chapter 12, section 1 of the Employment Contracts Act.

##### **Single compensation principle**

The employer may not be adjudged liable for the compensation referred to in this section in addition to or instead of compensation determined pursuant to the Employment Contracts Act.

##### **Breach of procedural regulations**

The employer may not be ordered to pay a compensatory fine pursuant to section 7 of the Collective Agreements Act for failure to comply with the procedural stipulations of this agreement.

Failure to comply with procedural stipulations shall be considered as a factor that increases any compensation payable when determining the amount of compensation to be awarded for unfounded termination of employment contract or layoff.

##### **Relationship between compensation and compensatory fine**

In addition to the compensation awarded to a salaried employee referred to in this section, the employer may not be ordered to pay a compensatory fine pursuant to section 7 of the Collective Agreements Act, insofar as the matter concerns a breach of obligations that are based on the collective agreement, but are essentially the same as those for which compensation has been ordered payable according to the agreement.



## **Section 16**

### **Dispute resolution procedure**

Should a salaried employee consider that the employee's employment contract has been terminated or that the said employee has been laid off without the agreed grounds, then the dispute may be submitted for settlement to the negotiation procedure referred to in section 27 of the collective agreement.

Should no settlement be achieved in a dispute concerning termination of employment contract or layoff falling within the scope of this agreement, then the matter may be submitted for settlement by the Labour Court in the order prescribed in section 11, subsection 2 of the Labour Court Act.

## **Section 17**

### **Statute of limitations**

Entitlement to compensation pursuant to section 17 of this agreement on termination of the employment relationship shall lapse if no claim has been lodged in court within two years of the end of the said employment relationship.

## **Section 18**

This agreement shall replace the Agreement on Protection against Dismissal that was signed on 16 June 2005 and observed as part of the collective agreement.

## **19 Entry into force**

This agreement shall be in force as of 28 January 2010 as part of the collective agreement.

Helsinki, 4 February 2010

TECHNOLOGY INDUSTRIES OF FINLAND

*Martti Mäenpää*

*Risto Alanko*

UNION OF SALARIED EMPLOYEES TU

*Antti Rinne*

*Markku Palokangas*

MINUTES

**THE BOARD OF SETTLEMENT FOR SETTLING QUESTIONS CONCERNING THE SCOPE OF THE COLLECTIVE AGREEMENT, AS REFERRED TO IN SECTION 1 OF THE COLLECTIVE AGREEMENT FOR SALARIED EMPLOYEES IN TECHNOLOGY INDUSTRIES**

**Section 1**

The undersigned federations agree that the board of settlement referred to in section 1 of the collective agreement for salaried employees in technology industries shall be governed by the regulations specified in these minutes.

The purpose of the board of settlement shall be to consider and finally resolve disputes regarding the scope of the collective agreement for salaried employees in technology industries and the collective agreement for senior salaried employees in technology industries. The undersigned federations shall no longer be free to submit disputes on such questions to the Labour Court after these minutes have been signed.

The federations also agree that matters concerning the scope of collective agreements shall be considered in accordance with the negotiating procedure at workplaces and between the federations together with the representatives of the staff groups or federations between which the demarcation issue has arisen.

**Section 2**

The undersigned federations shall each nominate to the board of settlement one member and the necessary number of deputies for the said member. The members shall either be employees of the undersigned federations or otherwise familiar with industrial relations. The members of the board of settlement shall be appointed for a two-year term of office. The first such term of office shall run from 1 January 2008 to 31 December 2009.

To chair the board of settlement, the members of the board shall elect a person, who shall be familiar with industrial relations and impartial. If the members are unable to agree unanimously on the chairperson, then the chairperson shall be selected by the National Conciliator.

**Section 3**

A party hereto seeking to refer a matter to the board of settlement for resolution shall notify the other parties thereof in writing and submit a copy of the said notification to the chairperson of the board of settlement within 30 days of the date on which it becomes evident that the federations are unable to settle the matter through the negotiating procedure and a memorandum specifying the positions of the federations on the matter has been signed.

Unless otherwise agreed by the federations, the board of settlement shall convene at the invitation of the chairperson to consider and resolve the matter no later than within one month from the date on which the dispute was referred to the board for settlement.

The board of settlement shall form a quorum when attended by the chairperson and by the members nominated by each of the undersigned federations. In the event that a vote has to be taken and the votes cast are divided equally (2–2), then the vote cast by the chairperson shall settle the matter.

#### **Section 4**

The undersigned federations shall defray the expenses incurred by the members that they have nominated and shall jointly defray the expenses incurred by the chairperson of the board of settlement.

#### **Section 5**

Except where otherwise stipulated in this agreement, consideration of a dispute submitted to the board of settlement shall be governed in applicable respects by the provisions of the Arbitration Act (967/1992).

A person who could be disqualified under section 9 of the Arbitration Act may nevertheless serve as a member of the board of settlement.

#### **Section 6**

A decision of the board of settlement shall be final and not open to appeal.

Helsinki, 6 November 2007

TECHNOLOGY INDUSTRIES OF FINLAND

Martti Mäenpää                      Risto Alanko

FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF (YTN)

Sture Fjäder                      Pertti Porokari

UNION OF SALARIED EMPLOYEES TU

Antti Rinne                      Urho Laitinen

## WORKING TIME BANK AGREEMENT

### 1. Concept and purpose

A working time bank is an arrangement for harmonizing work and time off adopted in an enterprise or at a workplace, involving an agreement to save, lend or combine various elements in the long term.

*Minuted note:*

*The working time bank agreement shall supplant the time and other limitations governing the granting of agreed elements of a working time bank unless otherwise agreed.*

The purpose of a working time bank is to support enterprise productivity and competitiveness, and to accommodate the individual working time needs of employees.

### 2. Introduction of working time bank

The introduction and details of a working time bank system shall be agreed in writing between the employer and the shop steward. An agreement to adopt a working time bank must settle at least the following matters:

- the parties covered by the agreement;
- the elements comprising the working time bank;
- the maximum regular daily and weekly working hours (max. 12 h/day);
- the limits for saving and lending a working time balance, within which regular working hours may vary over the longer term;
- the length of the averaging period for working hours; and
- the impact of incapacity to work on the use of working time bank leave.

*Implementation regulation:*

*Recommended elements include those specified in the collective agreement or Working Hours Act, or aspects related to leave provided for in the collective agreement or Annual Holiday Act, which enable the efficient implementation of the purpose of the working time bank. Such elements include elements specified in the Working Hours Act, worktime shortening leave, saved leave, holiday bonuses wholly or partially converted into leave and merit pay, bonuses or profit bonuses.*

If flexitime is in use, flexitime balances can be included as an element, with the hours exceeding the accumulated balance of 40 hours being transferred into the working time bank, up to a locally agreed maximum.

The agreement shall also record the principles governing the organisation of regular daily or weekly working hours, and the notification and other procedures involved in arranging hours of work.

### **3. Use of the working time bank**

The saving and lending limits of a working time bank may be freely agreed. Average regular weekly working hours may nevertheless not exceed the limits prescribed in the Working Hours Act when agreeing on an averaging period exceeding one year.

*Application guideline for the transfer of regular working hours into the working time bank:*

*If both worktime reduction leave and the amount of hours corresponding to working hours on weekday holidays are transferred to the working time bank in their entirety, more work may be carried out during regular working hours in day and two-shift work in various years as follows:*

- *in 2017: 148 hours*
- *in 2018: 156 hours*
- *in 2019: 156 hours*

*in discontinuous three-shift work as follows:*

- *in 2017: 168 hours*
- *in 2018: 176 hours*
- *in 2019: 176 hours*

*and in uninterrupted three-shift work as follows:*

- *in 2017: 211 hours*
- *in 2018: 219 hours*
- *in 2019: 219 hours*

*Salaried employees working 7.5 hours per day may transfer hours into the working time bank as follows:*

- *in 2017: 161 hours*
- *in 2018: 169 hours*
- *in 2019: 169 hours*

*Regular working hours transferred to the working time bank through flexitime is included in these maximum figures.*

The timing of leave shall be agreed between the employer and salaried employee. If an agreement on the timing cannot be reached, the salaried employee shall notify the employer of the timing of bank leave no later than four months before taking the said time off. Once per calendar year, the employer may reschedule the leave for weighty reasons related to production or work arrangements.

For bank leave, salaried employees shall receive the pay for regular working hours, including benefits in kind, in accordance with the salary valid at the time of the leave.

Leaves granted in whole working days shall be counted as time at work when reckoning the length of annual holiday.

### **4. End of employment**

Balances in the working time bank shall be cleared before the employment ends. Any balance of time or monies nevertheless remaining in the working time bank at the end of employment shall be

paid with the final salary payment as locally agreed. Any outstanding borrowed time and monetary balance shall be withheld from the final salary payment.

*Minuted note:*

*No working time bank overdraft that is outstanding at the time of terminating the employment shall be withheld from the final salary payment if the employment contract of an employee has been terminated for reasons due to the employer and the employee has been discharged from further duties of work for the entire period of notice.*

## **5. Termination of the working time bank agreement**

The period of notice of termination of a working time bank agreement shall be six months unless otherwise locally agreed. Working time balances shall be cleared during the period of notice. Any outstanding balance of time or monies that has not been cleared during the period of notice shall be paid or reclaimed in the same way as at the end of employment unless otherwise locally agreed.

## **6. Keeping records of working time bank receivables**

The employer shall keep employee-specific records of working time bank receivables and their accumulation. Separate records are not required if the transactions, their dates and the account balance are indicated in working time records and payroll accounting. The shop steward and industrial safety delegate shall be entitled to inspect the working time bank records upon request.

## **SURVIVAL CLAUSE**

To safeguard the employer's operations and jobs, the employer and the shop steward may, the minimum terms and conditions of the collective agreement notwithstanding, agree locally on the adjustment of terms of employment concerning salaries or other financial benefits, as agreed upon below. Such agreements shall apply to an enterprise or an autonomous part thereof. The salary paid to a salaried employee, however, may not be less than the employee's minimum salary.

The parties may agree to pay part of the salary at a later date. In this case, the part paid on the agreed-upon date may be less than the minimum salary. The deferred portion of the wages shall be paid within two months of the original payday.

This provision shall not restrict the mutual freedom of contract between the parties to an employment contract or the employer's unilateral right to adjust the terms of employment in line with the law and legal practice.

### **Financial difficulties and their definition, communication with federations, and planning for them**

Bargaining on the adjustment of the terms and conditions of employment shall be related to a serious financial crisis or sudden production-related crisis faced by the employer, jointly recognised during co-determination negotiations or in another context, whose effects – such as dismissals – can be prevented or limited with this measure.

The parties shall be entitled to assistance from the federations' experts during the definition of the employer's financial difficulties or production-related crisis. The shop steward and any experts consulted shall maintain the confidentiality of all information concerning the employer's financial position obtained during the negotiations, in accordance with the employer's statement on the confidentiality of the information (cf. Act on Co-operation within Undertakings, section 57).

Before any negotiations are launched at the workplace, the parties to the collective agreement shall be notified of the said negotiations.

At the start of the negotiations, the employer shall present a plan giving a comprehensive account of the actions taken and planned to revive the enterprise's finances and safeguard its operations. The desired goal is best achieved when it is consistently taken into account in all of the employer's operations. Shared goals and statements of the parties (e.g. refraining from dismissals for the duration of the agreement or potential later compensation for cuts) can also be added to the plan during the local negotiations.

During negotiations on an agreement concerning the adjustment of the terms of employment at the workplace, the employer shall openly explain to the other negotiating party the company's financial position and its outlook.

## **Necessary and reasonable aspects of the deterioration of terms of employment in the agreement**

Adjustments stabilising the employer's finances or production-related crisis and those that affect the terms of employment concerning salary-related or other financial benefits must be deemed necessary, considering the goals of the agreement. In addition, any salary reductions and other equivalent measures shall be in proportion to the benefits obtained with them. The parties shall be obliged to regularly assess the impact of the savings in labour costs on the employer's financial position.

## **Temporary nature of the measures**

The local agreement shall be drawn up in writing for a fixed period of time during which the employer's financial position is expected to stabilise, but for no more than one year at a time. A fixed-term agreement can be terminated with a two-month period of notice if, in the view of one of the parties, the agreement is no longer justified.

If the company is declared bankrupt or enters liquidation or reorganisation proceedings during the validity period of the agreement, this agreement shall automatically expire on that date unless the parties specifically agree to maintain it in force in accordance with the original agreement. In such cases, it is also possible to agree on new measures for safeguarding the employer's operations and jobs.



**Appendix, not part of the collective agreement.**

## **INSTRUCTIONS ON REMOTE WORK**

### **Purpose**

Technology Industries of Finland and Trade Union Pro have worked in cooperation to prepare these instructions with which the federations aim to create a safe framework for remote work negotiations and guide the use of remote work in a manner benefiting all parties.

The federations encourage companies to implement modern working time systems that increase productivity. These systems include working time arrangements that enable remote work, for example.

Remote work offers opportunities for improving productivity and quality of working life, balancing work and family life, promoting working ability, more flexible locations for place of work and residence and reduction of commuting expenses and time.

### **Definition**

In this context, remote work refers to work performed outside the actual place of work stated in the employment contract. Employees can work remotely from locations such as their homes, during travel related to business or training or other agreed upon locations.

Remote work is carried out within the limits of legislation, the employment contract and corporate regulations. The workload and goals of remote workers are the same as those of corresponding salaried employees working on the employer's premises.

### **Remote work contract and determination of terms of employment**

Agreements on remote work between salaried employees and their employers are made in writing. The agreement should state the duties performed as remote work, terms and conditions of remote work and duration of remote work. The agreement can be valid for a fixed period or indefinitely. The remote work agreement is used to agree on the grounds and period of notice for the termination of remote work by the employer or the employee. When remote work is terminated, the salaried employee returns to the actual place of work, unless otherwise agreed.

The federations recommend that in remote work situations, measures are taken to ensure that the remote worker is not isolated from the rest of the work community. These measures may include providing the remote worker opportunities to regularly meet his or her colleagues and inclusion in the company's communications network. Taking account of the circumstances, the employer should try to make the status of remote workers equal to that of other salaried employees.

The federations recommend that the monitoring of work time is principally organised in a manner where the same monitoring system is used for remote workers and other salaried employees working for the company.

**LOCAL BARGAINING AS REFERRED TO IN THE COLLECTIVE AGREEMENT**

The bargaining procedure specified in section 27 and provisions on local bargaining set forth in section 28 of the local agreement are applied to such local agreements.

The parties to local bargaining are determined on a case-by-case basis according to the nature and scope of the matters.

As a rule, the shop steward represents the salaried employees in cooperation and local bargaining. Matters applying to a single salaried employee and an individual case may usually be agreed upon between the employer and salaried employee, unless a provision of the collective agreement requires agreement with the shop steward.

The tables below represent the parties' shared view of the parties to local bargaining for various issues in accordance with the bargaining procedure set forth in the collective agreement.

Section 3 Employment and general duties of employment	Subsection 5: Terms of service of sales staff on commission	With the salaried employee
	Subsection 6: Amendment of terms and conditions of employment	With the salaried employee
Section 5 Salary for part-time work	Deviation from the monthly working hours table for salaried employees to whom average working hours are applied	With the shop steward or the salaried employees with whom average working hours have been agreed upon
Section 6 Regular working time	Subsection 1.2: changing from a 37.5 hour working week to a 40-hour working week or vice versa	Collective agreement with the shop steward if one has been elected
	Subsection 1.3: Deviating from working time regulations	With the shop steward in writing
	Subsection 2: converting worktime shortening leave to a monetary compensation	With the salaried employee, either for the current calendar year or until further notice. An indefinitely valid agreement can be terminated in October with effect at the end of the calendar year.
	Subsection 2: exchanging worktime shortening leave to flexible leave	With the salaried employee

	Subsection 2: notification of the timing of shortening leave	Collective transfer with the shop steward if one has been elected
Section 7 Scheduling of regular working time	Subsection 1: notification period for changing the working time system	Collective agreement with the shop steward if one has been elected
	Subsection 1: start times of the working week and working day	As a rule, with the shop steward if one has been elected
	Subsection 2: adopting flexitime, flexitime range, maximum balances and reference period	Collective agreement with the shop steward if one has been elected
	Subsection 3.2: average working time through local agreement	Collective agreement with the shop steward if one has been elected
Section 8 Days off	Subsection 2: notification of work time averaging leave when average weekly working time is used	Collective agreement with the shop steward if one has been elected
Section 10: Rest periods and compensation for weekly rest	Subsection 1: length of the daily rest period (lunch hour) and taking meals while working	Collective agreement with the shop steward if one has been elected
	Subsection 3: timing of or monetary compensation for weekly time off	With the salaried employee
Section 11 Additional work	Subsection 4: exchanging additional work to corresponding time off	With the salaried employee
	Subsection 5: exchanging additional work to flexible leave	With the salaried employee
Section 12 Overtime	Subsection 1: averaging period for the maximum number of working hours	Collective agreement with the shop steward if one has been elected
	Subsection 2: payment of the overtime allowance or	With the salaried employee

	total overtime pay as a fixed monthly bonus	
	Subsection 2: conversion of the overtime allowance or total overtime pay to flexible leave	With the salaried employee
	Subsection 5: introduction of a single concept of overtime	With the shop steward in writing
	Subsection 9: compensation for starting-up and running-down work	With the salaried employee
Section 13 Sunday work	Subsection 3: fixed monthly bonus for the Sunday increase or total Sunday pay, or their conversion to time off or flexible leave	With the salaried employee
Section 14 Shift work and evening and night work	Subsection 1: working the same shift continuously	With the salaried employee
	Subsection 8: requiring night work in cases other than those referred to in the Working Hours Act	Collective agreement with the shop steward if one has been elected
Section 15 Standby time	Subsection 1: agreeing on standby time	With the salaried employee
	Subsection 4: amount of standby compensation	Collective agreement with the shop steward if one has been elected
	Subsection 5: monthly maximum standby time	Collective agreement with the shop steward if one has been elected
Section 16 Emergency work and consultation by telephone	Subsection 6: consideration of telephone consultation in the total salary or as a separate bonus	With the salaried employee. Framework agreement with the shop steward if one has been elected
Section 22 Travel compensation	Subsection 6.1: compensation for travel	With the salaried employee

	time as a fixed monthly bonus	
	Subsection 6.3: fixed monthly compensation for daily allowances and meal allowances for frequently travelling employees	With the salaried employee
	Subsection 7: use of own vehicle and the related compensation	With the salaried employee
	Subsection 8: collective agreement on the payment of costs incurred from and compensation for business travel	With the shop steward in writing. For daily allowances paid for secondments lasting longer than two weeks, with the salaried employee
Section 23 Training events	Subsection 1: compensation for training occurring during days off	Collective agreement with the shop steward if one has been elected
Section 24 Annual holiday	Subsection 3: payment of holiday pay on the company's regular payday	An established practice can be interpreted as an agreement
	Subsection 4: date of holiday bonus payment	Collective agreement with the shop steward if one has been elected
	Subsection 4: conversion of holiday bonuses into a corresponding period of time off or flexible leave	The framework may be agreed with the shop steward, salaried employees agree for their own part
	Subsection 6: granting of annual holidays in continuous three-shift work using the five-shift system	Collective agreement with the shop steward if one has been elected

### **Agreement on protection against dismissal**

Section 2 Periods of notice	Subsection 1: agreeing on other periods of notice for the termination of employment	With the salaried employee
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Section 10 Negotiation procedure	Subsections 1a) and b): co-determination negotiation times	With the negotiating parties
Section 13: Re-employment of salaried employees	Agreements deviating from the re-employment provision of chapter 6, section 6 of the Employment Contracts Act	With the shop steward
Section 14 Temporary layoffs	Subsection 3: agreeing on other periods of notice for layoffs	With the salaried employee
	Subsection 4: agreeing on other layoff arrangements and notification periods	Collective system with the shop steward if one has been elected
	Subsection 5: interruption of layoff	With the salaried employee
	Subsection 6: payment date of pay for the notice period, paid by virtue of a layoff lasting 200 days	With the salaried employee
	Subsection 6: agreement on fixed-term employment instead of compensation	With the salaried employee

### Local bargaining on the salary system

The parties to the local bargaining referred to in several provisions in Section 4 shall be, unless otherwise provided for in the section in question, the employer and the shop steward referred to in the collective agreement or, if a shop steward has not been elected, the workplace's salaried employees covered by this collective agreement together in a jointly agreed manner. The agreement may be concluded for a fixed period or until further notice. An agreement concluded until further notice may be terminated at three months' notice unless some other period of notice of termination has been agreed. The agreement shall be made in writing.

Section 4 Salary system	Subsection 2.1: agreeing on the use of other job requirement measuring instrument	Note! Section 4, subsection 2.3 regarding the job requirement measuring instrument
	Subsection 3: determination time of the personal salary component	

	Subsection 4: lowering monthly salary with no period of notice	With the salaried employee
	Subsection 5, paragraph 3: bonus pay pricing	With the salaried employee or employees
	Subsection 5, paragraph 6: adoption of performance pay	The employer decides on the contents of performance pay
	Subsection 6: substitute's compensation	The salaried employee for his or her own part, the shop steward may agree on a framework if necessary
	Subsection 9: adoption of other salary structures	
	Subsection 11: period of notice for permanent changes to the salary payment date	If the change applies to a significant part of personnel, it must be negotiated with the shop steward in advance
	Subsection 14: the payment date and period of the seniority bonus	
	Subsection 14: converting the seniority bonus of an employee aged 58 or older into time off	With the salaried employee