

**Collective bargaining agreement for senior salaried  
employees in the consulting sector  
15 November 2017 – 31 October 2020**

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## PROTOCOL REGARDING THE RENEWAL OF COLLECTIVE AGREEMENT

<b>Date</b>	15 November 2017	
<b>Venue</b>	Federation of Finnish Technology Industries, Helsinki	
<b>Attending</b>	Federation of Finnish Technology Industries	Federation of Professional and Managerial Staff (YTN)
	Jorma Turunen	Heikki Kauppi
	Eeva-Liisa Inkeroinen	Hanna Huotari
	Jarkko Ruohoniemi	Satu Tähkäpää
	Janne Vuorenpää	Heta Ravolainen-Rinne
	Tomi Haapman	

### Section 1

#### Signing of collective agreement

It was agreed that the agreement corresponding to the negotiated settlement reached on 1 November 2017 will enter into force at signing, on 15 November 2017.

Changes to the contents of the agreement will take effect on 15 November 2017, unless otherwise agreed in the respective part of the agreement. The provisions of the agreement expiring on 31 October 2017 will be followed until the entry into force of the changes.

### Section 2

#### Salary settlement

##### Adjustment of salaries

2017

Negotiations on the salary settlement and its grounds

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

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

Local salary settlement

A local salary settlement shall settle the manner of implementing salary revisions, their timing and their size. The agreement shall be concluded with the elected representative or, where there is no such representative, with the senior salaried employees of the workplace in a manner that they jointly agree. The agreement shall be concluded in writing no later than 15 December 2017 unless an extended bargaining period is agreed.

#### Method of implementing wage adjustments without local wage settlements

If agreement on a local wage settlement is not reached, wages shall be adjusted by a general increase of 1.1% no later than on 01 January 2018 or at the beginning of the subsequent pay period.

In addition, on 01 January 2018 at the beginning of the subsequent pay period, the company- or workplace-specific element, amounting to 0.5% of the salaries of the professional and managerial staff, shall be used to increase the salaries of such staff.

The purpose of the company- or workplace-specific element is to support incentives for salary formulation, an equitable salary structure, salary grading and the advancement of productivity in the workplace; to correct possible distortions; and to support the implementation of the employer's salary policy. Expertise and performance at work will be the guiding factors affecting the distribution of personal wage increases of professional and managerial staff. The employer allocates a personal increase to each professional and managerial employee from the element. The staff shall be informed of the distribution of the element and its grounds, and the chief shop steward shall be informed of the calculation grounds and sum of the element before its distribution.

#### Information to be provided to the shop steward

A shop steward is entitled, within a reasonable time after wage increases and no later than on 31 March 2018, to receive a report on the allocation of the locally agreed wage settlement or the wage settlement implemented by the employer. The report shall indicate the number of senior salaried employees, how many of them received a wage increase, the average wage increase amount and the total wage increase amount received by senior salaried employees.

#### 2018

##### Negotiations on the salary settlement and its grounds

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

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

#### Local salary settlement

A local salary settlement shall settle the manner of implementing salary revisions, their timing and their size. The agreement shall be concluded with the elected representative or, where there is no such representative, with the senior salaried employees of the workplace in a manner that they

jointly agree. The agreement shall be concluded in writing no later than 14 December 2018 unless an extended bargaining period is agreed.

Method of implementing wage adjustments without local wage settlements

If agreement on a local wage settlement is not reached, wages shall be adjusted by a general increase of 0.9 % no later than on 01 January 2019 or at the beginning of the subsequent pay period.

In addition, on 01 January 2019 at the beginning of the subsequent pay period, the company- or workplace-specific element, amounting to 0.7 % of the salaries of the professional and managerial staff, shall be used to increase the salaries of such staff.

The purpose of the company- or workplace-specific element is to support incentives for salary formulation, an equitable salary structure, salary grading and the advancement of productivity in the workplace; to correct possible distortions; and to support the implementation of the employer's salary policy. Expertise and performance at work will be the guiding factors affecting the distribution of personal wage increases of professional and managerial staff. The employer allocates a personal increase to each professional and managerial employee from the element. The staff shall be informed of the distribution of the element and its grounds, and the chief shop steward shall be informed of the calculation grounds and sum of the element before its distribution.

Information to be provided to the shop steward

The chief shop steward is entitled, within a reasonable time after wage increases and no later than on 31 March 2019, to receive a report on the allocation of the locally agreed wage settlement or the wage settlement implemented by the employer. The report shall indicate the number of senior salaried employees, how many of them received a wage increase, the average wage increase amount and the total wage increase amount received by professional and managerial staff.

### ***Wage increases on 01 January 2020***

From April to May of the spring of 2019, the parties will review the general economic situation, the development of employment, export and competitiveness, and the factors influencing them in the technology industry and in Finland. As the basis of assessment, the parties will negotiate, by 31 May 2019, the level and structure of the wage increases starting 01 January 2020 or at the beginning of the subsequent pay period. Known changes to the working time extension, dating back to the Competitiveness Pact of 2016, shall be taken into consideration in conjunction with the wage settlement.

If agreement on the amount of the wage increase to be implemented on 01 January 2020 is not reached during May 2019, either party can terminate this agreement to end on 31 October 2019. The other party and the National Conciliator shall be notified of the termination in writing by 31 May 2019.

## **Section 3**

### **Well-being at work**

Operations related to well-being at work refer to continuous and comprehensive improvement of work, the work environment and the work community. The well-being of employees facilitates successful business operations. The decline in working age population emphasises the importance of methods related to the prolongation of working careers.

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

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

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

*Promoting the working and operating capacity of older employees at workplaces*

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

**Section 4**  
**Operability of personnel representation**

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

**Section 5**  
**Compensation for travelling expenses**

Compensation for travelling expenses within the prescribed tax exemption limits and the grounds for such compensation during agreement period shall be determined in accordance with the relevant decisions of the National Board of Taxes.

**Section 6**  
**Continual collective bargaining procedure**

The federations affirm that they will implement the principle of a continual collective bargaining procedure.

**Section 7**  
**Joint shop steward for workplaces**

A joint shop steward for salaried employees and senior salaried employees may be elected at small workplaces. Any such election shall be discussed locally between the employer and the staff. A substantial portion of both staff groups must support the election of a joint shop steward. No joint shop steward may be

appointed without arranging a new election if either staff group already has a shop steward.

The shop steward shall represent both staff groups. The shop steward provisions of the collective agreement that govern joint shop steward shall be applied locally. Participation in shop steward training organised by another staff group can be locally agreed, taking into consideration that the intention is to participate only once in each training or training with equivalent content.

Where justified grounds exist, the federations shall be entitled to dismiss a joint shop steward for a specific workplace by notifying the local parties thereof. The period of notice shall be three months.

## **Section 8**

### **Scope**

The persons belonging to or involved in the direction of an enterprise or place of work who are referred to in section 1 of the collective agreement shall also include comparable persons in senior supervisory positions who are accountable for financial performance.

## **Section 9 Gender equality**

The federations consider it important to promote gender equality in workplaces in accordance with the Act on Equality between Women and Men, and with this aim in view they stress the significance of implementing the obligations and measures referred to in the said Act.

## **Section 10**

### **Revision of collective agreement**

The federations shall appoint a working group to deal with improving the structure and readability of the collective agreement during the current agreement period.

## **Section 11**

### **Appended agreements**

The protocol on increased bench training opportunities in vocational training (27 June 2001) shall be observed as part of the collective agreement.

The unions will agree on the organisation of the work familiarisation and earning opportunity summer intern programme according to potential labour market associations' recommendations.

## **Section 12**

### **The Examination of the minutes**

It was agreed that Jorma Turunen, Eeva-Liisa Inkeroinen, Heikki Kauppi and Hanna Huotari will examine these minutes.

In fidem

Janne Vuorenpää

Minutes inspected by

Jorma Turunen

Eeva-Liisa Inkeroinen

Heikki Kauppi

Hanna Huotari

## COLLECTIVE BARGAINING AGREEMENT

### Introduction

The cooperation between a company and its senior salaried employees is of increasing importance in the company's operations. To promote this cooperation and to enhance dynamic and individual employment policies for senior salaried employees in the labour market, the Federation of Finnish Technology Industries and the Federation of Professional and Managerial Staff (YTN) have agreed on the following collective bargaining agreement, in which the Federation of Finnish Technology Industries and YTN are hereinafter referred to as the "Parties".

Taking into consideration the senior salaried employee's position, education, work experience and responsibilities, the Parties emphasise that the relationship between a company and its senior salaried employee shall be confidential, and that the company shall support a senior salaried employee in exercising his/her duties, developing himself/herself and representing the company in general and in relation to other personnel groups.

The Parties aim to promote a dynamic, supportive and individual employment policy with regard to senior salaried employees in such a way that the general terms of employment for senior salaried employees shall be in line with each respective general terms of employment for salaried employees, unless the senior salaried employee's position or its nature otherwise determines.

In addition, the Parties agree that the labour market's general principles regarding development, education and occupational safety shall also apply to senior salaried employees.

The Parties shall jointly and actively monitor overall development of the terms of employment for the senior salaried employees and aim to influence them when necessary.

Retaining a company's competitiveness and its personnel's wellbeing calls for continuous development of the company's operations. In this sense, the Parties, for their part, shall contribute to developing the cooperation and to utilising personnel resources.

The aim of this development is to increase productivity and generate meaningful and challenging tasks.

A company's success is based on its personnel's adequate professional competence and continuous education to maintain it. The Parties, for their part, shall promote the vocational education and training needed by companies and by senior salaried employees. Joint training is important in developing cooperation within a company. For this reason joint training shall be developed as agreed by the Parties.

Training is an investment, however, to what extent depends on the training needs of the senior salaried employees working in the company, the company's financial situation and the company's development plan. Successful training that promotes the company's and the individual's mutual interests can only be based on true cooperation, acceptance of the need for training and commitment.

The aim is to develop and maintain the senior salaried employees' expertise so that it corresponds to the company's and the senior salaried employees' development needs.

The federations stress the importance of systematically developing human resources. The employer shall, as necessary, give a salaried employee an opportunity to take part in annual vocational training enabling maintenance and improvement of the employee's vocational

skills. The need for training may be verified, for example, at performance appraisals conducted between the employer and the salaried employee.

**Minuted note:**

*Under section 16 of the Act on Co-operation within Undertakings, an annual plan of human resources and training objectives must be prepared in co-operation negotiations in order to maintain and improve the occupational skills of salaried employees.*

*Foreseeable changes in enterprise operations of evident relevance to the structure, number or occupational skills of the workforce must be considered when preparing the plan of human resources and training objectives.*

## **CHAPTER 1: Scope of application and compensation**

### **Section 1**

#### **Scope of the Agreement**

This Agreement shall cover senior salaried employees working for enterprises affiliated to the design and consulting sector of Technology Industries of Finland.

The job positions of senior salaried employees call for knowledge and skills equivalent to a university or polytechnic level education. The formal competence conferred by the education or the lack of it nevertheless does not determine in itself whether a person is to be classified as a senior salaried employee or not.

The job position of a senior salaried employee is characterised by a relatively large degree of independence and responsibility. In practice, a senior salaried employee works in a design, consulting or expert capacity or is a supervisor. A senior salaried employee's job position is more demanding than the positions covered by the scope of application of the Collective bargaining agreement for Salaried Employees in the Consulting Engineering Sector.

Whether a salaried employee belongs to a specified personnel group is determined on the basis of their chief job tasks.

The Agreement does not apply to persons belonging to or taking part in the management of the company or site, or to comparable experts who assist management or to persons who represent the company in employment-related matters in dealings with senior salaried employees and have the right or authorization to decide on terms of employment for senior salaried employees.

**Entry in the Minutes:**

*Wording concerning the scope of application of the Agreement does not imply a change in the previous scope of this Collective bargaining agreement.*

### **Section 2**

#### **Salaries**

A senior salaried employee's salary is agreed on an individual basis in an employment contract, taking into account the qualifications, education and professional competence required for the position. Part of the total earnings can be determined on the basis of variable pay factors that are defined for specific sites.

The increases based on the Collective bargaining agreement for Senior Salaried Employees shall be implemented in accordance with the Minutes. A derogation from an agreement--based increase can be made by agreeing on it locally or the increase can be replaced with a profited compensation system at the individual company or site.

### **Section 3**

#### **Compensation policy**

Each company shall define the compensation policy to be applied to its staff. The labour market organisations recommend that salaries be determined according to the qualifications required for the job and that the compensation policy aims to reward job performance and improvements in the company's efficiency and profitability.

Compensation policy shall be based entirely or in part on the following principles:

- It is in line with the company's business idea and supports its implementation
- It supports the development of the company's efficiency, profitability and competitiveness
- It is tailored to the individual. It takes into account the demand of the individual's job tasks and the responsibility involved as well as the person's skills set and results on the job
- It rewards for individual abilities and skills such as information management and project management skills, judgement, initiative, innovation and the ability to co--operate.
- It encourages each individual to deepen and expand their professional skills
- It supports attainment of the joint objectives set for the workplace as well as co--operation across functional and personnel group boundaries.
- It is clear, geared to the long--term and consistent but can be changed flexibly when this is called for by the company's operating environment or business idea.

To function effectively, there must be a consensus on the principles underlying compensation policy, and the supervisor and salaried employee should discuss how job tasks are performed and the effects this has on salaries.

#### ***Entry in the Minutes:***

*The sections on compensation policy are recommendations/procedural guidelines in nature and divergences from them are not considered a breach of the provisions of the Collective bargaining agreements Act.*

## **CHAPTER 2: Working time, annual holiday and travel**

### **Section 4**

#### **Regular working time**

The regular working time is a maximum of 7.5 hours per day (24 h) and 37.5 hours per week unless specified otherwise in a local agreement.

#### ***Entry in the Minutes:***

*1. This provision shall not entail a change in the regular working time to be observed when the Agreement enters into force to the extent that it does not exceed 8 hours a day (24 h) and 40 hours a week.*

*2. Agreement shall be made at the same time on how this affects employee compensation.*

Work shifts under four hours shall not be used at the workplace unless this is called for by the employee's needs or there is some other justifiable cause.

#### Extension of working time

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

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

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

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

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

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

#### *Implementation regulation:*

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

## **Section 5**

### **Average regular working time**

In applying average working time, it can be agreed locally on the maximum limits of per---day (24 h) and per---week working hours. In this case, an advance plan must be prepared for evening out the

working hours to at least a period during which the regular working hours are in line with the agreed average. The evening out of working hours can be carried out during a period not to exceed one year. The principles of evening out working hours shall be agreed locally.

Unless locally agreed otherwise, a concerned salaried employee shall be notified of a change in the working time system set out in the above paragraph, if possible, a week before the change goes into effect, but no later than on the third day preceding implementation of the change.

## **Section 6**

### **Flexitime**

Agreement can be made locally on the maximum amount of flexitime that can be accumulated in derogation of the Working Hours Act, but nevertheless such that the maximum cumulative amount shall not exceed 120 hours.

Should the work situation so require, the employer can oblige a salaried employee to take accumulated plus hours as time off and, if necessary, to take them as entire days off providing that said salaried employee is informed thereof one week in advance and, similarly, a salaried employee can, if the work situation so permits, take the plus hours as full days off by notifying the employer thereof one week in advance.

## **Section 7**

### **Overtime and additional work**

The period for reviewing the maximum amount of overtime is the calendar year.

*Implementation regulation:*

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

Overtime is compensated under the Working Hours Act. In calculating the increased salary to be paid for overtime, the basic salary is calculated such that the monthly salary including fringe benefits is divided by 158 when the regular weekly working time is 37.5 hours and by 160 when the regular weekly working time is 40 hours.

Additional work means work which is performed with the senior salaried employee's consent over and above the agreed regular working time, nevertheless without exceeding 8 hours per day (24 h) and 40 hours per week. Additional work does not constitute overtime. The simple hourly wage is paid for additional work.

## **Section 8**

### **Public holiday weeks**

Unless locally agreed otherwise, during a public holiday week, the regular working hours on the eve of a holiday falling on a weekday are the same as on other weekdays. Days off that shorten the regular working hours on a public holiday week are the following public holidays and the Saturdays following them:

- New Year's Day
- Epiphany
- Good Friday
- Easter Monday

- May Day
- Ascension Day
- Midsummer Eve
- Finnish Independence Day
- Christmas Eve
- Christmas Day
- Boxing Day

## **Section 9**

### **Working time plan**

In the workplace a working time plan shall be drawn up, indicating when regular working time starts and ends as well as weekly days off.

Unless locally agreed otherwise, the senior salaried employees concerned must be notified of a change in the working hours plan, if possible, a week before putting the change into effect, but nevertheless no later than on the third day preceding implementation of the change.

A working time plan should also, if possible, be drawn up for part-time work or varying and temporary shifts.

## **Section 10**

### **Annual holiday pay, holiday bonus and flexible leave**

In derogation of Section 15 of the Annual Holidays Act, the time when annual holiday pay is remitted can be locally agreed otherwise.

Unless locally agreed otherwise, holiday bonus is 50% of the senior salaried employee's annual holiday pay and the holiday bonus is paid no later than at the next normal payroll date after the annual holiday has ended.

If a member of staff and the employer agree in writing that holiday bonus will be exchanged for corresponding period of time off, the full holiday bonus for a 24-day (four-week) holiday is equivalent to 12 working days (two weeks) leave. Holiday leave will be given to a senior staff member at the time specified by the employer unless the parties agree about another time. During a holiday leave, an employee deserves annual leave.

If a salaried employee's employment relationship is terminated due to a cause beyond the employee's control, compensation in the amount of the holiday bonus shall be paid as calculated on the payment in lieu of holiday compensation.

Such compensation is nevertheless not paid when the employment relationship ends during the probationary period or in the case of a fixed-term employment relationship lasting less than a year.

Salaried employees shall have the right to save a part of their holiday in excess of 18 days, as counted from the annual leave (from winter and summer holiday) earned during each holiday credit year, to be taken as carry-over leave in accordance with Section 27 of the Annual Holidays Act.

Local agreements can be made on exchanging holiday bonus and days off based on working time arrangements for flexible leave. The procedures regarding flexible leave are otherwise set out in Section 27 of the Annual Holidays Act, but the time when flexible leave is taken must be agreed. Flexible leave does not entitle an employee to holiday bonus.

The introduction of a working time bank will be agreed on locally. SKOL, ATL and YTN have written common instructions regarding a working time bank.

## **Section 11**

### **Reimbursement for travel expenses**

Unless specified otherwise in a local agreement, the employers shall reimburse senior salaried employees for necessary work-related travel expenses, applying, for the reimbursement of expenses and per diems as well as kilometre allowances, the bases and amounts specified in the annex: in other respects company-specific written instructions (travel compensation rules) shall be observed.

#### ***Entry in the Minutes:***

*The above-mentioned travel compensation rules need not necessarily be set down in writing in companies with 10 or fewer salaried employees.*

## **Section 12**

### **Travel during free time**

Compensation for travel during free time shall be agreed locally. Unless locally agreed otherwise, travel during free time shall be compensated as follows:

Compensation of EUR 19 per hour shall be paid for any travel time for the purpose of customer projects that exceeds two hours during time off in a 24-hour period.

An hourly compensation shall be paid for travel time exceeding 30 minutes. The compensation shall be paid for a maximum of 8 hours for a working day and for a maximum of 10 hours for a day off.

Compensation shall not be paid for travel time during which a senior salaried employee attends a training session or an exhibition.

The time for travel includes:

- travel between home and the work destination, between the actual workplace and the work destination, or between two work destinations,
- the time that it takes to travel on modes of transport and to transfer from one mode of transport to another, including the inevitable waiting periods at airports, etc.

The time for travel does not include time spent in accommodation on the way or at the travel destination locality. Time spent travelling is not included in the working time.

If it has not been possible to perform the amount of work hours set out in the working time system during the same 24-hour travel day, the salaried employee's monthly salary shall not, however, be reduced as a result of this.

Different compensation practices for different types of travel may be agreed locally.

Compensation for travel time may, for example, be arranged in the following ways:

1. Compensation for travel outside normal working hours shall be agreed between a supervisor and a senior salaried employee when necessary. This shall apply in particular to situations in which the compensation for travelling time pursuant to the collective bargaining agreement would be disproportionate to the salary payable.
2. Should the travel relate to abundant temporary duties or to work of a project nature, the

amount of travelling time accrued by the senior salaried employee shall be monitored. Compensation may be paid for said travel time, for example, as a lump sum payment payable at regular intervals.

3. If the work duties of a senior salaried employee substantially involves continuous or recurrent travel outside normal working time and the senior salaried employee, in view of the nature of his/her job position can independently decide on when to make business trips and how to use his/her working time, this factor shall be taken into account in the bases of compensation.

4. In other cases compensation for travel time shall be agreed in each separate case.

***Entry in the Minutes:***

*The Federation of Finnish Technology Industries inform member companies that in the collective bargaining agreement negotiations the Parties have agreed on the following basis of reimbursement for travel time, which is not a provision of the collective bargaining agreement:*

*Unless agreed otherwise, a salaried employee shall be paid a basic hourly wage, according to the working time system, for those hours spent travelling during his/her free time for which the employer can invoice the customer separately.*

This Agreement shall not change those local agreements in which higher payment levels have been agreed for travel time compensation.

**CHAPTER 3: Other terms of employment**

**Section 13**

**Salary during illness, maternity and paternity leave and short temporary leave**

If the salaried employee is disabled due to illness or an accident and the employee has not caused the disability deliberately or through gross negligence, he/she shall have the right, for as long as the disability lasts, to receive salary and fringe benefits in the amount that the employee would have earned on the job during regular working hours as follows:

If the employment relationship has continued without interruption for a maximum of one month, the salary paid during illness is 50% of the salary in accordance with the Employment Contracts Act, Chapter 2, Section 11.

<b>Uninterrupted period of employment</b>	<b>Salary</b>
1 month but a maximum of 1 year	for 4 weeks
1 year but less than 5 years	for 5 weeks
5 years or longer	for 3 months

If the salaried employee's disability because of the same illness recurs within 30 days of returning to work, the salaried employee shall not be entitled to a new period of salary during illness according to the table, but the total salary paid during the period of illness shall be a maximum of the amount for the period mentioned in the table. If the employer has already fulfilled its salary payment obligation during the previous period of disability, the employer shall nevertheless pay salary for the one-day waiting period pursuant to the Sickness Insurance Act, Chapter 8, Section 7, paragraph 2. Whether the same or a different illness is involved shall be determined on the basis of a decision taken by the Sickness Insurance Office.

A salaried employee who has become disabled because of illness is obliged to report this to the employer without delay, also indicating when the disability is estimated to end and, upon request, to present an acceptable written statement concerning his/her disability. At the employer's request, the salaried employee must present a physician's certificate on the illness, given by the company's occupational health physician or another health professional approved by the employer. Should the employer not accept the physician's certificate presented by the salaried employee and refer the salaried employee for examination by another designated physician, the employer shall reimburse the employee for the physician's fee for said certificate.

If at the time of making the employment agreement, the salaried employee has concealed his/her illness from the employer, the employer shall bear no obligation to pay salary for a period of illness.

Salaried employees shall be given maternity, paternity and parents' leave for the period which under the Sickness Insurance Act is considered to entitle the employee to a maternity, paternity and parents' allowance. For the period of maternity leave, salary shall be paid for three full months providing that the woman's employment relationship has lasted without interruption for at least six months before childbirth and that she otherwise would be entitled to receive salary for a corresponding period.

In regards to an 18 weekday long paternity leave in accordance with the Sickness Insurance Act, a senior salaried employee will be paid their regular salary and fringe benefits for one paternity leave period of six (6) weekdays. The payment of the paternity leave salary follows the same conditions and other regulations as the payment of a maternity leave salary. Also an adoptive father is entitled to a paid paternity leave.

For the period for which the employer has paid the salaried employee the salary specified above, the employer is entitled to debit as a refund the daily allowance or comparable compensation which the salaried employee receives under law or according to an agreement, or to be reimbursed by the salaried employee for such amount, which nevertheless shall not exceed the amount which the employer has paid.

A short temporary absence granted due to a sudden illness in the employee's family or the death of a close relative shall not be deducted from the employee's salary or annual vacation. A close relative, in this context, refers to a spouse, the employee's own parents or his/her spouse's parents, the employee's family's children as well as his/her brothers, sisters and grandparents.

The duration of the short temporary absence shall be determined according to the circumstances as outlined above and the travel time required.

#### ***Application guideline***

*A short temporary absence in the case of a sudden illness in the employee's family is granted to arrange appropriate treatment for the sick family member. At the employer's request the employee must present proof of his/her need for the temporary absence.*

*The Parties recommend that in the case of a military refresher course, the companies should pay a salaried employee a portion of his/her salary that, when added to the reservist compensation paid by the state for military duty, would equate to full pay.*

## **Section 14**

### **Application of the Act on Co---operation within Undertakings**

The six---week negotiation period under the Act on Co---operation within Undertakings shall be

considered to start from the time when the negotiation proposal is put forth.

## Section 15

### Periods of notice and operating model for re---employment and Change Security

Unless agreed otherwise, the periods of notice which the employer must observe when the employment relationship has continued without interruption are:

<b>Period of notice</b>	<b>duration of employment</b>
14 days	maximum of 1 year
1 month	>1 to 4 years
2 months	>4 to 8 years
4 months	>8 to 12 years
6 months	over 12 years

Unless agreed otherwise, the periods of notice which the salaried employee must observe when the employment relationship has continued without interruption are:

<b>Period of notice</b>	<b>duration of employment</b>
14 days	maximum of 5 year
1 month	over 5 years

A derogation from the re---recruitment obligation pursuant to the Employment Contracts Act, Chapter 6, paragraph 6 can be made by an agreement between the employer and the senior salaried employee. In a situation of resignation or termination of the employment contract, a separate agreement shall be made in writing and it shall address activities taken to promote re---employment of the senior salaried employee.

### OPERATING MODEL FOR RE---EMPLOYMENT AND CHANGE SECURITY

The aim of the new operating model between the employer, the employee and the employment authorities is to promote cooperation and to accelerate the reemployment of an employee.

#### Cooperation and dismissal procedure

The employer shall, at the start of cooperation negotiations that involve at least 10 employees, provide the employees with an action plan. The contents of this plan shall be negotiated in cooperation with the personnel's representatives. The action plan must specify the applicable negotiation procedures and methods, the planned timetable, and the planned operating principles to be applied during the period of notice with regard to job---seeking, retraining and using public employment services. The plan shall take into account the existing norms on procedures for reducing the workforce. If the cooperation negotiations apply to fewer than 10 employees, the employer must present the operating principles for supporting the employers during the period of notice with respect to job---seeking, training and using public employment services.

The restriction according to which the alternative to dismissal procedure in cooperation negotiations in large dismissals can be started at the earliest 7 days after the grounds and effects of the procedure have been handled shall not prevent negotiations regarding the contents of the action plan.

Any changes in personnel plan shall also be handled in conjunction with the cooperation procedure concerning the planned reduction in workforce.

After the start of the cooperation procedure, or in small companies the dismissal procedure, the employer shall, without delay and in collaboration with the employment authorities, survey the public employment services that support employment. The employer, in cooperation with the employment authorities, shall agree upon the quality of the services and their implementation schedule and also upon the cooperation for their implementation. Representatives of the personnel shall be involved in the cooperation.

Employment programme and its implementation during the period of notice

The employer has an obligation to provide information about the right to the employment programme and the employment programme supplement.

The employer shall notify the employment authorities about dismissals made on the grounds of finance or production, if the dismissed employee has a working history of at least three years. The duty to provide information also applies to termination of a fixed-term employment relationship that comprised one or more uninterrupted fixed-term employment contracts or those with only short-term interruptions which have jointly continued for a minimum of three years under the same employer. With the employee's consent, the employer is obliged to provide the employment authorities with information about the employee's education, work experience and tasks immediately after the dismissal has taken place. The employer shall participate in preparing the employment programme in other ways if separately such agreed.

The employee is entitled to participate in preparing the employment programme. The employment programme can be supplemented later.

Unless otherwise agreed after the dismissal has taken place, the employee shall be entitled to leave of absence on full salary for the purpose of participating, during his/her period of notice, in an employment programme, in voluntary or officially sponsored jobseeking and job interviews, in employment policy adult education, traineeship and on-the-job training or redeployment training according to his/her employment programme. The length of leave shall be determined by the length of the employment relationship in the following manner:

- 1) No more than a total of 5 working days if the period of notice is no longer than one month.
- 2) No more than a total of 10 working days if the period of notice is longer than one month but no longer than 4 months.
- 3) No more than a total of 20 working days if the period of notice is longer than 4 months.

In addition to what was agreed above, a senior salaried employee is entitled to a maximum of five days of employment leave to participate in labour market adult education or a traineeship and on-the-job training in accordance with the employment program.

A prerequisite is also that taking a leave of absence shall not cause substantial inconvenience to the employer.

The employee shall notify the employer of the leave and of the reasons for it at the earliest possible opportunity, and shall provide a reliable account of the said reasons for the leave if so requested.

#### **CHAPTER 4: Local co-operation and labour organisation relations**

## **Section 16**

### **Local agreement procedures**

The local agreement procedures mentioned in this Agreement can be applied either between the employer and the senior salaried employee or between the employer and the senior salaried employees' shop steward. An agreement made with a shop steward is binding upon the salaried employee whom the shop steward is considered to represent. An agreement can be made for a fixed period or it can be in force for the time being. An agreement that is in force for the time being can be terminated with three months' notice unless the period of notice is subject to other terms. An agreement must be made in writing if either party so requests. A local agreement made with a shop steward shall be made in writing if the agreement is in force for more than two weeks unless both Parties consider this unnecessary. A local agreement as referred to here shall be an integral part of this Agreement. It shall be applied even after the validity of the Agreement has otherwise ceased. During this time and for a month after the new Collective bargaining agreement has entered into force, an agreement that has been made for a fixed period can be terminated with three months' notice.

## **Section 17**

### **Provision of information**

The employer shall inform the shop steward in advance of outside human resources that are to be used for the company's salaried employee functions. Furthermore, if possible, the occupational safety representative shall be notified thereof as well. If such information cannot be communicated because of an urgent workload or some similar reason, the staff shall be informed, in these exceptional situations, afterwards without delay.

The Parties recommend that agreements concerning subcontracting and temporary staff shall contain a clause stipulating that the subcontractor or provider of temporary staff commits to abiding by the general collective bargaining agreement for its sector and to complying with the labour and social legislation in force.

The Parties recommend that every effort be made to limit the use of temporary staff to levelling out peak workloads or otherwise to such tasks that the company cannot have performed by its own salaried employees, or for which it would not have been appropriate due to the urgent nature, limited duration and professional requirements of the work or the special expertise required for it.

If the employer introduces increments that are paid to supplement normal compensation – i.e. performance-related bonuses – the employer shall provide the salaried employees with a written description of the content of the bonus system before it is placed into use. In general, the bonus shall be based on financial performance or the achievement of a productivity or development objective. The bonus is customarily earned over periods which are longer than the payroll period. The employer shall inform the shop steward of which groups of senior salaried employees such bonus system applies to.

The employer shall provide the staff or the representatives thereof with:

- An account of the financial condition of the company based on the adopted financial statements.
- At least twice during the financial year an account of the financial state of the company specifying the status of the order book, employment, profitability and cost structure.
- An annual equality plan in companies with 30 or more regularly working employees.
- An annual personnel plan including estimates of anticipated changes in the number, type and status of personnel

- Annual training objectives pursuant to the Act on Co-operation within Undertakings in companies with 20 or more regularly working employees.

Personnel plans and training objectives shall take the particular needs of aging salaried employees into account as well as measures and opportunities for salaried employees to balance work and family life. The company shall provide notification of significant changes in all of the foregoing details without delay.

In companies that regularly have 30 or more employees, the employer shall present the financial statement information pursuant to Section 10 of the Act on Co-operation within Undertakings to the representatives of personnel in writing if so required. In companies that regularly have 20 or more, but fewer than 30, employees the employer can present an account of the financial state of the company in a joint event arranged for the company's entire personnel.

The Parties recommend that the sector's general economic outlook shall be included in the aforementioned information about the financial state when possible.

Should the provision of information be prevented by weighty reasons that could not be avoided or ascertained in advance, and that would cause damage or harm to the company's finance or production, the employer shall inform thereof without delay after the obstacle is removed. The employer is at that time responsible for providing grounds for this defect in fulfilling its obligations.

The senior salaried employees shall inform their superiors of all relevant issues concerning the company's operations or cooperation between the employer and employees.

A shop steward shall be given the aforementioned information in confidence for the purpose of performing his/her duties. The information shall neither be submitted to the shop stewards of other companies, nor transmitted in any other way.

Should senior salaried employees or their representatives pursuant to this Agreement obtain information concerning the employer's business or trade secrets, they shall handle the information only among those employees and salaried employees or representatives of personnel whom the matter concerns, unless agreed otherwise between the employer and the persons entitled to such information. When notifying persons about the obligation of confidentiality, the employer shall identify what information is considered confidential and what is the period of confidentiality. The bases for confidentiality shall be reported to the salaried employee in question, or to the representative of salaried employees, before the employer informs the persons that the matter is a business or trade secret.

#### Inter-personnel provision of information

The senior salaried employee group shall be entitled to hold meetings at the workplace or at some other agreed venue to discuss labour market affairs, employment relationships at the workplace or business pertaining to the Act on Co-operation within Undertakings.

The senior salaried employee group shall also be entitled to distribute to its members notices of meetings, bulletins concerning employment relationships at the workplace or labour market issues.

In addition to labour market issues, the personnel group shall also be entitled to use the workplace notice board or e-mail as a means to disseminate information on matters concerning general issues. Also a special location for such information shall be reserved in the system archive, if such is agreed with the employer.

## **Section 18**

### **Cooperation activities**

A local agreement can be made on establishing a cooperation committee to handle issues related to development activities and other such activities. The cooperation committee can replace the separate cooperation and labour protection committees and other similar committees. The cooperation committee can also be responsible for activities and plans pursuant to the Act on Cooperation within Undertakings, the Act on the Supervision of Occupational Safety and Health, the Occupational Health Care Act and the Non-Discrimination Act to the extent agreed locally.

The shop steward and the occupational safety representative shall both be involved in the company's induction training for new senior salaried employees in a manner agreed locally.

The provisions on cooperation in occupational health and safety shall apply to any workplace with 20 or more salaried employees. However, an occupational safety representative shall be elected when the number of salaried employees is 10 or more.

A labour protection delegate shall enjoy preferential protection against dismissal and layoff, pursuant to section 10 of chapter 7 of the Employment Contracts Act.

A labour protection delegate shall be entitled to participate during working hours in labour protection training that the federations have jointly approved. The employer shall cover the costs of the training and any loss of earnings from regular working hours.

The occupational safety representative participates with the occupational health personnel, line management and personnel administration in drafting an action plan for the occupational health services as well as in planning, implementing and monitoring activities promoting physical fitness and work ability. These activities monitor the ability of the people working for the company to cope with their work.

The employer shall pay separate monthly compensation to a labour protection delegate, unless otherwise locally agreed. Monthly compensation is 61 EUR until 31.12.2016. Monthly compensation as of 1.1.2017 is 63 EUR. This compensation shall be paid if the number of employees represented is not less than 20.

## **Section 19**

### **Shop steward**

Discussions on the need for a shop steward and the details of the local process of getting in contact and negotiating shall be held first between the company's management and the senior salaried employees' representatives. The need to appoint a shop steward shall be assessed together with the company's management, giving especial consideration to the company's size, organisation and the nature of its operations. It is a further condition for electing a shop steward for the company or workplace that a significant proportion of the senior salaried employees are in favour of this.

If locally deemed necessary for the shop steward to also represent the senior salaried employees in other workplaces or other companies belonging to the group, the shared shop steward shall be locally agreed upon by the senior salaried employees and the managements of each workplace and company involved. The Federation of Finnish Technology Industries and YTN must be informed of such an agreement.

A deputy shop steward can be elected in a workplace having at least ten senior salaried employees. The deputy shop steward shall act as the shop steward's alternate if the shop steward is unable to

exercise his/her duties. The shop steward and deputy shop steward shall be elected from amongst the senior salaried employees of the company or workplace that are bound by this Agreement and they must be familiar with the conditions in the workplace. All the senior salaried employees in the workplace shall be given the opportunity to take part in the ballot. The shop steward shall be appointed for a fixed period, which usually is two years. If the operations of a workplace decrease or increase significantly or the business goes through a transfer, merger, incorporation or other similar organisational change, the cooperation organisation will be discussed before it is changed to correspond to the new size and structure of the workplace in a jointly agreed manner.

In this agreement, workplace refers to a Federation of Finnish Technology Industries member company or similar regional operative unit.

The salary development of a shop steward shall be in line with the salary development of a company's senior salaried employees, or at least with the general salary development of the consulting sector's senior salaried employees. The shop steward's salary development shall be monitored each year immediately after the senior salaried employees' salary statistics prepared by the Confederation of Finnish Industries (EK) are completed. If the monitoring reveals any lagging, it shall be corrected starting from the first payroll after the check.

The provisions applying to the shop steward and to the occupational safety representative shall be applied to the deputy shop steward and the deputy occupational safety representative during the time they act as substitutes pursuant to the notification required in this Agreement.

The employer shall be notified of elected shop stewards, deputy shop stewards, and also of the times during which the deputy is acting as the shop steward's substitute. The employer shall inform the shop steward of the persons entitled to negotiate with the shop steward on behalf of the company.

The shop steward represents the senior salaried employees in employment relationship matters and issues related to the application of this Agreement. The shop steward shall be given the required information and necessary latitude of action for attending to his/her duties.

A reasonable leave of absence to take care of the shop steward's tasks shall be agreed locally with the shop steward. In determining the reasonable amount of leave, factors such as the number of salaried employees in the personnel group, the nature of operations and the volume of duties under this Agreement shall be taken into account.

As of 1 January 2018 the employer shall pay the following separate monthly compensation to a senior salaried employee serving as a shop steward, unless otherwise agreed:

<b>Number of senior salaried employees represented</b>	<b>Monthly compensation, EUR</b>
10–50	125
51–100	174
over 100	223

The amount of the compensation payable to a shop steward will be determined in accordance with the situation prevailing on 1 January. If the amount of senior salaried employees is altered significantly, the corresponding alterations to the compensation will be effective as of the start of the next calendar month. If other changes occur in the amount of senior salaried employees, the corresponding alterations to the compensation will be effective as of the start of the next calendar year, unless otherwise agreed.

The shop steward and occupational safety ombudsmen shall be given the right to use the company's ordinary office equipment and similar facilities such as EDP equipment and related software that are in

general use at the company as well as an Internet connection (e-mail). Practical arrangements shall be agreed locally. In assessing these matters, account shall be taken of factors such as the size of the company and workplace, the extent and requirements of the shop steward's or occupational safety representative's tasks as well as the amount of time to be spent. If there are at least 10 senior salaried employees regularly working at a workplace, the employee representative and the deputy representative will be entitled to participate in YTN and its member organizations' employee representative courses and training without losing their salaries if it is necessary for carrying out the duties of a representative, unless it causes remarkable inconvenience to the company's operations.

The employee representative and the employer will discuss in advance whether the training in question is such that it doesn't affect the representative's monthly salary or whether the employer will pay compensation for attendance. In this case, participating in the training will not reduce the person's annual holiday, pension or other similar benefits. The employee representative will only have the right to participate in the same training or training with similar content once without losing income.

***Entry in the Minutes:***

*When evaluating the above-mentioned remarkable inconvenience, attention will be paid to the size of the workplace, nature of the operations, carrying out of duties as well as substitute arrangements. A notification of an intended course participation should be given as early as possible. In case of a negative decision, the representative will be notified of the reason why giving time off would cause remarkable inconvenience at least 10 days before the beginning of the course. It is recommended that in this case the parties try to find another possible date when the representative could participate in the course.*

*The above-mentioned training includes YTN and Federation of Finnish Technology Industries training that the organizations have annually agreed on by the end of November the year before.*

The basic premise is that the shop steward and occupational safety representative must have equal opportunities to develop their job qualifications as do other salaried employees. The employer and the shop steward / occupational safety representative must jointly determine, during the exercise of the designated duties, whether maintaining the union representative's professional qualifications calls for the providing of the kind of professional or vocational training that is also arranged for other salaried employees. A similar determination shall be carried out after the shop steward's and occupational safety representative's period of office.

A shop steward shall be considered a shop steward as referred to in the Contracts of Employment Act, Chapter 7, Section 10, and can be laid off or dismissed only if he/she cannot be offered work in line with his/her professional qualifications or which is otherwise appropriate, or if a majority of the salaried employees whom the shop steward represents give their consent thereto.

The provisions on security of employment shall also be applied to a salaried employee for a period of six months following the end of the employee's term of service as shop steward.

The status of a shop steward shall continue if an undertaking or part thereof retains its independence on assignment.

There shall be no reduction in the monthly pay of the personnel's representative referred to herein if he/she negotiates during working hours with the employer's representatives or otherwise performs the tasks agreed with the employer. Information to be provided to a shop steward

A shop steward shall be provided with the same information as the shop stewards of other personnel groups.

The employer shall generally ensure that the shop steward is notified at the earliest opportunity of matters either directly or indirectly concerning the salaried employees at the workplace in question.

Should any confusion or dispute arise concerning the salary or any employment related issue of a salaried employee, the shop steward shall be provided with all the information necessary to investigate the case under dispute.

A shop steward shall be entitled to the following information in writing concerning the salaried employees he/she represents:

1. The surname and forenames of salaried employees.
2. The date of entry into service, education level and graduation year.
3. Workplace (organisational department).
4. Pay scale or pay scale group, if such is used in the company.
5. The statistical heading (used in the statistics of the employer's association).

These details shall be provided once a year. The information specified in points 1---5 shall be provided for new salaried employees at the earliest opportunity, however, no later than four months after the beginning of the employment relationship.

The statistical salary data that shall be provided to a shop steward once a year in writing immediately after the statistics of the Confederation of Finnish Industries (EK) are completed shall include the average monthly salary information for the regular working hours of all senior salaried employees falling within the scope of this agreement.

A shop steward shall also be provided with data on average monthly salaries (including fringe benefits)

1. By statistical heading (EK's headings).
2. As a summary by a workplace.

Another type of statistical categorisation can be agreed locally.

The number of salaried employees shall also be notified. A shop steward shall not be entitled to receive average salary statistics of groups comprising less than five employees.

A shop steward shall be given an opportunity to examine the current pay determination and payroll calculation systems for senior salaried employees falling within his/her sphere of responsibility within the company as well as to examine the working hour register pursuant to the working hours legislation.

A shop steward shall be notified of salaried employees who have been engaged for a trial period or on a temporary basis. Upon separate request, a shop steward shall also be informed of the grounds for signing a temporary employment contract.

## **Section 20**

### **Negotiation procedure**

Matters connected with the employment relationship shall be dealt with primarily between the senior salaried employee concerned and his/her supervisor. If the senior salaried employee has not

been able to agree with his/her supervisor on a matter concerning terms of employment, the employee shall have the right to bring the matter before a supervisor higher up. If a common understanding is not reached, the matter can be referred to the consideration of the shop steward and the employer's representative. If a common understanding in the matter is not reached locally, or if disagreement arises concerning the interpretation of this Agreement, the matter can be referred for joint negotiations between the delegation of YTN and the Federation of Finnish Technology Industries.

***Entry in the Minutes:***

*The Parties observe that they adhere to the principle of a continuous negotiating process.*

**Section 21 Freedom to organise**

The Parties observe that the freedom to organise and form trade and professional organisations is mutually inviolable.

**Section 22**

**Group life insurance**

The Parties note that the group life insurance policy shall also cover senior salaried employees.

**Section 23**

**Binding effect of the Agreement**

This Collective bargaining agreement is binding upon the signatory labour market organisations and their member or sub---associations as well as upon the employers and salaried employees who during the validity of the Agreement have been members of these associations.

The Parties bound by the Agreement are obliged to abide closely by this Agreement by seeing to it that the associations under them and the employers and salaried employees belonging to these associations are not in breach of its provisions.

**Section 24**

**Industrial peace obligation**

During the validity of this Agreement, industrial actions against the Agreement or any of its provisions are prohibited. The labour market organisations and their sub---associations are furthermore obliged to see to it that the employers and salaried employees who are their members and are covered by the Agreement do not undertake industrial dispute actions, and that they otherwise are not in breach of the provisions of the Agreement.

***Entry in the Minutes:***

*YTN gives its commitment that during the validity of the Agreement the senior salaried employees working in the consulting engineering sector and related fields shall not undertake sympathy strikes or actions to coerce other branches of industry to come within the scope of their collective bargaining agreements.*

**Section 25**

**Mediation Board**

A decision on industrial action or other pressure tactics shall not be undertaken before the

Federation of Finnish Technology Industries/YTN Mediation Board has dealt with the industrial dispute and a proposal put forth by the Mediation Board for revising this Agreement has been rejected by either party.

The Mediation Board must make its proposal within two weeks of the time when the chairman of the Mediation Board has been informed of the industrial dispute. The Mediation Board shall not conduct its deliberations according to the provisions of the Arbitration Act.

The Federation of Finnish Technology Industries and YTN appoint one member to the Mediation Board and the members shall together elect the chairman. A person who, under the Arbitration Act, could be considered disqualified may also act as a member. The Federation of Finnish Technology Industries/SKOL and YTN shall each bear half of the fees of the Mediation Board's members and the other costs of the Mediation Board.

The labour market organisations have jointly made a separate agreement on the procedure for setting up the Mediation Board and the principles according to which it works.

## **Section 26**

### **Validity of the Agreement**

This Agreement shall be in force as of 15 November 2017 and shall continue in force until 31 October 2017, and thereafter for an indefinite period, subject to two months' notice of termination. If agreement on the amount of the wage increase to be implemented on 01 January 2020 is not reached during May 2019, either party can terminate this agreement to end on 31 October 2019. On the expiry of the Agreement period, the terms and conditions hereof shall nevertheless remain in force until a proposal submitted by the aforesaid conciliation board has been approved or rejected.

Helsinki 15. November 2017

FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES

Jorma Turunen

Eeva-Liisa Inkeroinen

FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF (YTN)

Heikki Kauppi

Hanna Huotari

## SURVIVAL CLAUSE

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

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

This provision does not restrict the mutual freedom of contract between the parties to an employment contract or the employer's unilateral right to adjust the terms of employment in line with the law and legal practice.

Financial difficulties, definition, communication with unions, and a plan

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

The parties are entitled to assistance from the unions' experts during the definition of the employer's financial difficulties. The shop steward and any experts consulted must keep in confidence all information concerning the employer's financial position obtained during the negotiations, in accordance with the employer's statement on the confidentiality of the information. (cf. Act on Co-operation within Undertakings, section 57).

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

At the start of the negotiations, the employer also must present a plan giving a comprehensive account of the actions taken and planned to revive the enterprise's finances and safeguard its operations. The desired goal is best achieved when it is consistently taken into account in all of the employer's operations. Shared goals and statements (e.g. refraining from dismissals for the duration of the agreement or potential later compensation for cuts) can also be added to the plan during the local negotiations.

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

Necessary and reasonable aspects of the deterioration of terms of employment in the agreement

Adjustments stabilising the employer's finances or production-related crisis and affecting the terms of employment concerning salary or other financial benefits must be deemed necessary, considering the goals of the agreement. Also, any cuts in the terms of employment concerning financial benefits must be in proportion to the benefits reached with them. The parties are obliged to regularly assess what effect the savings in labour costs have on the employer's financial position.

## Temporary nature of the measures

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

If the company is declared bankrupt or enters liquidation or reorganisation proceedings during the validity period of the agreement, this agreement will automatically expire on that date unless the parties specifically agree to maintain it in force in accordance with the original agreement. In such cases, it is also possible to agree on new measures for safeguarding the employer's operations and jobs.

## REIMBURSEMENT OF TRAVEL TIME

**Travel compensation shall be paid according to the tax exempted travel costs annually confirmed by the National Board of Taxes. More information on valid compensations can be asked from Federation of Finnish Technology Industries ([www.teknologiateollisuus.fi](http://www.teknologiateollisuus.fi)), YTN ([www.ytn.fi](http://www.ytn.fi)) or from the National Board of Taxes ([www.vero.fi](http://www.vero.fi) ---> Tax Guide).**

1. The following per diem allowance shall be paid for journeys made in Finland according to the decision of the National Board of Taxes:
  - a) Full amount of per diem allowance per time spent travelling, working or staying at the travel location for longer than 10 hours, and
  - b) Partial amount of per diem allowance per part---day of more than 6 hours but less than 10 hours,
  - c) Partial amount of per diem allowance per part---day when the journey time exceeds the last full 24---hour period by no less than 2 hours, and full amount of per diem allowance when the said excess time is longer than 6 hours.

If the senior salaried employee receives, during a 24---hour period of travel, free food or food that is included in the price of the travel ticket, the maximum amount of per diem shall be half of the amounts mentioned above in this section. Free food means, in the case of a full per diem, two free meals and, when a partial per diem is applied, one free meal.

When the travel necessitates overnight accommodation, the accommodation expenses shall be reimbursed against a receipt, in addition to the per diem allowance, up to the maximum amount pursuant to the collective bargaining agreement on civil servant salaries.

Should a senior salaried employee fail to submit an invoice for his/her accommodation, he/she shall be paid an overnight travelling allowance according to the decision of the National

## Board of Taxes.

2. Whenever a senior salaried employee, due to a work schedule that differs from the ordinary is not able to take a meal break in the employer's canteen or at home during a meal break and he/she is not working in the company's locality nor at a nearby company site where meals are available on a customary basis, the employee shall be paid a meal allowance according to the decision of the National Board of Taxes. In these cases no per diem shall be paid.
3. An overseas per diem shall be paid according to the decision of the National Board of Taxes for travel abroad required in performing work tasks. When the travel necessitates overnight accommodation, the accommodation expenses shall be reimbursed against a receipt, in addition to the per diem allowance, up to the country-specific maximum amounts pursuant to the collective bargaining agreement on civil servant salaries.

If the salaried employee enjoys free board or it is included in the price of the ticket or hotel room on any travelling day, the amount of per diem allowance shall be half of the full amount referred to above in this section. In the case of an overseas per diem allowance free board means two free meals.

When the time spent on a journey outside of Finland exceeds the last full travelling day by more than 10 hours, a salaried employee shall be paid the full overseas per diem allowance for the said partial travelling day, and when it exceeds the last full travelling day by 2 hours but less than 10 hours, half of the overseas per diem allowance shall be paid. The per diem allowance payable for a partial travelling day shall be determined according to the overseas per diem allowance payable for the last full travelling day.

If the total time spent on a journey abroad is less than 24 hours but no less than 10 hours, the senior salaried employee shall be paid the full per diem allowance applicable for the country concerned.

Should significant changes occur in exchange rates due to devaluation, revaluation or other currency regulation, the consequent changes in per diem allowances and accommodation compensation shall be agreed between the Parties to this agreement.

4. If the use of the employee's own car has been agreed, the kilometre allowance determined by the National Board of Taxes shall be paid. The kilometre allowance shall be increased according to the decision of the National Board of Taxes if, at the employer's request, the senior salaried employee is required to transport other persons on a business trip or, because of work tasks, must take along in his/her car tools, measuring devices or items of equipment for which the employer would have to pay for the travel or transport costs or when a trailer must be towed in order to perform the work tasks.

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES  
FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF – YTN  
(not part of the collective agreement)

## **TELECOMMUTING INSTRUCTIONS**

### **Purpose**

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

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

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

### **Definition**

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

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

### **Telecommuting agreement and determination of terms of employment**

The employee and employer shall conclude a written agreement on telecommuting. The agreement shall define the work to be

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

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

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