COLLECTIVE AGREEMENT

BETWEEN

TECHNOLOGY INDUSTRIES OF FINLAND

AND

INDUSTRIAL UNION

8 November 2017 - 31 October 2020

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TECHNOLOGY INDUSTRIES OF FINLAND
INDUSTRIAL UNION

SIGNING MINUTES OF THE COLLECTIVE AGREEMENT

Date	8.11.2017
Place of signing	Technology Industries of Finland

Attending	Technology Industries of Finland Jorma Turunen Eeva-Liisa Inkeroinen Pekka Kärkkäinen Manu Laapas Pekka Lukkari Petteri Rautaporras	Industrial Union Riku Aalto Turja Lehtonen Jyrki Levonen Aimo Lahtinen Reija Mettovaara Jarkko Jokinen Mari Tuomaala Antero Palomäki Jyrki Virtanen Kauno Koskela Arto Helenius Juha Pesola Jouni Miettinen

1
Signing of collective agreement

It was noted that a collective agreement reflecting the negotiated settlement achieved between the federations on 30 October 2017 was signed today. It was further noted that the current collective agreement signed on 15 June 2016 lapsed on 31 October 2017. The collective agreement now signed will take effect on 8 November 2017.

2
Revision of wages

Wages

A. Revision of wages

Manner, time and size of wage revisions

In 2017

Negotiations on the wage settlement and wage criteria

Wage 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. Local bargaining shall seek a wage settlement that suits the circumstances and needs of each enterprise or workplace. The objective is also to support incentives for wage formulation, an equitable wage structure and wage grading, and improved productivity at workplaces.

The local wage settlement

A local wage settlement shall settle the manner of implementing wage revisions, their timing and their size. The agreement shall be concluded with the chief shop steward by no later than 15 December 2017 unless an extended bargaining period is agreed.

Manner of implementing the general increase in the absence of a local wage settlement

If no local wage settlement is achieved, then wages shall be increased by 1.1 per cent across the board no later than on 1 January 2018 or at the start of the wage payment period beginning soonest thereafter.

In addition, at the start of the wage payment period beginning on 1 January 2018 or soonest thereafter, a 0.5 per cent instalment specific to the enterprise or workplace shall be used to increase the employees' wages. The employer shall allocate a personal in-

crease for each employee according to the federation guidelines. A report on the instalment allocation should be submitted to the chief shop steward before its implementation. If the instalment is not allocated at the workplace as mentioned above, or if its other uses are not agreed on between the employer and the chief shop steward, it will be allocated as a general increase.

The purpose of the instalment specific to the enterprise or workplace is to support incentives for wage formulation, an equitable wage structure and wage grading, improved productivity at workplaces, the implementation of the employer's wage policies, and to correct potential biases. The professional competence of the employees and their work performances should be the guiding principles for the allocation of personal increases.

In 2018

Negotiations on the wage settlement and wage criteria

Wage 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. Local bargaining shall seek a wage settlement that suits the circumstances and needs of each enterprise or workplace. The objective is also to support incentives for wage formulation, an equitable wage structure and wage grading, and improved productivity at workplaces.

The local wage settlement

A local wage settlement shall settle the manner of implementing wage revisions, their timing and their size. The agreement shall be concluded with the chief shop steward by no later than 14/12/2018 unless an extended bargaining period is agreed.

Manner of implementing the general increase in the absence of a local wage settlement

If no local wage settlement is achieved, then wages shall be increased by 0.9 per cent across the board no later than on 1 January 2019 or at the start of the wage payment period beginning soonest thereafter.

In addition, at the start of the wage payment period beginning on 1 January 2019 or soonest thereafter, a 0.7 per cent instalment specific to the enterprise or workplace shall be used to increase the employees' wages. The employer shall allocate a personal increase for each employee according to the federation guidelines. A report on the instalment allocation should be submitted to the chief shop steward before its implementation. If the instalment is not allocated at the workplace as mentioned above, or if its other uses are not agreed on between the employer and the chief shop steward, it will be allocated as a general increase.

The purpose of the instalment specific to the enterprise or workplace is to support incentives for wage formulation, an equitable wage structure and wage grading, improved productivity at workplaces, the implementation of the employer's wage policies, and to correct potential biases. The professional competence of the employees and their work performances should be the guiding principles for the allocation of personal increases.

In 2019

Revision of wages 1 January 2020

The revision of wages for 1 January 2020 shall be negotiated during April and May 2019 as agreed in chapter 7 of the collective agreement.

B. Time rates

Current time rates shall be increased in the manner specified at point A.

C. Performance-based pay

Current contract prices and other performance-based pay shall be increased so that earnings rise in the manners specified at point A.

D. Increase in wage criteria

Job-based wages under the collective agreement shall be introduced at individual workplaces as of the time of the wage increase. These increases shall cause no rise in time rates and performance-based wages that exceeds the general increase if the wages satisfy the regulations of the new collective agreement following the general increase.

E. Individual salary element

It was agreed that personal pay components would continue at their former relative size at the time of the general increase.

F. Increase in average hourly earnings

The increase in the average hourly earnings applicable at the time of the increase shall be equal to the wage increase.

3
Wage figures, separate bonuses and monthly compensation of chief shop stewards and labour protection delegates before the increase

The new job-specific wages, the wages of employees under 18 years of age and students, separate bonuses and monthly compensation of chief shop stewards and labour protection delegates under the collective agreement shall take effect only after the date that is separately settled in the collective agreement. These items shall be governed before the said date by the provisions of the collective agreement that expired on 31 October 2017.

4
Survival clause

Financial and other 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-determination negotiations or in another context and whose effects – such as avoiding cutting jobs – can be prevented or limited with this measure.

To safeguard the employer's operations and jobs, the employer and the chief shop steward can notwithstanding the minimum terms and conditions of the collective agreement locally agree on the adjustment of terms of employment concerning wages or other financial benefits, as agreed on below. Other financial benefits mean a Saturday bonus, Sunday bonus, shift work bonuses and working conditions bonuses, and the possibility to exchange the holiday for time off. An agreement is made to apply to an enterprise or a part thereof.

The wage paid to a employee, however, may not be less than the employee's basic wage. However, the wage guarantee does not pertain to a situation where a postponement of the payment of full wages to a later date is agreed on. Any postponement of the payment date and sum of wages or another monetary item must occur within the framework of the pay security provisions.

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.

Before any negotiations are launched at the workplace, they must be reported to the parties to the collective agreement.

The parties are entitled to assistance from the unions' experts during the definition of the employer's financial difficulties or production-related crisis. The chief 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.

During negotiations on an agreement concerning the adjustment of the terms of employment at the workplace, the employer must openly explain to the chief shop steward the company's financial position and its outlook.

Also, at the start of the negotiations, the employer 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. During local negotiations, the parties' joint goals and comments as well as the employer's opportunity to refund payroll expenses saved after the end of the crisis should be added to the plan.

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 wage or other financial benefits must be deemed necessary, considering the goals of the agreement. Also, any wage reduction and other 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.

5
Signing the minutes of the Collective Agreement

It is noted that minutes on the application of certain wage provisions and principles to employees covered by the collective agreement for electrical engineering employees in technology industries, shall be applied as part of the collective agreement, were signed today between the federations.

6
Working groups

The federations shall appoint the following working groups:

- working group on the follow-up of the increase in working hours according to the Competitiveness Pact
- working group on questions of working hours
- wage regulations improvement working group
- training task force
- working group on workplace-specific trials
- working group on service and maintenance issues
- working group on co-determination and local agreements
- working group on external workforce and posted workers

- working group for the Work Cycle Carries and Well-being at Work and Productivity projects
- working group for the productivity programme.

7
Inspection of the minutes

It was agreed that Eeva-Liisa Inkeroinen, Riku Aalto and Turja Lehtonen would scrutinise these minutes.

In fidem: *Pekka Kärkkäinen*

Minutes inspected by:

Eeva-Liisa Inkeroinen

Riku Aalto *Turja Lehtonen*

TECHNOLOGY INDUSTRIES OF FINLAND
INDUSTRIAL UNION

COLLECTIVE AGREEMENT

I GENERAL STIPULATIONS OF THE AGREEMENT

1 SCOPE OF THE AGREEMENT

Subject to the exceptions specified below, the terms of this collective agreement shall govern employment relationships between the member enterprises of Technology Industries of Finland and all of their employees.

Technology enterprises may engage in metal processing or manufacturing activities, or their activities may be related to them. They may also engage in the repair, servicing and installation of machines, devices, equipment, systems or other entities mainly in the capacity of service providers. The application of the collective agreement is independent of the employee's profession. It covers features such as duties in the mechanical and electrical industry

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 places of business or departments that are engaged in the technology industry, then this agreement shall only govern the employment relationships of employees in the said places of business or departments.

The parties bound by the agreement shall ensure that parallel agreements are not made in the scope of application of this collective agreement.

This agreement shall not apply:

- to employment relationships between member enterprises of the Association of Finnish Small and Medium-Sized Engineering Employers MTHL in the construction sheet metal and industrial insulation industry and their employees, or
- within the scope of the collective agreement concluded between the undersigned federations for the ore mining industry.

2 BINDING CHARACTER OF THE AGREEMENT AND DUTY OF COMPLIANCE

This collective agreement shall bind the signatory federations and their affiliated associations, and employers and employees who 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 with this agreement, and to ensure that their affiliated associations and the employers and employees belonging thereto do not infringe its terms and conditions.

3 PEACE OBLIGATION

The federations and their affiliated associations shall be required to ensure that their member associations, employers or employees to whom the agreement applies refrain from engaging in any industrial action or from otherwise infringing the terms and conditions of this collective agreement.

3.1 Disputes endangering industrial peace and measures to end them

In conjunction with local parties, the federations shall attempt to prevent the breakdown of industrial peace at workplaces or to restore industrial peace by the following means.

3.1.1 Initiative to launch federal measures

Disagreements at the workplace which may endanger or have endangered industrial peace will trigger procedures between the federations, either

- at the initiative of either federation,
- at the initiative of the chief shop steward representing the trade union at the workplace, if the chief shop steward estimates that he/she and the trade union cannot prevent collective action or if the union branch intends to resort to such action, or
- at the initiative of the employer, if he/she considers that local measures are not sufficient to guarantee industrial peace.

Other parties must be informed of the local party's initiative at the workplace. In addition to this, the initiative must be submitted to both the Technology Industries of Finland and the Industrial Union.

3.1.2 Measures to prevent the breakdown of industrial peace

A. Immediate measures

The federations, the employer and the chief shop steward shall, as promptly as the situation requires but within three business days of the initiative at the latest, examine case-by-case, using joint actions as deemed necessary,

- the focus of the dispute endangering industrial peace and
- the other reasons threatening to disrupt the industrial peace.

The purpose of assessing the situation is to correct potential misunderstandings of the other party's motives and objectives as well as the misinterpretations and applications of the employment conditions. At the same time, the effects of potential collective action on the employer and the work community as well as on parties external to the workplace are anticipated.

The federations shall also provide their preliminary assessments on the potential incompatibility of the imminent collective action with the collective agreement and inform local parties of their position.

B. Settling differences

Local parties may jointly request that the federations provide a proposal for a settlement or a binding decision on a dispute endangering industrial peace. This is described in more detail in clause 45.3.

C. Action plan for improving the negotiation system performance

With the collaboration of the federations, a local action plan will be created, where necessary, to prevent future disputes that endanger industrial peace and to improve the performance of the local negotiation system.

D. Obligation of collaboration between the employer and chief shop steward

In order to prevent the breakdown of industrial peace, representatives of the federations shall be entitled to consult local parties in a manner which they consider best

3.1.3 Measures to end ongoing collective action

Case by case, the federations, in conjunction with the employer and the chief shop steward, may decide to take rapid measures to restrict ongoing collective action at a workplace, and to end it.

In order to restore industrial peace, representatives of the federations shall be entitled to consult local parties in a manner which they consider best.

Once industrial peace is restored, procedures under subclause 3.1.2 may be followed where applicable.

3.1.4 Amount of the compensatory fine for a violation of the peace obligation in certain cases and abstention from proceedings at the Labour Court

According to the Collective Agreements Act, a compensatory fine may be imposed for taking prohibited collective action and for neglecting the obligation to carry out supervision.

According to the federations, the violation of the following procedural rules agreed on in this clause should be taken into account as a factor affecting the amount of the compensatory fine, either to increase or to decrease it:

- refusal to cooperate with the federations,
- failure to implement a binding decision, or
- violation of the action plan created.

The Federation of Finnish Technology Industries is committed to not initiating proceedings related to industrial peace for threatening to take collective action at the Labour Court, provided that during a procedure under subclause 3.1.2, the federations find that the employer's violation of the collective agreement justified the threat of collective action or that the procedure under subclause 3.1.2 is unfinished.

4 NOTICE OF INDUSTRIAL ACTION

The national conciliator and the federations of employers and employees shall be notified, where possible, no later than four days before engaging in any political or sympathetic industrial action. The notice shall specify the causes of the intended industrial action, the time when it begins and the scope of the action.

5 FUNDAMENTAL RIGHTS

The fundamental right of employers and employees to organise and associate shall be inviolable. Employees shall be entitled to establish and serve in trade union organisations, and may suffer neither dismissal nor discrimination at work on this account.

6 EMPLOYER'S RIGHT TO MANAGE

The employer shall have the right to engage and dismiss employees and to determine the management of work.

7 DURATION OF AGREEMENT

This agreement shall apply from 8 November 2017 until 31 October 2020 and shall continue thereafter for one year at a time unless a notice of termination has been issued by either of the parties hereto no later than two months before the said termination takes effect.

Bargaining of salary adjustments during the agreement period and special grounds for terminating the collective agreement

In April and May 2019, the parties will examine the general economic situation, the development of employment, exports and competitiveness as well as the factors impacting them within technology industries and in Finland. Based on the assessment, the parties will negotiate by 31 May 2019 on the structure and size of the salary adjustments to be implemented from the start of the wage payment period beginning no later than 1 January 2020 or soonest thereafter.

If there is no unanimity in May 2019 on the structure and size of the salary adjustments to be implemented no later than 1 January 2020, either party may terminate this agreement with effect as of 31 October 2019. Written notice of termination shall be submitted to the other party by no later than 31 May 2019, with a copy for information also sent to the National Conciliator.

II REMUNERATION

The current wage scales may be viewed on the federation websites at www.teknologiateollisuus.fi and www.teollisuusliitto.fi. The implementation schedules and regulations governing wage increases are set out in the Signing Minutes. In addition to the wage provisions below, the provisions in the minutes annexed to the collective agreement shall be applied to employment relationships which on 31 October 2017 followed the collective agreement for electrical workers in technology industries.

The remuneration regulations seek to implement the equal pay principle. This principle has two parts:

- the job requirement principle, meaning higher pay for more demanding work, and
- the competence principle, meaning higher pay for greater competence.

Two elements are involved in implementing the equal pay principle in the regular wages of an employee: the job-specific wage element depends on the job requirement of the employee's work, and the individual wage element depends on the employee's competence.

8 JOB REQUIREMENT AND JOB-SPECIFIC WAGE ELEMENT

8.1 Job requirement

A job requirement determination seeks to investigate the mutual requirements of work and duties discharged at a workplace. The job requirement determined must correspond to the actual requirement of the work. The job requirement must be reassessed whenever any change occurs in the work or circumstances.

Employee representatives shall be entitled to participate in determining a job requirement. The employer shall give the employees an adequate account of the manner of determining a job requirement and of the principles governing such determination.

8.1.1 Methods of determining a job requirement

Only one method of determination will be used at a workplace. The methods of determining a job requirement shall be:

1. Classification of job requirement
2. Rough classification
3. Some other method of determining the job requirement

Use of rough classification or of some other manner of determining the job requirement shall be agreed locally: A local agreement may be terminated at six months' notice for a legitimate reason.

8.1.2 Classification of job requirement

A classification of job requirement will determine job requirement on the basis of the following factors:

Learning time required for the work

The learning time refers to the average time taken to achieve the reliability of performance, the normal performance standard and the discretion required for the course of the work. Learning time is determined for each job by investigating the time required for the necessary training and practical experience.

Responsibility required in the work

The responsibility required in the work refers to the responsibility vested in the employee by the independence of the job, work safety, the product or performance, and the tools used.

Working conditions

Working conditions refer to the problem factors arising in the

work due to stress and strain; the weight of work, monotony, the degree of engagement and the circumstances; noise, temperature, dirt and air pollution.

Job requirement factors will be categorised with points awarded in the manner set out in the wage structure training materials.

Job requirement working group

The job requirements of benchmark jobs will be determined by a working group that is familiar with local conditions and with the work. The members of the working group shall receive the training for their assignment that is agreed by the federations. The working group will serve as a specialist committee on questions of job requirement maintenance and monitoring. The working group will meet as necessary, and at least annually.

The employer shall determine the job requirements of other jobs by comparing them with the benchmark jobs.

Job-specific hourly and monthly wages

The following job-specific hourly wages shall apply when using nine job requirement categories as of 1 January 2018:

Job requirement category	Job-specific hourly wage cents/hour	Job-specific monthly wage EUR/month	Pay scale
1	892	1555	C
2	937	1633	C
3	983	1714	C
4	1033	1800	B
5	1084	1890	B
6	1138	1985	B
7	1195	2084	A
8	1255	2188	A
9	1318	2297	A

The following job-specific hourly wages shall apply when using nine job requirement categories as of 1 January 2019:

Job requirement category	Job-specific hourly wage cents/hour	Job-specific monthly wage EUR/month	Pay scale
1	900	1569	C
2	945	1647	C
3	992	1730	C
4	1042	1816	B
5	1094	1907	B
6	1149	2002	B
7	1206	2103	A
8	1266	2208	A
9	1330	2318	A

The job-specific wages shall be introduced at individual workplaces as of the time of the wage increase.

There will be nine job requirement categories unless otherwise locally agreed. The job-specific wage of job requirement category 1 will then serve as the minimum job-specific wage and the job-specific wage of job requirement category 9 will serve as the maximum job-specific wage.

8.1.3 Rough classification

Use of rough classification will be agreed between the employer and the employees.

Requirement categories

Requirement categories will be determined for the work based on the following definitions:

I Work requiring fairly brief practical experience and normal responsibility, done under ordinary working conditions.

II Work requiring normal vocational skills and a moderate degree of responsibility for ensuring that the work progresses, and work done under difficult conditions requiring fairly brief experience.

III Work requiring diverse and effective vocational skills and a high degree of responsibility for ensuring that the work progresses. Work requiring effective vocational skills and moderate responsibility done under fairly difficult conditions. This category also includes work done under difficult conditions requiring normal vocational skills and a moderate degree of responsibility.

Job-specific hourly and monthly wages

The following job-specific wages shall be payable by job requirement category as of 1 January 2018:

Job requirement category	Job-specific hourly wage cents/hour	Job-specific monthly wage EUR/month	Pay scale
I	892	1555	C
II	1033	1800	B
III	1195	2084	A

The following job-specific wages shall be payable by job requirement category as of 1 January 2019:

Job requirement category	Job-specific hourly wage cents/hour	Job-specific monthly wage EUR/month	Pay scale
I	900	1569	C
II	1042	1816	B
III	1206	2103	A

The job-specific wages shall be introduced at individual workplaces as of the time of the wage increase.

Locally agreed job-specific wages

With respect to the highest job-specific wages it may nevertheless be agreed locally that the job-specific wage at job requirement category I must be smaller than the job-specific wage at job requirement category II under the collective agreement, and that the job-specific wage at job requirement category III will not exceed that of job requirement category 9.

8.1.4 Other locally agreed ways of determining job requirement

Job requirement categories

The work at a workplace shall be assigned to one of at least five job requirement categories in accordance with the locally agreed method of determining job requirement.

Job-specific hourly and monthly wages

The following job-specific wages shall be payable in job requirement categories as of 1 January 2018:

	Hourly wages cents/hour	Monthly wages EUR/month
lower limit	892	1555
upper limit	1318	2297

The following job-specific wages shall be payable in job requirement categories as of 1 March 2015:

	Hourly wages cents/hour	Monthly wages EUR/month
lower limit	900	1569
upper limit	1330	2318

The job-specific wages shall be introduced at individual workplaces as of the time of the wage increase.

8.2 Job-specific wage element

An employee's job-specific wage element and pay scale shall be determined on the basis of the work that the employee does regularly.

The job-specific wage element shall be determined according to the job-specific wage for the job requirement category that clearly includes most of the work done by the employee.

9 COMPETENCE AND INDIVIDUAL WAGE ELEMENT

9.1 Competence

The individual wage element shall be determined on the basis of qualification factors that are significant from the point of view of the work.

The qualification factors are vocational competence, diversity of skills, job performance and care. At least two factors shall be selected for a local measuring system created by the employer.

The contents of the system shall be discussed between representatives of the employer and the employees. The principles governing grading of individual wage elements will be explained to every employee.

9.2 Individual wage element

9.2.1 Determination of the employee's individual wage element

A supervisor shall evaluate the employee's competence in accordance with the local measuring system. The employee's individual wage element must correspond to the employee's competence. The grounds for determining the individual wage element shall be explained to the employee.

The individual wage element of a new employee shall be determined no later than four months after the employment begins. The job-specific wage element shall serve as the employee's basic wage before the individual wage element is determined.

9.2.2 Size of the individual wage element

The individual wage element shall be no less than 3 per cent and no more than 26 per cent of the employee's job-specific wage element. The entire application area must be applied by grading category when determining individual wage elements.

The average percentage of locally determined individual wage elements by grading category will vary between 12 and 18 per cent. Attainment of the average shall be verified when determining the wages of all employees.

9.2.3 Grading categories

The wage categories shall be used as grading categories when there are 50 or more employees at a workplace. Wage categories with fewer than 20 employees shall be combined with an adjacent wage category to form a single grading category.

All employees shall be assigned to the same grading category in workplaces of fewer than 50 employees.

10 EMPLOYEES UNDER 18 YEARS OF AGE, STUDENTS, TRAINEES AND DISABLED EMPLOYEES

10.1 Employees under 18 years of age, students and trainees

The wages of employees under 18 years of age shall be scaled according to year of birth. An employee who reaches the age of 15 years during the working year shall be paid according to scale 1.

The following hourly and monthly wages shall be paid to students and employees under 18 years of age as of 1 January 2018:

	cents/hour	EUR/month
Scale 1	771	1343
Scale 2	809	1410
Scale 3	850	1481
Scale 4	892	1555

The following hourly and monthly wages shall be paid to students and employees under 18 years of age as of 1 January 2019:

	cents/hour	EUR/month
Scale 1	777	1355
Scale 2	816	1423
Scale 3	857	1494
Scale 4	900	1569

Hourly and monthly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

Students shall be paid an hourly or monthly wage corresponding to not less than scale 2 based on ability, experience and qualifications. The term "student" shall denote apprentices referred to in the Vocational Education Act[1] and employed students at institutes of vocational training for the sector.

The job-specific wages referred to in clause 8.1 shall not be mandatory in the case of employed trainees lacking the experience required for the work in question. However, the time rate of trainees aged over 18 years shall be no less than the rate for the lowest job requirement category.

Incentive wages shall be governed by current unit prices unless otherwise agreed between employer and employee.

A person who was an employee at the time of concluding the apprenticeship agreement shall be paid the previously regular wage as the student wage unless some higher wage has been agreed locally.

10.2 Disabled employees

The wages referred to in clause 8.1 shall not be mandatory in the case of employees whose capacity to do the work in question has been permanently impaired due to some illness or other reason.

11 WAGES

11.1 Basic wages

The basic wage of an employee shall be obtained by adding the individual wage element to the job-specific element of the employee's wages.

11.2 Remuneration modes in use

The remuneration modes shall be:

1 The remuneration modes jointly prepared and agreed by the federations:

1.1 Time rates

1.2 Performance-based pay

- Commission rates

a)	fixed element	85 %
	variable element	15 %
b)	fixed element	70 %
	variable element	30 %
c)	fixed element exceeding	30 %

- Partial piecework

a)	fixed element	75 %
	variable element	25 %
b)	fixed element	50 %
	variable element	50 %
c)	variabel elemet max	50 %

- Direct piecework pay

2 Remuneration modes agreed and recorded locally

3 A job-specific remuneration mode agreed between the employer and the employee(s) concerned. The shop steward shall be informed of this remuneration mode.

A time rate shall be determined for an employee regardless of the remuneration mode used for the work.

The fixed element of a commission rate and partial piecework may be either job-specific or job-specific and individual. The competence element of the fixed element shall be graded for production efficiency based on essential factors.

11.2.1 Time rates

A personal time rate (in cents per hour or euros per month) of not less than the basic wage shall be paid to an employee for time rate work.

The time rate shall comprise the basic wage and any time rate element. The time rate element shall comply with the principles applied in determining the basic wage. The element may be graded, for example in accordance with the principles governing the individual pay element.

The personal time rate set for an employee shall not be reduced when the employee's basic wage changes unless there are substantial and pressing grounds of the kind referred to in the

Employment Contracts Act, or unless otherwise agreed between the employer and the employee.

11.2.2 Performance-based pay

Pricing of work done on performance-based pay shall be based on the job-specific wage and performance norms for the work.

Pricing regulation and pay guarantee

The pricing wage corresponding to normal job performance in incentive pay work shall be 15 per cent higher than the job-specific wage for the work.

Contract work shall be priced so that the wage when working at a normal pace of contract work is 20 per cent higher than the job-specific wage for the work. This shall also apply to incentive pay work in which the volume of work corresponding to the employee's normal pace for contract work may be determined, for example by time and motion studies.

The employee shall be paid at least the basic wage for work on performance-based pay.

Information to be provided to an employee

Before beginning performance-based pay work and agreeing on the unit price, the employee shall be entitled to information on the wage criteria for the work and on the manner of determining the wage.

A written work specification submitted to the employee or to a group of employees shall specify both the volume of work on performance-based pay and the unit price.

Agreement of unit price

The employer shall agree the unit price of performance-based work with the employee(s) to whom it is offered before the work begins.

If no agreement can be reached on the unit price of the work to be done, then it shall be priced in accordance with the collective agreement.

Permanence of the unit price

The unit price shall remain unchanged when there is no change in the factors affecting pricing. The unit price and any underlying time value of work, i.e. the work value, shall correspond to actual circumstances and methods.

Interruption of incentive rate work

An employee shall be paid at the personal time rate during any interruption in incentive rate work unless the work that has caused the interruption can be arranged at the incentive rate.

If, at the employer's behest and without advance notification, an employee has to interrupt an agreed direct contract that the employee has already begun performing on account of other work, and the work that has caused the interruption cannot be arranged at the incentive rate, then the employee shall be paid for the said work at the employee's average hourly wage rate for up to no longer than six working days.

11.3 Comparison of change in time and incentive rates

At workplaces applying both time and incentive rates, any changes in the wages of employees on time rates and incentive rates shall be verified in annual discussions with the chief shop steward. The reasons for any significant discrepancies observed in wage changes shall be investigated and possible corrections shall be made.

12 TIME AND MOTION STUDIES

Methodological development and time and motion studies seek to enhance the productivity and competitiveness of an enterprise and continuity of employment. The enhancement process must also be accompanied by measures to make work more meaningful, varied and progressive.

Employees and their representatives must be able to participate in developing work organisations, technology, working conditions and duties, and implementing change.

Time and motion studies arranged at workplaces will seek improved work outcomes and consequent progress in employee earnings. Changes in work organisation that may be implemented due to such studies must have no negative impact on the normal wage income of employees.

An employer applying work efficiency studies shall give the employee representatives an adequate account and training in the objectives of the studies and in how the findings of the studies may affect employment policies.

The employees concerned shall be notified of a time and motion study and of its purposes before the study begins.

If any dispute arises as to the unit price determined on the basis of a time and motion study and an inspection study of the work is performed for this reason, then an explanation of the manner of performance and findings of the study shall be given to the shop steward on request.

13 PRODUCTIVITY REWARDS SUPPLEMENTING TIME RATES AND PERFORMANCE-BASED WAGES

13.1 Preparing and deploying a productivity reward system

The employer may supplement time and performance-based pay with a productivity reward, which will generally be based on operational objectives such as improved productivity and achievement of development targets. Adoption of productivity rewards will be agreed locally and recorded.

Before adopting a productivity reward scheme, the employer must give the employees an adequate explanation of its content, purpose and objectives, and of the criteria for payment.

13.2 Payroll administration processing of productivity rewards

The productivity reward bonus paid to an employee will be included when reckoning annual holiday pay and holiday compensation if these are not included in the criteria for reckoning the productivity reward bonus.

General wage increase regulations under the collective agreement shall not apply to productivity reward bonuses.

14 SEPARATE BONUSES AND REWARDS

14.1 Temporary change in working conditions

The process of determining job requirement shall allow for working conditions.

A separate bonus based on the degree of inconvenience shall be paid in the event of any temporary clear deterioration in working conditions that has not been considered when determining the job requirement of the work.

The bonus shall be not more than 59 cents per hour as of 1 January 2018.

The bonus shall be paid for the time during which the temporary deterioration in working conditions continues.

14.2 Exceptional inconvenience or difficulty

A separate bonus based on the degree of inconvenience shall be paid to the employee in the event of any exceptional inconvenience or difficulty arising in working conditions that could not be considered when determining the job requirement of the work.

The bonus shall be not less than 44 cents per hour as of 1 January 2018.

The bonus shall be paid for the duration of the exceptional inconvenience or difficulty.

14.3 Shift work bonuses

The following separate shift work bonuses shall be paid for evening and night hours in shift work as of 1 January 2018:

evening shift	(e.g. from 14.00 to 22.00)	119 cents/hour
night shift	(e.g. from 22.00 to 06.00)	219 cents/hour

The shift work bonus may also be divided in other ways per shift, but the total bonus payable for a 24-hour period shall correspond to the foregoing sums.

As of 1 January 2018 a separate Saturday bonus of 219 cents per hour shall be paid to employees in uninterrupted three-shift work and in continuous double or single shift work for each hour of

regular working time worked by the employee during a Saturday working shift.

14.4 Bonuses for evening and night work

The following bonuses shall be paid for work that is not shift work, overtime or emergency work:

- compensation equal to the evening shift bonus for work done between 18.00 and 23.00, and
- compensation equal to the night shift bonus for work done between 23.00 and 06.00.

14.5 Seniority bonus

A seniority bonus shall be paid to the employee on the normal wage payment day soonest following 1 December as a separate bonus according to the length of the employee's continuous employment at the end of November of the same year.

The time of payment of the seniority bonus may be changed by local agreement. The agreement shall affect all employees who are eligible for a seniority bonus.

14.5.1 Verification of criteria

The question of whether an employee is eligible for the bonus and of the grounds on which any bonus should be paid shall be settled on 30 November of each year. The criteria that are verified at this time shall be applied until the next time of review. The duration and continuity of employment shall be determined in the same way as eligibility for benefits under the Annual Holidays Act.

14.5.2 Size of the seniority bonus

The bonus shall be determined as follows:

Duration of employment	Bonus calculation formula
At least 10 but not 15 years	2 x LEM x AvE
At least 15 but not 20 years	4 x LEM x AvE
At least 20 but not 25 years	6 x LEM x AvE
25 years or longer	8 x LEM x AvE

LEM = number of leave-earning months in the preceding leave-earning year

AvE = average hourly earnings in the third quarter of the year of an hourly-paid employee, as referred to in clause 15.2 of the collective agreement.

The hourly rate required for payment to a monthly-paid employee shall be reckoned by dividing the monthly wage as a personal time rate by 169.

The seniority bonus of a part-time employee shall be reckoned by multiplying the proportion of the number of regular weekly working hours out of 40 hours by the seniority bonus reckoned using the foregoing formula.

If an employee has been transferred from full-time to part-time work or from part-time to full-time work after the time of verifying the foregoing criteria (30 November), then the seniority bonus reckoned according to the foregoing formula shall be proportioned by considering it to have been divided into twelve parts, and for the full months during which the employee was working part-time over the said period the corresponding proportion of the seniority bonus shall be multiplied by the fraction of the number of regular weekly part-time working hours out of 40 hours.

14.5.3 Exchange of seniority bonus for time off

The employer and employees may conclude an annual agreement that the seniority bonus or part thereof earned by the employee will be exchanged for corresponding time off. The time off may be taken after the time of reviewing the seniority bonus. The employer and the employee will agree on the time of taking the time off or on the procedure for taking time off. The agreement shall be made in writing. An account of the exchange practices shall be given to the chief shop steward.

Compensation corresponding to average hourly earnings will be paid to the employee for the period of time off.

14.5.4 End of employment

If the employment of an employee who is eligible for the bonus ends before annual payment of the bonus, then 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 wage payment for each month for which the employee has earned annual holiday as of the start of the preceding December.

14.6 Vocational qualification rewards

The following vocational qualification rewards shall be paid at the time of wage payment following completion of the qualification to an employee who acceptably completes an agreed vocational qualification or special vocational qualification in the engineering industry:

- vocational qualification: EUR 200
- specialist vocational qualification: EUR 300

15 AVERAGE HOURLY EARNINGS OF AN HOURLY-PAID EMPLOYEE

15.1 Use and reckoning of average hourly earnings

Average hourly earnings shall be used as the basis for reckoning wages and compensations in cases separately specified in the collective agreement.

The average hourly earnings of an employee shall be reckoned by dividing the accrued earnings of the employee for time worked under time rates and performance-based wages during each quarterly period together with any separate bonuses by the total number of hours worked.

The following bonuses for time worked shall be discounted:

- pay increases for overtime
- Sunday work bonuses
- Working time averaging bonuses
- Saturday bonuses
- productivity rewards.

Reckoning of average hourly earnings shall also disregard bonuses not paid for time worked, such as seniority bonus and profit bonuses.

No average hourly earnings shall be reckoned for any quarterly period during which the employee has worked for fewer than 160 hours.

When reckoning average hourly earnings the total earnings received from long-term performance-based pay that is divided across various quarterly periods may be divided between the quarterly periods in question in proportion to hours worked, provided that the number of working hours used for performance-based pay is known at the time of calculation.

15.2 Times of use of average hourly earnings

The average hourly earnings reckoned for various quarterly periods according to the preceding clauses shall be used as follows:

- average hourly earnings for the 4th quarter of the preceding year during February, March and April
- average hourly earnings for the 1st quarter of the year during May, June and July
- average hourly earnings for the 2nd quarter of the year during August, September and October, and
- average hourly earnings for the 3rd quarter of the year during November, December and January.

The monthly earnings and quarterly periods referred to in this clause shall be calculated to begin and end according by financial period.

If a financial period is divided across two monthly or quarterly periods, then it shall be counted towards the monthly or quarterly period with the larger number of regular working hours.

15.3 New employee and certain other special circumstances

Wages or compensation shall be paid to a new employee based on clause 15.1 for no longer than four months at the employee's personal time rate.

Any wages or compensation paid shall nevertheless comply with the basic wage if the average hourly earnings are less than the basic wage.

Wages or compensation shall correspondingly be paid to an employee for whom no average hourly earnings have been reckoned under clause 15.1, for example due to illness or a period of compulsory military service, based on the last average hourly earnings reckoned, or based on the personal time rate where this is higher.

16 WAGE DETERMINATION PERIOD AND CHANGES THEREIN

The wage determination period refers to the period for which wages are determined. The basic determination period shall be the hour. Deployment of other determination periods shall be agreed locally between the employer and the Chief Shop Steward and shall be recorded.

The structure of the employee's basic wage shall remain unchanged when the length of the determination period changes. Changes in the length of the period may not reduce the normal wages of an employee.

Before changing the determination period the employer shall give the employees an explanation of the objectives and content of the change and of the practical procedures that it involves.

An agreement not concerning application of the basic determination period may be terminated for a legitimate reason. The period of notice of termination shall be not less than six months.

17 SPECIAL REGULATIONS ON MONTHLY WAGES

17.1 Compensation for loss of earnings

Lost earnings for regular working hours that are eligible for compensation under the collective agreement shall be paid on the basis of the monthly wage as a personal time rate.

17.2 Monthly wage divisor for certain compensations

The hourly rate required for payment of the following compensations shall be reckoned by dividing the monthly wage as a personal time rate by 169:

- compensation for weekly time off
- call-out pay

- compensation for travelling time outside of regular working hours
- vocational training
- standby compensation
- conscription day compensation.

17.3 Wages for part-time work

Wages for part-time work shall be reckoned for an employee who is not entitled to wages for the entire wage payment period, for example due to unpaid absence.

Part-time wages shall be reckoned by dividing the monthly wage as a personal time rate or as a fixed element of an incentive rate by the number of scheduled working hours in the wage payment period and multiplying the hourly rate so obtained by the number of hours for which the employee is entitled to wages. The variable element of the incentive rate shall be paid according to the work done.

17.4 Part-time work

The job-specific monthly wages in part-time work for fewer than 40 hours per week shall be reckoned by multiplying the proportion of the number of regular weekly working hours out of 40 hours by the job-specific monthly wages specified in clause 8.1.

The average agreed monthly working time shall serve as the divisor in part-time work instead of the standard divisor of 169.

18 PAYMENT OF WAGES

When the wage determination period is shorter than one week, wages shall be paid at least twice a month unless payment of wages or part thereof on a monthly basis has been agreed. If wages are determined by the week or longer period, then wages shall be paid at least once a month.

III WORKING TIME AND ANNUAL HOLIDAYS

Working time regulations shall govern the length and organisation of regular working time, either on the basis of the employer's right to manage or by local bargaining. An expedient arrangement of working time can improve enterprise operating capacity, accommodate the working time needs of employees, and effectively match the supply and demand for labour.

The regular working time stipulated in the collective agreement may be exceeded either through statutory overtime or collective agreement overtime. Increased wages shall be paid for such work.

The annual holiday regulations govern annual holiday pay and holiday bonus.

The Working Hours Act and the Annual Holidays Act govern aspects that are not regulated under the collective agreement.

19 REGULAR WORKING TIME

19.1 Length of regular working time

Regular working time shall not exceed 8 hours of work per working 24-hour period and 40 hours in a working week.

Minutes on the annual increase in working time according the competitiveness pact made by labour market organisations in 2016 in the scope of the collective agreement for the technology industry is attached.

19.1.1 Average weekly working time in daily and two-shift work

Working time in normal full-time daily and two-shift work, i.e. in working weeks of 40 hours, shall be averaged to the following maximum over a calendar year:

average in 2018	36.2 hours per week
average in 2019	36.2 hours per week
average in 2020	36.5 hours per week.

The average weekly working time was obtained by adjusting the reductions in working time required by the agreements of 28 March 1984 and 15 March 1986 between the Confederation of Finnish Employers (STK) and the Central Organisation of Finnish Trade Unions (SAK) from annual to average weekly working time. Weekday public holidays, Midsummer's Eve and Christmas Eve shall also average weekly working time. Average weekly working time may vary by calendar year for each employee, depending on whether the employee has converted to working time averaging leave for the following year in accordance with clause 19.2. or whether a different agreement has been made locally on the amount of time averaging leave, as intended in clause 19.7.

Averaging of working time shall comply with clause 19.2.

19.1.2 Average weekly working time in three-shift work

Regular working time shall be:

- an average of 35.8 hours per week in discontinuous three-shift work, and
- an average of 34.9 hours per week in uninterrupted three-shift work.

Average weekly working times shall be implemented through a schedule of working hours prepared in advance. Working time shall average to the foregoing weekly working times over a period not exceeding one year and generally of one calendar year in duration.

Weekday public holidays shall be working days or days off as shown in the schedule of working hours. The equilibrating effect

of weekday public holidays and Midsummer and Christmas Eve on working time has been considered when reckoning the foregoing average weekly working times. Annual leave days may not be used for averaging working time.

The expression "discontinuous three-shift work" shall denote work that is done in three shifts, but is generally interrupted over the weekend. For reasons of production requirements at the enterprise, the hours of work in weeks including a weekday public holiday will vary according to whether or not the work is interrupted on the said weekday public holiday.

The expression "uninterrupted three-shift work" shall denote work done in three shifts totalling 24 hours per day on seven days in a week.

Regulations governing uninterrupted three-shift work shall also apply to underground work in mines.

19.2 Averaging of working hours in daily and two-shift work

A. Implementing average weekly working time

Average weekly working time shall be realised by granting 12.5 days of working time averaging leave in a calendar year. Annual leave days may not be used for averaging working time.

Unless otherwise agreed locally, working time shall be averaged by taking at least one shift off at a time, as directed by the employer.

Working hours may also be averaged by a local agreement reducing the regular daily working time or combining various working time averaging options.

B. Granting of working time averaging leave

The time of taking working time averaging leave:

- shall be shown in a schedule of working hours confirmed in advance,
- shall be announced no later than one week in advance, or
- shall be agreed locally.

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 daily or two-shift work.

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

C. Deferral of working time averaging leave

The employer and the employee may agree to defer working time averaging leave to a date no later than the end of the following year. The chief shop steward shall be given an account of deferral practices for working time averaging leave.

Working time averaging leave may be deferred when no associated working time averaging bonus has been paid. The working time averaging bonus for deferred working time averaging leave shall be paid when the leave is taken. Other arrangements may be agreed between employer and employee with respect to the amount of deferrable working time averaging leave and the time of payment of working time averaging bonus.

D. Working time averaging leave and layoff

The primary response to situations of underemployment shall be to use working time averaging leave, and resort to layoffs thereafter only where necessary.

19.3 Working time averaging bonuses and payment thereof

Any reduction in earnings caused by averaging of weekly working hours shall be compensated by a flat rate bonus earned by the employee for every hour of regular working time worked under a form of working hours referred to in this agreement, amounting to 6.3 per cent in daily and two-shift work, 11 per cent in discontinuous three-shift work, and 14.3 per cent in uninterrupted three-shift work, of the employee's average hourly earnings determined by quarterly period.

The bonus shall also be paid:

- for regular working time spent in travelling or training compensated by the employer,
- for a period when the employer pays sick leave wages
- for a period when the employer pays wages for leave of absence to care for a sick child
- for regular working time spent by a shop steward or labour protection delegate in discharging duties agreed with the employer.

All bonuses earned in daily and two-shift work shall be paid by wage payment period unless otherwise locally agreed. The time of payment of bonuses earned in three-shift work shall be agreed locally.

The working time of an employee who is paid by the month shall be averaged without reducing the monthly wage.

19.4 Schedule of working hours

The schedule of working hours drawn up in advance shall specify the placement of regular daily and weekly working time and the period not exceeding one year over which working time averages to the regular amount.

A schedule of working hours in three-shift work will be essentially collective. The working time averaging period will not exceed one year, and will generally be a period of one calendar year.

The schedule of working hours may be prepared for a shorter period if the detailed placement of regular working time is very difficult to specify for the entire averaging period in a schedule of working hours for daily and two-shift work, owing to the length of this period or to the irregularity of the work.

Working time shall be arranged when preparing the schedule of working hours to ensure that the weekly time off referred to in the Working Hours Act[4] is contiguous with a Sunday where possible. Having regard to the form or system of working time applied, the aim shall be to give the employee another day off during the week. If this day off is set as a fixed day of the week, then it shall be a Saturday where possible. Otherwise the day off shall be specified in the schedule of working hours.

Weeks including a weekday public holiday and days off

In weeks including a weekday public holiday the regular working hours on the eve of the said holiday falling on an ordinary weekday and on a Saturday shall be eight hours, with the exception of Easter Saturday, Midsummer's Eve and Christmas Eve, which shall be days off unless otherwise required for technical reasons of production.

The Saturdays of the weeks including New Year's Day, Epiphany, 1 May, Ascension Day, Finnish Independence Day (6 December),

and the first Saturdays after Christmas and Easter shall be days off in work where the hours of work are otherwise scheduled with fixed days off on Saturdays.

19.4.1 Modifying a schedule of working hours and notification of changes

The grounds for changing a current schedule of working hours, together with the effects of such a change and the available alternatives, shall be discussed at the workplace in accordance with the negotiating procedure under the collective agreement.

The employees concerned shall be notified of any permanent change in the current schedule of working hours no later than two weeks before the change is implemented. Temporary changes shall, where possible, be announced one week before the change is implemented, but no later than on the third day before implementation. These notice periods may be modified by local agreement.

A change is of temporary character if the intention is for the workplace to revert to the current schedule of working hours after the need for change has ended.

The regulations on changes in a schedule of working hours shall not apply to emergency or similar work.

19.5 Changes in the form of working time

On making the transition to another form of working time, the working time and any additional allowance payable shall be determined after the transition according to the regulations on the form of working time in question.

19.6 General regulations on arrangement of working time

Working time shall be arranged as follows unless otherwise locally agreed in accordance with clause 19.7:

1. The working day

The working day in day work shall begin at 07.00. The working week shall begin on Monday. The Sunday working day and the 24-hour period used for calculating compensation for weekly time off shall be determined according to the working day.

2. Scheduling of daily working hours

Working time in day work shall begin at 07.00 unless the employer has set some other working time where required for justified reasons of production technology.

3. Daily rest period

Day work shall include a one-hour rest period during which the employee shall be free to leave the workplace.

The rest period in two-shift work shall be thirty minutes.

An opportunity to take a meal at a place reserved for the said purpose shall be provided while working in three-shift work.

The employee may take coffee or refreshments at the workplace at times that are suitable from the point of view of the work.

4. Changes and rotation of work shifts

Work shifts shall be changed regularly in shift work and rotated at intervals not exceeding three weeks.

An employee may also work the same shift continuously where so agreed between employer and employee.

5. Averaging of regular working time

The period used for averaging regular working time shall not exceed one year, which shall generally be the calendar year in three-shift work.

6. Night work

Night work may be commissioned in accordance with section 26 of the Working Hours Act[4].

19.7 Working time arrangements by local agreement, increasing and decreasing regular working time

It is recommended that the employer and chief shop steward examine the following at least on a yearly basis:

- the purposeful function of the implemented working time arrangements with respect to the organisation of production and service activities as well as the employees' needs related to working time

and

- the need and potential to implement arrangements to increase or decrease regular working time at the workplace during the calendar year.

According to the set objectives the following arrangements may be agreed locally:

1. the maximum regular daily and weekly working time,
2. an averaging period exceeding one year in working time bank agreements,
3. the starting time of the working day and working week,
4. the daily rest period,
5. changes in the schedule of working hours,
6. commissioning of night work in derogation of section 26 of the Working Hours Act.

Agreement on the increase and decrease of regular working time

A. Initiative and grounds for agreement

The initiative for an agreement on the increase and decrease of regular working time may be made by the employer or the chief shop steward acting as a representative of the employees, or with respect to the seniority bonus, by an individual employee.

The grounds for such an agreement may include the following:

- a need for additional workforce and the possibility of allocating work to in-house professional employees
- situation of underemployment
- employees' personal wishes

B. Increase of working time

For a local increase in working time, the employer and the chief shop steward may agree (framework agreement) that during an employment relationship, the employee may make a different agreement with a representative of the employer on the amount of working time averaging leave for a maximum of 48 hours/6 days.

It is recommended that the framework agreement indicates some of the following to be determined in agreements between employers and employees:

- the number of agreed days of working time averaging leave
- procedures to follow in situations where changes occur
- agreements that a working time averaging leave is indicated beforehand as working time in the working hour system
- time of the agreement and its entry into force.

Agreements must be made in writing, and they may cover one calendar year at a time. A report on the agreement policies shall be submitted to the chief shop steward.

If the amount or allocation of working time averaging leave for monthly paid employees has been agreed on otherwise under this clause of the agreement, they will receive a separate fixed monthly compensation for each month of the calendar year. It will not be taken into account when calculating other wage instalments.

The amount of that separate fixed monthly compensation will be calculated according to the following formula:

$$\text{monthly wage} * 0.051 * \frac{\text{the amount of working time averaging leave agreed as working time}}{\text{100 hours (12.5 days)}}$$

C. Decrease of working time

In order to decrease working time,

- it can be locally agreed (framework agreement) between the employer and the chief shop steward that during the employment relationship, an employee may agree with a representative of the employer on exchanging a holiday bonus in full or in part for an equivalent paid leave. Agreements must made be in writing.

- it can be annually agreed between the employer and the chief shop steward that the seniority bonus earned by the employee may be exchanged in full or in part for an equivalent leave – this has been provided in more detail in subclause 14.5.3 of the collective agreement.

19.8 Working time bank

19.8.1 Concept and purpose

A working time bank is an arrangement for harmonising 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.

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.

19.8.2 Introduction of a 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 time
4. the limits for saving and lending a working time balance, within which regular working time may vary over the longer term
5. the wage-setting criterion used for saving or lending time and/or monies
6. the length of the averaging period for working time,
7. the impact of incapacity to work on the use of working time bank leave.

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

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

19.8.3 Use of a working time bank

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

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

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 and the balance saved in the working time bank will be paid out in cash.

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.

20 EXCEEDING REGULAR WORKING TIME AND SUNDAY WORK

20.1 Daily overtime

Definition

Daily overtime under the Working Hours Act[4] shall refer to any work done during the working day in addition to regular daily working time, i.e. 8 hours, or locally agreed extended regular daily working time.

If working time has been arranged to average 40 hours per week, then daily overtime shall be any work exceeding the number of working hours determined in the schedule of working hours as the regular daily working time for the working day concerned.

Compensation

In addition to the time or incentive rate, an overtime increase of 50 per cent of average hourly earnings for the first two hours and 100 per cent of average hourly earnings for subsequent hours shall be paid for daily overtime.

The overtime increase payable for all hours of daily overtime work done on Saturdays that are not public holidays and on the eve of Sundays and public holidays shall be 100 per cent of average hourly earnings.

The hourly rate required for paying the overtime increase of a monthly-paid employee shall be reckoned by dividing the monthly wage as a personal time rate by 169.

20.2 Weekly overtime

Definition

Weekly overtime under the Working Hours Act[4] refers to any work exceeding the regular weekly working time of 40 hours

determined under the collective agreement.

If working time has been arranged to average 40 hours per week, then weekly overtime shall be any work exceeding the number of working hours determined in the schedule of working hours as the regular weekly working time for the working week concerned.

The calculation of weekly overtime shall disregard daily overtime done in the same week.

Compensation

In addition to the time or incentive rate, an overtime increase of 50 per cent of average hourly earnings for the first eight hours and 100 per cent of average hourly earnings for subsequent hours shall be paid for weekly overtime.

After the weekly overtime increase has been paid for eight hours, an overtime increase of 100 per cent of average hourly earnings shall be paid for the remaining working hours in the working week that are eligible for overtime pay, regardless of whether this is weekly or daily overtime.

The hourly rate required for paying the overtime increase of a monthly-paid employee shall be reckoned by dividing the monthly wage as a personal time rate by 169.

20.3 Maximum overtime

Overtime shall be done within the limitations prescribed in the Working Hours Act[4].

The calendar year shall serve as the tracking period used for maximum overtime. Another one-year tracking period may be used instead of the calendar year where locally agreed. The tracking period shall commence from the wage payment period for which wages are first paid soonest after the calendar year begins.

20.4 Additional work

Additional work shall be any work exceeding the number of hours confirmed in the schedule of working hours as the regular working time of the working day or working week in question that nevertheless does not exceed regular working time under the Working Hours Act.

20.4.1 Compensation for daily additional work when averaging working time (collective agreement overtime)

Work done as additional work that, due to averaging the working hours of a full-time employee, exceeds the hours of work of the day in question determined in the schedule of working hours as a working day of less than 8 hours shall be compensated in the same way as daily overtime.

20.4.2 Compensation for weekly additional work when averaging working time and in weeks that include a weekday public holiday (collective agreement overtime)

Work done as additional work,

a) that, due to averaging of working hours of a full-time employee, exceeds the hours of work of the week in question determined in the schedule of working hours as a working week of less than 40 hours, or

b) that exceeds the working hours under the schedule of working hours for the working week in question in a week that includes a weekday public holiday,

shall be compensated in the same way as weekly overtime.

20.5 Compensation for work done on a day off (collective agreement overtime)

Work done on a day off shall be compensated according to the agreement on weekly overtime when the employee is, for the following acceptable reasons, unable to work sufficient working hours on the working days specified in the schedule of working hours to reach the employee's regular working time, and the employee works on scheduled days off.

The following reasons shall be considered acceptable:

- the employee's annual holiday,
- the employee's incapacity to work due to illness,
- paid absence arising from the sickness of a child, as referred to in clause 31.3 of the collective agreement,
- layoff for reasons of finance or productivity (excluding a shortened working week),
- vocational or joint training, or trade union training approved by the training task force in accordance with clauses 47.1 - 47.3 of the collective agreement,
- travel ordered by the employer, or
- reserve military training.

20.6 Locally agreed overtime increase (single overtime concept)

Notwithstanding clauses 20.1 and 20.2, one of the following alternatives for determining and reckoning the overtime increase may be selected by local agreement:

a) An overtime increase of 55 % paid for all working hours qualifying for the overtime increase.

b) An overtime increase of 50 % paid for the first hundred

hours qualifying for the overtime increase and an overtime increase of 100 % paid for subsequent hours that so qualify.

c) An overtime increase of 35 % paid for the first fifty, 65 % for the next hundred, and 100 % for all subsequent hours qualifying for the overtime increase.

d) An overtime increase and possible grading based on the number of overtime hours worked that is agreed locally in line with the foregoing examples.

Agreement of overtime increase

When preparing a local agreement, the level of the current overtime compensation scheme applied at the workplace shall be reviewed 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.

If the overtime increase is based on a graded system, then the tracking period for hourly limits may not exceed one year.

The local agreement shall govern both overtime under the Working Hours Act and collective agreement overtime.

The local agreement shall not affect the Sunday work bonus or compensation for weekly time off.

Formulation, duration and termination of a local agreement

A local agreement shall be concluded between the employer and the chief shop steward in writing, and may be made for a fixed or unspecified period.

An agreement concluded for an unspecified period must be terminated in writing. The period of notice of termination shall be three months, unless otherwise agreed. In cases involving use of a graded mode of compensation according to the number of

hours worked that are eligible for an overtime increase, however, the agreement shall, unless otherwise agreed, end no sooner than at the end of the tracking period immediately following the end of the period of notice of termination.

Average overtime increase at a workplace

If no other overtime compensation arrangements have been agreed, then a 55 % increase shall be paid unless the workplace average overtime increase reckoned over a sufficiently long period is higher than this.

Other federation guidelines

Some materials to assist in concluding local agreements are provided on the federation websites at www.teknologiateollisuus.fi and www.metalliliitto.fi.

20.7 Shift work bonus for overtime

A shift bonus for the shift during which any overtime occurs shall be paid to shift workers. The shift bonus shall be paid at the single rate for overtime.

The regulation shall be applied if a shift worker works daily or weekly overtime that is otherwise arranged as regular shift work according to the schedule of working hours.

20.8 Sunday work

In addition to time and incentive rates and any overtime increases payable for work done on Sundays or other church festivals, an hourly increase of 100 per cent of average hourly earnings shall be paid as the statutory increase for Sunday work.

As for forms of working time interrupted for weekday public holidays, the chief shop steward may agree in writing on the payment of a Sunday work increase or its amount for church

festivals occurring on Tuesdays, Wednesdays or Thursdays (New Year's Day, Epiphany, Ascension Day, Christmas Day, Boxing Day). This will allow the cost-neutral transfer of regular working time to days off under the working hour system.

The hourly rate required for payment of the Sunday work increase to a monthly-paid employee shall be reckoned by dividing the monthly wage as a personal time rate by 169.

20.9 Work done on Easter Saturday, Midsummer's Eve and Christmas Eve

An increase of 100 per cent of average hourly earnings shall be paid for work done on Easter Saturday, Midsummer's Eve and Christmas Eve. This shall not apply to continuous one or two-shift work, or to uninterrupted three-shift work.

The foregoing increase shall nevertheless not be paid if the work is otherwise remunerated with a weekly overtime increase of 100 %.

Work may be done on the said days under the conditions prescribed in subsection 1 of section 33 of the Working Hours Act.

20.10 Exception to weekly time off and associated compensation

An employee who is temporarily required for work during the employee's weekly time off period shall be compensated for the weekly time off spent on the said work in accordance with an agreement concluded personally with the employee before working, either by deducting the time taken for the said work from the employee's regular working time or by paying monetary compensation for the said time.

Weekly time off in uninterrupted three-shift work or in continuous two-shift or single shift work shall be considered forfeit if the employee has worked on all days of the week without receiving an uninterrupted period of 35 hours or not less than 24 hours of time off. Time spent at work during the weekly period of time off shall be compensated in such cases as described in the preceding paragraph.

Weekly time off shall not be considered taken during a period of absence from work due to the employee's illness, care of a sick child, training ordered by the employer or travel at the employer's behest.

20.10.1 Basis for reckoning weekly time off

Reckoning of compensation for weekly time off shall include the working hours when the employee was working during the last working day or days when weekly time off should have been granted. Notwithstanding the foregoing, the working hours when the employee was working on the last day off under the schedule of working hours shall be taken into account in uninterrupted three-shift work or in continuous two-shift or single shift work.

20.10.2 Granting of time off in lieu

A reduction in regular working time in lieu of lost weekly time off shall occur within no more than three months of the time when the work is done, unless otherwise agreed between the employer and the employee.

20.10.3 Monetary compensation

An employee may also be compensated for lost weekly time off by paying 100 per cent of the employee's average hourly earnings in addition to the time and incentive rate and any increases for overtime and Sunday work.

20.11 Emergency work

20.11.1 Call to emergency work outside of regular working time

An employee who is recalled to do emergency work outside of regular working time and after leaving the employee's workplace shall be paid no less than one hour's wages and any overtime increase if the said work is overtime.

A special emergency allowance shall also be paid as follows:

a) If the call to emergency work was issued after the end of regular working time or on the employee's day off but before 21.00 in the evening, then compensation corresponding to average hourly earnings for two hours shall be paid.

b) If the said call was issued between 21.00 and 06.00, then compensation corresponding to average hourly earnings for three hours shall be paid. If the said work is also overtime, then the overtime increase payable in the cases referred to in this clause shall be 100 per cent immediately.

20.11.2 Notification during regular working time

The extraordinary compensation referred to at subclause 20.11.1 a), corresponding to average hourly earnings for two hours, shall be paid to an employee who is notified during the employee's regular working hours ending at or before 16.00 that after already vacating the workplace the employee should return for overtime beginning after 21.00 on the same working day.

20.12 Standby time

Standby refers to circumstances in which an employee is contractually required to remain in readiness to discharge duties of work outside of working time when called upon. The agreement

shall specify the duration of any standby time. The work may be done at the workplace, at a work assignment site, or via a remote connection. Standby time shall not be counted as working time.

The employer shall be obliged to compensate the employee for the restrictions on use of leisure time arising from standby.

The following compensation shall be payable for standby time:

a) 50 per cent of average hourly earnings if the employee is required to start work without delay, and within no more than 1.5 hours of the call to work

b) 35 per cent of average hourly earnings if the employee is required to start work within no more than 3 hours of the call to work

c) 20 per cent of average hourly earnings if the response time exceeds 3 hours.

The employer and the employee may agree other standby compensation arrangements.

The regulations on emergency work shall not apply to situations in which the employee is called to work.

21 ANNUAL HOLIDAY

21.1 Duration and granting of annual holiday

The employee shall receive annual holiday according to the Annual Holidays Act.

21.1.1 Days counted as working days

The periods of absence from work to be deemed equivalent to working when determining the duration of annual holiday are

governed by section 7 of chapter 2 of the Annual Holidays Act. Any job release granted to the employee for the purpose of participating in meetings of the Congress or National Council of the Industrial Union shall also be counted as equivalent to working. Any job release time for participation in the delegate conference or general council meetings of the Central Organisation Of Finnish Trade Unions SAK shall likewise be counted as working time. The employee shall render a proper account of the time required for participation in the meeting when requesting the job release in question.

Working time averaging days, working time bank leave, seniority bonus leave and holiday bonus leave shall also be counted as equivalent to working.

21.1.2 Arrangement of annual holidays in 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 granted in a continuous period during the calendar year when the leave-earning year ends.

The portion of the annual holiday exceeding 24 days in three-shift work shall be granted during the calendar year when the leave-earning year ends or by the end of April of the following year.

21.2 Annual holiday pay and holiday compensation of an hourly-paid employee (where the 14 working days leave-earning provision applies)

The basis for calculating the annual holiday pay and holiday compensation of an employee shall be the employee's average hourly earnings, reckoned by dividing the wages paid or due to the employee for time at work during the leave-earning year (1 April – 31 March), excluding any increases paid in addition to the basic element of wages for emergency work and statutory or contractual overtime, by the corresponding number of working hours.

The wage sum serving as the basis for calculating the average hourly earnings of the leave-earning year shall include:

- earnings for working time completed in time rate, contract, and partial piecework and commission rate work,
- shift work bonuses,
- bonuses for evening and night work,
- working time averaging bonuses for working time completed,
- Sunday work bonuses,
- compensation for weekly time off,
- various working conditions bonuses, and
- productivity rewards reckoned other than on a basis that already includes annual holiday pay or holiday compensation.

A. Coefficients

The employee's annual holiday pay and holiday compensation shall be reckoned by multiplying the employee's average hourly earnings for the leave-earning year by a coefficient based on the number of days of holiday. The following coefficients are used:

Number of days of holiday	Coefficient
2	16.0
3	23.5
4	31.0
5	37.8
6	44.5
7	51.1
8	57.6
9	64.8
10	72.0
11	79.2
12	86.4
14	94.0
14	101.6
15	108.8
16	116.0
17	123.6
18	131.2
19	138.8
20	146.4
21	154.4
22	162.4
23	170.0
24	177.6
25	185.2
26	192.8
27	200.0
28	207.2
29	214.8
30	222.4

If there are more than 30 days of holiday, then the factor shall be increased by 7.2 per day of holiday.

B. Part-time work

If the employee has worked fewer than 8 regular hours per day during the leave-earning year, then annual holiday pay and holiday compensation shall be reckoned by multiplying the average hourly earnings by the figure obtained by multiplying the foregoing coefficient by the ratio of the weekly number of regular working hours out of 40 hours.

21.3 Annual holiday pay and holiday compensation of a monthly-paid employee

A monthly-paid employee shall receive pay or possible holiday compensation for earned annual holiday in accordance with the Annual Holidays Act[3].

An employee in regular shift work shall be paid scheduled shift work bonuses for the holiday period in accordance with custom and practice at the workplace. The bonuses shall be paid either before the holiday begins or on the regular wage payment days.

21.4 Payment of annual holiday pay

Annual holiday pay shall be paid before the holiday begins. Holiday pay for a holiday period of no more than six days may be paid to an hourly-paid employee on the regular wage payment day.

Payment of annual holiday pay on regular wage payment days during the holiday may be agreed locally. The local agreement shall apply all of the employees. In such cases, however, the holiday pay must be paid in full by no later than the wage payment that includes the pay for the first working day after the annual holiday.

21.5 Holiday bonus

50 per cent of the wages for the annual holiday shall be paid to an hourly-paid employee as holiday bonus.

The holiday bonus payable to a monthly-paid employee shall be reckoned by dividing the sum of the monthly wage as a personal time rate and the holiday time shift work bonuses by 50 and multiplying the quotient so obtained by the number of days of holiday.

The employer and the employee may agree in writing on exchanging a holiday bonus in full or in part for an equivalent paid leave if a written (framework) agreement on the possibility of exchange has been made locally between the employer and the chief shop steward.

It is recommended that the framework agreement indicates some of the following to be determined in agreements between employers and employees:

- time of payment of the wage for the holiday bonus leave period
- the effect of incapacity on the use of the holiday bonus leave
- potential changes to the timing of the agreed holiday bonus leave period.

21.5.1 Payment of holiday bonus together with annual holiday pay

Holiday bonus shall be paid as follows, unless other arrangements concerning the time of payment are locally agreed in writing:

Half of the holiday bonus shall be paid before the annual holiday begins. Half shall be paid at the time of paying the wages paid for the first working day following the employee's return from the annual holiday, or at the time when the said payment would have

been made had the employee concerned not have been prevented from returning to work.

To be eligible for the latter portion of the holiday bonus, however, the employee's employment must continue until the last day of the annual holiday. The latter portion of the holiday bonus shall be paid to the employee if the employer terminates the employment during the leave-taking period for reasons not due to the said employee during the employee's annual holiday.

If other arrangements have been agreed locally concerning the time of paying holiday bonus, however, it shall be agreed that holiday bonus is payable in full by no later than before the next leave-earning year begins. The local agreement shall apply all of the employees.

If the employee's employment ends before the locally agreed time of payment of holiday bonus, then the bonus shall be paid when the employment ends, provided that the employee is otherwise entitled to this payment under the collective agreement.

21.5.2 Payment of holiday bonus together with holiday compensation

Holiday bonus shall also be paid at the time of any holiday compensation in the event that the employment ends during the leave-taking period for reasons not due to the individual employee. Holiday bonus shall be paid in such cases in respect of the compensation for holiday not taken that was earned in the preceding full leave-earning year, but not in respect of the compensation for holiday not taken that was earned in the interrupted leave-earning year.

The end of temporary employment shall not be viewed as a reason due to the individual employee.

21.5.3 Retirement

Holiday bonus shall be paid to an employee retiring on old-age or disability pension in respect of the annual holiday pay and of any annual holiday compensation to which the employee is entitled. Holiday bonus shall also be paid to a retiring employee in respect of any holiday compensation accruing from the last incomplete leave-earning year.

21.5.4 Duty of military or non-military service

An employee who takes up a regular service position in order to perform military service shall be paid holiday bonus on the holiday pay and holiday compensation to which the employee was entitled at the time of taking up the said position. This regulation shall also be applied correspondingly to the duty of non-military service.

IV WORK ASSIGNMENTS AND COMPENSATION

Compensation for the costs incurred in work assignments shall be governed by the assignment regulations.

On the particular conditions specified below, an employee shall be entitled to certain other compensations and benefits pertaining to such matters as weekday public holidays and permitted absences.

22 WORK OUTSIDE OF THE REGULAR WORKPLACE

22.1 Definition of the regular workplace

The regular workplace refers to the place where the employee works on a permanent basis.

The employer must explain the location of the regular workplace to the employee at the time of hiring. This explanation shall be given again when there is any substantial change in factors affecting the determination of the regular workplace.

22.2 Duty to travel and notification of work assignment

The travel required for duties shall be arranged in an appropriate manner to avoid any time or expense that exceeds the essential requirements of the duties in question.

The employee shall be notified of an assignment by no later than on the third day before the journey begins. Exceptions may be made to the said period of notice when the assignment is urgent. A corresponding exception may be made if continual travelling or repeated brief assignments are required under the employee's employment contract or by the employee's normal duties.

22.3 Work-related journeys and the beginning and end of the travel day

The journey and the travel day comprising a period not exceeding 24 hours shall be deemed to begin when the employee departs for the assignment site from the employee's workplace or from home, and to end when the employee returns to the said workplace. If the employee is unable to return to the employee's workplace within regular working hours, then the journey and the travel day shall end when the employee returns home.

The journey shall also include any unavoidable waiting time arising due to public transport connections when changing from one vehicle to another.

With respect to the combined time spent in travelling and working, the employer shall ensure that the employee enjoys adequate rest on each working day.

22.4 Compensation for expenses incurred in work assignments

22.4.1 Travel expenses

The employer shall compensate for any necessary travel expenses arising when the employee travels to the assignment site and back, or from the said site to another assignment site, when work is done at a distance of more than 10 kilometres from the employee's regular workplace and home. The prices of second class travel tickets (sleeper berths when travelling at night) and luggage costs shall be necessary travel expenses.

A. Use of employee's vehicle for work-related travel

The employer and the employee may agree before a journey on use of a motor vehicle owned by the employee and on the compensation payable for this. Additional compensation shall be paid for transporting other persons or goods by agreement with the employer. The compensation shall correspond to the tax-exempt sum determined annually by the National Board of Taxes.

B. Travelling during the working day

All necessary travel expenses and compensation for travelling time shall be paid to an employee who has to travel between the regular workplace and the place where the work is done in the middle of the working day.

22.4.2 Per diem allowance

The following per diem allowance shall be paid for each travel day when work is done at a distance of more than 40 kilometres

from the employee's regular workplace, as measured along public highways:

- A partial per diem allowance shall be paid when the work-related travel has exceeded 6 hours.
- The full per diem allowance shall be paid when the work-related travel has exceeded 10 hours.

A partial per diem allowance shall be paid for a partial day that exceeds a full travel day by not less than two and not more than six hours.

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

The per diem allowance shall be half of the foregoing amounts if the employee enjoys free board, or if this is included in the price of the ticket on any travel day. Free board shall denote two free meals in the case of a full per diem allowance and one free meal in the case of a partial per diem allowance.

22.4.3 Compensation for work-related travelling time

If a per diem allowance is paid to an employee for work-related travel, then compensation for work-related travelling time shall also be paid for the hours of travel.

This compensation shall be paid to the employee for up to 16 hours of travel per working day, both on scheduled working days and on the employee's day off. The hours worked during regular working time on the working day in question shall be deducted from the travelling time for which compensation is payable.

An hourly-paid employee shall be paid compensation equal to the employee's personal time rate as compensation for work-related travelling time. Compensation equal to average hourly earnings shall nevertheless be paid for the travelling time corresponding

to any regular working hours that are lost.

No compensation for work-related travelling time shall be paid for time between 21.00 and 07.00 if a sleeping berth or cabin has been arranged for the employee.

22.4.4 Meal allowances

An employee shall be paid a meal allowance of ¼ of the per diem allowance payable for travel in Finland on the following conditions:

- the work is done at a distance of more than 10 kilometres from the employee's regular workplace and home,
- the employee has no opportunity to take a meal at the employee's regular workplace or home, and
- no food is provided at the workplace free of charge.

No meal allowance shall be paid when the employee is working at another workplace of the same enterprise where meal opportunities and conditions correspond to those of the employee's regular workplace.

A second meal allowance shall be paid to compensate for the expenses arising in cases where the employee's work and travel have lasted for no less than 12 hours and the employee has therefore not been able to return home before the late evening. Any hours worked on the same working day immediately before the journey shall also be included in the said hours.

22.4.5 Overnight travel expenses

A. Accommodation costs

If no accommodation opportunity has been arranged for the employee, then the employer shall compensate for accommodation expenses during an assignment in accordance with an approved

account of the said expenses.

The following maximum accommodation expenses per day of travel apply as of the date of concluding this Agreement:

a) EUR 148 in Helsinki, Espoo, Vantaa and Kauniainen
b) EUR 105 in other districts.

B. Overnight travel allowance

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 employee, or when the employee has not received accommodation compensation or been provided with a sleeping berth during the journey.

22.5 Procurement of dwelling

Before the employee departs for an assignment the employer shall investigate the prospects for securing a dwelling within or near to the assignment site district, or shall reserve a dwelling at the said location for the employee where necessary.

The dwelling shall be equipped with normal furnishings, bed linen, and sanitary and recreational facilities that are adequate under the circumstances.

If the employer arranges a dwelling for the employee at a fixed work site in an assignment district, then the accommodation furnishings procured by the employer for this purpose shall allow no less than 10 square metres of living space for each employee accommodated, with no more than one person accommodated in the room, having regard to conditions in the assignment district.

Two individuals may be accommodated in a shared room if an employee's assignment at the same work site lasts for no longer

than one week. The living space in such cases shall be not less than 13 square metres.

For the purposes of this agreement clause, living space refers to the sleeping space of the accommodation furnishings, excluding the surface areas of the other spaces in the dwelling.

If an assignment is interrupted due to the employee's weekend journey home, but the employee also works at the same site following the interruption, then the employer shall arrange a dwelling for the employee in the normal way.

Any caravan procured by the employer for use as accommodation shall provide 7 cubic metres of living space for each employee so accommodated.

22.6 Special regulations

22.6.1 Travel expenses and compensation for travelling time in an assignment district

If no dwelling is available in the vicinity of the worksite in an assignment site district and the employee therefore has to live at a distance of more than five kilometres from the worksite, then the employee shall be paid compensation for travel expenses. This compensation will primarily be determined on the basis of the public transport charge for the journey in question. If, in the absence of suitable public transport connections, the employee's own motor vehicle must be used, then the clause of this agreement governing use of such a vehicle shall apply.

If the worksite in an assignment district is more than 40 kilometres, as measured along public highways, from a temporary dwelling used by the employee, then travelling time compensation shall be paid for the said journey as agreed at subclause 22.4.3 above.

22.6.2 Absence at an assignment site without acceptable cause

If the employee is absent from work at an assignment site without acceptable cause, then the per diem allowance for the day of absence shall be reduced in proportion to the time when the employee was not working.

If the absence is directly associated with a day off on the day preceding or following a working day, then no per diem allowance shall be paid for the following or preceding day off.

22.6.3 Journeys home at the time of public holidays

On the conditions specified in this chapter, the employer shall compensate the employee for the costs of travelling to the employee's home district and returning to the place of work, and shall pay a per diem allowance, compensation for work-related travelling time and an overnight travel allowance if an employee has worked in an assignment district for a continuous period of not less than three weeks before Easter Sunday, Midsummer's Day or Christmas Day.

The employee shall not be entitled to interrupt the work assignment under the foregoing circumstances if the technical character of the work or other compelling reasons constitute an impediment to such interruption.

22.6.4 Journeys home at a time of incapacity to work

If the employer sends the employee home from an assignment district due to the employee's illness or accident, then the expenses incurred in the said journey home shall be paid in accordance with this chapter. Compensation for travelling time shall be paid in respect of any time taken to journey home for which no sick leave wages are payable.

22.7 Work abroad

The employee shall not be ordered to perform an assignment abroad without the employee's consent. No separate consent shall be required in the case of an urgent assignment, when the employee's employment contract also requires working abroad, or if foreign assignments are part of the employee's normal duties.

The terms of payment, manner of payment and other employment-related financial benefits of work-related foreign travel shall be agreed in writing before the journey begins. For the aspects to be agreed, see the federation guidelines on Terms and Conditions of Work Abroad.

The per diem allowance in each country shall be the tax-exempt sum determined annually by the National Board of Taxes.

Work done on assignment abroad shall comply with the terms and conditions of this collective agreement unless the said terms and conditions conflict with the legislation of the country where the work is done.

22.8 Certain exceptional regulations

The regulations of the collective agreement for the technology industry in force from 2011 to 2013 shall govern compensation for expenses incurred in work-related travel pertaining to work near the international border and to worksites in Sweden when the enterprise joins a Swedish employers' federation in respect of such worksites or concludes a separate collective agreement with a Swedish trade union. These regulations are available on the websites of the federations.

22.9 Local collective bargaining

Alternative arrangements governing compensation for the assignment expenses referred to in clauses 22.4 - 22.8 and the associated sums payable may be agreed locally. A local agreement shall be concluded in writing between the employer and the chief shop steward at workplaces where work-related travel is common.

23 COMPENSATION FOR WORKING ON WEEKDAY PUBLIC HOLIDAYS, AND OTHER COMPENSATIONS AND BENEFITS

23.1 Compensated weekday public holidays

The wages for 8 hours at average hourly earnings shall be paid to an hourly-paid employee in compensation for working on a weekday public holiday:

- on Good Friday,
- on Easter Monday,
- on Ascension Day,

and on the following days falling on a weekday other than Saturday or Sunday:

- New Year's Day,
- Epiphany,
- 1 May,
- Midsummer's Eve,
- Christmas Eve, and
- Christmas Day and Boxing Day.

The weekday public holiday compensation of a part-time employee shall be reckoned by multiplying the proportion of the

number of regular weekly working hours out of 40 hours by the foregoing weekday public holiday compensation.

23.2 Conditions for payment of compensation for working on weekday public holidays

Compensation for working on weekday public holidays shall be paid to an employee whose uninterrupted employment has continued for not less than one month before the weekday public holiday concerned. It shall also be a condition of payment that the employee was working according to the schedule of working hours, either on the last working day immediately preceding or on the first working day immediately following the weekday public holiday If the requirement regulation concerning compliance with the schedule of working hours would result in the loss of weekday public holiday compensation for several consecutive weekday public holidays, then the loss shall occur for only one of the said holidays.

No weekday public holiday compensation shall be paid if the employee was absent from work without authorisation on a weekday public holiday falling on a scheduled working day.

Compensation for working on weekday public holidays shall also be paid for weekday public holidays occurring:

- at the time of the annual holiday,
- at the time of the seniority bonus leave,
- at the time of the holiday bonus leave,
- at a time for which sick leave wages or maternity leave pay is paid to the employee,
- at a time of paid absence arising from the sickness of a child (see clause 31.3),
- during the first 15 calendar days of layoff for reasons of finance or productivity,

- at a time of statutory paternity leave.

Compensation corresponding to weekday public holiday compensation shall be paid to an employee who, due to illness or to incapacity arising from accident, is not entitled to statutory wages for Finnish Independence Day (6 December), provided that Independence Day falls on a day of the week other than Saturday or Sunday during the period of incapacity conferring entitlement to sick leave wages.

23.3 Other compensations and benefits

23.3.1 Employee's right to job release

The employee shall be entitled to release from work:

- on the employee's wedding day,
- on the employee's 50th and 60th birthdays,
- on the day of the funeral of the employee's close relative.

Working time averaging leave shall primarily be used for granting the day off.

23.3.2 Conscription and reserve military training

The employer shall pay conscription day compensation corresponding to not more than the earnings for one working day to an employee participating for the first time in conscription for military service.

If the employee is also working on the day of conscription, then wages for the time at work shall also be paid.

An employee participating in a special medical examination for the purpose of conscription shall be compensated for loss of earnings for the time that, according to an acceptable account, the employee must be absent from work during regular working hours due to the examination.

For the period spent on a military reserve refresher course, the employer shall pay wages to an employee to make up the difference between the amount paid by the State in reservist pay and the employee's full wage benefits. The employer may deduct any reservist pay that is payable for the working days specified in the schedule of working hours.

This regulation shall also apply to employees ordered to attend civil alternative refresher courses under the Non-Military Service Act[5] or training in special civil defence functions under the Rescue Act.

The compensation shall be based on average hourly earnings.

23.3.3 Meetings of administrative organs of the Industrial Union

An employee elected to the Executive Committee, National Council or Congress of the Industrial Union shall be entitled to job release in order to participate in official meetings of the said administrative organs.

The employee shall announce the need for job release at the earliest opportunity and provide a proper account of the time required for participating in the meeting.

23.3.4 Group life insurance

The employer shall arrange and defray the costs of group life insurance for the employees under the agreement between the national labour and employer confederations.

V OCCUPATIONAL HEALTH AND SAFETY AND LABOUR PROTECTION

Occupational health and safety measures seek to ensure the health and safety of employees at work.

The regulations on labour protection govern the organisation of workplace labour protection co-operation.

24 GENERAL OCCUPATIONAL HEALTH AND SAFETY REGULATIONS

The employer has a duty to take the measures that are necessary to ensure the health and safety of employees at work. An adequately comprehensive investigation and evaluation of hazards is the basis for measures that foster healthy and safe working conditions.

The employee must comply with the regulations and instructions that are issued by the employer within the limits of the employer's authority. An employee must report any observed safety shortcomings to the employer and the labour protection delegate without delay. The employee shall use the available means and opportunities to rectify any fault or shortcoming where capable of doing so without endangering the health and safety of the employee or of others.

The employee shall be entitled to refrain from any work that seriously endangers the life or health of the said employee or of other employees. The employer shall be notified when an employee so refrains from working. The right to refrain from working shall continue until the employer has eliminated the hazards or otherwise ensured that the work can be done safely. This shall not impede working beyond the extent that is essential for health and safety at work.

25 PERSONAL SAFETY EQUIPMENT AND PROTECTIVE CLOTHING

If it may be jointly ascertained on the basis of expert statements, accidents at work and occupational disease statistics, or some comparable grounds that the use of personal safety equipment

significantly improves occupational safety or occupational health conditions, then the employer shall procure such equipment for use by the employee at the workplace, even though provision thereof is not essential under section 15 or section 20 of the Health and Safety at Work Act[7]. The employee shall take care of any personal safety equipment and other gear that is provided to the employee.

The same procedure shall apply if the employee can be effectively protected from harm arising from a particular degree of humidity or damp, draught, heat or cold, powerful light or other hazardous radiation at the workplace.

The co-operation body that will consider the matter will be the labour protection commission of the enterprise or a corresponding organ. The enterprise health care staff shall also be given an opportunity to state their views on the protective equipment that has been proposed for procurement.

The employer shall procure, maintain and pay for a reasonable quantity of protective overalls and gloves in work that involves an unusually high degree of wear and tear and soiling of the employee's ordinary working clothes. Maintenance refers to laundering of overalls and to the repair or replacement of damaged overalls.

26 OCCUPATIONAL HEALTH CARE

The employer must arrange and defray the costs of occupational health services. The purpose of an occupational health service shall be to prevent health problems and hazards arising from work and working conditions, and to promote the occupational health and safety, working capacity and health of employees. The organisation of an occupational health service is governed by the Occupational Health Care Act[8].

26.1 Working capacity measures

Measures to maintain working capacity taken at the workplace shall be implemented jointly by the employer, the employees and the occupational health service. The principles of action to maintain working capacity shall be included in the action programmes for labour protection or occupational health care.

Where so agreed, the foregoing principles may also be included in plans for development activities and corresponding measures prepared at the workplace. It shall be the duty of the head of labour protection and the labour protection delegate to participate in preparing, implementing and monitoring such plans.

27 REGULATIONS ON LABOUR PROTECTION

The regulations of this clause shall apply when no fewer than 20 employees work regularly at a workplace. A labour protection delegate must nevertheless be elected when there are at least ten employees. Employees at other workplaces may also elect one of their number to serve as labour protection delegate.

27.1 Organisation of labour protection co-operation

The employer shall appoint a head of labour protection for the purpose of labour protection co-operation unless the employer attends to this function in person. The right of employees to elect a labour protection delegate and deputy delegates shall be determined in accordance with the Act on Occupational Safety and Health Enforcement and Co-operation on Occupational Safety and Health at Workplaces[9].

It may also be agreed at the workplace that the employees may elect one or more of their number to serve in the capacity of labour protection agent. Attention shall be paid to selecting expedient spheres of responsibility when agreeing on the number

of labour protection agents elected, their duties and their spheres of responsibility. The assessment of expediency shall allow for hazards at the workplace, and for the ability of employees to meet the labour protection agent, having regard in addition to shift work.

27.2 The commission and other co-operation organs

Unless other forms of co-operation are agreed, a labour protection commission shall be established for the purpose of labour protection co-operation.

The labour protection affairs of a joint workplace that must be processed by the labour protection commission are prescribed in section 43 g of the Act on Occupational Safety and Health Enforcement and Co-operation on Occupational Safety and Health at Workplaces.

27.3 Functions of labour protection representatives

A. Head of labour protection

In addition to other functions falling within the scope of labour protection co-operation, it shall be the function of the head of labour protection to arrange, maintain and develop labour protection co-operation.

B. Labour protection delegate

The duties of a labour protection delegate are specified in the Act on Occupational Safety and Health Enforcement and Co-operation on Occupational Safety and Health at Workplaces[9]. A labour protection delegate shall also attend to other statutory and agreed duties assigned thereto.

A labour protection delegate shall notify the employer in writing when a deputy is serving as a substitute for the labour protection delegate.

C. Deputy delegate

A deputy delegate shall attend to any essential duties of the labour protection delegate when the latter is temporarily prevented from doing so, and the said duties cannot be deferred and discharged by the labour protection delegate after the impediment has ended.

D. Labour protection agent

Where no other duties have been locally agreed, a labour protection agent shall participate in processing and implementing matters of labour protection co-operation that fall within the agent's sphere of responsibility.

27.4 Training needs and procurement of statutes

The need for training required by the labour protection co-operation functions of the labour protection delegate and deputy delegate shall be considered within two months of their election. The practical arrangements for acquiring the necessary expertise shall be negotiated at this time.

The employer shall procure the necessary laws, decrees and other labour protection regulations for use by the labour protection delegate, labour protection agent and other labour protection organs in discharging labour protection functions.

28 OPERATING REQUIREMENTS OF A LABOUR PROTECTION DELEGATE AND AGENT

28.1 Job release

Temporary, recurrent or full job release shall be arranged for a labour protection delegate where necessary for the purpose of discharging the delegate's duties. Temporary job release shall be arranged as necessary for a labour protection agent and for

other workforce representatives who are involved in co-operation between the enterprise and its workforce under this agreement.

The following principles shall govern the job release arrangements of a labour protection delegate:

A It is expedient to agree the time management of a labour protection delegate between the employer and the employee.

B If the time management of a labour protection delegate has not been agreed in the foregoing manner, then job release shall be reckoned using a formula according to point C, based on the number of employees represented by the labour protection delegate and agreed applicable coefficients from the ranges presented in the industries set out below. The choice of reckoning coefficient depends on industrial safety and occupational health risks, the severity and progress of industrial accidents and occupational illnesses, changes occurring in the work, the nature of the work, territorial scope, and psychological and physical working conditions.

Conditions in the working environment shall be considered (see section 49 of the Occupational Safety and Health Act[7]) when determining time management for the labour protection delegate of the employer who exercises principal authority at a joint workplace.

C Formula: number of employees represented by the labour protection delegate x coefficient = time in hours over a 4-week period.

D If no agreement is reached on the coefficient applied in time management of a labour protection delegate, then the averages of the limiting values shown for the sectors concerned shall be used in the formula.

E Job release shall always be no less than 4 hours in 4-week period.

F The number of employees at the workplace represented by a labour protection delegate shall be ascertained immediately before the election of the said delegate, and at a corresponding time one year after the election.

The agreed ranges and averages of industry-specific coefficients for calculating job release of a labour protection delegate are as follows:

	Industries (TOL industry classification 2002):	Range and average of coefficients:
I	Mining (15) Metal refining (27) Metal product manufacturing (28) Manufacturing of ships, boats, and vehicles for rail traffic (35)	range 0.28 – 0.37 average 0.33
II	Manufacturing of machinery and equipment (29) Manufacturing of electrotechnical machinery and equipment (31) Vehicle manufacturing (34)	range 0.23 – 0.31 average 0.27
III	Manufacturing of electronic products (30) Manufacturing of data communication products (32) Manufacturing of micromechanical products (33)	range 0.20 – 0.27 average 0.23

A labour protection delegate who has been discharged from work for regularly recurring periods shall attend to the duties of labour protection delegate at these times. Management shall nevertheless also grant job release for the purpose of attending to essential business at other times that are suitable from the point of view of the work.

28.2 Compensation for loss of earnings and monthly compensation

The employer compensate for the earnings lost by a workforce representative involved in labour protection co-operation due to working time spent either in local negotiations with the employer's representative or in discharging other functions agreed with the employer.

A labour protection delegate shall be compensated for any loss of earnings arising from attendance to the labour protection duties referred to above during working time, and shall also receive the following monthly compensation unless otherwise agreed:

Hours of job release in a 4-week period	Monthly compensation as of 1 January 2018 (EURO)
4 – 15 hours	76
16 – 33 hours	84
34 – 55 hours	91
56 – 79 hours	109
80 – 95 hours	130
96 –139 hours	153
140 – 159 hours	179
160 hours / full job release	214

If a labour protection delegate, a labour protection agent or a member of a labour protection commission or of some corresponding co-operation organ performs duties agreed with the employer outside of regular working hours, then an overtime increase shall be paid for the time so spent, or some other form of additional compensation shall be agreed with the person concerned.

Compensation for lost earnings shall be reckoned on the basis of average hourly earnings.

The lost earnings compensation procedure for a labour protection delegate on full job release shall be the same as the procedure for determining the wages of a chief shop steward on full job release under subclause 43.4.4.

The earnings of a labour protection delegate on partial job release shall progress in a manner corresponding to the earnings of other employees in the delegate's sphere of responsibility who work in positions with a similar job requirement. The progress of earnings shall be reviewed annually.

28.3 Office space

The employer shall arrange an appropriate place for the labour protection delegate to keep the materials that are required for performing the duties of labour protection delegate. Should the size of the workplace require special premises, the employer shall arrange appropriate premises where the discussions necessary for discharging the duties of the representative may be conducted.

A labour protection delegate may use the enterprise telephone and other customary office equipment where necessary. Use and associated practicalities concerning office equipment, IT hardware and software shall be arranged in the jointly agreed manner.

29 EFFECTS OF DISCHARGING WORKFORCE REPRESENTATIVE FUNCTIONS ON EMPLOYMENT, DUTIES AND WAGES

A. Employment

The employment status of a labour protection delegate, labour protection agent and other workforce representatives with respect to the employer shall be the same regardless of whether the person concerned performs the duties of the position in addition to the work of an employee or whether the said person has been granted full or partial job release. The representative shall be required to comply with the general regulations governing the terms, hours and management of work, and with other administrative rules.

B. Transfer of business

The status of a labour protection delegate shall continue as such notwithstanding assignment of business operations if the assigned business or part thereof retains its independence. If an assigned business or part thereof loses its independence, then the labour protection delegate shall be entitled to the subsequent protection referred to at clause 30.4 as of the end of the term of office arising from the assignment of business operations.

C. Vocational development

The opportunities of a labour protection delegate for personal development and vocational advancement may not be impaired on account of the duties of labour protection delegate.

D. Protection against loss of earnings and transfer

If the working duties proper of a person elected to serve as a labour protection delegate hamper attendance to the duties of labour protection delegate, then other work shall be arranged for the said employee. Arrangements of this kind may cause no

reduction in the earnings of the person concerned. Consideration shall be given to conditions at the workplace and to the vocational skills of the labour protection delegate when arranging other work.

An employee serving as labour protection delegate may not be transferred to work at lower pay than at the time when the employee was elected to so serve. Neither may the employee be transferred to work of lower value if the employer is capable of offering the representative other work that corresponds to the employee's vocational skills.

If a labour protection agent is temporarily required to transfer to work outside of the said agent's sphere of responsibility, then an effort shall be made to ensure that the transfer does not unreasonably impede attendance to the duties of labour protection agent.

E. Maintenance of vocational skills

After the term of office of a labour protection delegate has ended, the employee and the employer 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. Attention shall be paid when deciding the content of such training to release from work, to the length of the term of office as an elected representative, and to any changes in working methods that have occurred during the said period. The employer shall arrange the training.

30 JOB SECURITY OF A LABOUR PROTECTION DELEGATE

30.1 Termination of employment contract and layoff of a labour protection delegate for reasons of finance and production

Unless production plant operations are entirely discontinued, the employment contract of a labour protection delegate may not be terminated, nor may the delegate be laid off, in the event that the enterprise workforce is dismissed or laid off for reasons of finance or production. This regulation shall not apply, however, if the employer and the labour protection delegate jointly verify that no work corresponding to the delegate's vocation or otherwise suitable for the delegate can be offered to the delegate.

Dismissal or layoff of a deputy labour protection delegate at a time when the said employee is neither deputising for the labour protection delegate nor serving in the capacity of shop steward may not be based on the employee's duties in labour protection co-operation. The employer shall show, with no specific claim, that the measure was due to some other reason.

At workplaces with at least 30 employees, the employment contract of the employee acting as the chief deputy labour protection delegate may only be terminated or the said delegate may only be laid off in the event that the commissioning of the work carried out by the said employee is entirely discontinued or temporarily suspended at the workplace. The employer's obligation to arrange for other types of work or to train the delegate for other types of work shall be determined as provided in Chapter 7 Section 4 of the Collective Agreements Act, and for temporary lay-offs, as provided in Chapter 5 Section 2 Paragraph 1 Subparagraph 2. In arranging for other types of work and training, the principles of

the order of workforce reductions as set out in clause 35.2 will also be taken into account. If the employee concerned is deputising for the labour protection delegate or serving in the capacity of shop steward, the special security of employment shall apply as provided for such measures in the collective agreement.

30.2 Termination of employment contract for a reason due to the individual labour protection delegate

The employment contract of a labour protection delegate may not be terminated for individual reasons pertaining to the delegate without the consent of a majority of the employees represented by the delegate, as required by subsection 1 of section 10 of chapter 7 of the Employment Contracts Act[2].

30.3 Rescission of employment contract and assumption of dissolution

The employment contract of a labour protection delegate may not be rescinded in a manner contrary to sections 1-3 of chapter 8 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 working obligations despite being cautioned for so doing.

A labour protection delegate may not be disadvantaged with respect to other employees when assessing the grounds for rescinding the employment contract of the said employee.

30.4 Candidate and subsequent protection of a labour protection delegate

The foregoing regulations on security of employment shall also apply to a candidate for the position of labour protection

delegate whose candidature has been notified in writing to the labour protection commission or to some other corresponding co-operation body.

Protection of candidates shall nevertheless begin no sooner than three months before the start of the term of office of the 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 an employee who has served as a labour protection delegate for a further period of six months after the said employee's duties as labour protection delegate come to an end.

30.5 Compensation

If the employment contract of a 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' wages to the labour protection delegate concerned. The compensation shall be determined according to the principles set out in subsection 2 of section 2 of chapter 12 of the Employment Contracts Act[2]. Infringement of rights under this agreement shall be considered an aggravating factor that increases the compensation payable. The foregoing compensation shall be not less than 4 months' wages and not more than the compensation determined according to subsection 1 of section 2 of chapter 12 of the said Act when no more than 20 employees and salaried employees work regularly at a production unit or corresponding operating unit.

Compensation for unfounded layoff shall be determined according to subsection 1 of section 1 of chapter 12 of the said Act.

30.6 Deputies

The regulations of this clause shall apply to a deputy labour protection delegate while deputising in accordance with a duly submitted notification.

VI SOCIAL REGULATIONS

The regulations on incapacity to work cover the rights and duties of the employer and the employee at times of absence due to employee illness or accident.

Under certain conditions, the employer has a duty to pay wages for maternity, paternity and temporary child care leave, and to compensate for earnings lost due to time spent in medical examinations.

31 INCAPACITY TO WORK, MATERNITY AND PATERNITY LEAVE, AND TEMPORARY CHILD CARE LEAVE

31.1 Incapacity to work

31.1.1 Notification of incapacity to work

The employee has a duty to notify the employer of illness without delay, and before the work shift begins if possible.

Illness shall be notified to the immediate supervisor or to some other person specified by the employer. The employer shall advise the employees of notification procedures.

31.1.2 Failure to notify illness

Should the employee wilfully neglect to notify the employer of the illness without delay, then payment of sick leave wages shall

begin no sooner than on the day when the said notification was made.

31.1.3 Conditions for payment of sick leave wages

Sick leave wages shall be paid on the following conditions:

- the employee is prevented from working due to incapacity arising from illness or accident, and
- an account of the incapacity approved by the employer is presented.

A. Verification of incapacity to work

Incapacity to work shall be verified by a medical certificate issued by the enterprise occupational health physician or in some other manner acceptable to the employer.

A retrospective medical certificate shall be approved if the physician has entered acceptable grounds for retrospection on the certificate.

During an epidemic the physician may authorise an occupational health nurse to issue certificates based on an examination by the said nurse verifying incapacity for no longer than three days at a time. Repeat certificates shall always be issued by the same nurse. Particular attention shall be paid to the possible need for medical treatment in cases of relapse. Before a certificate issued by a nurse may be considered to verify incapacity to work, the said nurse shall jointly determine with a physician that the situation is such that a nurse may issue certificates of incapacity to work in the foregoing manner.

B. Primacy of use of enterprise health services

The employee shall primarily attend the surgery of the enterprise occupational health care physician. A certificate of incapacity to work issued by a physician other than the enterprise occupational

health care physician shall constitute grounds for payment of sick leave wages if the employee gives the employer an acceptable reason for using another physician.

C. Lack of clarity in medical certificates

If the employer does not approve a medical certificate presented by an employee, then the employer may refer the employee for examination by a specified physician. The employer shall defray the costs of procuring the new medical certificate.

D. Management of absences due to illness and employee self-certification

Management of absences due to illness

Absences due to illness are best managed through co-operation between enterprise management, supervisors, the workforce and its representatives, and the occupational health service. An effective impact will rely on an operating format comprising problem reviews, goal-setting and practical measures. The self-certification procedure specified below could be one measure.

Employee self-certification of brief absence due to illness

Introduction of a self-certification practice at a workplace may be locally agreed as a way of reducing absences due to illness. The agreement must be made in writing between the employer and the chief shop steward. The agreement may govern absences lasting for up to three days. The self-certification procedure shall only apply to absence due to illness of the notifying employee in person.

Aspects to be agreed locally may include:

- the aims of the agreement
- the individuals covered by the agreement

- the party to be notified
- the manner of notification
- the manner of recording a notice
- the procedure when illness continues
- any limitations on the number of acceptable absences
- the employer's right to send the employee to an (occupational health) physician for examination
- anticipation of abuses, and the ability to set aside the grounds for payment of sick leave wages when cases of abuse occur
- monitoring of implementation of the agreement
- the agreement period and the ability to terminate the agreement.

31.1.4 Basis for payment of sick leave wages and duration of eligibility

Sick leave wages shall be paid to an hourly-paid employee in accordance with average hourly earnings. A monthly-paid employee receives the monthly wage payable as a personal time rate for sick leave compensated by the employer.

Sick leave wages shall be paid as follows for scheduled working days falling within the following calendar period:

Length of continuous employment before onset of incapacity to work	Calendar period
not less than 1 month but under 3 years	28 days
3 years but under 5 years	35 days
5 years but under 10 years	42 days
10 years or longer	56 days

Sick leave wages shall be paid for the scheduled regular working hours on each day of eligibility for compensation.

A. Employment that has continued for not less than six months

Sick leave wages shall be paid from the beginning of the first day of illness that would otherwise have been a working day for an employee whose employment has continued for not less than 6 months before the onset of illness.

B. Waiting day in employment that has continued for less than six months

Sick leave wages shall be paid from the beginning of the second day of illness that would otherwise have been a working day for the employee. The first day of absence shall be a waiting day.

The employer shall also pay wages for the waiting day when incapacity to work due to illness continues for not less than six weekdays following the day of onset of illness.

Sick leave wages shall also be paid for the waiting day if the incapacity to work is due to a work-related accident.

C. Employment that has continued for less than one month

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 wages at a rate of 50 per cent of the employee's personal time rate. Sick leave wages shall be paid for no longer than the scheduled working days over the period between the day when the incapacity to work began and the following nine ordinary weekdays. The conditions governing payment of sick leave wages and the waiting day shall comply with this chapter.

If the right of the employee to a per diem allowance under the Sickness Insurance Act[10] begins on an earlier date, then the period for which wages are payable shall be correspondingly reduced.

D. Onset of illness during the working day

An employee who becomes incapacitated for work due to the onset of illness or to an accident that occurs during the working

day shall be compensated for the regular working hours lost on the said day in accordance with the employee's average hourly earnings.

In employment that has continued for less than six months the next working day will be a waiting day if the incapacity to work continues. The first working day shall be a waiting day in employment that has continued for less than six months if the employee is already incapacitated on the said day.

E. Relapse

Payment of sick leave wages to an employee who falls ill again with the same illness no more than 30 days after the last payment of sick leave wages or sickness benefit shall begin with no waiting day if the period of eligibility for compensation has not been completed for the illness in question. Payment of sick leave wages shall continue until the end of the illness or of the period of eligibility for compensation.

The period of eligibility for compensation need not be continuous in the case of relapse, but may comprise several periods of incapacity for work.

The concept of the same illness shall be settled in unclear cases by applying interpretations of the Sickness Insurance Act[10].

If incapacity to work due to illness or accident began during a period of incapacity to work due to some other illness or accident, or soonest thereafter so that the employee was not capable and working at any time, then the periods of illness shall be deemed to be the same incapacity to work for the purposes of payment of sick leave wages.

31.1.5 Refusal of sick leave wages

No sick leave wages shall be paid if the employee has caused the illness or accident deliberately, by criminal behaviour, by reckless living or through other gross negligence.

31.1.6 Time of payment of sick leave wages

If the employee has notified incapacity to work without delay and there is no ambiguity as to the grounds for payment of sick leave wages or the sum payable, then the employer shall pay sick leave wages to the employee at the time of the regular wage payment and without waiting for compensation for sickness, maternity or other comparable benefits.

31.1.7 Sick leave wages and layoff

If an employee is incapacitated for work due to illness or accident when a layoff notice is issued and the illness continues after the layoff has already begun, then sick leave wages shall also be paid in accordance with this clause during the layoff period until the end of the incapacity for work or the period of eligibility for compensation.

An employee who falls ill after a layoff notice has been issued shall be paid sick leave wages until the layoff begins, whereupon reckoning of the period of eligibility for compensation shall also be interrupted. If an employee is ill when a layoff ends, then sick leave wages shall continue in accordance with this clause until the end of the incapacity to work or of the period of eligibility for compensation.

With the foregoing exceptions, no sick leave wages shall be paid for a period of layoff. If incapacity to work due to illness begins during a layoff and continues after the layoff ends, then the employer's duty to pay sick leave wages shall begin after the layoff ends.

In employment that has continued for less than six months the first working day after the end of the layoff shall be a waiting day, and shall also be deemed the day of onset of illness and the first day of eligibility for sick leave wages. The employer shall also pay wages for the waiting day when incapacity to work due

to illness continues for not less than six weekdays following the day of onset of illness.

31.1.8 Substitute work

An employee will not always be wholly incapacitated for work due to illness or accident. It may be possible to assign some substitute work differing from the employee's regular duties. The provisions and guidelines of this subclause must also be applied when another term is used to refer to the substitute work mentioned in this subclause. The substitute work must be appropriate and must correspond to the employee's normal duties where possible or occasionally also to training that is suitable for the employee.

It would be advisable for the medical certificate indicating the employee's incapacity to describe any limitations on working caused by the illness or injury. The decision of the employer to assign substitute work to the employee must be based on a medically sound opinion.

Assignment of substitute work must be based on standard procedures that have been jointly considered at the workplace and on consultation with an occupational health physician. The employee shall be given an opportunity to discuss the matter with the occupational health physician before the substitute work begins.

More detailed guidelines on substitute work are available on the websites of the federations.

31.1.9 Managing of working capacity

It shall be the duty of a supervisor to know the working capacity limitations of an employee and their impact on coping at work. This purpose is served by investigations of the reasons for absences and other associated issues. It shall be the duty of a supervisor to

intervene in repeated or prolonged absences where necessary. Measures to prevent absences should be taken proactively.

The need for supervisors to work with occupational health care services, human resources administration, labour protection specialists and employee representatives is heightened when managing any problem cases.

31.1.10 Prolonging working careers

The employer and employees attaining the age of 58 years will discuss available 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 measures that can be taken.

31.2 Maternity and paternity leave

An employee whose employment has continued for not less than six months before confinement shall be paid wages according to her average hourly earnings for the period of her maternity leave for the scheduled working days in a calendar period of 56 days as of the start of the period of maternity leave under section 1 of chapter 4 of the Employment Contracts Act.

If a new period of maternity leave begins during a previous period of family leave so that the employee does not return to work between the said leaves, then the employer shall have to pay wages in respect of the new maternity leave, unless otherwise stated in the guidelines provided on the federations' websites.

An employee shall be granted paternity leave for the period of eligibility for paternity benefit under the Sickness Insurance Act.

An employee whose employment has continued for not less than six months before paternity leave begins shall be paid paternity

leave wages according to his average hourly earnings for the scheduled working days in a calendar period of no more than six ordinary weekdays.

In the event that an employee has adopted a child of less than school age, the provisions mentioned above on the wages paid during maternity and paternity leave shall be immediately applied in connection with the adoption if the employee is entitled to the parent or paternity benefit for adoptive parents under Chapter 9 Section 11 of the Health Insurance Act.

31.3 Illness of a child

An employee shall be entitled to temporary paid leave in the event of any sudden illness of the employee's child under 10 years of age, or of another child under 10 years of age living permanently in the employee's home, in order to care for the child or to arrange such care. Compensation for short temporary absence shall be paid in the same way as sick leave wages. The first day of absence shall be an unpaid waiting day if the employment has continued for less than six months before the absence begins.

The compensation shall be paid on the following conditions:

A. Account of child's illness

The same explanation shall be provided of the illness of the child and of the employee's consequent absence from work as is required under any practice adopted in a collective agreement and within the enterprise concerning illness of the employee.

B. Persons entitled to leave of absence

The following persons living permanently in the same household as the child shall be entitled to leave of absence:

- the child's biological parents,

- the guardians of an adopted child, or
- any other persons with custody of the child.

A parent not living in the same household as the child (noncustodial parent) shall have the same entitlement.

C. Person exercising the right to leave of absence

The custodians of the child shall decide which parent exercises the right to leave of absence under this clause, or whether this right will be exercised by some other person permanently living in the same household as the child.

The employer shall be entitled to ascertain that both of the child's custodians do not exercise the foregoing right of absence at the same time.

D. Purpose and duration of absence

The employee's absence must be essential for arranging the care of or caring for a child who has suddenly fallen ill. The employer shall be entitled to an account of the care opportunities and suitability for this function of family members living at the place of care of the child and in the same household.

The leave of absence may last for 1, 2, 3 or 4 working days at a time. The absence will be essential only until care of the child has been arranged. Necessary and possible measures to arrange care of the child must also be taken on the employee's days off.

E. Requirement for custodian to be in gainful employment

It shall be a condition of the employee's right to compensation for the period of absence that both of the child's custodians living permanently in the same household are in gainful employment, or that one custodian is prevented from participating in child care on account of qualification-oriented vocational education outside of the household or a duty of military or non-military service.

F. Both custodians in shift work

If the custodians of a child are working consecutive shifts in the service of the same employer, then the custodian at home shall be given an opportunity with no loss of wages to care for a child who has suddenly fallen ill until the other custodian has returned home from the work shift. The length of such a paid absence shall be the time taken for the return journey to work.

G. Relapse

Payment of compensation in the case of a child who falls ill again with the same illness no more than 30 days after the last payment of compensation in accordance with this clause shall be continued with no waiting day until the foregoing four working day period of eligibility for compensation has been completed for the said illness.

H. Onset of child's illness during the custodian's working day

If a child is suddenly taken ill during a custodian's working day and one of the custodians has to care for, or to arrange care of the child in the manner referred to in this clause, then the said employee shall be compensated for the regular working hours lost on the day in question, based on the employee's average hourly earnings.

I. Care of a seriously ill or disabled child

Employees whose child has an illness or disability under the Government Decree (Government Decree on the Implementation of the Health Insurance Act), shall be entitled to be absent from work in order to participate in child care, rehabilitation or adaptation training or rehabilitation course under Chapter 10 Section 2 Paragraph 2 of the Health Insurance Act after an agreement is made on the absence between the employee and the employer.

31.3.1 Impact of absence on annual holiday

The paid days of absence referred to in this clause shall be equated with the days comparable to working days that are referred to in the Annual Holidays Act.

31.4 Deductions from sick pay or from wages for adoption,- maternity and paternity leave

Any sickness or adoption-, maternity or paternity benefit, or any comparable compensation payable by law or agreement, that is received by the employee for the same period due to incapacity to work or to confinement shall be deducted from sick pay or from the pay for maternity, paternity or parent leave. The employer shall nevertheless not be entitled to deduct, from sick leave wages or from adoption, maternity or paternity leave pay, any compensation paid to the employee on the basis of voluntary insurance that is wholly or partly financed by the employee.

The employer shall be entitled to any benefit not exceeding the sum paid by the employer that is payable to the employee for sickness or adoption, maternity or paternity, or any comparable compensation, or to reclaim the said sum from the employee in respect of the period for which the employer has paid sick pay or parent, maternity or paternity leave pay to the employee.

The employer shall nevertheless not be entitled to sickness, parent, maternity or paternity benefit for a day of the employee's illness when no work was done due to a reduced working week.

If no benefit or comparable compensation is paid for reasons due to the individual employee, or if the sum paid is less than the employee's statutory entitlement, then the employer shall be entitled to deduct from the sick pay or adoption, maternity or paternity leave pay any benefit or portion thereof that was not paid due to the employee's negligence.

32 MEDICAL EXAMINATIONS

32.1 Compensation for earnings lost due to statutory medical examinations

The employer shall compensate the employee for lost earnings and essential travelling expenses, and shall pay a per diem allowance in accordance with clause 22.4.2, if the employee is, while employed, sent for or instructed to undergo physical or medical examinations based on:

- the Decree of the Council of State on the Principles of Good Occupational Health Care Practice, the Content of Occupational Health Care and Training of Professional Staff and Specialists[11] and an approved occupational health care action plan
- the Young Employees Act
- the Radiation Act
- the Infectious Diseases Act

The compensation for loss of pay shall correspond to the regular working hours lost by the employee in the physical or medical examination and in any associated travelling.

If the examination is conducted during the employee's time off, then the employee shall be paid compensation for extraordinary expenses corresponding to the minimum rate of sickness benefit under section 7 of chapter 11 of the Sickness Insurance Act.

32.2 Compensation for earnings lost due to other medical examinations

The following conditions shall govern compensation for loss of pay due to non-statutory medical examinations:

A. General conditions
(governing all cases 1 – 3 under point B)

1. The matter must arise from a case of illness or accident necessitating an urgent medical examination. The employee must provide an account of the medical examination that is acceptable to the employer and an account of the time taken for the examination, inclusive of waiting and reasonable travelling time, should the employer so request.

2. In cases other than those of illness or accident referred to at point 1 it shall be a requirement that the employee make the surgery appointment during working hours only if no such appointment can be secured outside of working hours within a reasonable time. The employee must provide a reliable explanation of the reasons why the employee was unable to make the appointment outside of working hours.

3. The employee must notify the employer in advance of the visit to a physician. If no such advance notification can be provided due to some insurmountable obstacle, then the notification must be made at the earliest opportunity.

4. The arrangements for a medical examination must avoid needless loss of working time.

5. No compensation for loss of earnings shall be paid on the basis of collective agreement regulations on medical examinations if the employee receives sick leave wages for the time spent on a medical examination. Neither shall compensation be paid for the time taken by a medical examination performed on the waiting day required under sick pay regulations.

6. No compensation shall be payable for lost earnings if the illness was due to gross negligence or intent on the part of the employee.

B. Special conditions

Compensation shall be paid for lost earnings under the following conditions:

1. New or recurrent illness

- for the time taken by a medical examination in which the employee's illness is diagnosed,
- for a period of incapacity to work not exceeding one day arising from examination measures performed by a physician,
- the regulations on sick leave wages shall nevertheless apply if the employee is admitted to hospital for observation or examination due to symptoms of illness.

2. Previously diagnosed illness

- for the time taken by a medical examination required for a chronic illness, provided that the examination is performed by a competent consultant or at a specialised outpatient department for the purpose of determining treatment,
- in the event of a substantial aggravation of the illness requiring the employee to seek a medical examination,
- for the time taken in an examination required to define a course of treatment and conducted by a competent consultant physician, at which a prescription is issued for procurement of some instrument such as spectacles,
- for the time taken in a medical examination that is required to define a course of treatment for some other previously diagnosed illness, provided that the medical services were not available outside of working hours,
- for a period of incapacity to work arising from cancer treatment measures, in which case the regulations on sick leave wages shall apply.

3. Laboratory and X-ray examinations

For the time taken in laboratory, X-ray and comparable examinations directly associated with a medical examination that is eligible for compensation. The said examination shall be prescribed by a physician and shall therefore form part of the medical examination.

Compensation shall be paid for loss of pay arising from the time taken for a separate laboratory, X-ray and comparable examination only if it is not possible for the employee to attend the said examination outside of working hours or if the illness requires the examination to be performed at a particular time of day. Such requirements as to the time of the examination shall be explained in the medical certificate.

4. Medical examination associated with pregnancy or other medical examination

For the time taken for the examination necessary for procuring a certificate from a physician or health centre as a condition of receiving maternity benefit under the Sickness Insurance Act[10] and the medical examinations preceding confinement (subsection 2 of section 8 of chapter 4 of the Employment Contracts Act[2]), unless the employee has secured a surgery appointment outside of working hours. This shall be on condition that the examination or test has been arranged without needless loss of working time.

The employee shall give the employer on request an explanation of the connection between the test and the pregnancy and of the necessity of performing the said test during working time.

5. Acute dental illness

for the time taken for treatment measures if an acute dental illness causes incapacity of the employee to work before treatment and requires the said treatment to be provided on the same day or during the same work shift, in the event that the treatment is not

obtained outside of working hours. The incapacity to work and urgency of treatment shall be shown in the certificate issued by the dental surgeon.

32.3 Induction examination

If employee has to attend a medical examination at the start of employment because the employer regards the examination as a condition of entering into or continuing the employment, then the employee shall be compensated for the expenses incurred in the medical examination and in any associated laboratory and X-ray examinations, and for the loss of earnings from regular working time not worked if it was not possible to arrange the surgery appointment outside of working time.

No compensation shall be paid for loss of earnings arising from a medical examination performed before the employment begins. Compensation shall be paid for the costs of the examination in such cases if the employer requiring the said examination hires the employee in question.

32.4 Compensation criteria and deductions

The foregoing compensations for lost earnings shall be paid in accordance with clause 15 or clause 17.1, and travelling expenses and per diem allowance in accordance with subclauses 22.4.1 and 22.4.2 of this collective agreement.

Deductions shall be made from compensation for lost earnings in the same way as stipulated in clause 13.4 of this collective agreement with respect to sick leave wages.

VII TERMINATION OF EMPLOYMENT CONTRACT AND EMPLOYEE LAYOFF

The job security regulations govern the employer's right to terminate the employment contract of an employee or to lay the employee off, and the procedures to be followed in such cases. An employee shall be entitled to compensation for any unfounded termination of employment contract and unfounded layoff.

33 SCOPE

The regulations of this chapter shall govern:

- termination of an open-ended employment contract,
- employee layoff,
- rescission and dissolution of employment contract,
- resignation of an employee,
- the employment contract termination procedure, and
- the procedure for layoff.

The regulations of this chapter shall not apply to:

- rescission of employment contract based on a trial period (section 4 of chapter 1 of the Employment Contracts Act[2]),
- termination of employment contract in enterprise restructuring (section 7 of chapter 7 of the Employment Contracts Act[2]),
- termination of employment contract due to bankruptcy or death of the employer (section 8 of chapter 7 of the Employment Contracts Act[2]), or
- apprenticeships referred to in the Vocational Education and Training Act[15].

The procedural regulations of clauses 39.3 and 39.4 shall nevertheless be observed when rescinding an employment contract on the basis of a trial period or terminating an employment

contract in the course of enterprise restructuring and due to the bankruptcy or death of the employer. Rescission on the basis of a trial period shall also comply with the procedure under clause 39.2.

34 TERMINATION OF EMPLOYMENT CONTRACT AND EMPLOYEE LAYOFF FOR REASONS PERTAINING TO THE INDIVIDUAL EMPLOYEE

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

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

34.2 Grounds for termination pertaining to the individual employee

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

Substantial and pressing grounds shall denote reasons arising from the individual 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.

34.3 Grounds for rescinding and considering an employment contract dissolved

The employer may rescind an employment contract on the grounds referred to in section 1 of chapter 8 of the Employment Contracts Act[2], and shall be entitled to consider an employment contract dissolved in accordance with section 3 of chapter 8 of the said Act.

35 TERMINATION OF EMPLOYMENT ON GROUNDS OF FINANCE, PRODUCTION OR REORGANISATION OF THE EMPLOYER'S OPERATIONS

35.1 Grounds for termination

The grounds for termination of employment shall comply with sections 1 and 3 of chapter 7 of the Employment Contracts Act[2] (reasons of finance, production, or reorganisation of the employer's operations).

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 employee may be expediently and reasonably redeployed.

35.2 Order of workforce reductions

The employees last dismissed or laid off by the employer shall be those whose vocational skills and other abilities are important for enterprise operations and those working for the same employer who have lost part of their working capacity. The employer shall also take note of the employee's length of service and number of dependants.

35.3 Passage of notice period and temporary employment contract

If the employment contract of an employee has been terminated on grounds of finance and production, but work is still available after the period of notice has ended, then a temporary employment contract may be made with the employee for the remaining work.

35.4 Re-employment of a former employee

The employer and the employee may agree in writing to set aside re-employment under section 6 of chapter 6 of the Employment Contracts Act[2]. This agreement shall be concluded in writing at the time of dismissal or termination of employment contract, and shall give consideration to measures taken by the employer to promote re-employment of the employee.

Making the agreement and the remuneration paid on grounds of the agreement may affect the employee's unemployment benefits. The employee must be allowed a sufficient amount of time before making the agreement for establishing the effects of the agreement.

36 RE-EMPLOYMENT LEAVE

36.1 Purpose of re-employment leave

An employee dismissed on grounds of finance, production or reorganisation of the employer’s operations shall be entitled to re-employment leave on full wages during the notice period in order to take part in:

- preparing the employment plan referred to in the Public Employment and Business Services Act[16],
- employment policy adult education, traineeship and on-the-

job training under an employment plan, or

- spontaneous or officially sponsored job-seeking, job interviews or redeployment training.

The employer and the employee may agree other arrangements governing the employee's right to re-employment leave.

Full wages shall denote the average hourly earnings of an hourly-paid employee. The full wages of a monthly-paid employee shall denote the monthly wage as a personal time rate.

36.2 Length of re-employment leave

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

- no more than a total of five working days if the period of notice is no longer than one month,
- 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
- no more than a total of twenty working days if the period of notice is longer than four months.

In addition to the foregoing, an 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 plan.

36.3 Use of re-employment leave

Before taking re-employment leave or part thereof the 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.

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.

37 EMPLOYEE LAYOFF ON GROUNDS OF FINANCE, PRODUCTION OR REORGANISATION OF THE EMPLOYER'S OPERATIONS

37.1 Grounds for layoff

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

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 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 an employee may be laid off for a period corresponding to the temporary scarcity of work, or for an indefinite period. A reduction in work may be deemed temporary when its estimated duration does not exceed 90 calendar days.

B. Non-temporary reduction in work

An employee may be laid off for a fixed period or indefinitely if it is estimated that the work will be reduced for longer than 90 calendar days.

37.2 Order of workforce reductions

The employer shall comply with the order of workforce reduction agreed at clause 35.2 when layoffs occur.

37.3 Period of layoff notice

The period of notice of layoff shall be no less than 14 days. The employer shall have no duty to provide an advance briefing concerning a layoff.

37.4 Shortened hours of work

The procedures governing layoff shall also be observed when converting to reduced working time.

37.5 Local collective bargaining

Other arrangements for layoff, the grounds for layoff and the length of layoff notice may be agreed locally pursuant to clause 44 of this agreement.

37.6 Postponement of layoff

An employer may postpone the beginning of a layoff on securing temporary work during the period of notice of layoff.

The beginning of the layoff may only be postponed once without observing a new period of layoff notice, and only for the duration of the said temporary work.

37.7 Interruption of layoff

If the employer secures temporary work after a layoff has already begun, then the employer and the employee may agree to interrupt the layoff before the said work commences, provided

that the intention is to continue the layoff with no new layoff notice immediately after the work has been done. The employer shall announce the estimated duration of the temporary work when agreeing on the interruption.

37.8 Other work during layoff

The employee may take other work for the duration of a layoff.

37.9 Termination of employment during layoff

A. Right of a laid off employee to rescind the employment contract

An employee who has been laid off shall be entitled to rescind the employment contract regardless of any period of notice of termination. No right of rescission shall arise, however, during the seven days preceding the end of the layoff if the employee is already aware of the date when the layoff ends.

B. Right of a laid off employee to wages for the period of notice when the employer terminates the employment contract

The employee shall be entitled to wages for the period of notice, pursuant to subsection 2 of section 7 of chapter 5 of the Employment Contracts Act, if the employer terminates the employment contract with effect during a layoff. The wages for the period of notice of layoff shall not be deducted from the compensation. The employee shall also be entitled to holiday compensation for the period of notice under the Annual Holidays Act.

If the employee is working elsewhere during the period of notice, then the employer shall be entitled to deduct the wages earned by the employee from the compensation.

Wages for the period of notice shall be paid by wage payment period.

C. Employee resignation after 200 days of layoff

An employee who has been laid off, and who resigns pursuant to subsection 3 of section 7 of chapter 5 of the Employment Contracts Act[2] after the uninterrupted layoff has continued for not less than 200 days, shall be entitled to compensation amounting to the wages for the period of notice to which the employer is subject. The employee shall also be entitled to holiday compensation under the Annual Holidays Act for a period corresponding to the period of notice.

Unless otherwise agreed between the employer and the employee, the said compensation shall be paid on the employer's next normal wage payment day after the employment contract has ended.

Notwithstanding the end of employment, the parties to the employment may conclude a temporary employment contract for the period of notice or part thereof. The wages received by the employee in such cases shall be deducted from the compensation corresponding to the wages for the period of notice.

D. Reckoning of compensation

The compensation payable to an hourly-paid employee for one month of the period of notice shall be reckoned by multiplying the employee's personal time rate by 160. The working week shall be deemed to comprise five days when reckoning compensation for wages for a period of notice of less than one month.

38 NOTICE PERIODS IN AN EMPLOYMENT CONTRACT AND DETERMINATION OF DURATION OF EMPLOYMENT

38.1 Periods of notice

The employer shall observe the following periods of notice when terminating an employment contract:

Length of continuous employment	Period of notice
no longer than one year	2 weeks
more than one year but no more than 4 years	1 month
more than 4 years but no more than 8 years	2 months
more than 8 years but no more than 12 years	4 months
over 12 years	6 months

The employee shall observe the following periods of notice when terminating an employment contract:

Length of continuous employment	Period of notice
no longer than 5 years	2 weeks
over 5 years	1 month

38.2 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 employee by paying wages in accordance with average hourly earnings for a period corresponding to the period of notice. The employer shall also pay lost annual holiday compensation for the period of notice.

An employee who resigns without observing the period of notice shall be liable to the employer for non-recurrent compensation corresponding to the wages for the period of notice reckoned in accordance with average hourly earnings. The employer may withhold the said sum from the final wage payment payable to

the employee. However, the employer shall comply with section 17 of chapter 2 of the Employment Contracts Act limiting the employer's right of set-off.

If only part of the period of notice has been observed, then this liability shall be limited to a sum corresponding to the wages due for the portion of the period of notice that was not observed.

38.3 Determining the duration of employment

Only the time when the employee was continually in the employer's service in the same employment relationship shall be counted when reckoning the length of employment for the purpose of determining the period of notice.

Employment shall not be interrupted by, for example:

- maternity, paternity and parental leave,
- childcare leave,
- compulsory military or non-military service,
- participation in military crisis management or in associated training or exercises,
- study leave, or
- assignment of business operations.

The time taken for military or civil alternative service, or taking part in military crisis management or associated training or exercises, shall not be counted as time spent in employment.

38.4 Calculation of time limits

Calculation of time limits shall comply with the calculation provisions of the Act on Calculation of Prescribed Time Limits.

If a period is defined as a certain number of days after a specified date, then the time limit shall not include the date on which the measure was performed.

A period defined as a certain number of weeks, months or years after a specified date shall end on the day of the stipulated week or month that corresponds to the said date in name or ordinal number. If there is no corresponding day in the month when the time limit expires, then the last day of the said month shall be deemed to be the last day of the time limit.

Even when a stipulated date or the last day of a time limit in dismissal falls on a Sunday, Finnish Independence Day (6 December), 1 May, Christmas or Midsummer's Eve or an ordinary Saturday, the said day shall nevertheless be the date when the employment ends.

Some examples:

An employer lays off an employee on 1 March at 14 days' notice of layoff. The first day of layoff is 16 March.

On 30 July an employer dismisses an employee whose uninterrupted employment has continued for 6 years and whose period of notice is therefore 2 months. The last day of employment is 30 September. If the employee is dismissed on 31 July, then the last day of employment shall likewise be 30 September, as there is no day with a corresponding ordinal number in September upon which the time limit would end.

39 EMPLOYMENT CONTRACT TERMINATION PROCEDURE

39.1 Reliance on grounds for termination

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.

39.2 Employee hearing

Before terminating an employment contract on the grounds referred to in sections 1 - 2 of chapter 7 of the Employment Contracts Act[2], 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 employee shall be given an opportunity to be heard regarding the grounds for terminating the employment contract. The employee shall be entitled to call upon the assistance, for example, of a shop steward or colleague at such a hearing.

39.3 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 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 its despatch.

If, however, the 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.

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[2] 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.

39.4 Notification of grounds for termination of employment contract

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

39.5 Employer's duty to notify the local employment office

Section 3a of chapter 9 of the Employment Contracts Act[2] requires an employer to notify the employment office of the dismissal of an employee on grounds of finance or production.

39.6 Employer's duty to provide information on the employment plan and employment plan supplement

Section 3b of chapter 9 of the Employment Contracts Act[2] requires an employer to provide information on the employment plan and employment plan supplement to an employee who has been dismissed on grounds of finance or production.

40 NEGOTIATION PROCEDURE ON WORKFORCE DOWNSIZING

If a need arises at a workplace to dismiss or lay off employees or to reduce their regular working time on grounds of finance, production or reorganisation of the employer's operations, then the employer shall comply with the Act on Co-operation in Undertakings, subject to the exceptions agreed in this clause. The

duty to negotiate arises in enterprises falling within the scope of the Act on Co-operation in Undertakings.

The Act on Co-operation in Undertakings is not part of this collective agreement. The regulations of this clause shall supplement the said Act and supplant the corresponding clauses of the Act.

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

Negotiating periods

Negotiations on a measure evidently resulting in:	Negotiating period:
Reduction in regular working time, layoff or dismissal of fewer than ten employees.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.
Layoff of no fewer than ten employees for no longer than 90 days.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.
Reduction in regular working time, layoff for longer than 90 days or dismissal of no fewer than ten employees.	Six weeks of submitting the negotiation proposal, unless otherwise agreed locally.

Negotiating period (concerning all measures) in small enterprises and in the event of enterprise restructuring

Enterprise regularly employing at least 20 but fewer than 30 employees.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.
Enterprise subject to the restructuring procedure referred to in the Restructuring of Enterprises Act.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.

For the plan of action to promote employment and operating principles to be submitted or displayed on commencing codetermination negotiations preceding possible employee dismissals, see the federation materials concerning employee security in enterprise downsizing.

41 COMPENSATION FOR UNFOUNDED TERMINATION OF EMPLOYMENT CONTRACT AND UNFOUNDED EMPLOYEE LAYOFF

41.1 Determination of compensation

The employer's liability to pay compensation for terminating an employment contract in a manner contrary to the grounds specified in this collective agreement shall be determined in accordance with section 2 of chapter 12 of the Employment Contracts Act[2].

If an employment contract has been rescinded or considered dissolved contrary to the principles of the collective agreement, then any damage arising from the loss of period of notice shall be compensated according to paragraph 1 of clause 38.2 of this agreement.

In addition to the foregoing, the compensation payable shall be determined according to section 2 of chapter 12 of the

Employment Contracts Act[2] if there was no right even to terminate the employment contract by dismissal.

Compensation for damages arising from unfounded employee layoff under this agreement shall be determined according to section 1 of chapter 12 of the Employment Contracts Act[2].

41.2 Single compensation principle and relation of compensation to compensatory fine

The employer may not be adjudged liable for the compensation referred to in this clause in addition to or instead of compensation determined pursuant to the Employment Contracts Act[2].

An employer ordered to compensate an employee for unfounded termination of employment contract or unfounded layoff may not also be ordered to pay a compensatory fine under section 7 of the Collective Agreements Act[20] on the same grounds.

41.3 Breach of procedural regulations

An employer may not be ordered to pay a compensatory fine under section 7 of the Collective Agreements Act[20] for failing to comply with the procedural regulations of this chapter.

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.

42 COMPETENT COURT AND PERIOD FOR FILING SUIT

If dispute negotiations concerning termination of employment contract or employee layoff under clause 45 of the collective agreement are inconclusive, then the case may be submitted to the Labour Court for settlement.

Entitlement to compensation pursuant to clause 41.1 of the collective agreement on termination of an employment relationship shall lapse if no claim has been lodged in court within two years of the end of the said relationship.

VIII SHOP STEWARDS, LOCAL COLLECTIVE BARGAINING AND SETTLEMENT OF DISPUTES

The shop steward system is part of co-operation between an enterprise and its staff. A shop steward supervises the interests of employees in matters concerning application of the collective agreement and disputes. As a union branch representative, the shop steward is required to maintain and promote industrial peace. Mutual co-operation between the employer and the shop steward is a condition of successfully discharging the shop steward's functions.

Co-operation, and local agreement as an element thereof, seeks to maintain and improve enterprise productivity, competitiveness and employment. This also creates conditions for improving job satisfaction. Local collective bargaining is primarily an instrument for improving operations. The necessary means will be agreed after the objectives have been clarified.

The federations shall assist where necessary in settling workplace disputes concerning the correct application or interpretation of the collective agreement.

43 SHOP STEWARDS

43.1 Purpose of the shop steward system

The purpose of the shop steward system is to create the conditions for improving co-operation between enterprises and employees,

for ensuring correct application of the collective agreement, and for promoting local collective bargaining. The principal function of a shop steward is to participate in the local bargaining system for implementing the collective agreement, and to help ensure that:

- the collective agreement is correctly applied and observed,
- disputes are resolved swiftly and expediently,
- co-operation and local bargaining are promoted, and
- industrial peace is maintained and encouraged.

The shop steward system seeks to provide an avenue for improving enterprise operations, industrial democracy and productivity.

43.2 Status of a shop steward

Shop stewards enjoy special rights and bear corresponding obligations when discharging their duties. In addition to duties arising from the collective agreement and labour legislation, other shop steward duties may be agreed according to the needs of the workplace, which may involve representing the staff in various development projects and other contexts.

43.3 Eligibility and election of shop stewards

43.3.1 The shop steward as a union branch representative

The term shop steward refers to the chief shop steward and other shop stewards elected by a union branch. A union branch denotes a registered branch of the Finnish Metalworkers' Union – Metalli.

43.3.2 Eligibility to serve as shop steward

A shop steward shall be an employee of the workplace concerned and shall be familiar with conditions at the said workplace as such.

The election of a shop steward should give consideration to at least the following important factors for successfully discharging the duties of a shop steward:

- the ability of the candidate to complete the training and personal development that are required for shop steward duties,
- the capacity of the candidate for responsible and sustained attendance to shop steward duties, and
- the candidate's adequate communication skills and ability to make difficult decisions.

43.3.3 Election of shop stewards

The chief shop steward, deputy chief shop steward and other shop stewards shall be elected by the union branch.

The union branch shall also elect a deputy for any shop steward representing no fewer than 75 employees.

A. Agreement on spheres of responsibility and number of shop stewards

The number of shop stewards and the employees that they represent shall be agreed locally between the employer and the chief shop steward in accordance with the following instructions agreed between the federations:

- The term "shop steward" shall refer to a person elected to serve as shop steward for an operating unit formed in accordance with the organisation of production. The sector for which a shop steward is elected shall be determined according to natural boundaries based on production or

operational aspects of the enterprise.

- The spheres of responsibility of shop stewards shall enable the business of the bargaining system to be considered in an efficient and effective manner.
- If no agreement can be reached as to the spheres of responsibility and the number of shop stewards to be elected, then the matter may be referred to the federations for settlement.

B. Agreement to appoint a shop steward for a specific function

Where required by the nature or scale of business to be conducted, a shop steward may also be elected for a specific function that has been agreed between the chief shop steward and the employer locally. The terms of reference of such a shop steward must be agreed in writing with the greatest possible precision. These terms of reference must be consistent with the purview of other shop stewards.

C. Combining the duties of shop steward and labour protection duties

It may be agreed locally between the employer and the chief shop steward that the chief shop steward may attend to the duties of the labour protection delegate or vice versa.

It may likewise be agreed locally between the employer and the chief shop steward that the shop steward may attend to the duties of the labour protection agent or vice versa.

D. Election and status of shop steward during enterprise restructuring

If an enterprise has been incorporated or divided into several enterprises managing their human resources independently, then a chief shop steward shall be elected for each of the enterprises so formed.

If, on the other hand, the functions of units operating as independent enterprises have been combined into a single enterprise, then a single chief shop steward shall correspondingly be elected for the unit so formed.

The status of a chief shop steward 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 chief shop steward shall be entitled to the subsequent protection agreed in subclause 43.6.5 of this chapter as of the end of the term of office arising from the assignment of business operations.

E. Election of shop steward at the workplace

A union branch shall be entitled to arrange the election of a shop steward at the workplace. If the election takes place at the workplace, then all members of the union branch shall be given an opportunity to participate in the election. Organising and holding the election may not disrupt the work.

The time and venue for the election shall be agreed with the employer no later than two weeks before the election takes place. The employer shall give the persons appointed by the union branch an opportunity to arrange the election.

F. Announcement of elected shop stewards and creation of shop steward position

The union branch shall notify the employer in writing of elected shop stewards. The employer shall also be notified of a deputy elected for a chief shop steward when the said employee deputises for the chief shop steward. This shall also apply to an employee who deputises for a shop steward.

It shall be a condition of establishing the position of shop steward that the number of shop stewards and their spheres of responsibility, and the appointment of a shop steward for a

specified function, are agreed with the employer in accordance with this subclause, and that the union branch has notified the employer in writing of the shop stewards elected.

G. Employer's negotiators and local negotiating procedure

The employer shall notify the shop steward of the persons who will negotiate with the shop steward on behalf of the enterprise.

43.3.4 Duties of a shop steward

A. Basic duties

The shop steward shall represent the union branch in matters concerning the application of the collective agreement and labour legislation, and in employer - employee relations:

- by participating as necessary in settling disputes arising between the employer and an employee.
- by supervising employee compliance with the collective agreement and local agreements.
- by taking responsibility, as union branch representative, for maintaining and promoting industrial peace in the manner required by the collective agreement, and
- by working to maintain and improve co-operation between the enterprise and the staff.

When an industrial dispute or threat thereof arises the employer and shop steward shall ascertain the target of any industrial action and the other reasons that have led to a breakdown of industrial peace. Measures for limiting damage to the enterprise from industrial action shall be investigated at this time.

B. Agreed duties at the workplace

Workplaces have various reasons for endeavouring to benefit from the skills and influence of shop stewards. The involvement,

duties, objectives, operating conditions and responsibilities of a shop steward, for example in project assignments, shall be separately agreed between the employer and shop steward.

43.4 Operating conditions of a shop steward

43.4.1 Information to be provided to a shop steward

A. Ambiguities and disputes

The competent shop steward shall be provided with all of the information that is pertinent to resolving any case of confusion or difference of opinion concerning the wages of an employee or the application of legislation or agreements to an employment relationship.

B. Warnings

The shop steward shall be notified of any warning given to an employee unless the shop steward was present when the warning was issued.

C. Development and other duties

A shop steward participating in development or other corresponding functions shall be provided with appropriate details of the aims of the project, completion of implementation measures, and the terms and conditions of enterprise operations.

Unimpeded information flow will enable the parties to negotiate. The details must be provided at the earliest opportunity. If the details provided include any commercial or trade secrets specially designated by the employer, then these matters must be kept confidential.

D. Appraisal of the aims and effectiveness of the bargaining system

A regular appraisal – during the first two months of the term of office of a shop steward and annually thereafter – of the assigned objectives and effectiveness of the workplace bargaining system should be conducted at the workplace. The participants in this appraisal shall be each shop steward together with the corresponding negotiator, or all such parties together as required, with feedback provided from both sides serving as the basis for efforts to improve co-operation still further. The need, timetable and aims of training for the duties of a shop steward shall also be planned at this time.

43.4.2 Information to be provided to a chief shop steward

A chief shop steward shall be entitled to receive the following information concerning the employees of the enterprise in writing.

A. Personal data

1. The forenames and surname of an employee
2. The dates when new employees enter the employer's service and corresponding details for all employees in cases of dismissal and layoff
3. The organisational department
4. The wage or job requirement category

The details referred to at points 1, 3 and 4 shall be provided annually. The details referred to at points 1-4 shall be provided in respect of new employees either individually and immediately when the employment begins or at no greater than quarterly intervals. Details of the dates on which all employees entered the employer's service in cases of dismissal and layoff.

B. Wage and working hour statistics and details of wage structure

I Workplaces regularly employing a staff of no fewer than 30 persons:

1. Average hourly pay excluding additional allowances for shift work and working conditions, and for Sunday work and overtime:

   a) in time rate work,
   b) in contract work,
   c) in partial piecework and incentive pay work, and
   d) regardless of manner of remuneration.

2. Average hourly earnings including additional allowances for shift work and working conditions, and for Sunday work and overtime.

3. Average hourly earnings including additional allowances for shift work and working conditions, and for Sunday work but excluding overtime.

4. Average hourly earnings, including all wages paid for hours of work completed as well as overtime bonuses.

5. Details of hours of work performed, of the percentage distribution of working time by remuneration mode (time rate, contract, and partial piecework and incentive pay work) and of the percentage share of overtime in all working hours.

The details of average hourly pay and working hours shall be provided by wage category (A, B and C) separately for men and women, together with the total for all wage categories. These details shall be provided for the fourth quarter after the wage statistics for workplaces have been finalised.

The foregoing details shall solely concern fully capable employees over 18 years of age. No details shall be provided, however, for wage categories of fewer than six employees.

The chief shop steward shall also receive details of the remuneration modes used, the percentage distribution of employees in various job requirement categories and the grading of individual pay elements by grading category.

II Workplaces regularly employing a staff of fewer than 30 persons:

1. Average hourly earnings including additional allowances for shift work and working conditions, and for Sunday work and overtime, and for justified reasons also average hourly earnings excluding additional allowances by remuneration mode.

2. Details of hours of work performed and of the percentage share of overtime in all working hours.

The details of average hourly earnings and working hours shall be provided for all employees in total for the fourth quarter.

The foregoing details shall solely concern fully capable employees over 18 years of age.

The chief shop steward shall also receive details of the remuneration modes used, the distribution of employees in various job requirement categories and the grading of individual pay elements by grading category.

C. Workforce data

The chief shop steward shall be entitled at quarterly intervals to details of the number of fully capable employees, students and trainees and any part-time employees of the enterprise or workplace (separately for men and women) and of the distribution of the workforce by type of shift work. Details of the workforce shall be provided at the time or for the period of each quarter that may be considered to describe the normal workforce situation for the quarter.

D. Pricing criteria

The chief shop steward shall be entitled to examine the current work pricing systems at the enterprise.

E. Register of emergency and overtime work

The chief shop steward shall have the same right as the statutory right of a labour protection delegate to examine the register of emergency and overtime work and of the increased wages paid for such work.

F. Notification regarding subcontractors

A chief shop steward shall be entitled to details of any subcontractors operating in the sphere of responsibility of the said chief shop steward and of the workforce serving the said subcontractors at the workplace.

The contact details of the chief shop steward and labour protection delegate of the foregoing subcontractors shall also be provided to the chief shop steward on request where these details are available to the enterprise.

G. Confidentiality of information

A chief shop steward shall maintain the confidentiality of information received for the purpose of discharging the duties of chief shop steward.

43.4.3 Job release

Regular job release or such temporary job release as is required to discharge the duties of shop steward shall be arranged for a shop steward.

The amount of regularly recurring job release to be allowed for discharging the duties of shop steward and its division between the chief shop steward and other shop stewards may be agreed locally between the employer and the chief shop steward. If a

shop steward has been discharged from work for regularly recurring periods, then the shop steward shall attend to the duties of shop steward primarily at these times.

Job release shall be determined as follows unless otherwise locally agreed between the employer and the chief shop steward:

A. Regular job release of a chief shop steward

Number of employees at the workplace	Release from regular work in hours per 4-week period
10 - 19	5
20 - 49	17
50 - 99	36
100 - 149	60
150 - 199	84
200 - 249	100
250 - 399	148
400 -	full job release

The foregoing table showing the amount of job release of a chief shop steward is based on normal weekly working time.

B. Regular job release of a shop steward

Job release shall be arranged for a shop steward if no fewer than 75 employees work regularly in the sphere of responsibility of the said shop steward. The amount of job release shall be eight hours in a four-week period per one hundred employees.

$$\frac{\text{number of employees} \times 8 \text{ hours}}{100} = \text{job release in hours per 4-week period}$$

C. Decision on duration of job release

The number of employees at the workplace immediately before the shop steward election and at a corresponding time one year after the election shall be verified when determining the job

release granted to a shop steward. The duration of job release thereby determined shall apply until the next review.

D. Combining shop steward and labour protection duties

Performance of combined shop steward and labour protection duties by the same person shall be considered a factor tending to increase the agreed job release.

43.4.4 Compensation for loss of earnings and monthly compensation

A. Compensation for loss of earnings

The employer compensate for the earnings lost by a shop steward through working time spent in local negotiations with the employer's representative or in discharging other functions agreed with the employer. The said earnings refer to the average hourly earnings of the shop steward excluding compensation for overtime and Sunday work.

B. Wages of a chief shop steward on full job release

The wages of a chief shop steward on full job release shall be determined on the basis of the average of the 20 highest time or performance-based pay rates that are payable to employees at the workplace. Wages that substantially exceed the general level of earnings at the workplace shall nevertheless be excluded when determining the twenty highest wages. The wages of a chief shop steward shall be reviewed at the times referred to in subclause 43.4.3 when deciding the job release granted thereto.

C. Duties outside of working time

If a chief shop steward performs duties agreed with the employer outside of the said employee's regular working time, then overtime compensation shall be paid for the time spent on these duties to the extent locally agreed.

D. Monthly compensation

In addition to compensation for loss of earnings, a chief shop steward shall receive monthly compensation as follows:

Number of employees at the workplace	Monthly compensation as of 1 January 2018 EUR
10 - 19	76
20 - 49	84
50 - 99	91
100 - 159	109
150 - 199	130
200 - 249	153
250 - 399	179
400-	214

Other arrangements for the monthly compensation payable to a chief shop steward may be agreed locally.

If a deputy chief shop steward attends to the duties of the chief shop steward for a period of no less than 2 weeks, then the monthly compensation shall be paid to the said deputy for this period.

No monthly compensation shall be paid when the enterprise is not operating due to layoff, annual holidays or comparable reasons.

E. Combining shop steward and labour protection duties

Performance of combined shop steward and labour protection duties by the same person shall be considered a factor tending to increase the agreed monthly compensation payable.

43.4.5 Shop steward training

Participation in training has been agreed in clause 47.

43.4.6 Storage of materials, office space and use of office equipment

The employer shall arrange an appropriate place for the chief shop steward to keep the materials that are required for performing the duties of shop steward. If the chief shop steward is regularly released from work for no less than 56 hours in a four-week period, then the employer shall arrange appropriate premises at which the negotiations required for performing the duties of shop steward may be conducted.

A chief shop steward may use the enterprise telephone and other customary office equipment where necessary. Use and associated practicalities concerning office equipment, IT hardware and software shall be arranged in the jointly agreed manner.

43.5 Impact of shop steward duties on employment, duties and wages

A. Employment

The employment status of a shop steward with respect to the employer shall be the same regardless of whether the shop steward performs the duties of shop steward in addition to the work of an employee or whether the shop steward has been granted full or partial job release. The person in question shall be required to comply with the general regulations governing the terms, hours and management of work, and with other administrative rules.

B. Vocational development

The opportunities of a shop steward for personal development and vocational advancement may not be impaired on account of the duties of shop steward.

C. Protection against loss of earnings and transfer

If the working duties of a person elected to serve as a chief shop steward hamper attendance to the duties of chief shop steward, then other work shall be arranged for the said employee. Arrangements of this kind may cause no reduction in the earnings of the person concerned. Consideration shall be given to conditions at the workplace and to the vocational skills of the chief shop steward when arranging other work.

An employee serving as a shop steward may not be transferred to work at lower pay than at the time when the employee was elected to the position of shop steward.

D. Progress in earnings of a chief shop steward

The earnings of a chief shop steward on partial job release shall progress in a manner corresponding to the earnings of other employees in the shop steward's sphere of responsibility who work in positions with a similar job requirement. The progress of earnings shall be reviewed annually.

E. Maintenance of vocational skills

After the term of office of a chief shop steward has ended, the said employee and the employer 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. When deciding the content of such training attention shall be paid to job release, to the length of the term of office as shop steward and to any changes in working methods that have occurred during the said period. The employer shall arrange the training.

The wages of the employee shall be determined according to the work done by the said employee after the term of office as chief shop steward has ended.

43.6 Job security of a shop steward

A shop steward may not be dismissed from work on account of the duties of shop steward.

43.6.1 Termination of employment and shop steward layoff on grounds of finance, production or reorganisation of the employer's operations

Unless production plant operations are entirely discontinued, the employment contract of a chief shop steward may not be terminated, nor may the said employee be laid off, in the event that the enterprise workforce is dismissed or laid off for reasons of finance or production, or due to reorganisation of the employer's operations. This regulation shall not apply, however, if it is jointly verified that no work can be offered to the chief shop steward that corresponds to the said employee's vocation or is otherwise suitable for the said employee.

The employment contract of a shop steward may be terminated or a shop steward may be laid off in accordance with paragraph 2 of section 10 of chapter 7 of the Employment Contracts Act[2] 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 vocation or is otherwise suitable for the said employee, or to retrain the employee for other duties in the manner referred to in section 4 of chapter 7 of the said Act.

Dismissal or layoff of a deputy chief shop steward at a time when the said employee is neither deputising for the chief shop steward nor otherwise serving in the capacity of shop steward may not be based on the employee's duties as a shop steward. The employer shall show, with no specific claim, that the measure was due to some other reason.

At workplaces with at least 30 employees, the employment contract of the employee acting as the chief deputy labour

protection delegate may only be terminated or the said delegate may only be laid off in the event that the said employee is not acting as the chief deputy labour protection delegate or does not hold the position of a delegate or if the commissioning of the work carried out by the said employee is entirely discontinued or temporarily suspended at the workplace. The employer's obligation to arrange for other types of work or to train the delegate for other types of work shall be determined as provided in Chapter 7 Section 4 of the Collective Agreements Act, and for temporary lay-offs, as provided in Chapter 5 Section 2 Paragraph 1 Subparagraph 2. In arranging for other types of work and training, the principles of the order of workforce reductions as set out in clause will also be taken into account.

43.6.2 Termination of employment contract for a reason due to the individual shop steward

The employment contract of a shop steward may not be terminated for individual reasons pertaining to the shop steward without the consent of a majority of the employees represented by the shop steward, as required by subsection 1 of section 10 of chapter 7 of the Employment Contracts Act.

43.6.3 Rescission of employment contract and assumption of dissolution

The employment contract of a shop steward may not be rescinded or considered dissolved in a manner contrary to sections 1-3 of chapter 8 of the Employment Contracts Act[2]. Rescission of employment contract on the grounds that a shop steward has infringed administrative rules shall not be possible unless the employee has also repeatedly or substantially failed to perform working obligations despite being cautioned for so failing.

A shop steward may not be disadvantaged with respect to other employees when assessing the grounds for rescission of employment contract.

43.6.4 Problem situations involved in the status of shop steward

The federations shall take immediate steps to investigate on learning of any problem situation arising between an employer and a shop steward or deputy shop steward involving a danger that employment of the shop steward will be terminated. The objective is to prevent infringement of the collective agreement provisions governing job security of a staff representative and a breach of the industrial peace obligation. The federations shall also seek to formulate a joint position that will help to restore conditions for the trust that forms the basis of employment of a shop steward.

The procedure agreed in this subclause shall also be observed for labour protection delegates and deputy delegates.

43.6.5 Candidate and subsequent protection of a chief shop steward

The regulations of this clause shall also apply to a candidate for the position of chief shop steward who has been nominated by a meeting of a union branch, provided that the union branch has notified the employer of the said nomination in writing. However, protection of candidates shall begin no sooner than three months before the start of the term of office of the chief shop steward to be elected and shall expire with respect to a candidate who is not elected when the union branch has verified the outcome of the election.

The regulations of this clause shall also continue to apply to an employee who has served as a chief shop steward for a further period of six months after the said employee's duties as chief shop steward come to an end.

43.6.6 Negotiation of disputes concerning termination of employment contract

If a dispute arises concerning termination of the employment of a shop steward referred to in the collective agreement, then local and inter-federation negotiations shall be initiated and conducted without delay after the grounds for termination have been disputed.

43.6.7 Compensation

If the employment contract of a shop steward has been terminated in a manner contrary to collective agreement criteria, then the employer shall pay compensation of no less than 10 months' and no more than 30 months' wages to the shop steward.

The compensation shall be determined according to the principles set out in subsection 2 of section 2 of chapter 12 of the Employment Contracts Act. Infringement of staff representative rights shall be considered as an aggravating factor increasing the compensation payable.

Compensation for unfounded layoff of a shop steward shall be determined according to subsection 1 of section 1 of chapter 12 of the Employment Contracts Act.

The protection against dismissal of staff representatives and deputy representatives elected for international group co-operation, and of a co-operation representative of a staff group elected under the Act on Co-operation in Undertakings is governed by section 10 of chapter 7 of the Employment Contracts Act.

44 LOCAL COLLECTIVE BARGAINING

44.1 Scope for local collective bargaining

The scope for local collective bargaining is indicated in each regulation of the collective agreement (see also the Appendix to the collective agreement, p. 189).

44.2 Parties to local collective bargaining

Unless otherwise specified in the collective agreement regulation concerned, the parties to local bargaining shall be:

- the employee and a supervisor,
- the shop steward and the employer,
- the chief shop steward and the employer.

The parties to bargaining shall be a shop steward and the employer if the aim of the projected arrangement will affect the employees generally within the shop steward's sphere of responsibility, or if agreements concluded for individuals would materially affect the work of other employees.

A local agreement may also be concluded through a general settlement (framework agreement) reached by a shop steward and the employer, leaving the employee and the employer with scope for agreement on specific details.

44.3 Binding character of local agreement

An agreement concluded with a shop steward shall bind the employees who are considered represented by the said shop steward.

44.4 Form and duration of a local agreement

Agreements shall be concluded in writing if either of the parties thereto so requests.

The agreement may be concluded for a limited 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 local agreement referred to herein shall form a part of the current collective agreement.

44.5 Residual impact of local agreement

A local agreement shall remain in force even after the collective agreement expires unless the local agreement has been duly terminated with effect following a period of notice. Fixed-period local agreements shall also be subject to a right of termination during a period with no collective agreement. The period of notice in such cases shall be three months.

44.6 Co-determination in a Finnish enterprise group

For the promotion of local agreements on the level of the workplace, the federations recommend that in the enterprises with a membership of the Federation of Finnish Technology Industries which are subject to the Act on Co-operation within Finnish and Community-wide Groups of Undertakings (335/2007), group cooperation (information and consultation) shall also include the joint personnel and wage policy principles within the group of undertakings.

45 RESOLUTION OF DISPUTES

45.1 Duty to negotiate and prohibition of coercion

The parties shall seek to settle disputes concerning the application, interpretation or infringement of the collective agreement by negotiating at the workplace.

No work stoppage or other measures may be taken on account of a matter falling within the scope of the duty to negotiate in order to coerce the opposing party or to disturb the normal progress of work.

45.2 Local collective bargaining procedure

The local negotiating procedure in disputes shall be determined as follows, depending on the scope of the dispute or on previous attempts at settlement:

1. Negotiations on matters concerning the terms and conditions of employment of an employee shall be conducted in the first instance between the employee and the employee's supervisor.
2. An employee who has been unable to settle these matters with the said supervisor may refer the question for negotiation between the shop steward and a representative of the employer.
3. If no settlement is reached in these further negotiations, then the matter may be referred for negotiation between the chief shop steward and a representative of the employer.

Direct negotiations may commence at once between a shop steward and an employer's representative if the case collectively concerns employees represented by the shop steward.

Negotiations shall commence at the earliest opportunity, and no later than within one week of presentation of a negotiation proposal. Settlement of any dispute requiring swift and immediate resolution must begin at once when the dispute arises. The negotiations must proceed without delay.

45.3 Federation assistance

The federations shall provide advice and guidance to the local parties on request at all stages of negotiation in order to promote settlement of the dispute at the workplace.

The local parties may jointly ask the federations to issue a settlement proposal or binding ruling on a disputed point. Any binding ruling issued by the federations shall be final.

45.4 Memorandum of dispute and Labour Court

If the local parties are unable to settle a dispute, or if no binding settlement has been concluded between the federations at the request of the said parties, then the matter may be referred for negotiated settlement by the federations at the request of either party.

A joint memorandum of the disputed matter shall be prepared, specifying the point of dispute and explaining the views of the parties. The memorandum shall be signed by the chief shop steward and a representative of the employer.

The federations may return a matter for local negotiation in cases of material failure to comply with the local grievance procedure for settling a dispute.

The local parties shall be bound to comply with the unanimous view of the federations on a point of dispute.

Disputes arising from this agreement upon which the federations have negotiated in accordance with the foregoing negotiating procedure without reaching agreement may be submitted to the Labour Court for settlement.

IX USE OF OUTSIDE LABOUR AND OTHER MISCELLANEOUS REGULATIONS

Outside labour shall denote either subcontracting or agency labour.

Employees shall be permitted to assemble at the workplace in compliance with agreed procedures.

The training regulations shall cover co-operation in arrangements for vocational training, joint training and trade union training.

46 USE OF OUTSIDE LABOUR

46.1 Subcontracting

A term shall be included in contracts concerning subcontracting, whereby the subcontractor undertakes to comply with the normally or generally binding collective agreement in its industry, and with labour and social legislation.

If the workforce of an enterprise has to be reduced due to subcontracting, then the enterprise shall endeavour to reassign employees to other duties within the enterprise.

46.2 Agency labour

Minimum terms and conditions of agency employees

The minimum terms and conditions based on a collective agreement that govern the employment of agency employees

shall be determined in accordance with subsection 1 of section 9 of chapter 2 of the Employment Contracts Act[2]. Employment shall then be governed at minimum by the regulations of the collective agreement for the technology industry unless the employment agency is subject to a normally or generally binding collective agreement.

Enterprise co-operation related to discharging of employer obligations

The employment agency and its client must collaborate to discharge employer obligations. If the collective agreement for the technology industry governs the employment of both agency employees and in-house staff of the client enterprise performing corresponding work, then the client enterprise must furnish the employment agency, in writing or electronically, with all of the information that is required for specifying the key terms and conditions of employment of its employees in accordance with the principles applied at the client enterprise.

The duty to treat agency employees equitably shall be shared between the agency as employer and the client enterprise according to the manner in which these enterprises exercise policymaking power in matters concerning agency employees.

Reduction of in-house labour and agency work

An employer may not lay off or dismiss its own in-house employees due to the use of agency labour. The use of agency employees must first be discontinued in the event of a reduction in work, and only thereafter will the employer's in-house employees performing corresponding work be laid off or dismissed. The employer must discontinue or revoke layoffs of in-house employees before using agency labour if work corresponding to the skills of the laid off employees becomes available. Agency employees may nevertheless still be required for duties requiring

special skills, or for duties that are not regularly performed by the employer's in-house staff.

A client enterprise may not dismiss in-house employees on grounds of finance, production or operational reorganisation with the aim of subsequently replacing their labour with agency labour. If less than 6 months has elapsed since the end of employment, then use of agency labour is only justified when unforeseeable changes have occurred in the employer's operating conditions during the said period. The employer shall explain the foregoing changes in operating conditions to the chief shop steward.

The chief shop steward of a client enterprise as a representative of agency employees

The authority of the chief shop steward of the client enterprise to represent an agency employee in a dispute shall be based on an authorisation issued by the said employee in the manner prescribed in subsection 2 of section 6 of the Subscriber Liability Act.

The affairs of an agency employee shall be negotiated with the client enterprise or the employment agency according to which of these exercises policymaking power over the dispute in question.

The chief shop steward shall perform assignments on behalf of agency employees during normal regular job release or temporary job release required for attending to the assignment.

Local collective bargaining on use of agency labour

Other principles governing the use of agency labour may be agreed locally. Any such agreement shall be concluded between the employer and the chief shop steward in writing.

Agency work guidelines

The guide to agency work drafted jointly by the federations sets out more detailed guidelines on the use of agency labour.

46.3 Notification of outside labour

The employer shall advise the chief shop steward and labour protection delegate in advance of any outside labour involved in production and maintenance work. If this is not possible on account of the urgency of the work or for some similar reason, then the said advice may exceptionally be given afterwards and without delay.

Enterprises using agency labour must, on request, give an explanation to the chief shop steward of issues pertaining to the work of such employees.

46.4 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 chief 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 chief shop steward shall be entitled to examine the reports that have been obtained.

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.

The federations are committed to promote the prevention of underground economy, particularly by supporting supervision by the authorities, which is used to meet the objectives of the Act on Posting Workers and the Act on the Contractor's Obligations and Liability when Work is Contracted Out, which concern, on the one hand, the equal position of posted workers compared to Finnish workers, and on the other hand, the equal competition between enterprises and compliance with employment conditions.

46.5 Meetings at the workplace

A registered association affiliated to the Industrial Union and any local branch, workshop collective or corresponding unit thereof at the workplace shall have an opportunity to arrange meetings outside of working time to discuss matters of employment at the workplace. The following procedure shall be observed when arranging meetings:

a) The holding of a meeting at the workplace or at some other location referred to in this agreement shall be agreed with the employer, where possible, three days before the projected meeting.
b) The employer shall specify the venue for the meeting, which shall be a suitable place for the purpose administered by the employer either at, or in the vicinity of the workplace. If no such venue exists, then negotiations on the matter shall be held as necessary with a view to finding an expedient solution.
c) The organisation and individual that reserves the venue and arranges the meeting shall be responsible for maintaining order at the meeting and tidiness at the venue.
d) The organisers may invite representatives of the Finnish Metalworkers' Union – Metalli and its affiliates and representatives of the competent national labour and

employer confederations to the meeting. The employer shall be notified well in advance of the meeting of the name of any representative participating in the meeting and of the status of the said person in the organisation of the association in question.

46.6 Provision of information

A local branch, workshop collective or corresponding unit of the Industrial Union may:

a) outside of working hours and in non-production facilities agreed with the employer, distribute bulletins to its members pertaining to meeting notifications, employment at the workplace or labour market issues in general, upon which the name of the distributor shall be stated.

b) publish information in a bulletin intended for the staff at the workplace or on a noticeboard designated by the employer for use by the employees, upon which information of a general nature may also be disseminated. Information materials may nevertheless not be of a generally political character. The notifying party shall be responsible for the content and care of the noticeboard.

46.7 Withholding of trade union membership subscriptions

If an employee has so authorised, then the employer shall withhold the membership subscriptions of the Industrial Union from the employee's wages, and shall credit the said subscriptions by wage payment period to the bank account specified by the union. The withholding procedure shall be carried out as agreed in the minutes on the procedures for charging membership fees, signed between the federations on 11 August 2017. A certificate of the

sum withheld shall be given to the employee for taxation purposes after the end of the calendar year or when the employment ends.

47 TRAINING

47.1 Vocational training

If the employer provides vocational training for an employee or sends the employee to training events associated with the employee's vocation, then compensation shall be paid for loss of earnings from the employee's regular working time, reckoned in accordance with average hourly earnings for both course and travelling time. No deductions for training and associated travelling time shall be made from the wages of a monthly-paid employee.

Compensation corresponding to the personal time rate shall be paid for any period of training arranged outside of regular working time.

Compensation for travelling expenses shall also be paid to the employee in accordance with subclause 22.4.1 of the collective agreement.

The employer shall also pay the course fees, the cost of any learning materials, the cost of full board in residential courses, and a per diem allowance or meal allowance for non-residential courses determined in accordance with subclauses 22.4.2 and 22.4.4 of the collective agreement.

The question of whether the voluntary employee training is covered by this clause of the collective agreement shall be settled before enrolling in the training event. Guidelines for interpreting the differences between voluntary or obligatory employee training have been drafted by the federations. The guidelines are available on the federal websites.

47.2 Joint training

Training to promote workplace co-operation and local collective bargaining shall be arranged by the federations or by the employer and employee partners jointly.

The basic labour protection co-operation courses and the specialist courses that are necessary for labour protection co-operation shall be included in the joint training referred to in this agreement. Members of the labour protection commission or of a corresponding alternative co-operation organ, the labour protection delegate, the deputy labour protection delegate and a labour protection agent may participate in the basic labour protection course and the labour protection delegate may participate in the specialist course under the conditions specified in this agreement.

Participation in training shall be agreed locally by the workplace co-operation organ concerned or between the employer and a shop steward, depending on the nature of the training. Participation in training may also be agreed between the employer and the person concerned.

Training participants shall be compensated for the direct costs incurred in the training and for earnings lost from regular working time in the manner stipulated in clause 47.1.

47.3 Trade union training, retention of employment and notification periods

An employee may participate in a course lasting for no longer than one month arranged by the Industrial Union or by the Central Organisation of Finnish Trade Unions – SAK without interrupting employment. In addition, the employee may participate in the Industrial Union course Muutoksen eväät (Provisions for change) lasting for three months without interrupting employment.

The intention to take part in a course shall be notified at the earliest opportunity. Courses lasting for no longer than one week shall be announced no later than three weeks and longer courses no later than six weeks before the course begins.

An employer who justifiably holds that granting job release at the time announced by the employee would substantially harm enterprise production or operations shall notify the employee and the chief shop steward of the refusal and its grounds ten days before the course begins. The prospects for participating in the course at some other time when there would be no impediment to so doing shall then be jointly investigated.

Practical arrangements shall be agreed with the employer before participating in a training event. The question of whether the employer will compensate the employee for this type of training event and the nature of the compensation payable shall also be specifically verified in advance.

47.3.1 Compensation

The following compensation for lost earnings shall be paid for courses approved annually by the training task force of the federations:

- for no longer than one month to a chief shop steward, a shop steward and a labour protection delegate,
- for no longer than two weeks to a deputy chief shop steward, a deputy shop steward, a staff group representative under the Act on Co-operation in Undertakings[18], a labour protection agent, a member of the labour protection commission and a deputy labour protection delegate, and
- for no longer than one month to the chairperson of a union branch who is employed at an enterprise with no fewer than 100 technology industry employees and leads a union branch with no fewer than 50 members.

Compensation for lost earnings shall be paid in accordance with average hourly earnings. No deductions for course days shall be made from the wages of a monthly-paid employee.

Payment of compensation for lost earnings shall also require that:

- the training is required for the duties of each course participant, and
- the same person participates only once in the same training event or in a training event of corresponding content.

The employer shall also pay the meal allowance agreed by the federations to the course organiser for days when compensation for lost earnings is paid to the employee.

No annual holiday, pension or other benefits shall be reduced by participation in trade union training lasting for less than one month in accordance with this agreement.

47.4 Industrial traineeships and on-the-job training involved in qualification-oriented training

47.4.1 On-the-job training

On-the-job training is arranged as part of secondary level vocational education under the Vocational Training Act[15] in a manner whereby the student is not employed by the enterprise. In exceptional cases a contract of employment may also be concluded with an on-the-job trainee.

47.4.2 Co-operation

A joint local verification shall be made of the forms of qualification-oriented industrial training and on-the-job training used at an enterprise, and of the fact:

- that these forms are not intended to affect the employment of

the staff of the enterprise, and

- that no contracts of employment will be terminated or employees laid off because of the persons referred to in this agreement.

The foregoing details shall be ascertained either before arranging qualification-oriented industrial training or on-the-job training, or when considering the staffing and training plan referred to in the Act on Co-operation in Undertakings.

47.4.3 Job security of staff

Insofar as the procedure specified in the foregoing subclause 47.4.2 has been observed at the enterprise, the provisions and regulations of the Employment Contracts Act[2] or of clauses 35 and 37 this collective agreement concerning:

- workforce downsizing
- the duty to provide further work, or
- rehiring

shall constitute no obstacle to providing qualification-oriented industrial training or on-the-job training.

Helsinki, 8 November 2017

TECHNOLOGY INDUSTRIES OF FINLAND

Eeva-Liisa Inkeroinen

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MINUTES ON THE ANNUAL INCREASE IN WORKING TIME UNDER THE COMPETITIVENESS PACT MADE BY LABOUR MARKET ORGANISATIONS IN 2016 IN THE SCOPE OF THE COLLECTIVE AGREEMENT FOR THE TECHNOLOGY INDUSTRY

1. Purpose of the agreement

By signing these minutes, the federations have agreed on the annual increase in working time under the Competitiveness Pact in the scope of the Collective Agreement for the Technology Industry as of 1 January 2017.

The Competitiveness Pact principle of increasing working time without modifying the level of earnings shall be implemented for hourly-paid employees, as agreed in detail below, by reducing working time averaging bonuses for three-shift work and by reducing the compensation for working on a weekday public holiday for all employees. Monthly-paid employees shall receive their normal monthly wages regardless of the working hours during the wage determination period.

2. Regular working time and its organisation

The regular working time period shall be determined and its organisation shall be carried out in compliance with the collective agreement regulations and the regulations in these minutes.3. Average weekly working time

3.1. Average weekly working time for day shift and two-shift work (Collective Agreement 19.1.1)

For normal full-time or 40-hour working week, day shift and two-shift working time must be averaged and organised so that during the calendar year, it amounts to no more than

36.7 hours per week (average in 2017)
36.7 hours per week (average in 2018)
36.7 hours per week (average in 2019).

The average weekly working time is based on a working time averaging leave of 12.5 days and the increase of the regular working time by 24 hours, to be agreed on locally.

3.2 Average weekly working time for three-shift work (Collective Agreement 19.1.2)

As of 1 January 2017, the average weekly working time shall be increased in interrupted three-shift work to no more than 36.3 hours per week and in uninterrupted three-shift work, to know more than 35.4 hours per week, depending on how the 24-hour increase to the annual working time is implemented at the workplace.

4. Local agreement on increasing working times

As of 1 January 2017, the annual working time should be increased for full-time work by 24 hours, in a manner to be agreed on locally (Collective Agreement Chapter 44), without modifying the level of earnings.

The increase in the annual working time of part-time employees shall be implemented without modifying the level of earnings by making an agreement between the employer and the employee party to the employment contract. In the event that a specific arrangement for part-time work is used at the workplace, the increase in working time shall be implementedby means of a local agreement (Collective Agreement Chapter 44). The proportion of the increase in working time shall be equal to the proportion of part-time work to full-time work.

In cases mentioned above, local agreements shall be made according to Chapter 44 of the Collective Agreement, between the

employer and the chief shop steward, if a chief shop steward has been elected at the workplace.

Time of making the agreement and term of the agreement

An agreement on the increase in working time shall be made in writing each year by the end of November, and it shall apply for one calendar year at a time unless a written notice of termination with effect as of the end of the current year has been issued by either of the parties no later than the end of September.

Content of the agreement

By local agreements, working time is increased in a manner suitable for the workplace duties and forms of working time, taking into account productivity, the development of competitiveness and the employees' individual working time needs.

Weekday public holidays, which are converted to regular working time under this regulation, will increase the regular working time during the week concerned.

Increase in working time without local agreements

A. Day shift and two-shift work

During the calendar year, the employer shall increase annual working time by 24 hours, and the annual working time of part-time employees shall be increased by an amount of working time proportionate to the increase for full-time employees. In addition to the applicable working hour system, this will be done by allocating to the employee no more than eight regular working hours per day the one day off on Saturday, and otherwise no more than two hours on a working day. However, this Saturday mentioned above cannot be a weekday public holiday, a Saturday during a week which includes a weekday public holiday, or a working time averaging leave day. The employer must comply with the period of notice for modifications to the working hour system.

B. Three-shift work

During the calendar year, the employer shall increase annual working time by 24 hours, and the annual working time of part-time employees shall be increased by an amount of working time proportionate to the increase for full-time employees. In addition to the applicable working hour system, this will be done by allocating to the employee no more than one eight-hour shift of regular working hours in compliance with the period of notice for modifications to the working hour system.

In addition to the applicable working hour system and to the shift mentioned above, the employer shall allocate four instances of regular working time, four hours at a time at the beginning or end of a shift with a period of notice of one day. However, the employer must take into account the employee's justified personal inability to perform a longer shift. In the event of such an obstacle, the longer shift shall be performed at a later time indicated by the employer.

Wages for an increased working time

Wages shall be paid for work performed due to the increase in working time as referred to here.

Monthly-paid employees shall receive their normal monthly wages regardless of the working hours during the wage determination period.

In order for the level of earnings of an hourly-paid employee to remain unchanged, the compensation for working on a weekday public holiday shall be reduced by an amount equivalent to the employee's working income, and for employees in three-shift work, this reduction shall also be applied to the working time averaging bonus. It can be locally agreed that the reduction shall be applied in a different manner.

Employment relationships beginning in the middle of the calendar year

The increase in working time referred to in these minutes shall not be applied to the first calendar year in the employment relationship of employees whose employment relationship begins on 15 January at the earliest. During the first calendar year, their compensation for working on a weekday public holiday shall be eight hours of wages according to their average hourly earnings, and for part-time employees, proportionately as determined in clause 23.1 and 23.2 of the collective agreement. Similarly, for interrupted three-shift work, they will receive an 11 per cent working time averaging bonus of the employee's average hourly earnings which are determined on a quarterly basis, and for uninterrupted three-shift work, a 14.3 per cent working time averaging bonus of the equivalent earnings.

Employment relationships ending in the middle of the calendar year

In the event that an employee's employment relationship ends in the middle of the calendar year, and the increase in working time as well as the reduction of compensation for working on a weekday public holiday and working time averaging bonus referred to in these minutes are applied to the employee, the employer must return at the time of the final wage payment the compensation which has potentially been reduced in excess in proportion to the wage paid for the increased working time.

5. Working time averaging bonuses and their payment (Collective Agreement 19.3)

The decrease in income due to working time averaging to the average weekly working time shall be compensated for, so that the employee shall earn a bonus in cents for each regular work-

ing hour performed in a form of working time referred to in this agreement. In day shift and two-shift work, the amount shall be 6.3 per cent, in interrupted three-shift work 10.9 per cent, and in uninterrupted three-shift work 14 per cent of the employee's average hourly earnings, which are determined on a quarterly basis.

6. Working hour system (Collective Agreement 19.4)

However, a Saturday during a week which includes a weekday public holiday may be considered a working day when regular working time is increased by an agreement according to the regulations in these minutes.

7. Local agreements on the organisation of working time (Collective Agreement 19.7)

The implementation of the increase in regular working time may be agreed on locally according to the regulations in these minutes.

8. Sunday work (Collective Agreement 20.8)

If regular working time is increased according to the regulations in these minutes by regarding a weekday public holiday as a working day, Sunday work bonus shall not be paid for the weekday public holiday concerned. On such days, work will be performed without a separate consent.

10. Compensation for working on weekday public holidays (Collective Agreement 23.1)

For hourly-paid employees, the compensation for working on weekday public holidays shall equal eight hours of wages or 64.6 per cent of the employee's average hourly earnings.

Monitoring the increase in working time under the Competitiveness Pact

A working group between the federations shall constantly monitor the effects of the increase in working time on the competitiveness of enterprises operating in that sector and on the development in the number of jobs. It also assesses the viability of the local agreement procedure under these minutes. In addition to this, the working group shall promote the implementation of local agreements related to the increase in working time, taking into account the different needs at various workplaces.

The working group shall make proposals for potential needs for change related to the system. The working group shall also draft an individualised report on the viability of the system by 31 May 2019.

11. Termination of the minutes

These minutes may be terminated for the first time with effect as of 31 December 2019. A written notice of termination must be submitted to the other party of the minutes by 30 September 2019.

After this, the minutes may be terminated each year by the end of September with effect as of the end of the current calendar year.

Helsinki, 15 June 2016

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES

FINNISH METAL WORKERS' UNION

Minutes of the Collective Agreement for the Technology Industries

MINUTES ON THE APPLICATION OF CERTAIN WAGE REGULATIONS AND PRINCIPLES TO EMPLOYEES FORMERLY COVERED BY THE COLLECTIVE AGREEMENT FOR ELECTRICAL WORKERS IN TECHNOLOGY INDUSTRIES

1. Purpose of the agreement

The federations signatory to these minutes have hereby agreed on complementary wage regulations and principles to be followed in the employment relationships of employees covered by the collective agreement for electrical workers in technology industries on 31 October 2017 and transferred to the collective agreement on the employees in technology industries on 8 November 2017.

2. Application of performance-based pay in certain cases

The federations state that there are no obstacles to the application of performance-based pay in power interruption work and so-called down time work, provided that the normal prerequisites for performance-based work are met.

However, the application of performance-based pay requires that the wage criteria are rigorously determined. This can be done by allocating sufficient resources for areas such as work studies.

3. Time rate considerations

For determining the individual time rate for an electrical industry employee, the special requirements in the profession, such as the demanding servicing and maintenance work of electronic control systems, must be taken into account. If the employee holds an electrician's and/or electrical work director's diploma, it will be

taken into account as a favourable qualification factor when determining the employee's time rate.

4. Job requirement categories (TVR)

In the classification of job requirement, the following complementary principle will be applied to the learning time required for the work, which is used as a factor for the classification of job requirement:

If electrical work is carried out independently according to the Ministry of Trade and Industry Decision on Electrical Work (5 July 1996/516), or it includes supervising the work performed by other employees in accordance with the Decision, the Decision will be used to determine the learning time required for the work concerned.

5. Exceptional inconvenience or difficulty

Working situations potentially involving exceptional inconvenience or difficulty include e.g. the following:

- working in high-voltage cells if the adjacent cells are live,
- working under electrical hazards; protective measures required by security regulations when high voltages are used,
- cleaning, maintenance, inspection, painting, repair and expansion work etc. during which the employee must be freely within the reach of live conductive parts

- of high-voltage switch facilities, high-voltage electric columns or other similar places. This means that by losing balance, by getting up, by extending a hand or by using tools, the employee may come into contact with live conductive parts,
- working with such high voltage cable lines where the cable itself is not live but where life-threatening voltages may be induced from the line cables in its vicinity,
- repair and installation work carried out in open centres, centres similar to them and in enclosed centres if the adjacent parts are live and if it has not been possible to take sufficient protective or precautionary measures,
- service and repair work carried out outside the car in lift shafts when the power is on.

6. Vocational qualification rewards

The following vocational qualification rewards shall be paid at the time of wage payment following completion of the qualification to an employee who acceptably completes an agreed vocational qualification or special vocational qualification in accordance with the former collective agreement for electrical engineering employees in technology industries:

- vocational qualification EUR 200
- specialist vocational qualification EUR 300.

7. Development of regulations and principles

During the agreement period beginning on 8 November 2017, the federations intend to negotiate on the transfer of the regulations and principles under these minutes as part of the actual collective agreement or salary structure training material.

8. Validity of the minutes

These minutes shall apply as of 8 November 2017 as part of the collective agreement.

Helsinki, 8 November 2017

TECHNOLOGY INDUSTRIES OF FINLAND

Eeva-Liisa Inkeroinen

INDUSTRIAL UNION

Riku Aalto *Turja Lehtonen*

Guidelines for local bargaining

Local bargaining under the collective agreement

There are two types of local bargaining under the collective agreement:

1. bargaining for local agreements gaining the legal effects of a collective agreement
2. bargaining for individual employment contracts.

Both types of bargaining involve agreeing to deviate from or to extend the collective agreement.

Local agreements gaining the legal effects of a collective agreement

Local agreements of this kind are governed by the local bargaining procedure stipulated in paragraph 44.2 of the collective agreement. The shop steward and chief shop steward are empowered *ex officio* to conclude agreements that bind all of the employees within the sphere of operations of the (chief) shop steward, including employees who are not members of any trade union. Local agreements concerning individual employees may be concluded between these employees and their supervisors unless the matters agreed are relevant to employees more generally or concern arrangements that materially affect the work of other employees.

These agreements acquire the legal force of a collective agreement, meaning that the local agreement creates rights and duties for the employer and for each employee in the same way as the provisions of a nationally binding collective agreement.

A local agreement that is considered part of the collective agreement and valid indefinitely shall be subject to three months' notice of termination unless some other period of notice is stipulated in the collective agreement concerned or has been separately agreed. No special grounds shall be required for such termination.

	Part of collective agreement	Procedural rules
Signing minutes of a collective agreement		
	revision of wages, local wage settlement	in writing, in conjunction with the chief shop steward
	revision of wages, instalment allocation	in writing, in conjunction with the chief shop steward
	survival clause	in writing, in conjunction with the chief shop steward

Collective agreement

8.1.1	introduction of rough classification or other mode of determining job requirement	CA44.2
8.1.2	number of job requirement categories	CA 44.2
8.1.3	job-specific wage (rough classification) to be agreed on locally	CA 44.2
8.1.4	other locally agreed ways of determining job requirement	CA 44.2
10.1	trainee wage when in employment at time of concluding apprenticeship agreement	CA 44.2
11.2	remuneration modes in use, point 2	CA 44.2.in writing
13.1	introduction of productivity reward	CA 44.2 in writing

14.5	time of payment of seniority bonus	mode of payment applying to employees generally
16	introduction of other wage determination period	in writing, with chief shop steward
18	monthly wage payment to hourly-paid employees	CA 44.2
19.2	mode of averaging working time	CA 44.2
19.2	notification of time of working time averaging leave	CA 44.2
19.3	time of payment of working time averaging bonus	CA 44.2
19.4.1	notification of changes in schedule of working hours	CA 44.2
19.7	length of maximum regular daily and weekly working time	CA 44.2
19.7	working time averaging period exceeding one year in working time bank agreement	CA 44.2
19.7	starting time of working day and working week	CA 44.2
19.7	daily rest period	CA 44.2
19.7	change in schedule of working hours	CA 44.2
19.7	notification of change in schedule of working hours	CA 44.2
19.7	commissioning of night work	CA 44.2

19.7	amount of working time avaraging leave	CA 44.2
19.8.1	working time bank; definition and purpose	in writing, with chief shop steward
19.8.2	introduction of working time bank	in writing, with chief shop steward
19.8.4	working time bank balances at end of employment	in writing, with chief shop steward
19.8.4	notice period on terminating working time bank agreement	in writing, with chief shop steward
20.3	tracking period for maximum overtime	CA 44.2
20.6	introduction of single overtime concept and size of overtime bonus	in writing, with chief shop steward
20.8.	payment of the Sunday work bonus or the bonus amount	in writing, with chief shop steward
21.1.2	arrangement of annual holidays in three-shift work	CA 44.2
21.4	payment of annual holiday pay in instalments	mode of holiday pay payment applying to employees generally
21.5	exchanging a holiday bonus for a leave	in writing, with chief shop steward
21.5.1	time of payment of holiday bonus	in writing; mode of holiday bonus payment applying to employees generally

22.9	compensation for the costs incurred in work assignments and the amounts of compensation	if work-related foreign travel is common at the workplace, in writing with the chief shop steward
27.3 D	labour protection agent's duties	in conjunction with the labour protection agent
28.1	labour protection delegate's time management	in conjunction with the labour protection delegate
28.2	amount of the labour protection delegate's monthly compensation	in conjunction with the labour protection delegate
31.1.3 D	self-certification of brief absence due to illness	in writing, with chief shop steward
37.5	layoff, grounds for layoff and layoff notice period	CA 44.2
40	discharge of duty to negotiate in codetermination negotiations	CA 44.2
43.3.3 A	scope of operations and number of shop stewards	in conjunction with the chief shop steward
43.3.3 B	appointment of shop steward for a specific function	in writing, with chief shop steward

43.3.3 C	combining the duties of (chief) shop steward and labour protection delegate	in writing, with chief shop steward
43.3.4 B	agreed duties of a shop steward at the workplace	in conjunction with the shop steward
43.4.3	division of regular job release between chief shop steward and other shop stewards	in writing, with the chief shop steward
43.4.3	extent of regular job release of chief shop steward	in writing, with the chief shop steward
43.4.4 D	monthly compensation payable to chief shop steward	in writing, with the chief shop steward
46.2	criteria for using agency workers	in writing, with chief shop steward
47.2	participation in joint training	in writing, with chief shop steward
	Minutes on the increase in working time	**Procedural regulations**
4	increase of working time	CA 44.2

Local bargaining at employment contract level under the collective agreement

These agreements are concluded between one or more employees and the employer. A shop steward and chief shop steward may generally conclude a local agreement in such cases only if they have been separately empowered to do so by all of the employees concerned.

These agreements are not governed by chapter 44 of the collective agreement, nor do they become a part of the collective agreement.

Local agreements at individual employment contract level are often characteristically situation-dependent or temporary. The period of notice of termination of an agreement concluded for an indefinite period shall be three months unless otherwise agreed.

Collective agreement	Condition at employment contract level	Procedural rules
10.1	trainees etc., unit prices for work at incentive rate	
11.2	job-based modes of payment in use, point 3	notification of shop steward
11.2.1	permanence of personal time rate	
11.2.2	unit price of work at incentive rate	
14.5.3	exchange of seniority bonus for time off	in writing, account to chief shop steward

19.2	deferral of working time averaging leave to following year	Account of deferral practices to chief shop steward
19.6	working the same shift continuously	
20.10	compensation for weekly time off	
20.10.2	providing leave compensating for weekly time off	
20.12	standby compensation	
22.4.1	use of employee's vehicle for work-related travel	
22.7	terms and conditions of work abroad	in writing
35.4	duty to re-engage dismissed employee	in writing when employment is terminated or ends
36.1	right to re-employment leave	to be agreed after termination
37.7.	interruption of layoff	
37.9 C	payment of compensation for loss of wages for the period of notice (200 day layoff)	
43.4.4	chief shop steward's overtime compensation for duties outside of working hours	