THE CHEMICAL INDUSTRY FEDERATION OF FINLAND

and

THE FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF (YTN)

**COLLECTIVE AGREEMENT** 

FOR THE

# SENIOR SALARIED EMPLOYEES IN THE CHEMICAL INDUSTRY

11 February 2020 – 31 January 2022

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# 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 Andstörm

# 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 elected representative 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 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 elected representative or, if a elected representative 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 elected representative

The elected repsentative 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 elected representative, an agreement must be made in the same context concerning compensation of any loss 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.

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 elected representative 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.

# 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 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. Elected representative

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

"These regulations on security of employment shall also be applied to a candidate for the position of elected representative 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 representative 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 elected representative.

#### **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 elected representative 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**

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

# COLLECTIVE AGREEMENT FOR THE SENIOR SALARIED EMPLOYEES IN THE CHEMICAL INDUSTRY

# 1. Scope of the Collective agreement

The regulations of this Collective agreement shall apply to senior salaried employees working for member companies of the Chemical Industry Federation of Finland KT, subject to the restrictions specified below.

The duties of senior salaried employees characteristically differ from those of other staff groups. The duties of senior salaried employees typically involve a relatively high degree of independence and responsibility. The content of the person's duties and responsibilities will determine whether the person falls within the scope of this Collective agreement.

This Collective agreement shall in no respect apply to senior salaried employees whose duties or positions involve managing a company or any independent part thereof, or who otherwise enjoy an independent status that is directly equivalent to such managerial duties. Likewise, this Collective agreement shall not apply to salaried employees who represent the employer in matters of employment with respect to senior salaried employees, and who are entitled or authorised to determine the terms and conditions of employment of senior salaried employees.

# 2. Validity period of the Collective agreement

This Collective agreement shall remain in force from 11 February 2020 to 31 January 2022.

The Parties note that as of 11 February 2020, the new Collective agreement shall replace the Protocol approved by the parties for the period 1 December 2017 – 30 November 2020.

The Collective agreement shall remain in force until 31 January 2022, and thereafter for one year at a time unless written notice of its termination is served by either party no later than two months before said termination takes effect.

During the period of negotiating a new Collective agreement, the regulations of this Collective agreement shall remain in force until the new Collective agreement is concluded or the negotiations have ended.

# 3. Right to manage work performance and general obligations

The employer shall be entitled to lead and distribute work and to engage and dismiss a senior salaried employee.

Senior salaried employee is liable to further and safeguard his employer's interests according to his position.

The employer and senior salaried employee may by agreement derogate from the employer's obligation to re-employ the employee stipulated in Employment Contracts Act chapter 6, section 6. Such agreement may be concluded when the employment relationship is terminated.

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 (*laki yhteistoiminnasta yrtyksissä* no 337 of 2007) is not part of the collective agreement.

# 4. Salary

The salary of a senior salaried employee shall be agreed in the individual contract of employment (taking into account such factors as the job requirement and the performance of the senior salaried employee).

The employer can provide the wage calculation electronically or by letter. The electronic wage calculation must be in a file format that can be printed.

# Part-time salary

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.

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

The regular working hours of senior salaried employees falling within the scope of the Finnish Hours of Work Act (*työaikalaki*, no. 872 of 2019) shall be determined in accordance with section 5 of said Act.

Regular daily working hours may be extended by no more than four (4) hours by local agreement. Regular weekly working time may not exceed 60 hours in such cases.

Overtime shall be governed by sections 16 and 17 of the Finnish Working Hours Act (työaikalaki, no. 872 of 2019), 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.

Compensation for overtime and Sunday work may be agreed with a senior salaried employee by paying the aforementioned compensation in cash as prescribed in the Finnish Hours of Work Act (*työaikalaki*, no. 872 of 2019), by granting time off in lieu pursuant to said Act, or by paying separate fixed monthly compensation based on the estimated amount of such work. The estimated number of overtime hours shall becompared with the overtime worked, and the result of this comparison shall be assessed in relation to the monthly compensation payable at intervals of one calendar year.

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 (*työaikalaki* no 872 of 2019). A calendar year can be used as the tracking period for maximum overtime until 31 December 2020.

In deviation from provision on the flexible working hours of the Finnish Working Hours Act (*työaikalaki*, no. 872 of 2019),, the employer and elected representative 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.

For weekly time off, the provisions of the Working Hours Act (työaikalaki, no. 872 of 2019), 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."

#### Note

A senior salaried employee working under a system of flexible working hours shall be free to decide on the beginning and end of daily working hours within prescribed limits of flexibility. Balance hours accruing under a system of flexible working hours shall not be eligible for overtime compensation; instead, senior salaried employees shall balance their working hours in accordance with said system.

It is possible to agree on the periodic work locally with elected representative in other cases than those mentioned in section 7 of the Working Hours Act (työaikalaki, no. 872 of 2019).

Attached to the Collective agreement is a list of matters taking into account when taking working time bank in use.

# Flexible working hours

When agreeing on flexible working hours defined in the Working Hours Act (työaikalaki, no. 872 of 2019),, 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.

# 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 (*työaikalaki*, no. 872 of 2019),

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 (työaikalaki, no. 872 of 2019), 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 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 midweek holidays.

# 6. Annual holiday, holiday pay and holiday bonus

Annual holiday shall be granted according to law.

Different local agreements concerning the holiday period shall be allowed.

Different local agreements concerning the distribution of annual leave in excess of 12 days shall be allowed.

The salary for the annual holiday period shall be paid before the holiday begins unless it has been locally agreed that the salary will be paid on the regular salary payment day. The holiday salary may be paid on the customary salary payment day for a holiday period of no more than six days.

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.

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.

The holiday bonus shall also be paid in respect of holiday compensation payable for a leave-earning year that has already ended if regular employment is terminated during the holiday period for reasons not due to the senior salaried employee, or when temporary employment ends during the holiday period.

#### Note:

The solutions concerning the annual holiday period and the holiday bonus are usually collective in nature and shall therefore, as a general rule, be agreed with the elected representative or, if no such representative has been elected, with another representative of employees.

# 7. Compensation for travelling costs

The employer shall pay all direct and necessary travelling costs. Unless otherwise locally agreed, the compensation shall correspond to the current tax exempt travelling cost compensation determined by the National Board of Taxes.

# 8. Salary during sickness, maternity or paternity leave and following accidents

#### 8.1. Absence due to illness or accident.

For a period of disability resulting from illness or accident, senior salaried employees shall be paid as follows:

duration of continuous employment at the onset of illness	length of paid period
at least one month but less than 12 months	4 weeks
At least 12 months but less than 5 years	5 weeks
5 years or longer	3 months

If incapacity to work due to illness or accident begins before the employment has continued for one month, then the employer shall pay 50 per cent of the employee's salary including fringe benefits.

It shall be a condition of salary payment that the senior salaried employee authorises the employer to collect the per diem allowance to which the employee in question would be eligible under the Finnish Sickness Insurance Act (*sairausvakuutuslaki*, no. 1224 of 2004) and that said employee did not cause the disability through gross negligence.

# 8.2. Maternity, paternity and parental leave

A senior salaried employee shall be granted maternity, special maternity, paternity and parental leave for the period of entitlement to maternity, paternity or parental allowances under the Finnish Sickness Insurance Act (*sairausvakuutuslaki*, no. 1224 of 2004).

Full salary shall be paid to a senior salaried employee for three months of maternity leave. It shall be a condition of salary payment that the employment has lasted for at least six months before the birth of the child, and that the senior salaried employee authorises the employer to collect the per diem allowance to which said employee would be eligible under the Finnish Sickness Insurance Act. On the same conditions, when a senior salaried employee has adopted a child who is under school age, the adoptive mother shall be granted three months of paid leave comparable to maternity leave at the immediate time of adoption. No salary shall be paid for a period of parental leave.

The salary for regular working hours including fringe benefits shall be paid to a senior salaried employee for six (6) days of paternity leave. This salary shall be paid under the same conditions as for a period of maternity leave.

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

#### Note:

The Parties note that the purpose of the sick leave salary and maternity, paternity and parental leave regulations for senior salaried employees is to correspond in all respects to the similar regulations for other salaried employees in the company.

# 8.3. Short temporary leave of absence

In the event of any sudden illness of the senior salaried employee's child under ten years of age, or of another child under ten years of age permanently living in the senior salaried employee's home, a maximum of four days of temporary paid leave shall be granted where this is essential to care for the child or to arrange such care. It shall be a condition of granting such paid leave that both parents are gainfully employed or that the senior salaried employee is a single parent, or that a parent engaged in full-time studies, who is prevented from caring for the child. Certification of the child's illness in a manner corresponding to the certification required for illness of a senior salaried employee shall also be required.

No deduction shall be made from the pay of a salaried employee on account of a brief and temporary leave of absence granted due to the sudden illness of a family member or the death of a close relative. The latter term shall denote the spouse, parents or parents-in-law of the employee, the children of the family, and any brothers and sisters. The length of short temporary leave of absence shall be determined in relation to the foregoing circumstances and any necessary travelling time.

Senior salaried employees belonging to the decision-making bodies (executive board, delegate council, representative assembly) of the participating federation (YTN) and of the national labour confederation to which it is affiliated (AKAVA) shall be permitted during their working hours to take part in meetings of said bodies that consider issues pertaining to collective bargaining.

A senior salaried employee shall be granted a day of leave with no deduction from salary when said employee's 50th or 60th birthday falls on a working day.

The parties recommend that any deduction from the salary of a senior salaried employee serving in an elected capacity in local government ensures that said employee enjoys full salary after receiving compensation for lost earnings from the public corporation concerned.

For the duration of military reserve refresher courses, the employer shall pay the senior salaried employee so that, supplemented by the reservist pay received from the State, the senior salaried employee receives full salary. This provision shall also apply to those who are trained under the Finnish Rescue Act to perform special duties relating to civil defence.

#### Note:

The Parties note that the purpose of the regulations on short temporary leaves of absence for senior salaried employees is to correspond in all respects to the similar regulations for other salaried employees in the company.

# 9. Elected representative

Senior salaried employees shall have the right to elect one representative for the workplace, and a deputy representative to attend to the representative's duties when the latter is prevented from doing so.

It shall also be possible to elect more than one representative for the workplace when so locally agreed. A workplace shall refer to an establishment of the employer in a district where the employer has no other place of business nearby.

The representative and deputy representative shall be elected from among the senior salaried employees at the workplace who are covered by this agreement and who belong to organisations that are bound by this agreement. The persons elected shall be familiar with conditions at the workplace. All of the senior salaried employees at the workplace shall be given the opportunity to participate in the election.

The term of office of an elected representative and a deputy representative shall be not less than one calendar year.

The employer shall be notified in writing of the persons elected to serve as representative and deputy representative and of any occasion on which the deputy representative deputises for the elected representative.

The responsibility of the elected representative is to maintain and develop relations of bargaining and co-operation between the employer and senior salaried employees. The elected representative shall represent senior salaried employees in local collective bargaining under this Collective agreement and in issues concerning its application. In addition, the elected representative shall represent senior salaried employees in issues arising from the application and interpretation of labour legislation. At the beginning of the term of office of an elected representative, the employer shall discuss the general goals and training needs with them in order to develop the operational conditions of the company, local collective bargaining and the workplace and well-being at work.

The elected representative shall be provided with the information and scope of action that are necessary to administer the duties of the position and shall be granted job release to the necessary extent. This job release shall be taken into account when arranging the work of a representative. The practical arrangements shall be agreed locally. Participation of the elected representative in local collective bargaining shall be considered as a factor that increases the need for release.

On completion of the September salaried employee statistics of the Confederation of Finnish Industries – EK, elected representatives shall be provided with salary statistics on the senior salaried employees that they represent, sorted by job title, for all employee groups of no fewer than five persons.

The elected representative gets a list of those senior salaried employees that they present at least every calendar year.

The elected representative gets information about the company's financial condition and financial statements in accordance with Chapter 3, Section 10 on The Act on Cooperation within Undertakings (*laki yhteistoiminnasta yrtyksissä* no 337 of 2007). The elected representative shall have the right to once a year receive information about the names, the number of concluded flexible work agreements, employment start dates, job titles and workplaces of the senior employees that he or she represents. The elected representative shall be provided with the information of new senior salaried employees (name, position, nature of employment) no later than 2 months from the beginning of the employment.

# **Entry on record**

"Nature of employment" refers to information on whether the employment agreement is a regular or a fixed-term one and whether it is a full-time or part-time employment.

The principles of the determination of the salaries of the company's senior salaried employees or the principles of the applied salary system, as well as their application to the various duties of senior salaried employees, shall be explained to the senior salaried employees' elected representative.

A representative elected in accordance with this Collective agreement shall enjoy the preferential employment security provided in section 10 of chapter 7 of the Finnish Employment Contracts Act (*työsopimuslaki*, no. 55 of 2001). The employment security of an elected representative shall begin at the start of the representative's term of office and end six months after the end of said duties. The regulations pertaining to an elected representative shall apply to a deputy elected representative when said deputy deputises for the elected representative.

# Protection of candidates for the position of elected representative

These regulations on security of employment shall also be applied to a candidate for the position of elected representative 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 representative 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 elected representative and deputy elected representative referred to in this Collective agreement shall be given the opportunity to participate in training for representatives that is jointly agreed by the federations and is necessary for performing the duties of an elected representative, except where this substantially inconveniences the company's operations. No salary deductions shall be made for the training period. The intention to take part in training shall be notified at the earliest opportunity. Other training shall be arranged for the elected representative when necessary as locally agreed.

#### **Note**

The parties affirm that the above-mentioned training agreed jointly by the federations shall also include so-called joint training organised jointly by the parties.

An elected representative shall be entitled to take part in vocational training under the same conditions as other senior salaried employees.

Unless otherwise locally agreed, the employer shall pay a separate monthly compensation to a senior salaried employee serving as an elected representative.

#### **Note**

The parties find that the earnings of an elected representative shall be determined according to the same principles as other senior salaried employees working in the company in positions of corresponding level.

# Monthly remuneration 1 February 2018:

Number of employees represented	Monthly remuneration
5–9	EUR 75
10–50	EUR 126
51–200	EUR 183
201–400	EUR 229
more than 400	EUR 287

#### **Note**

An elected representative's monthly remuneration is also paid during the annual leave. If the task is transferred to the deputy elected representative, monthly remuneration shall be paid instead of elected representative to deputy representative.

# 10. Industrial safety delegate

A separate monthly remuneration shall be paid to a senior salaried employee who is acting as an industrial safety delegate elected by salaried employees. This remuneration shall be based on the scale used for the calculation of remuneration for salaried employees' industrial safety delegates.

The industrial safety delegate referred to above shall be protected against dismissal and layoff as prescribed in the Finnish Employment Contracts Act (*työsopimuslaki*, no. 55 of 2001).

The industrial safety delegate shall have the right to attend industrial safety training that is provided during working hours and jointly approved by the parties to the agreement. The employer shall pay the direct costs of the training and compensate for loss of earnings for regular working hours.

# Industrial safety delegate's monthly remuneration in force from 1 February 2020 is as follows:

Number of persons represented	Monthly remuneration
5–24	EUR 71
25–100	EUR 92
101–250	EUR 119
251–400	EUR 146
more than 400	EUR 171

# 11. Negotiating procedure

Any dispute arising from the application or interpretation of this Collective agreement or any other aspect of employment shall initially be considered between the senior salaried employee and a supervisor. If necessary, the matter may be referred for negotiation between the elected representative and a representative of the employer. If no agreement is reached locally, then a memorandum of dispute shall be prepared at the request of either party to the negotiations no later than two weeks after said negotiations have ended, after which the matter may be referred for further negotiation between the federations.

# 12. Local bargaining

Local bargaining under this Collective agreement may occur between a senior salaried employee and the employer, or between the employer and an elected representative. A local agreement concluded with said representative shall bind the senior salaried employees whom said representative is deemed to represent.

The agreement shall be concluded in writing if a party thereto so requests. A local agreement that is valid until further notice may be terminated at three months' notice unless otherwise agreed.

A local agreement shall continue to apply even after this Collective agreement has expired in other respects.

# 13. Binding character of the agreement and industrial peace

This Collective agreement shall bind the signatory federations and their affiliated associations, and the employers and senior salaried employees that are or have been members of said associations during the term of this Collective agreement.

All industrial action directed against this Collective agreement as a whole or in respect of any individual regulation thereof shall be prohibited. The federations and their affiliated associations shall be required to ensure that their affiliated associations, employers and senior salaried employees falling within the scope of this Collective agreement also refrain from engaging in such industrial action or otherwise infringing the regulations of this Collective agreement.

The Chemical Industry Federation of Finland KT and the Federation of Professional and Managerial Staff (YTN) undertake not to engage in sympathetic action in order to coerce other industrial sectors during the term of this Collective agreement.

Helsinki, 24 February 2020

CHEMICAL INDUSTRY FEDERATION OF FINLAND KT

Minna Etu-Seppälä Juha Teerimäki

THE FEDERATION OF PROFESSIONAL AND MANAGERIAL STAFF (YTN)

Petteri Oksa Mia Adolfsson Matti Andström

# Appendix 1 Protocol on the adoption of a working hour bank

# Working hour bank

The working hour bank is a system adopted in order to balance work and leisure time, allowing employees to save and have days off within the limits agreed upon in connection with the adoption of the working hour bank. The benefit of the system is increased productivity and competitiveness.

The adoption of the system is subject to local agreement. The agreement shall be made in writing between the employer and the elected employee representative.

In adopting the working hour bank, the following matters may be agreed upon, among others:

- who is covered by the system
- what kinds of days off can be saved and under which terms
- maximum amounts set for saving and borrowing days off
- how can the days off be had or ordered
- how is the functioning of the working hour bank considered between the employer and the elected representative and how can the system be changed
- termination of the agreement

With regard to earning annual holiday, days off had as full workdays or longer periods are considered equivalent to days worked.

If there is saved or borrowed balance in the working hour bank at the end of the working hour bank agreement or employment, it will be reimbursed or charged at the end of the agreement or employment.

# **Appendix 2 Survival clause**

If a company or an independent part thereof, such as a production facility, finds itself in exceptional financial difficulties, modifications may be considered in the company in order to safeguard the operation of the company and the survival of the jobs.

If other measures aimed at the improvement of operations alone are not adequate for safeguarding the operation of the employer and the survival of the jobs, it shall be possible to make local agreements deviating from the Collective agreement's terms concerning the financial benefits. Concluding such an agreement shall require a mutual agreement on the existence of exceptional financial difficulties. The employer shall present an adequate declaration for the evaluation of the financial situation of the company.

Such a local agreement can concern the company or an independent part thereof, and the parties to the agreement shall be the employer bound by the Collective agreement and an elected representative, or, if no such representative has been elected, another representative of the employees. The local agreement shall be made in writing for a fixed period of time of maximum one year at a time. In addition to the saving measures, the agreement may include a clause stating how the agreement will be terminated once the situation gets better, how the financial losses will be compensated, and of security of employment, if any.

# **Appendix 3 Remote work**

Appendix, not part of the collective agreement

#### Remote work

The federations encourage workplaces to adopt modern working methods which promote productivity and well-being at work. In this regard, the federations wish to draw workplaces' attention to issues pertaining to remote work.

Remote work in this regard means work that is carried out outside the actual workplace agreed upon in the employment contract. Work that is mainly carried outside the actual workplace, however, is not remote work.

As the main rule, normal rules of employment are also applicable to remote work. The amount of work and its aims are the same as in work carried out in the workplace. The employee retains his normal protection as afforded by the Employment Contracts Act, the collective agreement and social insurance regulations. The employee is also covered by the employer's accident insurance. However, the accident insurance's coverage outside the normal workplace is more closely determined in Chapter 5 of Occupational Accident and Illness Act. As regards occupational health and safety, it must be noted that the employer has usually no means to affect the environment outside the workplace, but the general duty to ensure the safety and health of workers in every aspect related to work applies in all cases where work is carried out.

When remote work is considered, the employer must exercise the duty of equal treatment, unless the employee's tasks give reason to deviate from it.

Remote working may be based on the enterprise's remote work guidelines, specific contracts on remote work or in-case agreements between the employee and his supervisor. If remote work is carried out on a regular week-to-week basis, the federations recommend that the employer and employee agree on the following key elements of remote work:

- The amount, duration and expiration of remote work
- Tasks carried out when performing remote work
- Reporting on the tasks carried out when performing remote work
- Periods, when the employee must be attainable
- Communication with the workplace
- Responsibilities for procurement and maintenance of tools and accessories.

# **Appendix 4 Programme for the youth**

Appendix, 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)

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