



Service Industry Association reg. assoc.

Finnish Aviation Union reg. assoc.

Collective agreement on air traffic  
services

26 October 2010-31 October 2013

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Collective agreement

between the Service Industry Association reg. assoc. and the Finnish Aviation Union reg.  
assoc.

concerning air traffic services

26 October 2010-31 October 2013

## **1. CHAPTER GENERAL**

### **1. § Scope of application of this Agreement**

1. This Agreement regulates the conditions of employment of employees employed in

- regular scheduled traffic,
- heavy charter flight traffic,
- or technical or ground services for the aforementioned traffic

if they are employed in positions falling under the salary classification of this Agreement or ones comparable to them.

2. The "heavy charter flight traffic" referred to in this Collective Agreement shall mean flights on aircraft with a passenger capacity in excess of the approved maximum of 19 seats or with a take-off weight in excess of the maximum take-off weight (MTOW) of 27,000 kg.

3. However, this Agreement shall also apply to work in which maintenance certificates and type qualifications are required, as well as to other work in which more than 50 per cent of the tasks fall under the scope of application of this Agreement.

4. No parallel agreement may be concluded in the field of application of this Agreement without the written permission of the signatory unions.

### **2. § General agreements**

The General Agreement as well as the Holiday Pay and Employment Termination Agreement between central organisations that are in force at the time shall also be complied with as part of the Collective Agreement.

### **3. § Industrial peace obligation**

1. The Collective Agreement binds the signatory unions, their affiliates, employers and employees who are or have, during the period of validity of the Agreement, been members of these associations.

2. The unions and their affiliates take care that their member associations, employers or employees covered by the Agreement, do not undertake industrial action or otherwise breach the regulations of the Collective Agreement.

## **2. CHAPTER | EMPLOYMENT RELATIONSHIPS**

### **4. § Management and allocation of work, and the right of association**

1. The employer has the right to manage and allocate work, and to employ or dismiss employees regardless of whether they are union-affiliated or not.
2. This right of association is inviolable for both parties.

### **5. § New employees and induction into the workplace**

1. New employees shall mainly be employed in permanent employment relationships.
2. While undergoing induction into the workplace, new employees shall be given an opportunity to have a discussion with a local union representative and a labour protection agent.
3. New employees shall be employed in jobs defined in the salary classification in the Collective Agreement on Air Traffic Services. This shall not prevent the introduction of new jobs in accordance with Section 64.

### **6. § Trial period**

A new employee shall undergo a four-month trial period, during which either party may terminate the employment relationship without regard to the period of

notice. The employment relationship shall terminate at the close of the work day on which the termination is declared.

#### **7. § Training**

1. The employer shall attempt to enhance training for different professional sectors.
2. Attempt will be made to inform the employee about participation in the course in good time before the course begins. Participation shall be taken into account in the duty roster as circumstances permit.
3. The salary paid during type, part-type or workshop qualification training shall be agreed locally.

#### **8. § Period of notice**

1. When the employer terminates an employment relationship that has continued uninterrupted
  - for no more than a year, the period of notice is 14 days
  - for more than a year but no more than 4 years, the period of notice is 1 month
  - for more than 4 years but no more than 8 years, the period of notice is 2 months
  - for more than 8 years but no more than 12 years, the period of notice is 4 months
  - for more than 12 years, the period of notice is 6 months.
2. When the employee terminates an employment relationship that has continued uninterrupted
  - for no more than 5 years, the period of notice is 14 days
  - for more than 5 years, the period of notice is 1 month.
3. A shorter period of notice may be negotiated.

#### **9. § Termination of an employment contract**

The local union representative or chief local union representative shall be notified of a case of termination of an employment contract before the contract's termination, if possible. In any other case, notification shall be given as soon as possible after the termination takes effect.

## **10. § Fixed-term employment contracts**

1. A fixed-term employment contract may be concluded when there is a legitimate reason to do so. The employment relationship of an employee employed for fixed-term or temporary work concludes without any period of notice. The employer must inform the employee of this fact at the start of the employment relationship.
2. The chief local union representative shall be informed of fixed-term employment relationships, and an explanation shall be provided if requested.
3. An employee employed in a fixed-term employment relationship shall receive the same benefits as those stated in guidelines for employees in permanent employment relationships, unless the guidelines stipulate otherwise.

## **11. § Part-time work**

1. Employees can be employed in part-time work to manage peak times in air traffic. An agreement on the terms of employment of part-time workers between the employer and the Finnish Aviation Union reg. assoc. is a prerequisite for employment of part-time workers.
2. Agreements made on the basis of the first section should concern nothing but matters related to part-time work.

## **12. § Grounds for lay-off and termination of employment**

1. There must be a legally valid reason for lay-offs, terminations of employment and imposed reductions of work hours. If the employer's ability to offer work is temporarily reduced, attempt will first be made to direct personnel to other work, or to train them.
2. Working time regulations or advance notice regulations agreed in them shall not prevent the aforementioned arrangements.

## **13. § Labour reduction arrangements**

1. In addition to what has been specified on labour reduction arrangements in the Holiday Pay and Dismissal Agreement attached to this Collective Agreement, once the procedures for reducing labour undertaken in accordance with the Act on Co-operation are complete, the employer shall justify and define the professionally skilled employees important to the company's operation by communicating their names to the employee representative.
2. Taking into account the requirements of the Act on Co-operation and other labour legislation, the company should refrain from using rented labour before undertaking terminations, layoffs or reductions in working hours, with the exception of tasks that cannot be performed by the company's own employees due to the skills required or for comparable reasons.

## **14. § Operating model for employing people and change security**

The aim of a new operating model between the employer, employees and labour authorities is to enhance co-operation and employ employees as quickly as possible.

### **15. § Co-determination and employment termination procedure**

1. The employer shall present an operating plan at the beginning of co-determination negotiations affecting at least ten employees. Its contents shall be negotiated with representatives of personnel. The plan shall explain the procedures and forms of negotiations, the planned timetable as well as the planned operating principles with regard to job seeking, training and labour administration services during the dismissal period. The plan shall take into account existing norms concerning how one operates during labour reduction procedures. If co-determination negotiations affect fewer than ten employees, planned operating principles concerning job seeking, training and the use of labour administration services shall be presented during the negotiations.
2. Negotiations about the content of the operating plan are not prevented by the limitation which stipulates that, in co-determination negotiations, assessment of alternatives to termination of employment in large-scale terminations of employment may begin no earlier than seven days after the treatment of principles and effects.
3. While carrying out co-determination procedures concerning a planned reduction of labour, necessary changes to the personnel plan shall also be dealt with.
4. The employer and the labour authorities shall together map out the required public labour services without delay once co-determination procedures or small-enterprise employment termination procedures have begun. Attempt shall be made to agree with the labour authorities on the quality of the services offered, the timetable for their deployment, and co-operation in their implementation. Representatives of personnel shall take part in the co-operation.

### **16. § Employment programme and its implementation during the employment termination period**

1. The employer is obliged to notify of the right to an employment programme and increased training allowance.
2. The employer shall inform labour authorities of a termination of employment carried out on financial and production-related grounds if the dismissed employee has a work history of at least three years. The obligation to notify also applies to the conclusion of employment relationships made up of fixed-term contracts with the same employer without interruption, or with only brief interruptions, that amount to at least three years in total.

3. The employer is obliged to provide labour authorities, with the employee's consent, information about the employee's training, work experience and duties, immediately following termination of employment. If agreed, the employer shall participate separately in other ways in drawing up an employment programme.
4. The employee shall have an opportunity to participate in drawing up the employment programme. The employment programme may be supplemented later, if necessary.
5. Unless otherwise agreed after termination of employment has taken place, the employee shall have the right to time off with no loss of earnings so that he or she can participate in the preparation of an employment programme during the employment termination period; to seek a job at his own initiative or at the prompting of officials and participate in job interviews; to relocation training, workplace learning or internships; or to labour policy training in line with the employment programme. Depending on the duration of the employment relationship, the length of the time off shall be as follows:
  - a maximum of 5 days if the employee's employment termination period is no more than one month
  - a maximum of 10 days if the employee's employment termination period is more than a month but no more than four months
  - a maximum of 20 days if the employee's employment termination period is more than than four months.
6. A further condition is that the time off not cause significant disruption to the employer.
7. The employee must declare the time off to the employer without delay. He or she must also provide a credible explanation of the reason for the time off upon request.

#### **17. § Use of external labour**

1. Use of external labour in the company is either use of temporary agency labour or subcontracting. The use of external labour is accounted for in Section 1 of this Collective Agreement.
2. The company commissioning temporary agency labour shall require from the company performing such labour that it observe the Collective Agreement on Air Traffic Services when carrying out temporary work in the aviation industry.



3. An employment contract may not take the form of a contracting agreement between independent companies when the relationship is actually of the nature of an employment contract.

**APPLICATION GUIDELINE:**

When the employer commissions work falling under the salary classification of the Collective Agreement on Air Traffic Services, or comparable work, on a subcontracting basis, the Collective Agreement on Air Traffic Services shall apply to employees in the service of the subcontractor.

Should the subcontracted work be temporary and one-off in nature, and be carried out outside of the normal operating environment of the commissioning company, this work shall not be covered by the Collective Agreement on Air Traffic Services.

**18. § The position of employees in competitive bidding**

1. Should a company producing air traffic services lose a competitive bid for services, and be forced to dismiss its personnel as a result, the company must investigate its personnel's opportunities to be employed by the company that won the bid. In all other respects, Section 17 of the Agreement on Protection from Termination of Employment agreed between the Confederation of Finnish Industries EK and the Central Organisation of Finnish Trade Unions shall apply.
2. If, within nine months of the transfer of activity, the company that won the bid requires additional labour at the workplace subject to the bid for the same or similar tasks as those that had been performed by the dismissed employee, the company that won the bid must offer the work primarily to the dismissed employee of the company that lost the bid. In such a situation, the employee's right to salary during sick leave or maternity leave according to duration of employment relationship shall be determined with regard to both employment relationships. The individual's professional versatility relevant to remuneration shall be confirmed as soon as possible, however no later than two months after the beginning of the employment relationship. *(Valid from 1 June 2008 onwards)*

### **3. CHAPTER | WORKING TIMES IN COMPANIES PRODUCING TECHNICAL SERVICES**

#### **19. § Day work**

1. Regular working time shall fall between 7 am and 3 pm, unless the employer agrees otherwise with the employee. The employer shall inform the local union representative of the matter. *(Valid from 1 November 2011 onwards)*

2. If in compelling cases employees carrying out day work are temporarily transferred to shift work, the employer shall firstly strive to agree on the transfer with those employees whom it will not unreasonably inconvenience.

#### **20. § Two-shift work**

Regular working time is

- in day shifts, 7 am to 3 pm
- in evening shifts, 3 pm to 11 pm

#### **21. § Three-shift work**

1. Regular working time is

- in day shifts, 7 am to 3 pm
- in evening shifts, 3 pm to 11 pm
- in night shifts, 11 pm to 7 am

2. In uninterrupted three-shift work, a shift system shall be applied which has been agreed locally between the employer and various employee groups.

#### **22. § Flexible work**

1. Working time may be situated between 6 am and 5 pm according to local agreement, such that the length of a work day can vary. In planning the length of a day, the needs of production and of the employee shall be taken into account.

2. Work shifts may be situated on all working days of the week. Weekly time off shall be given on at least two consecutive days off, including a Sunday. It shall be possible to schedule shorter work days as time off in the duty schedule.
3. In apportioning working hours, a working hours plan and equalisation schedule shall be prepared.
4. Work shall be equalised for no more than 26 weeks. The average working hours shall be the same as in day work and in interrupted two-shift work.
5. A work shift system shall be applied in flexible work that has been agreed locally between the employer and different employee groups.

### **23. § Other working hour regulations in day and shift work as well as in flexible work**

1. In day and two-shift work, the regular length of working hours is no more than eight hours per day and 40 hours per week.
2. In uninterrupted three shift-work, the regular length of working hours is no more than eight hours per day and no more than a weekly average of 34.5 hours over a one-year period.
3. In day and two-shift work, the second day off shall be a Saturday.
4. Saturdays that fall on holidays or in holiday weeks, as well as Christmas and Midsummer Eve, are days off in day work and interrupted two-shift work. In uninterrupted three-shift-work, the aforementioned days shall be used in annual equalisation of working hours, with the exception of Epiphany, when it falls on a work day other than Saturday, and Ascension Day, when they both shorten annual working hours by 8 hours.

### **24. § Breaks**

1. When timing refresher breaks (10 min) and leaving the workplace, locally agreed practice shall be observed.

2. Resting time (lunch break) is 15 minutes and shall be counted with working hours. *(Valid from 1 November 2011 onwards)*
3. Washing up time before a lunch break and before the end of working hours amounts to five minutes.
4. In the following roles, washing up time before the end of working hours amounts to 15 minutes:
  - cleaners
  - part cleaners
  - engine disassemblers
  - honing work
  - ground equipment repair work
  - surface handling work
  - HVAC-work

## **25. § Preparation of the duty roster**

1. A one-month duty roster shall be drawn up for work.
2. The duty roster is either given to shift and flexible workers or prominently displayed at least two weeks before the beginning of the first shift. The roster shall also mention regular flight missions and other missions that shall be distributed equally as circumstances permit.
3. In shift work, it shall be possible to deviate from the aforementioned working hours on credible grounds. The matter shall be negotiated between employees and the local union representative. If exceptions have been agreed in individual cases, the employer shall inform the local union representative.
4. The working times stipulated in this Section shall generally apply to employees working at other stations. However, shifts shall be determined according to timetable and local circumstances in a way that has been agreed between the employer and employees. The employer shall inform the local union representative of the agreement without delay. In addition, a working hour system shall be prepared in line with timetables.
5. When regular working hours marked in the duty roster are exceeded as a result of an aircraft delay at another base within Finland but outside Helsinki, this shall be compensated with a separate delay compensation up to a total of no more than eight hours. The compensation shall be determined on the basis of simple hourly wage.

6. If regular working hours have been moved to begin at an exceptional time, the shift addition shall be paid in line with the regular shift.

**26. § Shortened working hours as time off**

1. Shorter working hours as time off shall be given to employees in day, two-shift and three-shift work, and in flexible work, as well as to employees in part-time retirement working these shifts.
2. In day and two-shift work as well as in flexible work, days off from regular work days shall be given over the calendar year as follows:

Work days amount to at least	Days off
19	1
38	2
57	3
76	4
95	5
113	6
132	7
151	8
170	9
189	10
208	11

**INTERPRETATION GUIDELINE:**

When the number of hours varies in flexible work, the comparison can be made by dividing the total number of hours worked by eight (8).

3. In three-shift work, time off is given on regular work days worked during the calendar year as follows:

Work days amount to at least	Days off
46	1
92	2
138	3
184	4

4. At other bases in Helsinki, days off are given for regular work days worked during the calendar year as follows:

Work days amount to at least	Days off
24	1
48	2
72	3
96	4
120	5
144	6
168	7

5. In other bases in Finland, days off are given during the calendar year by winter and summer timetable season and according to duty-roster-planned hours when the employment relationship has lasted for the full timetable period that entitles one to time off, as follows:

a) To employees, at least  $4/5$  (80%) of whose regular work days according to the duty roster are more than seven hours in length, two days off shall be given per timetable season.

b) To employees, at least  $1/2$  (above 50%) of whose regular work days according to the duty roster are more than seven hours in length, with at least  $2/3$  (65%) of those being two-part shifts, one day off shall be given per timetable season.

**INTERPRETATION GUIDELINE:**

The "winter timetable season" shall refer to the one that ends in the same year.

6. Work days scheduled in the working hours system that happen to fall during an employee's sick leave and are compensated with sick pay or maternity leave pay, shall also be counted as regular work days worked. In addition, regular work days shall also include training time partly funded by the employer, insofar as the employer compensates loss of earnings.

7. According to the same conditions, the following shall also be comparable with regular work shifts: time spent in meetings of municipal authorities and administration as well as of boards or other permanent bodies set up by them; 50th and 60th birthdays; one's own wedding; the funeral of a close relative; days off to care for one's sick child; military draft; refresher training; as well as time spent relieving the chief local union representative or the labour protection agent.

8. Similarly, the following shall also count as regular work time:

- time off corresponding to the basic hours stipulated in Section 40 of the Collective Agreement
- time counted as equivalent to time at work according to Chapter 4, Section 86 of the Collective Agreement
- locally agreed relief time off from two-shift work.

9. If a day off to be given includes the time mapped out as regular work days above, time off shortening a working day shall be viewed as given. An exception is time when an employer is on sick leave, which, should it occur during agreed time off shortening working days, shall not be regarded as provision of the latter.

**INTERPRETATION GUIDELINE:**

Absence due to sick leave declared on the day on which time off to shorten working hours is given shall entail the loss of that day's worth of time off to shorten working hours.

10. Days off accumulated during the calendar year must be given to the employee by the end of that calendar year. Days off shall be given at a time specified by the employer, such that special attention is paid to traffic programmes, workshop maintenance programmes, and production plans.

11. Attempt will be made to notify well in advance when time off will be given and, if possible, a week before it is given. If time off is given simultaneously to an entire work department, the two-week notification period mentioned in the Collective Agreement shall be observed with regard to the change to the working hour system.

12. Time off shall be given one shift at a time, unless agreed otherwise locally.

13. If an employee's employment relationship comes to an end and time off has not been given by that time, the employee shall be paid salary equivalent to the accumulated time off in accordance with his average hourly earnings. The average hourly earnings shall be calculated according to the same principles as in pay for sick leave.
14. If the employee has been given too much time off when the employment relationship comes to an end, the employer may withhold an amount corresponding to this from the employee's final salary payment.

## **27. § Overtime**

1. Overtime shall be worked with the consent of the employee. In having employees work overtime, the limitations stipulated in the Working Hours Act shall be taken into account. Notification of overtime shall be made, if possible, a full day before the beginning of overtime.
2. The first two hours of overtime on a daily basis, and the first eight hours of overtime on a weekly basis, shall be compensated with 50% higher-than-normal wages, and for every hour of overtime thereafter, 100% higher-than-normal wages.
3. When an employee is asked, during his shift, to work overtime beginning immediately after that same shift, additional compensation of one hour's wage shall be paid for the overtime.
4. If regular working time is continued with overtime which it is known will last longer than two hours, a 15-minute dining break counting as working time shall be given, and thereafter a ten-minute refresher break after each three-hour period.
5. Day-long overtime worked on Saturdays and on the eve days of holidays shall be paid at 100%-higher-than-normal pay for every hour worked.
6. Overtime compensation shall be paid continually, regardless of the time at which one day changes to the next.
7. If an employee continues working overtime following a night shift, a shift work additional payment shall be paid equivalent to a night shift additional payment.



## **28. § Weekly overtime**

In uninterrupted three-shift work and flexible work, weekly overtime shall be seen as those hours that in each calendar week exceed the amount of hours confirmed in the working hour system as the regular hours of a normal week. The convention will be followed, unless agreed locally that these overtime hours shall be compensated with corresponding time off.

2. If, on the day mentioned in Chapter 4, Section 23 , a worker performing day work or interrupted two-shift work is called to work, compensation for it shall be paid according to weekly overtime rules, or the loss of a day off shall be compensated by a day off given at another time within the framework of the working hour system.

3. If the employee performs working during his weekly time off, he does not lose his right to weekly time off or to weekly overtime compensation, even if during the same week he has been absent from work during to illness or accident, or while on shortening time off from overtime or working hours.

### **INTERPRETATION GUIDELINE:**

If work is done on days off that both fall on the same week, the latter day will be considered as the weekly time off of the employee.

## **29. § Shortening working hours for older employees**

1. The employer is obliged to reduce working hours should the employee so wish as follows:
  - for employees over the age of 55, by two hours/week
  - for employees over the age of 58, by four hours/week
  - for employees over the age of 60, by six hours/week
2. Salary shall be reduced in line with the reduction in working hours.
3. The employer and the employee may agree on the manner and dates of reductions in working hours. Unless agreed otherwise, the employer shall determine the manner and date of reduction.
4. Time off granted to shorten working hours shall be treated as equivalent to working hours.

## **4. CHAPTER | WORKING HOURS IN COMPANIES PRODUCING GROUND SERVICES**

### **30. § Working hours averaged over a period**

1. Under the system of averaging working hours over a period, the regular working hours are a maximum of 111 hours during a three-week period. The previous agreement on shortening working hours has been taken in to account in the length of the period..
2. Epiphany, when it falls on a weekday other than Saturday, and Ascension Day shorten the the period in question by eight hours. The effect of other Saturdays falling on holidays or holiday weeks as well as Christmas and Christmas Eve in shortening workings hours is taken into account in the regular length of the period of working hours.
3. A plan with guidelines for the normal use of personnel shall be drawn up by timetable period.
4. The duty roster shall be prominently displayed at least two weeks before the beginning of the first shift.

5. The number of hours of a shift in the duty roster shall be arranged to total a single period of at least six hours and at most 14 hours.

6. As a result of the structure of traffic, a shift may be divided into two separate periods with a total length of at least seven hours. The inconvenience caused to the employee as a result of this shall be compensated with a separate additional payment equivalent to two hours' worth of average hourly wage.

Another agreement may be made locally with regard to this Section.

7. Working hours must be arranged such that the employee is given uninterrupted time off amounting to at least 35 hours at least once a week. Attempt will be made to arrange weekly time off so that there is no evening shift on the preceding day nor a morning shift on the day immediately following. In addition to weekly time off, attempt will be made to give another day off at least 24 hours in length during the same week, and it shall be given together with the weekly time off as circumstances permit.

8. Attempt will be made to give time off at the turn of the week least once a month, and if possible, together with Sunday.

9. If the employee has been at work between 11 pm and 7 am and the work continues, the night shift additional payment shall be paid for as long as the employee remains working an uninterrupted shift.

### **31. § Other working times**

The working times agreed in Chapter 3 may also be applied to companies producing ground services.

### **32. § Additional work**

The employee shall be paid a simple hourly wage as additional work compensation for hours worked in excess of the hours marked in the duty roster, up until 111 hours.

### **33. § Additional work in working hours averaged over a period**

1. Additional work shall be performed with the consent of the employee, and such that other limitations stipulated in the Working Hours Act and in this Agreement are taken into account.
2. In terms of the Agreement, additional work is work that exceeds 111 hours, and in terms of the Working Hours Act, additional work is work that exceeds 120 hours in a three-week period. During overtime,

the first ten hours shall be compensated with 50 per cent higher pay, and thereafter with 100 per cent higher pay.

3. If a three-week-period is suspended because the employee's employment relationship has ended or he has not been able to be at work due to holiday, illness or any other acceptable reason, the overtime hours shall be counted for him in line with the local agreement.
4. Compensation for overtime paid on shift additions shall be calculated such that the hourly wage for time counted as overtime shall be increased by 5 per cent.

## 5. CHAPTER | JOINT WORKING HOUR REGULATIONS

### 34. § Changeover of days and suspension of working hours

1. The time at which one day changes over to the next is 12 am (midnight) in all forms of working hours mentioned in the Collective Agreement.
2. If time off between work periods amounts to five hours or more, this means that working hours have been suspended.

### 35. § Agreeing alternative arrangements for daily rest

When applying the system of working hours averaged over a period, the employee must be given a rest time of at least nine hours, and in other forms of work a rest time of at least 11 hours, within 24 hours of the beginning for the shift, unless agreed otherwise locally. However, a rest time shorter than seven hours may not be agreed even locally.

#### INTERPRETATION GUIDELINE:

Under the system of averaging hours over a period, an employee may request for personal reasons that an 11-hour rest time be used for him.

The duty rosters of employees working under other forms of working hours at other stations can be prepared according to timetable and local circumstances so that the minimum length of the daily rest period is nine hours.

### 36. § Shift addition payment

1. The shift addition payment shall be paid as follows:

Between 3 pm and 11 pm (evening shift) EUR  
2.53/hour;

between 11 pm and 7 am (night shift) EUR  
4.22/hour.

*(Valid in companies producing technical services  
from 1 November 2010 onwards, and in companies  
producing ground services from 1 December 2010  
onwards)*

2. Changes to shift addition payments shall be agreed upon in connection with salary increases.

### **37. § Work on Saturdays and days preceding holidays**

1. Work from 6 am onwards on Saturdays and on days preceding May Day, Midsummer, Christmas Day and New Year's Day shall be compensated with a separate additional payment of a 50-per-cent increase to the basic hourly wage. The separate additional payment is based on the structure of traffic. The additional payment shall not be paid on the aforementioned days if they are holidays or Sundays.
2. On Christmas Eve, the additional payment is paid until 3 pm.

### **38. § Work on Sundays and holidays**

1. According to law, work performed on Sundays and holidays is compensated with higher pay.

An additional payment of one hour's wage plus possible additions is given for work performed on Sundays and holidays, even if that work does not amount to a full hour.

### **39. § Christmas working hour arrangements and compensation**

1. The employee must, by the end of October and in the manner directed separately, notify the employer of his preference to not be given a shift between 7 pm Christmas Eve and 3 pm Christmas Day. In drawing up the duty roster, the employer must take this preference into account.
2. Work performed between 7 pm Christmas Eve and 3 pm Christmas Day does not count as regular working hours, even though it may be marked in the duty roster. It shall be compensated as overtime in three-shift work and as additional work or overtime for working hours averaged over a period..
3. The employer shall not be given a shift on Christmas Day if he has worked on Christmas Eve according to the duty roster.
4. In cases where the same group has been given the evening shift on both Christmas Eve and Christmas Day, the employees in the group shall be divided into two parts so that one part works the Christmas Eve evening shift and the other the Christmas Day evening shift, in accordance with the requirements of traffic.
5. Increased compensation of triple the normal hourly wage shall be paid for hours worked between 3 pm Christmas Eve and midnight Christmas Day.

#### **40. § Overtime pay as time off**

Subject to agreement, either the basic pay or the additional payment for hours worked overtime may be given in part or in whole in the form of a corresponding amount of time off.

#### **41. § Emergency work**

1. Work shall be deemed to be of an "emergency" nature if the the employee is called to work during his time off and work is performed before the beginning of the next scheduled shift. Emergency work comes to an end no later than the beginning of a normal shift.
2. Emergency work shall be compensated as follows:
  - overtime compensation, if the work is overtime
  - additional payments during shifts, as stipulated in the regulations
  - 50-per-cent-higher pay, if the work is performed between 6 am and 9 pm
  - 100-per-cent-higher pay, if the work is performed between 9 pm and 6 am
  - a special emergency payment of one hour's basic wage, if the work begins between 6 am and 9 pm
  - a special emergency payment of two hours' basic wage, if the work begins between 9 pm and 6 am
  - work that amounts to less than one hour shall nevertheless be compensated with one hour's wage.
3. If regular public transport is not running, the employer will designate a form of transport and cover the cost of using it, organise the transportation or take care of opportunities for overnight accommodation.
4. If the employee is told while working a shift marked in the duty roster that he should return to the workplace after leaving that same day or the following day to work a shift that is not marked in the duty roster, also in this case he shall be paid one hour's wage as an additional payment for emergency work.

5. If emergency work is performed at another station outside of normal working hours (a separate shift) in order to manage irregularities in traffic, the work shall be compensated with three times the hourly wage, even if the work does not last this long.
6. If emergency work begins in day work and flexible work before 11 pm and continues into the next morning beyond 3 am, the next day shall be reserved as a paid day off for the employee. If in exceptional circumstances this approach cannot be taken and emergency work continues as work performed during regular working hours, the employer shall be compensated also for his work in regular working hours with 100-per-cent-higher pay.

#### **42. § Stand-by**

If the employer and the employee agree that the employee may, if necessary, be called to work in an agreed manner, he shall be paid during this stand-by time with half pay. However, time on stand-by shall not be regarded as working hours.

#### **43. § Swapping shifts**

1. Shifts may be swapped with the consent of a supervisor designated by the employer.
2. Swapping of shifts for personal reasons is permitted under the aforementioned conditions. No overtime compensation shall be paid for potential overtime hours resulting from any such swap.

#### **44. § Working outside one's normal area of work**

1. Full salary shall be paid for travel that takes place during a shift. Salary shall be paid for the part of work exceeding regular working hours when the employee is on an uninterrupted trip for work that has interrupted a flight. The employee shall also be paid full compensation for travel costs and daily allowance in accordance with the travel rules in force at the time.



2. The employer shall attempt to arrange trips to missions at other stations during working hours.
3. If a flight is suspended as a result of a fault, the employer who is dispatched to fix the fault shall be paid full compensation for both travel and working time, along with proper overtime compensation, if the travel takes the form of a single uninterrupted trip.
4. If the employee is forced to travel during his free time as designated in the working hour system, and the mission is not directly linked to flight activity, he shall be paid a basic wage for the time spending travelling. However, the wage shall be paid for a maximum of eight hours on work days and 16 hours on days off, or corresponding time off shall be given. Travel time shall be counted in full periods of half an hour. Travel time shall not be counted as working hours.
5. Waiting time during interrupted travel or the time between the end of an employee's working hours and the start of travel time shall be counted as time spent travelling, if they are less than four hours.
6. If the employer sends the employee to take part in additional training, he shall be paid compensation for extra travel in ordinary modes of transport, and dining expenses shall be compensated with a partial daily allowance. In this case the mission must take place in the Base locality, meaning none of the compensation laid out under the travel rules shall be paid.
7. When the mission is in a place outside the ordinary place of work that is not covered by compensation under the travel rules, the employee shall be paid a partial daily allowance to cover dining expenses. If more work, including travel, takes more than ten hours, the daily allowance shall be paid. If the employer arranges meals for the employee, the aforementioned compensation shall not be paid.

**45. § Special conditions for workers dispatched to missions (companies producing ground services)**

1. This paragraph shall be applied either to a task during a flight or to a turnover-related task directly following that same flight.
2. The employer shall provide the employees with training for mission work. Employees shall be given operating instructions and be inducted into the methods and conditions of the mission location.
3. The employee shall carry out all tasks related to ground and travel services determined by the employer.

4. When planning working hours, all regulations in the Working Hours Act and the Collective Agreement shall be taken into account.
5. For missions lasting less than two days, working hours may be planned to last more than 14 hours as an exception to the Collective Agreement. In this case, additional compensation of EUR 9.25 per hour shall be paid for work that exceeds 14 hours in an uninterrupted shift. *(Valid from 1 November 2011 onwards)*
6. Working hours spent on flights shall be deemed to have begun an hour before the scheduled departure time and to conclude half an hour after the actual time of arrival.
7. Employees shall be paid flight compensation as follows:
  - for a flight less than 8 hours in length, EUR 47.71
  - for a flight at least 8 hours in length, EUR 96.43 *(Valid from 1 November 2010 onwards)*
8. The employee shall be paid a daily allowance and overnight accommodation compensation in line with the employer's travel rules. If the mission is related to a charter flight operation involving employees from different departments of the employer's company, employees shall be paid a daily allowance according to the same principles as that paid to all other employees involved.
9. The employer shall arrange travel tickets, book hotel accommodation and cover the cost of transportation between the airport and the place of accommodation, which shall primarily take place via general modes of transport.
10. The employee's time spent on travel related to the task shall be counted as working hours.
11. The employee's holiday work compensation and additional shift payments shall be paid in accordance with the Collective Agreement. (Holiday payment shall be made for eight hours' work, even if the working hours at the mission location do not amount to eight hours.)
12. The employer shall inform the employee of mission tasks as far in advance as possible.

**46. § Special conditions of employees in technical work  
who are being transferred or dispatched to missions**

The special conditions of employees in technical work who are being transferred or dispatched to missions shall be agreed between the employer and the local branch of the Finnish Aviation Union reg. assoc.

**47. § Long-term missions**

If an employer is sent abroad on a mission for more than three months or he is permanently stationed abroad in the service of the employer, the employer shall assist the employee in finding a dwelling. Full pay shall be paid also for travel related to a work mission, and this time shall count as working hours.

**48. § Development of working hours**

1. The employer and the Finnish Aviation Union reg. assoc. may agree on the development of working hours in the way intended in Section 9 of the Working Hours Act. The agreement may be made for a fixed period or take effect for an indefinite period. An agreement that is valid indefinitely may be terminated following a three-month period of notice, unless other agreements have been made regarding the period of notice. The agreement referred to here is a part of the Collective Agreement that is valid at the time, which the employer may submit for the approval of the Service Industry Association reg. assoc.
2. The purpose of developing working hours is, among other things, to extend the use of evenly distributed working hours.
3. The transfer to working hours intended above shall be agreed between the employer and the local branch of the Finnish Aviation Union reg. assoc. Cost savings achieved through development of working hours shall be used to further opportunities to implement this form of working hours.

## **6. CHAPTER | SEPARATE COMPENSATION**

### **49. § Flight allowance**

If an employee is assigned to technical function on a flight, he shall be paid compensation of EUR 23.16 per hour. *(Valid from 1 November 2011 onwards)*

### **50. § Compensation for language proficiency**

Proficiency in English, German, French and Russian demonstrated in a manner acceptable to the employer shall be compensated in the following way for each language:

- satisfactory proficiency, EUR 26.86/month
- strong proficiency, EUR 34.16/month.

*(Valid from 1 November 2010 onwards)*

### **51. § Circumstantial additional payments**

1. The circumstantial additional payment is EUR 0.53 cents per hour. A separate circumstantial additional payment is only paid for work performed temporarily and mission-like in nature. The additional payment shall only be paid for time spent working. Local negotiating parties shall maintain a department-specific catalogue of duties that are covered by the circumstantial additional payment. *(Valid from 1 November 2011 onwards)*
2. The circumstantial additional payment amounts to 30 per cent of the individual's basic hourly wage for so called tank work; 20 per cent for carrying out ice removal injections; 15 per cent for changing DC-10 and MD-11 double-engines; and 10 per cent for substituting an official.

#### **INTERPRETATION GUIDELINE:**

During administration of ice removal injections, the circumstantial additional payment shall be paid to the employee doing the injecting and to the driver for the beginning of each full hour on the basis of the commitment time of the work.

Employees who substitute an official shall only be paid the circumstantial additional payment for placements lasting a full shift.

## **52. § Compensation for acting as a substitute**

When an employee substitutes another employee in a higher salary group, he shall be paid substitution compensation in line with the local agreement.

### **INTERPRETATION GUIDELINE:**

If the employee is at work for three months for any other reason than substituting an employee on annual holiday, sick leave or equivalent, his taking on this role on a permanent basis will not be postponed without a good reason..

## **53. § Vaccinations and passport matters**

Vaccinations and passport matters necessitated by missions abroad shall be taken care of at the cost of the employer.

## **54. § Flight insurance**

The employer shall ensure that the employee is insured for accidents during flights in work time, not only with compulsory accident insurance, but also for flight accidents according to the local agreements made annually by the end of March.

## **55. § Group life insurance**

The employer shall secure group life insurance as agreed between the central organisations.

## **56. § National and municipal positions of trust**

The employer shall pay compensation to members of municipal councils or boards and to members of statutory electoral boards or committees for loss of earnings incurred by meetings in such bodies that take place during regular working hours. Compensation shall be paid to the extent that the total amount of compensation from the municipality and the employer amounts to the same as the employee's normal, full salary. Employer compensation shall be paid once the employee has provided the employer with a statement on the compensation paid by the municipality for loss of earnings.

## **7. CHAPTER | CALCULATION AND PAYMENT OF SALARY**

### **57. § Hourly wage**

When calculating compensation based on hourly wages, the number of hours used in division shall be:

- 161, when regular working hours are 40 hours per week
- 161, in working hours averaged over a period
- 148, when regular working hours are 34.5 hours per week (uninterrupted three-shift-work).

### **58. § Calculation of average hourly earnings (AHE)**

Average hourly earnings (AHE) are calculated by dividing the salary paid to the employee in each quarter by the sum of work hours in the same period. Increased payments for emergency work or overtime are not included in this calculation. Salary paid for hours worked includes separate payments for work on Saturdays and days before holidays, Sunday work pay increases, as well as additional payments for evening and night shifts.

### **59. § Compensation and additional payments**

Compensation and additional payments are calculated by salary payment period and disbursed together with the salary payment directly following the calculation period at the latest.

### **60. § Compensation and additional payments in working hours averaged over a period**

Under the system of average working hours over a period, compensation and additional payments are calculated in three weekl periods and paid according to a locally agreed timetable.

### **61. § Settlement of salary payment and union membership fee payment**

1. Salaries are paid on the pay day generally used in the company. Should this pay day fall on a holiday or on the day preceding a holiday, salary shall be paid on the weekday preceding it.
2. Payments to be disbursed at the work place shall be paid during working hours. The signatory unions recommend that salary be paid via a bank.
3. With the consent of the employee, the employer shall withhold the union membership fee confirmed by the Finnish Aviation Union reg. assoc. and transfer this to a bank account specified by the Finnish Aviation Union reg. assoc. At the end of the calendar year or at the end of the employment relationship, a statement of paid union membership fees shall be given for taxation purposes.

## **8. CHAPTER | REMUNERATION SYSTEM**

### **62. § Composition of salary**

The employee's salary is composed of the following elements:

- table graded pay determined on the basis of how demanding a work unit is,
- the additional payment for experience based on how much work experience the employee has,
- the individual salary segment based on an assessment of professional command and approach to work, and
- versatility of professional skills as demonstrated separately.

### **63. § Salary grades**

1. Jobs shall be graded using a work assessment system approved by the contracting parties, and it shall be placed into salary grades formed of evenly distributed point scales.
2. A salary grading working group between the contracting parties shall draw up an itemised list of all jobs in use under the scope of application, by their respective salary groups. Jobs are to be itemised with a recognisable and descriptive label or identity code showing whether the job in question has been described and assessed or merely situated within the hierarchy.
3. The list shall be confirmed and updated as part of this Agreement based on a motion by the salary grading working group.

### **64. § New jobs**

1. If new jobs emerge in the scope of application of the Agreement that have not been taken into account by the Collective Agreement, they shall be negotiated separately in the sequence specified in Section 121.
2. If there is work in the field of the member companies of the Service Industry Association reg. assoc. that has not been mentioned in the Collective Agreement's list, the jobs will be described and the work assessment group will assess them without delay.

## 65. § Training salary

1. If an employee has not completed training offered either externally or by the employer to render him fully competent to perform his job, it may be agreed in his employment contract that, for the duration of his so-called on-the-job training period, he be paid according to the salary grade directly below that of a skilled employee in the same job. The on-the-job training period may take a maximum of two (2) years.
2. This sort of employment relationship shall be notified without delay to the work department's local union representative, and an explanation shall be given upon request.

## 66. § Salary grades and basic table salaries in companies producing technical services

Salary grade 1, upper limit 44 points	EUR 1,524
Salary grade 2, 45-54 points	EUR 1,587
Salary grade 3, 55-64 points	EUR 1,657
Salary grade 4, 65-74 points	EUR 1,745
Salary grade 5, 75-84 points	EUR 1,843
Salary grade 6, 85-94 points	EUR 1,949
Salary grade 7, 95-104 points	EUR 2,069
Salary grade 8, 105-114 points	EUR 2,194
Salary grade 9	EUR 2,324*
Salary grade 10 *	
Salary grade 11 *	

*Valid from 1 November 2010 onwards*

\* The salary structure reform, the cost impact of which on the basic table salary amounts to 2.35 per cent, shall be implemented by 1 January 2012. Under the reform, local working groups shall specify the criteria for the use of salary groups 9, 10 and 11, as well as for a possible rise in the other salary grades. If the working group does not arrive at a decision on the salary structure reform by the deadline, the item in question shall be transferred to a general increase in basic table salaries.

## 67. § Salary grades and basic table salaries in companies producing ground services

Salary grade 1, upper limit 44 points	EUR 1,535*
Salary grade 2, 45-54 points	EUR 1,598*
Salary grade 3, 55-64 points	EUR 1,669*
Salary grade 4, 65-74 points	EUR 1,757*
Salary grade 5, 75-84 points	EUR 1,856
Salary grade 6, 85-94 points	EUR 1,963
Salary grade 7, 95-104 points	EUR 2,084
Salary grade 8, 105-114 points	EUR 2,209
Salary grade 9, 115-124 points	EUR 2,340

*(Valid from 1 December 2010 onwards)*

This does not apply to companies that have agreed on the distribution of a company-specific payment by 15 November 2010, as specified in Section 2 of the signatory protocol.

\* Salary groups 1, 2, 3 and 4 shall be combined into a single salary group 4 from 1 November 2011 onwards.



**9. CHAPTER | ADDITIONAL PAYMENT FOR QUALIFICATIONS AND EXPERIENCE**

**68. § Determining the additional payment for qualifications in companies producing technical services**

1. If the assessment system for individual salary parts as described in Chapter 10 is in use in the employer's field, an additional payment for qualifications shall be paid in salary groups 1-11 as follows:

following 2 years	3%
" 4 "	6%
" 6 "	9%
" 8 "	12%
" 10 "	15%
" 15 "	17%

*(Valid from 1 November 2010 onwards)*

2. If the assessment system for individual salary parts as described in Chapter 10 is in not use in the employer's field, the annual salary addition shall be paid as follows:

fewer than 2 years	5%
following 2 years	11%
4 "	18%
6 "	21%
8 "	27%
10 "	34%

3. A new additional payment for qualifications shall be calculated from the employee's table pay and paid into his individual salary at that moment. The additional payment for qualifications shall be paid at the beginning of the month in which the amount of time entitling one to the payment is completed.

4. The size of the additional payment is the percentage difference between qualification year grades calculated from the table salary at the moment of increase. The salary's differential value compared to the salary specified in the Collective Agreement shall not affect the size of the increase to be paid.

5. In the event that the table salary increases, the addition shall be calculated using the adjusted table salary.

**69. § Determining the additional payment for qualifications in companies producing ground services**

1. If the assessment system for individual salary parts as described in Chapter 10 is in use in the employer's area, an additional payment for experience shall be paid in salary groups 1-9 as follows:

following 2 years	3%
" 4 "	6%
" 6 "	9%
" 8 "	12%
" 10 "	15%

2. If the assessment system for individual salary parts as described in Chapter 10 is in not use in the employer's area, the annual salary addition for experience shall be paid as follows:

fewer than 2 years	5%
following 2 years	11%
4 "	18%
6 "	21%
8 "	27%
10 "	34%

## **70. § Accumulation of qualification and experience years**

1. If an employment relationship is new or the employee transfers to a new job in this contractual field, his amount of qualification/experience years shall be defined as soon as practically possible.
2. The definition shall take into account previous qualifications/experience in the profession, which means work which approximates the current job description. However, all time spent in the service of the same employer shall be taken into account.
3. Qualifications/experience in the profession shall be taken into account in full. Added together, qualification/experience years may amount to a maximum of ten years.
4. If a previous work position included work segments with a significant impact on how the work was managed, this shall also be taken into account. Previous qualifications/work experience must be demonstrated with a certificate specifying each job task.
5. Qualification/experience years do not change on the basis of a reassessment of a job when its level of complexity changes.
6. Time on leave for military or civil service, studies, a sabbatical, or other unpaid leave as well as childcare leave shall not be taken into account when calculating qualification/experience years.
7. Specialist training in the field during military service or qualifications/work experience obtained during civil service shall, however, be taken into account on a case-by-case basis.
8. In a new employment relationship, experience years shall be confirmed by an employer representative responsible for the field to which the contract applies.
9. If the move to a new employer has taken place in the manner referred in Section 18, service years accumulated in the scope of application of this Contract shall be approved as qualification/experience years in their entirety.

## **10. CHAPTER | THE PERSONAL SALARY ITEM**

### **71. § The personal salary item**

1. The individual salary item is supportive and rewarding. It is based on the systematic assessment of the employee's professional command and his way of working.
2. The parties shall use training and guidance to encourage the primary use of the assessment system for the personal salary item.
3. Individual assessments shall follow the guidelines drawn up by the employer and the chief local union representative.

### **72. § Principles and timing of calculation**

1. The personal salary item shall be determined annually on the basis of professional command and manner of working, such that disbursement of the item can be estimated to be made no later than at the beginning of the salary payment period starting on 1 December.
2. A new employee shall be assessed no later than the year following the one in which his employment relationship begins.
3. When an employee moves to a new job in the contract's field, he shall be assessed no later than four months from the beginning of the new job.

### **73. § Professional command**

1. A job unit referred to with a job label shall be used as the basis of an assessment of professional command. In terms of the assessment, the label itself is not definitive.

2. The job description is prepared using the tasks recognised in the job, which have been recorded in the basic description of the role. It is appropriate to describe the work so that at least 2/3 of the employees perform the tasks mentioned in the description on a daily basis.
3. The employee's professional command shall be assessed according to the following assessment scale:  
  
B - the employee executes his duties in line with general requirements  
C - the employee's performance exceeds general requirements  
D - the employee's performance is commendable  
E - the employee's performance is exceptional
4. According to this system, all employees can be assessed as meeting B or C on the assessment scale. Achieving grades D and E requires a more extensive professional command.
5. If it is jointly agreed or one of the contracting parties demands it, job-specific procedures for grades D and E shall be drawn up on the basis of co-operation between local contracting parties - so-called ground rules.
6. The local contracting parties are, first and foremost, the department chief and the department's local union representative.

#### **74. § Manner of working**

1. When assessing the manner of working, the task unit included in the job and which the individual has been instructed to carry out shall be used as the basis for assessment. The manner of working shall be assessed solely with reference to the employee's initiative, punctuality and meticulousness. The quality and speed of work, which were previously included in this segment, shall be examined as part of professional command.  
  
2. Each factor shall be assessed separately using the following scale:  
  
B - the employee executes his duties in line with general requirements  
C - the employee's performance exceeds general requirements  
D - the employee's performance is commendable  
E - the employee's performance is exceptional
3. A performance discussion must always be held if the employee fails to execute his duties in line with general requirements (grade B).

## 75. § Assessment system

1. The personal salary item, HEKO, which refers to both professional command and manner of working, is always examined as a single whole.

2. Professional command

B	C	D	E
2%	4%	7%	10%

3. Manner of working

B	C	D	E
1%	2%	3%	4%

**76. § The effect of the personal salary item on salary**

Professional command	Manner of working	HEKO	%
A*	A*	A*	0*
B	B	B	3
B	C	C	4
B	D	D	5
C	B	E	5
B	E	F	6
C	C	G	6
C	D	H	7
C	E	I	8
D	B	J	8
D	C	K	9
D	D	L	10
D	E	M	11
E	B	N	11
E	C	O	12
E	D	P	13
E	E	Q	14

*\* The employee has not been assessed*

**77. § Provision of information and assessment discussions**

1. In the event that the employee's assessment changes, he shall receive an explanatory statement of the assessment of his professional command and manner of working from his supervisor during the assessment discussion arranged for this. If requested, the assessment shall be given in written form.
2. The contracting parties to this Collective Agreement recommend a manner of working in which both the assessor and the assessed fill out a form with their own view beforehand and use it to identify the common view of the assessment discussion afterwards.

#### **78. § Resolving differences of opinion in the assessment**

1. An assessment discussion must always be held if either party requires it. If no shared view can be reached, the supervisor's assessment remains valid. In this case, at the request of the employee, information required to examine the reasons for, and resolve, the difference of opinion shall be given to the local union representative.
2. The resolution of differences of opinion referred to in Section 121 of this Agreement covers solely procedural errors that occur in the assessment, and particularly in cases where procedures have breached guidelines for using the system, or an assessment has taken place in breach of the agreed upon ground rules.
3. An employer representative responsible for co-ordinating personnel assessments must manage the central content of assessments in such a way that assessments are carried out in different departments according to the same principles and evaluations. The intention is that only those factors be assessed that have been agreed in contracts and in the ground rules.
4. If the employer representative responsible for co-ordination observes a defect in the assessment content, he may instruct the author of the error and demand that assessments be carried out anew.
5. The resulting changes will require a new assessment discussion.
6. Factors related to co-ordination and co-ordination's effect and scope shall be submitted to the local union representative for his information.
7. The chief local union representative shall be provided with a statement of the amount of personal salary items on a quarterly basis divided by salary grade and experience grade, as well as half-annually divided by salary grade on a department-specific basis.

#### **79. § Effect of individual assessments on salary**

The first assessment of two assessment factors shall be carried out as a so-called TES salary comparison. The change between non-assessment and the first assessment shall not raise the personal salary except insofar as indicators show that TES salary has not been fulfilled.



#### **80. § Previous assessment changes**

1. When employee performs his work to a better standard than declared in a previous assessment, his salary shall be raised by the percentage difference between grades as calculated from the job's table salary.
2. If the assessment grade for professional command and way of working falls, a differential value will form for the individual's salary that will be processed along with future salary increases.
3. Assessment and performance discussions must be held if an assessment is unable to confirm a way of working commensurate with level B.
4. Assessments must pay particular attention to the impact on the job of the employee's age, such that the assessment grading must not be lowered because of it.
5. A lower assessment grading due to a change in the basic duties of a job shall not cause a fall in salary. Rather, lower corresponding differential value shall be assigned to the employee.

#### **81. § Performance discussions**

1. Procedures should be developed in the workplace in order to enable performance discussions between the employee and the supervisor. The purpose of them is to try to create opportunities for the employee to develop their skills on the job and engender feedback from both sides in order to improve co-operation.
2. The performance discussion may also be held in conjunction with the assessment discussion, if agreed between the employee and the supervisor.
3. However, a performance discussion should always be held at the initiative of the supervisor when the assessment grading of even one factor in the individual assessments falls.

## CHAPTER 11 | PROFESSIONAL VERSATILITY

### 82. § Professional versatility

Professional versatility is made up of versatility of skill and specialist expertise.

### 83. § Versatility of skill

1. This section states the employee's usability in jobs other than that of his own job label.
2. The head of department and local union representative are the foremost local contracting parties when affirming jobs in use.

The employee's versatility of skill is recognised according to the following scale:

- B - no versatility of skill recognised
- C - a command of one other job
- D - a command of no more than three other jobs
- E - a command of more jobs than the aforementioned numbers

#### **PROTOCOL ENTRY:**

If jobs mentioned in the salary grade list are combined into one assessed job, the employee's versatility of skill can be recognised as falling by a maximum of one level. In this case, there will be no reduction of salary. If the level of versatility of skill later rises, a TES salary comparison will be carried out.

The limitation referred to in this protocol entry has the same period of validity as the Collective Agreement.

#### **84. § Specialist expertise**

1. Specialist expertise is recognised as knowledge, skills or deeper expert understanding related an employer's own basic work which is in use but not necessarily on a daily basis.
2. The head of department and local union representative are the foremost local contracting parties when affirming specialist expertise.
3. The employee's specialist expertise is recognised according to the following assessment scale:
  - B - no specialist expertise recognised
  - C - one level of specialist expertise
  - D - two levels of specialist expertise
  - E - three or more levels of special expertise

## 85. § The effect of professional versatility on salary

1. Professional versatility increases individual salary calculated using the basic table salary, as follows:

<i>Versatility of skill</i>	<i>Specialist expertise</i>			
	B	C	D	E
B	0% (B)	1% (C)	2% (D)	3% (E)
C	3% (F)	4% (G)	5% (H)	6% (I)
D	6% (J)	7% (K)	8% (L)	9% (M)
E	9% (N)	9% (O)	9% (P)	9% (Q)

2. Recognition of professional versatility shall be taken into account in salary payments from the beginning of the salary payment period in which it is available to be used by the employer.
3. The putting into practice of changes affecting salary shall be agreed locally.
4. When an employee is recognised as having more extensive professional versatility to be used than previously, his salary will be increased in the manner indicated in the table.
5. Salary decreases if the employee's jobs marked in the assessment form cease to be available to the employer or the reason is the repeated and unjustified refusal to perform the work in question, or if the professional fundamentals are no longer present, this automatically leads to a salary reduction. A representative of the employer shall note the reduction in a discussion with the employee. Salary can be reduced from the beginning of the salary payment period following notification.

## **12. CHAPTER | ANNUAL HOLIDAY**

### **86. § Annual holiday**

1. Annual holiday to be earned during a set annual period shall be given in line with the Annual Holidays Act.
2. When an employee's employment relationship has by 31 March continued uninterrupted for at least 14 years, and he has served 12 full holiday-entitling months during the set annual period in line with the Annual Holidays Act, he shall receive annual holiday of 36 working days.
3. The employer may give holiday in excess of 24 working days separately at a time other than the holiday season.
4. When determining the length of annual holiday, days on which the employee has not been able to work due to travel carried out at the employer's request shall also count as comparable to days worked. The sum of days worked for holiday calculation purposes shall also include leave granted to the employee to take part in meetings of the representative assembly or the Board of the Finnish Aviation Union reg. assoc. The sum of days worked for holiday calculation purposes shall also include leave granted to participate in a delegates' meeting of the Central Organisation of Finnish Trade Unions, or a meeting of its council. When requesting leave, the employer shall provide a proper account of the time he needs to take part in the meeting.
5. If an employee has been unable to work due to illness or any other impediment independent of him, but has returned to work once this impediment has ceased, the absence shall be counted as time worked when determining annual holiday. However, no more than the time in which he has received full salary shall count as time worked. Time worked shall nevertheless include at least the time regulated in the Act.
6. Annual holiday pay shall be paid by salary payment period, unless the employee requests that it be paid before the beginning of the holiday or a segment thereof. If the employee does so request, attempt will be made to disburse annual holiday pay at least three days before the beginning of the holiday. The aforementioned request must be presented to the employer no later than the time at which the holiday or a segment thereof is approved.
7. The employer and employee nevertheless have the opportunity to agree that annual holiday holiday pay be paid in salary settling periods, before approving annual holiday or a part thereof.

8. Under the system of averaging working hours over a period, holiday compensation shall also be taken into account when calculating annual holiday pay.
9. Under the system of averaging working hours over a period, if a period of annual holiday lasting at least six working days ends on a Saturday, the following Sunday shall be arranged to be given as a day off.
10. If an employee takes part in a union training event referred to in the General Agreement between the central organisations, it shall not abate annual holiday and pension benefits or comparable benefits up to a limit of one month.

#### **87. § Holiday bonus**

1. The holiday bonus amounts to 50 per cent of annual holiday pay. It is paid in full on 29 April for the summer holiday and on 15 December for the winter holiday. Another payment date may be agreed locally.
2. The employee is not entitled to holiday bonus for holiday not taken if he resigns or if his employment relationship is terminated for reasons caused by him, and he does not return to work from his annual holiday.
3. If the employee returns to work after completing military duty as specified in the Act on Continuation of Employment or Official Post of Military Conscripts (570/61), he shall also be entitled to a holiday bonus in connection with the holiday compensation paid to him upon departure for military duty. This segment of the holiday bonus shall be paid when he returns to work after completing military duty.

## 13. CHAPTER | SICK LEAVE AND MATERNITY LEAVE

### 88. § Sick pay

1. If an employee is unable to work due to illness or accident and he has not caused the disease or accident deliberately or through criminal behaviour or a reckless lifestyle or any other aggravating behaviour, the employer shall pay him sick pay. If requested, this shall be confirmed with the certificate of a doctor chosen and paid for by the employer. The pay shall be disbursed to an employee on a monthly salary if he has been in the consecutive service of the employer as follows:
  - less than 1 year, full pay for five weeks
  - 1-5 years, full pay for six weeks
  - more than 5 years, full pay for six months.
2. An employee who has been employed for less than a month shall be paid full pay from the second of the sick days that would have been a normal work day for him. Salary shall be paid until the incapacity for work has lasted long enough for the employee to be entitled to the daily sickness allowance included in statutory sickness insurance. If the incapacity for work continues for whole of the aforementioned maximum time, the employer shall pay salary also for the waiting day.
3. The employee is not entitled to sick pay for a total amount of time longer than that specified above, even if the illness or accident recurs during the same calendar year or continues without interruption beyond the turn of the year. Once the employee has returned to work after a period of incapacity for work that has lasted without interruption beyond the turn of the year, he shall still be entitled to sick pay corresponding to his length of employment, which means the calculation begins anew in the new calendar year.
4. However, salary shall always be paid for the waiting period referred to in the Sickness Insurance Act.
5. Sick pay shall be calculated on the basis of average hourly earnings (AHE) for the whole period of incapacity to work when incapacity to work resulting from the same illness lasts more than 3 days. If the period of incapacity to work amounts to 3 days or fewer, salary shall be paid without the additional average hourly earnings payment (additional AHE payment).

6. However, sick pay shall be abated by daily allowances or comparable compensation from employer-subsidised insurance received by employee at the same time.

#### **89. § Maternity benefits**

When an employee is prevented from working due to pregnancy or birth, the employer shall pay her salary for a three-month period if the employment relationship has continued consecutively for at least a year.

#### **90. § Contributory sickness fund**

1. Sick pay and maternity benefits may be paid via a contributory sickness fund if the employer pays a contribution to the fund equivalent to the salary costs caused by the aforementioned illness or birth periods.
2. The system may not reduce the salary-based pension provided for under the rules of a pension fund.

### **14. CHAPTER | TEMPORARY CHILDCARE LEAVE**

#### **91. § Temporary childcare leave**

1. When an employee's child or other child below the age of ten and permanently residing in his household suddenly falls ill, the employee is entitled to temporary care leave of four days at a time to arrange for the child to be cared for or provide his care himself. A parent of the child who does not live in the same household as the child also has this same right. Employees entitled to temporary childcare leave may take that leave during the same calendar period, but not simultaneously.



2. The employee must inform the employer of temporary childcare leave and its estimated duration as soon as possible. At the request of the employer, the employee must present a credible explanation of the reason for the temporary childcare leave. The employee shall be paid sick pay for the duration of the temporary childcare leave.

## **15. CHAPTER | MEDICAL INSPECTIONS**

### **92. § Medical inspections**

A medical inspection of new employees shall be carried out no later than the trial period.

### **93. § Statutory medical inspections**

1. The employee's earnings shall not be reduced for time lost to statutory or employer-requested, work-related medical inspections, or to related travel.
2. The employer shall pay for the direct travel costs of employees instructed to undergo such inspections or follow-up inspections, and it shall also pay a daily allowance if the inspections are carried out in another locality. Compensation for travel expenses and the daily allowance shall be paid according to each specific item of travel cost compensation valid at the time in the company.

### **94. § Other medical inspections**

1. The employee's earnings shall not be reduced if the medical inspection is one he must undergo immediately in the case of illness or accident. In other cases of illness, earnings shall not be reduced if there are no available medical inspections outside of working hours within a reasonable period.
2. Laboratory and x-ray examinations shall be comparable with other medical inspections. A medical inspection carried out to prescribe treatment for a previously diagnosed chronic illness shall also be comparable with the aforementioned medical inspections.

## **16.CHAPTER | COMMUTES**

### **95. § Regulations on commuting arrangements**

1. The employer acts to ensure that public transport to airports and back functions as flexibly as possible when thinking of the beginnings and ends of shifts.
2. If public transport is lacking and the employer arranges transportation, it may recover compensation paid to the employee for each single ticket in a Ministry of Transport bus.
3. If the employee uses his own car to commute at the express request of the employer, he shall be paid compensation on the basis of kilometres travelled.

#### **INTERPRETATION GUIDELINE:**

For commutes shorter than two kilometres, no compensation shall be paid, however. Compensation shall be paid for commutes carried out within a maximum radius of 20 km.

### **96. § Night-time commutes**

The employer shall arrange and cover the cost of night-time commutes, if the shift

- begins or ends after 11 pm
- begins or ends on a weekday at 6 am or earlier
- begins or ends on a holiday at 7 am or earlier

### **97. § Compensation for use of one's own car**

The use of one's own car in a manner corresponding to the relevant rules shall be compensated according to the travel expenses agreed on between the central organisations.

## **17. CHAPTER | OTHER REGULATIONS**

### **98. § Days off on special occasions**

Taking into account employees who have been in the service of the same employer for a long time, the employer shall grant the following local days off regardless of whether the special occasion takes place on a day off scheduled in the duty roster or not:

- an employee turning 50 who has worked for the same employer for 20 years shall be given two extra days off.
- an employee turning 50 who has worked for the same employer for 10 years shall be given one extra day off.
- an employee turning 60 who has worked for the same employer for 20 years shall be given two extra days off.
- an employee turning 60 who has worked for the same employer for 10 years shall be given one extra day off.

#### **INTERPRETATION GUIDELINE:**

This replaces possible company-specific practices with regard to special occasions agreed on by the parties at the moment of signature.

### **99. § Regulated benefits**

1. Benefits are defined by the regulatory guidelines in force at the time.
2. If changes are made to the guidelines affecting employee groups referred to in this Agreement, or new guidelines are drawn up, one month's time shall be reserved for the local branch of the Finnish Aviation Union reg. assoc that is operating in the employer's field in question to issue a statement.

**100. § Permanent regulations and guidelines**

If there are regulations in the employer's permanent regulations or valid guidelines that contradict the Collective Agreement, the Collective Agreement shall prevail.

**101. § Work attire and uniform**

1. The employer shall cover the cost of special special work attire and cleaning products in a manner agreed locally.
2. The employer shall pay for the uniform it requires to be worn.

## 18. CHAPTER | LOCAL UNION REPRESENTATIVES

### 102. § Chief local union representative

1. The employees are entitled to elect a chief local union representative. In electing a chief local union representative and representatives of departments, the election and notification procedure outlined in Chapter 3 of the Collective Agreement between the central organisations shall be followed.

2. The time off required by the chief local union representative to execute his duties shall be taken into account in line with the following table:

<i>number of employees in the contract's field of application</i>	<i>proportion of time off at minimum hours/week</i>
fewer than 50	4 hours
50-99	8 hours
100-199	16 hours
200-399	24 hours
at least 400	completely

3. When calculating time off for a chief local union representative representing employees working at several different airports, the proportion of time off is increased in the following way:

The number of employees working at airports other than the chief local union representative's base airport is multiplied by a factor of 1.5. The resulting figure is added to the number of employees working at the chief local union representative's base airport. The resulting number of employees = the number of represented employees.

4. Partial time off granted to the chief local union representative to execute his duties shall be broken up into periods, so that the hours given as time off appear in the roster as uniform shifts. The employer and the chief local union representative shall agree on the procedure locally.

5. However, the employer should also grant time off at other times convenient in terms of company work for matters that require the attention of the chief local union representative. This time shall be counted as working time.

### **103. § Deputy local union representative**

1. In the event that the chief local union representative is absent for more than five days, he shall be substituted by a deputy local union representative elected by representatives of the local branch of the union. The deputy local union representative may also be elected separately.
2. This Agreement shall bind the deputy local union representative in his capacity as the acting chief local union representative.

### **104. § Local union representatives for work areas**

1. On the basis of a proposal by the local branches of the Finnish Aviation Union reg. assoc. operating in the employer's field, negotiations shall be held locally in each union representative period regarding which work areas shall have a local union representative elected for them.
2. The local union representative shall be given time off from work for meetings led by the chief local union representative. The quota of hours for annual meetings shall be agreed between the employer and local union branches. This and other time off from work agreed between the local union representative and the employer shall count as working hours.

### **105. § Form of working hours for local union representatives**

1. The employer shall attempt to negotiate with a local union representative working other than daytime shifts about the working hour solutions that are most sensible in terms of his executing his duties. The numbers of employees in different forms of working hours and the scope of the work area shall be taken into account as relevant factors.
2. In this connection, it should be identified whether it is possible to move to daywork or to a form of working hours similar to daywork.

### **106. § Determining the level of earnings**

1. A chief local union representative who is regularly and recurrently absent from work or entirely freed from his work is entitled to the highest salary in his salary group.
2. When examining the impact of earnings factors on his monthly earnings, the reference period to be used will be the six-month period preceding his term in office.

3. The earnings development of the local union representative should at least follow the earnings development of his proper profession. The additional payment comprising earnings factors from the six months preceding his term in office shall be increased in accordance with the general pay increase.

**INTERPRETATION GUIDELINE:**

If the work rhythm of the local union representative is different from the work rhythm of his proper job, at least the following provisions in the Collective Agreement shall be taken into account:

- 36 § Shift addition
- 37 § Work on Saturdays and days before holidays
- 38 § Work on Sundays and holidays
- 52 § Compensation for acting as a substitute

as additional payment paid on a monthly basis. The size of the payment is determined as an average of the payment items to be increased in the aforementioned paragraphs for the six-month period preceding the local union representative duties. Thereafter, the additional payment shall be increased in line with general pay increases.

**107. § Separate compensation**

1. The chief local union representative shall be paid separate compensation as follows: The compensation, which is reviewed each calendar year, is calculated by multiplying the average of the fourth quarter (4/4) of the basic hourly wages of company workers by the factor specified in the table below = euros/month.

<i>number of employees in the contract's field of application</i>	<i>factor of compensation</i>
fewer than 50	10
50-99	20
100-199	30
200-399	40
at least 400	60

2. The employer and the local branches of the Finnish Aviation Union reg. assoc. operating in the employer's area shall agree on separate compensation for the department representatives.

**108. § Protection against unjustified termination**

The Collective Agreement between the Confederation of Finnish Industries EK and the Central Organisation of Finnish Trade Unions specifies protection against unjustified termination for union representatives. In addition, the following method shall be followed:

If the employer is considering terminating the employment relationship of the chief local union representative or a work area union representative, it must inform the employer association of the matter without delay, which can forward the information to the employee association. The associations shall investigate without delay and with the aid of the local parties which reasons, conditions and facts have caused the problem.

At the end of the investigation, the associations shall hold negotiations without unfounded delay about their difference of opinion. The goal of negotiations is a common position on the prerequisites for restoring trust in the employment relationship between the chief local union representative or work area union representative and the employer.

## **19. CHAPTER | LABOUR PROTECTION REPRESENTATIVES**

### **109. § Labour protection representative**

1. The employees are entitled to elect a labour protection representative and two (2) deputy representatives from amongst themselves.
2. The time needed by the labour protection representative to do his work shall be determined at the workplace. The time shall be given in regularly recurring shifts, or it shall be given as one solid block of time off from work. In determining it, the work field factor of 0.23 shall be used.
3. Partial time off granted to the labour protection representative to execute his duties shall be broken up into periods, so that the hours given as time off appear in the roster as uniform shifts. The employer and the labour protection representative shall agree on the procedure locally.
4. However, the employer should also grant time off at other times convenient in terms of company work for matters that require the attention of the labour protection representative. This time shall be counted as working time.

### **110. § Deputy representative**

1. In the event that the labour protection representative is temporarily prevented from executing his duties, he shall be substituted by a deputy representative, unless other substitutions arrangements have been agreed locally.
2. The employer shall be informed of substitutions in writing.
3. This Agreement shall apply to the deputy representative in his capacity as acting labour protection representative.

### **111. § Labour protection agent**

1. In addition to electing a labour protection representative, there shall be local agreement at the initiative of the local union branches on which branch or corresponding unit shall have a labour protection agent elected for it.



2. The labour protection agent shall be given time off from work for meetings under the leadership of the labour protection representative.
3. The quota of hours for annual meetings shall be agreed between the employer and local union branches. This and other time off from work agreed upon by the labour protection agent and the employer shall count as working hours.

#### **112. § Forms of working time for the labour protection representative and agent**

1. The employer shall attempt to negotiate with a labour protection representative or agent working other than daytime shifts about the working hour solutions that are most sensible in terms of his executing his duties. The numbers of employees in different forms of working hours and the scope of the work area shall be taken into account as relevant factors.
2. In this connection, it should be identified whether it is possible to move to daywork or to a form of working hours similar to daywork.

#### **113. § Determining the level of earnings**

1. A labour protection representative who is regularly and recurrently absent from work or entirely freed from his work is entitled to the highest salary in his salary group.
2. When examining the impact of earnings factors on his monthly earnings, the reference period to be used will be the six-month period preceding his term in office.
3. The earnings development of the labour protection representative and labour protection agent should at least follow the earnings development of his proper profession. The additional payment comprising earnings factors from the six months preceding his term in office shall be increased in accordance with the general pay increase.

##### **INTERPRETATION GUIDELINE:**

If the work rhythm of the local union representative and the labour protection representative is different from the work rhythm of his proper job, at least the following provisions in the Collective Agreement shall be taken into account:

36 § Shift addition

37 § Work on Saturdays and days before holidays

38 § Work on Sundays and holidays

52 § Compensation for acting as a substitute

as additional payment paid on a monthly basis. The size of the payment is determined as an average of the payment items to be increased in the aforementioned paragraphs for the six-month period preceding the local union representative duties. Thereafter, the additional payment shall be increased in line with general pay increases.

#### 114. § Separate compensation

1. Labour protection representatives shall be paid separate compensation as follows: The compensation, which is reviewed each calendar year, is calculated by multiplying the average of four quarters (4/4) of the basic hourly wages of company workers by the factor specified in the table below = euros/month.

<i>number of employees in the contract's field of application</i>	<i>factor of compensation</i>
fewer than 50	10
50-99	20
100-199	30
200-399	40
at least 400	60

The employer and the local branches of the Finnish Aviation Union reg. assoc. operating in the employer's area shall agree on separate compensation for the branches' labour protection agents.

#### 115. § Protection against unjustified termination

The Collective Agreement between the Confederation of Finnish Industries EK and the Central Organisation of Finnish Trade Unions specifies protection against unjustified termination for the labour protection representative. With regard to the labour protection agent, provisions similar to those agreed in the Collective Agreement concerning individual protection for the local union representative and the labour protection representative shall be followed. In addition, the following method shall be followed:

If the employer is considering terminating the employment relationship of the labour protection representative or labour protection agent, it must inform the employer association of the matter without delay, which can forward the information to the employee union. The associations shall investigate without delay and with the aid of the local parties which reasons, conditions and facts have caused the problem.

At the end of the investigation, the associations shall hold negotiations without unfounded delay about the difference of opinion. The goal of negotiations is a common position on the prerequisites for restoring trust in the employment relationship between the labour protection representative or agent and the employer.

## **20. CHAPTER | MISCELLANEOUS PROVISIONS**

### **116. § Becoming familiar with workplaces**

Officials of the Finnish Aviation Union reg. assoc. are entitled to visit a workplace to familiarise themselves with conditions there, providing the matter has been agreed upon beforehand. The officials shall visit the workplace together with an employer representative and a local union representative representing the employees.

### **117. § Right to hold meetings**

There shall be a possibility to arrange meetings at a local branch of the Finnish Aviation Union reg. assoc. or its workplace branch outside of working hours (before the beginning of working hours, during the lunch break or immediately after the end of working hours, as well as during weekly rest time if separately agreed) on issues related to employment relations at the workplace, providing the following conditions are fulfilled:

- a. Meetings at the workplace or any other place referred to in this Agreement shall be agreed with the employer, if possible, three days before the meeting.
- b. The employer shall indicate a meeting place which is either at the workplace or in its vicinity and which is managed by the employer and fits the purpose. If no such place exists, there shall be negotiations on the location in order to find a solution. When choosing a meeting place, attention shall be paid to the observance of regulations on occupational safety, occupation hygiene and fire safety, and to ensuring that the meeting does not disturb commercial or productive activity.
- c. The organisation and the organisers who have booked the meeting space are responsible for the proceedings and arrangements of the meeting and for the cleanliness of the meeting space. Organisation representatives should be present at the meeting.
- d. The organisers of the meeting are entitled to invite representatives from the local union branch, from the Finnish Aviation Union reg. assoc., or from the Central Organisation of Finnish Trade Unions to the meeting.

#### **118. § Work during a strike**

1. If an industrial dispute emerges between the employer and an employee group, employees covered by this Agreement must execute in the ordinary manner the duties that are regularly part of their work, as well as the duties that he has obliged to execute by law or decree, at the same time as taking part in protection measures.
2. If there is a difference of opinion over whether some task should be carried out as described above, the matter shall be negotiated with a relevant local union representative.

#### **119. § Previously granted benefits**

If an employee has previously been granted better benefits and rights in matters referred to in this Agreement, they shall prevail.

#### **120. § Local and other negotiations and agreements**

1. The parties commit to assisting the conclusion of agreements on matters local or otherwise when so required under the terms of the Collective Agreement or its appendices.
2. A separate compendium of local agreements shall be prepared on a Company-specific basis. A local party representing the workers shall submit a proposal of the local agreements to be included in the compendium to the employer.

## **21. CHAPTER | RULES ON NEGOTIATION AND ARBITRATION**

### **121. § Dispute resolution**

1. Disputes over the interpretation or breach of this Agreement shall first be negotiated between the employer and the relevant employee or local union representative. If no resolution is found, the disputes shall be negotiated between the chief local union representative and the employer.
2. If no consensus is reached in negotiations, the matter will be transferred to unions. Either union may submit the matter to the Labour Court to be resolved there. If the unions agree, the matter can also be resolved through arbitration.
3. If one party wishes undertake arbitration proceedings, the party must inform his counterparty without delay, who must approve or reject the proposal as soon as possible, but no more than two days after learning of the proposal.
4. If either party proposes local negotiations in the aforementioned cases, they shall begin as soon as possible, but no more than two weeks after the proposal was made. Unnecessary delay shall be avoided in negotiations. The date of the next meeting for negotiations shall be agreed at the meeting before it.
5. Memoranda shall be kept of local negotiations if either party requests it. Both parties will sign the memoranda. The subject of disputes as well as the position of each party shall be recorded in the memoranda. The memoranda shall be drawn up no later than two weeks after close of negotiations.

## **122. § Arbitration**

1. Arbitrators shall always be chosen by the Service Industry Association reg. assoc. and the Finnish Aviation Union reg. assoc. for one calendar year at a time. Each will choose two arbitrators and an adequate number of deputy arbitrators for them. The role of arbitrator may also be taken by someone that could be disqualified under Section 10 of the Arbitration Act.
2. The arbitrators shall choose legally trained, impartial individual to serve as chairman for one year at a time. If the arbitrators cannot agree on a chairman, he will be determined by a National Conciliator at the request of either party.
3. Both parties can serve as supplementary members on a court of arbitration. In resolving matters subject to arbitration, attempt will be made to ensure that company-specific specialist expertise is available.
4. The arbitrators' costs shall be shared between the Service Industry Association reg. assoc. and the Finnish Aviation Union reg. assoc., unless the arbitrators specify otherwise.
5. In other respects the Arbitration Act shall be followed.

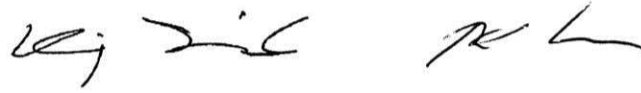
## 22. CHAPTER | TERM VALIDITY OF THE AGREEMENT

### 123. § Term of this Collective Agreement

1. This Agreement is valid from the 26th day of October 2010 through to the 31st day of October 2013. Thereafter the Agreement shall continue for a year at a time, unless either party terminates it in writing no later than two months before the end of its term.
2. If the Agreement is terminated, the contracting parties are obliged to undertake negotiations on a new contract without delay after the termination. During negotiations, the regulations in this Collective Agreement remain in force until a new collective agreement has been made or the contractual negotiations otherwise conclude.
3. Two identical copies of this protocol have been prepared, one for each contractual party.

Helsinki, 26 October 2010

PALVELUALOJEN TOIMIALALIITTO



ILMAILUALAN UNIONI IAU ry



## 1. APPENDIX | SALARY GROUPING

### 1. § Salary grouping, assessed jobs

no.	job	employer	department or area
<i>salary group 2</i>			
9	driver	Finnair Plc	
110	handbook holder	Finnair Plc	purchasing
79	Company mail manager	Northport Ltd	aircraft maintenance
<i>salary group 3</i>			
71	catering loader	Finnair Catering Oy	
22	equipment handler	Finnair Catering Oy	cleaning of cutlery
73	dispatcher	Finnair Catering Oy	loading
29	ground equipment cleaner	ABB Oy, ground equipment workshop	transportation equipment
19, 84, 113	department clerk	Finnair Plc	aircraft maintenance, equipment workshop and aircraft workshop
42, 53, 105	packer	Finnair Catering Oy	sales, server and inflight packing department
21	packing plant organiser	Finnair Catering Oy	



<b>no.</b>	<b>job</b>	<b>employer</b>	<b>department or area</b>
<i>salary group 4</i>			
92	baggage handler	Northport Ltd	baggage handling
104	driver	Finnair Plc	forwarding
50, 57, 74	catering stockman	Finnair Catering Oy	kitchen, tax free and distribution
67	special handler	Finnair Catering Oy	loading
107	forwarder	Finnair Plc	forwarding
77	maintenance tool fitter	Finnair Plc	aircraft maintenance
32,33	kitchen assistant	Finnair Catering Oy	cold and hot kitchen
111	cosmetics sales clerk	Finnair Catering Oy	
72	driver-handler	Finnair Catering Oy	loading
16	handler	Northport Ltd	Base stations, described OUL
122	quality controller	Finnair Catering Oy	
116	lost property clerk	Northport Ltd	station service
118	packaging process support person	Finnair Catering Oy	sales packing plant
53	cargo car driver	Finnair Cargo Oy	
70	cargo man	Finnair Cargo Oy	
108	ramp vehicle driver	Northport Ltd	station service
88	canteen manager	Finnair Catering Oy	personnel canteen
59	taxfree sales clerk	Finnair Catering Oy	tax free shop / HEL
112	implement fitter	Finnair Plc	aircraft workshop
98	depot and transportation worker	Finnair Plc	technical depots
109	depot manager	Northport Ltd	ground equipment centre

<i>salary group 5</i>			
24	station level controller	Northport Ltd	
115	catering supervisor	Finnair Catering Oy	kitchen
80	dietary needs cook	Finnair Catering Oy	
114	fido clerk	Northport Ltd	fido support group
52	gateway clerk	Northport Ltd	gateway services
4	cargo organiser	Finnair Cargo Oy	cargo
44	cook	Finnair Catering Oy	kitchen
103	cold chef	Finnair Catering Oy	kitchen
129	LB	SAS Ground Services Finland Ltd	
3	aircraft upholsterer	Finnair Plc	cabin maintenance
78 rev.	ground transport controller	Northport Ltd	ground transportation
106	baggage traffic controller	Northport Ltd	baggage handling
89 rev.	passenger service clerk	Northport Ltd	lounges
35	passenger identification clerk	Northport Ltd	
1	cargo recorder	Finnair Cargo Oy	
86, 87	cargo clerk	Finnair Cargo Oy	customer services backoffice
17 rev.	ramp man	Northport Ltd	loading
83	ramp water maintenance man	Northport Ltd	
126	sorting/loading	SAS Ground Services Finland Ltd	baggage handling
100	depot worker	Finnair Plc	uninterrupted 3-shift

*salary group 6*

<b>no.</b>	<b>job</b>	<b>employer</b>	<b>department or area</b>
128	aircraft servicing	SAS Ground Services Finland Ltd	
119	installer	Finnair Plc	aircraft maintenance
124	customer service clerk	Northport Ltd	
2 rev.	special vehicle driver	Finnair Plc	towing and transfers
130	ice remover	AntiDeIcing ADI Oy	compared to no. 119
117	machine inspection clerk	Northport Ltd	ramp controller
15	loading supervisor	Northport Ltd	described OUL
20	plant man	Finnair Catering Oy	maintenance
36	aircraft fitter	Finnair Plc	cabin maintenance
94, 95, 102	traffic clerk	Northport Ltd	described OUL and KUO
25	departure gate clerk	Northport Ltd	gateway services
28	ground equipment fitter	ABB Oy, ground equipment workshop	towable equipment
11	surface handling work	Finnair Plc	
8	cargo search clerk	Finnair Cargo Oy	
56	cargo supervisor	Finnair Cargo Oy	
13	cargo clerk	Finnair Cargo Oy	described OUL
46	ramp maintenance man	Northport Ltd	
66	arrivals service clerk	Northport Ltd	

<b>no.</b>	<b>job</b>	<b>employer</b>	<b>department or area</b>
<i>salary group 7</i> 91 rev. 48, 90	hold supervisor avionics fitter	Northport Ltd Finnair Plc	baggage handling aircraft maintenance and aircraft workshop
6	electronics fitter	Finnair Facilities Management Oy	electricity plant
96	electronics fitter	Finnair Plc	avionics workshop
97	welder	Finnair Plc	engine part repairs
60	composite fitter	Finnair Plc	structure workshop
85	machinist	Finnair Plc	machine workshop
45, 49	device fitter	Finnair Plc	hydraulics and landing gear
63, 69	aircraft fitter	Finnair Plc	aircraft work and part-type validation
76	aircraft electronics fitter	Finnair Plc	aircraft maintenance
34	aircraft device fitter	Finnair Plc	structure workshop
37, 38, 68	aircraft machine plater	Finnair Plc	in different hall environments
127	loadmaster	SAS Ground Services Finland Ltd	unloading / baggage handling
7	HVAC-fitter	Finnair Facilities Management Oy	real estate management
30	ground equipment fitter	ABB Oy, ground equipment workshop	heavy equipment
65	painter	Finnair Plc	aircraft painting
	gauge mechanic	Finnair Plc	gauge calibration
26, 31	gauge fitter	Finnair Plc	energy and electrical mechanic
99, 101	engine fitter	Finnair Plc	engine work and material technology
58	cargo controller	Finnair Cargo Oy	

<b>no.</b>	<b>job</b>	<b>employer</b>	<b>department or area</b>
18 rev.	ramp supervisor	Northport Ltd	
93	ramp controller	Northport Ltd	
61	maintenance simulation mechanic	Finnair Plc	simulator maintenance
62	simulator hydraulics mechanic	Finnair Plc	simulator maintenance
40	electrical fitter	Finnair Plc	avionics
51	electrical fitter	Finnair Facilities Management Oy	electricity plant
47	machine tool mechanic	Finnair Plc	machine workshop
81	responsible clerk	Northport Ltd	described TKU
<i>salary group 8</i> 12, 39, 64, 75, 82	aircraft mechanic	Finnair Plc	described OUL, regional, aircraft workshop, aircraft maintenance, TRE
14	chief clerk	Northport Ltd	described OUL
<i>salary group 9</i> 125	aircraft mechanic	Finnair Plc	aircraft maintenance / serves as a transferrable mechanic

## 2 § Salary grouping, job description paired and compared with similar jobs

<b>no.</b>	<b>job</b>	<b>employer</b>	<b>department or area</b>
<i>salary group 3</i> S1	depot worker	Blue1 Ltd	
<i>salary group 4</i> S2	forwarder / reception inspector	SAS Ground Services Finland Ltd	
<i>salary group 5</i> S3	lounge clerk	SAS Ground Services Finland Ltd	
S4	departure inspection clerk	SAS Ground Services Finland Ltd	
S5	service center clerk	SAS Ground Services Finland Ltd	
<i>salary group 6</i> S6	maintenance supervisor	SAS Ground Services Finland Ltd	
S7	traffic clerk	SAS Ground Services Finland Ltd	stations within Finland
S8	ticket sales clerk	SAS Ground Services Finland Ltd	

<b>no.</b>	<b>job</b>	<b>employer</b>	<b>department or area</b>
S9	departure gate clerk	SAS Ground Services Finland Ltd	
S10	arrivals service clerk	SAS Ground Services Finland Ltd	
S11	acting departure gate clerk	SAS Ground Services Finland Ltd	
S10	arrivals service clerk	SAS Ground Services Finland Ltd	
S11	acting departure gate clerk	SAS Ground Services Finland Ltd	
<i>salary group 7</i>			
S12	load planning control clerk	SAS Ground Services Finland Ltd	
S13	chief clerk	SAS Ground Services Finland Ltd	HS, KP, KS, LO/HEL
S14	responsible clerk	SAS Ground Services Finland Ltd	stations within Finland
S17*	ramp organiser	Northport Ltd	
<i>salary group 8</i>			
S15	air traffic controller	SAS Ground Services Finland Ltd	
<i>salary group 9</i>			
S16	aircraft mechanic	Blue1 Ltd	

**3 § Salary grouping – set of tasks more demanding than basic job (additional complexity factors shown through pairing and comparison with job above)**

<b>no.</b>	<b>job</b>	<b>employer</b>	<b>basic job</b>
<i>salary group 8</i> PI	avionics mechanic avionics fitter	Finnair Plc	(basic job 48.90)



**4 § Salary grouping, job not described / not assessed (comparison with job of a similar level)**

<b>no.</b>	<b>job</b>	<b>employer and comparison</b>	<b>department or area</b>
<i>salary group 3</i>			
E1	cleaner	Finnair Plc	structure workshop (comparison 29)
<i>salary group 4</i>			
E2 E8	sales manager fusion/protection man	Finnair Catering Oy	tax free (comparison 59)
<b>no.</b>	<b>job</b>	<b>employer and comparison</b>	<b>department or area</b>
<i>salary group 5</i>			
E6	field assistant		(comparison 89 rev.)
E7	crew-bus driver		
<i>salary group 6</i>			
E3	catering supervisor	Finnair Catering Oy	(comparison 115)
E5	shift manager	Finnair Cargo Oy	cargo/external station (comparison 56)
<i>salary group 7</i>			
E4	ramp organiser	Northport Ltd	(comparison 18)

In Helsinki, 29 November 2007  
Salary group working group

Representatives of the SERVICE  
INDUSTRY ASSOCIATION REG. ASSOC.

Representatives of the FINNISH  
AVIATION UNION REG. ASSOC.

## PROTOCOL OF SIGNATURE

**Time** 26 October 2010  
**Place** Helsinki, Eteläranta 10  
**Present** Representatives of the Service Industry Association reg. assoc. and  
Finnish Aviation Union reg. assoc.

### 1. § Period of the agreement

The Collective Agreement is in force from 26 October 2010 until 31 October 2013.

### 2. § Salary increases

#### SALARY INCREASES IN COMPANIES PRODUCING TECHNICAL SERVICES

##### General salary increase

1 November 2010: 1.0%

1 November 2011: 1.0%

1 November 2012: 2.2%

Corresponding increases shall be made to basic table salaries.

##### Shift addition payments

The shift addition payment shall increase 1.5% on 1 November 2010.

##### Other salary principles

Euro and eurocent-denominated additional payments shall increase 1.5% on 1 November 2010.

#### SALARY INCREASES 1 NOVEMBER 2010 IN COMPANIES PRODUCING GROUND SERVICES

##### General salary increase

Salaries shall be increased from the beginning of the salary payment period that begins on 1 November 2010 or immediately thereafter with a general pay increase amounting to 1.0%. A corresponding increase shall be made in basic table salaries.

##### Company-specific payment item

Salaries shall be increased from the beginning of the salary payment period that begins on 1 December 2010 or immediately thereafter with a company-specific payment item. The size of the item is 0.7% of the average hourly earnings referred to in the Collective Agreement multiplied by the number of employees at the company or workplace covered by the Collective Agreement. The principles and manner of distribution of the company-specific payment item shall be agreed on a workplace-specific basis between the employer and the local union representative. The purpose of the payment item is to make the salary formation rewarding, the salary structure fair and to promote productivity.

If no consensus is reached on the principles and manner of distribution of the company-specific payment item, a payment item amounting to 0.7% shall be distributed to everyone. A corresponding increase shall be made to basic table salaries.

##### Shift addition payments

Shift addition payments shall be increased 1.5% on 1 December 2010.

##### Other salary principles

Euro and eurocent-denominated additional payments shall increase 1.5% on 1 November 2010.

#### SALARY INCREASES 1 NOVEMBER 2011 IN COMPANIES PRODUCING GROUND SERVICES

The parties shall inspect the financial and employment prospects in air traffic services assessed during August-September 2011. On the basis of the assessment, the parties shall negotiate by 1 October 2011 on the level of salary increases to be implemented on 1 November 2011. The level of salary increases is determined in line with general salary increases that have otherwise been carried out or are planned.

If the unions do not reach a consensus on the amount of salary increases by 1 October 2011, the dispute shall be submitted at the initiative of either party to be resolved by an arbitration committee for which the Service Industry Association reg. assoc. shall provide two members and the Finnish Aviation Union reg. Assoc. two members, and which a National Conciliator shall be invited to chair. The committee must issue a decision by 20 October 2011.

**SALARY INCREASES 1 NOVEMBER 2012 IN COMPANIES PRODUCING  
GROUND SERVICES**

The parties shall inspect the financial and employment prospects in air traffic services assessed during August-September 2012. On the basis of the assessment, the parties shall negotiate by 1 October 2011 on the level of salary increases to be implemented on 1 November 2012. The level of salary increases is determined in line with general salary increases that have otherwise been carried out or are planned.

If the unions do not reach a consensus on the amount of salary increases by 1 October 2012, the dispute shall be submitted at the initiative of either party to be resolved by an arbitration committee for which the Service Industry Association reg. assoc. shall provide two members and the Finnish Aviation Union reg. Assoc. two members, and which a National Conciliator shall be invited to chair. The committee must issue a decision by 20 October 2012.

### **3. § Working group to examine temporary agency labour**

The Directive of Temporary Agency Labour should be jointly adapted to national laws and agreements by 5 December 2011. As a result of this, practices related to the use of temporary agency labour will need to change to some degree. The unions shall establish a working group charged with establishing which joint actions will be required by the unions when the Directive takes effect.

The examination should take into account in a sufficiently multifaceted manner the Directive's effects, and on the basis of those examine what possible changes it will cause to the Collective Agreement.

The working group must provide its statement concerning necessary measures by 31 May 2011.

### **4. § Employees who are not covered by the airline group's quota ticket benefit**

The parties shall establish a working group (2+2) charged with resolving problems affecting the remuneration system that emerge when a company other than one of those belonging to the airline group produces air traffic services previously produced by an airline group company. A National Conciliator or an individual specified by him shall chair the working group.

### **5. § Salary grouping**

The signatory unions have established a joint salary grouping working group. Each party nominates two members of the working group. The working group takes care to ensure that jobs in the area of the Agreement on Air Traffic Services are situated in the salary grouping in line with the Collective Agreement.

When the working group places jobs within the salary groups, it shall make use of the jointly agreed weighting factors, comparison by pairing of jobs, or another jointly agreed system.

Once the work assessment is complete, the assessment working group's secretary shall forward to the assessment results without delay to the attention of the salary grouping working group. The salary grouping takes effect from the beginning of the salary payment period following the working group's decision. The employer shall be seen as having been informed of the decision on the seventh day after the salary grouping working group has forwarded it for the employer's information.

## **6. § Changes to the salary grouping**

The salary grouping working group shall keep the salary grouping catalogue up to date. The salary group of a new job or reassessed job shall be marked in the catalogue as soon as it has been decided by the salary grouping working group. This catalogue is attached as an appendix to the Collective Agreement and signed by the members of the salary grouping working group. The parties shall each inform the other of all changes to the salary grouping.

## **7. § Promotion of occupational well-being and relocations**

The Service Industry Association reg. assoc. and the Finnish Aviation Union reg. assoc. recommend that local co-operation between company representatives, the labour protection organisation and the local union representatives take place in the companies to identify contributory factors to incidents of sick leave. The aim is to promote occupational well-being and the reduction in sick absences that results from it.

The employer must use a system that strives to relocate personnel at work if they are incapable of carrying out their own job and have received a doctor's certificate confirming this. In this case the employee can be situated in some other role in the same company or group or, if this is not possible, in an entirely different company with the help of a relocation service to be made available. The system shall also help to identify the need and possibility for professional rehabilitation and guide the individual in using other social benefits.

## **8. § Working time bank**

As part of efforts to develop working time, the signatory unions recommend experimenting with a working time bank. "Working time bank" refers to a voluntary, company-level system of reconciling work and free time which can be used to save and borrow working time and combine the two, subject to agreement. The working hour bank experiment cannot be used to diverge from the working hour regulations in the Collective Agreement without the consent of the unions. Implementation of the working hour bank experiment requires agreement between the local branch of the Finnish Aviation Union reg. assoc. and the employer.

## **9. § Development of working hours in companies producing technical services**

Working hours and use of labour shall be made more flexible via the following means:

1. A peak time labour pool shall be established and staffed with volunteers.
2. Within the peak time labour pool, forms of working hours used in companies producing technical services may be used.
3. The peak time labour pool's basic criteria and operating model shall be agreed locally by 30 November 2010. The working hour model shall be agreed in line with production needs.
4. A local monitoring group shall be established to monitor the peak time labour pool and the use of other flexibility elements, and to develop new procedures for using working hours and labour.
5. Flexible availability in different working hour models may be a criterion when moving up to higher salary grades.

### 10.5 Term

This Agreement is valid from the 26th day of October 2010 through to the 31st day of October 2013. Thereafter it shall continue for a year at a time, unless either party terminates it in writing no later two months before the end of its term.

### 11.5 Signatures

The protocol has the same force and binding power as the Collective Agreement. Two identical copies of this protocol have been prepared, one for each contractual party. It was noted that each contracting party must sign the protocol.

In Helsinki, the 26th day of October 2010,

SERVICE INDUSTRY ASSOCIATION

reg. assoc.



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## **Agreements between central organisations**

### **1. CHAPTER | GENERAL PROVISIONS**

#### **1.1 Premises**

The Confederation of Finnish Industries EK and the Central Organisation of Finnish Trade Unions SAK shall both strive, themselves, among their member organisations and in the workplace, to promote negotiating relationships and agreement activity and to influence tripartite corporatist preparations in social decision-making.

The contracting parties shall strive to develop these aims accepting different forms of co-operation and monitoring for their own part existing agreements.

#### **1.2 Fundamental rights**

Citizens have a fundamental and inviolable right to freedom of association. This applies to both employer and employees. Employees have the right to establish and be active in trade union organisations, and they may not be dismissed or discriminated against at work as a result of this. Companies' personnel have the right to elect representatives to represent them in matters handled within companies. The representatives option as well as their rights and obligations are specified in law and in this as well as other agreements. An individual employee's safety and health, protection against discrimination and equal treatment are the starting point for contractual regulations.

#### **1.3 Right to manage work**

The employer has the right to employ and terminate employees and determine the management of work.

#### **1.4 Negotiations between the parties and requesting statements**

When the Confederation of Finnish Industries EK and the Central Organisation of Finnish Trade Unions SAK propose labour market negotiations, they should begin without delay as circumstances permit. The organisations shall assist in the creation of sector-specific collective agreements in line with their rules.

Member organisations can together request a statement by EK and SAK on the interpretation of agreements.

Representatives named by the parties to the Collective Agreement have the right, as a result of the Collective Agreement, to visit and inspect the conditions of the workplaces of the members they represent providing they agree separately with the employer.

### **1.5 Forewarning of industrial action**

Before taking part in industrial action for political reasons or to express solidarity, notice of it shall be given to a National Conciliator as well as the relevant employer or employee union as circumstances permit at least four days earlier. The notice must mention the reasons for the intended industrial action, the time it begins, and its scope.

### **1.6 Scope of application**

This agreement is applied in member companies of member unions of the Confederation of Finnish Industries EK with the limitation mentioned hereinafter. In this Agreement, "workplace" refers the production unit or corresponding operating unit of a member company of the Confederation of Finnish Industries EK.

### **1.7 Organisation and other changes**

When a workplace's activities markedly shrink, expand, or in the case of a cessation, merger, incorporation or comparable essential organisational change, a co-operative organisation adjusted to correspond with may take responsibility for the workplace's changed size and structure in line with the principles of this Agreement.

### **1.8 Legal references**

Unless agreed otherwise in this Agreement, the Act on Co-operation in a Company (725/78) shall be followed, as well as the Act on Monitoring of Labour Protection and Attempting Changes in Labour Protection Matters (131/73) and the Decree on Monitoring of Labour Protection (954/73), which are not parts of this Agreement.

## **2. CHAPTER | CO-OPERATION IN THE WORKPLACE**

### **2.1 Development activity**

Employees and their representatives should, in line with the principles of this Agreement, be able to participate in implementing development and change in work organisations, technology, job conditions and job tasks.

In development activities and possible application of new technology along with them, one should strive towards engaging, varied and developmentally beneficial work content and enhancing productivity. This way the employee is offered the opportunity to develop in his work and increase his preparedness for new job tasks.

Measures to be implemented may not lead to an added overall burden that endangers the employee's health and safety.

The development of productivity, production and personnel shall be monitored at the workplace in co-operation at suitable intervals. Necessary monitoring systems and statistics shall be agreed locally.

### **2.2 Implementing co-operative activity**

Co-operative activity between the employer and the employee may take place in a permanent negotiating body, in project groups established to implement development projects, or in negotiations between the employer and personnel. The company and its employees shall be equally represented in a project group formed to implement development targets. The employees shall name their own representatives primarily from employees working in the areas subject to development.

Unless agreed otherwise, a negotiating board in line with the Act on Co-operation must be established in the company or its part when the number of personnel exceeds 200, providing all personnel groups so desire.

In order to implement development activity, there may be local agreement on the establishment of a co-operative committee charged with handling matters related to development activity. It may replace separate co-operation and labour protection committees as well as other similar committees. The same co-operative body may also be responsible for activities and plans specified by the Co-operation Act, the Act on Occupational Safety and Health, the Occupational Health Care Act (743/78) and the Act on Equality Between Men and Women (609/86), to an extent agreed locally.

Should the employer make use of services offered by external consultants in the company's development activity, the employer shall be responsible for ensuring that the consultancy's activities are not in breach of this Agreement.

It is important that the planning and practical application of development measures are tightly linked to the company's personnel policy, especially to employment of personnel, promotion of equality, internal transfers, training, communication, labour protection, maintenance of ability to work, and workplace-based occupational health care.

#### **2.4 Work ability maintenance activity**

Workplace-based activity to maintain ability to work shall take the form of co-operation between line management, personnel management, occupational health care and the labour protection organisation. The principles of activity used to maintain the ability to work and cope with work of personnel shall be included in the labour protection programme or the occupational health care action plan. If agreed, the aforementioned principles may also include the development activity plan or any similar plan drawn up at the workplace. It is the duty of the labour protection manager and the labour protection representative to take part.

### **3. CHAPTER | CO-OPERATION TASKS AND CO-OPERATION ORGANISATIONS**

#### **3.1 Regulations on local union representatives**

##### **ELECTION**

In this Agreement, unless specified in the Agreement's text, "local union representative" shall mean the chief local union representative chosen by the local branch of the union, and the union representative of the work department or a corresponding unit. "Local union branch" in this Agreement refers to a registered subsidiary association of the union that is party to this Collective Agreement.

The local union representative should be a relevant workplace employee and familiar with the workplace conditions as an employee. In the event that only one local union representative has been elected for the workplace, he shall also be the chief local union representative referred to in this Agreement. It may be agreed locally that the labour protection representatives duties are discharged by the chief local union representative, or vice versa.

In addition to choosing a chief local union representative, there shall be local agreement on the initiative of the local union branch on which department or corresponding unit shall have a union representative elected for it. In this case, attention should be paid to ensuring that the agreed operating areas are fit for purpose and have the appropriate coverage to promote treatment of issues in line with the negotiating system. Assessments must also take into account the number of personnel in the department in question and the local union representative's opportunities to meet the department employees, also taking into account shift work. It may be agreed locally that the aforementioned local union representative takes care of the tasks of the labour protection representative, and vice versa.

The local union branch is entitled to hold an election for the local union representative in the workplace. If the election is held in the workplace, space must be reserved for all union branch members to take place in the election. The organisation and holding of the election may not disturb work, however. The election times and places must be agreed with the employer no later than 14 days before the election is held. The employer shall reserve a space for holding the election for a person nominated by the union branch.

##### **TASKS**

The local union representative's primary task is to represent the union branch in matters concerning the application of the Collective Agreement.

The local union representative represents the union branch in matters concerning the application of work legislation, and generally in issues related to relations between the employer and the employee and to development of the company. The local union representative's task is also to contribute to maintaining and developing negotiations and co-operation between the company and personnel.

#### **NEGOTIATION ARRANGEMENTS**

If an ambiguity or dispute emerges over an employee's salary or over the application of laws or agreements related to the employment relationship, the local union representative must be provided with all information needed to investigate the case.

The employee should clarify any matter related to his employment relationship with his supervisor. If the employee has not been able to clarify the aforementioned matter directly with his supervisor, he may forward the matter to be handled in negotiations between the department's or corresponding unit's local union representative and a representative of the employer. If the matter is not cleared up this way, the aforementioned local union representative may forward it to the chief local union representative.

When the local parties together request it, the unions bound by the Collective Agreement are entitled to send a representative to local dispute negotiations.

If the workplace dispute cannot be resolved locally, the negotiation arrangements of the Collective Agreement shall be followed.

If the dispute concerns the conclusion of the employment relationship of the local union representative referred to in this Agreement, the local negotiations and negotiations between the unions must also be launched and held without delay following after the cause of termination has been contested.

### **3.2 Regulations on labour protection**

The employer shall nominate a labour protection manager for labour protection co-operation. The employees' right to elect a labour protection representative and deputy representatives is determined in line with the Act on the Supervision of Occupational Safety and Health and Appeal in Occupational Safety and Health Matters.

#### **TASKS**

The task of the labour protection manager, in addition to the tasks of others involved in labour protection co-operation, is to organise, maintain and develop labour protection co-operation. The labour protection representative's tasks are determined according to the act and decree of supervision of labour protection. In addition, the labour protection representative carries out other tasks falling under his responsibility on the basis of other legislation and agreements. If there is no local agreement on the other tasks, the labour protection representative's task is to participate in the handling and implementation of labour protection co-operation issues affecting his operating area. When the labour protection representative is impeded, the deputy representative takes care of those matters that cannot be postponed until after the labour protection representative is able to resume his duties.

**AGENT**

The election, number, tasks and operating area of labour protection agents shall be agreed locally according to the same election principles as those agreed in Section 3.1 for the election of a local union representative. In addition, one must take into account the labour protection risks and other factors affecting work conditions. Employees at the workplace shall elect a labour protection agent from among their ranks.

**COMMITTEE**

The election of other co-operative bodies promoting labour protection as well as purposeful forms of co-operation shall be agreed locally, taking into account the quality of workplace, scope, number employees, quality of tasks and other conditions. If no other form of co-operation is agreed, a labour protection committee shall be established for co-operation in labour protection.

**LIMITATION ON THE SCOPE OF APPLICATION**

This Agreement's regulations on labour protection shall be applied when there are at least 20 employees regularly working at the workplace. In place of what is regulated in the sentence above, a labour protection representative must be correspondingly elected when the number of employees is at least 10.

**3.3 Notices**

The local union branch or corresponding body must inform the employer in writing when local union representatives elected, the chief local union representative is substituted by a deputy, or the local union representative's duties are carried out by the labour protection representative or agent. When the deputy substitutes the labour protection representative, the labour protection representative must inform the employer in writing. The employer shall inform the labour protection persons who shall negotiate with them on the employer's behalf.

## **4. CHAPTER | REGULATIONS ON THE STATUS OF LOCAL UNION REPRESENTATIVES, THE LABOUR PROTECTION REPRESENTATIVE AND THE LABOUR PROTECTION AGENT.**

### **4.1 Time off from work and compensation of lost earnings**

#### **TIME OFF**

The chief local union representative and the labour protection representative shall be given temporary, regularly recurrent or complete time off from work in order to discharge their duties. Temporary time off shall also be arranged when necessary for another local union representative such as the chief local union representative, the labour protection agent and other personnel representatives taking part in the co-operation between the company and personnel required by this Agreement.

When assessing the need for time off, attention must be paid to, among other things, the number of employees that belong in the aforementioned personnel group, the nature of production and activities, and the number of tasks.

Should the chief local union representative or the labour protection representative be given time off for a regularly recurring time from his work, he should discharge his duties primarily during that time. However, the management should also grant time off at other times convenient in terms of company work for matters that require the attention of the representative. The employer shall compensate the chief local union representative and the labour protection representative for loss of earnings during the aforementioned times.

If there is no other agreement concerning time off from work for the labour protection representative, his time use shall be calculated according to the field-specific factors that took effect on 1 April 1986. However, the time off shall always amount to at least four hours within a period of four consecutive weeks.

If the tasks of local union representative and labour protection are discharged by the same individual, this shall be taken into account as an additional factor when agreeing on time off from work.

#### **COMPENSATION OF LOST EARNINGS**

The employer shall compensate the earnings lost by the personnel representative referred to in this Agreement during working hours either in local negotiations with employer representatives or in his other activities agreed upon with the employer.

If the local union representative, the labour protection representative, labour protection agent or member of the labour protection committee or other corresponding co-operative body

discharges tasks agreed upon with the employer outside of regular working hours, the time lost shall be compensated with overtime compensation or another form of additional compensation shall be agreed with him.

When calculating compensation for loss of earnings, the average hourly wage to be applied shall be agreed on a sector-specific basis, unless compensation for loss of earnings in another manner is agreed between the unions.



## 4.2 Status

### **EMPLOYMENT RELATIONSHIP**

The local union representative, labour protection representative, labour protection agent and other personnel representatives have the same status in their employment relationship with the employer regardless of whether he discharges his union duties alongside his own work or whether he has been partly or completely freed from work. He is obliged to follow the general terms of employment, working times and management regulations as well as other rules.

### **PREMISES**

The employer shall arrange an appropriate place for the chief local union representative and the labour protection representative to store the equipment required for their tasks. When the size of the workplace requires special premises, the employer shall arrange an appropriate space that can be used to hold the discussions needed to discharge duties. In order to discharge his duties, the chief local union representative and the labour protection representative are entitled to use the company's ordinary office tools and other tools. Practical arrangements shall be agreed locally.

### **SALARY AND TRANSFERRAL PROTECTION**

The local union representative's or labour protection representative's opportunities to develop and advance in his profession must not be weakened as a result of the aforementioned tasks. He may not, when discharging this duty or because of it, be transferred to a less well-paid job than the one he was in before he was elected to the discharge of the aforementioned duty. He also may not be transferred to a job with a lower status if the employer is able to offer him other work corresponding to his professional skills. If the ordinary job of the person elected as chief local union representative or labour protection representative makes his union representation duties difficult, another job must be organised for him taking into account workplace conditions and his professional skills. This sort of arrangement may not bring about a fall in his earnings. The earnings development of the chief local union representative and the labour protection representative should correspond to earnings development in the company.

In the event that the labour protection agent must be temporarily transferred to a job outside his ordinary area of work, attempt must be made to ensure that the transferral does not unreasonably disrupt the execution of his duties as labour protection agent.

#### **MAINTAINING PROFESSIONAL SKILLS**

Upon completion of the chief local union representative's or labour protection representative's duties, he and the employer must jointly assess whether professional training is required to maintain the employee's professional skills for his previous job or a corresponding position. The employer shall arrange the training required by this assessment. In determining the content of the training, attention shall be paid to time off from work, the duration of the period of office, and changes in work procedures that have occurred during that time.

#### **TRANSFERENCE OF WORK**

**(Change. Took effect 1 June 2001)**

The status of the chief local union representative and the labour protection representative shall continue unchanged regardless of a transference of business, if the transferred business or a part of it retains its independence. If the transferred business or a part of it loses its independence, the chief local union representative and the labour protection representative shall be entitled, under Section 4.3 of this Agreement, to retroactive protection from the conclusion of the period of office brought about by the transference of business.

### **4.3 Protection against unjustified termination**

#### **REASONS FOR TERMINATION RELATED TO FINANCES OR PRODUCTION**

If the company's labour force is dismissed or laid off for reasons related to finances or production, the chief local union representative or the labour protection representative may not be dismissed or laid off unless the production unit's activities are suspended entirely. If jointly stated with the chief local union representative or the labour protection representative that he cannot be offered a job corresponding to his profession or otherwise appropriate, an exception to this rule may nevertheless be made.

#### **PROTECTION OF THE INDIVIDUAL**

**(Change. Took effect 1 June 2001)**

A local union representative other than the chief local union representative may only be dismissed or laid off in accordance with Subsection 2 of Section 7:10 of the Employment Contracts Act when work ceases completely and the employer is unable to organise a job corresponding to his profession or otherwise appropriate for him, or to train him for another job in the manner referred to in Section 7:4 of the Employment Contracts Act.

A local union representative or labour protection representative may not be dismissed for reasons caused by him without the consent of the employees he represents as required by Subsection 1 of Section 7:10 of the Employment Contracts Act.

The local union representative's or labour protection representative's employment contract may not be terminated or handled as terminated in breach of the rules in Section 8:1-3 of the Employment Contract Act. Terminating an employment contract on the grounds that he has breached the rules is not possible unless he has also repeatedly or fundamentally and regardless of warning failed to fulfil his job obligations.

**CANDIDATE PROTECTION**

The aforementioned regulations on employment relationship protection must also be applied to a candidate for the role of chief local union representative who has been nominated by a meeting of his local union branch, and whose nomination has been declared to the employer in writing, as well as to a candidate for the role of labour protection representative, whose nomination has been declared to the labour protection committee or to another corresponding co-operative organ in writing. However, candidate protection begins no earlier than three months before the beginning of the period in office of the proposed chief local union representative or labour protection representative, and concludes with regard to unsuccessful candidates when the election result becomes known.

**RETROACTIVE PROTECTION**

Regulations on protection against unjustified termination must also be applied to the employee serving as chief local union representative or labour protection representative six months after the conclusion of aforementioned duties.

**COMPENSATION**

**(Change. Took effect 1 June 2001)**

If the local union representative's or labour protection representative's employment contract is terminated in breach of this Agreement, the employee must compensate him with a minimum of 10 days' and a maximum of 30 days' worth of salary. Compensation must be determined in line with the principles in Subsection 2 of Section 12:2 of the Employment Contracts Act. If the rights contained in this Agreement are breached, this must be taken into account as a factor in favour of additional compensation. When the number of employees and officials regularly working in a production unit or corresponding operating unit amounts to 20 or fewer, the aforementioned compensation shall be at least 4 months' pay with regard to the labour protection representative, and a maximum of the compensation specified in Subsection 1, Section 12:2.

Compensation for a layoff that is unfounded according to this Agreement shall be determined in line with Section 12:1.1 of the Employment Contracts Act.

**4.4 Deputies**

The regulations in this chapter shall be applied to the deputy chief local union representative and to the deputy of the labour protection representative during the time in which they serve as substitutes according to the notification required in this Agreement.

## **5. CHAPTER | THE EMPLOYER'S OBLIGATIONS TO NOTIFY**

### **SALARY STATISTICS AND PERSONNEL INFORMATION**

Unless agreed otherwise on sector-specific or local basis, the chief local union representative is entitled to information on the earnings levels and structure of employees in his operating area based on EK's quarterly statistics needed to discharge his duties, immediately after the completion of EK's salary statistics, providing that the statistics groupings of salary data collected about the company for the area have been done. Earnings data that covers employee groups smaller than six persons shall not be provided.

If there are no salary statistics for the contents required above for the sector or workplace, there must be a separate agreement on the salary data to be given to the chief local union representative.

The chief local union representative also has the right to receive information in writing on the name and salary group or corresponding of employees in his operating area, as well as the time at which the employment relationship began, unless agreed otherwise on a sector-specific or local basis. The information shall be provided once a year about employees with an employment relationship with the company at the time.

The chief local union representative is entitled to study each job pricing systems and various determination and calculation rules for additional payments for conditions used in different salary forms currently in force in the company in his operating area. The chief local union representative and the labour protection representative have the right to receive information about subcontractors operating in the operating area, and about labour in the service of the subcontractors and that is present in the workplace.

### **INFORMATION ABOUT EXTERNAL LABOUR**

The employer shall provide notification beforehand to the chief local union representative about external labour taking part in production and maintenance work. If this is not possible as a result of the urgency of the work or for a similar reason, notification may also be made afterwards without delay in these exceptional situations. The labour protection representative shall also be notified of the aforementioned matters if possible.

### **WORKING HOURS REGISTER**

The chief local union representative is entitled to examine the register drawn up for emergency and overtime work in line with the Working Hours Act (605/96), just as the labour protection representative has the same right under the Act.

### **CONFIDENTIALITY OF INFORMATION**

The chief local union representative shall be given the aforementioned data in confidence in order to discharge his duties.

#### **RULES**

The employer shall seek the acts, decrees and other labour protection regulations required by the labour protection representative, the labour protection agent or other labour protection bodies to be placed at their disposal.

#### **INFORMATION CONCERNING THE COMPANY**

The employer must present to personnel or its representatives:

- An account of the company's financial position based on the company's financial statement once this has been affirmed.
- A coherent statement of the company's financial position at least twice per financial year, which makes clear the prospects of the company's production, employment, profitability and cost structure.
- An annual personnel plan including estimates of expected changes to the amount, quality and status of personnel.
- Key changes to the aforementioned data without delay.

In companies in which the number of personnel is regularly at least 30, the company's financial statement data as referred to in Subsection 2, Section 11 of the Act on Co-operation shall be given to personnel representatives in writing upon request.

When presenting financial statement data, accounts of the company's financial position, and personnel plans it is appropriate to also provide information to personnel or its representatives about the operating result, production and prospects of various units, using explanatory key figures as an aid therein.

In managing personnel matters in the company, general principles or guidelines shall be observed, and personnel must be informed in the workplace of the company's operational and personnel organisation.

The parties recommend that in connection with the aforementioned financial data on the company, an explanation also be given of the sector's general business and economic prospects, as circumstances permit.

#### **DUTY OF CONFIDENTIALITY**

When the company's employees or personnel representatives have received information on commercial or professional secrets under the terms of this Agreement, this information shall only be handled by the employees and personnel representatives concerned in the matter, unless otherwise agreed between the employer and those entitled to the information. In declaring the duty of confidentiality, the employer must specify which information is covered by the duty and what the term of confidentiality is. Before the employer declares the commercial or professional secret in question, the grounds for confidentiality shall be explained to the relevant employee or personnel representative.

## **6. CHAPTER | NOTIFICATION ACTIVITY BETWEEN PERSONNEL AND ORGANISATION OF MEETINGS**

The registered sub-association in the workplace of the union that is party to the Collective Agreement, this sub-association also being covered by the agreement, and its workplace-based branch or shop-floor committee is entitled to hold meetings in the workplace or in another agreed space regarding labour market matters or issues related to workplace employment relations, as agreed amongst the central organisations or on a sector-specific basis or in line with established practice at the workplace.

The union of personnel mentioned in the paragraph above is entitled, outside of working hours, either before the beginning of working hours, during the lunch break or after the end of working hours, to distribute written notifications on meetings, workplace employment relations or general labour market issues to its members, in the canteen, changing room or another similar space agreed on with the employer in the workplace proper, such as outside the factory hall or similar. The notification must be marked with motive behind it.

Should a bulletin intended for personnel appear in the workplace, the aforementioned union of personnel shall be entitled to use it to publish the aforementioned meeting announcements or notifications, or to publish them on a notice board indicated by the employer for the use of employees. The notifier shall be responsible for the content and upkeep of the notice board.

## **7. CHAPTER | TRAINING**

### **7.1 Professional training**

When the employer provides an employee with professional training or sends the employee to a training event related to his profession, the direct costs caused by the training and earnings lost from regular working hours calculated according to the average hourly wage shall be compensated, unless otherwise agreed in the relevant collective agreement. If the training takes place completely outside working hours, the direct costs resulting from it shall be compensated. The fact that the training in question fits this description shall be confirmed before notification of the training event.

“Direct costs” means travel costs, course fees, costs of teaching materials required by the course programme, board and lodging on a residential course, and compensation for travel costs specified by the collective agreement in question caused by courses other than residential courses. Earnings lost from regular working hours shall be compensated for both the time spent on the course and the time spent travelling. Time spent outside of working hours on training or travel required for it shall not be compensated. The salary of someone on a weekly or monthly salary shall not be reduced during the course or its required travel.

### **7.2 Joint training**

Training to promote workplace co-operation shall be organised by the central organisations or their member unions jointly, the co-operative bodies of the central organisations or their member unions, or the employer or employee side jointly in the workplace or in another place.

The parties note that joint training generally takes place in a purposeful manner on a workplace-specific basis, when local conditions are best taken into account.

Basic courses in co-operation in labour protection, and specialist courses necessary in terms of labour protection co-operation, are the joint training referred to here. A member of a labour protection committee, the labour protection representative, the deputy representative and the labour protection agent may all take part in a basic course under the conditions of this Agreement, while the labour protection representative may take part in a special course.

Training participants will be compensated as specified in Section 7.1 Participation in training shall be agreed locally depending on the nature



of the training within the co-operative body or between the employer and the local union representative.

Regulations on joint training shall also be applied to training linked to participation arrangements and local agreement. Participation in training may also be agreed amongst the employer and the relevant person. The parties recommend that their training institutes and those of their member unions, as well as the member unions themselves, undertake co-operation in measures to organise the supply of training concerning participation systems and local agreement. The parties' training working group shall monitor the implementation of the aforementioned training supply.

### **7.3 Trade union training, preservation of the employment relationship, and notification times**

Employees shall be given an opportunity to participate in courses organised by SAK and its member unions and that last a month or less without interrupting their employment relationship, so long as it does not cause considerable disruption to production or the company's activities make it impossible. When assessing the aforementioned disruption, attention shall be paid to the size of the workplace. In a negative case, the chief local union representative shall be notified no later than 10 days before the beginning of the course as to why free admission would create considerable disruption. In this case it would be advisable to jointly try to identify another possible time when there would be no barrier to participation in the course.

Notification of intention to take part in a course must be made as early as possible. When the course lasts no more than one week, notification must be given at least three weeks before the course begins, and when the course is longer, at least six weeks before it begins.

Before the person participates in the aforementioned training opportunity, measures caused by participation must be agreed with the employer, and it must be explicitly stated beforehand whether the training opportunity is one in which the employer compensates the employee in accordance with this Agreement. The scope of this compensation must be noted at the same time.

### **7.4 Compensation**

The employer is obliged to pay the local union representative, the deputy chief local union representative, the labour protection representative or deputy representative, the member of the labour protection committee and the labour protection agent compensation for loss of earnings when taking part in a course required by their duties and organised at a training institute of SAK or its member union, or for special reasons somewhere else, for a maximum of one month for the aforementioned local union representative, and two weeks for someone carrying out labour protection tasks. At the same time, compensation shall be paid for training events linked to union representation tasks held in the aforementioned training institutes, with a local branch chairman being compensated for a maximum of one month if he works in a company with at least 100 relevant employees in the sector and the local union branch he runs has at least 50 members.

In addition, a meal voucher agreed between the central organisations to cover dining costs entailed by participation in a course shall be paid to employees referred to in the paragraph above for each course day covered by compensation for loss of earnings.

The employer is obliged to pay the compensation referred to above in this section to the same person just once for the same training event, or for one similar in content.

## **7.5 Social benefits**

Participation in the trade union training events referred to in the Agreement shall not, up to a limit of one month, cause a reduction in annual holiday, pension or other comparable benefits.

## **8. CHAPTER | USE OF EXTERNAL LABOUR**

### **8.1 General**

Use of external labour shall take place within companies in two forms. It is based, on the one hand, on a commercial, procurement, contracting, rental, commission, labour etc. agreement between two independent companies in which it is necessary for an external party to carry out work without the other contracting party having anything to do with the labour element of the work. In practice, activity based on this sort of agreement is generally called subcontracting.

On the hand, use of external labour is based on so-called labour rental, in which case leased labour delivered by one company carry out work for the other company under the management and supervision of the latter.

The aforementioned situations in the first paragraph shall hereinafter be called "subcontracting", while the situations mentioned in the second paragraph shall be referred to as "rented labour".

Agreements on subcontracting or labour rental shall include the condition that the subcontractor or the company renting out labour be bound by the general collective agreement in its own sector as well as labour and social security legislation.

## **8.2 Subcontracting**

If it is necessary for a company, as an exception, to reduce its labour as a result of subcontracting, the company must attempt to relocate the affected employees in other tasks within the company, or, if this is not possible, to encourage the subcontractor, if it is in need of labour, to employ the freed employees suitable for the subcontracted work with their former salary benefits.

An employment contract may not take a form of a contracting agreement between independent companies when the relationship is actually of the nature of an employment contract.

## **8.3 Rented labour**

Companies must limit the use of rented labour to balancing out spikes in work or to other tasks limited by time or type and that, due to urgency, limited duration, professional requirements, special equipment or another similar reason, cannot be carried out by the company's own personnel.

Renting of labour is unhealthy if rented workers supplied by companies procuring different labour work in the company's normal jobs alongside its permanent employees and under the same management for an extended period of time.

Companies using rented labour must, upon request, answer questions from the chief local union representative regarding the work of this sort of employee.

## 9. CHAPTER | VALIDITY OF THE AGREEMENT

This Agreement takes effect 1 October 1997 and is valid indefinitely with a period of notice of six months.

The central organisations' member unions can agree otherwise on the regulations of this Agreement, with the exception of the contractual regulations concerning protection against unjustified termination for the local union representative and the labour protection representative. When there is a different agreement, the central organisations must be notified of this.

Helsinki 4 June 1997

CONFEDERATION OF FINNISH INDUSTRIES EK

Tapani Kahri    Seppo Riski

CENTRAL ORGANISATION OF FINNISH TRADE

UNIONS SAK Lauri Ihalainen    Kirsti Palanko-Laaka

## PROTOCOL OF SIGNATURE

**Time**  
**Place**  
**Present**

4.6.1997

EK	
Kahri, Tapani	TT President
Riski, Seppo	TT
Ihalainen, Lauri	SAK
Palanko-Laaka, Kirsti	SAK
Kopperi, Matti	SAK
Hietala, Harri	TT secretary

1. It was agreed that the protocol shall be examined in this meeting and that all participants shall sign it.
2. The EK-SAK collective agreement was approved and signed.  
The contract, along with its signatory protocols, other protocols and appendices, nullifies the following agreements:
  - EK-SAK collective agreement, 15 May 1946.
  - EK-SAK agreement on local union representatives 15 January 1990.
  - Agreement on the promotion of co-operation and notification activity in companies, 8 May 1989
  - EK-SAK agreement regarding the use of external labour, 11 September 1969
  - EK-SAK-STTK agreement on labour protection activities in the workplace as well as appendices, 10 September 1990.
  - EK-SAK agreement on training, 15 November 1990.
  - EK-SAK rationalisation agreement, 15 March 1986
3. The agreement binds all member unions of those central organisations that have not declared that they will opt out of the agreement by 15 September 1997 at the latest.
4. It was recorded that the agreement was negotiated in a working group whose work was carried out by Seppo Riski and Harri Hietala from EK, and Matti Kopperi, Raimo Kärkkäinen and Kirsti Palanko-Laaka from SAK.
5. It was recorded that the agreement has been supplemented with numbered margin headings that are not part of the agreement itself in order to make it easier to read.

## CALCULATING TIME USED BY THE LABOUR PROTECTION REPRESENTATIVE

**Formula:** the number of employees represented by the labour protection representative x the sector-specific multiplier = time in hours / 4 weeks.

Sector-specific multiplier as of 1 April 1986	<b>SECTORS</b>
0.305	<b>1</b> Ore mining and mining activity; manufacturing of explosives
0.291	<b>2</b> House construction activity; stone quarrying and refinement; macadam crushing
0.276	<b>3</b> Manufacturing of wood products and construction materials
0.261	<b>4</b> Manufacturing of mineral works not mentioned elsewhere (e.g. rock wool); manufacturing of metals; slaughterhouses
0.246	<b>5</b> Manufacturing of metal products; manufacturing of ships and boats; manufacturing of vehicles that run on tracks
0.216	<b>6</b> Manufacturing of wood packaging and wood products; manufacturing of glass and glass products; manufacturing of pulp and paper; land and water construction activity
0.208	<b>7</b> Production of fizzy drinks; manufacturing of machines; manufacturing of cars, aircraft and other vehicles; manufacturing of non-metallic equipment; manufacturing of construction ceramics, cement and plaster
0.201	<b>8</b> Manufacturing of plastic products; manufacturing of industrial chemicals; production of fertilisers and pesticides; production of tyres; production of other chemical and rubber products; production of materials for painting, varnish and cleaning, and of cosmetic materials

- 0.193 **9** Manufacturing of porcelain products and pottery; meat refinement; production of oils and fats; production of mill products; production of beverages (apart from fizzy drinks); manufacturing of bicycles and motorcycles; production of fish products; production of sugar; other recovery through excavation (other than in Section 1)
- 0.186 **10** Refinement of crude petroleum; manufacturing of electronic industrial and household appliances; production of leather; production of artificial materials
- 0.179 **11** Production of vegetables, fruit, bakery products, chocolate and sweets as well as other foodstuffs; production of agricultural feed; manufacturing of computers and other office machinery
- 0.171 **12** Manufacturing of cord, rope and nets as well as other textile goods; manufacturing of paper and cardboard packaging and other paper products; tailoring of fur; manufacturing of bags and leather products
- 0.164 **13** Manufacturing of instruments and other fine mechanical products; manufacturing of goldsmith products, musical instruments, sports equipment etc.; manufacturing of pharmaceuticals; manufacturing of radios, televisions and other communications devices
- 0.156 **14** Purification and distribution of water; production of carpets; spinning, weaving and finishing of textiles, production of knitwear products; textile sewing; shoe making; production and distribution of electricity, gas and district heating; production of tobacco products
- 0.150 **15** Graphic production; production of clothing
- 0.112 **16** Office work

160 hours or more entitles the labour protection representative to one full day off.

## AGREEMENT ON HOLIDAY PAY 2005

The undersigned central organisations have concluded the following collective agreement on the calculation of annual holiday pay and holiday compensation in line with Section 30 of the Annual Holidays Act:

### 1. § Scope of application

This Agreement shall be applied to employees in the service of member companies of the Confederation of Finnish Industries EK and referred to in Section 11 of the Annual Holidays Act if the company is a member of an employer union that has been a member of the Confederation of Finnish Industry and Employers (EK) on 31 December 2004. However, the Agreement does not cover sailors, employees in forest and timber work or plastering and demolition work, nor employees in sectors in which, when calculating and paying annual holiday pay and holiday compensation, the collective agreement on construction sector workers' annual holidays is applied during the signatory period of this Agreement.

The aforementioned limitation of scope does not prevent member unions in those agreement sectors, as well as other member unions of the Confederation of Finnish Industries EK, from signing up to this Agreement.

In a company that becomes a member of the aforementioned employer union in the middle of a holiday calculation reference year, the Agreement shall take effect at the beginning of the following holiday calculation reference year.

### 2. § Annual holiday pay and holiday compensation

1. The calculation principle of annual holiday pay and holiday compensation for employees is the average hourly earnings, which is calculated by taking the salary paid or due to the employee for the time at work in the holiday calculation reference work, not including additional payments above the basic salary for emergency work and overtime as defined in the law or the Agreement, and dividing it by the corresponding total number of hours worked.

2. The employer's annual holiday pay and holiday compensation is calculated by multiplying his average hourly earnings referred to in Section 1 by the multiplier in the opposite table determined by the number of holiday days of his average hourly earnings referred to in Section 5 and 6.1 of the Annual Holidays Act:

If the number of holiday days is greater than 30, the multiplier shall be increased by the figure per 7.2 holiday days.

In the event that the ordinary daily working hours in the holiday calculation reference year have been fewer than 8 hours, annual holiday pay and holiday compensation shall nevertheless be calculated correspondingly by multiplying by the average hourly earnings figure that results when the aforementioned 3 multipliers are multiplied by the proportion of regular working hours and the figure 40.



Number of days of holiday	multiplier
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

### **3. § Time comparable to being at work**

When determining the length of annual holiday, time off from work given to an employee to take part in a meeting of his own trade union or union council or union committee and similar administrative bodies shall be counted as equivalent to time at work. The sum of days worked for holiday calculation purposes shall also include leave granted to participate in a delegates' meeting of the Central Organisation of Finnish Trade Unions, or a meeting of its council. The employee must present an appropriate account of the time needed to participate in the meeting if requested to do so.

### **4. § Time at which the agreement takes effect**

This Agreement nullifies the holiday pay agreement concluded between the Confederation of Finnish Industries EK and the Central Organisation of Finnish Trade Unions SAK on 10 September 1990.

This agreement takes effect on the 1st day of April 2005, so that the agreement is applied to annual holiday, holiday pay and holiday compensation earned during the period of validity.

The Agreement can be terminated annually when the holiday calculation reference year comes to an end. In this case, termination must be submitted no later than by the end of September.

This agreement binds all member unions of the Confederation of Finnish Industries EK and the Central Organisation of Finnish Trade Unions SAK referred to in Section 1 of the Agreement that have not, before 1 May 2005, declared to the central unions party to the Agreement that they will opt out of the Agreement.

Helsinki, 21 March 2005

**In witness:**

Mikko Nyysölä    Jorma Rusanen

CONFEDERATION OF  
FINNISH INDUSTRIES EK Leif  
Fagernäs    Seppo Riski

CENTRAL ORGANISATION OF FINNISH  
TRADE UNIONS SAK reg. assoc. Lauri Ihalainen  
Lauri Lyly

## **I GENERAL PROVISIONS**

### **1. § General scope of application**

This Agreement covers the termination of a permanent employment contract for reasons caused by the employee and related to his person, termination of the employee, as well as the procedures to be followed when terminating or laying off employees for financial or production-related reasons. The Agreement does not cover

1. employment relationships referred to in the Seamen's Act (423/78),
2. or in the Act on Professional Training (630/98). **APPLICATION**

#### **GUIDELINE / GENERAL SECTOR OF APPLICATION**

The Agreement covers termination of primarily permanently valid employer relationships for reasons caused by the employee.

In addition to the cases explicitly mentioned in Section 1, the Agreement also does not cover:

1. The abolition of an employment contract on the basis of Sections 8:1 and 8:3 of the Employment Contracts Act.
2. Fixed-term employment contracts made on the basis of Section 1:3.2 of the Employment Contracts Act.
3. The abolition of an employment contract during the trial period on the basis of Section 1:4.4 of the Employment Contracts Act.
4. The termination of an employment contract for reasons linked to finances or production on the basis of Section 7:3-4 of the Employment Contracts Act.
5. Cases mentioned in Sections 7:5 and 7:7-8 of the Employment contract Act (Cessation of business, debt restructuring procedures, employer bankruptcy and death).

Disputes over the aforementioned cases that are not covered by the Contract shall be handled in a general court as specified in the Employment Contracts Act.

On the basis of this Agreement, it may be investigated whether the termination carried out on the basis of Section 7:3-4 of the Employment Contracts Act was actually due to reasons caused by the employee or related to his person, and whether the employer had sufficient grounds to terminate the employee on the grounds mentioned in Section 2 of the Agreement in cases where the employment contract has been abolished on the basis of Section 8:1.1 of the Employment Contracts Act.

Abolition of an employment contract during the trial period shall be subject to the procedural rules stated in Sections 9:1-2 and 9:4-5 of the Employment Contracts Act.

The procedural provisions contained in Chapters I, III and IV of the Agreement shall nevertheless also be followed when terminating or laying off employees for financial or production-related reasons.

## **2. § Grounds for termination**

The employer may not terminate an employee's contract without a proper and weighty reason in accordance with Section 7:1-2 of the Employment Contracts Act.

### **APPLICATION GUIDELINE:**

The provision corresponds to Section 7:1-2 of the Employment Contracts Act, which regulates the grounds for termination related to the employee's person.

In Section 7:2.2 of the Employment Contracts Act, reasons that may not be considered proper and weighty grounds for termination are listed separately.

A proper and weighty reason is seen as the type of reason dependent on the employee himself, such as negligence of work; breach of regulations given within the limits of the employer's right to manage work; unfounded absence; and manifest carelessness at work.

There has been further attempt to narrow down the content of the "proper and weighty" concept by listing some examples of cases in which the termination of an employment relationship may be permissible in accordance with the Agreement.

According to the Employment Contracts Act, when assessing the propriety and weightiness of grounds for termination, the seriousness of the negligence or breach of obligations flowing from the employment contract or the Employment Contracts Act are also of significance.

When assessing the propriety and weightiness of grounds for termination related to the employee's person, the employer's and employee's circumstances must be taken into account in their entirety. This means that the sufficiency of the grounds for termination must be assessed with a comprehensive evaluation of all factors pertinent to the case.

Reasons which make possible the abolition of an employment contract under the Employment Contracts Act are also seen as grounds for termination.

The content of grounds for termination of an employment contract are described in greater detail in the arguments of government proposal HE 157/2000.

### 3. § Periods of notice

The periods of notice observed by the employer are as follows:

Employment relationship has continued without interruption for a maximum of one year	Period of notice
more than a year but no more than 4 years;	14 days
more than 4 years but no more than 8 years;	1 month
more than 8 years but no more than 12 years	2 months
more than 12 years 6 months	4 months

The periods of notice to be observed by the employee are as follows:

The employment relationship has continued without interruption for no more than 5 years; for more than 5 years	Period of notice
	14 days
	1 month

#### APPLICATION GUIDELINE / DETERMINING THE DURATION OF AN EMPLOYMENT RELATIONSHIP

When calculating the duration of an employment relationship on which basis the period of notice is determined, attention shall be paid only to the time in which the employee has been in the uninterrupted employment of the employer in the same employment relationship. For example, cessation of business, maternity or parental leave as well as childcare leave, military duty or study leave do not suspend the employment relationship.

In addition to whether the employment relationship was uninterrupted, one must establish which time accumulates as the duration of the employment relationship which in turn lengthens the period of notice. With regard to military duty, this is only the time in which the employee has been in the service of the employer for a single stretch before undertaking military duty in line with Conscription Act (452/1950), as well as the time thereafter, providing the employee has returned to work in accordance with the aforementioned Act. Thus, the duration of the employment relationship does not include the actual time of military service.

#### CALCULATING TIME QUANTITIES

There are no special rules on calculating time quantities in labour legislation, nor provisions in collective agreements. The calculation rules for time quantities in the Act on Calculating Regulated Time Quantities (150/30) are followed when calculating time quantities that are in established use in employment relationships, such as periods of notice etc. When calculating time quantities contained in the Collective Agreement for Protection Against Unilateral Termination, the following rules shall be observed unless agreed otherwise.

1. If the quantity of time is some number of days following a specific date, the amount of time shall not include the day on which the measure was carried out.

**Example 1**

If the employer lays off an employee under the 14-day layoff notification period on 1 March, the first layoff day shall be 16 March.

2. Time quantified in weeks, months or years following a specified date concludes on the day of the quantity week or month that corresponds in name or order number to the specified day. If the corresponding day is not in the month in which the quantity of time would finish, that month's final day shall be considered the concluding day of the quantity of time.

**Example 2**

In the event that the employer terminates an employee whose employment relationship has continued uninterrupted for more than 4 but no more than 8 years and whose period of notice is thus 2 months on 30 July, the final day of the employment relationship shall be 30 September. If the aforementioned employee's termination occurs on 31 July, the employment relationship's final day shall be 30 September, because there is no corresponding day in terms of its serial number in September on which the quantity of time would end.

Although, in termination, the quantity day or the last day of the quantity time may fall on a holiday, on Independence day, on May Day, Christmas or Midsummer Eve or on a weekday Saturday, the specified day shall nevertheless be the day on which the employment relationship concludes.

**CONCLUSION OF THE PERIOD OF NOTICE AND A FIXED-TERM CONTRACT**

In cases in which the employee's contract has been terminated for financial or production-related reasons and in which work is available after the end of the period of notice, a fixed-term contract may be concluded with the employee for the purposes of carrying out the remaining work.

**4. § Failure to observe periods of notice**

An employer who has terminated an employment contract without observing the period of notice must pay the employee compensation of full pay for time corresponding to the period of notice.

The employee who has failed to observe the period of notice is obliged to provide the employer with lump sum payment in compensation corresponding to the salary for the period of notice. The employer may withhold this amount from the final pay of the employee, while observing the limitations on employer invoicing regulated in Section 2:17 of the Employment Contracts Act.

If observance of the period of notice has been neglected only in part, the obligation for compensation shall be limited to the salary corresponding to the part of the period of notice that has gone unobserved.

**APPLICATION GUIDELINE:**

Cases of breach referred to in the agreement section have to do with negligence by one contractual party. In this case, salary shall be calculated in line with the salary regulations for sickness periods in the sector-specific collective agreement.

No intervention has been made in this connection in cases in which the employee is forced to remain without work as the employment relationship continues. In this case, the sector-specific collective agreement's provisions and practice shall apply.

**5. § Notification of termination**

Notification of termination of an employment contract must be submitted to the employer or its representative or to the employee personally. If this is not possible, notification can be delivered by letter or electronically. Such notification shall be seen as having come to the recipient's attention no later than seven days after the notification has been sent.

When the employer is on annual holiday in accordance with the law or the Agreement, or on time off from work of at least two weeks given to balance out working hours, termination based on notification given by letter or electronically shall nevertheless be seen as delivered on the day following the end of the holiday or time off at the earliest.

**6. § Notification of the grounds for termination**

At the employee's request, the employer must notify him without delay in writing of the day on which the employment contract concludes as well as the reasons for termination known to him, on the basis of which the employment contract has been terminated.

## **II TERMINATION FOR REASONS TO DO WITH THE EMPLOYEE**

### **7. § Scope of application**

In addition to what has been stated above, the provisions in this chapter shall be observed in terminations occurring for reasons based on the employee.

### **8. § Giving notice**

Notice of termination must be given within a reasonable amount of time after the reason for the termination has come to the employer's attention.

### **9. § Employee hearing**

Before giving notice, the employer must reserve an opportunity for the employee to have a hearing on the reasons for the termination. The employee is entitled to use an assistant when being given a hearing.

#### **APPLICATION GUIDELINE:**

The assistant referred to in Section 9 of the Agreement means, for example, the employee's own local union representative or work colleague.

### **10. § Processing by a Labour Court**

If no agreement has been reached in a dispute concerning the termination of an employment contract, the employer and employee unions may forward the matter to the Labour Court to be resolved there. A plaint in accordance with Section 15 of the Act on the Labour Court (646/74) must be submitted to the Labour court within two years of the conclusion of the employment relationship.

### **11. § Arbitration**

A dispute concerning a termination of an employment contract may be forwarded for resolution by an arbitrator in the order specified in the Act on the Labour Court (646/74).



## **12. § Compensation for unfounded termination of an employment contract**

An employer that has terminated its employee in a manner that goes against the grounds for termination specified in Section 2 of this Agreement, is obliged to compensate the employee for the unfounded termination of the contract.

## **13. § Amount of compensation**

Compensation must amount to a minimum of three and a maximum of 24 months' salary.

When determining the size of compensation, the following shall be taken into account: the estimated duration of being left without work and the loss of earnings, the duration of the employment relationship, the employee's age and opportunities to gain employment corresponding to his profession or training, the employer's procedures in concluding the employment contract, the role of the employee himself in giving cause for the employment contract to be terminated, the employee's and employer's circumstances generally, as well as other comparable factors.

The proportion of daily unemployment benefits must be reduced from compensation paid to the employee in the manner regulated in Section 12:3 of the Employment Contracts Act.

The employer may not be sentenced to pay compensation referred to in this paragraph in addition to compensation for damages in accordance with Section 12:2 of the Employment Contracts Act, nor in place of it.

### **APPLICATION GUIDELINE:**

Reduction of the proportion of daily unemployment benefits concerns compensation insofar as it is compensation to the employee before the lost salary benefits resulting from unemployment declared or awarded by the Court's sentence. The amount of the reduction is, as a rule, 75 per cent of the earnings-weighted daily unemployment benefit, 80 per cent of the basic daily allowance, and labour market support in its entirety. The reduction of compensation may be smaller than that mentioned above, or there may be no reduction, if it is moderate when taking into account the amount of compensation, the employee's financial and social circumstances and his perceived infringement.

If an agreement is made in a matter concerning the employer's obligation to compensate for the unfounded termination of an employment contract, the agreed compensation must also be reduced as agreed in the paragraph above.

### **III LAYOFF**

#### **14. § Layoff**

When laying off an employee, the minimum period of notice must be observed, and the layoff may occur for a fixed period or indefinitely.

The employer and the employee may, when the employment relationship lasts some time, agree on a layoff notification period and layoff implementation procedure when it is an issue of fixed-term layoff in cases following Section 5:2.2 of the Employment Contracts Act.

If the layoff has occurred indefinitely, the employer must provide notification of the beginning of work at least one week earlier, unless agreed otherwise.

Layoff does not impede the employee from taking other work during the layoff period. The retention of the housing benefit during the layoff period is regulated in Section 13:5 of the Employment Contracts Act.

#### **APPLICATION GUIDELINE:**

The Agreement does not concern grounds for layoff; rather, they are determined in accordance with the law. The duration of layoff is not limited in the Agreement.

#### **15. § Preliminary explanation**

The employer must provide the employee with a preliminary explanation based on the information at his disposal regarding the reasons for the layoff as well as its estimated scope, manner of implementation, date of commencement and duration. If the layoff affects several employees, the explanation can be given to the local union representative or to the employees jointly. The explanation must be presented without delay after the need for layoff comes to the employer's attention. After the explanation has been given and before the layoff is announced, the employer must reserve an occasion for the employees or the local union representative to be given a hearing on the provided explanation.

It is not necessary to present the preliminary explanation if the employer must, in accordance with an act other than the Employment Contracts Act, on the basis of another agreement, or of another provision binding him, present a similar explanation or negotiate with the laid off employees or the local union representative.

## **16. § Notification of layoff**

The employee must give notice of layoff to the employee personally. If notification cannot be delivered personally, it may be delivered by letter or electronically observing the notification period specified in Chapter 1-2 of Section 16 mentioned above.

The notification must mention the reason for the layoff, the time at which it begins, and the duration or estimated duration.

At the request of the employee, the employer must give a written statement of the layoff which makes clear at least the reason for the layoff, the time at which it begins, and the duration or estimated duration.

The obligation to notify referred to in Chapter 1-2 of Section 14 above does not exist, however, if the employer does not have an obligation covering the entire layoff period to pay the employee salary due to the absence of other work or in which the impediment to working is the result of cases referred to in Section 2:12.2 of the Employment Contracts Act.

#### **EXCEPTIONS IN THE QUANTITY TIMES OF A NOTIFICATION OF LAYOFF**

In cases referred to in Subsection 2 of Section 2:12 of the Employment Contracts Act, the employer's obligation to pay salary is determined according to the law. In this case, the employer is not obliged to provide a separate layoff notification when ceasing to pay salary.

The Agreement also includes a mention of the lack of necessity of a layoff notification in cases where he "does not have an obligation covering the entire layoff period to pay the employee salary due to the absence of other work". In the government proposal on the Employment Contracts Act, family leave, study leave and military duty are mentioned as examples of this type of absence. On the other hand, there is no impediment to provision of notice of layoff also in these cases. If during the layoff period the employee declares his return to work at an earlier than predicted time before the conclusion of layoff, the employer must nevertheless provide him with a notification of layoff.

#### **THE EMPLOYER'S OBLIGATION TO COMPENSATE IN CERTAIN EXCEPTIONAL SITUATIONS**

According to the Agreement, layoff may take place for either an indefinite or fixed period with the employment relationship in other respects remaining in force.

When the layoff occurs on an indefinite period, no maximum time has been set for its duration. During the layoff period, the employee has the right to terminate the employment relationship regardless of its duration without a period of notice. If the time at which the layoff ends is known to the employee, this right does not exist in the seven days preceding the end of layoff.

If the employer terminates the employment contract of a laid off employee so that it ends during the layoff period, the employee is entitled to be paid his salary for the period of notice. The employer may reduce the salary paid in the period of notice by 14 days' worth of salary if the employee has been laid off using a layoff period of notice of more than 14 days in accordance with the law or Agreement. Compensation shall be paid by salary payment period, unless agreed otherwise.

If the employee terminates his employment contract after layoff has lasted without interruption for at least 200 days, he shall have the right to receive his salary for the period of notice in compensation, as agreed in the paragraph above. Compensation shall be paid on the first normal employer salary payment day following the end of the employment contract, unless agreed otherwise.

In cases where an employee dismissed because there is too little work is laid off during the period of notice for this reason, the employer's salary payment obligation shall be determined in line with the same principles.

The prerequisites for receiving severance pay shall be seen as beginning on the day the employment relationship ends.

#### **EXCEPTIONAL LAYOFF SITUATIONS**

##### **1. Cancellation of layoff**

In the event that the employer finds new work during the layoff notification period, it shall be able to declare the layoff to be cancelled before it has begun. In this case, the validity of the notification of layoff is removed and future layoff processes must be based on new layoff notifications.

##### **2. Transferral of layoff**

The work that appears during the layoff notification period may, however, be temporary in nature. In this case, cancelling the layoff outright is not possible; rather, the date on which the layoff begins can be moved to a later date. Layoff may be transferred for this reason just once without issuing a new layoff notification, and for no more time than the duration of the work that appears during the layoff notification period.

##### **Example:**

After the employer issues notification of layoff on 2 April 2001 with layoff to begin on 17 April, he finds 7 days' worth of new work on 10 April 2001.

The employer may move the date on which the layoff begins 7 days forward to 24 April 2001 without having to issue a new notification of layoff.

##### **3. Interruption of layoff**

The employer may receive temporary work after the layoff has already begun. Interruption of the layoff, in the event that the employer intends to continue the layoff without a new notification immediately after the work has been completed, should be based on an agreement between the employer and the employee. This sort of agreement should be made before the work begins. At the same time the estimated duration of the temporary work should be established.

The procedures presented above concern only the relationship between the employer and the employee, and take no stance on the rules of laws covering unemployment protection.

#### **LAYOFF AND SHORTENED WORKING HOURS**

The provisions on layoff procedures cover both ordinary layoff (complete suspension of work) and so-called collective transferral to shortened working hours. Thus, the Agreement's provisions on the preliminary explanation and the layoff notification periods shall also be followed when transferring to a shortened working week, unless agreed otherwise.

Several collective agreements contain provisions on changing the working hour system. These cases typically involve working hour arrangements within the framework of working hours followed in a sector or company, and these cases are not comparable with a move to shortened working hours.

In a notification procedure to be followed when transferring to shortened working hours has been specified in the collective agreement, this provision shall overrule the provisions of any agreement between the central organisations.

#### **NOTIFICATION OF THE BEGINNING OF WORK**

If the layoff has occurred indefinitely, the employer must provide notification of the beginning of work at least seven days earlier, unless agreed otherwise. In this case, the employee has the right to terminate an employment contract concluded with another employer for the layoff period with a period of notice of five days, regardless of the contract's duration. Notification as stated in the provision is not necessary when the employee has been laid off for a fixed period.

#### **OTHER WORK DURING THE LAYOFF PERIOD**

According to the Agreement, layoff does not prevent an employee from taking on other work during the layoff period.

If the employee has taken on other work for the layoff period after the layoff has been notified but before he has been notified of a cancellation or transferral of the layoff, he shall not be obliged to compensate the employer for any possible damages resulting from this. In such a case, the employee is obliged to return to work as soon as possible.

#### **DWELLING DURING THE LAYOFF PERIOD**

According to the Agreement, in retaining the living accommodation benefit during layoff, the rules in Section 13.5 of the Employment Contracts Act shall be applied. According to this rule, the employee is entitled to use a dwelling given to him as a salary benefit during the time in which work has been suspended for an acceptable reason, such as layoff. However, the employer is entitled to collect compensation from the employee for the use of the dwelling at the beginning of the second calendar month following the end of the salary payment obligation. The compensation may be no more in square metres than the amount confirmed in the Housing Allowance Act (408/1975) as moderate maximum housing costs per square metre. Collection of compensation must be notified to the employee no later than a month before the beginning of the payment obligation.

## **IV MISCELLANEOUS PROVISIONS**

### **17. § Labour reduction arrangements**

In the case of a termination or layoff resulting from reasons not caused by the employee, as circumstances permit a rule must be applied according to which the highly skilled professionals important to the company's operation and those who have lost some of their capacity to work in work of the same employer shall be terminated or laid off last, and that, in addition to this rule, attention shall be paid to the duration of the employment relationship and the amount of the employee's maintenance obligation.

In disputes concerning labour reduction arrangements, the complaint times agreed in Section 10 shall apply.

#### **APPLICATION GUIDELINE:**

The provision does not nullify the provisions of the EK-SAK collective agreement concluded in 1997. Consequently, the provisions in the aforementioned agreement and referred to in Section 7:9 of the Employment Contracts Act concerning protection against unjustified termination for special groups take precedence over the provision in Section 17 of this Agreement.

### **18. § Notification of the local union representative and the labour authorities regarding termination or layoff**

If a reduction of labour or a layoff for financial or production-related reasons is under way, the relevant local union representative shall be notified of it. If the measure concerns at least ten employees, notification must also be given to the labour authorities, unless the employer has similar obligation based on another law.

### **19. § Taking back employees**

The employer must offer work to its former employees who were terminated for production-related or financial reasons or in connection with a debt restructuring and who are still seeking work at an employment office, if it requires employees within 9 months of the conclusion of the employment relationship for the same or similar tasks that were carried out by the employees.

**APPLICATION GUIDELINE:**

The employer shall fulfil its obligation by inquiring at the local employment office about whether the terminated employees are seeking work through it. "Local employment office" means the employment office in the locality in which area the work is on offer. After the employer has turned to the employment office, the office will issue a labour order on the basis of the inquiry and establish whether employees referred to in Section 19 of the Agreement are job seekers. At the same time it should be established whether there are employees who are still unemployed job seekers and who, after a layoff period lasting more than 200 days, have terminated their employment relationship on the basis of Subsection 3, Section 5:7 of the Employment Contracts Act. The employer shall be notified of the job seekers and the former employees shall be given notification of employment in the ordinary manner.



## **20. § Sanction system**

In addition to that agreed in Paragraph 4, Section 13 of the Agreement, the employer cannot be sentenced, in addition to the compensation referred to in the Agreement, to pay a fine in accordance with Section 7 of the Employment Contracts Act insofar as this concerns a breach of obligations based on the Collective Agreement but ones identical to those for which compensation in accordance with the Agreement has been determined.

Failure to observe procedural regulations shall not cause compensatory fines referred to in the Collective Agreement. Failure to observe the regulations shall be taken into account when determining the size of compensation sentenced for unfounded termination of the employment contract.

In other respects, previously established practice shall be observed with respect to the sanction system.

## **21. § Provision on when the agreement takes effect**

This Agreement takes effect 1 June 2001 and is valid indefinitely with a period of notice of six months.

The agreement was negotiated in a working group in which union branch head Kirsti Palanko-Laaka and acting lawyer Jorma Rusanen have represented SAK, and deputy judge Hannu Rautiainen and deputy judge Ismo Äijö have represented EK.

Helsinki, 10th day of May 2001

CONFEDERATION OF FINNISH INDUSTRIES EK  
Johannes Koroma Seppo Riski Lasse Laatunen

CENTRAL ORGANISATION OF FINNISH TRADE UNIONS SAK  
Lauri Ihalainen Kirsti Palanko-Laaka

PROTOCOL OF SIGNATURE

10 May 2001

EK's office, Eteläranta 10

Johannes Koroma	EK
Lasse Laatunen	EK
Seppo Riski	EK
Hannu Rautiainen	EK
Lauri Ihalainen	SAK
Kirsti Palanko-Laaka	SAK
Jorma Rusanen	SAK

1. It was agreed that the protocol shall be examined in this meeting and that all participants shall sign it.
2. The EK-SAK agreement on protection against unjustified termination was approved and signed, and it was noted that it takes effect on 1 June 2001.  
It was observed that the undersigned agreement on protection against unjustified termination nullifies the collective agreement concerning protection against unjustified termination and layoff of 14 June 1991 along with its application guidelines, as well the changes later made to the agreement and to the application guidelines.
3. It was noted that the agreement binds all member unions of those central organisations that have not declared that they will opt out of the agreement by 28 May 2001 at the latest.
4. It was recorded that the agreement was negotiated in a working group comprising Hannu Rautiainen and Ismo Äijö from EK as well as Kirsti Palanko-Laaka and Jorma Rusanen from SAK.

**In witness:**

Hannu Rautiainen Jorma Rusanen

**Examined:**

Lauri Ihalainen Johannes Koroma  
Kirsti Palanko-Laaka Seppo Riski Lasse  
Laatunen

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