



# COLLECTIVE AGREEMENT

BETWEEN

TECHNOLOGY INDUSTRIES OF FINLAND

AND

INDUSTRIAL UNION

8 November 2017 - 31 October 2020

Selected Provisions for HS MCC

(Full text available here:

[https://teknologiateollisuus.fi/sites/default/files/file\\_attachments/www\\_ca\\_2017-2020\\_14.5.3\\_ika\\_poistettu\\_1.pdf](https://teknologiateollisuus.fi/sites/default/files/file_attachments/www_ca_2017-2020_14.5.3_ika_poistettu_1.pdf))

# I GENERAL STIPULATIONS OF THE AGREEMENT

## 1 SCOPE OF THE AGREEMENT

Subject to the exceptions specified below, the terms of this collective agreement shall govern employment relationships between the member enterprises of Technology Industries of Finland and all of their employees.

Technology enterprises may engage in metal processing or manufacturing activities, or their activities may be related to them. They may also engage in the repair, servicing and installation of machines, devices, equipment, systems or other entities mainly in the capacity of service providers. The application of the collective agreement is independent of the employee's profession. It covers features such as duties in the mechanical and electrical industry

If an employer engaged in the technology industry is also engaged in some other industry, but belongs to Technology Industries of Finland only in respect of places of business or departments that are engaged in the technology industry, then this agreement shall only govern the employment relationships of employees in the said places of business or departments.

The parties bound by the agreement shall ensure that parallel agreements are not made in the scope of application of this collective agreement.

This agreement shall not apply:

- to employment relationships between member enterprises of the Association of Finnish Small and Medium-Sized Engineering Employers MTHL in the construction sheet metal and industrial insulation industry and their employees, or
- within the scope of the collective agreement concluded between the undersigned federations for the ore mining industry.

## 2 BINDING CHARACTER OF THE AGREEMENT AND DUTY OF COMPLIANCE

This collective agreement shall bind the signatory federations and their affiliated associations, and employers and employees who are or have been members of the said associations during the term of the agreement.

The parties bound by the agreement shall have a duty to comply with this agreement, and to ensure that their affiliated associations and the employers and employees belonging thereto do not infringe its terms and conditions.

## 6 EMPLOYER'S RIGHT TO MANAGE

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

## 35 TERMINATION OF EMPLOYMENT ON GROUNDS OF FINANCE, PRODUCTION OR REORGANISATION OF THE EMPLOYER'S OPERATIONS

### 35.1 Grounds for termination

The grounds for termination of employment shall comply with sections 1 and 3 of chapter 7 of the Employment Contracts Act (reasons of finance, production, or reorganisation of the employer's operations).

The duty of the employer to offer work or to arrange training shall primarily apply to work available in the same working district to which the employee may be expediently and reasonably redeployed.

### 35.2 Order of workforce reductions

The employees last dismissed or laid off by the employer shall be those whose vocational skills and other abilities are important for enterprise operations and those working for the same employer who have lost part of their working capacity. The employer shall also take note of the employee's length of service and number of dependants.

## 40 NEGOTIATION PROCEDURE ON WORKFORCE DOWNSIZING

If a need arises at a workplace to dismiss or lay off employees or to reduce their regular working time on grounds of finance, production or reorganisation of the employer's operations, then the employer shall comply with the Act on Co-operation in Undertakings, subject to the exceptions agreed in this clause. The duty to negotiate arises in enterprises falling within the scope of the Act on Co-operation in Undertakings.

The Act on Co-operation in Undertakings is not part of this collective agreement. The regulations of this clause shall supplement the said Act and supplant the corresponding clauses of the Act.

Notwithstanding sections 45 and 51 of the Act on Co-operation in Undertakings, the duties of codetermination shall be deemed discharged when the matter has been considered in co-operation procedures on the basis of necessary information provided in advance in the manner agreed below, following submission of a written negotiation proposal.

Negotiating periods

Negotiations on a measure evidently resulting in:	Negotiating period:
Reduction in regular working time, layoff or dismissal of fewer than ten employees.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.
Layoff of no fewer than ten employees for no longer than 90 days.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.
Reduction in regular working time, layoff for longer than 90 days or dismissal of no fewer than ten employees.	Six weeks of submitting the negotiation proposal, unless otherwise agreed locally.
Enterprise regularly employing at least 20 but fewer than 30 employees.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.
Enterprise subject to the restructuring procedure referred to in the Restructuring of Enterprises Act.	14 days of submitting the negotiation proposal, unless otherwise agreed locally.

For the plan of action to promote employment and operating principles to be submitted or displayed on commencing codetermination negotiations preceding possible employee dismissals, see the federation materials concerning employee security in enterprise downsizing.

## **41 COMPENSATION FOR UNFOUNDED TERMINATION OF EMPLOYMENT CONTRACT AND UNFOUNDED EMPLOYEE LAYOFF**

### **41.1 Determination of compensation**

The employer's liability to pay compensation for terminating an employment contract in a manner contrary to the grounds specified in this collective agreement shall be determined in accordance with section 2 of chapter 12 of the Employment Contracts Act.

If an employment contract has been rescinded or considered dissolved contrary to the principles of the collective agreement, then any damage arising from the loss of period of notice shall be compensated according to paragraph 1 of clause 38.2 of this agreement.

In addition to the foregoing, the compensation payable shall be determined according to section 2 of chapter 12 of the Employment Contracts Act if there was no right even to terminate the employment contract by dismissal.

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

### **41.2 Single compensation principle and relation of compensation to compensatory fine**

The employer may not be adjudged liable for the compensation referred to in this clause in addition to or instead of compensation determined pursuant to the Employment Contracts Act<sup>2</sup>.

An employer ordered to compensate an employee for unfounded termination of employment contract or unfounded layoff may not also be ordered to pay a compensatory fine under section 7 of the Collective Agreements Act<sup>20</sup> on the same grounds.

### **41.3 Breach of procedural regulations**

An employer may not be ordered to pay a compensatory fine under section 7 of the Collective Agreements Act<sup>20</sup> for failing to comply with the procedural regulations of this chapter.

Failure to comply with procedural stipulations shall be considered as a factor that increases any compensation payable when determining the amount of compensation to be awarded for unfounded termination of employment contract or layoff.

## **42 COMPETENT COURT AND PERIOD FOR FILING SUIT**

If dispute negotiations concerning termination of employment contract or employee layoff under clause 45 of the collective agreement are inconclusive, then the case may be submitted to the Labour Court for settlement.

Entitlement to compensation pursuant to clause 41.1 of the collective agreement on termination of an employment relationship shall lapse if no claim has been lodged in court within two years of the end of the said relationship.

## **VIII SHOP STEWARDS, LOCAL COLLECTIVE BARGAINING AND SETTLEMENT OF DIS-PUTES**

The shop steward system is part of co-operation between an enterprise and its staff. A shop steward supervises the interests of employees in matters concerning application of the collective agreement and disputes. As a union branch representative, the shop steward is required to maintain and promote industrial peace. Mutual co-operation between the employer and the shop steward is a condition of successfully discharging the shop steward's functions.

Co-operation, and local agreement as an element thereof, seeks to maintain and improve enterprise productivity, competitiveness and employment. This also creates conditions for improving job satisfaction. Local collective bargaining is primarily an instrument for improving operations. The necessary means will be agreed after the objectives have been clarified.

The federations shall assist where necessary in settling workplace disputes concerning the correct application or interpretation of the collective agreement.

## **43 SHOP STEWARDS**

### **43.1 Purpose of the shop steward system**

The purpose of the shop steward system is to create the conditions for improving co-operation between enterprises and employees, for ensuring correct application of the collective agreement, and for promoting local collective bargaining. The principal function of a shop steward is to participate in the local bargaining system for implementing the collective agreement, and to help ensure that:

- the collective agreement is correctly applied and observed,
- disputes are resolved swiftly and expediently,
- co-operation and local bargaining are promoted, and
- industrial peace is maintained and encouraged.

The shop steward system seeks to provide an avenue for improving enterprise operations, industrial democracy and productivity.

### **43.2 Status of a shop steward**

Shop stewards enjoy special rights and bear corresponding obligations when discharging their duties. In addition to duties arising from the collective agreement and labour legislation, other shop steward duties may be agreed according to the needs of the workplace, which may involve representing the staff in various development projects and other contexts.

### **43.4 Operating conditions of a shop steward**

#### **43.4.1 Information to be provided to a shop steward**

##### *A. Ambiguities and disputes*

The competent shop steward shall be provided with all of the information that is pertinent to resolving any case of confusion or difference of opinion concerning the wages of an employee or the application of legislation or agreements to an employment relationship.

##### *B. Warnings*

The shop steward shall be notified of any warning given to an employee unless the shop steward was present when the warning was issued.

##### *C. Development and other duties*

A shop steward participating in development or other corresponding functions shall be provided with appropriate details of the aims of the project, completion of implementation measures, and the terms and conditions of enterprise operations.

Unimpeded information flow will enable the parties to negotiate. The details must be provided at the earliest opportunity. If the details provided include any commercial or trade secrets specially designated by the employer, then these matters must be kept confidential.

#### *D. Appraisal of the aims and effectiveness of the bargaining system*

A regular appraisal – during the first two months of the term of office of a shop steward and annually thereafter – of the assigned objectives and effectiveness of the workplace bargaining system should be conducted at the workplace. The participants in this appraisal shall be each shop steward together with the corresponding negotiator, or all such parties together as required, with feedback provided from both sides serving as the basis for efforts to improve co-operation still further. The need, timetable and aims of training for the duties of a shop steward shall also be planned at this time.

## **45 RESOLUTION OF DISPUTES**

### **45.1 Duty to negotiate and prohibition of coercion**

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

No work stoppage or other measures may be taken on account of a matter falling within the scope of the duty to negotiate in order to coerce the opposing party or to disturb the normal progress of work.

### **45.2 Local collective bargaining procedure**

The local negotiating procedure in disputes shall be determined as follows, depending on the scope of the dispute or on previous attempts at settlement:

1. Negotiations on matters concerning the terms and conditions of employment of an employee shall be conducted in the first instance between the employee and the employee's supervisor.
2. An employee who has been unable to settle these matters with the said supervisor may refer the question for negotiation between the shop steward and a representative of the employer.
3. If no settlement is reached in these further negotiations, then the matter may be referred for negotiation between the chief shop steward and a representative of the employer.

Direct negotiations may commence at once between a shop steward and an employer's representative if the case collectively concerns employees represented by the shop steward.

Negotiations shall commence at the earliest opportunity, and no later than within one week of presentation of a negotiation proposal. Settlement of any dispute requiring swift and immediate resolution must begin at once when the dispute arises. The negotiations must proceed without delay.

### **45.3 Federation assistance**

The federations shall provide advice and guidance to the local parties on request at all stages of negotiation in order to promote settlement of the dispute at the workplace.

The local parties may jointly ask the federations to issue a settlement proposal or binding ruling on a disputed point. Any binding ruling issued by the federations shall be final.

### **45.4 Memorandum of dispute and Labour Court**

If the local parties are unable to settle a dispute, or if no binding settlement has been concluded between the federations at the request of the said parties, then the matter may be referred for negotiated settlement by the federations at the request of either party.

A joint memorandum of the disputed matter shall be prepared, specifying the point of dispute and explaining the views of the parties. The memorandum shall be signed by the chief shop steward and a representative of the employer.

The federations may return a matter for local negotiation in cases of material failure to comply with the local grievance procedure for settling a dispute.

The local parties shall be bound to comply with the unanimous view of the federations on a point of dispute.

Disputes arising from this agreement upon which the federations have negotiated in accordance with the foregoing negotiating procedure without reaching agreement may be submitted to the Labour Court for settlement.