# Welcome!

#### The presentation material will be discussed in this event.



You can ask **questions** through chat.

Due to the large number of participants, this will be a listen only meeting.

Microphones and cameras must be turned off throughout the event!



After the webinar on Thursday 27 January, the presentation material will be sent to all those who registered.

Questions received through chat will be discussed at the end of the event.



The event will be recorded!



Collective agreement
Salaried employees in technology industries
21 January 2022–30 November 2023

## **New collective agreement**

- Technology Industry Employers of Finland has signed a new collective agreement for salaried employees in technology industries
- The new collective agreement is binding on the member companies of Technology Industry Employers of Finland on the basis of their membership
- The parties estimate that the collective agreement is generally binding, that is, it also binds companies that operate in the same sector but are not members of Technology Industry Employers of Finland

# **New collective agreement**

- The CA for salaried employees is valid from 21 January 2022 to 30 November 2023
- The structure is 1 + 1
  - —The pay settlement for 2022 has been agreed
  - —The pay settlement for 2023 will be agreed between the federations by 30 September 2022
- If the pay settlement for the second year is not agreed by the end of September, the parties may terminate the CA so that it expires on 30 November 2022

# Local salary settlement Salaried employees in technology industries

# Salary settlements are to be negotiated locally

- With genuine negotiations at company or workplace level
  - success factors, requirements and change pressures are known
  - salary settlements are scaled to the company's situation
    - financial, order book and employment situation
    - cost competitiveness in the market
    - productivity enhancement
  - open discussion on the basis of the company's or workplace's situation
  - salary incentives, fair salary grading

#### Salary settlements are to be negotiated locally

- A local settlement is facilitated by
  - a shared understanding of the company's situation
  - knowledge and understanding of what salary increases are based on
    - concerns the management, supervisors, shop stewards and employees
  - a shared understanding of the fairness and motivational aspects of compensation
  - appropriate action by management, supervisors and shop stewards

#### Financial situation, order book and employment situation

- In good time before the start of local bargaining, the employer provides the shop steward with the required information on the order book and financial and employment situation of the company or workplace and of their anticipated development
- It would also be appropriate to provide information on the grounds for the proposed salary settlement to be used as the basis for negotiations
- Financial indicators based on up-to-date reports usually provide information on
  - the scope of operations
  - profitability
  - liquidity
  - solvency.
- The purpose of the financial analysis is to provide an overview of the company's future financial prospects.



- The key indicators for the order book and employment forecast the future – although the company may not be able to influence some of these factors, its own actions will still play a key role in its success.
- How well a company copes is dependent on its capacity for renewal, the workplace atmosphere, its ability to cooperate, and factors relating to flexibility and quality.
- Every person contributes to the company's success. Management, supervisors and shop stewards should find ways to get everyone involved in the development of operations.

#### **Salary incentives**

- Motivate salaried employees to develop their competence and professional skills
  - it is clear how employees can influence their own salary (individually and as part of a team)
  - feedback must be received
  - open dialogue with supervisors how can competence be further developed
- Personal salary increases are used to reward competence, responsibility and good performance
  - competence, taking responsibility and good performance can only be rewarded at companies and workplaces at a grassroots level, close to those who are doing the actual work
  - productivity improves when pay increases can be allocated fairly and in a motivational manner
- Compensation management is a continual process
  - the company's remuneration policy

# Salary settlements are to be negotiated locally Negotiations on the salary settlement and its criteria:

A review of the financial situation, order book and employment situation of the company or workplace

- Salary incentives, salary grading, enhancing productivity
- A solution that meets workplace needs

#### **Local salary settlement:**

The following is agreed concerning salary increases:

- implementation method
- schedule
- scale

Implementation of the local settlement

#### If no local salary settlement:

#### Salaried employees

 A general increase of 1.5% and a company or employer-specific element of 0.4% 1 March 2022

# **Local salary settlement**

- The agreement will be made with the salaried employees' shop steward by **18 February 2022**.
  - An extended bargaining period may be agreed locally.
- Matters to be agreed upon in a local salary settlement include the implementation method, schedule and scale of salary adjustments.

# Allocation of the salary settlement

- Report to be provided to the shop steward
- The shop steward has the right to be provided with a report on the allocation of the locally agreed salary settlement or element within a reasonable time and no later than within one month from the implementation of the salary settlement
  - -number of salaried employees
  - how many received an increase
  - —the average increase
  - —the total amount of salary increases for salaried employees

# If there is no local pay settlement (so-called fallback clause)

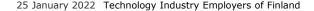
Salaried employees in technology industries

# If no local salary settlement is reached

- salaries will be increased by a general increase of **1.5%** no later than as of **1 March 2022** or from the start of the first subsequent pay period.
- Additionally, a company or workplace-specific element amounting to 0.4% of the payroll for salaried employees for the previous month, including fringe benefits, will be used to increase the salaries of salaried employees as of 1 March 2022 or from the beginning of the subsequent pay period.
  - -No individual guarantee in the workplace-specific element

# Allocation of the salary settlement

- Report to be provided to the shop steward
- The shop steward has the right to be provided with a report on the allocation of the locally agreed salary settlement or element within a reasonable time and no later than within one month from the implementation of the salary settlement
  - -number of salaried employees
  - how many received an increase
  - -the average increase
  - —the total amount of salary increases for salaried employees



### Requirement category salaries

• The requirement category salaries from the start of the pay period beginning 1 March 2022 or immediately afterwards (EUR/month):

	37.5 h/week	40 h/week
RC1	1,634	1,647
RC2	1,778	1,792
RC3	1,934	1,950
RC4	2,104	2,121
RC5	2,290	2,308
RC6	2,491	2,511
RC7	2,710	2,732
RC8	2,949	2,972
RC9	3,208	3,234
RC10	3,491	3,518

#### **Separate bonuses**

From the start of the pay period beginning 1 March 2022 or immediately afterwards, the shift work bonus per hour shall be as follows:

When the monthly salary with fringe benefits is (EUR/month)		Evening shift bonus	Night shift bonus cents	
			Cents	
	less than	2,029	173	325
2,029	-	2,136	177	335
2,137	-	2,242	183	344
2,243	-	2,344	190	354
2,345	-	2,446	196	369
2,447	-	2,553	204	375
2,554	-	2,657	207	383
2,658	-	2,761	212	394
2,763	-	2,866	215	401
2,867	-	2,968	224	412
2,969	more than		228	420

The mining bonus shall be EUR 276 per month/EUR 1.62 per hour as of the beginning of the pay period starting on 1 March 2022 or immediately afterwards. The bonus for uninterrupted and continuous shift work is EUR 2.30 per hour as of the beginning of the pay period starting on 1 March 2022 or immediately afterwards.

### Remuneration of shop stewards as of 1 March 2022

Remuneration of shop stewards				
Number of salaried employees at the workplace	Compensation EUR/month as of 1 March 2022			
5-9	81			
10-24	135			
25-50	168			
51-100	243			
101-200	281			
201-400	336			
401-600	378			
600-	439			

#### Remuneration of occupational safety and health representative

Remuneration of occupational safety and health representative							
Number of staff represented by the	Compensation						
occupational safety and health	EUR/month as of 1						
representative	March 2022						
5-24	68						
25-50	73						
51-100	83						
101-200	94						
201-400	105						
401-600	120						
600-	140						

# Pay adjustments in 2023

- The federations will negotiate separately on the salary adjustment amounts related to the 2023 fallback clause by the end of September 2022.
- However, the procedures for 2023 salary adjustments are the same as in 2022.
- In 2023, the date of salary adjustments is 1 March 2023 or the beginning of the next pay period starting thereafter.
- The salary settlement for 2023 will be announced later in autumn 2022.

# Other content

### **Working groups**

- Occupational well-being, competence development and maintaining the ability to work
- Training and the development of the collective agreement
  - Reforms of the Act on Cooperation within Undertakings
  - o Family leave reform
- Employee representation
- Preventing inappropriate behaviour
- Development of the remuneration system

#### Section 3 Employment and general duties of employment

**Amendment of terms and conditions of employment:** the terms and conditions of employment may be amended if both parties agree thereto. If no agreement is reached, then the amendment may be implemented where grounds for termination obtain and the period of notice is observed observe the notice period referred to in the agreement on protection against dismissal. The procedure is thus the same as when terminating the employment contract.

#### **Section 4 Regulations on salaries**

- Individual salary element: The average percentage of the locally determined individual elements in the pay of salaried employees shall vary between 11 and 17 11 and 19 percent.
  - The upper limit was increased, but the lower limit remained the same.

#### Section 26 Use of outside labour

The following minutes of meeting entry was removed: A condition may be included in subcontracting and agency work agreements entitling the subscriber to require its contractual partner to provide a reliable report of the foregoing details during the contractual relationship. This report may not include information that is protected by privacy provisions.

- Instructions on remote work were updated (as for senior salaried employees in technology industries), not part of the CA
  - Takes into account the changes in remote work and provides recommendations