## **Collective Agreement between Teknikarbetsgivarna and IF Metall**

## 1 april 2017 - 31 mars 2020





## Collective Agreement for Wage-earners between Teknikarbetsgivarna and IF Metall

1st April 2017 – 31st March 2020

Teknikavtalet IF Metall

In the older agreements, the organisations' previous names or acronyms occur

Sveriges Verkstadsförening (VF) = Teknikarbetsgivarna Svenska Arbetsgivareföreningen (SAF) = Svenskt Näringsliv

Svenska Metallindustriarbetareförbundet (Metall) = Industrifacket Metall (IF Metall)

Disclaimer. This is an English translation of Teknikavtalet IF Metall. It is not a translation which is agreed between the parties of Teknikavtalet. In case of dispute regarding the proper interpretation of these provisions only the Swedish language version will apply.

## Contents

Sectio	n 1 Peace obligation and negotiating procedure	5
	n 2 Wage principles	9
	n 3 Wage regulations	10
	n 4 Working hours	12
	n 5 Compensation for work at inconvenient hours and overtime	22
	n 6 Annual leave	26
	n 7 Work outside the plant	31
	n 8 Sick pay and parental pay	33
	n 9 Commencement and termination of employment	36
	n 10 Wage protection	42
Sectio	n 11 Compassionate leave	44
	n 12 Work in the home	45
Section	n 13 AFA and AMF insurance policies	45
Sectio	n 14 Term of this agreement	46
Hourl	y and piecework wages appendix	47
1.	Type of wage	47
2.	Hourly wages	47
3.	Piecework wages	48
4.	Disputes	54
5.	Shift type and underground supplements	55
6.	Paid leave and pension premium	55
7.	Calculation of holiday pay	56
8.	Public holiday pay	57
9.	Calculation of sick pay	59
10.	Compensation for travelling time	61
11.	Payment in the event of production stoppages	61
12.	Payment on termination of employment	61
13.	Payment in connection with job modification	62
14.	Rules applying to foundries	62
15.	Compassionate leave	63
16.	Work in the home	63
17.	Disbursement of wages	64
18.	Note on minutes of negotiations	65

Layoff pay agreement	66
Agreement regarding participation of the company	
in the collection of trade union dues	69
Introduction of Profession Agreement	72
Agreement concerning training and development in the company	75
Agreement on a fee-based redeployment insurance	79
Agreement concerning specific measures with respect to	
employees exposed to asbestos	86
Agreement concerning work environment and occupational health	87
Agreement regarding development work against stress injuries	89
Basic SAF-LO agreement	91
Wage agreement	98

## **Teknikavtalet IF Metall**

#### Collective agreement between Teknikarbetsgivarna and IF Metall

# Section 1 Peace obligation and negotiating procedure

#### Introduction

Between Teknikarbetsgivarna and IF Metall there is a long-established convention that employer and employee manage their common affairs through constructive discussions and thereby try to avoid disputes. In case dispute arises, the parties agree that in local, and if necessary, central negotiations make honest attempts to resolve disputes within the framework of the negotiation procedure. In this manner, we can also in future maintain a good tradition of avoiding dispute resolution in court as far as possible, thus contributing to an efficient and smooth dispute management for the benefit of both employees and companies.

#### Subsection 1 Peace obligation

The parties have agreed that a peace obligation should prevail in relation to terms of employment and the general relationship between the parties during the period of validity of the agreement.

#### Note

The parties have agreed that this provision does not affect the right to take sympathetic action in accordance with chapter III of the Basic SAF-LO a-greement.

#### Subsection 2 Duty to negotiate

If a legal dispute or a dispute of interest arises relating to terms of employment or the general relationship between the parties, negotiations are to be conducted according to the methods and procedures of this agreement.

#### Subsection 3 Negotiations at local and central level

Negotiations are first carried out at the local level (local negotiation) and then, if agreement has not been reached, at the central level (central negotiation).

Local negotiations are conducted between the parties at the workplace with the involvement of the local organisation.

#### Note

By local organization means local union branch. At companies without local union branch, the section is the local organization.

Central negotiations are conducted between the parties at central union and association level.

**Subsection 4 Payment disputes and disputes relating to the duty to work** The provisions of subsections 5-7 and 10-11 relating to time limits and court proceedings do not apply in disputes as provided for in Sections 34 and 35 of the Co-Determination Act. In such disputes the provisions of Section 37 of the Act apply.

#### Note

In disputes in accordance with the Act on the Right to Employee Inventions (1949:345), the provisions of the negotiating procedure replace Section 35 of the Co-Determination Act, which cannot therefore be applied in such disputes.

#### Subsection 5 Request for local negotiations

If a legal dispute arises relating to the validity of a termination of employment or a dismissal, the party that wishes to pursue the matter shall request local negotiations. The request shall reach the other party no later than two (2) weeks after the termination or dismissal occurred. Where the worker has not received such notice regarding an action for invalidity as referred to in Section 8, second paragraph of section 19, second paragraph of the Employment Protection Act, the period for notification shall be one month and is due from the date the employment has ceased.

If a party does not request negotiations within the time provided for in the first paragraph, the party thereby relinquishes its right to negotiate in the matter.

If a dispute arises that differs from that provided for in the first paragraph, local negotiations shall be requested as soon as possible. A request must be recieved by the other party not later than four months from the date on which the party which requested negotiations may be deemed to have become aware of the factual circumstances which constitute the basis for the dispute.

If a party fails to request negotiations within the time stated in the third paragraph, such party has forfeited its right to negotiate in the matter. The aforesaid shall apply also in any event where negotiations are requested more than two (2) years after the factual circumstances occurred which constitute the basis of the dispute or in disputes concerning unpermitted fixed-term employment, more than one month after the last day of employment has expired.

#### Note

In the case of undisputed wages due for payment or other remuneration, the statutory time limitation applies. As regards the possibility of taking industrial action to recover wages, Section 41 paragraph two of the Co-Determination Act applies.

#### Subsection 6 Request for central negotiations

If the parties cannot agree on a solution to a dispute as part of local negotiations, the party that wishes to pursue the dispute further must request central negotiations with the other party.

In disputes relating to declaring a termination of employment or a dismissal invalid, a request for central negotiations should reach the other party not later than two weeks from the date the local negotiations were terminated.

After local negotiations in accordance with Section 11 or Section 12 of the Co-Determination Act, a request must reach the other party no later than one (1) week from the date the local negotiations were concluded. This also applies in cases of disputes relating to the duty of confidentiality according to Section 21 of the Co-Determination Act and in cases of so-called contract negotiations according to Section 38 of the Co-Determination Act.

In any dispute other than those provided for in the third paragraph, a request for central negotiations must be made with due speed. A request must reach the other party no later than two months from the date the local negotiations were terminated.

If a party does not request negotiations within the time provided for in the third or fourth paragraph, the party thereby relinquishes its right to negotiate in the matter.

## Subsection 7 Time within which local or central negotiations must be commenced

Where a request for negotiations has been made within the prescribed period of time, the negotiations shall be commenced as soon as possible, however not later than three weeks from the day on which the request was made. In individual cases, the parties may agree on a longer period of time.

#### **Subsection 8 Negotiation minutes**

If requested, minutes from the negotiation shall be made. The minutes must be approved by the parties.

#### **Subsection 9 Conclusion of negotiations**

Local or central negotiations are concluded when the parties reach agreement thereon or when one party provides the other party with clear notice that he regards the negotiations as concluded.

Where minutes are taken, the time of conclution of the negotiations shall be noted in the negotiation minutes.

## Subsection 10 Legal effect of negotiations in progress and loss of the right to negotiate

Before negotiations between the parties in accordance with this negotiating procedure have been concluded, the parties may not take any legal or other actions in relation to the dispute. This does not apply if a party by refusing to negotiate has prevented negotiations in accordance with the negotiating procedure.

A party that has lost its right to negotiate in accordance with the provisions of this negotiating procedure may not take action in regard to the dispute.

#### Subsection 11 Initiation of court proceedings

A party that wishes to further pursue a legal dispute once negotiations are terminated must initiate proceedings. In a dispute relating to declaring a termination of employment or dismissal invalid or a declaration that a fixedterm employment is not permitted and that the employment will run until further notice, proceedings must be initiated within two (2) weeks from the date the central negotiations were concluded, and in other disputes within four (4) months from the aforesaid date. If the dispute relates to a duty of confidentiality in accordance with section 21 of the Co-Determination Act, the proceedings must be brought within ten (10) days from the date the central negotiations were concluded.

If proceedings are not initiated within the periods provided for in the first paragraph, the party has lost its case.

#### Subsection 12 General matters

Both parties agree that the negotiating procedure in § 1 in Teknikavtalet IF Metall has the same period of validity as the Basic SAF-LO agreement of 1938. That means that the negotiation procedure applies until further notice with a notice period of six months. If there is a collective wage agreement between Teknikarbetsgivarna and IF Metall at such time when the Basic SAF-LO agreement is to expire, the negotiation procedure is prolonged to expire together with the contemporaneous expiry of the wage agreement. Regarding § 1 subsection 1 Peace obligation, the parties agree that the regulation concerns a peace obligation during the period of validity of Teknik-avtalet IF Metall.

In certain special cases, such as, for example, a breach of the peace obligation, and in a matter of interim measures, proceedings can be initiated without prior negotiations, and this negotiating procedure shall not result in changes to established law.

The negotiating procedure replaces chapter II of the Basic SAF-LO agreement, which applies in other respects between the parties.

## Section 2 Wage principles

Wage setting shall be differentiated according to individual and other circumstances. Wage differentials shall be objectively and well motivated. Wages shall be set taking into account the responsibility and level of difficulty of the work tasks and the way in which the employee performs these. More difficult work that places greater demand, skills, responsibility and competence shall render higher wages than less demanding work. Regard shall also be paid to the work environment and the conditions for carrying out the job. Market forces also affect wage assessments.

Every employee shall be aware of the basis for setting wages and what the employee may do in order to increase his wages. Systematic evaluation of work content and personal qualifications provide a good basis for assessment. Theoretical and practical knowledge, judgement and initiative, responsibility, effort, working environment, ability to cooperate and to lead are examples of important factors that should be taken into account in an assessment made by the local parties.

When work requirements are raised through increased experience, more demanding duties, increased authority, greater responsibility, increased knowledge or competence, an employee should be able successively to increase his or her wages. Internal wage systems and wage setting within the company should be shaped so that they become a propelling force for the development of the employees' skills, competence and duties. Wage setting will thus stimulate increased productivity and increased competitive strength. The same wage principles should apply to all workers.

Discriminating or other factually unmotivated differences in wages and other employment conditions between employees shall not occur. Ahead of wage negotiations conducted in accordance with the agreement, the local parties Section 2-3

shall analyse whether discriminating or other factually unmotivated differrences in wages exist. If these analyses prove that there are unmotivated wage differentials in the company, they shall be adjusted in connection with the wage negotiations.

### **Section 3 Wage regulations**

#### Subsection 1

Taking into account the nature of the work and work organisation, the types of wage which best satisfies demands on productivity, job satisfaction, efficiency, competitive strength and income security should be paid. Starting from the wage principles, the local parties should agree on suitable wage systems. The basis for this agreement is a monthly wage which may be supplemented by fixed and variable wage elements.

#### Note

If so requested by one of the local parties, the rules in the Hourly and piecework wages appendix shall be applied.

#### Subsection 2

#### Minimum monthly wage

Employees who have reached the age of 18 shall receive a minimum monthly wage of SEK 19 397 from 1st April 2017, 19 766 from 1st April 2018 and 20 161 from 1st April 2019. In the case of specially qualified work the minimum monthly wage shall be SEK 21 426 from 1st April 2017, 21 833 from 1st April 2018 and 22 270 from 1st April 2019.

Employees with at least 12 months or 24 months of employment in the company during the last 36 months shall receive a wage exceeding the minimum wage in the category the worker in the following manner.

At 12 months by SEK 630 from 1st April 2017, SEK 642 from 1st April 2018 and SEK 655 from 1st April 2019.

At 24 months by SEK 1 132 from 1st April 2017, SEK 1 154 from 1st April 2018 and SEK 1 177 from 1st April 2019.

#### Wages for trainees, etc.

The rules on minimum monthly wages do not apply to trainees, for this category a separate agreement has been made, and minors (below the age of 18). In a local agreement exceptions from the minimum wages may be made also for other employees when special grounds exist.

#### Work during school holiday

Upper secondary school students aged 16-18 and employed for a fixed term during school holidays are paid an hourly wage of at least SEK 74.89 from 1st April 2017, SEK 76.31 from 1st April 2018 and 77.84 from 1st April 2019. The wage includes public holiday and holiday pay.

#### Subsection 3

#### Wages per day and hour

The wage per day is calculated as	monthly wage x 12 365
The wage per hour is calculated as	<u>monthly wage</u> 175

Where the average working week calculated over a calendar year differs from 40 hours, the divisor 175 must be adjusted proportionately to the working hours. The weekly working hours are defined in section 4, subsection 3:2.

When calculating the wage per day and per hour any bonus elements are excludeed.

#### Calculating wages during absence

In the case of absence part of a day or for full days for a period of no more than five working days, a deduction of wage per hour will be made for each hour of absence.

In the case of absence for more than five working days, a deduction of wage per day will be made for each calendar day throughout the period of absence. Non-working days at the beginning or end of a period of absence are not considered days of absence.

In the case of absence for a full calendar month, the entire monthly wage will be deducted, regardless of whether or not the period of absence commences or ends with a non-working day.

#### Note

There are separate rules concerning wage deduction regarding absence in case of illness and absence with parental pay or temporary parental benefit.

#### Pay for part of a payment period

An employee who commences or finishes his employment during the course of a calendar month, disregarding any bonus element, should be paid by the hour if the employment runs for no more than five working days of the month, and in other cases per day for each calendar day during which he is employed.

#### **Disbursement of wages**

Wages should be paid once a month at a date set previously.

## **Section 4 Working hours**

#### Subsection 1 The Working Hours Act

This section replaces the Working Hours Act in its entirety.

The regulations in this section do not constitute a change in the regulations of the Work Environment Act for minors.

#### **Subsection 2 Definitions**

*Working hours:* All time when the employee is at the disposal of the employer as well as carries out activities and tasks related to this.

#### Note

On-call hours are deemed to be working hours. On-call duty is not deemed to be working hours.

*Rest period:* Any period that does not come under working hours. Unless otherwise stated, a rest period is unpaid.

*Night:* By night is understood the period between 22:30 and 05:30. By means of a local agreement, night may be defined as some other period of at least seven hours that includes the period between 00:00 and 05:00.

*Night worker:* An employee who normally carries out at least three hours of his working hours at night time, and an employee who will very probably perform at least half of his working hours at night time.

*Shift work:* Any method to divide work up in shifts whereby employees hand over to each other at the same workplaces according to a given procedure, also cases where this is on a rotational basis; the shift may be continuous or discontinuous; the method may involve an employee having to work at different times during a given period of days or weeks.

#### Note

This definition is not intended to change current practice within the area of the agreement.

Shift worker: Any employee whose work schedule involves shift work.

#### Note

Temporary involvement in a shift work procedure is also regarded as shift work in terms of a shift-type supplement. For deposition of time in the time bank in accordance with the provisions for shift work, the worker must engage in shift work for a continuous period of at least an entire working week.

Adequate rest: Where the employees have regular rest periods, the length of which is given in time units and which are sufficiently long and continuous to ensure that they do not injure themselves, their colleagues or other persons due to fatigue or uneven work rhythms, and that their health is not damaged, either in the short or the long term.

#### Subsection 3 Disposition of working hours and time in the time bank

#### Subsection 3:1 Available working hours

During a calculation period of a calendar year the average working hours per seven day period may not exceed 48 hours.

By means of a local agreement, the calculation period may be determined as some other fixed or rolling period of 12 months.

Periods of paid annual leave and sick leave must be neutral in terms of the calculation of the average working hours.

#### Subsection 3:2 The length of regular working hours

Regular weekly working hours for a full-time employee on daytime working and two-shift working and work on a Monday to Friday basis, are 40 hours per normal working week on average per calendar year. Regular weekly working hours for a full-time employee per normal working week on average per calendar year are 38 hours on intermittent three-shift work, 36 hours on continuous three-shift work, 35 hours for continuous three-shift work with major public holiday work, and 34 hours for permanent night work.

#### Note

By permanent night work is understood a fixed working hours schedule that is not part of a three-shift arrangement and that includes at least one continuous working week and involves working hours between midnight and 05.00. The intention is not to change current practice relating to scheduling and payment regulations for permanent night work within the agreement area.

#### Subsection 3:3 Time for the time bank

For a full-time worker, for each working week completed in full, time is to be deposited in a time bank as follows

Daytime work	82 minutes
Two-shift work	202 minutes
Other shift work	82 minutes
(for example, three-shift work and	d permanent night work)

For a full-time worker who has not completed his regular disposition of working hours in a given working week, and for a part-time worker, time is deposited in the time bank in proportion to the shorter working hours.

The local parties can agree whether this time is to be wholly or partly scheduled instead of being deposited in the time bank.

Disposal of in the time bank used is regulated by section 5, subsection 5.

#### Subsection 3:4 Underground work

For construction work in underground caverns, under buildings, or for service work in mines (underground work) regular working hours are to be 36 hours per week on average. Underground work amounting to no more than eight hours per week does not give entitlement to shorter working hours.

#### Note

For specific compensation for underground work, see section 5, subsection 4.

#### Subsection 3:5 Notification in the case of part-time employment

Should the occasion arise, the employer must notify the local union branch in writing regarding the working hours for part-time employees.

#### Subsection 4 Disposition of regular working hours

#### Subsection 4:1 Agreement on the disposition of working hours

The disposition of working hours is of considerable importance for the better utilisation of the facilities and resources of the company, as well as for meeting the wishes of the workers. It shall be possible to have shorter or longer working hours and different disposition of working hours at different times of the year. By increased use of several types of working hours, such as working hours of varying lengths and varying their disposition, there should be greater opportunity to match working hours to the interests of both the company and the workers. Regular working hours for a full-time worker are scheduled by a local agreement or by an agreement between the employer and the worker in accordance with subsection 4:3.

When the local parties make an agreement on varied working hours, the agreement may cover one or more calendar years, but on condition that average working hours per seven-day period do not exceed 48 hours calculated over a 12-month period.

In the case of an agreement on varied working hours, the parties shall comply with the payment regulations, for instance as regards a worker whose employment ceases during the life of the agreement.

#### Subsection 4:2 Disposition in other cases

If the parties cannot reach an agreement, working hours will be disposed as follows.

If the disposition of regular working hours is changed, the employer shall inform the workers concerned and notify the local union branch no later than two weeks in advance.

The times set out below may be varied by 40 minutes per work period.

#### **Daytime working**

Monday–Friday, 07:00–16:00 with one or more breaks totalling one hour.

#### Two-shift working

*First shift* Monday–Friday, 05:30–14:00 with a 30-minute break.

*Second shift* Monday–Friday, 14:00–22:30 with a 30-minute break.

#### Intermittent three-shift working

The shift cycle should not begin before 22:00 on a Sunday.

Regular working hours should not be scheduled for Midsummer Eve, Christmas Eve or New Year's Eve.

#### **Continuous operating**

In the case of continuous operating and insofar as the local parties have not agreed otherwise, breaks should be made in production for major public holidays as follows

#### Section 4

**New Year**: From the end of the afternoon shift on the day before New Year's Eve until the start of the morning shift on the day after New Year's Day.

**Easter:** From the end of the afternoon shift on Maunday Thursday until the start of the night shift on Easter Monday.

**1st May:** From the end of the afternoon shift on the day before until the start of the night shift on 1st May.

**National Day:** From the end of the afternoon shift on the day before until the start of the morning shift on the day after National Day.

**Midsummer:** From the end of the afternoon shift on the day before Midsummer Eve until the start of the night shift on the day after Midsummer Day.

**Christmas:** From the end of the morning shift on the day before Christmas Eve until the start of the night shift on Boxing Day.

Local agreements should be made whereby work may also be performed during the above mentioned public holidays if the plant or operations so requires.

#### Subsection 4:3 Individual agreements on working hours

Should an employer or a worker wish to schedule working hours in any other manner than that set out in subsection 4:1 or subsection 4:2, an agreement shall be made with the employee or employees concerned.

The employer shall directly inform the local union branch of agreements with individual employees.

Such an agreement terminates at the latest one month after either party has given notice.

If such an agreement has been reached between an employer and a worker, the rules in section 4, subsections 4:4, 4:6 and 4:7 shall apply. Moreover, the aim of the regulations in subsection 4:5 shall be considered.

#### Subsection 4:4 Breaks and pauses

Unless otherwise agreed by the local parties, breaks should be scheduled if the work shift is longer than six hours. By break is understood an interruption in the daily working hours when the worker is not obliged to remain at the workplace. Breaks may be replaced by mealtime pauses at the workplace. Such mealtime pauses are included in the working hours.

The employer should arrange the work so that the employee can have the pauses that are needed besides the breaks. If working conditions so require, special pauses in the work can be arranged instead. Such pauses are included in the working hours.

#### Note

The provisions of the first paragraph above do not imply any change to established law in connection with the scheduling of breaks during three-shift work.

#### Subsection 4:5 Daily rest period

Unless otherwise agreed by the local parties each employee must be given at least eleven hours' continuous rest period per 24-hour period, calculated from the start of the working shift according to the working hours schedule currently valid for the worker.

Deviations may be made from the first paragraph in a given case if these are caused by some special circumstance, such as shift changes, overtime work or an agreement on the disposition of working hours. In the case of such deviations, the worker must be given the equivalent extended rest period at the end of the working shift that interrupted the rest period.

If, for objective reasons, the equivalent extended rest period cannot be scheduled in accordance with the previous paragraph, the employee must be given the equivalent extended rest periods scheduled within seven calendar days.

If, for objective reasons, it has not been possible to schedule the equivalent extended rest periods in accordance with the preceding paragraph, the remaining time is deposited in the employee's time bank.

#### Note

By equivalent rest period is understood the difference between 11 hours and the continuous rest period that the employee has received. For example, 3 hours if the rest period in a given 24-hour period has been 8 hours. If the rest period during several subsequent 24-hour periods has been shorter than 11 hours, the equivalent rest period should be the sum of the differences.

If the employer decides to schedule the equivalent rest period as working hours, section 5 subsection 5:1 applies in the matter of payment. In such a case the employee may instead request an equivalent application of the provision on work and shift changes in the last paragraph of section 5 subsection 2.

Time is deposited in the time bank should, on the basis of an agreement, be

scheduled as paid time off within a month. If no agreement has been made, the time is treated as other time in the time bank.

If there are extraordinary circumstances, the central parties each have the right to request central negotiations regarding application of this section.

#### Subsection 4:6 Night working

Except where otherwise agreed by the local parties, employees shall be free to rest at night. This free time shall include the period between midnight and 5:00 a.m.

Deviations may be made from the first paragraph if, in view of its nature, service to the public or other special circumstances, the work must also continue at night or be performed before 5:00 a.m. or after midnight.

On average per calendar year, regular working hours for night work must not exceed eight hours per 24-hour period. By means of a local agreement, the calculation period may be determined as some other fixed or rolling period of 12 months.

Night workers, whose work involves specific risks or major physical or mental exertion, shall not work more than eight hours within a 24-hour period when carrying out work at night.

#### Note

Where the local parties are not in agreement as to whether work at night involving specific risks or major physical or mental exertions does occur within the plant, they should consult with the central parties before the matter is dealt with in accordance with the negotiating procedure.

#### Subsection 4:7 Weekly break

Except where otherwise agreed by the local parties, workers shall have an uninterrupted break of at least thirtyfive hours during each period of seven days (weekly break).

As far as possible, the weekly break shall be scheduled during weekends.

Temporary exemptions from the first paragraph may be made if they are made necessary by some specific situation, which could not be foreseen by the employer.

#### Note

The breaks for two seven-day periods may be combined into a single break.

If the weekly break is scheduled during regular working hours, compensation must be paid for loss of earnings. It is incumbent on the local parties to agree on such compensation. Insofar as the parties have agreed that the compensation paid for standby duty includes compensation for leave as a result of the weekly break, this must be taken into account.

#### **Subsection 5 Overtime**

#### Subsection 5:1 Overtime work

Whenever the employer deems it necessary, the worker, insofar as he is not prevented from doing so, should work overtime to the extent permitted by this section. Notice of overtime work, as well as of reasons preventing a worker from working overtime, shall be given in good time, and in any case not later than the last break during regular working hours.

Work in excess of the number of hours per day specified by the work schedule for the employee is regarded as overtime.

#### Note

Where flexible working hours are applied, the parties have agreed on the following application rule.

If the employer requires overtime to be worked, such time is calculated from the time of the end of regular working hours. The same applies if overtime is scheduled before the start of regular working hours. The local parties should look into the possibility of making a local agreement concerning compensation for work at inconvenient hours.

#### Subsection 5:2 Limits on overtime

No more than 50 hours of overtime may be worked during a calendar month, subject to a maximum of 150 hours during a calendar year.

The local parties may agree on further overtime.

By agreement between the employer and the employee, in addition to the 150 hours in accordance with the first paragraph, a further 50 hours of overtime may be worked during the calendar year.

#### Note

By means of a local agreement, the calendar year may be replaced by another 12-month period. When taking out paid leave from the time bank in accordance with section 5 subsection 5, the corresponding time shall be added as available overtime, but no more than 200 hours per year.

#### Subsection 5:3 Collective production overtime

The working hours schedule may be prolonged for at least four weeks in accordance with a plan made in advance, by means of a local agreement for all employees at the plant, department or group. This is called collective production overtime.

#### Subsection 5:4 Emergency overtime

If a natural occurrence, accident or similar circumstance, which could not have been foreseen by the employer, has caused an interruption in the operations created an imminent risk of such an interruption or injury to life, health or property, the overtime hours worked as a result of such a circumstance are not considered overtime when calculating overtime according to subsection 5:2. This is called emergency overtime.

The employer must inform the local union branch as soon as possible regarding such overtime. If emergency overtime working continues for more than two days from the time that work started, the central trade union must be notified.

#### **Subsection 6 Standby hours**

If it is necessary on account of the nature of the operations for the employee to be at the disposal of the employer at the workplace to perform work when necessary, standby hours may be claimed on this account up to a maximum of 48 hours during a four-week period or 50 hours during a calendar month. Hours during which the employee works for the employer are not counted as standby hours.

#### Subsection 7 Record of working hours

The employee must adhere to the routines decided by the employer for checking working hours. In cases where working hours are recorded in a registration system, recording may not encroach on working hours. Recording should be organised and carried out in such a way that it is efficient in terms of time and does not create difficulties for the employees.

The employer shall keep such records as are necessary for calculating overtime and standby time. Individual employees, representatives of the local union branch or the trade union organisation are entitled to see these records. In the absence of a local union branch, representatives of the local union office have the corresponding right. The records shall be kept in accordance with instructions drawn up jointly by IF Metall and Teknikarbetsgivarna.

As a regulation, but without sanction of compensation, an employer who has applied subsection 4:5 paragraphs two to four for the local union branch shall declare when and why.

#### Subsection 8 Working hours board

The Working hours board considers disputes regarding the interpretation or application of this section or agreements reached on the basis of it. If no a-greement can be made relating to a departure in accordance with subsection 4:6 or subsection 5:2, either of the central parties, and without hindrance to the negotiation procedure, may request that the matter be referred to the Working hours board for a decision.

The working hours board consists of four members. Teknikarbetsgivarna appoints two and IF Metall two members. One of the members takes the chair and is appointed alternately by Teknikarbetsgivarna and IF Metall for one year at a time.

Each member has one vote. In the event of a tie, the board may be enlarged at the request of a member by the addition of a further member. Such a member will be appointed by the parties jointly and will take the chair in adjudication of the matter.

#### Note

If the board of arbitration were to find that it should not pronounce on a matter referred to it, since a guideline decision in a matter under EC law is not available and the matter referred depends on such a decision, the board of arbitration shall acquit itself of the matter on those grounds. Either party then has the option of initiating court proceedings within thirty days from the day the party was notified of the board of arbitration's decision. Such a procedure as mentioned above does not affect the application of the agreement nor its effect, until there is a final decision in the matter.

#### **Subsection 9 Negotiating procedure**

Disputes concerning the interpretation or application of this section must primarily be referred to negotiations between the local parties (local negotiations).

Should the local parties fail to come to an agreement, the dispute shall at the request of either party, be referred to central negotiations.

A dispute may be referred by either party to the Working hours board for final decision within two months of the conclusion of central negotiations. The decision of the board is binding on the parties.

Otherwise, the negotiating procedures according to section 1 apply.

#### Minutes of the negotiations

- 1. The Working hours board is entitled to award damages against employers in breach of section 4 or of agreements reached on the basis thereof. Of such damages, half shall be paid to IF Metall's Recreation fund and half to IF Metall's and Teknikarbetsgivarna's Scholarship fund.
- 2. The provisions of the Working Hours Act serve as guidance for the Working hours board when deciding the amount and apportionment of damages in the event of improper use of overtime working.
- 3. The parties agree that the question of possible consequences of improper use of overtime working should not become the subject of local demands. The parties should endeavour, by means of consultation and other suitable ways, to ensure that this principle is maintained.

# Section 5 Compensation for work at inconvenient hours and overtime

#### Subsection 1 Work at inconvenient hours

Except where otherwise agreed by the local parties the following rules of compensation apply for work at inconvenient hours.

**A.** Work between 16:30 and 06:30 on all days will be supplemented as follows per hour (amounts in SEK).

	1 April 2017	1 April 2018	1 April 2019
16.30-22.30	25.15	25.63	26.14
22.30-06.30	32.00	32.61	33.26

**B.** The following supplements will be paid for work during public holidays and at weekends over and above the amounts specified under A

from 22:30 the day before a Saturday or public holiday until 22:30 on the Sunday or public holiday, or where several such days fall consecutively until 22:30 on the last of them, SEK 70.40/hour from 1st April 2017, SEK 71.74/hour from 1st April 2018 and SEK 73.17/hour from 1st April 2019.

#### Note

Supplements are not paid for work on Saturdays, Sundays or public holidays that represents work in compensation for additional holidays.

C. Supplements will be paid for work on the major public holidays listed in section 4, subsection 4:2 in addition to the amounts stated in A above at a rate of SEK 156.58/hour from 1st April 2017, SEK 159.56/hour from 1st April 2018 and SEK 162.75/hour from 1st April 2019.

#### Note 1

Supplements by B and C are not paid concurrently.

#### Note 2

Insofar as regular working hours for daytime working, two-shift, or intermittent three-shift working on the day before Christmas Eve are scheduled under time defined as a major public holiday (in accordance with section 4 subsection 4:2, continuous operating) and the employees are released from their duty to work or so called wellbeing activities are arranged, no supple-ment is paid in accordance with C.

#### Subsection 2 Overtime work

Overtime work is compensated partly with an overtime supplement, partly with compensation for the time worked. Compensation for the time worked can be paid either as a wage per hour or, if the worker so wishes, as time added to the time bank, one hour for each hour worked. Section 5, subsection 5 sets out how to dispose of the time bank.

#### Note

The local parties may agree to limit the number of overtime hours that can be compensated in time added to the time bank.

#### Section 5

Overtime supplements are paid as SEK/hour as follows

Time	Overtime 1st April 2017	Overtime 1st April 2018	Overtime 1st April 2019
Monday–Friday (working days)	67.64	68.93	70.31
Non-working weekdays in current working hours schedule	87.00	88.65	90.42
Saturday–Sunday, Public holidays, Midsummer Eve, Christmas Eve & New Year's Eve	115.93	118.13	120.49
Time	Collective production overtime. Overtime on shift work 1st April 2017	Collective production overtime. Overtime on shift work 1st April 2018	Collective production overtime. Overtime on shift work 1st April 2019
Monday–Friday (working days)	87.00	88.65	90.42
Non-working weekdays in current working hours schedule	115.93	118.13	120.49
Saturday–Sunday, Public holidays, Midsummer Eve, Christmas Eve & New Year's Eve	135.34	137.91	140.67

Overtime supplements and supplements for work at inconvenient hours are not paid concurrently.

If a change is made from one working hour's schedule to another (for example, from daytime to two-shift working) without a break of at least eleven hours, overtime compensation will be paid for the number of hours by which the break falls short of eleven.

#### Subsection 3 Shift-type supplement

A shift-type supplement will be paid as a percentage of the monthly wage as follows

intermittent three-shift working	1.65 per cent
continuous three-shift working	8.90 per cent
continuous three-shift working with	_
major public holiday working	10.25 per cent
permanent night-work	2.85 per cent

#### Subsection 4 Underground work supplement

A special compensation of 8 per cent of the monthly wage will be paid for underground work in accordance with section 4, subsection 2:2.

#### Note

When calculating shift-type and underground supplements, by monthly payment is equaled fixed supplement per month and flexible salary compensation for that part the result is directly related to the employee or a certain group of employees' performance.

#### Subsection 5 Rules governing the time bank

Time that an employee has deposited in his time bank can be disposed of as follows.

#### Subsection 5:1 Paid leave

Time can be taken out in the form of paid leave, on the basis of an agreement between the employee and the employer.

#### Note

Normally, the employee shall apply for paid leave in good time. In an agreement on scheduling, both the employee's wishes and the due process of the operation should be taken into account.

During such leave, no deductions from the monthly wage will be made. To the extent that the leave falls during inconvenient hours, employees also receive the inconvenient hours supplement.

When taking out paid leave, the corresponding hours will be re-entered as available overtime, in accordance with section 4, subsection 4:2, subject to a maximum of 200 hours per year.

#### Subsection 5:2 Payment in cash

On the basis of an agreement between the employee and the employer, withdrawl from the time bank may be made in the form of a cash payment equivalent to the current hourly wage rate.

#### Subsection 5:3 Compensation as a pension premium

In the absence of an agreement between the local parties, the following applies. The time in the time bank that at the year end exceeds 100 hours, shall be compensated by an amount paid into a pension scheme for the employee that corresponds to the current hourly wage rate.

If on the 15<sup>th</sup> of January of the following year at the latest, the employee so requests, other time in the time bank may also be used in this way.

If withdrawl in the form of a pension premium involves lower taxation costs for the employer when compared to withdrawal in the form of salary, the pension premium is increased by this difference.

### **Section 6 Annual leave**

The rules in this section substitute the corresponding rules in the Annual Leave Act.

#### Subsection 1 The leave year and the qualification year

If not otherwise agreed by the local parties, the period from 1st April to 31st March constitutes the leave year. The immediately preceding 12-month period constitutes the qualification year.

#### Subsection 2 Number of leave days

An employee is entitled to 25 days of annual leave for each year except the leave year when the employment date is after 31st August. Then the employee is entitled to 5 days of annual leave.

In the case of fixed-term employment for no more than three months, the employer may reach an agreement with the employee to pay holiday compensation of 13 per cent on the wages earned instead of granting annual leave.

#### Subsection 3 Number of paid leave days

An employee who has completed a full qualification year without any absence other than such leave that qualifies for paid annual leave in accordance with the Annual Leave Act is entitled to 25 leave days with pay during the leave year. Employees who have not been employed for a full qualification year or who have had whole days of absence that do not qualify for paid annual leave in accordance with the Annual Leave Act the number of paid leave days will be calculated according to the following formula.

$$\frac{365 - \text{number of days of absence}}{365} \ge 25 \text{ annual leave days}$$

The result will be rounded to the next higher integer.

By days of absence in the formula above is meant absence days that do not qualify for paid annual leave in accordance with the Annual Leave Act. Days during the year when the employee was not employed are also considered days of absence in this context.

The number of days of absence is calculated as calendar days, i.e. the total number of days of absence including intermediate non-working days, Saturdays, Sundays and public holidays, are added up.

New employees may be granted leave of absence in connection with the main annual leave period at the plant. Such absence is on a par with annual leave without pay, i.e. qualifies for paid leave when next year's paid annual leave days are calculated.

#### Subsection 4 Number of leave days without pay

Should the employee be entitled to more annual leave days than are paid according to subsection 3, the remainders of annual leave days are considered unpaid annual leave. The employee is entitled to refrain from using these days. If an unpaid day is used, the employee's current monthly wage is reduced by 4.6 per cent.

#### Subsection 5 Annual leave for the newly employed

If a newly employed worker's number of paid annual leave days do not suffice for the main annual leave period of the company, or if the employee otherwise requests a longer leave than the number of days earned, employer and employee may agree on leave of absence or paid leave for the required number of days. Such agreement must be in writing.

If an agreement on paid leave has been made and the worker's employment is terminated within five years from the day of its commencement, a deduction is made from wages and/or holiday compensation due. The deduction is calculated as per section 3, subsection 3 on the wage applicable when the paid leave was taken out.

#### Section 6

However, no deduction will be made if the reason for the termination is due to

- the employee's illness,
- the condition referred to in section 4, third paragraph, first sentence of the Employment Protection Act, or
- the employer giving notice of termination of employment for any reason not applicable to the employee personally

#### Note

If the employee has received more annual leave days with pay than those earned and a written agreement as mentioned above has not been made, the rules on advance holiday pay as set out in Section 29a, third paragraph of the Annual Leave Act apply.

#### Subsection 6 Saving annual leave days

An employee who is entitled to more than 20 annual leave days may save days in excess for a maximum of five years.

Saved annual leave days must be taken out in the order they were earned. When saved days are used, new annual leave days may not be saved during the same year.

#### Subsection 7 Scheduling the annual leave

In the absence of an agreement on the scheduling of annual leave, the employer decides the scheduling and must inform the employee at least two months ahead of the annual leave period. Where specific reasons exist he may give this information later, however, if possible at least one month in advance.

When the employer decides on the scheduling, a continuous period of at least four weeks shall be scheduled during June through August, unless specific reasons require other scheduling.

#### Subsection 8 Scheduling annual leave for irregular working periods

The following rules shall be applied to schedule the annual leave period for employees with irregular working periods so that it is equally long as that for workers with five working periods per week, e.g. regular daytime work.

If the average number of working periods in a week without public holidays is less than five according to the work schedule in force at the time of the annual leave, a certain number of the leave days will be allocated to non-working days. Remaining leave days will be allocated to work (or work periods) and are designated net leave days. The number of net working days is calculated thus.

Number of working periods in a working period cycle x 5 number of annual leave days

The result will be rounded to the next higher integer.

A working period cycle is defined as the period over which the scheduling of working hours is repeated. The number of working periods in a working period cycle is calculated disregarding public holidays.

#### Note

The number of annual leave days in this context means the number of paid leave days available to the employee during the leave year (earned during the qualification year plus saved days, if any). Should the employee decide to save paid annual leave days, then these days will be subtracted from days earned, e.g. saving three days of those earned gives a total "number of leave days" in the formula above of 22 (25 - 3 = 22).

#### Subsection 9 Holiday pay and holiday supplements

During paid annual leave the employee receives his monthly wage and fixed supplements per month plus a holiday supplement. The holiday supplement will be disbursed at the last regular pay date before the main annual leave period if the local parties have not agreed otherwise.

The holiday supplement per paid annual leave day is

- 0.8 per cent of the monthly wage and fixed monthly supplements
- 13 per cent of the sum of supplements qualifying for holiday pay, which have been earned during the immediately preceding calendar year divided by the number of annual leave days.

Where the employee has been absent for reasons qualifying for paid annual leave, the employer must estimate the amount of supplements qualifying for holiday pay that the employee did not receive due to such absence. This estimate should be added to the sum.

Calculating holiday pay, holiday supplements and holiday compensation for saved days is done in the same way as for ordinary leave days. However, account must be taken of the amount of average weekly hours worked in the qualification year in which the leave days were earned.

#### Subsection 10 Holiday pay with changed degree of work

In cases where the employee has changed his degree of employment from the qualification year to the leave year a correction of the monthly wage must be made. For each paid day of annual leave the holiday pay must be adjusted as follows.

 $\left( \begin{array}{c} \underline{M \ x \ degree \ of \ employment \ in \ qualification \ year} \\ \underline{Current \ degree \ of \ employment} \ - \ M \end{array} \right) \ x \ 5.4 \ per \ cent$ 

where M = current monthly wage

By degree of employment is meant the employee's share of full-time according to the stipulated working hours as set out in section 4, subsection 3:2, first paragraph.

#### Subsection 11 Minimum holiday pay

Employees working full-time and having at least 24 months of employment at the company during the last 36 months are entitled to minimum holiday pay of SEK 1 353 from 1st April 2017, SEK 1 379 from 1st April 2018 and SEK 1 407 from 1st April 2019.

For part-time employees the amount SEK 1 353 (1 379, 1 407) is proportioned in relation to the shorter working hours.

If the employee has changed his degree of employment from the qualification year to the period of annual leave, the amount SEK 1 353 (1 379, 1 407) must be adjusted to the degree of employment during the qualification year.

#### Subsection 12 Holiday pay and long illness periods

Partial absence (less than a full day) due to illness qualifies for annual leave also after 180 calendar days of absence.

Where the employee has been wholly or partially absent without interruption, disregarding intervals less than 15 days, due to illness or work injury for two full qualification years, he is subsequently to be considered partially employed where qualifying for annual leave is concerned.

The degree of employment is then calculated based on the amount of time the employee has actually worked during the qualification year.

#### Subsection 13 Holiday compensation

Holiday compensation per diem is calculated as 4.6 per cent of the current monthly wage plus holiday supplements with supplements or deductions according to changes in the degree of employment.

## Section 7 Work outside the plant

#### Subsection 1

On the basis of applicable fiscal legislation the local parties may reach an agreement concerning compensation for increased living costs in connection with travel on duty.

If such an agreement is not reached the following shall apply.

For work away from the plant a per diem allowance is paid if the distance from the workplace to the plant and the employee's home respectively is at least 50 km and if the employee has to stay away from home overnight on account of the trip.

The per diem allowance is SEK 220. However, if departure is after noon on the day of departure, and if time of arrival is before 19:00 on the day of returning home, the amount is SEK 110 per day.

In the event of periods of absence longer than three months in the same locality, the corresponding amounts are SEK 154 and SEK 77 respectively.

If the employer does not pay the cost of accommodation, expenses are paid at the rate of SEK 110 per night.

#### Note

The parties have agreed that during the period of validity for this agreement the per diem allowance will be the same as the tax authorities' standard deduction for domestic business travel.

Except where otherwise agreed and expenses are paid as above, the employee will receive at travel remuneration of SEK 155 per day. However, if departure is after noon on the day of departure, and if time of arrival is before 19.00 on the day of returning home, the travel allowance is SEK 80 per day.

#### Subsection 2 Compensation for travel expenses and travelling time

The employer assigns means of transportation and pays the travelling costs.

If the employee travels directly from the home to the workplace, the employer will pay travelling costs and compensation for travelling time outside regular working hours to the extent that travelling time exceeds the time for the journey between the home and the regular place of work.

#### Section 7

For travelling time within regular working hours the monthly wage is paid in the usual manner. For travelling time outside regular working hours wage per hour is paid.

No travelling time compensation is paid between 22.00 and 07.00 if the employee is provided with sleeping accommodation available for at least 6 hours.

If and to the extent that the travelling time between temporary lodgings and the workplace exceeds 15 minutes each way, compensation will be paid.

#### Note

A local agreement may be reached so that, when the employee has completed his regular working hours for a certain day and then continues to work for the employer, he receives overtime pay regardless of whether it is considered overtime or not. Such agreement should refer to driving a car on duty under such special circumstances where the driving is considered working for the employer, e.g. transporting equipment or other work material.

#### Subsection 3 Private car

An agreement between the employer and employee may be reached where the employee uses his own car on duty. The terms for this should be made up in advance for a given period or journey.

#### Subsection 4 Illness, etc.

An employee who, while working at another locality, becomes incapacitated on account of verified illness or accident, which is not self inflicted, will receive a per diem allowance for a maximum of 20 days, except insofar as agreed otherwise. For the time beyond this limit, compensation will be paid for the extra costs incurred through the incapacity arising while away from the employee's home locality. Compensation will be paid for the ticket and a per diem allowance will be paid in the event of a return home that is agreed with the employer.

Should an employee pass away on duty in another locality, the deceased will be returned to his home at the employer's expense.

#### Subsection 5 Work abroad

A special agreement must be reached concerning the conditions applying to working abroad before a worker commences a trip abroad.

In the event of working abroad, the worker is guaranteed contractual and statutory insurance and pension benefits that matches those for work in Sweden.

Note

By contractual insurance and pension benefits are meant: AGS, TFA, TGL, the Agreement on a fee based redeployment insurance of 24th February 2004 and the SAF-LO Pensions agreement according to the pensions agreement between SAF and LO of 19th January 2000.

By statutory insurance and pension benefits are meant: statutory benefits under the Occupational Injury Insurance Act and illness and ATP bene-fits under the National Insurance Act.

## Section 8 Sick pay and parental pay

#### Subsection 1 The right to sick pay

The right to sick pay is regulated in the Sick Pay Act (1991:1047).

In the event of absence due to illness or accident the employee must report this to the employer as soon as possible. The employee must also inform the employer of when he expects to be able to return to work. The employee is not entitled to sick pay for any period before the illness was reported to the employer. In the event of a valid excuse preventing a report from being provided, the report must be sent as soon as the obstacle has ceased to exist.

The employee should give the employer a written assurance that he has been ill and the extent to which he was not able to work due to the illness. The employee is not entitled to sick pay before he has provided this assurance.

The employer may decide that in order for the employee to be entitled to sick pay, the employee must verify the illness with a doctor's certificate from the first day of illness or later, and also require that a given doctor issue the certificate. The certificate must indicate that there is incapacity for work, as well as the length of the period of illness. The employer will finance the cost of a certificate which he has requested.

Before the employer makes a decision in accordance with the fourth paragraph he must consult with the local union branch. In special cases consultation may occur after the decision has been made. During consultation the employer must declare the reasons for the decision.

As of the eighth calendar day, the employee must always verify the illness with a doctor's certificate.

The employee is not entitled to sick pay if he provides incorrect or misleading information about circumstances relevant to the right to sick pay.

Subsection 2 Calculation of sick pay

The central parties agree on consequential changes (italics) in section 8, subsection 2, as from January 1, 2019, with regards to amendments in the Sick Pay Act (Sw: sjuklönelagen) and the Social Insurance Code (Sw: social-försäkringsbalken), in which, among other things, qualifying day is replaced with a qualifying deduction.

Sick pay is paid for such period as stipulated by the Sick Pay Act (1991:1047) when the employee would have been working during regular working hours if he had not been ill.

*In case of absence due to illness, a wage deduction shall be made for each hour as follows* 

 $100 \% x \quad \frac{monthly \ wage \ x \ 12}{52 \ x \ weekly \ working \ hours}$ 

*In case of absence due to illness, the average sick pay per week shall be calculated as follows* 

80 % x <u>monthly wage x 12</u> 52

The qualifying deduction shall be 20 per cent of the average sick pay per week.

*If the qualifying deduction exceeds the salary deduction that should be made for absence due to illness, the sick pay shall be SEK 0. Absence due to illness cannot lead to a liability for the employee in relation to the employer.* 

If the sick leave lasts longer than 20 per cent of the average ordinary weekly working hours, sick pay is paid per hour as follows

 $80 \% x \qquad \frac{monthly \ wage \ x \ 12}{52 \ x \ weekly \ working \ hours}$ 

An employee, who would have been entitled to compensation for work at inconvenient hours, is also entitled to sick pay of 80 per cent of the inconvenient working hours supplement. This applies for sick leave which lasts longer than 20 per cent of the average ordinary weekly working time.

#### Note 1

If employees, who are subject to an agreement concerning collective production overtime, are wholly or partially absent due to illness during such period, the following applies.
Employees will be offered to carry out overtime work with compensation as for production overtime. The same number of hours that he would have worked production overtime had he not become ill should be offered. Unless otherwise agreed by the employer and the worker, such overtime work should be performed within 14 days of his return to work after sick leave.

If the employer does not offer overtime work as set out above, the employee is entitled to sick pay for such time during the sick pay period that he would have worked production overtime, had he not been absent due to illness.

### Note 2

If a new period of sick leave begins within five calendar days after the end of an earlier period of illness, this is regarded as a continuation of the earlier period of illness.

If paid leave has been previously agreed and the employee is absent due to illness during such period the paid leave takes precedence and no illness deduction will be made.

### Note 3

If the employee during the last 12 months, counting from the beginning of the current sick pay period, has had ten qualifying deductions as described above, no further qualifying deductions should be made.

### Note 4

Certain employees may, as a result of decisions by the Social Insurance Office, for medical reasons be entitled to receive sick pay of 80 per cent from and including the first day of sick leave.

### Note 5

By weekly working hours is meant regular working hours per working week excluding public holidays, as an average per calendar year in accordance with section 4, subsection 3:2, first paragraph. However, as sick pay is concerned, for two-shift work the weekly working hours are fixed at 38 hours.

### Subsection 3 Illness deductions after the end of the sick pay period

For each calendar day of absence an illness deduction is made on the following basis.

monthly wage x 12 365 In the event of absence for a complete calendar month the entire monthly wage is deducted.

### Subsection 4 Leave with temporary parental benefit

In case of leave with temporary parental benefit a deduction is made for each hour of absence of

monthly wage x 12 52 x weekly working hours

### Note

By weekly working hours is meant regular working hours per working week excluding public holidays, as an average per calendar year in accordance with section 4, subsection 2:1. However, as deduction calculation is concerned, for two-shift work the weekly working hours are fixed at 38 hours.

In the event of absence for a whole calendar month, a deduction is made of the worker's full monthly wage.

# Section 9 Commencement and termination of employment

### Subsection 1 Fixed-term employment

Fixed-term employment in the area of this agreement shall be entered into only in accordance with this agreement, which fully replaces the regulations relating to fixed-term employment in the Employment Protection Act.

An agreement between the employer and employee relating to fixed-term employment shall be in writing.

An employer and employee may reach agreement on fixed-term employment of at least one month's and at most twelve months' duration without a local agreement. If the employee is a student or pensioner or has a collectively agreed reinforced right of priority for re-employment according to subsection 3, the employer and employee may also agree on fixed-term employment that is shorter than one month. The employer must inform the local union branch of any fixed-term employment in accordance with this paragraph.

An employer and an employee may agree on fixed-term employment that involves the employee being employed for a time in excess of twelve months during a three-year period, provided there is a local agreement to this effect.

### Note

The requirement for a local agreement in cases of very short fixed-term employment, except where the employee is a student or pensioner or has a collectively agreed reinforced right of priority for re-employment according to subsection 3, aims at avoiding a widespread system developing where, for instance, fixed-term employment is used for frequently recurring cases of single-day employment (so-called day labourers). The parties are, however, in agreement that short spells of fixed-term employment can be fully justified. Fixed-term employment for those with a collectively agreed reinforced right of priority for re-employment according to subsection 3 shall not be shorter than one day.

If there is no local union branch, the employer and employee may agree on fixed-term employment without a local agreement with the trade union, which must however be informed of each individual case.

### Note

If the trade union is of the opinion that there is misuse of the provision in the last paragraph, it is entitled to call for local or central negotiations in the matter. If the dispute is not resolved, the company that the dispute re-lates to will be bound by the same rules as a company where there is a local union branch.

### Subsection 2 Priority right and order of priority

According to the law, there is a priority right to re-employment with the following collective agreement regulation.

A priority right to re-employment presupposes that the employee was employed by the employer for more than twelve months during the last three years. The priority right applies until nine months has passed from the date the employment ceased on account of shortage of work.

The local parties can reach an agreement on the order of priority for termination of employment or temporary layoff among the employees and, where termination of employment occurs, or else priority to re-employment, also on the order of priority for re-employment. Where there are special grounds, Teknikarbetsgivarna and IF Metall are entitled to request central negotiations regarding such an agreement.

In the event of conflict between the priority right and the requirement for a local agreement in accordance with subsection 1, a priority right cannot be maintained if the conflict is due to the workers' side not wanting to reach such an agreement.

#### Section 9

If the employer's business at one locality involves more than one operational unit, by a local agreement may be agreed that two or more operational units shall be included in the same order of priority.

### Subsection 3 Collectively agreed reinforced right of priority for reemployment

An employee whose employment has been terminated on grounds of shortage of work and who has a right of priority for re-employment according to subsection 2, has a collectively agreed reinforced right of priority for reemployment during a fixed uninterrupted period of, as a rule, six months.

Collectively agreed reinforced right of priority for re-employment is valid during the same period for all redundant employees and is calculated from the day the notice period ends for those employees made redundant with the longest notice period. By a local agreement the period with collectively agreed reinforced right of priority for re-employment can be altered to another fixed uninterrupted period.

An employee who has previously had a collectively agreed reinforced right of priority for re-employment with the employer can earn a new collectively agreed reinforced right of priority for re-employment. The condition for this is that the employee has been re-employed until further notice and that the employee has been employed for at least 18 months during 36 months after the previous collectively agreed reinforced right of priority for re-employment.

#### Note

To avoid misinterpretations the parties note that both the right of priority for re-employment according to subsection 2 and collectively agreed reinforced right of priority for re-employment apply at the operational unit and are contingent on the employee possessing satisfactory qualifications for the work in question.

The time for commencement of the period of collectively agreed reinforced right of priority for re-employment is decided only by the statutory notice period. No prolongations of the notice period will be considered.

Collectively agreed reinforced right of priority for re-employment is contingent upon a right of priority for re-employment according to subsection 2. This means that the collectively agreed reinforced right of priority for reemployment is four months for employees with a one month notice period when the notice period is six months for those employees made redundant with the longest notice period, unless the local parties agree to allocate the collectively agreed reinforced right of priority for re-employment to another fixed uninterrupted period.

## Subsection 4 Hiring of staff from an agency during collectively agreed reinforced right of priority for re-employment

During the time under which employees have collectively agreed reinforced right of priority for re-employment, hiring from an agency may be done for a total of 30 workdays, when hiring is motivated on grounds of time constraints. Hiring may also be done in order to ensure uninterrupted production when the employer, without unnecessary delay, is carrying out reemployment of employees.

Other hiring of staff from an agency than mentioned in the first paragraph, during time under which employees have collectively agreed reinforced right of priority for re-employment, must be preceded by deliberations between the local parties. If the local union branch at such deliberations opposes hiring of staff, arguing that the need for staff is to be satisfied by re-employment and the employer chooses re-employment, the rules in subsection 5 apply.

If the employer, despite the local union branch being opposed to this, chooses to hire staff from an agency, the employer must compensate the collectively agreed reinforced right of priority for re-employment by paying three months' wages (fixed cash wage) to those employees that have a reinforced right of priority for re-employment according to subsection 2. Compensation shall be paid to the number of employees corresponding to the number of hired staff.

#### Note

At companies without a local union branch, deliberations etc. are held with the local union organisation.

If the company has decided to close an operational unit or move all or parts of the operations, there are no limits regarding hiring of staff from an agency during execution of the decision to close or move.

### **Subsection 5 Re-employment**

If the local union branch opposes hiring according to subsection 4, the employer may disregard the order of priority for re-employment according to subsection 2 for a third of the number of employees he re-employs, provided that the local parties have not previously reached an agreement on the order of priority for re-employment.

Re-employment for a fixed-term according to the previous paragraph and covering at most six months is valid even though it would violate the requirement for a local agreement according to subsection 1 paragraph 4. If the fixed-term employment is for more than six months, subsection 1 paragraph 4 and subsection 2 paragraph 4 are applied fully.

### Note

A third is calculated by mathematical rounding.

### Subsection 6 Re-employment procedure

To speed up the re-employment procedure the company may, as a complement to other contacts, send out offers of re-employment by mail to the entire or parts of the group of employees covered by priority for re-employment according to subsection 2. The offer is sent to the latest known address with a request for a reply within a certain date, not shorter than five workdays from when the offer was sent.

### Note

The parties agree that the re-employment procedure must be handled promptly.

In the offer the employer must declare that the number of vacancies is limited and that acceptance does not guarantee re-employment.

When the employees have replied, the selection is made according to subsection 5 among the employees who have given notice to the company that they are prepared to accept the offer of re-employment.

### Subsection 7 Non-fulfillment of notice period

If the employee does not fulfil his notice period then, as a sanction for the breach of contract, a deduction from remaining wages before tax will be made. The deduction will amount to half the minimum monthly wage in the group to which the employee belongs for such part of the notice period which is not observed. This excludes application of other sanctions.

### Subsection 8 Collectively agreed part time for the purpose of retirement

## Subsection 8:1 Part time for the purpose of retirement (Part-time retirement)

An employee may apply for right to part-time retirement from the month the employee turns 60 years of age.

If part-time retirement is granted, the employment is, from when the part-time retirement takes effect, a part-time employment with the degree of work that follows from the part-time retirement.

Right of priority for employment with a higher degree of work according to Section 25 a of the Employment Protection Act does not apply to employees with part-time employment due to part-time retirement according to this agreement.

### Note

The parties agree that the agreement is to be adjusted to applicable statutory regulations regarding retirement, eg. tax rules regarding payment from retirement insurance.

### Subsection 8:2 Application and notice

The employee shall apply for part-time retirement with the employer in writing six calendar months before part-time retirement is to take effect. The application must clearly state the intended remaining degree of work.

At the same time as the application is handed to the employer the employee shall also notify the local union branch.

No later than two months after the employer has received the application the employer must reply in writing to the employee and the local union branch as to whether the application has been granted or not, unless the employer and employee have agreed on a postponement of reply. Not answering within the stated time is a violation of a rule of order and does not have the effect that the application is deemed to have been granted. Unless the application is granted at a later stage, the employer, if the occasion arises, must pay SEK 2 000\* for the violation of the rule of order to the employee in question.

The employer may deny the application if the granting of the application, after an objective evaluation, would constitute a considerable obstacle to the operations.

### Subsection 8:3 Negotation and dispute

If the application has been denied and the employee wishes to have his application tried according to the negotiotiating procedure the employee must give notice to the local union branch, which will have to request local negotiation. The dispute will then be treated as concerning part-time retirement with a 50 per cent degree of work and is to be treated according to Section 1 Teknikavtalet IF Metall in the following manner.

The issue of whether part-time retirement is to be granted or not may be tried in local negotiations and thereafter, if the issue is not resolved, finally in central negotiations.

If the parties neither in local nor in central negotiations can reach agreement regarding whether part-time retirement according to this agreement may be

<sup>\*</sup> The amount will be calculated upwards from 2014 according to the Swedish Consumer Price Index

#### Section 9-10

granted without a considerable obstacle to the operations, the local union branch shall, if the employee wishes to pursue the issue, request local negotiations with claims for the employer to pay damages for wrongful application of this agreement.

### Subsection 9 Certificate of employment and employer's certificate

### Subsection 9:1 Certificate of employment

When the employer or the employee has given notice, the employee is entitled to receive a certificate of employment stating

- the time for which the employee was employed, and
- the tasks he was expected to perform, and
- should the employee so request, a testimonial concerning the way in which the employee performed his work.

The employer shall provide the certificate of employment within a week from when the employee requested it.

### Subsection 9:2 Employer's certificate

When the employer or the employee has given notice, the employer shall, if the employee so requests, provide an employer's certificate. The employer's certificate shall be provided without unreasonable delay.

### Section 10 Wage protection

#### Subsection 1

The basis for these rules is that wages and other remunerations pertain to the tasks.

Where tasks are unchanged or similar the employer may not alter the monthly wage unless there is a voluntary agreement to do so. This also applies to tasks where a certain fixed supplement has been laid down.

In the absence of a local agreement, the following rules of compensation apply when the employee's assignment is changed, thus bringing change to the monthly wage and fixed monthly supplements.

Payment for tasks for specified periods will only be made as long as the work is being performed. In other cases where a change of the tasks leads to the employer reducing the monthly wages or fixed monthly supplements, for those employees having an uninterrupted employment of at least two years at the plant, an individual transfer supplement will be established in connection with the change of tasks.

No transfer supplement will be paid if the employee's own behaviour caused the transfer.

The transfer supplement is calculated as the amount corresponding to the reduction of the monthly wage and fixed monthly supplements.

Should the employee receive benefits due to work injury, e.g. from the occupational injury insurance (TFA), no transfer supplement is paid if such benefit corresponds to the reduction of the monthly wage and fixed monthly supplements.

### Note

The term fixed monthly supplements above does not include the supplements paid due to specific scheduling of working hours such as shift-type supplements and standardised supplements for inconvenient hours.

By tasks for specified periods is meant work that can be considered in advance as limited in time such as stand-in and "odd jobs", project work and seasonal jobs.

If the employee receives variable wage components and a change of the work assignment entails a loss of the variable wage components, then the transfer supplement shall include the average hourly earnings of the variable wage components as per the latest available quarterly statistics.

The situation where job rotation or similar entails a fixed wage supplement to be paid only during the period the work is being done is not considered to mean that the tasks are limited to a certain period, nor can this constitute a basis for demands to pay for time when work is not carried out.

### Subsection 2 Duration of the supplement period

Where the monthly wage or fixed monthly supplements are reduced, the duration of the supplement period is decided by how long the employee has received the monthly wage or fixed monthly supplements. On establishing the length of that period, regular wage increases or other adjustments of calculation rules should be disregarded.

### Example

Since 1999, an employee has received what is known as a monthly supervisor's supplement. The fact that the calculation rules were changed in 2003 has no effect on establishing the length of time he has received the supplement.

Section 10-11

The transfer supplement will be paid for the same number of months, rounded up, as an employee has received the monthly wage or fixed monthly supplement as the case may be, however for a maximum of two years.

#### Note

For an employee who, due to illness, cannot satisfactorily perform his duties and who therefore is transferred, the maximum period for which a transfer supplement can apply is three years, provided the employee at the time of transfer has attained the age of 55 and has 10 years of uninterrupted employment.

The transfer supplement adopted in accordance with the rules applicable prior to 1st April 2004 shall be deducted in accordance with the local or central rules in force when the supplement was established. However, full deduction shall take place in respect of wage increases in excess of general supplements or individual guarantees after 31st March 2004.

### Section 11 Compassionate leave

#### Subsection 1 Grounds for compassionate leave

By compassionate leave is understood a short period of leave with pay for no more than one day. In case of a funeral of a close relative, leave may also be granted for a maximum of two days.

Upon request compassionate leave may be granted as follows

- Own wedding
- Own 50th birthday
- Decease of close relative
- Funeral of close relative
- Sudden and serious illness of close relative living at home.

By close relative is understood the employee's spouse, children, brothers and sisters, parents, parents in-law, grandparents, someone cohabiting with the employee in conditions similar to marriage and the employee's officially registered same-sex relationship partner.

Compassionate leave may also be granted in the following cases.

- First visit to a doctor or dentist in the case of acute illness or accident.
- Visit to a medical establishment after referral by the company doctor as well as a subsequent visit upon referral by a different doctor. For the latter type of visit, leave may be granted for up to three further visits.
- Statutory or otherwise regulated health examination assigned by the employer as well as occasioned supplementary medical examination.

A requisite for compassionate leave in the three latter cases is that the employee is not absent due to illness after the grounds for leave no longer apply. The same applies after an intervening period of leave.

### Subsection 2 Request for compassionate leave

A request for compassionate leave should be made as early as possible. The reason for the compassionate leave should be verified in advance or – if this is not possible – afterwards, if so required by the employer.

#### Subsection 3 Visit to a doctor due to work injury, etc.

Should a work injury occur the employer assigns the healthcare institution and defrays travel expense and the cost of treatment insofar as the cost is not otherwise defrayed (e.g. through the Social Insurance Office or AMF insurance policy). This also applies to further visits prescribed by a doctor.

Where the employer orders a health examination he also defrays the cost of this as well as any occasioned supplementary examination.

### Section 12 Work in the home

Rules regulating payment etc. for work in the home are found in the Hourly and piecework wages appendix.

### Section 13 AFA and AMF insurance policies

It is incumbent on the employer to take out AFA insurance policies with FORA Försäkringscentral AB, viz. the Agreement on a fee based redeployment insurance of 24th February 2004, group health insurance (AGS), occupational injury insurance (TFA), group life insurance (TGL) and SAF-LO Pensions agreement in accordance with the pensions agreement between SAF and LO of 19th January 2000.

### Section 14 Term of this agreement

### Period of the agreement

The agreement remains in force for the period from 1st April 2017 until 31st March 2020.

#### Premature notice of termination

Either party may, no later than 30th September 2018, give notice of termination of the agreement with effect from 31st March 2019.

If notice of termination of the agreement is served, the party terminating the agreement shall inform the other parties within the Teknikarbetsgivarna area of application for central agreements. Any of these parties are entitled to give notice of termination of their agreements within two weeks after being informed of the first notice of termination.

Stockholm, 31 March 2017

**Teknikarbetsgivarna** Klas Wåhlberg Anders Weihe **Industrifacket Metall** Anders Ferbe Veli-Pekka Säikkälä

If, in accordance with section 3, subsection 1 in Teknikavtalet IF Metall, either party requests that the regulations set out in this appendix be applied, the following supplementary rules are applicable.

### 1. Type of wage

If an agreement cannot be reached regarding type of wage, a straight piece rate wage system will be used where possible. Otherwise, hourly rates will be paid.

### 2. Hourly wages

### Minimum hourly wages (SEK)

For employees who have reached age 18 and who are classified in wage groups as follows

		1st April 2017	1st April 2018	1st April 2019
Wage Group	1	102.82	104.77	106.87
	2	108.81	110.88	113.10
	3	115.12	117.31	119.66
	4	121.78	124.09	126.57
Workers who	age 17	91.04	92.77	94.63
have reached	age 16	78.01	79.49	81.08

The categorisation of workers into hourly wage groups is carried out in accordance with the categorisation instructions in item 3 c) below.

Higher wages should be paid to employees according to their diligence, capabilities and the degree of difficulty of their work, and capable workers who have worked for several years in the engineering industry should receive a wage that is higher than the minimum hourly wage.

Employees with at least 12 or 24 months of employment in the company during the last 36 months shall receive an hourly wage exceeding the minimum wage in the category the worker is placed as follows

	1st April 2017	1st April 2018	1st April 2019
1 year	3.08	3.14	3.20
2 years	5.18	5.28	5.39

### Wages for trainee workers, etc.

The regulations regarding minimum hourly wages do not apply to trainee workers, for whom special agreements have been made, or to other employees below the age of 16. Exceptions from these regulations may also be made by local agreement for other employees where special reasons exist.

### Work during school holidays

Upper secondary school students aged 16-18 and employed for a fixed period during school holidays are paid a minimum of SEK 74.89 from 1st April 2017, SEK 76.31 from 1st April 2018 and SEK 77.84 from 1st April 2019 per hour worked, inclusive of public holiday and holiday pay.

### 3. Piecework wages

a) An agreement on piecework wages should be made in free negotiations between employer and employee/s being offered piecework.

The agreement should be made prior to the start of the work. Exceptionally, piece rates may also be decided upon afterwards.

b) Before incentive and mixed piece rates are introduced, the bases for such rates must be determined and agreement on such bases reached in the prescribed manner.

In cases where work is subject to work study methods, the workers and, should they so wish, a representative of the local union should be informed of the basis of the system applied and of the studies as such. The same applies to diagrams and tables insofar as they form the basis of the piece rate agreement. If, in the event of a dispute, a verifying study is arranged, the representative of the local union is entitled to attend.

The right to which the representative of the local union branch is entitled as mentioned above should, in the event that a dispute concerning piece rates results in central negotiations, also be extended to a representative of the central union organisation.

### Notes

- 1. At companies where piece rates are fixed on the basis of work studies workers are also entitled to suggest that specific work be time studied. Requests put forward by the workers in this manner should be complied with without unnecessary delay bearing in mind that, concerning work that has already been time studied, the worker must state the reasons for this request.
- 2. In deciding the extent of work studies, account should be taken of requests put forward by the workers concerned.
- 3. In the event of a dispute arising over piecework that has been time studied, the central organisations are entitled upon request to receive a copy of the work study report. Such document is considered as the internal affairs of the company and may not be communicated to any third party.
- 4. The same right is extended to the local union branch, provided that in normal cases account is taken of the possibility to see the report at the work study department.
- 5. It is understood that the parties concerned will co-operate loyally to enable the work study to show a correct result.
- c) In principle, the calculation of piece rates **in connection with work studies** should be made using the formula

$$x = t * u * (1 + \frac{s}{100}) * \frac{p}{60}$$

where x = piece rate in öre, t = actual work time in minutes, u = adjustment factor, s = lost time allowance as a percentage, and p = money factor in öre per hour, in accordance with the table below. The actual time of the work is calculated using the "average method". The adjustment factor is determined by the performance of the worker during the work study (u = 1 for normal performance by an average, experienced worker, >1 if the performance is better, and <1 if it is poorer). The lost time allowance is calculated to take into account the unavoidable loss of time in the various types of work concerned.

### Notes

1. If the work pace is determined by some outside factor, and there is no possibility of accelerating it, this factor should be taken into account in calculating the piece rate.

2. When an employee is transferred to a new job, owing, for instance to the introduction by the company of new methods of production or new products, the following will apply. During the training or running-in period the worker will receive, to the extent that is required, a special wage supplement the amount of which will be determined to suit the circumstances in each specific case. The general aim is that if good use is made of the working hours the same earning capacity should be retained as during a previous representative period.

### **Money factors**

The parties are agreed that, subject to a local agreement, group classification and money factors may be determined on the basis of the main organisations' work evaluation systems.

### Notes

1. Work evaluation should be carried out by a committee with an equal number of representatives of the company and the workers.

The representatives of the employees on the work evaluation committee will receive training free of charge in the form of a work evaluation course arranged or recommended by the company. The employer pays a compensation for loss of earnings during ordinary working hours on account of the training course and meetings with the committee.

- 2. Money factors for the various groups should be weighted so that after placement of workers into the respective category status quo in piece rate earnings is broadly maintained for these groups, account being taken of the actual possibility of working up earnings if working hours are effectively used.
- 3. When deciding the actual possibilities of working up earnings reasonable account shall be taken of the degree of thoroughness with which the work has been prepared.
- 4. By economic benefits in note on minutes A on the negotiations is meant, in the case of piecework, only the correct determination of all the factors, which are included in the piece rate calculation. Piece rates must not be adjusted solely on the basis of earnings achieved, however, adjustments shall be the result of a change, which affects the time calculated for the work using the piece rate formula. A piece rate, which is initially calculated in error, must also be adjusted should either party so request.

In cases where work evaluation is not applied, the following shall apply.

The various types of work are placed in four wage groups on the basis of the following classification instructions and related reference work. The employee will be placed in the wage group in which the work he mostly performs is classified.

#### Group 1 consists of work

involving negligible or little effort in good to slightly difficult workplace conditions, and

is performed in accordance with detailed instructions and follows a given routine.

#### Group 2 consists of work

involving moderate effort or is performed in difficult workplace conditions.

Work that calls for some degree of special training and practical experience and that is as a rule performed in accordance with oral or written instructions is also classified in this group.

#### Group 3 consists of qualified work

requiring technical or other theoretical training and practical experience and that also calls for judgement and initiative in addition to oral or written instructions.

Work that involves heavy effort and is performed in difficult workplace conditions is also classified in this group.

### Group 4 consists of especially highly qualified work

involving a large amount of technical or other theoretical training and practical experience as well as calling for a great deal of judgement, initiative and responsibility for the performance of the work, and

requiring technical or other theoretical training and practical experience as well as requiring judgement and initiative over and above oral or written instructions and that involves considerable effort and is performed in difficult workplace conditions.

This group also includes work that involves great effort and is performed in very difficult workplace conditions.

### Notes

- 1. In the case of tied work where the worker cannot leave the workplace or of very similar tasks with little variation in job content, the lowest classification of the work should be group 2.
- 2. Theoretical training can be acquired in schools, through courses of various types, or on the job.
- 3. Should a dispute arise concerning classification, the central organisations may apply the work evaluation system of the main organisations to classify the work.
- 4. At the request of either party, disputes regarding the classification of jobs in groups 1-4 or placing in job evaluation groups in connection with systematic work evaluation should be settled by the arbitration board referred to in item 4 below.

### Money factors in SEK/hour

For employees who are 18 years of age or older and belonging to wage group

	1st April 2017	1st April 2018	1st April 2019
1	70.51	71.85	73.29
2 3 4	78.28 86.93 96.43	79.77 88.58 98.26	81.37 90.35 100.23
Workers under 18 years of age	66.57	67.83	69.19

### Note

Except insofar as is otherwise agreed locally, the following rules shall ap-ply to temporary changes in work.

It is incumbent on the local parties to reach agreement on rules for the cases where an employee temporarily performs work that belongs to a dif-ferent money factor group than the group in which the worker is placed. In such cases, particular account must be taken of the worker's need for wage security, as well as for flexibility in the allocation of work. The connection with the rules in section 10 must also be taken into consideration. By previous local agreement is meant the procedure for conversion between A, B and C piece rates in the group classification laid down in the 1982 pay agreement.

d) For setting piece rates, when the work is not subject to time study, the above money factors are used as guidelines for normal work performance by an employee with average experience.

#### Notes on items c) and d) above

1) The parties have agreed that when the money factors have been increased by more than the piece rate this has been done in order to reduce the differential between the money factor and piece rate earnings. The intention is that the increase in the money factors should be set off against separately recorded economic factors as well as economic factors incorporated in the actual time of the work or the adjustment factor. The economic factor may not, however, be less than 1.0.

Regardless of the manner in which the piece rate is calculated, the extra increase in the money factors must not be invoked in support of demands for any other change in the piece rate and piece rate basis that is allowed by the transitional rules appended to the agreement.

#### Note

The parties are agreed on the desirability of economic factors that may affect piece rates being recorded separately when rates are set.

- 2) The rules in this subsection do not preclude the main organisations from sanctioning the use of other bases for calculating piece rates in exceptional cases where there are special reasons.
- 3) In the case of bound line work with a performance agreement in which the piece rate is set on the basis of systematic work evaluation the piece rate for employees who have reached 17 years of age should be set on the same grounds as apply to adult workers.
- 4) In the event a company or part of a company changing during the period of this agreement to piece rate using the MTM system or an equivalent standard time system with different application forms such as MOST or SAM, a local agreement must be reached on special money factors. Such an agreement must be submitted to the central organisations for approval. The use of this system does not imply any restriction in negotiating rights regarding item 3a).

- 5) The local agreement shall apply for the same period and be subject to the same notice of termination as Teknikavtalet IF Metall, bearing in mind that in order to become effective notice of termination must be approved by the central organisation of the party giving such notice.
- 6). Employers who intend to use the system mentioned in note 4 above for the construction of piece rates must give a reasonable number (at least two) of representatives of the board of the local union branch training in the form of a course arranged or nominated by the company. Compensation for the time spent on the course and for information will be calculated as if for working scheduled hours. In the case of a residential course, the employer will pay compensation for loss of earnings during ordinary working hours together with compensation in accordance with section 7, where applicable.
- e) Where piecework is performed by a group of workers the worker should receive a share of the proceeds in relation to the minimum hourly rate of the group to which he belongs and the number of working hours he has participated in the work, except where otherwise agreed.
- f) In the case of piecework, the minimum hourly rate in the group to which the worker belongs is guaranteed.
- g) At all plants, notes that set out clearly the nature of and the rate for the work shall be kept on all piece rates in force at the plant, or in the case of incentive and mixed piece rate work, the method of calculation. An employee who is offered piecework that has been performed previously is entitled when he so requests to obtain information about the rate for the job or the method of calculation from such notes. A change in the piece rate offer for recurrent and unchanging work should be noted on the piece rate list insofar as the worker has not been given verbal information about the change.

### 4. Disputes

A dispute arising from the regulations in item 3c) cannot be submitted to the Labour Court before having been tried by a special arbitration board. This arbitration board, which should be appointed for the duration of this agreement, will consist of two members appointed by the employers' association and two members appointed by the union with a good knowledge of the various skilled jobs in the engineering industry. Moreover, the four members should appoint an impartial chairperson. Two deputies, one selected by the association and one by the union, should also be appointed. In case agreement on the chairperson cannot be reached, then a member of the group mentioned in

section 4 of the Agreement on industrial development and wage formation will be appointed by the executive member of said group.

Bringing the claim to the arbitration board must be done within two months after the day of final negotiations of the dispute according to the negotiating procedures. The ruling of the board is binding for the parties unless the dispute is brought to the Labour Court within one month from the day when the board made its ruling.

### 5. Shift type and underground supplements

In accordance with section 4 of Teknikavtalet IF Metall, a shift type supplement will be paid as a percentage of the wage (hourly wage + piece rate) in the following cases.

intermittent three-shift working	7 per cent
continuous three-shift working	21 per cent
continuous three-shift working	
with major public holiday working	26 per cent
permanent night-work	21 per cent

A special compensation of 20 per cent of the wage will be paid for underground work in accordance with section 4 subsection 3:4.

### 6. Paid leave and pension premium

The following rules are applicable for paid leave, cash payment and compensation as a pension premium in accordance with section 5, subsections 5:1, 5:2 and 5:3.

During paid leave with cash settlement, employees paid by the hour receive their hourly wage while piece rate workers receive their average of hourly and piece rate wage according to the latest available quarterly wage statistics. To the extent that the leave falls during inconvenient hours, workers also receive the inconvenient hours supplement.

If paid leave is compensated through a pension premium, piece rate workers receive their average of hourly and piece rate wage according to the latest a-vailable quarterly wage statistics while workers paid by the hour receive their hourly wage.

### 7. Calculation of holiday pay

The employee's average hourly earnings during the immediately preceding calendar year form the basis for calculating holiday pay. Average hourly earnings are calculated as the sum of hourly pay plus piecework pay, including shift-type supplements, compensation for travel time, supplements for work at inconvenient hours, overtime supplements, compensation for standby time and other supplements upon which holiday pay is based, divided by the number of hours worked. The average hourly earnings thus calculated, are increased by 4.2 per cent, which corresponds to public holiday pay.

Should the average hourly earnings not be representative taking into account the basis for the calculation of holiday pay under this agreement, average hourly earnings can be adjusted.

In the case of employees who are entitled to holiday pay for which average hourly earnings as above cannot be calculated, the average hourly earnings are estimated on the basis of the pay the employee would have received during the calendar year immediately preceding the leave year had he worked for the employer during that year.

For each paid annual leave day, the average hourly earnings calculated as above are multiplied by 8. The daily holiday pay is obtained by multiplying the amount calculated in this way by 1.22.

However, the holiday pay per day for employees with at least 24 months of employment at the company during the last 36 months must **for adult employees** amount to a minimum of SEK 1 353 from 1st April 2017, SEK 1 379 from 1st April 2018 and SEK 1 407 from 1st April 2019. **For employees who are minors** the minimum holiday pay is SEK 995 from 1st April 2017, SEK 1 014 from 1st April 2018 and SEK 1 034 from 1st April 2019.

If, in the qualification year (the previous year from 1st April to 31st March) the employee has wholly or partly had a shorter working week than 40 hours on average per week, the figure 8, and the amount SEK 1 353 (1 379, 1 407) and SEK 995 (1 014, 1 034) per day, must be altered accordingly.

### Note

In calculating holiday pay for a paid annual leave day in the case of intermittent three-shift work (38-hour week), the figure 8 is replaced by 7.6, in the case of continuous shift work (36-hour week) by 7.2, for continuous shift work over public holidays (35-hour week) by 7.0 and for permanent night work (34-hour week) by 6.8. If an employee takes sick leave for more than 180 days during the year the illness occurred, additional days of partial sick leave still entitles the em-ployee to holiday pay, in accordance with section 17, first paragraph, item 1 in the Annual Leave Act.

After continued absence due to illness, wholly or partly, during two full qualification years, the figure 8 and the amount SEK 1 353 (1 379, 1 407) shall be adjusted to the employee's actual working hours in the event of further absence on account of sick leave, illness benefit or early pension or other comparable absence for part of a day.

Holiday pay for saved annual leave days is calculated in the same manner as for other annual leave taken during the leave year in which the saved leave is taken. However, account must be taken of the amount of average weekly hours worked in the qualification year in which the pay for the leave day was earned.

#### Note

In connection with a transfer to or from intermittent or continuous shift work, a special calculation may be required in respect of saved annual leave days.

Holiday compensation is calculated in the same way as holiday pay on the basis of the qualification year concerned.

### Note

In the case of fixed-term employment of no more than three months the employer can reach an agreement with the employee to pay holiday compensation of 13 per cent in lieu.

### 8. Public holiday pay

### Conditions for public holiday pay

Employees who are not paid per week or longer period are entitled to public holiday pay for the following days, provided that the day falls on Monday to Friday inclusive.

New Year's Day, Epiphany, Good Friday, Easter Monday, 1st May, Ascension Day, National Day, Midsummer Eve, Christmas Eve, Christmas Day, Boxing Day, and New Year's Eve.

Public holiday pay is not payable for fixed-term employment lasting no more than one month.

When an employee has been granted leave, he is entitled to public holiday pay for days entitling to public holiday pay that fall during the first thirty days of the period of leave. If the employee returns to work for at least one month, leave occurring thereafter is considered a new period entitling to public holiday pay. The calculation will be based on the first and last day of service respectively in the period concerned.

Employees who are entitled to sick pay for a day that would otherwise have entitled them to public holiday pay are not entitled to public holiday pay for such a day. In the event of sick leave with entitlement to illness benefit for part of the day, public holiday pay will be paid for the part of the day the employee is not on sick leave.

The employer is entitled to withhold public holiday pay for employees who intentionally or from obvious negligence are absent without leave when work ended or commenced before and after a day entitling to public holiday pay respectively according to the work schedule for the employee concerned. In the event of annual leave or other authorised leave, these periods will be shifted accordingly.

### Calculation of public holiday pay

The basis for calculating all public holiday pay is the employee's average hourly earnings from hourly and piecework pay, including compensation for standby duty, during the immediately preceding third quarter.

In the case of employees entitled to public holiday pay for which average hourly earnings cannot be calculated as above, public holiday pay will be estimated taking into account the pay the employee would probably have received during the third quarter if he had then worked for the employer.

Should an employee's average hourly earnings for the third quarter due to long periods of piecework or the like, deviate significantly from the employee's average hourly earnings over a longer period, public holiday pay will be calculated on the basis of what the employee's average hourly earnings during the third quarter would have been taking into account his earnings during such longer period.

The public holiday pay is the average hourly earnings calculated in this way multiplied by 8.

For part-time employees the average earnings are multiplied by the figure that is obtained when the number of regular working hours per week is divided by 5. By part-time employees in this context is referred to employees whose work schedule does not amount to more than 33 hours per week on average. If an employee receives a government or municipal study grant in connection with study leave for days entitled to public holiday pay, the public holiday pay will be reduced by the corresponding amount.

#### Notes

1. The local parties may come to an agreement regarding special rules for the calculation of public holiday pay for intermittently part-time employed workers. Such an agreement may only apply to workers whose working hours are distributed from Monday to Friday inclusive, and for whom the distribution of working hours on the days on which they work is the same as that of full-time workers.

The agreement is to be of the effect that public holiday pay will be awarded for such a public paid holiday in accordance with the conditions mentioned above on which the worker should have worked regularly had the day not been a public holiday. Public holiday pay is calculated in the same way as for full-time workers.

- 2. Employees returning to work after leave of absence for at least one month are entitled to public holiday pay for public holidays without intervening working days, that immediately precede the day of return to work.
- 3. Employees returning to work after leave of absence shorter than one month are entitled to public holiday pay under the following conditions.

A prerequisite for one public holiday pay is two days of work in sequence; four days of work in sequence for two days, etc.

The working days must be in direct connection with the public holidays or be separated from these only by intervening days free from work.

### 9. Calculation of sick pay

The central parties agree on consequential changes (italics) in section 9, as from January 1, 2019, with regards to amendments in the Sick Pay Act (Sw: sjuklönelagen) and the Social Insurance Code (Sw: socialförsäkringsbalken) in which, among other things, qualifying day is replaced with a qualifying deduction.

In accordance with the Sick Pay Act, the employee receives sick pay during such period when he would have been working during regular working hours if he had not been sick.

In case of absence due to illness, wage is not paid.

In the event of absence due to illness, the average sick pay per week shall be calculated as follows

80 % x hourly wage x average weekly working time

The qualifying deduction shall be 20 per cent of the average sick pay per week.

*If the absence due to illness lasts longer than 20 percent of the average regular weekly working hours, sick pay per hour is paid as follows* 

80 % x the employee's average of hourly and piece rate earnings (including any shift supplements, premiums and bonuses) according to the latest available quarterly wage statistics.

For employees who are paid by the hour only, sick pay is 80 per cent of the hourly wage (including any shift supplements). Employees who would have been entitled to inconvenient hour's supplements receive in addition 80 per cent of this remuneration as sick pay if the sick leave lasts longer than 20 per cent of the average ordinary weekly working time.

#### Note 1

IF Metall has proposed that sick pay should also be paid for loss of stand-by compensation, of travel supplement and of pay and overtime supplement in connection with collective production overtime. The employer has objected that a rule with such implications could conflict with the Sick Pay Act since by altering the plans the worker can earn the corresponding in-come on another occasion.

In view of this, the parties have agreed not to lay down any rules for these cases\*). If, at any company, this should lead to obviously unreasonable consequences it is in the first instance up to the local parties to regulate them.

### \*) Note

*The following separate agreement has been entered into by Teknikarbetsgivarna and IF Metall and replaces item 9, note 1 regarding collective production overtime.* 

"If employees, who are subject to an agreement concerning collective production overtime, are wholly or partially absent because of illness during such period, the following shall apply.

Employees will be offered to carry out overtime work with compensation as for production overtime. The other will be for the same number of hours that he would have worked production overtime, if he had not been on sick leave. Unless otherwise agreed by the employer and the employee, such overtime work should be carried out within 14 days of his return to work after the sick leave.

If the employer does not offer overtime work as set out above, the employee will receive sick pay for the period during the sick pay period that he would have worked production overtime, had he not been absent sick."

### Note 2

If a new period of illness begins within five calendar days after the end of an earlier period of illness, this is regarded as a continuation of the earlier period of illness.

### Note 3

If the employee during the last 12 months, counting from the beginning of the current sick pay period, has had ten qualifying deductions as described above, no further deductions should be made.

### Note 4

Some employees may, as a result of decisions by the Social Insurance Office, be entitled for medical reasons to receive sick pay of 80 per cent from and including the first day of sick leave.

### 10. Compensation for travelling time

When applying the rules of section 7, subsection 2, compensation for travelling time will amount to the employee's regular hourly rate.

### **11.** Payment in the event of production stoppages

In the event of a production stoppage or other waiting time of at least 18 minutes that was not under the control of the employee, he will receive, except where otherwise agreed locally, his hourly pay if he is paid by the hour, and 95 per cent of his average hourly and piecework pay according to the latest available quarterly wage statistics if he is a piece rate worker for the time the interruption lasts, subject to the minimum hourly wage in the group to which the worker belongs. The above applies provided that the employee immediately reports the interruption to his immediate superior and that the said superior does not assign any other work or lay off the employee.

### **12.** Payment on termination of employment

If no work is provided for an employee during the period of notice, his wages are calculated on the basis of his average hourly wage and piece rate earnings

in accordance with the latest available quarterly wage statistics prior to his release. In the case of shift workers, compensation is paid for loss of shift compensation. The corresponding rules apply to employees who should have been on standby duty.

If the employee does not fulfil his notice period then, as a sanction for the breach of contract, a deduction from remaining wages before tax will be made. The deduction will amount to half the minimum monthly wage in the group to which the employee belongs for such part of the notice period which is not observed. This excludes application of other sanctions.

An employee who ends his employment before the current piecework has been completed is entitled to receive his share of the surplus, provided that he puts in his claim no later than two months after the completion of the piecework. If such piecework surplus is not claimed, it will be passed on to a sickness fund for the workers at the plant or used for some other similar purpose.

The same rule applies to wages that are not drawn within two months of the payday upon which they became available for collection.

### **13.** Payment in connection with job modification

By **job modification** is meant a change in working method, rebalancing in the case of line work, tool trials, and studies in connection with work studies that hinder the worker in the performance of his job.

The following rules apply to piece rate employees affected by job modification except where otherwise agreed.

- a) an employee who is instructed by the employer to take part in the job modification will receive payment corresponding to 100 per cent of his average hourly earnings from hourly and piece rate pay during the latest available quarterly statistics.
- b) an employee who is not instructed to take part and who is not assigned other work will receive compensation corresponding to 95 per cent of his average hourly earnings from hourly and piece rate pay during the latest available quarterly statistics.

### 14. Rules applying to foundries

Foundries having adopted the previous agreement's rules concerning foundries (Verkstadsavtalet 2001-2004) can continue doing so. However, the local parties are at liberty to adopt other regulations.

### **15.** Compassionate leave

During compassionate leave according to section 11 an employee paid by the hour receives his hourly wage while a piece rate employee receives his average on hourly and piece rate pay in accordance with the latest available quarterly wage statistics.

### 16. Work in the home

### Subsection 1

Employers employing workers in their homes must take out AFA and AMF insurance policies on their account, viz. redundancy pay insurance (AGB), group health insurance (AGS), occupational injury insurance (TFA), group life insurance (TGL) and the SAF-LO Pensions agreement in accordance with the pensions agreement between SAF and LO of 19th January 2000.

Home workers are not entitled to take legal action against the employer or any employee of his for damages as a result of any personal injury constituting an occupational injury.

For home workers special rules apply in accordance with section 10 in the common insurance conditions for AFA insurance policies and the SAF-LO Pensions agreement.

### **Subsection 2**

It is incumbent upon the employer to carefully apprise the home worker of the risks of accident and health hazards that may be associated with the tools, machines and materials provided by the employer.

### Subsection 3

Payment for work in the home must be calculated in such a way that the employee will be enabled to earn a reasonable income, account being taken of the specific circumstances that apply to work in the home.

### **Subsection 4**

If an increase in the volume of work in the home is contemplated, the additional work should primarily be offered to home workers already on the payroll who have expressed a wish to be given more work.

### **Subsection 5**

In the event of a home worker being sick he is entitled to sick pay for the first 14 calendar days of a period of illness if.

- 1. the illness prevents the home worker performing the work
- 2. the home worker's hourly earnings during the immediately preceding pay period exceeded half of the minimum hourly wage in wage group 1.

Hourly earnings are calculated thus:

wages earned during the pay period number of hours worked in the pay period

Holiday pay, sick pay and any reimbursement of costs are not included in this calculation. The number of hours worked during the pay period is deemed to be 40 hours per week (80 hours when the pay period is 14 days and 174 hours when the pay period is one month).

The home worker must inform the employer as soon as possible if he is not able to perform work at home on account of illness. When the illness no longer prevents the home worker from performing the work at home he must report this to the employer as soon as possible.

The first day when the employee would otherwise be entitled to sick pay is a qualifying day for which the employee is not entitled to sick pay. For the ensuing days entitling the employee to sick pay, the sick pay is 80 per cent of the hourly earnings calculated as in the first paragraph item 2 above, multiplied by 8.

By days entitling the home worker to sick pay during the sick period is meant days which are working days for daytime workers at the employer's plant. The day when the employee reports his return to health is not included as a day entitling the employee to sick pay.

Otherwise, the provisions of in item 9 apply to home workers.

### **17.** Disbursement of wages

Wages are disbursed at least once a month. If the payment period comprises four weeks or one month then upon due application, a previously fixed amount may be disbursed on one occasion between the regular paydays.

In connection with determining working hours and the annual leave period for the calendar year, payment periods and paydays should also be settled.

The latest payday is 9 working days after the end of the payment period.

### **18.** Minutes from the negotiations

### Α.

The parties agree that economic benefits existing at the individual plants when the agreement comes into effect cannot be modified during the term of the agreement except by voluntary agreement. The present statement shall not be understood as temporary exemption for the employer from the application of the provisions on hourly wages in item 2 above.

If the employees at a certain plant consider that action taken by the employer is in conflict with the above provisions, an investigation shall be made upon request from the employees, and necessary redress shall be made if the complaint is found to be justified.

### Β.

If, with regard to some particular plant, circumstances are proved which indicate that the employer is offering unreasonably low piece rates, with the object of having work performed only on an hourly rate since the workers can-not accept the piece rate offered, Teknikarbetsgivarna is willing to undertake an investigation and, if there are reasons for correction, to work for the proper settings of piece rates.

### C.

The meaning of the terms "minimum hourly wage", "hourly wage" and "time rate"

Minimum hourly wage =	collective term in accordance with item 2 above.
Hourly wage =	an individual wage based on the minimum hourly wage, increased as the case may be in accordance with item 2 above.
Time rate =	wage per unit of time, i.e. an hourly, weekly or monthly wage.

#### Note

The fact that the terms have been changed must not give rise to any change in current practice whereby different time rates, such as place time rates and special time rates can be applied to an individual employee. Thus the meaning is merely that the expression "time rate" has been changed to "hourly rate".

### Layoff pay agreement

Agreement between Svenska Arbetsgivareföreningen (SAF) and Landsorganisationen (LO) regarding layoff pay and the establishment of a layoff pay scheme between SAF and LO.

The agreement has been adopted by Sveriges Verkstadsförening and Svenska Metallindustriarbetareförbundet and has been supplemented with the notes to sections 5, 7 and 9.

### Section 1

Where, due to a shortage of work, operational disruption or any other such circumstance, an employer fails to provide the employee with any work and releases the employee from the obligation to attend work without terminating the employment ("temporary layoff"), compensation shall be payable ("layoff pay") in accordance with sections 7-9 below.

### Section 2

A temporary layoff may be made notwithstanding the rules on order of priority.

### Section 3

The employee shall be obliged to return to work within a reasonable period of time upon the cessation of the impediment that gave rise to the temporary lay off.

### Section 4

The statutory obligation to negotiate shall be complied with in respect of matters pertaining to temporary layoff. The parties shall endeavour to reach a consensus on the scope and scheduling of the temporary layoff in conjuncttion with such negotiations. The parties should, in relation thereto, take into consideration the company's production and market conditions, and endeavour to reach solutions that result in the least possible inconvenience for employees affected thereby.

### Section 5

The period of temporary layoff shall be calculated in whole days (working days). A temporary layoff that is caused by unforeseen operational stoppages e.g. power failure, and which is decided within an hour of the commencement of the regular period of work, is calculated as a temporary layoff day pursuant to this agreement.

### Note

Upon a temporary layoff, which includes part of a work day in accordance with the employee's regular scheduling of working hours, layoff pay is payable of 95 per cent of the employee's average hourly pay for hourly pay and an agreement pursuant to the latest known quarterly pay statistics prior to the temporary layoff. An employee who is only entitled to hourly pay shall receive his individual hourly rate. In addition, compensation is payable for outstanding remuneration in accordance with section 5, subsection 1 of Teknikavtalet IF Metall. However, layoff pay is not payable in cases fulfilling the provisions of section 8 of the Layoff pay agreement.

### Section 6

A temporary layoff pursuant to this agreement may, in respect of an employee, cover a maximum of 30 work days each calendar year.

### Section 7

The employer shall pay layoff pay during the period of temporary layoff. The temporary layoff pay shall correspond to the amount that the employee would have received if he had worked during the period of temporary layoff. The central parties within the relevant agreement area shall determine the way in which the particulars of the layoff pay shall be calculated.

The layoff pay is calculated based on the number of hours of the employee's regular period of work which he or she would otherwise have worked.

Layoff pay forms the basis of the calculation of the statutory employer's national insurance contributions and holiday pay.

### Note

Layoff pay is calculated based on the employee's average hourly pay for hourly pay and an agreement pursuant to the latest known quarterly pay statistics prior to the temporary layoff. However, an employee that is only entitled to hourly pay shall only receive his individual hourly pay. An employee whose regular working hours during the temporary layoff would have been extended to inconvenient working hours is entitled to compensation for outstanding remuneration in accordance with section 5, subsection 1 of Teknikavtalet IF Metall. This also applies to an employee who would have undertaken standby duty.

### Section 8

Layoff pay shall not be payable in conjunction with a temporary layoff caused by.

Layoff pay agreement

- a) the employee's own negligence;
- b) prohibited conflict within LO's area;
- c) holiday closing in connection with main annual leave up to a maximum of the first 10 temporary layoff days; or
- d) a decision by a public authority that the employer could not have foreseen.

#### Section 9

Agreements between relevant labour market representative bodies shall regulate whether layoff pay is payable upon a business stoppage which is a consequence of the work being seasonal or for other reasons that are not related to its nature and whether layoff pay is payable to an employee who works at home.

In such context, the objective is to provide continued protection for an employee who is entitled to unemployment benefit under the former rules regarding temporary layoff during a current season or the equivalent.

#### Note

The agreement regarding layoff pay applies to a home worker who, for no less than 5 months during the 12-month period falling immediately prior to the temporary layoff, received an income per month (excluding holiday pay and remuneration for special costs) of 75 times the hourly pay under the agreement according to pay group 1 for adult employees.

A home worker is deemed temporarily laid off where the employer, due to a lack of availability of work, is not capable of providing the volume of work that was agreed or may otherwise be deemed implied, notwithstanding that the home worker put in a request to obtain home work to the extent stated.

The layoff pay per day comprises the average income per day (excluding holiday pay and compensation for special costs) during the last 5 months which the earnings amounted to no less than the amount set forth in the first paragraph.

#### Note

The fact that the home work for a shorter or longer period actually consisted of a certain scope or regularity is not sufficient evidence that such circumstances were agreed or implied. In addition, some form of express undertaking from the employer is required.

# Agreement regarding participation of the company in the collection of trade union dues

### Introduction

Teknikarbetsgivarna and IF Metall have concluded the following agreement on the participation of the company in the collection of trade union dues.

An employer who uses a payment agency to handle his wage disbursements may assign his responsibilities under this agreement to such agency and, following consultations with the local trade union branch have dues collected via this agency or via another bank or post office.

Local agreement may be reached concerning other rules for accounting than in accordance with item 4.

### 1. Collection of trade union dues

The employer shall assist in the manner described below in the collection of the workers' regular trade union dues.

Deduction of union dues from wages is permissible only for workers who have given their written authority for deduction to be made. Deduction is made as from the period of remuneration that commences nearest to the month after written authority has been submitted to the employer.

### 2. Deductions and pay-in

The employer shall make a deduction on regular wage disbursement for the membership due fixed by the workers' side.

Membership dues are to be specified to the nearest SEK and/or as a percentage of the gross wage. If the membership due is specified wholly or partially as a percentage of the gross wage the percentage may be specified to no more than two decimal places.

Any maximum or minimum membership due must be specified in whole SEK.

By "gross wage" is meant the income on which preliminary income tax is to be calculated in accordance with the tax schedule, payments in kind excluded.

Deductions of union dues are made after all deductions provided by law and ordinance and immediately after all deductions that arise from the employer's receivables or are related to the employment terms and conditions. The amount of wage remaining after the employer has made the deductions to be made before deduction of union dues is here called the net wage.

### Trade unione dues

The employer should make deduction only if full deduction can be made from the net wage. This means that the net wage must at least be equivalent to the trade union due.

The sum of the monies that the employer deducts shall be paid into the union in conjunction with the company's regular wage disbursement. The financial responsibility of the employer is limited to rendering due account of the dues deducted.

### 3. The notification responsibility of the workers' side

No later than in November of each year, the workers' side shall give the employer notification in writing or some other equivalent manner of the deduction for trade union dues that is to be made during the coming calendar year.

If no details are supplied in accordance with the first paragraph, an unchanged deduction is made in the forthcoming calendar year.

The workers' side shall submit to the employer a list of the new members for whom a charge is to be deducted. The necessary authorisation shall be handed over at the same time. The deduction shall be made from and including the payment period agreed by the local parties.

### 4. Accounting

The employer's details are supplied on the accounting list or in accordance with local agreement. The union shall supply preprinted accounting forms to any employer who so requests.

The following applies for accounting in accordance with an accounting list.

The employer's name, workplace and registered company number must be given on the accounting list.

In addition, all the employees for whom dues are deducted for the period are listed, with their names, personal identity numbers and the sum of the amounts deducted for each worker.

Information shall also be provided about workers for whom no deduction was made during the previous month on the grounds that the net wage would have been less than the full deduction, as well as details of the extent of the deduction thus omitted.
The notification responsibility only applies to workers who have submitted authorisation. When a worker is absent for several complete accounting periods, information that his wage has not been drawn shall only be provided for the first accounting period.

The employer should inform the representative of the local union branch of all new employment of workers.

Information must also be supplied on a worker who has terminated his employment or withdrawn his authority.

### 5. Term of this agreement

This agreement, as the agreement regarding short-time work without government funding and agreements regarding short-time work with government funding shall apply with the same period of validity as the currently valid Teknikavtalet IF Metall, and thereafter with three months' notice. If notice is given regarding either of these agreements, notice is also considered to be given regarding the other agreements, with the same date of expiry.

## **Introduction of Profession Agreement**

The following agreement applies between IF Metall and Teknikarbetsgivarna.

### Section 1 Purpose of the agreement

The industry is facing a substantial demographic change the coming years which intensifies the need for new employees. Today work demands a higher level of both theoretical and qualified professional experience than before. Recruitment promoting measures are essential to secure the industry's long term need for skilled employees. In order to facilitate an effective entrance to working life the Parties have agreed on an introduction period called Introduction of Profession.

The purpose of the Introduction of Profession Agreement is to stimulate the industrial companies to offer special Introduction Employments for youths and others with difficulties regarding their establishment in the labour market, e.g. those newly arrived in Sweden, in order to facilitate for them to work and develop in their professional life in the Swedish labour market.

### Section 2 Area of application

The Introduction of Profession Employments is directed to individuals without relevant professional experience or whose experiences must be evaluated.

Introduction of Profession Employments can be considered for youths that has undergone industrial professional education within Teknikcollege, high school or similar education. It may also be considered for other groups such as those newly arrived in Sweden with no such basic education in technology.

### Section 3 Employment for introduction of profession

Employment for Introduction of Profession is a fixed-term employment in accordance with Teknikavtalet IF Metall with the following special regulation.

By concluding a local agreement an employment for Introduction of Profession may be entered into by employer and employee. An employment of introduction of profession may be entered into even if there are previously employed workers with right of priority to re-employment at the employer. The parties have come to an agreement that the Introduction of Profession employment is not a violation of the right of priority to re-employment.

Each Introduction of Profession employment shall be combined with supervision and an individual development plan concerning work tasks and educational and introduction training. An Introduction of Profession Employment is for a fixed period of time. The length of employment may amount to 12 months and may be extended by up to 12 months. Such an extension requires a local agreement or local approval. The Introduction of Profession employment can be terminated by the employee and the employer with one month's notice. Introduction of Profession employees constitute their own group subject to order of priority rules in cases of termination of employment due to shortage of work.

If the employee or the employer does not want the Introduction of Profession employment to turn into an Employment until further notice, a notice of this shall be handed to the opposite party within a month before the agreed time expires.

In the case of a transition from Introduction of Profession employment to an Employment until further notice means that a former employee with right of priority to re-employment cannot be considered for re-employment, the transition requires a local agreement. The local parties shall then especially take the purpose of this agreement into specific account.

### Section 4 Wage

Monthly wage applies for Introduction of Profession employment. The monthly wage shall reach a minimum of 75 per cent of minimum wage according to Teknikavtalet IF Metall.

### **Section 5 General matters**

If the Introduction of Profession employment does not lead to further employment at the company, a certification of employment shall be issued, containing information regarding the period of employment and tasks that the Introduction of Profession employee has performed. The certification of employment shall also contain a testimonial concerning the way in which work has been performed unless the introduction of profession employee requests that no such testimonial be included.

Where appropriate the union parties shall ensure through advice and negotiations that errors in application will be corrected and that the purpose of the agreement will be fulfilled. In consideration of the purpose of the agreement any errors can cause liability to pay damages in obvious and serious cases of abuse. Introduction of Profession

### Section 6 Term of this agreement

The agreement remains in force until further notice with a mutual notice period of three months. At termination by either of the parties local agreements regarding fixed-term employment for Introduction of Profession will be valid until current fixed-term employments for Introduction of Profession expires.

Stockholm, 22 November 2016

**Teknikarbetsgivarna** Anders Weihe **IF Metall** Veli-Pekka Säikkäla

# Agreement concerning training and development in the company

### **Common values and reference points**

Companies within the engineering industry are operating in conditions of increasingly tough national and international competition. Possession of the re-quired skills is important in order for companies to be able to run their operations. This requires the development of work methods and organisation and that the knowledge of all personnel is renewed and strengthened.

The company has a fundamental responsibility for ensuring that its requirements for skilled personnel are met continuously. The employee also has a personal responsibility to develop his skills in accordance with the demands set by the company's operations.

In order to be appropriate and practical, the forms of training and development must be adjusted to the conditions ruling in each individual company and must be based on the company's business concept and long term operations. A constructive and committed dialogue between company and local union representatives is positive for both the company's and the employees' opportunities of maintaining and renewing skills and for the improvement of efficiency, profitability and competitive strength.

### Section 1 Goals

The local parties should co-operate to create an environment in which all employees can satisfy new demands for knowledge and qualifications. The basis for this is continuous, systematic and goal orientated development projects designed to increase the company's ability to adapt to new demands for greater competitive ability,

to create operations profitable for the company,

- to extend the versatility, overall competence and skills of individual employees in order to improve flexibility and performance,
- to strengthen the security of the staff in their employment,
- **to** ensure that the staff has a good work environment and a positive wage development, and
- **to** develop the basis for equality between men and women within the company.

### Training and development

### Section 2 Co-operation within the company

It is a very important joint task for the company and the local union organisations to establish active development activities and to create good conditions for utilisation and development of the skills and competence of the personnel.

On the request of either party, discussions should be entered into with the aim to come to an agreement regarding methods of co-operation on training and other matters relating to development of the competence and skills of the personnel.

If the local parties deem it appropriate, they may institute a joint committee with the object of creating a forum for this co-operation.

### Note

The purpose of this committee is to identify the need for new skills brought about by changes in job content or working practices and to find out what is needed to obtain the desired training and development. The committee's work may be based on an analysis of future changes and knowledge requirements deriving from the long term strategy and planning of the company. Follow up of the effects of training schemes also lies within the aegis of this committee.

If training schemes are developed, these may be discussed and assessed by the committee. Such training schemes may also be used as a basis for influencing training schemes provided by the public sector.

It is moreover of great importance that the local parties apply a system of wage and employment conditions, which stimulates the staff to work towards continuous development of tasks and competence.

### Section 3 Personal development

All personnel, irrespective of educational background, should be given an opportunity of personal development at work, so that they can undertake more qualified and responsible tasks. Special attention should be given to those with short and, for the tasks performed within the company, insufficient training and to those who return to work after a longer period of parental leave or sick leave.

Personal development may for example mean internal or external further education, the opportunity of taking part in project schemes, producing reports, etc. or job rotation. It can also mean the opportunity for employees to try out other tasks at the company. Individual development planning can be an important basis for the joint development of skills and competence of the personnel and the company. Such planning should be undertaken if so requested by an employee.

The forms of individual planning may vary. It may be created, for example, through planning or development talks or work place meetings. The need for development should be discussed both from the point of view of the company's goals and the individual's needs and wishes. Measures should be agreed and followed up.

### Section 4 Co-operation between the parties to the agreement

"The Engineering industry skills development council" set up by the parties deals with matters concerning development of skills and competence.

The object of the council is

- to actively encourage the company to devote more attention to the development of competence and skills in its operations,
- to encourage, by means of exchange of experience and in other ways, the company's and its personnel's interest in the development of competence,
- to initiate development projects,
- to follow up and analyse the skills requirements in the industry,
- to examine specifically which measures should be taken to assist small companies in their identification of training requirements,
- to influence the contents and extent of public training schemes, on the basis of analyses of the competence and skills needed in the industry,
- to monitor and encourage the application and further development of this agreement, and
- to generally handle matters that the parties refer to the council in agreement.

The council consists of six members in total of which three are appointed by the employer party and three by the employees' parties. The council appoints a chairman and a deputy chairman from among its members. The members are appointed for a period of three years, and the parties are entitled to appoint a substitute when a member is absent. Training and development

The possibility of financing projects from outside sources should always be explored. The parties otherwise finance activities of the council on an equal basis.

### Section 5 Negotiating procedure

Differences of opinion concerning the application of this agreement should be treated in accordance with the negotiating procedure in force for the a-greement area.

### Section 6 Term of this agreement

This agreement remains in effect until further notice, with a mutual period of notice of termination of six months.

### Agreement on a fee-based redeployment insurance

The agreement dated 24 February 2004 between Föreningen Svenskt Näringsliv and Landsorganisationen i Sverige (LO) regarding a fee-based redeployment insurance applies from and including 1 September 2004 between Teknikarbetsgivarna and Svenska Metallindustriarbetareförbundet.

### Terms and conditions for redeployment support

# Benefits and qualification requirements Section 1

The collective bargaining foundation, Trygghetsfonden TSL, shall provide or finance measures which shall assist dismissed employees to obtain new employment (redeployment support). TSL's board shall decide upon the particulars of the formulation and extent of the redeployment support, and the terms and conditions for the financing of such support.

### Section 2

An employee may receive redeployment support up to the month before he or she reaches 65 years of age.

Redeployment support may not be granted in cases where the association with TSL is in conjunction with imminent dismissals due to shortage of work.

### Section 3

Redeployment support may be granted where an employee has been served a notice of termination due to shortage of work and, in conjunction with the cessation of the employment, has worked for a consecutive period of no less than 16 hours on average per week for a year at one or more companies which, during the period of employment, were associated with TSL's redeployment support.

The period of employment prior to the association may also be taken into account in respect of employees at companies that were associated with TSL's redeployment support.

An employee who has informed, or who intends to inform, the company of an invalidation of a notice of termination or of the fact that he or she wishes to claim damages from the company as a result of the termination shall not be entitled to redeployment support. Section 7 regulates the period in which notification must be made.

Redeployment insurance

Redeployment support may also be given to an employee who ended his employment without a notice of termination having been served where it is expressly set forth that the employee is ending on the company's initiative and due to shortage of work, and that the cessation of the employment is not in dispute.

Following a special application and determination, redeployment support may be granted to an employee who has elected to contest a termination on legal grounds, where the employee has thereafter withdrawn his or her claim and refrained from bringing a claim against the company as a result of the notice of termination.

### Local agreements

### Section 4

A company and a local trade union organisation may enter into an agreement not to draw redeployment support pursuant to section 1. Such an agreement shall state the action to be taken in the event of redundancy at the company. Fees for companies that have entered into such an agreement shall, following a decision of TSL's board, be reduced by a percentage amount that finances TSL's redeployment support.

### Section 5

Where a company, due to insolvency or otherwise, fails to fulfil an obligation agreed in connection with a local agreement in accordance with section 4, TSL shall provide or finance redeployment support in accordance with section 1. Recourse may be had against the company from TSL.

### Section 6

A company and local trade union organisation that have entered into an agreement in accordance with section 4 may enter into an agreement stating that the company shall again be associated with TSL's redeployment support. The employees shall be covered by TSL's redeployment support only after the passing of a year.

### Application for redeployment support

### Section 7

The company and local trade union organisation shall jointly apply to TSL for redeployment support or financing of such support. The application shall state the name of the employees who are intended to benefit from redeployment support.

TSL may determine an application other than the joint application from the company and local trade union organisation.

As regards employees covered by an application for redeployment support, the period of time for notification of an invalidation of a notice of termination or that the employee wishes to claim damages arising from the termination is one week. The notification period is calculated from the date that the application was submitted to TSL. However, the notification period, based on an application for redeployment support, may never exceed that which is set forth in the rules in sections 40 and 41 of the Employment Protection Act. Upon the expiry of the notification period, the employee shall lose his or her entitlement to bring a claim pursuant to section 42 of the Act.

An application for redeployment support may not be determined prior to the date on which the notification period has expired. Prior to the determination of an application, TSL shall examine whether the conditions pursuant to section 2 or section 3 for the grant of an application are fulfilled.

### Section 8

TSL shall provide the application form. The application must have been received by TSL within one year from the date of cessation of the employment in order for the support to be granted.

### Section 9

The local parties shall, in conjunction with a pending reduction in staff, evaluate the company's staffing requirements and needs. Where such needs, in the joint opinion of the parties, may not be fulfilled by application of law, the establishment of an order of priority shall be made through an agreed order of priority schedule.

The local parties shall thereupon make a selection of the employees who are to be dismissed, taking into account in particular the company's need for expertise, as well as the possibilities of the company to carry on a competitive business and thereby continue to recruit staff.

In addition, by way of derogation from the provisions of sections 25-27 of the Employment Protection Act, the local parties may agree upon an order of priority in conjunction with re-employment.

The criteria referred to above shall apply thereto.

Redeployment insurance

The local parties shall be obliged, on request, to conduct negotiations which are referred to in the previous paragraph and confirm in writing agreements entered into.

Where the local parties are unable to agree, the labour market representative bodies, where either so requests, shall enter into an agreement in accordance with the guidelines referred to above.

It is assumed that, in conjunction with the negotiation of matters referred to in this agreement, the employer shall provide the local or central parties to the agreement with relevant factual information.

# Insurance terms and conditions for redundancy pay (AGB)

### General terms and conditions

### Section 1

These insurance terms and conditions, as well as the common insurance terms and conditions and the provisions which are otherwise prescribed in agreements entered into by Svenskt Näringsliv and LO shall apply to redundancy pay insurance (AGB).

The insurer for AGB is AFA Livförsäkringsaktiebolag (reg. no. 502000-9659).

### Section 2

Each insured person is a policy holder. The obligations that are incumbent on the policy holder with respect to the insurer under the Insurance Contracts Act shall, however, be incumbent on the company, where such does not relate to a matter of information which the insured person is required to provide to AFA Livförsäkring.

### Section 3

The AGB terms and conditions that apply upon a termination of employment shall apply in conjunction with an insured event. Where the employee ends his or her employment pursuant to section 8, the AGB terms and conditions that apply at the date on which it is clear that the employment will cease shall apply.

### AGB benefits and qualification requirements

### Section 4

A full AGB is payable of SEK x. Where, prior to the cessation of the employment, the employee has reached the age of 50, the full AGB shall be increased in an amount of SEK y for the years from and including 50 up to and including 60 years of age. AGB shall be payable in proportion to the standard portion of a full time employment position attributable to working time upon a termination of employment.

From the date of cessation of the employment, only one full AGB may be paid for a continuous five year period thereafter.

A new AGB may not be paid until the expiry of five years from a cessation of the employment which resulted in the payment of the A-amount pursuant to the terms and conditions applicable prior to 1 April 2005.

The board of directors of AFA Livförsäkring shall, no later than six months prior to a new calendar year, determine the AGB amounts in the first paragraph.

### Section 5

An entitlement to AGB shall arise where the employee's employment ceases by way of a notice of termination due to shortage of work and the operational change in the company results in a permanent reduction in staff.

In addition, it is required that the employee has reached the age of 40 on the cessation of the employment and has been employed for no less than five consecutive years at one or more companies which, during the relevant period of employment, were associated with AGB insurance. The requirement of five consecutive years shall be fulfilled where the employee was employed for no less than 50 months during the five year period. The consecutive period shall be calculated from the date of either the cessation of the employment or the date on which the employment would have ceased pursuant to the rules in the Employment Protection Act. "Month" shall mean 30 days.

### Section 6

The period of employment prior to the entry into force of the insurance agreement may also be taken into consideration for employees at companies that have purchased AGB insurance.

### Section 7

The employee shall be entitled to AGB no later than up to and including the month prior to his or her 65th birthday. However, an entitlement to AGB shall not arise where AGB insurance is purchased in conjunction with imminent dismissals due to shortage of work.

### Section 8

AGB may also be provided to an employee who ended his employment without a notice of termination being served where it is clearly stated that the employee ends on the company's initiative. The aforementioned is conditional on the cessation of the employment being due to shortage of work and on the operational change in the company resulting in a permanent reduction in staff.

### Section 9

An entitlement to AGB shall not arise where the employee

- 1. left his employment with a pension entitlement or equivalent remuneration from the company; or
- 2. prior to the cessation of the employment, was granted an entitlement, pursuant to AFL, to full illness benefit or full time limited illness benefit pursuant to AFL. However, where the employee returns to work through employment which is the equivalent to no less than half of a full time job in one year within five years from the cessation of the employment, AGB shall be payable in arrears.

### Section 10

An entitlement to AGB shall not arise where the employee is dismissed from his employment at a company but, no later than three months from the cessation of the employment, has been re-employed or has obtained another employment position at another company within the same group.

The aforementioned shall apply where the insured refused an offer of such an employment position for reasons which led or should have led to a reduction in remuneration in accordance with the Unemployment Insurance Act.

Where, no later than three months from the cessation of the employment, a dismissed employee commenced a new employment position at the same company or another company within the same group but with a lower standard measure of working time than the former employment, AGB shall be payable in proportion to the difference between the measure of working time. An entitlement to AGB shall not arise where the employee was entitled on a transfer of operations to allow the employment to transfer to the acquiring company but refused such and, as a result thereof, was dismissed whilst at the transferring company.

### **Application for AGB**

### Section 11

The employee shall notify AFA Livförsäkring of circumstances which may give rise to compensation. AFA Livförsäkring shall provide the application form. For an entitlement to compensation to arise, an application must have been received at AFA Livförsäkring within two years from the cessation of the employment. Where the employee returns to work in accordance with section 9, paragraph 2, the application must have been received at AFA Livförsäkring within two years after the employee has served one year of employment.

### Special terms and conditions

### Section 12

Where the capital base in the AGB business falls below the required margin of solvency, the insurance cover shall no longer apply to upcoming dismissals. The AGB insurance cover shall also no longer apply where a state of war exists in Sweden.

### Section 13

No interest shall be payable on AGB due.

### Section 14

Where the dismissal takes place prior to 1 April 2005, but the employment ceases subsequent to this date, the terms and conditions that apply upon the cessation of the employment shall apply.

# Agreement concerning specific measures with respect to employees exposed to asbestos

The parties note that, on 22 October 1987, SAF, LO and PTK reached agreement on certain specific measures with respect to employees exposed to asbestos.

In connection with this agreement, the parties have agreed that an employee who undergoes an examination in accordance with sections 2-4 of the agreement shall receive

- pay for lost work time; hourly paid workers shall receive hourly pay and piecework workers shall receive the average hourly rate for hourly wages and piecework in accordance with the most recently known quarterly wage statistics;
- compensation for examination and travel costs as a result of the examination, which are not compensated by National Insurance.

Stockholm, 13 February 1988

Sveriges Verkstadsförening	Svenska Metallindustriarbetareförbundet
Åke Nordlander	Leif Blomberg

# Agreement concerning work environment and occupational health

The parties agree to promote the development of a good work environment and a well functioning occupational health service, for the benefit of companies as well as for employees.

Co-operation and local agreements do not limit the employers' liability under the Work Environment Act.

Work environment matters are dealt with in the line organisation by the managers responsible. Co-operation should take place with safety representatives/safety committees and the employees in order to achieve a good work environment.

The Work Environment Act and appended regulations are important basic elements in the work. The parties are agreed that the intentions of the internal control regulation that the working environment should be safe both mentally and physically should serve as guidance. The Swedish Work Environment Authority and the Swedish Work Environment Inspectorate provide supervision in accordance with the Work Environment Act.

### Section 1 Co-operation

Co-operation among the local parties is a condition for positive and efficient work environment activities. The form of co-operation can be adjusted to the companies' operations and may be confirmed in a local agreement.

Matters concerning internal control, work environment education, occupational health and rehabilitation should be dealt with by the local parties and may be regulated in a local agreement.

### Section 2 Work environment training

The local parties should assess the need for training, taking into account the nature of the work environment within the company. The training can consist of basic as well as further education.

Time scope, contents, training material and matters of compensation and who are to participate in the training/information sessions in question should be decided within the framework of local co-operation in accordance with section 1.

Occupational health

Information about current work environment risks and safety regulations shall be given to all employees. In this respect, the need of newly employed staff shall be observed.

### Section 3 Occupational health

The parties agree that an appropriate occupational health service is an important resource for companies and employees. Matters of occupational health should be jointly planned. The different needs and demands must govern, since circumstances vary between companies within the same industry. In some instances there is an opportunity of an in-house occupational health service. In other instances, joining existing or recently set up occupational health centres would appear to be the best solution.

The following should form part of the duties of the occupational health service.

- Performing an active and preventive work environment task from an overall point of view, taking into consideration medical, technical and psychosocial aspects.
- Providing advice and participating in the planning of major changes in the company, so that safe and sound working conditions are achieved.
- Following up work environment conditions, which may affect the health and work adjustment of the employees.
- Providing a supporting resource and providing background information for decisions concerning work adjustment and rehabilitation.

Occupational health services should be provided in conformity with science and proved experience. The staff has the same duty of confidentiality as equivalent groups within the National Health Service.

### Section 4 Negotiating procedure

Disputes concerning the interpretation or application of this agreement and of local agreements concerning work environment matters must be submitted without delay for negotiation between the local parties. If the local parties cannot agree, the dispute should, at the request of any party, be submitted for central negotiation. Requests for local or central negotiations must be made promptly, and no later than within the time limits set out in section 64 of the Co-Determination Act.

# Agreement regarding development work against stress injuries

Metall and Verkstadsföreningen have jointly noted that there has been a worrying increase in the number of reported musculo-skeletal stress injuries in the engineering industry in recent years. This has also resulted in increased sick leave.

There are several causes for musculo-skeletal stress injuries. At the same time as it has been possible to eliminate many heavy and strenuous work duties through technical and ergonomic measures, lighter highly repetitive work appears to cause new problems. Such work involving monotonous and static work postures results in greater risks of musculo-skeletal stress injuries than was previously known. In order to deal with these problems, solutions are often required that integrate technique, ergonomy and work organisation.

The parties also note that simple and monotonous work is otherwise often associated with high staff turnover and absenteeism. The efforts should thus also have general positive effects in these respects.

In light of the above, the parties have agreed as follows.

### Section 1 Investigation/identification

The local parties shall, where so required, investigate/identify the risks of musculo-skeletal stress injuries in accordance with the above. The investigation shall be carried out by the safety committee unless otherwise agreed. The investigation may be carried out with the help of corporate health care services.

The investigation, divided into types of work or workplaces, shall relate to sick leave, industrial injury notifications as well as doctor's visits and treatment due to musculo-skeletal stress injuries. It is assumed that the Social Insurance Office and other parties can provide information necessary for the investigation, while heeding applicable confidentiality rules.

Particular attention shall be paid to work involving very similar duties and small variations in work content.

### Section 2 Treatment programme

Following an investigation and necessary work environment assessments, the local parties shall, within the scope of applicable rules and forms for cooperation, consider which programmes and timetables are required for measures against future risks of musculo-skeletal stress injuries.

### Stress injuries

Based on the conditions at each workshop, primarily the following development principles shall serve as guidance, individually or in combination.

- Consider whether problems can be eliminated through mechanisation/ automation or technical or ergonomic devices in general;
- Test whether new work content can be given to highly repetitive work duties, prior to or after work or administrative duties, in order to increase the work content;
- Determine whether exchange of work between different types of work duties, e.g. in a group organisation, can reduce unbalanced muscle stress and increase the work content.

The parties shall heed the intentions of the development agreement regarding new work organisation and technical development.

### Section 3 Negotiating procedure

### Subsection 1

Disputes regarding the interpretation or application of this agreement shall be referred as soon as possible for negotiation between the local parties.

Where the local parties fail to reach agreement, upon request by either party the dispute shall be referred to central negotiations.

A request for local or central negotiations shall be made within the periods of time stated in section 64 of the Co-Determination Act.

### Subsection 2

During local or central negotiations either party may bring a certain issue before the Engineering industry's board for development issues, which shall be entitled to issue a recommendation regarding a solution to the question. In connection with the handling of a particular matter, the board shall summon experts or otherwise obtain information of importance for the assessment by the board.

This agreement shall apply until further notice, subject to six months' notice of termination by either party.

## Basic SAF-LO agreement

Through the following basic agreement entered into between Svenska Arbetsgivareföreningen, SAF and Landsorganisationen i Sverige, LO, the organisations undertake to conduct the activities in the labour market board and associated matters which are incumbent on them pursuant to the agreement, and to endeavour to ensure that the agreement will be freely adopted as a collective agreement between the parties belonging to the associations. Insofar as such takes place, the agreement will also be binding with legal effect on SAF and LO in accordance with the applicable Collective Agreements Act.

### **Chapter I Labour market board**

### Section 1

SAF and LO shall appoint a joint board, the labour market board, to handle issues which are of general or otherwise major importance for the labour market and to handle certain issues specifically referred to below.

### Section 2

As an arbitration board, the labour market board shall determine the following issues.

- a) disputes concerning the interpretation or application of provisions in chapters l and ll;
- b) disputes concerning the interpretation or application of the provisions in chapter lll.

### Section 3

With a composition based on parity, the labour market board shall handle other issues incumbent on the board pursuant to this agreement.

### Section 4

The labour market board shall consist of three ordinary members and six alternate members therefore from each of the organisations.

When the board functions as an arbitral board, the board shall include an impartial chairman appointed jointly by SAF and LO.

Basic SAF-LO agreement

Unless otherwise agreed, all of the above stated members shall be appointed by the organisations for a period of three years.

### Section 5

Decisions in the board may only be taken if the full board is present. However, when acting as an arbitral board the board shall be quorate with five members comprising an impartial chairman as well as two members appointed by each of SAF and LO.

In the event of differing opinions in conjunction with deliberations, the decision supported by the majority shall apply.

### Section 6

Upon the determination of a particular issue, any member appointed by SAF or LO who is directly affected by the issue or is a board member or official of subordinate organisation in question shall not participate therein.

### Section 7

When addressing matters incumbent on the board, the board shall summon representatives of the associations in question to participate in the handling of the matter before the board, however not in the board's decision. The board may also summon employers or employees or representatives thereof affected by the issue to testify before the board.

### Section 8

The board shall have a secretary from each of SAF and LO.

It is incumbent upon the board to address and finalise the handling of mat-ters in the least possible protracted time.

Minutes shall be taken of meetings of the board, which shall be attested by both parties.

### Chapter II Negotiating procedure, etc.

(This chapter is replaced by section 1 Peace obligation and negotiating procedure in Teknikavtalet IF Metall).

### **Chapter III Limitation of economic conflict measures**

### Section 1

Conflict measures, whether open or secret, may not be taken by a party on either side in those cases and under the conditions stated in this chapter, and an organisation bound by the agreement shall be obliged to attempt to prevent a suborganisation and individual members from taking such measures and, in the event measure have already been taken, to attempt to induce them to cease such measures.

**"Conflict measure"** in this context means work stoppages, blockades, boycotts or other comparable measures as well as termination of employment agreements, which are taken in order to compel or harm.

**"Conflict measure against a party"** means conflict measures which, in order to bring about the resolution of dispute, are taken against any party which is involved in the dispute, or which are otherwise taken against another party with an immediate intention.

**"Conflict measure against a third party"** means conflict measures which, during a dispute, are directed against a party which is not involved in the dispute, with the aim of exercising influence over the counterparty to the benefit of a party in the dispute.

The enforcement of legal sanctions in respect of breach of contract or violation of association rules shall not be deemed to constitute a conflict measure, unless otherwise stipulated below.

The provisions of this chapter shall apply between the parties to this agreement also with respect to conflict measures against any person, who is not a member of an organisation, for whom the agreement is applicable.

### Section 2

Conflict measures may not be taken against any person if the intention is there by to persecute such person on religious, political or similar grounds.

### Section 3

Conflict measures may not be taken against any person in order to prevent him from bringing proceedings before a court of law or other public authority or providing evidence or assisting a civil servant or official, or to retaliate for what such person has done in the aforementioned respect.

### Section 4

After a labour dispute has been concluded, conflict measures for the purposes of retaliation may not be taken against a person who was a party to the dispute or against any other person as a consequence of his relationship to the dispute.

### Section 5

Where any person without the assistance of a third party other than a spouse, child or parent engages in business activities or performs work on his own behalf, conflict measures may not be taken against him as a consequence of a dispute concerning the labour relationship.

Nor may conflict measures otherwise be taken against a person who performs work in his own business, where the purpose thereof is to prevail upon such person to refrain from work for the benefit of a third party.

### Notes

Upon the application of the provisions in section 5, second paragraph, with respect to partners in a non registered partnership and a registered partnership crucial importance shall be accorded to the actual nature of the corporate relationship and the use of a corporate form shall not per se be sufficient for the application of the provision to an individual partner; where it can be assumed that the corporate form has been adopted primarily only for the purpose of formally avoiding an employment relationship and thus where one or more of the partners must in reality be regarded as an employee, it shall not be possible to claim protection for the latter pursuant to the provision.

### Section 6

Conflict measures may not be taken insofar as the intention is to acquire an unfair gain for oneself or another, to cause any person to pay or waive wages or to take similar measures. The provisions of the first paragraph shall not prevent conflict measures being taking in order to collect payment from any person who, after the debt arose, has taken over property or a business to which the claim relates if, at the time of the takeover, he was aware of the circumstances or, based on the facts, should have been aware thereof.

### Section 7

In those cases where conflict measures against a party are prohibited pursuant to sections 2-6 of this chapter, chapter ll, section 8 or otherwise pursuant to a collective agreement or law, such measure may also not be taken against any third party.

### Section 8

Notwithstanding that a conflict measure against a party is permitted, with the exception of the cases stated in sections 9 and 10, conflict measures may not be taken against a third party.

- 1. in a dispute concerning the entry into a collective agreement;
- 2. in a dispute concerning the entry into, or application of, an individual employment agreement;
- 3. in a competition dispute concerning jobs;
- 4. in order to induce a party to join, or present him from leaving, a trade union.

### Section 9

The protection for third parties stipulated in section 8 shall be enjoyed only by a party who is neutral in the dispute.

A non neutral third party means.

- 1. a member of an association involved in the dispute if, other than through the performance of safety work, to the benefit of a counterparty in respect of the dispute he breaches such obligations towards the association, the performance of which is not in violation of the provisions of this chapter;
- 2. to a person who, during a dispute, has performed work blockaded as a consequence of the dispute other than of a safety work nature, insofar as the blockade does not violate the provisions of this chapter or association statutes;
- 3. a person who, for the performance of work other than safety work, during a dispute has employed a worker, which as a consequence of the dispute has been blockaded by the employer, provided that the blockade does not violate the provisions of this chapter or association statutes;
- 4. a person who, during a dispute and as a consequence thereof, has provided a party with financial support or, following restructuring or any other change in his business or operations, has assisted such person;
- 5. a person who owns shares in an amount exceeding one half of the share capital of a limited company, who is a party to the dispute, or a general partner in a partnership, who is a party to the dispute;

### Basic SAF-LO agreement

6. a limited company in which a party to the dispute owns shares, or a partnership in which the party is a partner, provided that, in light of the size of the shareholding or the partnership share as well as other circumstances, the firm's operations must be deemed in practice to have been conducted on behalf of the party.

"Safety work" means such work as, upon the occurrence of a conflict, is required in order to close down operation in a technically defensible manner as well as such work as is required in order to avert danger to humans or damage to buildings or other facilities, vessels, machinery or domestic pets or damage to such stock-in-trade to which recourse is not made during the conflict in order to maintain the operations of the company or for disposals to a greater extent than required as a consequence of putrification or destruction to which the goods are subject due to their nature.

Work which any person is obliged to perform due to specific provisions in any Act or ordinance shall be equated with safety work, the neglect of which may result in liability for malfeasance.

### **Taking of minutes**

In determining the provisions regarding safety work, the parties have assumed the following:

that the detailed purport of the concept of safety work within different professional areas shall be determined through agreement between the concerned associations and

that, where the company during the conflict does not engage in production, the ordinary workers undertake to perform such work in case of need.

### Section 10

Notwithstanding that which is prescribed in section 8, subsection 1, conflict measures may be taken if the purpose thereof is, through broadening an original dispute concerning the entry into a collective agreement, to assist a party to such dispute. Such measure may not comprise other than work stoppages as well as work blockades and also the refusal to take possession of goods which are intended for, or derive from, a business which is conducted by a party to the original dispute.

# Chapter IV Handling of conflicts concerning functions vital for society

### Section 1

In order, as far as possible, to prevent labour conflicts disrupting functions vital for society, SAF and LO shall promptly undertake joint assessment of each conflict situation taken up where protection of a public interest is demanded either by one of the organisations or by a public authority or by anybody comparable therewith which represents the public interest in question.

### Section 2

The assessment of a question which has arisen regarding the avoidance, limitation or cessation of labour conflicts referred to in section 1 shall be taken by the labour market board.

### Section 3

Where, upon the handling of such a matter as stated in section 2, a majority is in favour of avoidance or cessation, in whole or in part, of a conflict and in favour of a related necessary adjustment of the employment terms and conditions, SAF and LO shall be obliged, in accordance therewith, each regarding its affiliated bodies, without delay to take measures for the implementation of an agreement between the affected parties.

Upon the adoption of this head agreement between associations on both sides, the agreement shall be approved and, pursuant to the Collective Agreements Act, shall apply with legal effect until further notice subject to a period of notice of termination of six months; however, where a collective wage agreement exists between the parties at such time when the head agreement is to expire in accordance with such period of notice of termination, the head agreement shall not expire until the contemporaneous expiry of the wage agreement.

Stockholm, 20 December 1938

### Svenska Arbetsgivareföreningen Landsorganisationen i Sverige

J. Sigfrid Edström Gustaf Söderlund Carl Joh. Malmros Wiking Johnsson Ivar O. Larson Axel Bergengren /Nils Holmström Aug. Lindberg Gunnar Andersson Oscar Karlén Hilding Molander Johan Larsson /Arnold Sölvén *Extract from agreement between Teknikarbetsgivarena – IF Metall 31/03/2017 relating to wages. (Minimum hourly wages and other remuneration are included in the relevant sections of the agreement.)* 

### Wage agreement

### Wage pool for local negotiations

Unless the local parties agree on other dates at each plant, a wage pool of 1.8, 1.6 and 1.7 per cent respectively of the monthly wages for the workers at the plant will be created on 1st April 2017, 1st April 2018 and 1st April 2019 respectively. Note that the minimum monthly wage to be used for the calculation the years 2017, 2018 and 2019 is SEK 24 000, 24 528 and 25 043 respectively.

For employees with hourly and piecework wages, the wage pools are created by multiplying the monetary amount equivalent to the above percentages of the plant's current average earnings on hourly wages and piecework by the number of workers at the time the pool is created. Note that the minimum monetary amount to be used for the calculation shall be calculated according to the same principle as stated above regarding lowest monthly wage for calculation of the wage pool.

The wage pool is distributed by local agreements between the company and the local union branch. Distribution of the wage pool shall be effected with reference to the wage principles of Teknikavtalet IF Metall, in accordance with locally agreed wage systems and forms and with due regard to the agreement on development of skills and competence within companies.

### Wage review

Unless the local parties agree on other dates a joint review of wages shall be carried out on 1st April 2017, 1st April 2018 and 1st April 2019.

The wage review shall be carried out in accordance with the Teknikavtalet IF Metall wage principles and through individual wage adjustments – based on the employee's development regarding competence and work tasks – in order to achieve the desired wage structure or application of locally agreed wage systems.

### The agreement's minimum wages

Adjustment upwards is made on 1st April 2017, 1st April 2018 and 1st April 2019 of 2.1, 1.9 and 2.0 per cent respectively. The impact on closing minimum wages will be deducted from the wage pools.

# Compensation for work during inconvenient hours and overtime supplements, wages for school holiday work and money factors

Adjustment upwards is made on 1 st April 2017, 1 st April 2018 and 1 st April 2019 of 2.1, 1.9 and 2.0 per cent respectively.

### Minimum wage increase

Unless the local parties agree otherwise a check shall be made of the wage development during the period of agreement on 1st June 2018 and 1st June 2019 regarding each of the periods 1st April 2017–1 June 2018 and the time thereafter until 1st June 2019. The wage increase per month for a full-time worker for the period shall be a minimum of SEK 570 and SEK 300 respectively.

### **Deduction from transfer supplement**

Deduction from transfer supplements fixed after 1st April 2004 shall be effected to the extent that, on distribution of a wage pool, the worker receives a wage increase of more than 2.1 per cent from 1st April 2017, 1.9 per cent from 1st April 2018 and 2.0 per cent from 1st April 2019 respectively.

### **Negotiating procedure**

If the local parties are unable to conclude an agreement concerning distribution of wage pools or concerning wage reviews, a local party is entitled to submit the matter to central negotiations. In the event that the central parties cannot agree in the matter, a central party is entitled to submit the matter for final settlement to the Teknikarbetsgivarna – IF Metall Wages board. The board has four members, of whom Teknikarbetsgivarna appoints two and IF Metall two members. One of the representatives of Teknikarbetsgivarna is chairman and one of the representatives of IF Metall vice-chairman.

### Note 1

Where groups of workers and individual workers with an adverse wage level or unfavourable wage development are concerned, special attention shall be given to the matter of training and development.

### Note 2

In the event of dispute regarding the wage review on 1st April 2018 and 1st April 2019, the figure shall be 0.4 per cent for the period 2nd April 2017 – 1st April 2018 and 0.5 per cent for the period 2nd April 2018 – 1st April 2019.



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