

PROTOCOL OF SIGNATURE FOR THE COLLECTIVE AGREEMENT FOR SENIOR SALARIED EMPLOYEES IN THE FINNISH CHEMICAL INDUSTRY FOR 11 FEBRUARY 2020–31 JANUARY 2022

Date 24 February 2020

Venue Chemical Industry Federation of Finland, Eteläranta 10, Helsinki, Finland

Present **Chemical Industry Federation of Finland**

Minna Etu-Seppälä
Juha Teerimäki

The Federation of Professional and Managerial Staff (YTN)

Teemu Hankamäki
Petteri Oksa
Mia Adolfsson
Matti Andstörn

1 Agreement period

It was noted that the federations that are the parties to the matter have on 11 February 2020 reached a negotiation result on the collective agreement for senior salaried employees in the Finnish chemical industry for 2020–2022. As of 11 February 2020, the new collective agreement replaces the approved protocol between the parties for the period 1 December 2017–30 November 2020. This collective agreement will remain in force from 11 February 2020 until 31 January 2022, and from 31 January 2022 for one year at a time, unless a written notice of termination is served by either party no later than two months before said termination takes effect.

2 Salary adjustments for 11 February 2020–31 January 2022

2.1 Negotiation on the salary settlement and its grounds

The salary settlement is negotiated locally, while taking the company's or workplace's financial situation, order book, employment situation and cost competitiveness into account. The employer will deliver the required information about the company's or workplace's financial situation, order book, employment situation, cost competitiveness and their anticipated development to the shop steward well in advance before the local negotiations are started. It is appropriate to deliver also information concerning the grounds of the proposal on the salary settlement as a basis for the negotiations.

The objective of the local salary negotiations is to find a salary settlement which supports the financial situation, order book, employment situation and cost competitiveness of each company or workplace. The goal for the wage formation is to encourage employees

Protocol of signature

to develop their competence and, through their actions, to contribute to the development of profitability and well-being at work in the company in line with the set objectives.

2.2 Local salary settlement

Items to be agreed on in the local salary settlement include the implementation method, schedule and amount of the salary adjustments. The agreement is concluded with the shop steward or, if a shop steward has not been elected, with senior salaried employees in a manner mutually agreed by them. The agreement will be made for the year 2020 in writing by 15 March 2020 and for the year 2021 by 15 February 2021, unless an extension is mutually agreed.

To prepare for negotiations, the employer will calculate the amount of a company or workplace-specific item as follows: The wage increase 2020 of the sum total of the personal hourly or monthly wages of the senior salaried employees belonging to the scope of application of the collective agreement will be calculated for 2020 in January 2020 and for 2021 in January 2021.

2.3 Implementation method of salary adjustments, unless a local salary settlement

Year 2020

If a local salary settlement is not reached, the salaries will be increased by a general increase of 1.3% on 1 April 2020 or at the beginning of the pay period starting after it.

Year 2021

If a local salary settlement is not reached, the salaries will be increased by a general increase of 1.0% on 1 March 2021 or at the beginning of the pay period starting after it.

Furthermore, as of 1 March or from the start of the salary pay period beginning soonest thereafter, a company and workplace-specific instalment is also used for the pay increase of senior salaried employees in a manner determined by the employer. The amount of the instalment is 1.0% calculated from sum total of the personal hourly or monthly wages, which have been paid in January 2021, of senior salaried employees covered by the collective agreement.

Information to be given to the shop steward

The shop steward has the right to receive, within a reasonable time after the salary adjustment, a clarification on the allocation of the locally agreed salary settlement or a salary settlement implemented by the employer. The clarification must state the number of senior salaried employees, the number of employees who have received the increase, the amount of an average increase and the total amount of wage increases of senior salaried employees (the amount of the salary of the senior salaried employees before and after the increase). The clarification will be provided without disclosing the salary information of an individual senior salaried employee.

2.4 Possible adjournment of the date of salary adjustments

If it is locally agreed on the adjournment of the salary adjustments with the shop steward, an agreement must be made in the same context concerning compensation of any loss

Protocol of signature

of earnings caused by the change with a corresponding non-recurring payment. The difference will be paid at the latest as of the date of implementing the wage increase. If companies implement wage increases on a schedule that differs from that of the salary increases in the collective agreement, a local agreement can be made to take them into account when implementing salary increases based on the collective agreement. In that case, the senior salaried employee must be informed that the increase also includes the increase based on the collective agreement. The agreement must be made in writing for the year 2020 increases by 31 March 2020 and for the year 2021 by 28 February 2021.

3 Changes in wording as of 11 February 2020

3. Right to manage

A new regulation is added, based on which the 5-day period for giving a negotiation proposal is included in the negotiation period of 6 weeks and 14 days as follows:

Giving the negotiation proposal and fulfilling the cooperation obligations:

“When a company belonging to the scope of application of the Act on Co-operation within Undertakings is considering giving notice of termination to the employee, laying off or placing them on part-time employment due to financial or production-related reasons or reasons resulting from the reorganisation of the employer's operations, the cooperation obligations are deemed, in deviation from the regulations on giving the negotiation proposal and fulfilment of the duty to negotiate under section 8 of the Act on Co-operation within Undertakings, to have been met when the matter has been addressed in the cooperation procedure, after a written proposal for negotiations has been made, for 14 days or six (6) weeks, unless another negotiation period has been agreed.

The Act on Cooperation within Undertakings is not part of the collective agreement.”

4. Salary

New section concerning the salary for part-time work is added as follows:

“When calculating the salary payable for part-time work, the hourly rate shall be determined by dividing the monthly salary by the number of regular working hours for the month in question in accordance with the working hours adjustment plan. A corresponding number of hours worked may also be used to compensate for absence from work. If the absence is compensated for by working an equal number of hours, these hours are deemed as regular working hours and no compensation for overtime is paid.

Application instructions:

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

Protocol of signature

If the absence is not compensated for by working an equal number of hours, the following procedure shall be followed:

day or hour of absence

- the regular working days/hours included in the month in accordance with the system for averaging working hours are calculated
- the monthly salary is divided by the number of working days/hours to derive the salary for a day/hour of absence
- the salary for the day/hour of absence is deducted from the monthly salary = the part-time salary

5. Working time regulations

A new paragraph concerning weekly time off is added as follows (the purpose is to keep the prevailing interpretation and application of the Working Hours Act):

“For weekly time off, the provisions of the Working Hours Act that has been in force since 31 December 2019 will be applied also in the future. Weekly time off is also deemed to be implemented when the weekly time off is divided between two weeks, as long as the most part of the weekly time off is taken during the week intended for the weekly time off.”

Paragraph 3 is reworded as follows:

Overtime shall be governed by sections 16 and 17 of the Finnish Working Hours Act, and overtime compensation shall be governed by sections 20 and 21 of said Act. The amount of the overtime compensation can be agreed differently locally on a case-by-case basis. A request from the employer and the consent of the employee shall be required for overtime work.

Note:

The purpose of the amendment to paragraph 3 is not to change the opportunity of locally agreeing on compensating possible overtime and Sunday work in accordance with section 5.

Paragraph 4 is reworded as follows:

In deviation from provision on the flexible working hours of the Finnish Working Hours Act, the employer and shop steward can locally agree on lengthening or shortening the flexible time by more than four hours and the maximum accrual so that the maximum accrual can be 120 hours. The follow-up period for the flexible working hours is one calendar year, unless otherwise locally agreed.

Paragraph 6 is reworded as follows:

The maximum tracking period for the working hours of senior salaried employees is a calendar year in accordance with section 18 of the Working Hours Act. A calendar year can be used as the tracking period for maximum overtime until 31 December 2020.

Protocol of signature

New paragraph 9 is added:

Flexible working hours

When agreeing on flexible working hours defined in the Working Hours Act, it will be taken into account that the working hours during flexible work are averaged out to the annual working hours set out in the collective agreement. The averaging period in flexible working hours is 26 weeks, unless otherwise agreed locally. Working hours-related compensation is not paid for the duration of flexible work to the extent that the salaried employee may decide on the timing of working hours and the working place.

Current section 5.1 Implementation of the 24-hour extension of working time in accordance with the Competitiveness Pact from 1 January 2017 is removed and replaced with new section 5.1 Deviation from the working time regulations as follows:

5.1 Deviation from the working time regulations

Based on local collective bargaining

The working hours regulations defined in section 5 of the collective agreement and employment contract regulations may be deviated from by local agreement. However, the parties to the agreement must, in all cases, observe the mandatory provisions of the Working Hours Act.

When planning the arrangement, the need for the arrangement, benefit for the company and working hour needs of the parties to the agreement must be discussed and the implementation method and compensation must be agreed. If the placement of working hours on a public holiday is agreed locally, the Sunday bonus in accordance with the Working Hours Act shall not be paid for the public holiday, unless otherwise agreed. The purpose of the a locally agreed arrangement is to promote working hours solutions that will support the productivity and competitiveness of the company while paying attention to the personal working hours needs of senior salaried employees.

By an assignment of the employer

The employer can, without prejudice to section 5 of the collective agreement and employment contract and in addition to what has been agreed in them, assign a maximum of 16 regular working hours to each senior salaried employee during one calendar year. The work is assigned in situations justified and required by production needs. The working hours may not be assigned to public holidays or to Saturdays of public holiday weeks. Basic rate in addition to the monthly wage shall be paid for the additional regular working hours. A senior salaried employee has the possibility, for appropriate and weighty personal reasons, to decline the changes in working hours according to this paragraph on a case-by-case basis.

Training and development opportunities

In addition to the regular annual working hours, the employer may direct senior salaried employees to additional, in-service, equipment, work well-being or safety training necessary for the performance of work or arrange development events for the improvement of

Protocol of signature

productivity, efficiency and quality at workplace or at a place determined by the employer at maximum 8 hours per calendar year.

This time is deemed regular working hours that can be required in addition to the regular annual working hours agreed in the collective agreement. A basic rate compensation will be paid for the duration of the training or a development event.

Training and development events can be implemented so that the working day is prolonged by the duration of the training or a development event, however, at maximum by two hours per day. Training or a development event may also be carried out as a whole day. Training or a development event may not be arranged on mid-week holidays.

6. Annual holiday, holiday pay and holiday bonus

Paragraph 5 is reworded as follows (a new sentence is added at the end of the paragraph):

“Unless otherwise agreed locally, the holiday bonus shall be 50 per cent of the pay for the annual holiday. Unless otherwise locally agreed, the holiday bonus shall be paid no later than the company’s next regular salary payment day following the holiday. Holiday bonus may also be paid for the entire staff group at the same time.

Application instructions:

The company shall decide the payment date of the holiday bonus if the holiday bonus is paid for the entire staff group at the same time.”

8.2 Maternity, paternity and parental leave

New paragraph 4 is added:

“The maternity and paternity leave pay may also be paid as a complementary wage, in which case the employer pays the difference between the salary and the maternity/paternity allowance. A condition for the payment of the difference is that the employee provides a clarification on the amount of the maternity/paternity allowance.”

9. Shop steward

New paragraph 12 concerning the protection of candidates for the position of shop steward is added with the following content:

“These regulations on security of employment shall also be applied to a candidate for the position of shop steward at the workplace whose candidacy has been announced to the employer of in writing. Protection of candidates shall nevertheless begin no sooner than three months before the start of the term of office of the shop steward to be elected, and shall expire with respect to a candidate who is not elected when the outcome of the election has been verified.”

The annual information on the number of concluded flexible work agreements is added to the information provided for the shop steward.

Notes to the Protocol of Signature

4 Continuous negotiation

The aim of continuous negotiation is to promote cooperation at workplaces, develop employment and productivity in the industry, prepare amendments to collective agreements during the agreement period and prepare joint application guidelines for situations considered difficult at workplaces.

The parties shall follow the principle of continuous negotiation during the agreement period so that various themes are negotiated and solutions are sought during the agreement period. Other matters may also be negotiated if either of the parties so proposes.

Changes to the text of the collective agreement agreed in the negotiations shall be approved by the governing bodies of the parties, and they shall enter into force on a separately agreed date.

5 Well-being at work

Well-being at work includes the goals, purpose and content of work, leadership that recognises and aligns the varying needs, resources and strengths of the work community and individuals, as well as management of skills within the working community to guide the business operations towards success.

The “Hyvää huomista” well-being programme launched jointly by the parties to the agreement in 2010 is an established tool promoting well-being in the industry. The development measures to be taken within the programme can include any development of work, working methods, working community, processes, working environment or productivity which is carried out in cooperation and has a positive impact on the programme goals. A working group appointed by the employer and employee federations will select the joint development themes while looking for new perspectives, ideas and concrete tools for companies to promote well-being at work and to increase productivity by building on previous experiences gained in the “Hyvää huomista” programme.

The parties to the agreement encourage workplaces to take systematic and determined measures to develop well-being at work and productivity and to make use of the services offered by and results gained in the “Hyvää huomista” programme as well as other materials jointly provided by labour market organisations – such as the Job Life Cycle Model published by the central organisations.

The parties to the agreement find it important that sufficient attention, in a manner assessed company-specifically, is paid to the recovery after travelling of those senior salaried employees whose work involves frequent travelling.

6 Periodic work

The federations shall monitor the experiences of the possible adoption of periodic work and the functioning of the working hours model during the agreement period. If the parties to the agreement do not unanimously agree on the continuation of the provision, the provision shall not be renewed when the collective agreement is renewed. The aim is to agree on the continuation of the provision before the actual negotiations on the renewal of the collective agreement.

7 Personnel and training plans

The federations stress the importance of examining the individual training needs of senior salaried employees in the course of performance appraisals or corresponding reviews.

Preparing a training plan based on future change needs and implementing it promote flexibility, innovation, longer working careers and the employment of salaried employees.

8 Joint training of trade unions

During the agreement period, the federations will prepare and plan a joint training of trade unions and training material for 2020–2021.

9 Working group

Common instructions in the event of inappropriate treatment or harassment

The federations will appoint a working group, the task of which is to prepare a guideline in the event of inappropriate treatment or harassment by 31 December 2020. The guideline will pay attention, for example, to

- identifying situations
- various parties' liabilities to prevent inappropriate treatment or harassment
- procedures to clarify situations
- legislation regulating the subject matter

A working group analysing the implementation methods of the wage increases

The federations will appoint a working group, the task of which is to familiarise themselves with the needs of the companies in the industry and, by 14 May 2021, assess and develop a future wage increase model suitable for senior salaried employees, which will serve, among other things, the encouraging pay policies, cost competitiveness, financial situation and productivity of the companies. The working group utilises the expertise of the representatives of the companies and shop stewards as well as the practices of other industries.

10 Giving the negotiation proposal and fulfilling the cooperation obligations

The references to applicable law mentioned in section 3 Giving the negotiation proposal and fulfilling the cooperation obligations are of an informative nature in terms of the section references.

11 End of the agreement period

The collective agreement will remain in force until 31 January 2022, and thereafter for one year at a time unless either federation has terminated it in writing no later than two months before the agreement expires.

The regulations of this collective agreement shall remain in force pending negotiations for a new collective agreement, until the new agreement is concluded or the negotiations have ended.

12 Approval of the negotiation result

The entry into force of the agreed amendments is subject to processing and approval by the governing bodies of the parties.

13 Signing the negotiation result

The conclusion of a negotiation result is certified with the signatures of the negotiators.

CHEMICAL INDUSTRY FEDERATION OF FINLAND

Minna Etu-Seppälä

Juha Teerimäki

THE FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF (YTN)

Teemu Hankamäki

Petteri Oksa

Mia Adolfsson

Matti Andström

Protocol of signature

Appendix: Trainee programme for the young
The Appendix is not part of the collective agreement

CHEMICAL INDUSTRY FEDERATION OF FINLAND
THE FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF (YTN)

PROTOCOL

6 February 2020

Summer trainee programme for the young for 2020–2021

The Chemical Industry Federation of Finland KT and the Federation of Professional and Managerial Staff (YTN) want to do their part in supporting the opportunities of comprehensive school, upper secondary school, 10th grade and preparatory education pupils to learn about the working life by participating in the ***Tutustu työelämään ja tienaa ("Learn and earn")*** summer trainee programme.

The purpose of this summer trainee programme is to provide the youth with experiences in the industry's operations, tasks, staff structure and cooperation models as well as opportunities offered by the industry and to give the youth an opportunity to perform practical work that suits them. Applications for the summer traineeships are submitted directly to companies.

Therefore, the parties to the agreement have agreed the following:

1. The provisions below shall apply to comprehensive school, upper secondary school, 10th grade and preparatory education pupils whose employment relationship is based on the ***Tutustu työelämään ja tienaa ("Learn and earn")*** summer trainee programme.
2. The employment relationship in accordance with the summer trainee programme lasting two weeks or ten working days can be placed between 1 June and 31 August in 2020–2021. A young person may have several traineeships pursuant to this recommendation with the same employer in each year.
3. The wage paid for the completion of the Tutustu työelämään ja tienaa ("Learn and earn") summer trainee programme is a non-recurrent sum of **EUR 360** in 2020 and 2021. The wage includes the holiday compensation accumulated during the traineeship. Statutory social security contributions are deducted from the wage according to the age of the person.
4. The provisions concerning the salaries, salary determination criteria and other benefits with a monetary value defined in the existing collective agreement shall not be applied to persons whose employment relationship is based on the summer trainee programme referred to in this protocol. The provisions of the collective agreement concerning the working hours shall also not be applied to them, excluding the regular working hours length, if the provisions were to complicate the practical implementation of the summer trainee programme.

Helsinki, 6 February 2020

Chemical Industry Federation of Finland

The Federation of Professional and Managerial Staff (Ytn)

Minna Etu-Seppälä

Petteri Oksa

Mia Adolfsson

Juha Teerimäki

Matti Andström