THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES
FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN

COLLECTIVE AGREEMENT FOR SENIOR SALARIED EMPLOYEES IN TECHNOLOGY INDUSTRIES 2016 - 2017

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SIGNING MINUTES OF THE COLLECTIVE AGREEMENT

Date	22 June 2016	
Venue	Federation of Finnish Technology Industries, Eteläranta 10, Helsinki	
Attending	Federation of Finnish Technology Industries	Federation of Professional and Managerial Staff
	Jorma Turunen	Heikki Kauppi
	Eeva-Liisa Inkeroinen	Samu Salo
	Jarkko Ruohoniemi	Petteri Oksa
	Janne Vuorenpää	Hannu Takala
	Tomi Haapman	Teemu Hankamäki
		Hanna Huotari

Section 1
Signing of collective agreement

It was noted that a collective agreement reflecting the negotiated settlement achieved between the federations on 31 May 2016 will take effect as of 1 November 2016.

The agreed modifications shall take effect as of 1 November 2016, unless otherwise agreed with respect to entry into force of the agreement clause concerned. The provisions of the agreement that shall expire on 31 October 2016 shall remain in force until the modifications take effect.

Section 2
Salary settlement

Adjustment of salaries

Negotiations on the salary settlement and its grounds

Salary settlements shall be negotiated locally, allowing for the financial, order book and employment situation at the enterprise or workplace, and for cost competitiveness in the market. The employer shall provide the shop steward with the necessary information and foreseeable trends concerning the financial, order book and employment situation at the enterprise or workplace in good time before local collective bargaining commences. It will also be expedient to provide details of the grounds for any salary settlement proposal to serve as the basis for bargaining.

Local bargaining shall seek a salary settlement that suits the circumstances and needs of each enterprise or workplace with a view to supporting incentives for salary formulation, an equitable salary structure and salary grading, and improved productivity at workplaces.

Local salary settlement

A local salary settlement shall settle the manner of implementing salary revisions, their timing and their size. The agreement shall be concluded with the elected representative or, where there is no such representative, with the senior salaried employees of the workplace in a manner that they jointly agree. The agreement shall be concluded in writing no later than 30 November 2016 unless an extended bargaining period is agreed. If no local salary settlement is reached, the employer may carry out salary adjustments in accordance with its own salary policy.

Information to be provided to the shop steward

A shop steward shall be entitled to an account of the allocation of the locally agreed salary settlement within a reasonable time of salary increases. The account shall specify the number of salaried employees, the number receiving an increase based on the local settlement, the average size of the increase, and the total sum of the salary increases awarded to salaried employees.

Section 3
Job satisfaction and maintenance of working capacity

Job satisfaction activity is 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 population of working age amplifies the importance of measures taken to extend working careers.

The federations encourage participation in the ongoing Work Cycle Carries project and will continue to support participating workplaces in the implementation of well-being projects.

The federations shall issue joint guidelines on organising training to promote employee vocational expertise and on drafting a training programme at workplaces.

Special attention will be paid to the working capacity and strain imposed on employees. To reduce malady and consequent absences due to illness, and to conserve working capacity, workplaces should apply the lessons learned in occupational health service workplace studies, risk assessments and staffing plans. These materials will provide the basis for planning any necessary individual measures for maintaining working capacity. Workplaces may benefit from the joint materials drafted by the federations to this end.

Promoting the working and operating capacity of older employees at workplaces

Based on the employer's account, the employer and employees attaining the age of 58 years will discuss measures for helping an older employee to cope at work. The Technology industries career span scheme publication prepared jointly by the federations includes examples of potential measures.

Section 4
Status of the shop steward and effectiveness of staff representation

The federations will continue the mandate of the working group instituted in the previous agreement period. The task of the working group is to organise common, cross-industry training on the role of the shop steward. The training will place particular emphasis on discussion of the goals and functionality of the bargaining system and on the information to be provided to shop stewards. If necessary, the working group will also continue reviewing and assessing the functionality and capacity of the shop steward system for improving the possibilities for local settlement.

Section 5
Improvements in general working conditions

The federations shall appoint a working group to consider matters pertaining to the collective agreement in accordance with the principle of continual collective bargaining, with a view to improving enterprise competitiveness and the work of senior salaried employees, and to take any measures that may be required.

The working group shall also examine reference of the working conditions and remuneration of senior salaried employee's on international level, promote effective dispute resolution and aiming to continuously improve friendly relations between the federations. At the same time the federations are certain that reinforcing good relationship and cooperation between the federations is common interest of parties. Indicating the federations firm endeavour to improve mutual respect, the working group shall continue to clarify the wording of agreements, focusing in particular during the current agreement period on improving the structure and readability of the collective agreement.

Section 6
Travelling time

In enterprises that have not yet concluded an agreement on compensation for travelling time, or at which this matter has not been considered in accordance with the directive on travelling in section 6

of the collective agreement, the matter shall be considered in the manner referred to in the collective agreement.

The federations shall appoint a working group to promote, during the term of this agreement, enterprise-specific negotiation and agreement on matters pertaining to compensation for travelling time, especially by visiting enterprises and by providing training and advisory services.

Any disagreements that may arise locally in respect of compensation for travel during time off shall be considered in accordance with the negotiating procedure set out in the collective agreement.

Section 7
Gender equality

The federations consider it important to promote gender equality in workplaces in accordance with the Act on Equality between Women and Men, and with this aim in view they stress the significance of implementing the obligations and measures referred to in the said Act. The working group appointed by the federations shall during the collective agreement period on the general level process the position of senior salaried employees returning from parental leave and other questions concerning that.

In support of this work, the parties shall, during the agreement period, organise joint annual training in preparing a gender equality plan and performing a salary review. Efforts shall be made to arrange national training events in the manner agreed by the federations. Regional and enterprise-specific training events shall also be arranged as necessary.

Section 8
Sympathetic action

YTN warrants that during the term of the agreement senior salaried employees working in the technology industries will refrain from engaging in sympathetic action in order to coerce other industrial sectors into concluding collective agreements.

Section 9
Inspection of the minutes

It was agreed that Jorma Turunen, Eeva-Liisa Inkeroinen, Heikki Kauppi and Samu Salo would inspect these minutes.

In fidem: Jarkko Ruohoniemi

Minutes inspected by

Jorma Turunen Eeva-Liisa Inkeroinen

Heikki Kauppi Samu Salo

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COLLECTIVE AGREEMENT

Section 1
Scope of the agreement

This agreement shall apply to senior salaried employees working for member enterprises of Technology Industries of Finland. Senior salaried employee duties require knowledge and skills of a standard corresponding to a university or higher level vocational education.

This agreement shall not apply to persons belonging to or involved in the direction of an enterprise or place of work, nor to comparable experts assisting in such direction, or persons representing the enterprise in matters of employment with respect to senior salaried employees and who are entitled or authorised to determine the terms and conditions of employment of senior salaried employees.

The duties of senior salaried employees differ in character from those referred to in the collective agreement for other salaried employees in the technology sector. The duties of senior salaried employees typically involve a relatively high degree of independence and responsibility. In practice the work of a senior salaried employee in an enterprise is to assist its management, to perform supervisory duties of middle management, or to perform expert functions requiring specialised knowledge and skills. Formal educational qualifications or the lack thereof shall not, however, alone decide the issue of whether a person is a senior salaried employee. The function of a senior salaried employee is more demanding than the duties falling within the scope of the collective agreement for other salaried employees in the technology industries.

Section 2
Salaries

The salary of a senior salaried employee shall be agreed in the individual contract of employment, having regard to the demands of the position, education and vocational qualifications. Part of the overall earnings may be determined on the basis of variable salary factors defined for the individual place of work.

Section 3
Salary policy

The salary policy applicable to staff shall be determined within the enterprise. The federations recommend that salaries be scaled according to the demands of the work and that a salary policy seeking to reward job perfor-

mance and improvement in enterprise efficiency and profitability be based either wholly or partly on the following principles:

The salary policy:

- should be based on the business idea of the enterprise and should support its implementation,

- should foster improvement in enterprise efficiency, profitability and competitiveness,

- should be individual, allowing for the demands and responsibility of individual duties and for the abilities required and results achieved therein,

- should reward individual abilities and skills such as mastery of information, managerial ability, good judgement, initiative, innovativity and willingness to co-operate,

- should provide individual incentives to specialise and broaden the range of vocational skills,

- should support implementation of the common objectives imposed on the community at work, and collaboration across boundaries of function and staff group,

- should require management and supervisors to agree with their staff on objectives and to monitor their implementation,

- should be of clear, long-term and consistent character, while allowing for flexibility when required by enterprise operating conditions or the business idea,

- should comprise criteria that are independent of gender, age and other corresponding factors not pertaining to the work.

It is a condition of a successful salary policy that there is a broad common understanding of its principles and that the salaried employee and supervisor hold an annual discussion on job performance and its influence on salaries, and specify the future job description and its objectives.

Minuted Note:

> *The salary policy section has the character of a recommendation or direction on procedure. Deviations from this shall not to be held to constitute infringements of the kind referred to in the Collective Agreements Act (*Työehtosopimuslaki*, no. 436 of 1946).*
>
> *The federations shall jointly seek to assist enterprises in developing their salary policies.*

Section 4
Hours of work

The length of regular working hours shall be agreed in the contract of employment and arranged according to the Hours of Work Act (*Työaikalaki*, no. 605 of 1996). Regular working hours shall not exceed eight hours a day or 40 hours a week.

While the maximum limits on daily and weekly working hours may be agreed locally for salaried employees falling within the scope of the Hours of Work Act, hours of work shall be averaged at the agreed level over a period not exceeding one year.

When average hours of work are used, a schedule of working hours shall be prepared in advance covering the period over which the hours of work are averaged to the regular number. Averaging of working hours shall be effected over a period not exceeding one year. Local parties can agree about longer averaging period in an agreement about working time bank

A local agreement can be made concerning: organising of flexible working hours, limits of flexihours and the maximum accumulation of hours even if it derogates from the working hours act. Maximum accumulation of hours may not exceed 120 hours.

Minuted note:

> *In cases when workload makes it possible, a senior salaried employee may take the accumulated flexible hours exceeding 40 hours as days off, unless otherwise locally agreed. If it is not possible to have the day off at the proposed date, the employer shall point a time for the day off within one month's time of the proposed date. When accumulated flexible working hours are under 40 hours, a senior salaried employee shall, according to the local agreement, agree with his / her superior about having the flexible hours as days off.*

Unless otherwise locally agreed, the salaried employee concerned shall be notified of any permanent change in the current system of working hours no later than two weeks before the change takes effect, and of any temporary change, wherever possible, no later than one week before the change takes effect and always no later than three days prior to the change.

Overtime shall denote work performed on the employer's orders and with the consent of the salaried employee in addition to the regular working hours specified in the schedule of working hours, but not insofar as the regular working hours are shorter than an average of 8 hours per day and 40 hours per week.

The tracking period for maximum overtime under the Hours of Work Act shall be the calendar year.

Implementation regulation:

> *Instead of the start of the calendar year, use of an annual tracking period beginning from the start of the wage payment period for which wages are first paid in the calendar year may be agreed locally.*

Overtime compensation and additional work shall be governed by the provisions of the Hours of Work Act.

Compensation for additional work, overtime and work on Sundays and public holidays may be agreed locally as separate fixed monthly compensation based on the estimated amount of such work.

Extension of working time

The senior salaried employees' shop steward or the senior salaried employees jointly shall agree with the employer on how the senior salaried employees' annual working time will be extended by 24 hours without changing their income. The agreement shall be made in writing and is intended to be in force for one calendar year at a time, remaining in force until further notice, unless a party to the agreement gives written notice on the agreement by the end of September, in order to effectively terminate the agreement from the end of the year.

Working time can be increased through jointly agreed measures such as adding working time to a flexitime system or working time bank, extending regular daily working time by a maximum of two hours, extending regular weekly working time by changing certain off days to working days, or through other concrete measures.

If it is locally agreed that a weekday public holiday should be changed to regular working time, work will be done on the said day without separate consent and no Sunday work bonus according to Section 33, Paragraph 2 of the Working Hours Act will be paid for the work done on the said weekday public holiday.

The working time of part-time employees or employees who only work for part of the calendar year will be increased in proportion to their regular working time. The working time extension does not concern senior salaried employees for whom no minimum working time has been determined.

If no collective local settlement is reached and unless otherwise agreed upon with the senior salaried employee, the employer, in line with the provisions on changing the working time system, can allocate a maximum of 24 additional hours of regular work to senior salaried employees in addition to the working time system used. A maximum of 8 hours of work will be allocated to a free Saturday and, in addition, the normal work shift on a working day may be extended by a maximum of 2 hours. However, the free Saturday referred to above may not be a weekday public holiday or the Saturday of a week including a weekday public holiday. The annual working time extension will be implemented by allocating 12 additional working hours to each half of the year.

Regular daily working time added on the basis of this provision will increase the regular working time of the week in question. An off day agreed upon or allocated as a regular working day on the basis of this provision will increase the regular working time of the week in question. The increase of monthly working time shall be implemented with no impact on monthly salary.

Implementation regulation:

Also in the case that the employer, on the basis of this provision, allocates regular working hours to a Saturday, the senior salaried employee and the employer's representative can agree on the performance of the working hours at another time.

Section 5
Compensation for travel expenses

Unless otherwise locally agreed, the employer shall compensate senior salaried employees for all necessary work-related travel expenses in accordance with the principles and rates generally governing reimbursement for out of pocket expenses, subsistence allowances and mileage.

Section 6
Travel during time off

Any compensation payable for travelling during time off shall be agreed locally.

Compensation for travelling time may, for example, be arranged in the following manner:

1. Compensation for the time spent in travelling outside of regular hours of work is agreed as necessary between a supervisor and senior salaried employee. This would occur in particular in situations in which the compensation payable for travelling time pursuant to the collective agreement would be disproportionate to the salary payable.

2. Should duties involve a significant proportion of continual or regularly recurrent travelling outside of regular working hours and the senior salaried employee concerned is, on account of the character of the said duties, in a position to decide on whether the said travelling occurs and to determine the use of working hours, then this state of affairs shall be considered in determining the salary payable to the said senior salaried employee.

3. If a great deal of travelling pertains to temporary duties or to work of project character, then the amount of travelling time accrued by the senior salaried employee shall be monitored. Compensation may be paid for the said travelling time, for example, as a lump sum payment remitted at regular intervals.

Directive on travelling:

The local parties shall jointly investigate the compensation practices pertaining to travelling time spent by senior salaried employees (including the amount of travel, the decision procedure, compensation practices, travel regulations) and shall develop a clear compensation practice where necessary.

The foregoing examples of approaches to compensating for travel may be used in cases where no suitable compensation practices are found locally. One such approach is to adopt the foregoing examples.

Senior salaried employees and their supervisors shall be given adequate information on this matter.

Cases of dispute may be referred to the federations and to the joint board of settlement (appended to the collective agreement) for resolution in accordance with the negotiating procedure under the collective agreement.

Section 7
Holiday pay and holiday bonus

Where so agreed the salary for the annual holiday may be paid on the regular salary payment day for the enterprise.

Unless otherwise locally agreed, a holiday bonus of 50 per cent of the salary paid for the annual holiday of the senior salaried employee shall be payable. Unless otherwise locally agreed, the holiday bonus shall be paid at the same time as the salary for the annual holiday.

Section 8
Sick pay, maternity and paternity leave pay

If a senior salaried employee is unable to work on account of illness or accident and has not brought about this state of affairs wilfully or through gross negligence, then while the said inability continues the said senior salaried employee shall be entitled to the same salary including benefits in kind as would have been earned while working regular working hours as follows:

Where the senior salaried employee has been continuously employed for a period of:

– at least one month but no longer than one year,	for four weeks
– at least one year but no longer than five years,	for five weeks
– 5 years or longer,	for three months.

A senior salaried employee who has become unable to work on account of illness shall be required to notify the employer without delay thereof, to advise the employer of the estimated date on which the said inability is ex-

pected to end, and to submit an acceptable certificate of the said inability on request.

Should the same illness of a senior salaried employee recur within 30 calendar days of returning to work, then the period of employer's liability for sick pay shall be reckoned as for a single uninterrupted period of illness. Should the same illness recur in the foregoing manner, sick pay shall nevertheless be paid for not less than the waiting period referred to in paragraph 2 of section 7 of chapter 8 of the Sickness Insurance Act (*Sairausvakuutuslaki*, no 1224 of 2004).

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.*

If a senior salaried employee has concealed an illness from the employer at the time of concluding the contract of employment, then the employer shall not be required to pay salary for the period of illness.

A senior salaried employee shall be granted maternity leave for the period of eligibility for maternity benefit under the Sickness Insurance Act. If the employment of the senior salaried employee has lasted for a continuous period of no less than six months before the estimated date of confinement, then full salary shall be paid for a period of three months of maternity leave.

A senior salaried employee shall be granted paternity leave for the period of eligibility for paternity benefit under the Sickness Insurance Act. If the employment of the senior salaried employee has lasted for a continuous period of no less than six months before the estimated date of confinement, then full salary shall be paid for no longer than six ordinary weekdays of paternity leave.

The employer shall be entitled to collect any statutory or agreed daily allowance or comparable benefit payable to the senior salaried employee or to recoup the said amount from the senior salaried employee for the period during which the employer has paid the salary specified above to the senior salaried employee, to the extent that the sum so collected or recouped does not exceed the sum paid by the employer.

In the event of any sudden illness of the senior salaried employee's child under ten years of age, or of another child under ten years of age living permanently in the senior salaried employee's home, no more than four days of temporary paid leave shall be granted to the parent living in the same household as the child where this is essential to care for the child or to arrange such care. A parent not living in the same household as the child shall have the same entitlement. It shall be a condition of granting such paid leave that both parents are gainfully employed or that the senior salaried employee is a single parent, and that the child's illness is certified in a manner corresponding to the certification required for illness of the senior salaried employee.

Section 9
Salary during military reserve training courses

It is recommended that enterprises pay sufficient salary to a senior salaried employee for any period of military reserve training to ensure that the senior salaried employee enjoys full regular salary benefits after receiving reservist pay from the State.

Section 10
Local agreement

Aim of co-operation

Co-operation, and local agreement as an element thereof, seeks to maintain and improve enterprise productivity, competitiveness, employment, and the job satisfaction of staff. Local bargaining is primarily an instrument for improving operations.

The objectives of local bargaining shall be jointly defined at each workplace. In a rapidly changing operating environment objectives will have to be continually reassessed. The necessary means will be agreed after the objectives have been clarified.

As a mode of operating, local bargaining will affect the entire working community. It will require candid and trust-building dialogue between employer and staff.

Regulations on local bargaining

Local agreements may be concluded either between the employer and a senior salaried employee or between the employer and an elected representative of senior salaried employees. Any such agreement concluded with the said representative shall be binding on the senior salaried employees that the representative is considered to represent. The agreement may be concluded for a limited or unspecified period. An agreement concluded for an indefinite period may be terminated at three months' notice unless some other period of notice has been agreed. Agreements shall be concluded in writing if either of the parties thereto so requests. Agreements concerning the entire workplace shall always be concluded in writing. The local agreement referred to herein shall form a part of this collective agreement. It shall continue to be applied even after this collective agreement has expired in other respects. At this time, and within one month after a new collective agreement enters into force, any local agreement concluded for a specified period may be terminated at three months' notice.

Section 11
Elected representative

Purpose of the representative system

The purpose of the representative system is to create condition to co-operation between employer and senior salaried employees and to promote local agreements and correct apply of provisions of collective agreement.

The representative function is also a method to improve senior salaried employees' means to influence and to improve company productivity. To act as a representative of employees gives a senior salaried employee large scale view to understand co-operation between company and employees, aspects of economy and competitiveness of company and company HR operations. Smart representative is employers' main partner in negotiations and contact to senior salaried employees.

Election of the representative

The senior salaried employees shall be entitled to elect a representative, and a deputy representative to attend to the duties of the representative when the latter is prevented from doing so. When electing the representative one should pay attention among other aspect to responsible and long-term activity and one's ability to communicate and make decisions about complicated issues. Additionally one should remark candidates' ability to training and development that duty as a representative requires.

The sphere of activities of the representative, having regard to the size, organisation and operations of the enterprise, shall be discussed with the enterprise management before electing the representative. The employer shall be notified of the times at which the deputy representative is deputising for the representative.

The representative and deputy representative shall be elected from among the senior salaried employees at the workplace who are covered by this collective agreement and who belong to organisations that are bound by this agreement, and they shall be familiar with conditions at the workplace. All of the senior salaried employees at the workplace shall be given an opportunity to participate in the election. Election arrangements shall not disturb work. About the time and location of election shall be agreed no later than 14 days before executing the election. Senior salaried employees' representative, local senior salaried employees association or senior salaried employees of workplace arrange the execution of election. The time used to execute the election takes into account as the time used to the functions of a representative.

The term of office of a representative shall be not less than one year. The employer shall be notified in writing of the representative elected at the workplace.

Implementation regulation:

If there is no elected representative for senior salaried employees and there rise a need to arrange collective co-operation, for example due the co-operation process to reduce workforce, it is possible to arrange election of representative in the manner that local parties negotiate about the time and location of elec-

tion more summary proceedings than no later than 14 days before election.

Duty and rights of representative

The representative shall represent senior salaried employees in matters of employment and issues pertaining to the application of this agreement. The representative shall be provided with the information and scope of action that are necessary to administer the said matters and issues. Where required by the size of the workplace, a representative shall be entitled to use the normal office and other equipment of the enterprise in order to perform the duties of a representative. Normal office equipment shall also include the computer equipment, associated software and Internet connections (e-mail) that are generally used in the enterprise. The practical arrangements shall be agreed locally. A reasonable discharge from other duties at work shall be agreed with the representative for the purpose of attending to the functions of a representative. This discharge shall be taken into account when arranging the work of a representative.

The said representatives and corresponding deputy representatives shall be afforded opportunities and associated benefits similar to those afforded to other shop stewards and deputy shop stewards with respect to participation in the training jointly approved by the federations that is necessary for discharging the functions of a representative.

During the term of office of a representative, the employer and the representative shall determine whether maintenance of the skills of the representative in respect of the previous or corresponding duties thereof requires any vocational training that is also arranged for other senior salaried employees.

Compensation for representative

Unless otherwise locally agreed, the employer shall pay the following separate monthly compensation to a senior salaried employee serving as a representative:

Number of senior salaried employees represented	Monthly compensation as of 1.11. 2015 (EUR)
10 - 100	112
101 - 200	158
201 - 400	202
over 400	296

Discussion of the aims and effectiveness of the bargaining system

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 the representative, and further discussions shall take place annually thereafter. The parties to these discussions shall be each representative together with the corresponding

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 improve co-operation still further. The aims to be assigned to the bargaining system and the activities of representatives shall also be considered together, and attention shall be paid to the manner in which local conditions and the scope of local bargaining affect the statistical information to be provided to a representative. The need, timetable and aims of training for the duties of a representative shall also be planned at this time.

Information to be provided to a representative

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

In the event of any uncertainties or disputes concerning the employment of a senior salaried employee, the representative shall be advised of all details required for investigating the cause of complaint. A representative shall have a written consent by senior salaried employee to get all details required in case. The written consent may be for example an e-mail message.

A representative shall be entitled to the following details regarding the senior salaried employees covered by this Agreement:

1. The surname and forenames of the senior salaried employee
2. The time of entry into the employer's service
3. The organisational department
4. The pay grade or job requirement category, if employer has such a system in use (the senior salaried employee may with written notice to inform employer not to give this information to representative)
5. The statistical heading

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

Statistical salary details regarding senior salaried employees covered by this Agreement shall be provided to the representative annually in written form as a workplace-specific average and median of monthly salaries including benefits in kind. Additionally the representative shall be provided average of monthly salaries including benefits in kind by statistical headings.

Implementation regulation:

Having regard to conditions at the workplace, the representative may be furnished with statistical information on senior salaried employees that is even more extensive than the foregoing, for example distributed where possible by job

requirement or position in the enterprise (management of functions, specialists and other experts).

These details shall be provided in writing after the payroll statistics for the workplace have been prepared. A representative shall not be entitled to salary statistics on groups of fewer than five persons.

The representative shall be given an opportunity to examine the salary determination and payroll accounting systems for senior salaried employees that are currently used by the enterprise within the said representative's sphere of activities. The representative 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 senior salaried employees within the representative's sphere of activities.

As information on changes in the workforce, the representative shall be advised at biannual intervals of the numbers of fully able-bodied employees and of senior salaried employees covered by this Agreement within the representative's sphere of activities by organisational department.
The representative shall also be notified of senior salaried employees who have been engaged for a trial period or on a temporary basis. The representative shall also be advised on request of the grounds for concluding a temporary contract of employment.

A representative shall receive the foregoing information in confidence for the purpose of performing the duties of a representative. This information shall not be disclosed to elected representatives in other enterprises, nor otherwise disseminated.

Employment of representative

A representative elected in accordance with this collective agreement shall enjoy the preferential employment security provided in section 10 of chapter 7 of the Employment Contracts Act (*Työsopimuslaki*, no. 55 of 2001). Compensation shall be determined in accordance with section 2 of chapter 12 of the Employment Contracts Act. The foregoing protection of a representative against dismissal shall continue for a period of six months after the end of the representative's term of office. The foregoing provisions shall likewise apply to the deputy representative when deputising for the representative.

The status of representative shall continue as such, notwithstanding assignment of business operations, if the assigned business or part thereof retains its independence. If the term of office for a representative ends due an assignment of business operations, representative shall be entitled to the subsequent protection referred to above in this agreement for six months of the end of the term of office.

The foregoing provisions on protection against dismissal shall also apply to a candidate for election as a representative at the workplace, whose candidature has been announced to the employer in writing by a meeting of senior salaried employees following discussion with the management of the enterprise of the election of a representative. Protection of candidates shall nevertheless begin no sooner than three months before the start of the term

of office of the representative 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 representative may not, due the role of representative, be assigned to work at lower pay than at the time when the employee was elected to serve as representative.

Section 12
Labour protection delegates

The labour protection delegate shall enjoy the preferential employment security provided in section 10 of chapter 7 of the Employment Contracts Act (*Työsopimuslaki*, no. 55 of 2001).

The labour protection delegate is entitled to participate on working time in labour protection training jointly approved by the federations.

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

Number of salaried employees represented by the labour protection delegate	Monthly compensation until 31.12.2016 (EUR)	Monthly compensation as of 1.1. 2017 (EUR)
5 - 24	63	65
25 - 50	68	70
51 - 100	76	78
101 - 200	86	89
201 - 400	97	100
401 - 600	112	115
over 600	128	132

Section 13
Negotiating procedure

Matters arising from the employment relationship shall be considered initially between the senior salaried employee and the supervisor thereof. If the senior salaried employee is unable to reach agreement with the said supervisor concerning the terms of employment, then the senior salaried employee shall be entitled to refer the matter to a more senior supervisor. Should no accord be reached, then the matter may be referred to the representative and the employer's representative for consideration. Local negotiations shall be initiated no later than one week after such negotiations have been proposed by either of the parties. Where no agreement can be reached locally, or where a difference of opinion arises concerning the interpretation of this agreement, a memorandum of dispute shall be prepared at the request

of either of the parties no later than one week after the negotiations have ended, after which the matter may be referred for further negotiation between the Federation of Professional and Managerial Staff – YTN and The Federation of Finnish Technology Industries.

Section 14
Right of assembly

Senior salaried employees as a staff group or associations affiliated to the Federation of Professional and Managerial Staff – YTN may arrange meetings at the workplace to discuss employment-related matters outside of working hours. If the arrangements and procedures for the meeting are agreed in advance with the employer, then 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 representatives of the competent national labour and employer confederations.

Section 15
Vocational training

The federations stress the importance of systematically developing human resources. The employer shall, as necessary, give a senior 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 senior salaried employee.

Minuted note:

> *It was noted that under section 16 of the Act on Co-operation within Undertakings (Laki yhteistoiminnasta yrityksissä, no.334 of 2007) that took effect on 1 July 2007, an annual plan of Human resources and training objectives must be prepared in Co-operation 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 16
Binding character of agreement

This collective agreement shall bind the signatory federations and their affiliated associations, and employers and senior salaried employees that are or have been members of the said associations during the term of the agreement.

The parties bound by the agreement shall have a duty to comply strictly with this agreement by ensuring that their affiliated associations and the employers and senior salaried employees belonging thereto do not infringe its terms and conditions.

Section 17
Relationship to Base Agreement

Insofar as the matters agreed herein are included in the Base Agreement concluded on 20 December 2001, the latter shall not govern the relationship between the federations.

Section 18
Peace obligation

Any industrial action that seeks to amend this collective agreement or any individual term thereof shall be prohibited during the term of this agreement. The federations and their affiliated associations shall be required to ensure that their affiliated associations, employers and senior salaried employees falling within the scope of this agreement refrain from engaging in any industrial action or otherwise infringing the terms and conditions of this collective agreement.

Section 19
Conciliation board

No decision may be taken on industrial action or other coercive industrial measures until the conciliation board of the federations has considered the industrial dispute and a proposal of the said board to revise this agreement has been rejected by one of the parties hereto.

The conciliation board shall submit its proposal within two weeks of the time at which the Chair of the conciliation board has been notified of the industrial dispute. The work of the conciliation board shall not be governed by the Arbitration Act (*Laki välimiesmenettelystä*, no. 967 of 1992).

The federations shall each appoint a single member to serve on the conciliation board and the members so appointed shall then select a person to chair the conciliation board. The term of office of a member appointed to serve on the conciliation board shall be three years. A person who could otherwise be disqualified under the Arbitration Act may also serve as a member. The federations shall each be liable for one half of the emolu-

ments paid to members of the conciliation board and the other expenses of the said board.

Section 20
Duration of the agreement

This Agreement shall take effect on 1 November 2016 and shall remain in force until 31 October 2017, and thereafter for an indefinite period, subject to two months' notice of termination. On the expiry of the Agreement period, the terms and conditions hereof shall nevertheless remain in force until a proposal submitted by the aforesaid conciliation board has been approved or rejected.

Signed in Helsinki this 22 June 2016

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES

Jorma Turunen *Eeva-Liisa Inkeroinen*

FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN

Heikki Kauppi *Samu Salo*

TECHNOLOGY INDUSTRIES OF FINLAND
FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN

AGREEMENT ON PROTECTION AGAINST DISMISSAL FOR SENIOR SALARIED EMPLOYEES IN THE TECHNOLOGY INDUSTRIES

Section 1
Scope

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

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

Implementation regulation:

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

- *rescission of employment contract during a trial period (section 4 of chapter 1 of the Employment Contracts Act).*
- *enterprise restructuring (section 7 of chapter 7 of the Employment Contracts Act), or*
- *the bankruptcy or death of the employer (section 8 of chapter 7 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 Training Act (*Laki ammatillisesta koulutuksesta*, no. 630 of 1998).

I GENERAL REGULATIONS GOVERNING TERMINATION OF EMPLOYMENT CONTRACT

Section 2
Periods of notice

The periods of notice to be observed when terminating an employment contract shall be determined according to the current provisions of the Employment Contracts Act.

Minuted Note:

> *The periods of notice of layoff are set out in section 16 of this agreement.*

Section 3
Right of a senior salaried employee to re-employment leave

Unless otherwise agreed by the employer and the senior salaried employee after the employer has terminated the employment contract on grounds referred to in section 3 of chapter 7 of the Employment Contracts Act, the senior salaried employee shall be entitled to 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 the Public Employment Service (*Laki julkisesta työvoimapalvelusta*, no. 1295 of 2002), 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 no longer than four months, and
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 senior salaried employees 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 senior 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 senior salaried employee by paying full salary for a term corresponding to the period of notice.

Should a senior salaried employee resign without observing the period of notice, then the said senior 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. The employer may withhold the said sum from the final salary payment payable to the senior salaried employee, having regard to the provisions of section 17 of chapter 2 of the Employment Contracts Act governing the employer's right of set-off.

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 senior 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 section 4 of chapter 1 and section 1 of chapter 8 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 senior 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 senior 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.

Section 7
Employer's duty to notify the local employment office

The employer's duty to notify the employment office of the dismissal of a senior salaried employee on grounds of finance or production is prescribed in section 3a of chapter 9 of the Employment Contracts Act.

Section 8
Employer's duty to provide information on the employment programme and employment programme supplement

The employer's duty to provide information on the employment programme and employment programme supplement to a senior salaried employee who has been dismissed on grounds of finance or production is prescribed in section 3b of chapter 9 of the Employment Contracts Act.

II TERMINATION OF EMPLOYMENT CONTRACT AND LAYOFF DUE TO THE CONDUCT OR PERSON OF AN INDIVIDUAL SENIOR SALARIED EMPLOYEE

Section 9
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 senior salaried employee without the proper and pressing grounds referred to in sections 1 - 2 of chapter 7 of the Employment Contracts Act.

Implementation regulation:

> *Proper and pressing grounds shall denote reasons depending on the individual senior 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 section 1 of chapter 8 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 section 3 of chapter 8 of the Employment Contracts Act.

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

The employer may lay off a senior salaried employee for a fixed period without observing a period of layoff notice when there are grounds for terminating or rescinding the employment contract.

Section 10
Effecting termination of employment

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

Section 11
Hearing of a senior salaried employee

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

III TERMINATION OF EMPLOYMENT AND LAYOFF OF SENIOR SALARIED EMPLOYEES FOR REASONS OF FINANCE, PRODUCTION OR REORGANISATION OF THE EMPLOYER'S OPERATIONS

Section 12
Negotiating procedure

Should the need arise at a workplace to dismiss, lay off or reduce the regular working hours of senior salaried employees, then regard shall be paid to the following regulations governing any statutory co-operation procedure:

Implementation regulation:

> *The duty to negotiate applies in enterprises falling within the scope of the Act on Co-operation within Undertakings (*Laki yhteistoiminnasta yrityksissä*, no. 334 of 2007, in force as of 1 July 2007). The transitionary 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 no more than 30 persons. The Act and the collective agreement provisions shall nevertheless take effect on 1 July 2007 in respect of 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 clauses of the Act.

Notwithstanding the provisions of sections 45 and 51 of the Act on Co-operation within Undertakings, the duty of codetermination shall be deemed discharged when the matter has been considered in co-operation procedures on the basis of available 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 (effective as of 1 January 2008).

2 Plan of action and operating principles

When an employer has submitted a negotiating 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 co-operation negotiations, furnish the representative of senior 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 manpower services that support employment.

Under paragraph 2 of section 49 of the Act on Co-operation within Undertakings, the plan of action must specify the planned timetable for co-operation 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 the Public Employment Service (*Laki julkisesta työvoimapalvelusta*, no. 1295 of 2002), and to promote job-seeking and retraining.

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

3 Enterprise restructuring

Negotiations entered into on account of enterprise restructuring shall comply with the provisions stipulated thereupon.

Section 13
Grounds for termination of employment

The grounds for termination of employment shall comply with the provisions of sections 1 and 3 of chapter 7 of the Employment Contracts Act (reasons 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 senior salaried employee may be expediently and reasonably redeployed.*

Section 14
Order of staff reductions

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

Section 15
Re-employment of senior salaried employees

An agreement may be concluded between the employer and a senior salaried employee to set aside the re-employment provision referred to in section 6 of chapter 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 senior salaried employee.

Section 16
Layoff

1 Grounds for layoff

The grounds for layoff shall comply with those stipulated at points 1 – 3 of section 2 of chapter 5 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 senior 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 senior 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 senior 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 in any transition to reduced 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 if the employment has continued for no longer than one year, and one month if the employment has continued for more than one year.

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

4 Local agreement

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

5 Postponement and interruption of layoff

a) Postponement of layoff

If the employer secures temporary work during the period of notice of layoff, then the beginning of the layoff may be postponed. The beginning of the layoff may be postponed 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 senior salaried employee shall agree on any interruption of the layoff if the intention is to continue the layoff immediately after the work has been performed with no new layoff notice. Any such agreement should be concluded before the work begins. At the same time the estimated duration of the temporary work must be investigated.

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

Rescission of employment contract by a senior salaried employee

A senior 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

Conditions for compensation

A senior salaried employee who has been laid off shall be entitled, pursuant to paragraph 2 of section 7 of chapter 5 of the Employment Contracts Act, to compensation for damages arising from the loss of salary for the period of notice if the employer terminates the employment contract so that the employment ends during a layoff.

Limitation of liability for compensation

Any salary that may have been earned by the senior salaried employee elsewhere during the period of notice shall reduce the liability of the employer to compensate the employee.

Deduction of salary that the senior salaried employee has wilfully refrained from earning shall arise only exceptionally, for example when the employer has arranged work for the senior salaried employee for the period of notice or part thereof.

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

Reckoning of compensation

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

Payment of compensation

Compensation shall be paid by salary payment period unless the senior salaried employee is working elsewhere during the period of notice of termination.

If the senior salaried employee is working elsewhere during the period of notice, then the employer shall pay any difference between the compensation for the salary for the period of notice and the salary earned elsewhere at the end of the employment relationship, provided that at this time the senior salaried employee submits to the employer an account of the salary earned elsewhere during the period of notice.

Resignation of a senior salaried employee

A senior salaried employee who has been laid off, and who resigns pursuant to paragraph 3 of section 7 of chapter 5 of the Employment Contracts Act after the layoff has continued without interruption for a period of 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. Unless otherwise agreed, the said compensation shall be paid no later than one week after the employment relationship has ended.

Annual holiday compensation for the period of notice of termination

A senior salaried employee shall be entitled to holiday compensation for the period of notice in accordance with the Annual Holidays Act (*Vuosilomalaki*, no. 162 of 2005) regardless of the party terminating the employment contract.

Minuted Note:

> *Notwithstanding the end of the employment the parties to the employment relationship may agree on a temporary employment contract for the period of notice or part thereof.*
>
> *In such cases the salary received by the senior salaried employee shall be deducted from the compensation corresponding to the salary for the period of notice.*

IV COMPENSATION

Section 17
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 section 2 of chapter 12 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 paragraph 1 of section 4 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 section 2 of chapter 12 of the Employment Contracts Act.

Senior salaried employee layoff (section 9 and point 1 of section 15)

Compensation for damages shall be determined according to section 1 of chapter 12 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 (*Työehtosopimuslaki*, no. 436 of 1946) 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 senior salaried employee referred to in this section, the employer may not be ordered to pay a compen-

satory 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 18
Dispute resolution procedure

Should a senior 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 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 paragraph 2 of section 11 of the Labour Court Act (*Laki työtuomioistuimesta*, no. 646 of 1974).

Section 19
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 20
Entry into force

This agreement shall take effect on 1 July 2007 and shall supplant the agreement on protection against dismissal concluded on 21 June 2005 and applied as part of the collective agreement.

Signed in Helsinki this 2 July 2007

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES		FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN	
Martti Mäenpää	*Risto Alanko*	*Sture Fjäder*	*Pertti Porokari*

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES
FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN

SURVIVAL CLAUSE

To safeguard the employer's operations and jobs, the employer and the shop steward can, the minimum terms and conditions of the collective agreement notwithstanding, agree locally on the adjustment of terms of employment concerning financial benefits, as agreed upon below. Such agreements shall apply to the company or an autonomous part thereof. The agreement cannot lower the salary of a senior salaried employee.

The parties can agree to pay one quarter of the salary at a later date. In this case, the part paid on regular payday must constitute at least three quarters of the employee's monthly salary. The deferred portion of the salary must be paid within two months of the original payday.

This provision does 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, definition, communication with unions, and a plan

Agreement on adjustment of the terms and conditions of employment must be related to an event of the employer encountering a serious financial or sudden production crisis, which is jointly observed at the workplace during co-operation negotiations or in another context and whose effects – such as avoiding cutting jobs – can be prevented or limited with this measure.

The parties are entitled to assistance from the unions’ experts during the definition of the employer’s financial difficulties or production-related crisis. The shop steward and any experts consulted must keep in confidence 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, they must be reported to the parties to the collective agreement.

At the start of the negotiations, the employer also must 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 (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 must 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 affecting the terms of employment concerning salary or other financial benefits must be deemed necessary, considering the goals of the agreement. Also, any cuts in the terms of employment concerning financial benefits must be in proportion to the benefits reached with them. The parties are obliged to regularly assess what effect the savings in labour costs have on the employer’s financial position.

Temporary nature of the measures

A local agreement is drawn up, in writing, for the fixed term during which the employer’s financial position is anticipated to stabilise, but for no more than one year at a time. A fixed-term agreement can be terminated by observing a two-month period of notice, if there are no longer factual grounds for extending the agreement.

If the company is declared bankrupt or enters liquidation or reorganisation proceedings during the validity period of the agreement, this agreement will 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.

MINUTES

THE BOARD OF SETTLEMENT REFERRED TO IN SECTION 6 OF THE COLLECTIVE AGREEMENT FOR SENIOR SALARIED EMPLOYEES IN THE TECHNOLOGY INDUSTRIES

Section 1
The undersigned federations agree that the board of settlement referred to in section 6 of the collective agreement shall be governed by the regulations specified in these minutes.

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 of the board of settlement shall be appointed for a two-year term of office.

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 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 opposing party thereof in writing and shall 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 organisations are unable to settle the matter.

The board of settlement shall convene at the invitation of the chairperson to consider and resolve the matter without undue delay and, unless otherwise agreed by the federations, not later than two weeks after 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 both organisations.

Section 4
The undersigned federations shall defray the expenses incurred by the members that they have nominated and each shall defray one half of 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 (*Laki välimiesmenettelystä*, no. 967 of 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.

Signed in Helsinki this 15 March 2005

TECHNOLOGY INDUSTRIES OF FINLAND

Martti Mäenpää *Risto Alanko*

FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN

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THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES
FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN

MINUTES ABOUT WORKING TIME BANK

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 chief shop steward. An agreement to adopt a working time bank must settle at least the following matters:

1. the parties covered by the agreement
2. the elements comprising the working time bank
3. the maximum regular daily and weekly working hours
4. the limits for saving and lending a working time balance, within which regular working hours may vary over the longer term
5. the length of the averaging period for working hours
6. the impact of incapacity to work on the use of working time bank leave.

> *Instructions for application: Recommendation is that local parties shall agree about working time elements according collective agreement and the working time act or elements associating time off which local parties can agree about locally and by agreeing locally on efficient manner implement the purpose of working time bank. Such elements might be the elements of the working time act, leave to reduce working time, annual holidays, holiday bonus which is changed to leave and different bonus payments.*

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

The time of granting leave for a working day or longer period shall be agreed between the employer and the employee.

3. Use of 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 Hours of Work Act when agreeing on an averaging period exceeding one year.

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

4. The 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 wage payment as locally agreed. Any outstanding borrowed time and monetary balance shall be withheld from the final wage payment.

Minuted Note:

No working time bank overdraft that is outstanding at the time of terminating the employment shall be withheld from the final wage 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.

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES
FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN

(not part of the collective agreement)

TELECOMMUTING INSTRUCTIONS

Purpose

The Federation of Finnish Technology Industries AND Federation of Professional Managerial Staff – YTN have drafted these instructions with the aim of creating a safe framework for agreeing on telecommuting and providing guidance in the use of telecommuting to satisfy all parties.

The unions encourage enterprises to implement modern, productivity-enhancing working-hour schemes. These schemes include working hour arrangements that enable telecommuting.

Telecommuting provides an opportunity to improve productivity at work and the quality of working life, combine work and family life, promote working capacity, increase flexibility in the location of workplaces and homes, and reduce the cost of travelling to and from work, along with reducing the time spent on travelling to and from work.

Definition

In this context, telecommuting refers to working outside the actual workplace agreed in the employment contract. For instance, telecommuting can take place at an employee's home, on a trip related to work or training and in other, mutually agreed places.

Telecommuting shall be undertaken within the framework provided by the applicable legislation, collective agreement and regulations governing enterprises. The workload and objectives of a telecommuting employee shall be the same as those employees carrying out similar tasks in the employer’s premises.

Telecommuting agreement and determination of terms of employment

The employee and employer shall conclude a written agreement on telecommuting. The agreement shall define the work to be carried out by telecommuting and the terms and duration of telecommuting. The agreement may be temporary or valid until further notice. In the telecommuting agreement, the parties agree on the grounds and termination periods for terminating telecommuting for the employer and the employee. In the case of termination of telecommuting, the employee shall return to his or her regular workplace, unless otherwise agreed.

In cases of telecommuting, the unions recommend that measures be taken to prevent the isolation of the employee from the rest of the working community by providing him or her with a regular opportunity to meet his or her colleagues and access to communication within the enterprise. Considering the circumstances, the employer shall aim to place telecommuting employees in an equal position with other employees.

As a premise, the unions recommend that the system used for monitoring of working hours for the foregoing telecommuting employees be the same as that used for other employees in the enterprise.

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