COLLECTIVE AGREEMENT

BETWEEN

THE FEDERATION OF FINNISH
TECHNOLOGY INDUSTRIES

AND

THE FINNISH METALWORKERS' UNION

1 October 2009 - 30 September 2012

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SIGNING MINUTES OF THE COLLECTIVE AGREEMENT

Date 9 September 2009

Venue Federation of Finnish Technology Industries

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Section 1
Signing of collective agreement

It was noted that a collective agreement reflecting the negotiated settlement achieved between the federations on 20 August 2009 had been signed on the day of this meeting. It was further noted that the current collective agreement signed on 30 June 2007 would lapse on 30 September 2009. The collective agreement now signed will take effect on 1 October 2009.

Section 2
Wages

A Wage increases and adjustments

Wage increases on 1 October 2009

Time rates and incentive rates shall be increased in the manner agreed at each workplace. The cost impact of the increases shall be 0.5 per cent, and shall be reckoned from the average time and incentive rate as of the second quarter of 2009 multiplied by the number of employees at the workplace at the time of the increase. A wage increase of 0.5 per cent across the board may also be agreed. Increases shall be implemented at a locally agreed time to begin as of no later than the wage payment period beginning on 1 November 2009.

If no agreement on implementation of the wage increase is reached in the foregoing manner, then wages shall be increased by 0.5 per cent across the board as of the start of the wage payment period beginning on 1 December 2009 or soonest thereafter.

An agreement may be concluded locally with the chief shop steward, or with some other employee representative if no shop steward has been elected, to defer or waive the increases in wages and job-based wages, in whole or in part, at workplaces where jointly verified financial, order book or employment problems so require. Any such an agreement shall be concluded in writing.

Wage adjustments on 1 October 2010

In April-May of 2010 the federations shall review achievement of the goals of the agreement and the financial and employment outlook in the technology industries. Based on this appraisal, the federations shall negotiate by no later than 31 May 2010 on wage adjustments in autumn 2010.

Wage adjustments on 1 October 2011

In April-May of 2011 the federations shall review achievement of the goals of the agreement and the financial and employment outlook in the technology industries. Based on this appraisal, the federations shall negotiate by no later than 31 May 2011 on wage adjustments in autumn 2011.

Change in the personal wage element

A new regulation on the personal pay component shall be introduced at once when the employer has reviewed and made the necessary modifications to the workplace-specific competence measuring system and the matter has been discussed with the employee representatives. The revised regulations shall be introduced by no later than 31 May 2010 or as of the start of the pay period beginning immediately thereafter.

Discontinuation of cost of living classification

The cost of living classification shall be phased out in 2010 and 2011. There will be no cost of living classes as of the start of the wage payment period beginning on 1 October 2011 or soonest thereafter.

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 manner specified at point A.

D. Increase in the bases of wages

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

wages for work on time or incentive rates that exceeds the general increase if the wages satisfy the regulations of the new collective agreement following the general increase.

An agreement may be concluded locally with the chief shop steward, or with some other employee representative if no shop steward has been elected, to defer or waive the increases in wages and job-based wages, in whole or in part, at workplaces where jointly verified financial, order book or employment problems so require. Any such an agreement shall be concluded in writing.

E. Individual element of wages

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

When applying average hourly earnings after the wage increase takes effect, these earnings shall be increased in a manner that allows for the wage increase insofar as the said increase is not included in average hourly earnings.

Section 3
Change in the personal pay component

A new regulation on the personal pay component shall be introduced at once when the employer has reviewed and made the necessary modifications to the workplace-specific competence measuring system and the matter has been discussed with the employee representatives. The revised regulations shall be introduced by no later than 31 May 2010 or as of the start of the pay period beginning immediately thereafter.

Section 4
Maintenance of wage structure

The federations shall appoint a working group to maintain and improve the wage structure, the duties of which shall include:

- to prepare guidelines and procedures for using the workplace-specific components at the time of the 2010 and 2011 wage adjustments,

- to arrange both general and workplace-specific information and training events,

- to investigate, by 30 April 2010, aspects associated with the payment of wages and compensation other than for completed working time, and the reckoning of average hourly earnings. The working group shall prepare a proposal for any required amendments to the collective agreement:

- promoting and approving workplace-specific wage structure trials with a view to wage structure improvement, and

- continuing development of the future wage system and of remuneration systems that promote productivity and incentives.

Section 5
Questions of working hours

The federations shall appoint a working group to investigate, monitor and develop issues pertaining to working hour regulations and scheduling. The working group shall also perform international comparisons of working hour issues.

Promoting diverse and flexible arrangements for regular working hours

The primary mission of the working group is to continue the work of promoting good working time practices to support enterprise productivity and competitiveness, and to allow for the individual working hour needs of employees. Regardless of whether scheduling is implemented by decision of the employer or whether it requires local agreement, the most effective way of organising working hours according to need involves planning and implementing the use of working time in partnership between the employer and staff.

Work to promote good working time practices will benefit from the upcoming revision of the publication Working time formats in the technology industries, and from new co-operation development tools planned between the federations.

The federations shall monitor and study the system for harmonising work and leisure time in the long term known as the working time bank, and the practical serviceability in the technology industries of the single overtime concept format stipulated in section 14 of the collective agreement. The subjects of investigation shall also include how successfully local agreements have achieved the objectives that the bargaining partners have set for their agreements based on the individual needs of the enterprise and employees.

Trials

Notwithstanding the provisions of the collective agreement, the organisation and dimensioning of regular working hours may be agreed at the workplace on a trial basis until the end of 2012. This will enable an open-minded consideration of solutions that allow for stages and transitions in the lives of employees, improve the operating capacity of enterprises, and realise an effective balance between supply and demand for labour. Trials should also

seek to defer, mitigate, and in some circumstances completely avoid retrenchment at times of economic recession and varying demand.

Limits of local agreement

By local agreement, these trials may deviate from the provisions of sections 13 and 14 of the collective agreement. If a trial concerns a transfer of working time reduction leave (known as pekkaspäivät) between various years, then the employee may nevertheless have up to 200 hours of this leave at a time taken in advance or deferred to a later date. The parties shall also comply with the mandatory provisions of the Working Hours Act (työaikalaki, no. 605 of 1996) in all cases.

Local agreement

A chief shop steward may agree at the workplace on the general conditions for deviating from the collective agreement (framework agreement). Any such agreement shall be concluded in writing and notified to the working group before local implementation. Each employee may thereafter in turn agree with a supervisor on use of the arrangement, and the chief shop steward shall be advised of any such agreement concluded. Appropriate implementation of a matter subject to such agreement may nevertheless require the uniform compliance of employees on the basis of an agreement concluded by the chief shop steward.

Any local agreement on the length of periods of notice shall allow for an adequately long period for normalising the situation arising from the nature of the arrangement.

The working group shall also monitor implementation of the trial project and make such proposals for amending the collective agreement that it considers necessary, on the basis of which amendments may also be made to the current collective agreement.

Section 6
Development working group

The federations shall appoint a working group to conduct a broadly-based review of the developmental options and needs of the industry. The working group shall promote projects that support employment, skills and enterprise operating capacity in the sector. The economic recession poses special problems for improving enterprise productivity and industry skills.

The working group will focus on:

- working together to improve enterprise productivity, operating conditions and environment,

- improving vocational training of young people and employees with respect to aspects such as content, appeal and availability,

- influencing public authorities and enterprises to improve and make use of training opportunities under circumstances of low employment, and

- improving the operating methods and principles of the working community and the working environment.

By 31 October 2010 the working group shall also investigate ways of increasing the uptake of vocational skills tests in the technology industries.

Section 7
Working group on arbitration

The federations shall appoint a working group to report by 30 April 2010 on the suitability of arbitration proceedings as a means of settling questions concerning the interpretation, application and infringement of the collective agreement. The working group shall submit a proposal on the functions and composition of an arbitration tribunal, on the sanctions available in arbitration proceedings, and

on other practical aspects of establishing such a tribunal with a view to introducing such proceedings on a temporary trial basis between 1 October 2010 and 30 September 2012. The federation shall use the experiences gained from this trial to assess whether a permanent arbitration tribunal could be agreed in lieu of the Labour Court.

The federations agree that the grounds for adopting arbitration on a permanent basis will have to be more effective safeguarding of industrial peace in the industries covered by the collective agreement and swifter resolution of disputes.

Section 8
Use of agency workers

The Agency Workers Directive (Directive 2008/104/EC on temporary agency work) must be harmonised with national legislation and agreements by no later than 5 December 2011. This will lead to some changes in practice regarding the use of agency workers. The federations shall appoint a working group to study the joint measures that the federations must take when the Directive takes effect.

This investigation must pay adequately broad attention to various alternative impacts of the Directive and must correspondingly assess the potential amendments the Directive will cause to section 29 of the collective agreement.

The working group shall report on these measures by no later than the end of 2010.

Section 9
Job satisfaction and maintenance of working capacity

Job satisfaction activity is continual and comprehensive development of work, the working environment and the working community. Staff welfare also establishes the conditions for successful business operations. The reduc-

tion in the working age population amplifies the importance of measures taken to extend working careers.

The federations shall appoint a working group to promote the job satisfaction of enterprise staff in the sector, maintain the working capacity of employees of varying ages, and manage absences due to illness. This working group shall develop formats that are suitable for workplaces in the technology industries, drawing on good practices implemented in the sector and the expertise of various specialist organisations. The working group shall pay particular attention to the following:

- factors affecting working capacity and job satisfaction,
- co-operative promotion of job satisfaction at the workplace and the role of occupational health services and other stakeholders,
- instruments enabling workplaces to review their situation, and
- measures for promoting and disseminating good job satisfaction practices at workplaces.

Section 10
Improvement in the structure and appearance of the collective agreement

To improve the structure, wording and appearance of the collective agreement, the federations shall appoint a working group with the following objectives:

- to study the effectiveness of the current structure, wording and appearance of the collective agreement and associated problems from the points of view of various collective agreement user groups,

- to study good practice in other agreement fields to the extent required,

- to prepare a proposal for improving the collective agreement in the foregoing respects, and

- to investigate the required scope and manner of realising the Swedish and English language versions.

The working group shall consider both the printed edition of the collective agreement and the online version. The working group shall co-operate as necessary with other working groups appointed under the collective agreement.

The working group shall submit its proposals by no later than 31 October 2010. The federations shall thereafter agree on any necessary further measures.

Section 11
Problem situations involved in the status of elected representatives

Problems can arise between elected representatives and the employer that may result in situations in which the employer considers terminating the employment of the representative.

When the federations have been informed of such a situation they shall rapidly establish a negotiating channel to determine the reasons, circumstances and facts that have caused the problem. When considering any other necessary measures, the federations shall remain aware of their reciprocally enhanced duty of supervision at such times in respect of compliance with the collective agreement and with the associated peace obligation.

The federations shall take action in the matter without undue delay. They shall seek to formulate a common position on conditions that could restore the mutual trust that

forms the basis of the employment relationship between the elected representative and the employer.

The foregoing procedure shall also apply in the case of a deputy elected representative.

It shall also be the duty of the federations to furnish local parties with other forms of advice, training and guidance to ensure the effectiveness of the shop steward system.

Section 12
Sustained effects of local agreement

A local agreement concluded pursuant to section 30 of the collective agreement shall remain in force even after the collective agreement expires unless notice of its termination following the appropriate period of notice has been served in accordance with the foregoing section or with a termination clause of the local agreement in question. During a period with no collective agreement the right of termination shall also apply to fixed-period local agreements that have been concluded pursuant to this collective agreement. The period of notice in such cases shall be three months.

Section 13
Payment of working time averaging allowance

It was noted that the working group on hours of work approved the following resolution on 20 March 1997:

"If the working time averaging bonuses referred to at point 4 of clause 6 of section 13 of the collective agreement have not been paid by wage payment period during the employment relationship, and no other agreement has been concluded on the manner of payment or on the date on which the said bonuses shall fall due for payment, then the bonuses shall fall due for payment at the end of the period by the end of which the working time averaging leave should have been granted in accordance with point

3 of the said collective agreement regulation or at the end of the employment relationship if the employment ends on an earlier date"

Section 14
Workplace-specific trials

The federations shall appoint a working group to monitor joint workplace-specific trials pertaining to the conditions of pay and service of employees and other staff.

Exceptions may be made in locally agreed trials with respect to all of the terms of the collective agreement pertaining to wages and other monetary items payable to employees. Introduction of such exceptions shall require the approval of the federations.

Section 15
Gender equality

The federations consider it important to promote gender equality in workplaces in accordance with the Act on Equality between Women and Men (Laki naisten ja miesten välisestä tasa-arvosta, no. 609 of 1986), and with this aim in view they stress the significance of implementing the obligations and measures referred to in the said Act.

Section 16
Inspection of the minutes

It was agreed that Martti Mäenpää, Risto Alanko, Riku Aalto and Matti Mäkelä would scrutinise these minutes.

In fidem:

Sami Toiviainen

Examined by:

Martti Mäenpää *Risto Alanko*

Riku Aalto *Matti Mäkelä*

COLLECTIVE AGREEMENT BETWEEN

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES

AND

THE FINNISH METALWORKERS' UNION

1 October 2009 – 30 September 2012

I GENERAL

Section 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 The Federation of Finnish Technology Industries and all of their employees.

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.

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,

– nor within the scope of the collective agreement concluded between the undersigned federations for the ore mining industry.

Section 2
Agreement between national confederations

The general agreement for the technology industry that was signed on 27 August 1997 shall be observed as part of this collective agreement.

Section 3
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 strictly with this agreement and to take care to ensure that their affiliated associations and the employers and employees belonging thereto do not infringe its terms and conditions.

Section 4
Industrial 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.

Section 5
Initiation and termination of employment

Chapter 1 of the general agreement for the technology industry and the agreement on protection against termination of employment in the technology industry, together with the signing minutes pertaining thereto, contain terms and conditions governing the initiation and termination of employment.

If an employee has been cautioned on account of a misdemeanour or negligence, then the competent shop steward shall also be notified thereof, unless the said shop steward was present at the time when the warning was issued.

II REGULAR WAGES

Section 6
Cost of living classification

The cost of living classes in use at the workplace at the time of signing the collective agreement shall continue until 30 September 2011.

Region I shall include the following districts: Espoo, Helsinki, Hyvinkää, Järvenpää, Kauniainen, Kerava, Kirkkonummi, Vantaa, Väståboland, Hämeenlinna, Tampere, Joensuu, Kuopio, Jyväskylä, Vaasa, Hyrynsalmi, Kuhmo, Kuusamo, Oulu, Ristijärvi and all local authority districts in the Åland Islands and the Province of Lapland. All other local authority districts shall remain in cost of living class II.

Section 7
Determination of job requirement

Work and duties will be reviewed at workplaces in an appropriate manner from the point of view of the established job content. The aim of this review is to investigate the mutual requirements of work and duties.

Implementation regulation:

> *The work performed by employees in accordance with the course of work or work instructions is different from the employee's duties. Work may comprise a single work stage or several work stages. Duties include several jobs performed by the employee in*

the order required by the course of work. In this case determination of the job requirement must comply with the principles applied in respect of the job-based pay component (clause 2 of section 8 of the collective agreement).

Only one method of determination will be used at the workplace. The basic method of determination is classification of job requirement (TVR).

Use of rough classification (KR) or of some other manner of determining job requirement may be agreed locally.

Implementation regulation:

The current locally agreed method of determining job requirement may be terminated after a transition period of six months if there is a justified reason for doing so.

When using classification of job requirement (TVR) the determination of job requirement will be based on the requirements of a benchmark job, as determined by a local job requirement working group. The job requirement working group will consist of mutually agreed persons who have been trained, and who are familiar with determination of job requirement, with local conditions, and with the work.

Should any change occur in the members of the job requirement working group, the employer shall ensure that the new members receive the agreed training.

Employee representatives shall be entitled to participate in determining job requirement.

The job requirement working group will serve as an expert committee meeting as necessary to consider maintenance

and monitoring issues pertaining to job requirement. The working group must avoid needless delay in considering its business. The working group will in any case meet at least once a year.

In all cases the employer shall give the employees an adequate explanation of, and training in the manner of determining job requirement and in the principles governing such determination.

Classification of job requirement

Clause 1. Determination of job requirement proceeds as follows:

1 Selection of benchmark jobs (a representative sample is taken of all work occurring at the workplace).

Implementation regulation:

Determination of job requirement is based on benchmark jobs, which must be selected and delimited to enable comparisons of job requirement in various departments of the workplace and in various jobs. The training materials prepared jointly by the federations include examples of job descriptions.

2 Preparation of job descriptions for the benchmark jobs. The job descriptions must be prepared with sufficient accuracy to ensure that subsequent changes in the work can be verified and to ensure consistent application of the system in various departments of the enterprise.

3 Determination of the job requirement for benchmark jobs.

The job requirement working group will determine the job requirements for the benchmark jobs based on the following job requirement 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.

The time required for learning the work shall be the sole basis for determining learning time.

Learning time is not determined by the time that the individual employee has spent at work or the employee's training.

Five grades are used for learning time. The work is assigned to these grades according to the length of learning time required for each job.

Description	Learning time	Points
The work may be done with no special vocational training after a brief induction at the workplace.	under 3 months	3
The work may be done after a fairly short learning period. Detailed guidance for the work is fairly difficult.	≥ 3-12 months	6
Working requires occasional planning of performance details and/ or selection of working methods from a range of alternatives.	>1-2 years	9
The work requires the ability to make choices regarding the detailed manner of job performance.	>2-4 years	12

The work requires discretion with respect to detailed performance of the job.	over 4 years	15

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.

The responsibility required in the work is divided into three grades according to overall responsibility.

Description	Responsibility	Points
The work requires normal care and accuracy.	normal	1
The work requires considerable care and accuracy.	considerable	3
The work requires great care and accuracy. Independent decision-making is a feature of the work.	great	5

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.

Determination on the job requirement scale is based on the overall inconvenience caused by the working conditions.

Description	Conditions	Points
No significant problem factors.	good	2
Problem factors occur in the work, but not to a disturbing extent.	normal	4
The work is fairly strenuous and/or problem circumstances occur at the workplace to a disturbing extent.	fairly difficult	6
The work is strenuous and/or circumstances that disturb the work occur at the workplace.	difficult	8
The work is very strenuous and/or circumstances that very substantially disturb the work occur at the workplace.	very difficult	10

4 The benchmark jobs are assigned to job requirement categories.

The benchmark jobs at the workplace are assigned to job requirement categories based on the points total for learning time, responsibility and working conditions.

Unless otherwise agreed at the workplace, there will be nine job requirement categories.

When determining the job requirement categories, the lower limit for the first job requirement category shall be six points and the lower limit of the ninth job requirement category shall be 24 points. The other job requirement categories will be determined using a straight line through these points.

Implementation regulation:

The point limits for the requirement categories shall be as follows:

Job requirement category	*Points*
1	*6 - 8*
2	*9 - 10*
3	*11- 12*
4	*13 - 14*
5	*15 - 17*
6	*18 - 19*
7	*20 - 21*
8	*22 - 23*
9	*24 -*

The revised regulations shall be adopted at the time of the next job requirement maintenance, unless otherwise agreed.

5 Determination of the job requirement for work other than the benchmark jobs. This determination is made by comparing other work with the benchmark jobs.

6 Maintenance. The job requirement classification for work must be kept up to date at all times.

The job requirement category 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. The new determination will be used to review the position of the work in the job requirement classification.

7 §

Job-based hourly wages

The job-based hourly wages (in cents per hour) for job requirement categories by cost of living group will be as follows from 1 October 2009:

	cost of living group 1	cost of living group 2
lower limit	817	798
upper limit	1207	1179

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

When using nine job requirement categories, the job-based hourly wages (in cents per hour) will be as follows from 1 October 2009:

Job requirement category	cost of living group 1	cost of living group 2
1	817	798
2	858	838
3	901	880
4	946	924
5	993	970
6	1043	1018
7	1095	1069
8	1149	1123
9	1207	1179

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

Other locally agreed ways of determining job requirement

Job-based hourly wages

Clause 2. The work of a workplace shall be assigned to no fewer than five job requirement categories based on the method of determining job requirement.

The job-based hourly wages (in cents per hour) for job requirement categories by cost of living group will be as follows from 1 October 2009:

	cost of living group 1	cost of living group 2
lower limit	817	798
upper limit	1207	1179

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

Rough classification

Clause 3. Use of rough classification will be agreed between the employer and the employees.

Implementation regulation:

> *Work at the workplace will be placed in the requirement system on the basis of its requirement. The determination will be made on the basis of the learning time, responsibility and working conditions required by the work.*

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

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

II Work requiring normal vocational skills and a moderate degree of responsibility for ensuring that the work progresses, and work performed 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 performed under fairly difficult conditions. This category also includes work performed under difficult conditions requiring normal vocational skills and a moderate degree of responsibility.

Job-based hourly wages

Unless higher rates are agreed locally, the job-based hourly wages (in cents per hour) for job requirement categories will be as follows from on 1 October 2009:

Job requirement category	cost of living group 1	cost of living group 2
I	817	798
II	946	924
III	1095	1069

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

Implementation regulation:

The job-based hourly wage in locally agreed job-based hourly wages for job requirement category I must be smaller than the job-based hourly wage agreed for job requirement category II in the collective agreement.

It is recommended that the mutual grading of job requirement categories I, II and III be made using the same relative grading as is used in the job-based hourly wages agreed by the federations.

When applying rough classification of job-based hourly wages locally, however, the job-based hourly wage in rough classification III must not be agreed at a higher rate than the job-based hourly rate in job requirement category 9.

Section 8
Wages

Fully capable employees over 18 years of age

Basic wages

Clause 1. The basic wage is obtained by adding the personal pay component to the job-based component of the employee's wages.

Job-based wage component

Clause 2. The job-based component of the employee's wages is determined on the basis of the work that the employee regularly performs. The size of the said wage component is determined according to the job-based hourly wage for the job requirement category that includes the work representing most of the work that is actually done.

Implementation regulation:

In the event that no job requirement category is clearly the largest and the employee performs work belonging to more than two job requirement categories, the determination period shall be six months. If no job requirement category is then clearly the largest, the job requirement category shall be determined using the average for the work done, weighted by the time spent on the work.

Division of work shall be guided by the principle that the employee is assigned work corresponding to the job requirement of the work that the employee regularly performs.

A further principle of guidance of work shall be that efforts shall be made to assign more demanding work to the employee as the job performance of the employee improves.

Wage categories

Clause 3. The wage categories shall be A, B and C:

A This category includes employees mainly performing highly demanding professional work.

B This category includes employees mainly performing demanding professional work.

C This category includes employees mainly performing ordinary professional work.

Implementation regulation:

Highly demanding professional work is work classified in categories 7, 8 and 9 of the job requirement classification, category III of the rough classification, and corresponding categories when using other methods of determining job requirement.

Demanding professional work is work classified in categories 4, 5 and 6 of the job requirement classification, category II of the rough classification, and corresponding categories when using other methods of determining job requirement.

Professional work is work classified in categories 1, 2 and 3 of the job requirement classification, category I of the rough classification, and corresponding

categories when using other methods of determining job requirement.

In the event that the number of job requirement categories used in the scale of job requirement categories is other than 9, the foregoing distribution will be adjusted in proportion.

Personal pay component

Clause 4. The personal pay component is 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.

Vocational competence is determined by examining the employee's performance in situations involving choices made at work with respect to working methods and procedures and to their development.

Diversity of skills is determined by assessing the ability and readiness of an employee to perform various duties in the organisation and the employee's willingness to develop these skills.

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

The determination of care will allow for adherence to instructions, maintenance of order at the workplace and punctuality, meaning compliance with the schedule of working hours except for acceptable reasons.

Implementation regulation:

The federations recommend that the determination of vocational competence and diversity of skills should also allow for the employee's ability and capacity to guide other employees and familiarise them with the work.

8 §

The personal pay component will be determined as soon as possible, and in any case no later than four months after the employment begins. Before determining the personal pay component the job-based wage component will be used as the employee's basic wage .

Implementation regulation:

The personal pay components of employees will be determined on the basis of a supervisor's determination of vocational competence, diversity of skills, job performance and care.

The personal pay component of an employee must correspond to the employee's degree of vocational competence, diversity of skills, job performance and care. This will be verified in fresh determinations performed at regular intervals.

The employer will prepare a local system of measuring, the contents of which will be discussed with employee representatives.

When preparing the measuring system at least two of the vocational competence, diversity of skills, job performance and care factors that are significant in the work will be selected for the workplace-specific measuring system. Where necessary, a factor may be divided into two sub-factors, unless there is a justified need to divide it into more sub-factors.

Supervisors will be given sufficient training in the correct use and application of the system.

The principles governing grading of personal pay components will be explained to every worker at the workplace.

The principles for determining the personal pay component will be explained to the employee.

The personal pay component shall be no less than 3 per cent and no more than 25 per cent of the employee's job-based wage component.

Determination of the personal pay components of employees shall be independent of the requirement of the work or duties. This means that competencies of varying standard may arise in both more demanding and less demanding work and duties.

The average percentage of locally determined personal pay components by grading category will vary between 11 and 17 per cent. Attainment of the average shall be verified when determining the wages of all employees.

Minuted Note:

> *The revised determinations will be introduced by no later than 31 May 2010, or as of the start of the pay period beginning immediately thereafter (see the signing minutes, p. 10).*

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

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

Implementation regulation:

> *The entire application area from 3 to 25 per cent must be used by grading category when determining personal pay components. The larger the workplace in question, the more likely it is that grading of personal pay components will resemble a normal distribution.*

An explanation of the grading of personal pay components shall be provided to the Chief Shop Steward (Point B of section 8 of the Shop Stewards Agreement).

Students, employees under 18 years of age, trainees and disabled workers

Clause 5.

Students, young employees and trainees

Students shall be paid an hourly wage corresponding to not less than scale 2, on the basis of ability, experience and qualifications.

The hourly 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 hourly wages (in cents per hour) of students and employees under 18 years of age will be as follows,from 1 October 2007:

	cost of living group 1	cost of living group 2
Scale 1	706	689
Scale 2	741	724
Scale 3	778	760
Scale 4	817	798

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

The wages referred to in sections 7 and 8 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.

Implementation regulation:

The term "student" shall denote apprentices referred to in the Vocational Education Act (laki ammatillisesta koulutuksesta, no. 630 of 1998) and employed students at institutes of vocational training for the sector.

The wages of students, employees under the age of 18 years, or trainees, who work for an incentive wage will be governed by current unit prices unless otherwise agreed.

Unless some higher wage has been agreed locally, a person who is an employee at the time of concluding an apprenticeship agreement will be paid the previously regular wage as the student wage.

Clause 6.
Disabled employees

The wages referred to in section 7 shall not be mandatory in the case of employees whose capacity to perform the work in question has been permanently impaired due to some illness or other reason.

Section 9
Modes of payment

Clause 1. The mode of payment shall divide into time rates and performance-based pay.

The performance-based pay modes shall be direct piecework pay, partial piecework and incentive pay.

Modes of payment in use

1 modes of payment that are referred to in the implementation regulation and have been prepared and agreed by the federations

2 modes of payment that have been agreed and recorded locally between the employer and the employees collectively

3 job-based modes of payment that have been agreed between the employer and the employee or employees concerned. The shop steward shall be informed of this mode of payment.

Implementation regulation:

The modes of payment that have been prepared and agreed by the federations are:

1	*Time rates*		
2	*Performance-based pay*		
	2.1	*Direct piecework pay*	
	2.2	*Partial piecework*	
		1 fixed element	*75 %*
		variable element	*25 %*
		2 fixed element	*50 %*
		variable element	*50 %*
	2.3	*Incentive pay*	
		1 fixed element	*85 %*
		variable element	*15 %*
		2 fixed element	*70 %*
		variable element	*30 %*
		3 fixed element exceeding	*90 %*

The fixed element of partial piecework and incentive pay may be either job-based or job-based and personal. The personal part of the fixed element will be graded for production efficiency on the basis of essential factors such as diversity of skills.

If the employer and the employee concerned fail to agree on the mode of remuneration to be applied to the work, then the modes of payment agreed collectively between the local parties or between the federations shall be used.

Any dispute that arises as to whether the mode of remuneration used conforms to the modes of payment in points 1 and 2 shall be settled in accordance with the negotiating procedure set out in the collective agreement.

The choice of mode of remuneration for a specific job shall be based on the features and technical requirements of the work. These will include the nature of the work, the working method and its established character, the precision of performance norms and production disruptions.

An adequately detailed written explanation of the structure of the modes of payment used must be given to the employee on request.

Time rates

Clause 2. A personal time rate at least equal to the basic wage shall be paid to an employee for time rate work.

Implementation regulation:

The personal time rate of an employee shall comprise the basic wage and any time rate component.

Time rate components must comply with the principles applied in determining the basic wage. A component may be graded, for example in accordance with the principles governing the personal pay component.

Unless otherwise agreed with an employee, the personal time rate set for the employee will not be reduced when the employee's basic wage changes, except in case of exceptionally pressing grounds of the kind referred to in the Employment Contracts Act.

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.

Implementation regulation:

Should no other time of review be agreed locally, changes in time and incentive rates shall be verified, for example, on the basis of the fourth quarterly wage statistics provided to the chief shop steward under section 6 of the shop stewards agreement after these statistics have been completed.

Performance-based pay

Clause 3. Pricing of work done on performance-based pay shall be based on the job-based hourly wage and performance norms for the work.

The pricing of contract work must enable the wages of an employee working at a normal pace for contract work to be 20 per cent higher than the job-based hourly wage for the work.

The pricing of incentive pay work must enable the wages of an employee achieving normal job performance in incentive pay work to be 15 per cent higher than the job-based hourly wage for the work.

Implementation regulation:

When an employee works at a normal pace for contract work, the employee's wages must also be 20 per cent higher than the job-based hourly wage for the work in incentive pay work in which the amount of work corresponding to the employee's normal pace for contract work can be determined, for example by time and motion studies.

In all other incentive pay work the pricing wage corresponding to normal job performance in incentive pay work must be 15 per cent higher than the job-based hourly wage for the work. The bases for incentive pay under this paragraph will include the following:

- *the utilisation rate or output of a machine or process*
- *savings in raw materials*
- *saving of energy (e.g. water, electricity or air).*

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

Implementation regulation:

Performance-based pay work will be an assignment of magnitude depending on production guidance, that is delimited in advance and appropriate. It may differ from the size of the manufacturing batch.

The employee will be notified of the amount of performance-based pay work in units forming the basis for determining the unit price before the work begins, or it may be restricted to end at a certain time, for example at the end of a shift. In the case of performance-based pay work in which the amount of work cannot be notified in advance, the amount of work completed will be reported by pay period.

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

The employer shall agree with the employee or employees to whom performance-based work is offered on the unit price for such work before it begins. Where reasons of necessity so require, the unit price may also be agreed during the work, but by no later than before half of the work in question has been completed.

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.

9 §

The unit price shall remain unchanged when there is no change in the factors affecting pricing. The unit price shall correspond to the actual circumstances and methods.

Unless otherwise agreed, the employee shall receive a share of the variable wage component of group-specific performance-based pay in proportion to the size of the employee's share of the job-based wage component and the number of working hours for which the said employee has taken part in the work of the group. The employees may also agree among themselves on an equal division of the variable wage component.

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

If the employee's work for performance-based pay is interrupted and the next job is not done for performance-based pay, then the employee shall be paid for this next job at the personal time rate.

Minuted note:

If, by order of the employer 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 for performance-based pay, then the employee shall be paid for the said work at the employee's average hourly wage rate, but for no longer than six working days.

Section 10
Additional allowances

A Temporary deterioration in working conditions

Clause 1. The process of determining job requirements shall allow for working conditions.

As of the start of the pay period beginning on 1 October 2009 or soonest thereafter, an additional allowance based on the degree of inconvenience and not exceeding 53 cents per hour 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.

Implementation regulation:

The additional allowance shall be paid for the hours during which the temporary deterioration in working conditions continues.

B Exceptional inconvenience or difficulty

Clause 2. As of the start of the pay period beginning on 1 October 2009 or soonest thereafter, an additional allowance based on the degree of inconvenience, noless than 40 cents per hour, shall be paid to the employee in the event of any exceptional inconvenience or difficulty in working conditions that could not be considered when determining the job requirement of the work.

Implementation regulation:

The bonus referred to in this clause shall be paid for the hours for which the exceptional inconvenience or difficulty continues.

C Shift work, evening and night work

Clause 3. The following separate shift work bonus (in cents per hour) shall be paid for evening and night hours

in shift work proper as of the start of the pay period beginning on 1 October 2009 or soonest thereafter:

Evening shift	(e.g. 14.00 – 22.00)	107 cents/hour
Night shift	(e.g. 22.00 – 06.00)	196 cents/hour

While the shift work bonus may be divided in other ways per shift, the total additional compensation payable for a 24-hour period shall correspond to the foregoing amounts.

Clause 4. The following bonuses shall be paid for work that is not shift work, overtime or urgent work:

- compensation equal to the evening shift bonus for work performed between 18.00 and 23.00, and

- compensation equal to the night shift bonus for work performed between 23.00 and 06.00.

As of the start of the pay period beginning on 1 October 2009 or soonest thereafter, an additional allowance of 196 cents per hour shall be paid to employees in continuous three-shift work and in continual double or single shift work for each hour of regular working hours performed by the employee during a Saturday working shift.

This bonus shall be excluded when calculating average hourly earnings under section 11 of the collective agreement.

D Seniority bonus

Clause 5. Unless the time of payment of seniority bonus is otherwise locally agreed, a seniority bonus shall be paid to the employee at the time of the wage payment immediately following 1 December according to the length of the employee's continuous employment at the end of November of the same year.

Implementation regulation:

Local agreement refers to a mode of seniority bonus payment that applies to the employees collectively.

The bonus is determined as follows:

Length of employment	Formula for calculating the bonus payable:
At least 10 but not 15 years	2 x Lkk x KTA
At least 15 but not 20 years	4 x Lkk x KTA
At least 20 but not 25 years	6 x Lkk x KTA
25 years or longer	8 x Lkk x KTA

where

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

KTA = third quarter average hourly earnings referred to in section 11 of the collective agreement.

Implementation regulation:

The seniority bonus of a part-time employee shall be calculated 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.

The question of whether an employee is eligible for the bonus and of the grounds on which any bonus should be paid will be settled on 30 November of each year. The grounds that are found 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.

10 §

Implementation regulation:

> *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 grounds (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.*

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

The seniority bonus shall be paid as an additional allowance. It shall be excluded when calculating average hourly earnings under section 11 of the collective agreement and point 1 of section 2 of the holiday pay agreement.

E Result-based rewards and bonuses

Clause 6. 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.

The productivity reward bonus shall be excluded when reckoning the employee's average hourly earnings under section 11. The entire productivity reward shall then be paid to the employee as a lump sum.

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

Adoption of productivity rewards will be agreed locally and recorded.

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

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

F Separate rewards

Clause 7. The following vocational qualification rewards shall be paid at the time of the pay period 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 reward	EUR 200
Special vocational qualification reward	EUR 300

Minuted note:

In addition to the foregoing, it will also be possible under certain conditions for the employee to receive a vocational qualification grant of EUR 365 from the training fund for a vocational qualification or special vocational qualification completed by the employee.

Section 10a
Changes in the wage determination period

The wage determination period refers to the period for which wages are determined. Such periods include the hour, the term and the month.

The basic determination period shall be the hour. Introduction of other determination periods shall be agreed between the employer and the Chief Shop Steward and recorded.

Any current determination period other than the basic determination period may be terminated after a transition period of six months if there is a justified reason for doing so.

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 involved therein.

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 impair the normal wages of employees.

Section 11
Average hourly earnings

Clause 1. The average hourly earnings of an hourly paid employee shall be used as a factor in reckoning payments of wages and compensation as separately stipulated in this collective agreement.

No average hourly earnings shall be calculated for employees whose wages are defined on the basis of some time factor other than the hour (the week, term or month). The stipulations of the appendix on payment

of wages as a monthly wage shall govern the payment of compensation for lost earnings, overtime and Sunday work bonuses, compensation for weekly time off and certain other compensations. (See pp. 198-206).

Clause 2. The average hourly earnings of an employee shall be calculated by dividing the accrued earnings of the employee for time worked under time rates and performance-based wages during each quarterly period, including any additional allowances but excluding productivity rewards and profit bonuses, and bonuses for overtime, Sunday work and working hour averaging, by the total number of hours worked.

No average hourly earnings shall be reckoned for any quarterly period used under clause 4 during which the hourly paid employee has worked for fewer than 160 hours.

When calculating 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 the said calculation.

Clause 3. If the average hourly earnings are smaller than the basic wage, then any wages or compensation based on clause 1 shall nevertheless comply with the basic wage.

The wages or compensation paid to a new hourly paid employee on the basis of clause 1 shall comply with the employee's personal time rate for no longer than four months. An hourly paid employee for whom no average hourly earnings have been reckoned under paragraph 2 of clause 2, for example because of illness or a period of compulsory military service, shall be paid correspondingly on the basis of the last average hourly earnings calculated, or on the basis of the personal time rate if this is higher.

Implementation regulation:

Where required by the collective agreement, additional allowances shall also be paid when using average hourly earnings as regular working hours.

Clause 4. The average hourly earnings calculated 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 pay and quarterly periods referred to in this section shall be calculated to begin and end according to financial periods so that when a financial period is divided across two of the foregoing monthly periods or two quarterly periods, then the financial period shall be counted in the period with the larger number of regular working hours.

III TIME AND MOTION STUDIES

Section 12
Time and motion studies

Clause 1. Methodological development and time and motion studies seek to improve the productivity of operations, thereby enhancing enterprise competitiveness and continuity of employment. Measures to improve and measure work shall comply with the principles set out in chapter 2 of the general agreement for the technology

industry. The procedures for time and motion studies are also explained in the joint federation publication Memorandum on Time and Motion Studies.

At workplaces where the employer uses time and motion studies the employer shall give the employee representatives an adequate explanation of, 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.

Clause 2. The time value of work that forms the basis for the unit price of performance-based pay work, i.e. the work value, must correspond to the actual circumstances and methods of the workplace.

In departments where work is generally priced using time and motion studies the employees may also propose pricing of other work by means of a time and motion study of necessary scope. The said study must be performed with optimal dispatch unless the employer provides justified grounds for a solution of some other kind.

Clause 3. 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.

Clause 4. Forced pace work refers to work in which a machine, process, flow (assembly line) production or other factors predetermine the time, manner, arrangements and pace of performance of the work and the fixed nature of the workload.

If the forced pace character of the work cannot be eliminated through working arrangements and work design, then breaks shall be arranged for the employees to recuperate and attend to their personal needs. This may not cause disruptions in the flow of work. The determination of breaks must allow for available personal aid times and other time available for personal recuperation.

IV REGULATIONS ON WORKING HOURS

Section 13
Regular working hours

Clause 1. Length of regular working hours

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

When an employee is normally working full time, i.e. in working weeks of 40 hours, the hours of work in daily and two-shift work shall be averaged as follows:

an average of 36.4 hours per week in 2009
an average of 36.6 hours per week in 2010
an average of 36.6 hours per week in 2011
an average of 36.1 hours per week in 2012

over a period not exceeding one calendar year.

Averaging of working hours shall comply with clause 2.

Three-shift work

Continuous and discontinuous three-shift work shall comply with the appended agreement between the federations on working hours in three-shift work.

Clause 2. Averaging of working hours in daily and two-shift work

1. Averaging of working hours

Working hours shall be averaged to the weekly periods specified in clause 1 while ensuring operating and service times.

The average weekly hours of work were obtained by adjusting the reductions in working hours 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 hours. Weekday public holidays, Midsummer's Eve and Christmas Eve shall also average the weekly working hours.

The average weekly working hours 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 hours.

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

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

Where no schedule of working hours has been decided in advance, no less that one week's notice of time off shall be given unless otherwise agreed before the time off is taken.

The employer and the employee may agree to defer working time averaging leave to a date no later than the end of June of the following year. The chief shop

steward shall be given an account of deferral practices for working time averaging leave.

Implementation regulation:

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

Scheduling of hours of work is essentially a collective matter, and applies to the time when the form of working hours used at the worksite in question, or in a department or workplace generally, is daily or two-shift work. On making the transition to some other form of working hours, for example three-shift work, the hours of work shall be determined after the transition according to the regulations on the form of working hours in question.

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 person absent 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.

Hours of work averaging allowance

Any reduction in pay caused by averaging of weekly working hours shall be compensated by a flat rate allowance 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 of the employee's average hourly earnings determined by quarterly period.

This allowance shall also be paid for any regular working hours of travelling and training time that are compensated by the employer and for any time when the employer pays sick pay or pay under the collective agreement during the illness of a child, and for the regular working hours served by a shop steward or labour protection delegate in performing duties agreed with the employer.

The allowance shall be excluded when reckoning the employee's average hourly earnings under clause 2 of section 11 of the collective agreement.

All allowances earned shall be paid by the pay period unless otherwise locally agreed.

Monthly paid employees

The averaging of working hours referred to in this clause shall be arranged without reducing the monthly wages of employees paid by the month.

Averaging of working hours and annual holiday entitlement

The days off taken to average working hours shall cause no loss of annual holiday entitlement.

Clause 3. Working hour arrangements by local agreement

Working hour arrangements can substantially promote utilisation of machinery, equipment and other resources at the workplace, while respecting the wishes of employees regarding hours of work. These arrangements may also vary as necessary, for example at various times of year, by production department, and even by machine and employee group in various departments at the same workplace.

Increasing the use of various kinds of working hour arrangements and working hours of varying length, together with several options for arranging working hours, creates opportunities for working hours to meet the needs of both production and employees.

The following arrangements may be agreed locally:

1. the maximum length of regular daily and weekly working hours in excess of the provisions of paragraph 1 of clause 1,
2. an averaging period exceeding one year in working time bank agreements,
3. the starting time of the working day and working week,
4. rest time in daily working hours,
5. changes in the schedule of working hours, and
6. workplace-specific trials in accordance with section 5 of the signing minutes.

Clause 4. Schedule of working hours

The schedule of working hours drawn up in advance shall specify the placement of regular daily and weekly working hours and the period not exceeding one year over which working hours average to the regular number. The schedule of working hours may be prepared for a shorter period if the detailed placement of regular working hours is very difficult to specify in the schedule of working hours for the entire averaging period, owing to the length of this period or the irregularity of the work.

The aim in scheduling working hours shall be to give the employee another weekly day off in addition to Sunday. Where a fixed day of the week is stipulated as the second day off, this should be Saturday if possible. If the second day off is a variable weekday, then this day must be specified in the schedule of working hours drawn up in advance.

Changing the schedule of working hours

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.

Notification of changes

Unless otherwise locally agreed, the employees concerned shall be notified of any permanent change in the current schedule of working hours no later than two weeks before the said change takes effect, and of any temporary change, where possible, no later than one week before the said change takes effect, but in any case no later than three days before implementing the change.

Definition of a temporary change

Implementation regulation:

> *A change shall be of temporary character if the intention is for the workplace to revert to the current schedule of working hours after the situation motivating the change has come to an end.*
>
> *The regulations on changes in working hours shall not apply to urgent work or to work that is comparable to urgent work.*

Clause 5. Working hour arrangements other than by local agreement

Working hours shall be arranged as follows unless otherwise locally agreed in accordance with clause 3:

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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 (weekly rest compensation) shall be determined according to the working day.

2. Scheduling of daily working hours

Working hours in day work shall begin at 07.00 unless the employer, where required for justified reasons of production technology, has set some other working hours that comply with the law and with this collective agreement.

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.

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.

5. Averaging of regular working hours

The period used for averaging regular working hours shall not exceed one year.

Clause 6. The following general regulations on hours of work shall also apply to scheduling of working time:

1. Monitoring of hours of work

The employer may arrange monitoring of hours of work. These arrangements must not cause unnecessary loss of time for employees.

2. 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 and on the 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 reasons of production technology.

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.

3. Refreshments

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

4. Periodic work

Regular working hours in the work referred to in section 7 of the Working Hours Act shall be governed by the said section.

5. Night work

Night work may be ordered in accordance with section 26 of the Hours of Work Act or by local agreement.

Clause 7. Working time bank

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.

Minuted Note:

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

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

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

1. the parties covered by the agreement
2. the elements comprising the working time bank
3. the maximum regular daily and weekly working hours
4. the limits for saving and lending a working time balance, within which regular working hours may vary over the longer term
5. the wage-setting criterion used for saving or lending time and/or monies
6. the length of the averaging period for working hours

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 hours, and the notification and other procedures involved in arranging hours of work.

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

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

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

Balances in the working time bank shall be cleared before the employment ends. Any balance of time or monies nevertheless remaining in the working time bank at the end of employment shall be paid with the final wage payment as locally agreed. Any outstanding borrowed time and monetary balance shall be withheld from the final wage payment.

Minuted Note:

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

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.

This clause may also be applied in three-shift work.

Clause 8. Compliance with the Hours of Work Act

The current provisions of the Hours of Work Act shall apply in other respects.

Section 14
Overtime, Sunday work and work done during weekly time off

Clause 1. Overtime shall be done within the limitations prescribed in the Hours of Work Act.

Overtime compensation, which is referred to below as *overtime bonus*, shall be paid in accordance with clauses 2 and 3 of this section, unless a manner of determining overtime bonus in accordance with clause 5 is locally agreed.

The basis for calculating the overtime bonus of an hourly paid employee shall be average hourly earnings reckoned in accordance with section 11 of this Agreement.

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

The sole tracking period for maximum overtime shall be the calendar year.

Implementation regulation:

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

All work exceeding regular working hours according to the Hours of Work Act constitutes overtime under the said Act, and must therefore also be entered in the record of hours of work. The overtime referred to in clauses 2 and 3 is overtime under the Hours of Work Act.

Clause 2. Daily overtime refers to any work done during the working day in addition to regular daily working hours, i.e. 8 hours, or to agreed extended regular daily working hours (paragraph 1 of clause 1 of section 13 or clause 2 of section 13).

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

In addition to the regular wage, an overtime bonus 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 bonus 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.

Clause 3. Weekly overtime refers to any work exceeding the regular weekly working time of 40 hours determined under the collective agreement (paragraph 1 of clause 1 of section 13).

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

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

In addition to the regular wage, an overtime bonus 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 bonus has been paid for 8 hours, an overtime bonus 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.

Various optional formats may also be used to track weekly overtime, as explained on the federation websites at www.teknologiateollisuus.fi and www.metalliliitto.fi.

Clause 4. Work done under the following circumstances shall be compensated in the manner agreed for overtime, but shall not be entered as overtime in records of working hours (collective agreement overtime):

Work done as additional work,

that, for a full-time employee, due to averaging of working hours, exceeds scheduled daily hours of work determined as a working day of less than 8 hours shall be compensated according to the agreement on daily overtime.

Work done as additional work,

a) that, for a full-time employee, due to averaging of working hours, exceeds scheduled weekly hours of work determined as a working week of less than 40 hours, or

b) that exceeds scheduled working hours for the working week in question in weeks including a weekday public holiday,

shall be compensated according to the agreement on weekly overtime.

If a weekly overtime bonus of 100 per cent is not payable under the preceding point (b) for work done on Easter Saturday, Midsummer's Eve and Christmas Eve, then the said bonus payable for this work shall be 100 per cent. This clause shall not apply to continuous one or two-shift work, or to continuous three-shift work.

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

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

Implementation regulation:

Acceptable absence refers to the employee's annual holiday, incapacity due to illness, lay-off for reasons of finance and productivity, travel ordered by the employer or reserve military training.

The reference to lay-off in this clause shall not apply to a shortened working week.

Clause 5. Clauses 2 and 3 may be set aside by local agreement and overtime bonus instead determined in accordance with this clause. If a single overtime concept has been agreed locally under the previous collective agreement, then the said local agreement shall be observed unless otherwise agreed.

1 One of the following options for determining overtime bonus shall be agreed locally:

a) An overtime bonus of 55 % shall be paid for all working hours that qualify for overtime bonus.

b) An overtime bonus of 50 % shall be paid for the first hundred hours qualifying for overtime bonus and an overtime bonus of 100 % shall be paid for subsequent hours that so qualify.

c) An overtime bonus of 35 % shall be paid for the first fifty, 65 % for the next hundred, and 100 % for all subsequent hours that qualify for overtime bonus.

d) The overtime bonus and any grading based on the number of overtime hours worked shall be agreed locally in line with the foregoing examples.

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

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

A local agreement shall govern the overtime referred to in clauses 2 and 3 and the collective agreement overtime referred to in clause 4 of this section.

The local agreement shall not affect the Sunday bonus payable under clause 7 or the compensation for weekly time off referred to in clause 8.

2 If no other overtime compensation arrangements have been agreed, then overtime shall be compensated in accordance with point 1 (a) of this clause unless a higher workplace average overtime bonus is payable reckoned over a sufficiently long period.

Minuted note:

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

The sum of overtime percentages accruing to the employees is divided by the sum of hours worked that are eligible for overtime bonus.

The sum of overtime percentages accruing to the employees refers to the overtime percentages accrued during the current year up to the time of concluding the agreement and during the preceding year.

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

3 It is advisable to assess the effectiveness and achievement of the aims of the overtime compensation system at the workplace, for example at annual intervals. This assessment will be the basis for deciding on any amendments to the local agreement.

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

5 The local agreement may be concluded for a limited or unspecified period.

Implementation regulation:

A limited period agreement will chiefly be appropriate in cases where use of an agreement on the mode of overtime compensation is restricted to only part of the workforce, or when it applies only for the duration of a certain locally agreed scheduling of working hours.

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 overtime bonus, 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.

If no understanding has been reached on a new manner of determining overtime bonus by the end of the local agreement, then the compensation methods of clauses 2 and 3 shall apply.

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

Clause 6. A shift bonus for the shift during which any overtime occurs shall be paid to shift workers.

Implementation regulation:

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

The shift bonus shall be paid at the single rate for overtime.

Clause 7. In addition to regular wages and any overtime bonuses payable for work done on Sundays or other church festivals, an hourly bonus of 100 per cent of average hourly earnings shall be paid as the statutory increase for Sunday work.

Clause 8. The statutory weekly time off (weekly time off) of an employee working temporarily on a Sunday shall, where possible, be scheduled primarily for Saturday of the same week.

Unless otherwise agreed, an employee who is temporarily required for work during the weekly period of time off shall be compensated for the time spent on the said work by deducting the time taken for the said work from the employee's regular working hours that are scheduled no later than during the following three calendar months. With the employee's consent, weekly time off may also be compensated by paying 100 per cent of the employee's average hourly earnings in addition to the regular wage and any overtime and Sunday work bonuses. This calculation shall include the working hours during which the employee was working during the last working day or working days when weekly time off should have been granted.

An agreement must be reached with the employee before work done on the day of weekly time off as to whether the lost weekly time off will be compensated by granting corresponding time off or by paying cash compensation.

Minuted note:

> *Weekly time off shall not be considered to have occurred at a time when the employee was absent from work due to the employee's illness or in order to care for a sick child. The employee shall be compensated for lost weekly time off in accordance with clause 8 of section 14 unless the employee is granted weekly time off in some other manner.*

Implementation regulation:

An employee in continuous three-shift work or continual two-shift or single shift work, who has worked on all days of the week without receiving an uninterrupted period of 35 hours or no less than 24 hours of time off shall be compensated for time spent at work during the weekly period of time off by deducting the time taken for work done during the weekly period of time off from the employee's regular working hours. Unless otherwise agreed, the said time off shall be granted within no more than three calendar months of the time when the work is done.

With the employee's consent, weekly time off may also be compensated by paying 100 per cent of the employee's average hourly earnings.

The calculation of compensation for weekly time off shall include the working hours when the employee was working on the last day off in the week according to the schedule of working hours.

Section 15
Emergency work and standby time

Clause 1. An employee who is recalled to perform emergency work outside of regular working hours and after leaving the employee's workplace shall be paid no less than one hour's regular wages and overtime compensation 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 hours 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 compensation payable in the cases referred to in this point shall be 100 per cent immediately.

The extraordinary compensation referred to at point (a), corresponding to average hourly earnings for two hours, shall be paid without overtime bonus 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.

Clause 2. An employee who is contractually required to remain at home, from which place the employee may be called to work when necessary, shall be paid at a rate of half of the employee's average hourly earnings for such standby time excluding any time spent actually working. The contract shall specify the length of any standby time.

The terms of any readiness time other than the foregoing standby at home shall be agreed between the employer and the employee. Standby time of this kind shall not be included in hours of work.

The regulations on emergency work shall not apply to situations of the kind described in this clause in which the employee is called to work.

V MISCELLANEOUS COMPENSATIONS

Section 16
Work outside of the regular workplace

Clause 1. General regulations

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

The employer must explain to the employee the location of the regular workplace for the purposes of this section. The said explanation shall be provided both when hiring the employee and in the event of any substantial change in factors affecting the determination of the regular workplace.

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 a work detail by no later than on the third day before the journey begins.

Exceptions may be made to the said period of notice, however, if the employment contract concluded with the employee or the normal duties of the employee otherwise require continual travelling or repeated short work details, or in the case of urgent work details.

The journey and the travel day comprising a period not exceeding 24 hours shall be deemed to begin when the employee departs for the work detail 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.

Implementation regulation:

> *A journey shall also be deemed to include any unavoidable waiting time that may arise due to public transport connections when changing from one vehicle to another.*

Clause 2. Compensation for expenses incurred in work details

On the conditions specified below in this clause, the following shall be paid to an employee:

- compensation for travel expenses,
- compensation for time spent travelling during a working day, and
- compensation for other extraordinary expenses incurred from a work detail.

a) Travel expenses

The employer shall compensate for any necessary travel expenses arising when the employee travels to the work detail site and back or from the said site to another work detail site when work is performed at a distance of more than 10 kilometres from the employee's regular workplace and home. Necessary travel expenses shall include the prices of second-class tickets for travel by rail, ship, air etc., luggage costs, and the price of a second-class sleeping berth when travelling overnight.

If use of the employee's own passenger motor vehicle for work-related travel has been agreed before the journey begins, then compensation shall be paid for this and for any transportation of other persons or goods using the said vehicle that has been agreed with the employer. The said compensation shall not exceed the tax-exempt sum determined annually by the National Board of Taxes.

Implementation regulation:

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 performed in the middle of the working day.

b) Per diem allowance

The following per diem allowance shall be paid for each travel day when the distance between the place where work is performed and the employee's regular workplace and home exceeds 40 kilometres as measured along public highways:

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

- A partial per diem allowance shall be paid when the work-related travel exceeds 6 hours.

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

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

Minuted note:

The foregoing full per diem allowance is EUR 35.00 and the partial per diem allowance is EUR 16.00 in 2009.

If the employee enjoys free board or this is included in the price of the ticket on any travelling day, then the per diem allowance shall be half of the amounts referred to

above. 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.

Implementation regulation:

> *It is of no consequence whether the free board or lodging is arranged for the employee by the employer or by some other party such as the party ordering the work.*

c) Compensation for work-related travelling time

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

Minuted note:

> *See the implementation regulation at point (a) above for work-related travel occurring in the middle of the working day.*

Compensation for travelling time 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 working hours performed during regular working time on the working day in question shall be deducted from the travelling time for which compensation is payable.

Minuted note:

> *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. Assessment of the need for rest will allow, for example, for international travel across time zones and for the strain of long-haul air travel. The arrangements for*

rest time shall also allow for the urgency of the work and other circumstances.

The compensation paid for travelling time shall be equal to the employee's personal time rate. However, compensation equal to average hourly earnings shall be paid for an amount of travelling time corresponding to any regular working hours that are lost.

The foregoing compensation shall not be paid for time between 21.00 and 07.00 if a sleeping berth or cabin has been made available to the employee.

d) Meal allowances

Unless food is provided free of charge at the place of work, a meal allowance amounting to 1/4 of the per diem allowance for work in Finland shall be paid to the employee when work is performed at a distance of more than 10 kilometres from the employee's regular workplace and home and the employee has no opportunity to take a meal at the regular workplace or at home. No meal allowance shall be paid when the employee is working at another workplace of the same enterprise where the meal opportunities and conditions correspond to those of the employee's regular workplace.

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

e) Overnight travel expenses

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

If no accommodation opportunity has been arranged for the employee, then the employer shall compensate for accommodation costs during a work detail in accordance with an approved account of the said costs.

The following maximum accommodation expenses per day of travel shall apply:

a) EUR 158 in Helsinki, Espoo, Vantaa and Kauniainen

b) EUR 97 in other districts.

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 received no accommodation compensation or been provided with a sleeping berth during the journey.

No overnight travel allowance shall be paid, however, to an employee who, without reason, fails to use an accommodation option that has been reserved and notified by the employer.

f) Procurement of dwelling

Before the employee departs for a work detail the employer shall investigate the prospects for securing a dwelling within or near to the work detail 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 the work detail district, then the accommodation furnishings procured by the employer for this purpose shall allow no less than 10 m^3 of living space for each employee accommodated, with no more than two persons accommodated in the same room. Sanitary and recreational facilities that are adequate under the circumstances shall also be reserved within the said accommodation complex.

Minuted note:

Where possible, the employer shall seek to accommodate employees in single rooms if the work detail continues for longer than 1 month.

Any caravan procured by the employer for use as accommodation shall provide 7 m^3 of living space for each employee so accommodated.

Implementation regulation:

Mobile workteams and others engaged in work requiring them to live in temporary accommodation and to move from place to place as the work progresses may, on account of the said circumstances, constitute exceptions to the foregoing regulations on the standard of dwellings. Various forms of accommodation suited to the conditions may then apply.

g) Special regulations

If no dwelling is available in the vicinity of the worksite in a work detail district and the employee therefore has to live at a distance of more than 5 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 point of this agreement governing use of such a vehicle shall apply.

If the worksite in a work detail 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 point (c) above.

If an employee is sent for hospital treatment in the work detail district, then instead of the per diem allowance the employer shall pay the employee a hospitalisation allowance of EUR 3.00 per day until the expiry of the employer's duty to pay sick pay due to the employee's incapacity to work. The employee shall not enjoy the foregoing right to a hospitalisation allowance if the employee is entitled to compensation for daily hospital care charges under insurance paid for by the employer.

The following procedure shall govern payment of per diem allowances when the employee is absent from work at a work detail district without an acceptable reason:

1. Per diem allowances payable for days off

If the absence is directly connected to 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.

2. Per diem allowance for a working day

The per diem allowance for the day of absence shall be reduced in proportion to the time when the employee was not working.

An employee who has worked continuously in the work detail district for not less than 3 weeks before Easter, Midsummer or Christmas Day shall be entitled to travel home for the said festival days, provided that the technical character of the work or other compelling reasons constitute no impediment to so doing. In such cases the employer shall compensate the employee for the costs of travelling to the employee's home and returning to the place of work in accordance with point (a), shall pay a per diem allowance in accordance with point (b), and shall also pay travelling time compensation in accordance with point (c) together with an overnight travel allowance under the conditions specified in paragraph 3 of point (e).

The same regulation shall apply to other employees whom the employer sends home for the said festival days and to the journey home for the purpose of annual holiday.

If the employer sends the employee home due to the employee's illness or accident, then the employer shall pay the expenses incurred in the said journey home in accordance with this point of the collective agreement. Compensation for travelling time shall be paid in respect of any time taken to journey home for which no sick leave salary is payable.

Implementation regulation:

The duty of the employer to pay compensation for the journeys referred to at this point of the collective agreement shall cover the entire journey to the employee's actual home.

The employee shall advise the employer as to the location of the employee's home on request.

Clause 3. Work abroad

The terms of payment, manner of payment and other employment-related financial benefits of work-related travel to be performed abroad shall be agreed between the employer and the employee before the journey begins. It is recommended that this agreement be concluded in writing.

The matters to be agreed shall include:

- the parties to the agreement
- the country of posting
- the duration of the agreement
- procurement of dwelling
- the duties
- the wages and per diem allowance
- the hours of work and overtime
- annual holiday
- travel home

Minuted note:

> *The employee shall not be ordered on a work detail abroad without the employee's consent unless the employment contract concluded with the employee also requires travel abroad or the employee's normal duties have previously included such travel, or unless the assignment is urgent for reasons of production technology.*

Per diem allowances shall be paid as follows:

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

On new construction sites near the Finnish-Russian border, such as Kostomuksha, Svetogorsk, Kamenogorsk and comparable work sites, compensation for the

expenses incurred in work-related travel shall be agreed in accordance with the principles jointly approved by the federations. In the event that the federations have not approved the principles applicable to a particular site, the federations shall negotiate on the matter following the negotiating procedure specified in section 31 of this agreement. Compensation for the expenses incurred in work-related travel shall be paid in accordance with clause 2 of the current section until the federations have approved common principles.

Implementation regulation:

This provision shall apply only to construction and installation worksites near the Finnish-Russian border where several Finnish enterprises are working. Compensation for expenses incurred from work at worksites and settlements elsewhere in Russia shall instead be paid on the basis of clause 3 of this current section, whereupon the per diem allowance shall be determined in accordance with this clause.

In other respects the regulations of this collective agreement shall govern work-related travel abroad, provided that these do not conflict with the legislation of the country in question.

Minuted note:

The following exceptional regulations shall be applied in Sweden, based on the requirement to comply with the collective agreements of the said country:

a) an enterprise that joins a Swedish employers' federation with respect to its worksites in Sweden and is thereby required to apply a current Swedish collective agreement to the employees that it sends to work there shall be discharged from the duty to apply current Finnish collective agreements;

b) for a corresponding period the employer shall not be required to apply to the same employees the current provisions of Finnish legislation and collective agreements on calculation and payment of annual holiday pay and holiday compensation;

c) Any wages paid or terms of employment applied under the Swedish collective agreement in question shall not be included when determining the pay and other terms of employment of an employee who has returned to Finland under current Finnish collective agreements;

d) points (a) to (c) of the foregoing minuted note shall also apply in the event that the enterprise concludes a separate collective agreement with a Swedish trade union.

Clause 4. Local agreement

Other modes of compensation for the expenses incurred in a work detail that are referred to in clauses 2 and 3 above may be agreed locally. A local written agreement shall be concluded between the employer and the chief shop steward at workplaces where work-related travel occurs more commonly.

Section 17
Compensation for weekday public holidays

Clause 1. The employee shall be paid for 8 hours at the average hourly earnings rate in compensation for a weekday public holiday when New Year's Day, Epiphany, Good Friday, Easter Monday, 1 May, Ascension Day, Midsummer's Eve, Christmas Eve, Christmas Day and Boxing Day fall on a weekday other than Saturday or Sunday.

Implementation regulation:

The weekday public holiday compensation of a part-time employee shall be calculated by multiplying the proportion of the number of regular weekly working hours out of 40 hours by the foregoing weekday public holiday compensation.

Clause 2. Weekday public holiday compensation shall be paid to an employee who has been continually employed for no less than 1 month before the weekday public holiday in question, and on the condition 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.

Implementation regulation:

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.

Clause 3. Compensation for weekday public holidays shall also be paid to the employee referred to in this section for the weekday public holidays defined in accordance with clause 1 that occur:

- at the time of the annual holiday
- at a time for which sick pay or maternity leave pay is paid to the employee
- at a time of paid absence arising from the sickness of a child referred to in clause 7 of section 20
- at a time of lay-off for reasons of finance or productivity lasting for no longer than 2 weeks before the weekday public holiday
- for the period of statutory paternity leave.

No weekday public holiday compensation shall be paid if absence from work on a weekday public holiday falling on a scheduled working day occurs for other than acceptable reasons.

Clause 4. An employee who is not entitled to statutory wages for Finnish Independence Day (6 December) due to illness or to incapacity arising from accident shall be paid the weekday public holiday compensation referred to in this section for the period of incapacity under clause 3 for an Independence Day falling on a day of the week other than Saturday or Sunday.

Clause 5. No weekday public holiday compensation shall be paid to an employee who is paid by the week or month.

Section 18
Other compensations and benefits

Clause 1. The employee shall be entitled to release from work:

- on the employee's wedding day
- on the employee's 50th and 60th birthday
- 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.

Clause 2. The employer shall pay a sum corresponding to the pay for one working day to an employee participating for the first time in conscription for military service as conscription day compensation.

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

Conscription day compensation shall be paid only for the day on which the conscription proceedings take place.

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

Clause 3. 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 pay benefits.

Implementation regulation:

> *This regulation shall also apply to employees who are ordered to engage in civil alternative refresher courses under the Non-Military Service Act (siviilipalveluslaki, no. 1723 of 1991) and to employees undergoing training in special civil defence functions under the Civil Defence Act*[1].

Clause 4. The compensations referred to in this section shall be paid in accordance with the average hourly earnings referred to in section 11 of this agreement.

VI HEALTH AND SAFETY AT WORK

Section 19
Health and safety at work

Clause 1. The employer has a duty to take the measures that are necessary to ensure the health and safety of employees at work. To this end, the employer must allow

for factors pertaining to the work, to working conditions and the working environment generally, and to the personal requirements of the employee.

Having regard to the nature of the work and operation, the employer must, in a sufficiently systematic manner, investigate and identify the problems and hazard factors arising from the work, from the premises in which the work is performed, from the working environment generally and from the working conditions and, where these problems and hazard factors cannot be eliminated, must assess their significance to the health and safety of the employees.

The employee must comply with the regulations and instructions that are issued by the employer within the limits of the employer's authority. The employee must, in a careful manner and as instructed, use and take care of any personal safety and other equipment that is provided by the employer pursuant to section 15 of the Health and Safety at Work Act (*työturvallisuuslaki*, no. 738 of 2002).

Clause 2. The employee must immediately notify the employer and the labour protection delegate of any faults and inadequacies that the employee observes in working conditions and working methods, machinery, other working utensils, or in personal safety and other equipment that could harm or jeopardise the health or safety of employees.

This duty of the employee to notify shall not affect the liability for compensation, which is determined solely by law.

Clause 3. The employee shall be entitled to refrain from performing any work that seriously endangers the life or health of the said employee or of other employees. The employee shall have the same right if safety equipment

ordered by a public authority or the occupational safety manager or unanimously proposed by the labour protection commission or by a corresponding co-operation committee has not been installed for the work.

Clause 4. 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.

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.

Implementation regulation:

The codetermination 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 joint ascertaining referred to in the regulation means that the various groups that are represented on the codetermination body agree on the procurement proposal.

The foregoing shall not refer to the ordinary working clothes used by employees at work in order to prevent soiling of the individual or of the individual's own clothing.

In work that involves an unusually high degree of wear and tear and soiling of the employee's ordinary working

clothes the employer shall procure, maintain and pay for a reasonable quantity of protective overalls and gloves.

Implementation regulation:

Maintenance refers to laundering of overalls and to the repair or replacement of damaged overalls.

Clause 5. The employer shall arrange and defray the cost of occupational health care to prevent and avert health hazards and damage to health arising from work and working conditions, and to safeguard and promote the safety, working capacity and health of employees, with the aid of an adequate number of professional occupational health care staff and the specialists that the said staff consider necessary. Occupational health care shall be arranged in the manner prescribed in the Occupational Health Care Act (*työterveyshuoltolaki*, no. 1383 of 2001).

Clause 6. The job release of a labour protection delegate and compensation for lost pay shall be governed by the general agreement for the technology industry. (See p. 135).

VII SOCIAL REGULATIONS

Section 20
Sickness, maternity and temporary child care leave

A. Sick leave

Clause 1. Notifying incapacity to work

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

Implementation regulation:

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

Failure to notify the employer of illness

Should the employee wilfully neglect to notify the employer of the illness without delay, then payment of sick pay shall begin no sooner than on the day when the said notification was made.

Clause 2. Sick leave pay shall be paid on the following conditions:

1. The employee is prevented from working due to incapacity arising from illness or accident.

2. An explanation of the incapacity approved by the employer is presented.

Implementation regulation:

1
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.

2
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 pay if the employee gives the employer an acceptable reason for using another physician.

3
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.

Ambiguities in medical certificates shall be settled in accordance with the negotiating procedure set out in the collective agreement.

Clause 3. Sick pay shall be paid in accordance with average hourly earnings for the scheduled working days of the calendar period specified below:

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

Employment of not less than 6 months

Sick pay 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.

Waiting day in employment continuing for at least one month but no longer than 6 months

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

When the incapacity to work due to illness continues for not less than six (6) weekdays following the day of onset of illness the employer shall also pay wages for the waiting day.

If the incapacity to work is due to a work-related accident, then sick leave wages shall also be paid for the waiting day.

Employment of less than 1 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 9 ordinary weekdays. The conditions governing payment of sick pay and the waiting day shall comply with this section. If the right of the employee to a per diem allowance under the Sickness Insurance Act begins on an earlier date, then the period for which wages are payable shall be correspondingly reduced.

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.

Implementation regulation:

> *This regulation means that if the incapacity to work continues, then the next working day will be a waiting day if the employment has continued for less than 6 months.*
>
> *If an employee is incapacitated for work due to illness on arrival at work, then the day in question shall become the waiting day in the case of employment that has lasted for less than 6 months.*

Relapse

Payment of sick pay to an employee who falls ill again with the same illness no more than 30 days after the last payment of sick pay 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 pay shall continue until the end of the illness or of the period of eligibility for compensation.

Implementation regulation:

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

If 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 pay.

Clause 4. No sick pay shall be paid if the employee has caused the illness or accident deliberately, by criminal behaviour, by reckless living or through other gross negligence.

Implementation regulation:

No sick pay shall be paid in the event of wilful abuse of sick pay benefits.

Deliberate abuse may also result in termination of the employment contract pursuant to the provisions of the Employment Contracts Act.

Clause 5. If the employee has notified incapacity to work without delay and there is no ambiguity as to the grounds for payment of sick pay or the amount payable, then the employer shall pay sick pay to the employee at the time of the regular wage payment and without waiting for compensation for sickness, maternity or other comparable benefits.

Clause 6. An employee who falls ill before the beginning of the employee's annual holiday and who requests postponement of the annual holiday shall be paid sick pay for the period of illness in accordance with this section.

If an employee falls ill during the employee's annual holiday and part of the annual holiday continuing for more than 7 days of illness is postponed, then sick pay shall be paid to the employee in accordance with this section from the time of deferment of the holiday.

Implementation regulation:

> *If the employee falls ill and the annual holiday is not postponed, then no duty to pay sick pay arises for the employer, whereupon the employee receives benefit under the Sickness Insurance Act in addition to wages for the annual holiday.*

Clause 7. 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 pay shall also be paid in accordance with this section 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 pay 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 pay shall continue in accordance with this section until the end of the illness or of the period of eligibility for compensation.

With the foregoing exceptions, no sick pay 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 pay shall begin in accordance with this section such that in employment

that has lasted for less than 6 months the first working day after the end of the layoff shall be a waiting day, which shall also be the first day of the period of payment of sick pay.

Clause 8. An employee will not necessarily always be wholly incapacitated for work due to illness or accident. It may be possible to assign some to the employee some "substitute work" that differs from the employee's regular duties. 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 precise guidelines on substitute work are available on the websites of the federations at www.teknologiateollisuus.fi and www.metalliliitto.fi.

Clause 9. Supplementary regulations

1) Guidance in correct application of collective agreement regulations

The employer and the shop steward shall jointly seek to guide employees in the correct application of the sick pay regulations of the collective agreement.

It is recommended that new employees receive instructions and guidance on this matter immediately at the time of induction.

Minimising absences due to illness is in the interests of both employers and employees. It is recommended that the local parties jointly monitor absences due to illness at the workplace and seek methods of reducing such absences where necessary.

The supervisor is best placed and has the primary duty to investigate the reasons for absence and other associated questions, and to intervene in repeated or extended absences where necessary. Measures to prevent absences should be taken proactively.

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

2) Sickness benefit fund

The employer shall have a duty to pay sick pay in accordance with this section to an employee who is a member of a sickness benefit fund financed by the employer, on condition that the sickness benefit fund is discharged from payment of sickness allowance thereto for the period for which the employer has paid wages in accordance with this section. In the event that the incapacity to work due to illness or accident continues for longer than the period for which the employer has a duty to pay wages, then the sickness benefit fund shall be liable for payment of any continuing allowance in accordance with its regulations.

3) Workplace fund

In the event that a benefit fund operates at the workplace under the Sickness Insurance Act, the employer may discharge duties under this section through a procedure whereby the fund pays the sick pay and the employer pays a contribution to the fund corresponding to the costs incurred from payment of allowances falling beyond the scope of the Sickness Insurance Act.

B Maternity leave

Clause 10. An employee whose employment has continued for not less than 6 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 according to section 1 of chapter 4 of the Employment Contracts Act.

Implementation regulation:

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 no duty to pay wages in respect of the new maternity leave.

A female employee who has adopted a child of less than school age shall be granted 56 days of leave corresponding to maternity leave to be taken at the immediate time of the adoption and under the same conditions, for which period the employer shall pay wages to the employee in accordance with the regulations of the collective agreement concerning payment of maternity leave wages.

C. Illness of a child

Clause 11. Subject to the following conditions, 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:

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 home 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 decision as to which parent exercises the right to leave of absence under this clause, or as to whether this right will be exercised by some other person permanently living in the child's home, will be made jointly by the custodians of 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.

Minuted Note:

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

The employee's right to compensation for the period of absence will also depend on such factors as whether both of the child's custodians living permanently in the same home are in gainful employment.

The foregoing shall not apply when one of the child's custodians is prevented from participating in caring for the child due to duties of military or non-military service.

f) Both custodians on 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 pay 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.

Compensation for short temporary absence shall be paid in accordance with the sick pay regulations of this collective agreement.

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.

Recurrent illnesses of two or more children in the same family at an interval of less than 30 days shall not be regarded as a relapse of the foregoing kind. Neither shall consecutive illnesses of one of the custodians and a child constitute a case of recurrent illness.

If a child is suddenly taken ill during the 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 said day in accordance with the employee's average hourly earnings.

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.

An employee whose child is seriously ill or handicapped in the sense of section 4 of the Decree of the Council of State on implementation of the Sickness Insurance Act (Valtioneuvoston asetus sairausvakuutuslain täytäntöönpanosta, no. 1335 of 2004) shall be entitled to absence from work in order to participate in the

care, rehabilitation, adaptation training or rehabilitation training of the child, as referred to in paragraph 2 of section 2 of chapter 10 of the Sickness Insurance Act, after agreeing on the said absence from work with the employer in advance.

D. Deductions

Clause 12. Any sickness or maternity 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 maternity leave pay. However, the employer shall not be entitled to deduct from sick pay or maternity leave pay any compensation paid to the employee on the basis of voluntary insurance that is wholly or partially financed by the employee.

Implementation regulation:

> *The agreement referred to in this paragraph denotes an agreement concluded between the employer and the employee, either in association with the employment relationship or otherwise, but does not denote an agreement between the employee and some third party.*
>
> *Compensation comparable to benefit refers to other benefits of a per diem allowance character that are payable on account of loss of pay, such as employment and accident pensions.*

The employer shall be entitled to draw any sickness or maternity benefit or any comparable compensation, as a refund not exceeding the sum paid by the employer, that is payable to the employee in accordance with the preceding paragraph or to reclaim the said sum from the employee in respect of the period for which the employer has paid sick pay or maternity leave pay to the employee.

Implementation regulation:

If, however, the employee is ill on a day when no work is performed due to a shortened working week, then the employer shall not be entitled to the foregoing sickness or maternity benefit for the said day.

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 maternity leave pay any benefit or portion thereof that was not paid due to the employee's negligence.

Section 21
Medical examinations

Clause 1. The employer shall compensate the employee for loss of pay in the event that the employee is sent for or instructed to undergo a physical or medical examination during the employment relationship 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 (*Valtioneuvoston Asetus hyvän työterveyshuoltokäytännön periaatteista, työterveyshuollon sisällöstä sekä ammattihenkilöiden ja asiantuntijoiden koulutuksesta*, no. 1484 of 2001) and an approved plan of occupational health care activities
- the Young Employees Act (*laki nuorista työntekijöistä*, no. 998 of 1993)

- the Radiation Act (*säteilylaki*, no. 592 of 1991).
- the Infectious Diseases Act (*tartuntatautilaki*, no. 583 of 1986).

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.

The employer shall also pay compensation for essential travel expenses and a per diem allowance in accordance with this collective agreement when the employee is sent for the physical or medical examinations referred to in foregoing regulations or is ordered to attend a follow-up examination on the basis of the said examinations.

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

Clause 2. The following conditions shall govern compensation for loss of pay due to non-statutory medical examinations:

a) General conditions
(applicable to 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 explanation of the medical examination that is acceptable to the employer (e.g. a medical certificate or a receipt for a physician's fee) and an explanation of the length of 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 (e.g. one week in normal cases). 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 hours.

5. No compensation for loss of pay shall be paid on the basis of the collective agreement regulations on medical examinations if the employee receives sick pay 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 by the sick pay regulations.

6. Loss of pay shall not be compensated if the illness was due to gross negligence or intent on the part of the employee.

b) Special conditions

Loss of earnings shall be compensated under the following conditions:

1. New or recurrent illness

   For the time taken for a medical examination in which the employee's illness is diagnosed.

For a period of incapacity to work not exceeding one month arising from examination measures performed by a physician.

If the employee has been admitted to hospital for observation or examination due to symptoms of illness. Such cases shall be governed by the regulations on sick pay.

2. Previously diagnosed illness

For the time taken by a medical examination required for a chronic illness on the condition 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. Such cases shall be governed by the regulations on sick pay.

3. Laboratory and X-ray examinations

   For the time taken in laboratory, X-ray and comparable examinations that are directly associated with a medical examination that is eligible for compensation. The said examination shall be prescribed by a physician and 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. 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 and the medical examinations preceding confinement (paragraph 2 of section 8 of chapter 4 of the Employment Contracts Act), 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 hours.

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

5. 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 employee does not succeed in obtaining treatment outside of working hours. The

incapacity to work and urgency of treatment shall be shown in the certificate issued by the dental surgeon.

Clause 3. In the event that the employee has to attend a medical examination at the start of the employment because the employer regards the said examination as a condition of entering into or continuing the employment relationship, 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 pay from regular working hours not worked if it was not possible to arrange the surgery appointment outside of working hours.

Implementation regulation:

When a medical examination occurs pursuant to a statutory duty of the employer or the employee, compensation shall be paid in accordance with any regulations that are contained in the said statutory provision.

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

Clause 4. The foregoing compensations for lost pay shall be paid in accordance with section 11 and travelling expenses and per diem allowance in accordance with section 16 of this agreement.

Deductions from compensation for loss of pay shall be effected in the same way as is stipulated with respect to sick pay in clause 4 of section 20 of this collective agreement.

Section 22
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.

Section 23
Annual holidays

Clause 1. The employee shall receive annual holiday according to the Annual Holidays Act.

Annual holiday pay and holiday compensation shall be calculated according to the holiday pay agreement concluded by the national labour and employer confederations on 10 September 1990 and amended on 9 March 1992.

Payment of annual holiday pay in instalments may be locally agreed so that holiday pay falls due for payment by pay period during the annual holiday. 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.

Implementation regulation:

> *Local agreement refers to a mode of payment of annual holiday pay that applies to the employees collectively.*

Clause 2. A holiday bonus of 50 per cent of the employee's pay for the annual holiday shall be paid as holiday bonus.

Unless the time of payment of holiday bonus is otherwise locally agreed, holiday bonus shall be paid as follows:

Half of the holiday bonus shall be paid before the annual holiday begins. Half shall be paid at the time of payment of 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. However, to be eligible for the latter portion of the holiday bonus, the employee's employment must continue until the last day of the annual holiday.

Implementation regulation:

> *The agreement on the time of payment of holiday bonuses shall be concluded in writing following the negotiating procedure under this collective agreement. However, even in these cases it shall be agreed that holiday bonus is payable in full by no later than before the beginning of the next leave-earning year.*
>
> *Local agreement refers to a mode of payment of holiday bonus that applies to the employees collectively.*
>
> *In the event that the employee's employment ends before the locally agreed time of payment of holiday bonus, the said bonus shall be paid at the end of the employment, provided that the employee is otherwise entitled to the said payment under the collective agreement.*

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 then be paid on holiday compensation accruing from the previously completed leave-earning

year, but not on holiday compensation accruing from the last incomplete leave-earning year.

Implementation regulation:

> *The end of temporary employment is not a reason due to the individual employee.*

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. The holiday bonus shall be paid to the employee in full in the event that no annual holiday has been granted to the employee before termination of employment in the said manner.

Holiday bonus shall be paid to an employee retiring on old-age, disability, early old-age or deferred old-age pension on the annual holiday pay and on any annual holiday compensation to which the employee is entitled.

Implementation regulation:

> *Holiday bonus shall also be paid to a retiring employee on any holiday compensation accruing from the last incomplete leave-earning year.*

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.

Implementation regulation:

> *This regulation shall also be applied correspondingly to the duty of non-military service.*

VIII MISCELLANEOUS REGULATIONS

Section 24
Wage payment

Clause 1. 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.

Clause 2. The federations recommend that wage payment through a financial institution be agreed at workplaces.

Section 25
Withholding of trade union membership subscriptions

If the employee has so authorised, the employer shall withhold the membership subscriptions of the Finnish Metalworkers' Union and shall credit the said subscriptions by wage payment period to the bank account specified by the union. Withholding shall be arranged in the manner separately agreed by the national labour and employer confederations in the accord signed on 13 January 1969. A certificate of the sum withheld shall be given to the employee for taxation purposes after the end of the calendar year or the end of the employment relationship.

Section 26
Meetings at the workplace and provision of information

A registered association affiliated to the Finnish Metalworkers' Union and any branch, workshop collective or corresponding unit thereof at the workplace shall have the opportunity outside of working hours - before the hours

of work begin, during meal breaks or immediately after working hours, and when separately agreed also during the weekly rest period – to arrange meetings in order to transact business pertaining to employment relationships at the workplace on the following conditions:

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, negotiations on the matter shall be held as necessary with a view to finding an expedient solution. Matters to consider when selecting a venue for a meeting will include the ability to comply with regulations on health and safety at work, industrial hygiene and fire safety and ensuring that the meeting does not disturb business or production operations.

c) The organisation that reserves the premises for the meeting and the organiser of the meeting shall be responsible for the conduct and order of the meeting and for the cleanliness of the said premises. Elected officials of the said organisation shall attend the meeting.

d) The organiser of the meeting shall be entitled to invite to the meeting representatives of a federation that is a party to this collective agreement and of any association that is affiliated thereto, and representatives of the competent national labour and employer confederations.

26 §

Implementation regulation:

An agreement with the employer on holding the meeting shall be one of the conditions for meeting at the workplace. The holding of meetings shall generally be agreed at least 3 days before the meeting. Only in the event that the reason for holding the meeting has arisen at such a late stage that it is not possible to observe the foregoing period of advance notification may a request to hold a meeting be submitted at a later time. Only in the case of a meeting that satisfies the conditions specified in the collective agreement is the organiser of the meeting entitled to invite to the meeting representatives of the Finnish Metalworkers' Union and of an association affiliated thereto, and representatives of the competent national labour and employer confederations. 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. The employer shall be under no obligation to allow the representative to participate in the meeting unless such notification has been provided.

Provision of information

A branch, workshop collective or corresponding unit of the Finnish Metalworkers' 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. The notifying party shall be responsible for the content and care of the noticeboard.

Dissemination of information shall comply with the provisions of the Act on Freedom of the Press (*painovapauslaki*, no. 1 of 1919). Bulletins shall not be contrary to good practice, nor may such material include general political content.

Use of other information modes and media that comply with the principles of this section may also be agreed locally.

Section 27
Training activities

Training activities shall comply with the principles set out in chapter 5 of the general agreement for the technology industry.

Section 28
Shop stewards

Arrangements with respect to shop stewards shall comply with the shop stewards agreement concluded between the federations. (See p. 155).

Section 29
Use of outside labour

Clause 1. 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 the employees concerned to other duties within the enterprise.

Clause 2. If an employment agency is not bound by a normally or generally binding collective agreement, then a term shall be included in contracts concerning agency work whereby the employment agency undertakes to comply with the collective agreement for the technology industry, and with labour and social legislation.

The enterprise shall limit the use of agency workers to circumstances in which the work cannot be assigned to enterprise employees.

It is not expedient for agency workers to perform the normal work of the enterprise alongside its permanent employees and under the same management for an extended period and on a large scale. Agency workers must not be used in work for which there is a permanent need for labour.

The principles governing the use of agency workers may be agreed locally. Any such agreement shall be concluded with chief shop steward in writing.

Clause 3. 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 workers must, on request, give an explanation to the chief shop steward of issues pertaining to the work of such employees.

Section 30
Local agreement

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 bargaining is primarily an instrument for improving operations.

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

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

The parties will be expected to take responsibility for the success of their own workplace. Readiness to take the initiative in finding optimal solutions that further the interests of both the enterprise and the staff and harmonise them in a manner allowing for local needs must be adopted as the primary operating format. Collective agreement regulations shall be applied as such if they are considered to best serve the objectives of the parties.

The availability of local bargaining is indicated in each regulation of the collective agreement (see also Appendix to the collective agreement, page 209).

Unless otherwise specified in the applicable collective agreement, 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.

30 §

The parties to bargaining will 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 activity, or if agreements concluded for individuals would also 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.

An agreement concluded with a shop steward shall bind the employees who are deemed to be represented by the said shop steward.

Agreements shall be concluded in writing if either of the parties thereto so requests.

The agreement may be concluded for a limited or unspecified period. 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.

Section 31
Resolution of disputes

Clause 1. The parties shall seek to settle disputes concerning the application, interpretation or infringement of the collective agreement by negotiating at the workplace.

Minuted Note:

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. Referral of a dispute to the federations for settlement shall be viewed as a last resort.

The purview and powers of individuals serving at various levels of the collective agreement negotiating procedure, and particularly of shop stewards and supervisors in matters of employment, shall be ascertained 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 apply pressure on the opposing party or to disturb the normal progress of work.

Clause 2. Negotiations on matters concerning the pay and conditions of employment of an employee shall initially be conducted directly between the employee and the employee's supervisor. 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.

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.

Clause 3. Any dispute that is not settled between the local parties may be referred for 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 said memorandum shall be prepared in duplicate, with one copy submitted to each federation. The memorandum shall be signed by the chief shop steward and a representative of the employer. The memorandum shall be prepared using the form published on the federation websites.

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.

Minuted Note:

> *Before submitting a memorandum of dispute to the federations the chief shop steward and the employer's representative shall seek through further necessary negotiation to secure an amicable settlement at the workplace. Guidelines for such further negotiation are set out in the memorandum of dispute form.*

Instead of submitting a memorandum of dispute, the local parties may jointly ask the federations to issue a settlement proposal or binding ruling on the disputed point.

Any binding ruling issued by the federations shall be final.

Clause 4. 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 VALIDITY OF AGREEMENT

Section 32
Period of the agreement

This agreement shall remain in force from 1 October 2009 until 30 September 2012, and shall continue thereafter for one year at a time unless written notice of termination has been issued by either of the parties hereto no later than two months before the said termination takes effect.

Should no agreement on the wage adjustments to be implemented on 1 October 2010 or 1 October 2011 be reached during the preceding May, then either of the parties hereto may terminate this agreement with effect from 30 September 2010 or 30 September 2011. Written notice of termination shall be submitted to the other party by no later than the end of May, with a copy for information also sent to the National Conciliator.

The modifications to this agreement shall take effect as of 1 October 2009, unless some other agreement is reached

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either nationally or locally concerning the entry into force of the agreement clause concerned. The provisions of the previous agreement signed on 30 June 2007 shall remain in force until the modifications take effect.

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES

Martti Mäenpää *Risto Alanko*

FINNISH METALWORKERS' UNION

Riku Aalto *Matti Mäkelä*

FEDERATION OF FINNISH METAL, ENGINEERING AND ELECTROTECHNICAL INDUSTRIES – MET
FINNISH METALWORKERS' UNION

23 November 1993

AGREEMENT ON WORKING HOURS IN THREE-SHIFT WORK

Section 1 Scope of the agreement

This agreement shall govern hours of work in both continuous and discontinuous three-shift work.

All regulations failing to refer separately to either form of working hours shall apply to both. Regulations applicable to continuous three-shift work shall also apply to underground work in mines.

Implementation regulation:

Definitions

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

The expression "discontinuous three-shift work" shall denote work that is performed in three shifts, but is generally interrupted over the weekend. For reasons of production and of custom and practice 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.

Weeks including a weekday public holiday shall be considered in the same way as other weeks, so that weekday public holidays average the hours of work. Annual holiday days may not be used for averaging working hours.

Section 2 Average weekly hours of work

Average weekly regular hours of work in discontinuous three-shift work shall be 35.8 hours.

Average weekly hours of work in continuous three-shift work shall be 34.9 hours.

Section 3 Averaging Period

Hours of work shall average to the average number of weekly hours referred to in section 2 over a period not exceeding one year and generally of one calendar year in duration.

Section 4 Schedule of working hours

A schedule of working hours shall be prepared in advance covering the period over which the weekly hours of work are averaged to the average number of weekly hours referred to in section 2.

Implementation regulation:

> *Scheduling of hours of work is characteristically a collective matter and applies to the time when the form of working hours used at the worksite in question, or in a department or workplace generally is three-shift work.*

Section 5 Meal breaks in three-shift work

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

Section 6 Transition between forms of working hours

On making the transition to another form of working hours, the hours of work and any separate bonus payable shall be determined after the transition according to the regulations on the form of working hours in question.

Section 7 Changes in the schedule of working hours

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 order for collective agreement negotiations.

Notification of changes

Unless otherwise agreed in the negotiations, the employees concerned shall be notified of any permanent change in the current schedule of working hours no later than two weeks before the said change takes effect, and of any temporary change, where possible, no later than one week before the said change takes effect, but in any case no later than three days before implementing the change.

Implementation regulation:

Definition of a temporary change

> *A change is of temporary character if the intention is for the workplace to revert to the current schedule of working hours after the situation motivating the change has come to an end.*

Urgent work

> *The regulations of this section shall not apply to urgent work or to work that is comparable thereto.*

Section 8 Hours of work averaging bonus

Any reduction in earnings caused by averaging of working hours shall be compensated by a flat rate bonus earned by the employee for every hour of regular working time worked under the form of working hours concerned, amounting to 11.0 per cent in discontinuous three-shift

work and 14.3 per cent in continuous three-shift work of the employee's average hourly earnings determined by quarterly period.

This bonus shall also be paid for any regular working hours of travelling and training time that are compensated by the employer and for any time when the employer pays sick pay or pay under the collective agreement during the illness of a child, and for the regular working hours served by a shop steward or labour protection delegate in performing duties agreed with the employer.

The bonus shall be excluded when reckoning the employee's average hourly earnings under clause 2 of section 11 of the collective agreement.

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

Section 9 Time of payment of bonuses

The times of payment of bonuses earned shall be locally agreed in accordance with the needs of the shift system to be used.

Section 10 Annual holiday

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

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

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

In other respects the regulations of the Annual Holidays Act (no. 272 of 1973) shall govern annual holidays and notification of the time thereof.

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

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

Section 11 Overtime

Compensation for work in excess of the weekly working hours set out in the schedule of working hours for the week in question shall be paid in the manner agreed for weekly overtime in the collective agreement.

Section 12

This agreement shall form part of the collective agreement.

CONFEDERATION OF FINNISH INDUSTRY AND EMPLOYERS – TT
CENTRAL ORGANISATION OF FINNISH TRADE UNIONS – SAK

HOLIDAY PAY AGREEMENT 1990

Pursuant to paragraph 2 of section 16 of the Annual Holidays Act, the national labour and employers' confederations have concluded the following collective agreement on reckoning of annual holiday pay and holiday compensation:

Section 1
Scope of the agreement

This agreement shall apply to the employees referred to in paragraph 2 of section 7 of the Annual Holidays Act in the service of member enterprises of the Confederation of Finnish Industry and Employers – TT. However, the agreement shall not apply to seafarers, to employees in forestry and log floating work or in loading and unloading work, nor to employees in industries in which, at the time of signing this agreement, the calculation and payment of holiday pay and holiday compensation are governed by the collective agreements on annual holidays of construction industry employees.

If an enterprise joins the Confederation of Finnish Industry and Employers – TT during the leave-earning year, then the agreement shall take effect at the beginning of the following leave-earning year.

Section 2
Annual holiday pay and holiday compensation

The basis for calculating the annual holiday pay and holiday compensation of an employee shall be the employee's average hourly earnings, which shall be reckoned by dividing the wages that have been paid or are due to

the employee for time at work during the leave-earning year – excluding any bonuses paid in addition to basic wages for urgent work and statutory or collective agreement overtime – by the corresponding number of working hours.

The employee's annual holiday pay and holiday compensation are reckoned by multiplying the employee's average hourly earnings referred to at point 1 by the coefficient specified in the following table determined on the basis of the number of days of holiday referred to in section 3 of the Annual Holidays Act:

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
13	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

However, 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 correspondingly 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.

Section 3
Days counted as working days

Any time for which the employee has been granted release from work in order to participate in a meeting of the employee's trade union or a meeting of its delegate council, commission or corresponding administrative body shall be counted as working time when determining the length of the annual holiday. 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 provide a proper account of the time required for participation in the meeting when requesting the job release in question.

Section 4 Entry into force

This agreement shall cancel the holiday pay agreement concluded by the undersigned federations on 6 March 1973 and the signing minutes thereof, together with all subsequent amendments and additions thereto.

This agreement shall take effect on 15 October 1990 and shall govern any annual holiday, holiday pay and holiday compensation that are earned while the agreement

is in force. The agreement shall also govern any holiday pay and holiday compensation that are determined for the period following 1 April 1989 and are payable after the entry into force of the agreement.

The agreement may be terminated so as to expire at the end of a leave-earning year. Notice of such termination must then be served by no later than the end of September.

This agreement shall bind all federations that are affiliated to the national confederations and fail to notify the undersigned confederations of their dissociation from the agreement on or before 5 October 1990.

Helsinki, 10 September 1990

In fidem: *Harri Hietala*

CONFEDERATION OF FINNISH INDUSTRY AND EMPLOYERS – TT

Tapani Kahri

CENTRAL ORGANISATION OF FINNISH TRADE UNIONS – SAK

Pertti Viinanen *Aarno A. Aitamurto*

CONFEDERATION OF FINNISH INDUSTRY AND EMPLOYERS – TT
CENTRAL ORGANISATION OF FINNISH TRADE UNIONS – SAK

MINUTES

1. It was agreed that the following would be added to section 2 of the holiday pay agreement:

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

2. It was noted that a coefficient according to the number of days of holiday to be taken shall be used when reckoning holiday pay when the number of days of holiday is smaller than 30 due to carrying forward of annual holiday.

3. This agreement shall govern holiday pay and holiday compensation payable after 1 May 1992.

4. The amended agreement shall bind all federations that are bound by the holiday pay agreement signed on 10 September 1990 and fail to notify the undersigned confederations of their dissociation from the amendment to the agreement on or before 23 March 1992.

Helsinki, 9 March 1992

In fidem: *Harri Hietala*

CONFEDERATION OF FINNISH INDUSTRY AND EMPLOYERS – TT
Tapani Kahri *Seppo Riski*

CENTRAL ORGANISATION OF FINNISH TRADE UNIONS – SAK
Lauri Ihalainen *Aarno Aitamurto*

GENERAL AGREEMENT BETWEEN TT AND SAK FOR THE TECHNOLOGY INDUSTRY

CHAPTER 1

GENERAL REGULATIONS

Fundamental rights

The fundamental right of citizens to freedom of association shall be inviolable. This shall apply to both employers and employees. Employees shall be entitled to establish and serve in trade union organisations, and may suffer neither dismissal nor discrimination at work on this account. The staff of an enterprise shall be entitled to elect representatives to represent them in business transacted within the enterprise. The right of representatives to stand for election and their rights and duties are specified by statute and in this and other agreements. The health and safety, freedom from discrimination and equitable treatment of individual employees shall be a basic principle of agreed regulations.

Right to manage

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

Requests for opinions

Affiliated organisations may jointly request the opinion of TT and SAK on the interpretation of agreements.

On separate agreement with the employer representatives nominated by the parties to a collective agreement shall be entitled to inspect conditions at the workplaces of the members that they represent.

Notice of industrial action

The national conciliator and the federations of employers and employees concerned shall be notified, where pos-

sible, no later than four days before any political or sympathetic industrial action is taken. The notification shall specify the causes of the intended industrial action, the time when it begins and the scope of the action.

Organisational and other changes

The co-operation organisation shall be brought into line with the amended size and structure of a workplace in accordance with the principles of this agreement when the operations of the workplace substantially contract or enlarge, or due to assignment of business operations, merger, incorporation or comparable substantial reorganisation.

Statutory references

Except where otherwise agreed herein, the Act on Co-operation Within Undertakings (Laki yhteistoiminnasta yrityksissä, no. 334 of 2007), the Act on Supervision of Labour Protection and Co-operation on Labour Protection at Workplaces (Laki työsuojelun valvonnasta ja työpaikan työsuojeluyhteistoiminnasta, no. 44 of 2006), the Occupational Health Care Act (Työterveyshuoltolaki, no. 1383 of 2001), the Act on Equality Between Women and Men (Laki naisten ja miesten välisestä tasa-arvosta, no. 609 of 1986) and the Non-Discrimination Act (Yhdenvertaisuuslaki, no. 21 of 2004) shall be observed, and shall form no part of this agreement.

CHAPTER 2
CO-OPERATION AT THE WORKPLACE

Development activity

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

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

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

While time and motion studies arranged at the workplace are necessary, bringing improvements not only in the outcome of work but also in employee pay, any changes in work organisation that may be implemented due to such studies must have no negative impact on the normal wage income of employees.

Progress in productivity and production and staff development shall be monitored at the workplace through co-operation at regular intervals. The necessary monitoring systems and key figures shall be agreed locally.

Implementation of co-operation

Co-operation between the employer and the employees may be arranged through a committee of permanent character, through task forces established for the purpose of implementing improvement projects or through negotiations between the employer and the staff. The enterprise and its employees shall be evenly represented on any task force that is convened for the purpose of implementing an improvement project. The employees shall nominate their own representatives, who shall primarily be employees at the improvement site in question.

Co-operation body

A co-operation body may be set up by local agreement to consider matters arising from the implementation of de-

velopment activities. This co-operation body may replace separate co-operation and labour protection commission and other corresponding committees. To the extent locally agreed, the same co-operation body may also be responsible for activities and plans under the Act on Co-operation Within Undertakings, the Act on Supervision of Labour Protection, the Occupational Health Care Act, the Act on Equality Between Women and Men and the Non-Discrimination Act.

In the event that the employer uses the services of an external consultant in enterprise development activities, the employer shall be responsible for ensuring that the activities of the consultant enterprise are consistent with this agreement.

It is important for the planning and practical implementation of development activities to be closely linked to the human resources policy of the enterprise, and particularly to staff recruitment, promotion of gender equality, internal transfers, training, information, labour protection, maintenance of working capacity and workplace health care.

Working capacity measures

Action to maintain working capacity at workplaces takes the form of co-operation between line management, human resources administration, occupational health care and the labour protection organisation. The principles of action to maintain the working capacity and coping skills of workers shall be included in the action programme for labour protection or for 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.

CHAPTER 3
CO-OPERATION DUTIES AND CO-OPERATION ORGANISATIONS

3.1
Regulations on labour protection

The employer shall appoint a head of labour protection for the purpose of labour protection co-operation activities. The right of employees to elect a labour protection delegate and deputy delegates shall be determined in accordance with the Act on Supervision of Labour Protection and Co-operation on Labour Protection at Workplaces.

Duties

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. The duties of a labour protection delegate are specified in the Act on Supervision of Labour Protection and Co-operation on Labour Protection at Workplaces. A labour protection delegate shall also perform other duties assigned thereto by statute and agreement. Unless other duties have been agreed locally, it shall be the duty of a labour protection agent to participate in processing and implementing matters of labour protection co-operation falling within the purview of the said agent. A deputy delegate shall attend to the duties of the labour protection delegate when the latter is temporarily prevented from doing so, and the said duties cannot be deferred for performance by the labour protection delegate after the impediment has ended.

Under section 33 of the Act on Supervision of Labour Protection and Co-operation on Labour Protection at Workplaces, the training needs and arrangements required for the labour protection co-operation duties of labour protection delegates and their deputies must be processed within two months of their election.

Labour protection agent

The selection, number, duties and spheres of activity of labour protection agents shall be locally agreed in a manner that ensures that the said spheres of activity are appropriate. The assessment shall also consider such aspects as the ability of the labour protection agent to meet employees in the sphere of activity, having regard to shift work. Attention shall also be paid to labour protection risks and other factors affecting working conditions. The employees at the workplace shall elect one of their number to serve as labour protection agent.

Labour protection commission

The election of other co-operation bodies promoting labour protection and the appropriate forms of such co-operation shall be agreed locally, having regard to the nature of the workplace, to its scope and to the number of employees therein, to the nature of their duties and to the other circumstances. 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 Supervision of Labour Protection and Co-operation on Labour Protection at Workplaces.

Limitation of scope

The labour protection regulations of this agreement shall apply when no fewer than 20 employees work regularly at the workplace. Notwithstanding the regulation of the preceding sentence, a labour protection delegate shall be correspondingly elected when there are no fewer than 10 employees at a workplace. Employees at other workplaces may also elect one of their number to serve as labour protection delegate.

3.2
Notification

A labour protection delegate shall notify the employer in writing when a deputy deputises for the labour protection delegate.

3.3
Procurement of statutes

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 bodies in performing their assigned duties.

CHAPTER 4
REGULATIONS ON THE STATUS OF A LABOUR PROTECTION DELEGATE AND LABOUR PROTECTION AGENT

4.1.
Discharge from work and compensation for lost earnings

Discharge from work

Temporary, regularly repeated or full discharge from working duties shall be arranged where necessary for the labour protection delegate for the purpose of attending to the duties thereof. Temporary discharge from work shall be arranged as necessary for a labour protection agent and for other staff representatives who are involved in co-operation between the enterprise and its staff under this agreement.

Assessment of the need for such discharge from work shall allow for such factors as the number of employees in the staff group concerned, the nature of production and operations, and the volume of duties required.

It is most appropriate for a local agreement to be con-

cluded at each workplace on the use of time by a labour protection delegate irrespective of the formula provided below. In the event that the use of time by a labour protection delegate has not been agreed in the manner referred to above, the discharge from work shall be reckoned using a formula based on the number of employees represented by the labour protection delegate and the coefficients presented by industry in the table below.

The coefficient is provided as a range and as the average of the range. Use of the range will depend 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) when determining the time used by the labour protection delegate of the employer exercising principal authority at a joint workplace. If no agreement is reached as to use of time by the labour protection delegate, then the averages of the limiting values shown for the sectors concerned shall be used in the formula.

However, discharge from work shall always be no less than 4 hours in a period of 4 consecutive weeks.

When determining the time off to be granted to the labour protection delegate the number of employees at the workplace represented by a labour protection delegate shall be ascertained immediately before the election and at a corresponding time one year after the election. The length of discharge determined at these times shall be applied until the next review.

If a labour protection delegate has been discharged from work for regularly repeating periods, then the labour protection delegate shall attend to the duties of labour protection delegate at these times. However, the management

shall also grant the labour protection delegate a discharge from work at other times that are suitable from the point of view of the said work in order to attend to essential business.

Agreed range and average of industry-specific coefficients for calculating the discharge from work of a labour protection delegate

Industries (official classification in 2002)		Range and average of coefficients:
I	Mining and quarrying (13)	range 0.26 – 0.36
	Metal refining (27)	average 0.31
	Metal product manufacturing (28)	
	Manufacturing of ships, boats, and vehicles for rail traffic (35)	
II	Manufacturing of machinery and equipment (29)	range 0.22 – 0.30
	Manufacturing of electrotechnical machinery and equipment (31)	average 0.26
	Vehicle manufacturing (34)	
III	Manufacturing of electronic products (30)	range 0.19 – 0.25
	Manufacturing of data communication products (32)	average 0.22
	Manufacturing of micromechanical products (33)	

Calculation of discharge from work of a labour protection delegate

Formula:

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

Compensation for loss of earnings

The employer shall pay compensation for the earnings lost by a staff representative referred to in this agreement through working time spent either in local negotiations with the employer's representative or in serving in other functions agreed with the employer.

A labour protection delegate shall be compensated for any loss of earnings arising from attendance during working hours to the labour protection duties referred to above and shall also receive the following monthly compensation as follows:

Hours of release from work in a 4-week period	Monthly compensation until 30.9.2010	Monthly compensation from 1.10.2010
4 - 15	63 €	67 €
16 - 33	68 ”	73 ”
34 - 55	75 ”	80 ”
56 - 79	90 ”	96 ”
80 - 95	106 ”	113 ”
96 -139	124 ”	133 ”
140 -159	146 ”	156 ”
160 hours/ discharge from all duties	175 ”	187 ”

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

The calculation of compensation for lost earnings shall be based on average hourly pay.

A labour protection delegate who has been entirely discharged from work shall be compensated for lost earnings according to the same procedure as applies when determining, under section 8 of the agreement on shop stewards, the wages of a chief shop steward who has been similarly discharged.

The pay of a labour protection delegate who has been partially discharged from work shall progress in a manner corresponding to the pay of other employees in the sphere of activity of the labour protection delegate who work in positions with a similar job requirement. This shall be reviewed at annual intervals.

4.2
Status

Employment

The employment status of a labour protection delegate, labour protection agent and other staff 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 discharge from the said work. 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.

Assignment of business operations

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 a business or part thereof to be assigned loses its independence, then the labour protection delegate shall be entitled to the subsequent protection referred to at point 4.3 of this agreement as of the end of the term of office arising from the assignment of business operations.

Premises

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 at which the discussions necessary for performing the duties of labour protection delegate may be conducted. Where the size of the workplace so requires, the labour protection delegate shall be entitled to use the office and similar equipment that is customarily used at the enterprise to attend to the duties of labour protection delegate. Normal office equipment shall also include the computer equipment, associated software and Internet connections (e-mail) that are generally used in the enterprise. The practical arrangements shall be agreed locally.

Wage security and protection against transfer

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. An employee serving as a labour protection delegate may not, while attending to these duties or on account thereof, be assigned to work at lower pay than at the time when the said employee was elected to serve as labour protection delegate. Neither may the

said employee be transferred to work of lower value if the employer is capable of offering the labour protection delegate other work corresponding to the vocational skills of the labour protection delegate. If the working duties 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, having regard to conditions at the workplace and to the vocational skills of the labour protection delegate. Arrangements of this kind may cause no reduction in the pay of the shop steward.

In the event that a labour protection agent is temporarily required to transfer to work outside of the sphere of activities proper of the said agent, efforts shall be taken to ensure that the transfer does not unreasonably impede attendance to labour protection functions or to the duties of the labour protection agent.

Maintenance of vocational skills

After the term of office of a labour protection delegate 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. The employer shall arrange any training that is required by the said determination. When deciding the content of such training attention shall be paid to release from work, to the length of the term of office as labour protection delegate and to any changes in working methods that have occurred during the said period.

4.3
Security of employment

Dismissal on grounds of finance and production

In the event that the workforce of the enterprise is dismissed or laid off for reasons of finance or production, such measures may not affect the labour protection delegate

unless the operations of the production unit are entirely discontinued. This regulation shall not apply, however, if it is jointly verified with the labour protection delegate that no work can be offered thereto that corresponds to the said employee's vocation or is otherwise suitable for the said employee.

Individual protection

A labour protection delegate may not be dismissed for individual reasons pertaining to the labour protection delegate without the consent of a majority of the employees that the said labour protection delegate represents, as required by paragraph 1 of section 10 of chapter 7 of the Employment Contracts Act.

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 a shop steward has infringed administrative rules shall not be possible unless the 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.

Protection of candidates

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. However, protection of candidates shall 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.

Subsequent protection

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.

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 paragraph 2 of section 2 of chapter 12 of the Employment Contracts Act. Infringement of rights under this contract shall be considered an aggravating factor that increases the compensation payable. The foregoing compensation shall be no less than 4 months' wages and no more than the compensation determined according to paragraph 1 of section 2 of chapter 12 of the Employment Contracts Act when no more than 20 employees and salaried employees work regularly at a production unit or corresponding operating unit.

Compensation for unfounded lay-off under this agreement shall be determined according to paragraph 1 of section 1 of chapter 12 of the Employment Contracts Act.

4.4
Deputies

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

CHAPTER 5
TRAINING

5.1
Vocational training

When the employer provides vocational training for the employee or sends the employee to training events that are associated with the employee's vocation, compensation shall be paid for the direct costs of the training and for loss of earnings from regular working hours reckoned in accordance with average hourly pay. If the training occurs entirely outside of working hours, then compensation shall be paid for the direct costs of the training. The status of training under this section shall be verified before enrolling for the training event.

Direct costs denote travelling expenses, course fees, the cost of any learning materials involved in the course programme, the cost of full board in residential courses and compensation for travelling expenses determined in accordance with the relevant collective agreement in the case of non-residential courses. Compensation for loss of earnings from regular working hours shall cover both course time and travelling time. No compensation shall be paid for the time taken in training or in the required travelling time outside of working hours. The wages of an employee paid by the week or month shall not be reduced over the period of the course or of the travelling time required by the course.

5.2
Joint training

Training to promote co-operation at the workplace shall be arranged at the workplace or elsewhere by the national labour and employer confederations or by their affiliated federations jointly, by joint co-operation organs of the national labour and employer confederations or their affiliated federations, or by the employer and employees

collectively.

The confederations note that joint training will generally take place in an expedient manner for each workplace, thereby optimising consideration for local conditions.

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 herein. 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 herein.

Compensation shall be paid to those involved in the said training as stipulated at point 5.1. Participation in training shall be agreed locally by the appropriate co-operation body or between the employer and a shop steward, depending on the nature of the training.

The regulations on joint training shall also apply to training in participation systems and local bargaining. Participation in training may also be agreed between the employer and the person concerned. The confederations recommend that their training institutes and those of their affiliated federations, together with the said federations, take joint steps to arrange training services in participation systems and local bargaining. The training working group of the undersigned confederations shall monitor implementation of such services.

5.3
Trade union training, retention of employment and notification periods

Employees shall be given an opportunity to participate in courses arranged by SAK and its affiliates lasting

for no longer than one month without interrupting the employment of the said employees where such participation is possible without causing substantial harm to production or enterprise operations. Attention shall be paid to the size of the workplace when assessing the said harm. In the event of refusal of permission, the chief shop steward shall be notified, no later than 10 days before the beginning of the course, of the grounds on which granting of discharge would cause substantial harm. It would be desirable in such cases to jointly investigate the prospects for participating in the course at some other time when there would be no impediment to so doing.

The intention to take part in a course shall be notified at the earliest opportunity. The said notification must be submitted no later than three weeks before the course begins for courses lasting for no longer than one week and no later than six weeks before the start of longer courses.

Before a person takes part in a training event of the foregoing kind, the measures arising from the said participation shall be agreed with the employer and the question of whether the training event is one for which the employer pays compensation to the employee under this agreement shall be specifically ascertained in advance. The scope of the said compensation shall likewise be determined.

5.4
Compensation

For courses that have been approved by the training task force and are arranged at a training institute of SAK or an affiliate thereof – or for special reasons also elsewhere – the employer shall be required to compensate a shop steward, a deputy chief shop steward, a deputy shop steward (under point 1 of section 3 of the agreement on shop stewards), a representative of a staff group under the Act on Co-operation within Undertakings, a labour

protection delegate, a deputy labour protection delegate, a member of the labour protection commission and a labour protection agent for earnings lost in respect of the training required for their duties, reckoned in accordance with average hourly earnings, for a period not exceeding one month in the case of the foregoing shop stewards and labour protection delegate, and for a period not exceeding two weeks in the case of other persons engaged in elected labour protection and other elected functions referred to above. Compensation shall likewise be paid for shop steward training events arranged at the foregoing training institutes for a period not exceeding one month for the chairperson of a union branch if the person concerned is employed at an enterprise with no fewer than 100 employees in the industry concerned, and the union branch that is led by the said chairperson has no fewer than 50 members.

In compensation for the cost incurred by the course organiser in providing meals, the meal allowances agreed between the national labour and employer confederations shall also be paid for each course day attended by the employees referred to in the preceding paragraph, for which compensation is paid for loss of earnings.

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

5.5
Social benefits

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

CHAPTER 6
BINDING CHARACTER OF AGREEMENT

This agreement shall take effect on 1 October 1997 and shall remain in force until it is terminated at six months' notice.

With the exception of the regulations of this agreement on the employment security of shop stewards and labour protection delegates, the affiliated federations of the national confederations may conclude collective agreements that are at variance with this agreement. The confederations shall be notified thereof when any such agreement is concluded.

In fidem:

Harri Hietala *Matti Kopperi*

CONFEDERATION OF FINNISH INDUSTRY AND EMPLOYERS – TT

Tapani Kahri *Seppo Riski*

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SHOP STEWARDS AGREEMENT FOR THE TECHNOLOGY INDUSTRY

9 September 2009

CHAPTER 1
PURPOSE OF THE AGREEMENT

Section 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 bargaining. As a key participant in the local bargaining system for implementing the collective agreement, the shop steward seeks to 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 is also an avenue for improving enterprise operations, industrial democracy and productivity.

Section 2
Status of the 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.

The shop steward and the employer must both seek to foster conditions for the successful discharge of shop steward functions. Consideration of business in a spirit of open reciprocity increases trust and opportunities for commitment to common objectives.

CHAPTER 2
ELIGIBILITY AND ELECTION OF SHOP STEWARD

Section 3
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.

Section 4
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.

Minuted Note:

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.*

Section 5
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.

Agreement on sphere of activities and number of shop stewards

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

- The term shop steward refers 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 activity 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 activity and the number of shop stewards to be elected, then the matter may be referred to the federations for settlement.

Agreement to appoint a shop steward for a specific function

Where required by the nature and/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. 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.

Combining the duties of (chief) shop steward and labour protection delegate/agent

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

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

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 inde-

pendence, then the chief shop steward shall be entitled to the subsequent protection referred to in section 16 of this agreement as of the end of the term of office arising from the assignment of business operations.

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. However, the organisation and completion of the election may not interfere with 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.

Announcement of shop stewards

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.

Implementation regulation:

> *It shall be a condition of establishing the position of shop steward that the number of shop stewards and their spheres of activity, and the appointment of a shop steward for a specified function, are agreed with the employer in accordance with this section, and that the union branch has notified the employer in writing of the shop stewards elected.*

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.

The federations recommend that the areas of responsibility and associated authority in matters of employment of the representatives of the parties functioning at various levels of the order for local negotiations be verified and their mutual significance specified.

CHAPTER 3
DUTIES OF A SHOP STEWARD

Section 6
Duties of a shop steward

Basic duties

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

The shop steward shall participate as necessary in settling disputes arising between the employer and employee.

The shop steward shall oversee employee compliance with the collective agreement and local agreements.

As union branch representative, the shop steward shall be responsible for maintaining and promoting industrial peace in the manner required by the collective agreement.

Minuted Note:

> *In the event of an industrial dispute or evident threat thereof the employer and shop steward shall jointly verify the target of any industrial action and the other*

reasons resulting in a breakdown of industrial peace. Measures for limiting further damage to the enterprise shall be investigated at this time.

The shop steward shall also endeavour to maintain and improve co-operation between the enterprise and the staff.

Agreed duties at the workplace

An effort should be made for various reasons to benefit from the skills and influence of shop stewards at the workplace. 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.

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.

CHAPTER 4
OPERATING CONDITIONS OF A SHOP STEWARD

Section 7
Information to be provided to a shop steward

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.

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.

Section 8
Information to be provided to a chief shop steward

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

A. Personal details

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 once a year. 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 payment.

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

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

4. Average hourly pay, 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 manner of payment (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 second and fourth quarters after the final wage statistics for workplaces have been compiled.

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 6 employees.

The chief shop steward shall also receive details of the manners of payment used, the percentage distribution of employees in various job requirement categories and the grading of personal pay components by grading category.

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

1. Average hourly pay including additional allowances for shift work and working conditions, and for Sunday work and overtime, and for justified reasons also average hourly pay excluding additional allowances by manner of payment.

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

The details of average hourly pay and working hours shall be provided for all employees in total for the second and fourth quarters.

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

The chief shop steward shall also receive details of the manners of payment used, the distribution of employees in various job requirement categories and the grading of personal pay components 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. Bases of pricing

The chief shop steward shall be entitled to examine the current work pricing systems at the enterprise, such as the bases of pricing observed in performance-based pay work and the regulations governing the application and calculation of the working condition bonuses used in various manners of payment.

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 bonuses 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 activity of the said chief shop steward and of the labour serving the said subcontractors at the workplace.

To promote the flow of information and collective bargaining, 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

The chief shop steward must maintain the confidentiality of the information received in order to perform the duties of chief shop steward.

Section 9
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. 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:

A) Regular job release of a chief shop steward

Number of employees at the workplace	Discharge from regular work in hours per 4-week period
10 - 19	4
20 - 49	16
50 - 99	34
100 - 149	56
150 - 199	80
200 - 249	96
250 - 399	140
400 -	fully discharged

The foregoing table showing the length of discharge from work of a chief shop steward is based on normal weekly working hours.

B) Regular job release of a shop steward

Discharge from work shall be arranged for a shop steward if no fewer than 75 employees work regularly in the sphere of activity of the said shop steward. The said discharge shall be 8 hours in a four-week period per 100 employees.

Decision on length of discharge

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 time off to be granted to a shop steward under the foregoing regulations of points A and B. The length of discharge determined at these times shall be applied until the next review.

Combining the duties of shop steward and labour protection duties

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

Section 10
Compensation for loss of earnings and monthly compensation

Compensation for loss of earnings

The employer shall pay compensation for the pay lost by a shop steward through working time spent in local negotiations with the employer's representative or serving in other functions agreed with the employer. The said pay refers to the average hourly pay of the shop steward concerned, excluding compensation for overtime and Sunday work.

Wages of a chief shop steward on full job discharge

The wages of a chief shop steward who has been entirely discharged from work 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. However, wages that substantially exceed the general level of pay at the workplace shall be excluded when determining the twenty highest wage rates. The wages of a chief shop steward shall be revised at the times referred to in section 9 when the length of time off granted to the said chief shop steward is decided.

Duties outside of working hours

If a chief shop steward performs duties agreed with the employer outside of the said employee's regular working hours, then overtime compensation shall be paid for the time spent on these duties to the extent locally agreed.

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 until 30 September 2010, EUR	Monthly compensation as of 1 October 2010, EUR
10 - 19	63	67
20 - 49	68	73
50 - 99	75	80
100 - 149	90	96
150 - 199	106	113
200 - 249	124	133
250 - 399	146	156
400 -	175	187

Other arrangements for the monthly compensation payable to a chief shop steward may be agreed locally.

Should the deputy chief shop steward attend to the duties of the chief shop steward for a period of no less than 2 weeks, for example when the chief shop steward is on annual holiday or ill, 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.

Combining the duties of shop steward and labour protection duties

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

Section 11
Shop steward training

Participation in training has been agreed in the general agreement between TT and SAK.

The shop steward training regulations of points 3 and 4 of chapter 5 of the general agreement between TT and SAK for the technology industry shall also apply to the deputy shop steward referred to in paragraph 2 of section 5 of this agreement.

Section 12
Storage of materials and office space

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, the employer shall arrange appropriate premises at which the negotiations required for performing the duties of shop steward may be conducted.

Section 13
Use of office equipment

Where the size of the workplace so requires, it may be agreed locally that the chief shop steward may, as necessary, use the telephone and other office and similar equipment that is customarily used at the enterprise. Normal office equipment shall also include the computer equipment, associated software and Internet connections (e-mail) that are generally used in the enterprise.

CHAPTER 5
EMPLOYMENT OF A SHOP STEWARD

Section 14
Employee status of a shop steward

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 discharge from the said work. A shop steward shall be required to comply with the general regulations governing the terms, hours and management of work, and with other administrative rules.

Section 15
Effect of shop steward duties on work and wages

The opportunities of a shop steward for personal development and vocational advancement may not be impaired on account of the duties of shop steward.

If the working duties of a person elected to serve as a chief shop steward hamper attendance to the duties of shop steward, then other work shall be arranged for the said employee, having regard to conditions at the production plant or corresponding operating unit and to the vocational skills of the shop steward. Arrangements of this kind may cause no reduction in the earnings of the person concerned.

An employee serving as a shop steward may not, while attending to these duties or on account thereof, be assigned to work at lower pay than at the time when the said employee was elected to serve as shop steward. A shop steward may not be dismissed from work on account of the duties of shop steward.

The pay of a chief shop steward who has been partially discharged from work shall progress in a manner corre-

sponding to the pay of other employees in the sphere of activity of the shop steward who work in positions with a similar job requirement. This shall be reviewed at annual intervals.

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. The employer shall arrange any training that is required by the said determination. 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.

After the duties of the chief shop steward have ended, the wages of the employee in question shall be determined according to the work that the employee performs.

Section 16
Job security of a shop steward

Termination of employment contract and layoff of a shop steward for reasons of finance and production

In the event that the workforce of the enterprise is dismissed or laid off for reasons of finance or production, such measures may not affect the chief shop steward unless the operations of the production plant are entirely discontinued. 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 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 Employment Contracts Act.

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

Termination of employment contract for a reason due to the individual

A shop steward may not be dismissed for individual reasons pertaining to the shop steward without the consent of a majority of the employees that the said shop steward represents, as required by paragraph 1 of section 10 of chapter 7 of the Employment Contracts Act.

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. 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 doing.

A shop steward may not be disadvantaged with respect to other employees when assessing the grounds for rescission of employment contract.

Candidate and subsequent protection of a chief shop steward

The regulations of this point 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 point 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.

Negotiation of disputes concerning termination of employment contract

Where a dispute arises concerning termination of the employment of a shop steward referred to in the shop steward agreement between the federations, negotiations shall also be initiated locally and between the federations and conducted immediately after the grounds for termination have been disputed.

Compensation

If the employment contract of a shop steward 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 shop steward concerned.

The compensation shall be determined according to the principles set out in paragraph 2 of section 2 of chapter 12 of the Employment Contracts Act. Infringement of rights

under this contract shall be considered an aggravating factor that increases the compensation payable.

Compensation for unfounded layoff under this agreement shall be determined according to paragraph 1 of section 1 of chapter 12 of the Employment Contracts Act.

Minuted Note:

The protection against dismissal of staff representatives and deputy representatives elected for international group co-operation is governed by the provisions of section 10 of chapter 7 of the Employment Contracts Act.

A co-operation representative elected in the manner prescribed in the Act on Co-operation Within Undertakings shall enjoy protection against dismissal in accordance with the foregoing statutory provision.

CHAPTER 6
RELATIONSHIP OF THIS AGREEMENT TO THE COLLECTIVE AGREEMENT FOR THE TECHNOLOGY INDUSTRY

This agreement shall form part of the collective agreement.

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES
FINNISH METALWORKERS' UNION

AGREEMENT ON PROTECTION AGAINST DISMISSAL IN THE TECHNOLOGY INDUSTRY

Section 1
Scope of the agreement

This agreement shall govern the termination of regular employment contracts, employee lay-offs and the rescission and cancellation of employment contracts.

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

Implementation regulation:

This agreement shall not apply to termination of employment or employee lay-offs on the following grounds:

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

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

This agreement shall also not apply to the apprenticeships referred to in the Vocational Training Act (Laki ammatillisesta koulutuksesta, no. 630 of 1998).

I GENERAL REGULATIONS GOVERNING TERMINATION OF EMPLOYMENT CONTRACT

Section 2
Periods of notice

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

Length of continuous employment	Period of notice
no more 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

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

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

Section 3
Employee's right to re-employment leave

Unless otherwise agreed by the employer and the employee after the employer has terminated the employment contract on grounds referred to in section 3 of chapter 7 of the Employment Contracts Act, the employee shall be entitled to leave of absence on full pay for the purpose of participating, during the said employee's period of notice, in preparing the employment programme referred to in the Act on the Public Employment Service (Laki julkisesta työvoimapalvelusta, no. 1295 of 2002), in employment policy adult education, traineeship and on-the-job training under the said programme, or in voluntary or officially sponsored job-seeking and job interviews or redeployment training.

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

1) no more than a total of five working days if the period of notice is no longer than one month,

2) no more than a total of ten working days if the period of notice is longer than one month but no longer than four months,

3) no more than a total of twenty working days if the period of notice is longer than four months.

In addition to the foregoing, 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 programme.

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.

The exercise of re-employment leave may not substantially inconvenience the employer.

Implementation regulation:

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

Full pay shall denote the average hourly earnings of an hourly paid employee. For an employee paid by the month, full pay shall denote the monthly pay at the personal time rate.

Section 4
Failure to observe the period of notice

An employer who fails to observe the period of notice when terminating an employment contract shall be required to pay the employee's wages for the period of notice at the average hourly rate of pay and holiday compensation for the lost period of notice.

An employee who resigns without observing the period of notice shall be liable for a non-recurrent payment to the employer of a sum corresponding to the wages for the period of notice reckoned at the average hourly rate of pay. The employer may withhold the said sum from the final wage payment payable to the employee.

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

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

Section 5
Notification of termination of employment contract

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

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

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

Section 6
Notification of grounds for termination of employment contract

At the employee's request, the employer shall notify the employee in writing and without delay of the date

on which the contract of employment ends, and of the grounds for termination or rescission that are known to the employer and constitute the basis for terminating the employment contract.

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

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

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

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

II TERMINATION OF EMPLOYMENT CONTRACT AND EMPLOYEE LAY-OFF FOR REASONS PERTAINING TO THE INDIVIDUAL EMPLOYEE

Section 9
Grounds for termination of employment contract and lay-off

Grounds for termination of employment

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.

Implementation regulation:

> *Proper and pressing grounds shall denote reasons depending on 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.*

Grounds for rescission

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

Grounds for considering an employment contract dissolved

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

Lay-off 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.

Section 10
Effecting termination of employment

The employer shall effect the termination of an employment contract on the grounds referred to in sections 1 – 2 of chapter 7 of the Employment Contracts

Act within a reasonable time after learning of the grounds for the said termination.

Section 11
Hearing of an employee

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

III TERMINATION OF EMPLOYMENT AND EMPLOYEE LAY-OFFS ON GROUNDS OF FINANCE, PRODUCTION OR REORGANISATION OF THE EMPLOYER'S OPERATIONS

Section 12
Negotiating procedure

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

Implementation regulation:

The duty to negotiate applies in enterprises falling within the scope of the Act on Co-operation within Undertakings (Laki yhteistoiminnasta yrityksissä, no. 334 of 2007, in force as of 1 July 2007). The transition provisions of this Act provide that the Act and also collective agreement provisions take effect on 1

January 2008 at enterprises regularly employing no fewer than 20 but no more than 30 employees.

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

Notwithstanding the provisions of sections 45 and 51 of the Act on Co-operation within Undertakings, the 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.

Minuted note:

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

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

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

b) If the negotiations concern a measure that will evidently lead to a reduction in regular working hours, dismissal or lay-off for longer than 90 days of no fewer than ten employees, then, unless

otherwise agreed, the employer's duty to negotiate shall be considered discharged when negotiations on the matter have continued for a period of six weeks following submission of the negotiation proposal.

In an enterprise that regularly employs at least 20 but fewer than 30 employees, the employer's duty to negotiate in accordance with this regulation shall, unless otherwise agreed, be considered discharged when negotiations on the matter have continued for a period of 14 days following submission of the negotiation proposal (effective as of 1 January 2008).

In an enterprise undergoing restructuring in the sense of the Restructuring of Enterprises Act (Laki yrityksen saneerauksesta, no. 47 of 1993), the employer's duty to negotiate shall, unless otherwise agreed, be considered discharged when negotiations on the matter have continued for a period of 14 days following submission of the negotiation proposal.

2 Plan of action and operating principles

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

Under paragraph 2 of section 49 of the Act on Co-operation within Undertakings, the plan of action must specify the planned timetable for co-operation negotiations, the applicable negotiating procedures, and the planned operating principles to be applied during the

period of notice when using the services referred to in the Act on the Public Employment Service (Laki julkisesta työvoimapalvelusta, no. 1295 of 2002), and to promote job-seeking and retraining.

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

Section 13
Grounds for termination of employment

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

Minuted note:

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

Section 14
Order of staff reductions

Staff dismissals and lay-offs shall, where possible, comply with a regulation whereby the last individuals to be dismissed or laid off shall be employees who are vital to the operations of the enterprise and necessary for specialised functions, and those working for the same employer who have lost part of their working capacity, and in addition to this regulation attention shall be paid

to length of employment and to the number of dependants of the employee in question.

Section 15
Re-employment of a former employee

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

Section 16
Lay-off

1 Grounds for lay-off

The grounds for lay-off shall comply with those stipulated at points 1 – 3 of section 2 of chapter 5 of the Employment Contracts Act.

Minuted note:

> *It is the view of the federations that the duty of the employer to offer work or to arrange training shall primarily apply to work available in the same working district to which the 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 that of the temporary scarcity of work, or for an indefinite period.

Implementation regulation:

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

b) Non-temporary reduction in work

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

2 Shortened hours of work

The procedures governing lay-off shall also be observed when changing over to shortened daily or weekly working hours.

3 Period of lay-off notice

The period of notice of lay-off shall be no less than 14 days.

There shall be no duty to provide an advance explanation of a lay-off.

4 Local agreement

Other arrangements for lay-off, the grounds for lay-off and the length of lay-off notice may be agreed locally pursuant to section 30 of the collective agreement.

5 Deferment and interruption of lay-off

a) Deferment of lay-off

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

b) Interruption of lay-off

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

6 Other work during a lay-off

The employee may take other work for the duration of a lay-off.

7 Termination of employment of an employee during a lay-off and employer's duty to pay compensation in certain situations

Rescission of employment contract by the employee

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

Termination of employment contract by the employer

Conditions for compensation

An employee who has been laid off shall be entitled, pursuant to paragraph 2 of section 7 of chapter 5 of the Employment Contracts Act, to compensation for damages arising from the loss of wages for the period of notice if the employer terminates the employment contract such that the employment ends during a lay-off.

Limitation of liability for compensation

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

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

The salary for the period of notice of lay-off shall not be deducted from the compensation.

Reckoning of compensation

The compensation payable for one month of the period of notice shall be reckoned by multiplying the employee's personal time rate by 160.

Implementation regulation:

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

Payment of compensation

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

If the employee is working elsewhere during the period of notice, then the employer shall pay any difference

between the compensation for the wages for the period of notice and the wages earned elsewhere at the end of the employment relationship, provided that at this time the employee submits to the employer an account of the wages earned elsewhere during the period of notice.

Resignation of an employee

An employee who has been laid off, and who resigns pursuant to paragraph 3 of section 7 of chapter 5 of the Employment Contracts Act after the lay-off has continued without interruption for a period of no less than 200 days, shall be entitled to compensation amounting to the pay for the period of notice to which the employer is subject. Unless otherwise agreed, the said compensation shall be on the next normal wage payment day after the employment contract has ended.

Minuted note:

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

In such cases the wages received by the employee shall be deducted from the compensation corresponding to the wages for the period of notice.

IV COMPENSATION

Section 17
Compensation

Infringement of grounds

The employer's liability to pay compensation for terminating an employment contract or laying off an

employee in a manner contrary to the grounds specified in this agreement shall be determined as follows:

Termination of employment contract (sections 9 and 13)

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

Rescission and dissolution of employment contract (section 9)

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

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

Employee lay-off (section 9 and point 1 of section 15)

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

Single compensation principle

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

Breach of procedural regulations

The employer may not be ordered to pay a compensatory fine pursuant to section 7 of the Collective Agreements

Act (työehtosopimuslaki, no. 436 of 1946) for failure to comply with the procedural stipulations of this agreement.

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

Relationship between compensation and compensatory fine

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

Section 18
Procedure in case of dispute

Should an employee consider that the employee's employment contract has been terminated or that the said employee has been laid off without the agreed grounds, then the dispute may be submitted for settlement to the negotiation procedure referred to in section 31 of the collective agreement.

Section 19
Statute of limitations

Should no settlement be achieved in a dispute concerning termination of employment contract or lay-off falling within the scope of this agreement, then the matter may be submitted for settlement by the Labour Court in the order prescribed in paragraph 2 of section 11 of the Labour Court Act (Laki työtuomioistuimesta, no. 464 of 1974).

Entitlement to compensation pursuant to section 16 of this agreement on termination of the employment relationship shall lapse if no claim has been lodged in court within two years of the end of the said employment relationship.

Section 20
Entry into force

This agreement shall be in force as of 1 July 2007 as part of the collective agreement.

The agreement shall replace the Agreement on Protection Against Dismissal in the Technology Industry that was signed on 16 June 2005 and applied as part of the collective agreement and the protocol signed on 16 June 2005, and shall also annul the Co-operation and Information Agreement for the Technology Industry that was signed on 27 November 1996, with the exception of section 4 of the latter agreement concerning information exchange between employees, which shall be transferred to the appropriate point of the collective agreement.

Helsinki, 30 June 2007

THE FEDERATION OF FINNISH TECHNOLOGY INDUSRIES	FINNISH METALWORKERS' UNION
Martti Mäenpää	*Erkki Vuorenmaa*
Risto Alanko	*Matti Mäkelä*

THE FEDERETION OF FINNISH TECHNOLOGY INDUSTRIES

FINNISH METALWORKERS' UNION

IMPLEMENTATION MINUTES FOR THE AGREEMENT ON PROTECTION AGAINST DISMISSAL

Date 30 June 2007

Venue The Federation of Finnish Technology Industries

The following procedures were agreed for implementing the agreement:

1 Determining the duration of employment

Only the time when the employee was continually in the service of the employer in the same employment relationship shall be counted when reckoning the length of employment for the purpose of determining the period of notice. Assignment of business operations, maternity and parental leave, and care leave, compulsory military service, civil alternative service, participation in military crisis management or in associated training or exercises, or study leave, for example, shall not interrupt the employment relationship.

Besides the continuous nature of the employment, the time accruing to the duration of employment and extending the period of notice must also be investigated. With respect to compulsory military service, time of this kind is only the time when the employee was continually in the employer's service before completing compulsory military service under the Military Service Act (Asevelvollisuuslaki, no. 452 of 1950) or compulsory civil alternative service under the Civil Alternative Service Act (Siviilipalveluslaki, no. 1723 of 1991) and the period thereafter, provided that the employee returned to work pursuant to the Act

on Continuation of the Employment or Civil Service Relationship of a Conscripted Person Eligible for Military Service (Laki palvelukseen kutsutun asevelvollisen työ- tai virkasuhteen jatkumisesta, no. 570 of 1961). For an employee who has entered into a service commitment pursuant to the Act on Military Crisis Management (Laki sotilaallisesta kriisinhallinnasta, no. 211 of 2006), this time shall correspondingly include the time preceding and following participation by the said employee in military crisis management or in associated training or exercises. The actual time spent in military or civil alternative service, or taking part in military crisis management or associated training or exercises, is therefore not counted as part of the employment relationship.

2 Calculation of time limits

Calculation of time limits shall comply with the calculation provisions of the Act on Calculation of Prescribed Time Limits (Laki säädettyjen määräaikain laskemisesta, no. 150 of 1930).

2.1 If a period of time 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.

Example 1

If an employer lays off an employee at 14 days' notice of layoff on 1 March, then the first day of lay-off is 16 March.

2.2 A period of time 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 in name or ordinal number to the said date. 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 end of the time limit.

Example 2

In the event that, 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, then the last day of employment is 30 September. If the said dismissal occurs 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.

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.

3 Passage of the period of notice and temporary contract of employment

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

In fidem *Sami Toiviainen*

Checked by

Risto Alanko

Erkki Vuorenmaa *Matti Mäkelä*

FEDERATION OF FINNISH METAL, ENGINEERING AND ELECTROTECHNICAL INDUSTRIES – MET
FINNISH METALWORKERS' UNION

REGULATIONS ON PAYMENT OF WAGES AS A MONTHLY WAGE

1

Scope of the regulations

These regulations shall govern the payment of wages and compensation to employees whose pay is determined by the month. The same principles shall also govern the employment of employees working for a weekly or monthly wage.

These regulations shall apply notwithstanding the regulations of the collective agreement.

Implementation regulation:

The job-related monthly wages of a part-time employee working for fewer than 40 hours per week shall be calculated by multiplying the proportion of the number of regular weekly working hours out of 40 hours by the job-related monthly wages set out below.

The divisor in the case of a part-time employee shall be the average agreed monthly working hours instead of the hourly divisor specified at points 8 and 9.

2
Determination of job requirement

The procedures for determining the job requirement shall be the same regardless of wage determination period.

Classification of job requirement

Job-related monthly wages

The job-related monthly wages (in euros per month) for job requirement categories by cost of living group will be as follows from 1 October 2009:

	cost of living group 1	cost of living group 2
lower limit	1424	1391
upper limit	2104	2055

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

When using nine job requirement categories, the job-related monthly wages (in euros per month) will be as follows as from 1 October 2009:

Job requirement category	cost of living group 1	cost of living group 2
1	1424	1391
2	1495	1461
3	1570	1534
4	1648	1610
5	1731	1691
6	1817	1775
7	1908	1864
8	2003	1957
9	2104	2055

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

Other locally agreed ways of determining job requirement

Job-based monthly wages

The work of a workplace shall be assigned to no fewer than five job requirement categories based on the method of determining job requirement.

The job-based monthly wages (in euros per month) for job requirement categories by cost of living group will be as follows as from 1 October 2009:

	cost of living group 1	cost of living group 2
lower limit	1424	1391
upper limit	2104	2055

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

Rough classification

Job-based monthly wages

Unless higher rates are agreed locally, the job-based monthly wages (in euros per month) for job requirement categories will be as follows as from1 October 2009: thereafter:

Job requirement category	cost of living group 1	cost of living group 2
I	1424	1391
II	1648	1610
III	1902	1864

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

3
Wages

Fully capable employees over 18 years of age

Basic wages

The basic wage is obtained by adding the personal pay component to the job-based component of the employee's wages.

Job-based wage component

The job-based component of the employee's wages is determined on the basis of the work that the employee regularly performs. The size of the said wage component is determined according to the job-based monthly wage for the job requirement category that includes the work representing most of the work that is actually done.

Personal pay component

The personal pay component is 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.

The amount of the personal pay component shall be no less than 3 per cent and no more than 25 per cent of the employee's job-based wage component .

4
Students, employees under 18 years of age, trainees and disabled workers

Students shall be paid a monthly wage corresponding to not less than scale 2, on the basis of ability, experience and qualifications.

The monthly 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 monthly wages (in euros per month) of students and employees under 18 years of age shall be as follows from 1 October 2009:

	cost of living group 1	cost of living group 2
scale 1	1230	1202
scale 2	1291	1262
scale 3	1356	1325
scale 4	1424	1391

Job-related hourly wages shall be introduced at individual workplaces with effect from the time of the wage increase.

The wages referred to at points 2, 3 and 4 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.

Implementation regulation:

The term "student" shall denote apprentices referred to in the Vocational Education Act (Laki ammatillisesta koulutuksesta, no. 630 of 1998) and employed students at institutes of vocational training for the sector.

The wages of students, employees under the age of 18 years, or trainees, who work for an incentive wage will be governed by current unit prices unless otherwise agreed.

Unless some higher wage has been agreed locally, a person who is an employee at the time of concluding an apprenticeship agreement will be paid the previously regular wage as the student wage.

Disabled employees

The wages referred to at point 2 shall not be mandatory in the case of employees whose capacity to perform the work in question has been permanently impaired due to some illness or other reason.

5
Manner of payment

A personal time rate (in euros per month) at least equal to the basic wage shall be paid to an employee for time rate work.

The fixed components for partial piecework and incentive pay shall be determined by the month (in euros per month) and the variable components shall be determined on the basis of job-based factors.

If, by order of the employer, an employee has to interrupt agreed performance-based pay work that the employee has already begun to perform on account of other work, and the work that has caused the interruption cannot be arranged for performance-based pay, then the employee shall be paid for the said work at the employee's personal time rate.

6
Wage payment period

The wage payment period shall not exceed one month.

7
Compensation for loss of earnings

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

Implementation regulation:

> *Examples of such situations include sick pay and compensation for pay lost over a period of training.*

8
Overtime and Sunday work, compensation for weekly time off

The basic component of the wage for overtime shall be paid according to the work done.

The hourly rate required for payment of overtime and Sunday work and compensation for weekly time off shall be reckoned by dividing the monthly wage as a personal time rate by 169.

9
Payment of certain compensations

The basis for calculating the following compensations payable under the collective agreement shall be the calculated hourly time rate, which shall be reckoned by dividing the monthly wage as a personal time rate by 169. The said compensations are seniority bonus, emergency bonus, compensation for travelling time outside of regular working hours, compensation to travellers on the journey home during an assignment at Easter, Midsummer and Christmas, and compensation for standby time.

10
Part-time wages

If an employee is not entitled to wages for the entire wage payment period (unpaid absence), then the wages payable to the employee for the working time completed in regular scheduled hours of work shall be reckoned by dividing the monthly wage as a personal time rate or as a fixed component of performance-based pay by the number of scheduled working hours in the said period and multiplying the hourly rate so obtained by the number of hours for which the employee is entitled to wages. The variable component of the wage shall be paid according to the work done.

11
Annual holiday pay

Annual holiday pay shall be paid in accordance with the Annual Holidays Act as follows:

a) wages for the holiday period shall be paid before the annual holiday begins, or

b) on the regular wage payment days where locally agreed.

Payment of shift work bonuses for the holiday period

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 time of payment shall either be before the holiday begins or on the regular wage payment days.

Implementation regulation:

> *Custom and practice at the workplace refers to payment of holiday period shift work bonuses in accordance with the schedule of working hours, as an average, or in some other manner.*

Local agreement refers to a mode of payment of annual holiday pay and of the holiday bonus referred to at point 12 that applies to the employees collectively.

12
Holiday bonus

The holiday bonus payable to an employee shall be calculated 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.

FEDERATION OF FINNISH METAL, ENGINEERING AND ELECTROTECHNICAL INDUSTRIES – MET
FINNISH METALWORKERS' UNION

AGREEMENT ON QUALIFICATION-ORIENTED INDUSTRIAL TRAINING AND ON-THE-JOB TRAINING IN THE TECHNOLOGY INDUSTRY

Section 1
Scope of the agreement

This agreement shall govern the industrial training involved in training for qualifications in the technology industry.

Minuted note:

On-the-job training is arranged as part of secondary level vocational education under the Vocational Training Act 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.

However, the regulations of this agreement also apply to on-the-job trainees.

Section 2
Co-operation pertaining to qualification-oriented industrial training and on-the-job training

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 within Undertakings, the following matters must be jointly ascertained locally:

- the forms of qualification-oriented industrial training and on-the-job training that are used at the enterprise,

- 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.

Section 3
Job security of staff

Insofar as the procedure specified in section 2 has been observed at the enterprise, the provisions and regulations of the Employment Contracts Act and the Agreement on Protection against Dismissal in the Technology Industry concerning:

- workforce downsizing
- the duty to provide further work, or
- rehiring

shall constitute no obstacle to the provision of qualification-oriented industrial training or on-the-job training.

Section 4
Entry into force

This agreement shall take effect on 24 May 1999 and shall continue in force until the end of the industry collective agreement to be concluded following the collective agreement for the metal, engineering and electrotechnical industries in force until 15 January 2000. The agreement shall thereafter form part of the collective agreement.

Helsinki, 24 May 1999

FEDERATION OF FINNISH METAL, ENGINEERING AND ELECTROTECHNICAL INDUSTRIES – MET

Harri Malmberg

FINNISH METALWORKERS' UNION

Per-Erik Lundh *Erik Lindfors*

LOCAL BARGAINING UNDER THE COLLECTIVE AGREEMENT

There are two types of local bargaining under the collective agreement: settlements that gain the legal effects of a collective agreement and settlements at employment contract level. Both types of settlement 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 negotiating procedure stipulated in section 30 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.

	Collective agreement provision (Section 30)	Procedural regulations
Signing minutes of the collective agreement		
Section 2	Wage increases on 1 October 2009	
Section 14	Workplace-specific trials	Introduction requires approval of the federations
Section 5	Derogation from sections 13 and 14 of the collective agreement	Framework agreement with chief shop steward, notification to the federations
Collective agreement		
Section 7	Introduction of rough classification or other mode of determining job requirement	
Section 7, para 1	Number of job requirement categories	
Section 7, para 2	Other locally agreed ways of determining job requirement, number of job requirement categories	
Section 7, para 3	Rough classification, job-based hourly wages	
Section 8, para 5	Trainee wage when in employment at time of concluding apprenticeship agreement	
Section 9, para 1	Remuneration modes in use, point 2	In writing

Section 10, para 5	Time of payment of seniority bonus	Mode of payment applying to employees generally
Section 10, para 6	Introduction of productivity reward	In writing
Section 10a	Introduction of other wage determination period	In writing, with chief shop steward
Section 13, para 2	Mode of averaging of working hours	
Section 13, para 2	Notification of time of working time averaging leave	
Section 13, para 2	Time of payment of working time averaging bonus	
Section 13, para 3	Length of maximum regular daily and weekly working hours	
Section 13, para 3	Working time averaging period exceeding one year in working time bank agreement	
Section 13, para 3	Staring time of working day and working week	
Section 13, para 3	Rest time in daily working hours	
Section 13, para 3	Change in schedule of working hours	
Section 13, para 4	Notification of changes in schedule of working hours	
Section 13, para 6	Commissioning of night work	
Section 13, para 7	Introduction of working time bank	In writing, with chief shop steward
Section 14, paras 1 and 5	Introduction of single overtime concept and size of overtime bonus	In writing, with chief shop steward
Section 14, para 1	Tracking period for maximum overtime	

Section 16, para 2	Conditions for meal allowance for minimum 12-hour work-related travel	
Section 16, para 4	Derogation from paragraphs 2 and 3 of section 16 (travel regulation)	In writing with chief shop steward if work-related travel is common at the workplace
Section 23, para 1	Payment of annual holiday pay in instalments	Mode of holiday pay payment applying to employees generally
Section 23, para 2	Time of payment of holiday bonus	In writing; mode of holiday bonus payment applying to employees generally
Section 24, para 1	Monthly wage payment to hourly-paid employees	
Section 29, para 2	Principles governing use of agency workers	In writing, with chief shop steward

Agreement on working hours in three-shift work

Section 7	Notification of changes in schedule of working hours	
Section 9	Time of payment of working time averaging bonuses	

General agreement between TT and SAK for the technology industry

Chapter 2	Inclusion of working capacity maintenance principles in plans	
Chapter 2	Establishment of co-operation body for implementing development activities	
Chapter 3	Selection of other bodies promoting labour protection	
Chapter 4	Use of time of labour protection delegate without reference to calculation formula	

Shop stewards agreement

Section 5	Scope of operations and number of shop stewards	
Section 5	Combining the duties of chief shop steward and labour protection delegate	
Section 5	Combining the duties of shop steward and labour protection agent	
Section 5	Appointment of shop steward for a specific function	In writing
Section 6	Agreed duties of a shop steward at the workplace	
Section 9	Division of regular job release between the chief shop steward and other shop stewards	
Section 9	Extent of regular job release of chief shop steward	
Section 10	Size of monthly compensation payable to a chief shop steward	

Agreement on protection against dismissal

Section 12	Discharge of duty to negotiate in codetermination negotiations	
Section 16, point 4	Layoff, grounds for layoff and layoff notice	

Regulations on payment of wages as a monthly wage

point 2	Trainee wage when in employment at time of concluding apprenticeship agreement	
point 11	Time of payment of annual holiday pay, mode of payment of holiday bonus	Mode of holiday pay payment applying to employees generally

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 section 30 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.

	Condition at employment contract level	**Procedural regulations**
Collective agreement		
Section 8, clause 5	Trainees etc., unit prices for work at incentive rate	
Section 9, clause 1	Job-based modes of payment in use, point 3	Notification of shop steward
Section 9, clause 2	Permanence of personal time rate	
Section 9, clause 3	Unit price of work on incentive rates	
Section 9, clause 3	Distribution of group performance-based pay	
Section 13, clause 2	Deferral of working time averaging leave to following year	Report to chief shop steward explaining deferral practices
Section 13, clause 4	Working the same shift continuously	

Section 14, clause 8	Compensation for weekly time off: cash/ time off in lieu	
Section 15, clause 2	Standby time at home	
Section 15, clause 2	Other readiness time	
Section 16, clause 2	Use of employee's vehicle for work-related travel	
Section 16, clause 3	Terms and conditions of work abroad	Written agreement recommended
Section 24, clause 2	Wage payment through a financial institution	

Shop stewards agreement

Section 10	Overtime compensation to a chief shop steward for duties outside of working hours	

Agreement on protection against dismissal

Section 3	Right to re-employment leave	To be agreed after termination
Section 15	Duty to re-engage dismissed employee	In writing when employment is terminated or ends
Section 16, point 5	Interruption of layoff	

Regulations on payment of wages as a monthly wage

Point 2	Trainees etc., unit prices for work at incentive rate	