

# KEY PROVISIONS OF THE COLLECTIVE AGREEMENT FOR THE ELECTRIFICATION AND ELECTRICAL INSTALLATION INDUSTRY



**SÄHKÖLIITTO**

Enemmän voimaa yhdessä

## **KEY PROVISIONS OF THE COLLECTIVE AGREEMENT FOR THE ELECTRIFICATION AND ELECTRICAL INSTALLATION INDUSTRY**

This brochure presents the main provisions of the Collective Agreement for the Electrification and Electrical Installation Industry. The Finnish Electrical Workers' Union supplies a copy of the collective agreement to all shop stewards and new union members. Also, a copy of the collective agreement may be requested from the union's mailing division ('postitus'). In addition, the Collective Agreement for the Electrification and Electrical Installation Industry is available in English on the union's Web site, [www.sahkoliitto.fi](http://www.sahkoliitto.fi), under Edunvalvonta > Työehtosopimukset (in item 005).

If you are not yet a member of the Electrical Workers' Union, join electrically on [www.sahkoliitto.fi](http://www.sahkoliitto.fi).

## **THE SCOPE OF THE AGREEMENT**

The Collective Agreement for the Electrification and Electrical Installation Industry applies to the following jobs, specified in agreement's Section 1, as the scope of the agreement dictates:

- Construction, repair, servicing, and maintenance work for electrical installations and closely related jobs
- Repair and servicing of electrical equipment

Electrical installation work performed in conjunction with 'new construction' falls within the scope of the Collective Agreement for the Electrification and Electrical Installation Industry. The agreement applies also to electrical installation work aboard a vessel and to installation of newly acquired equipment in the industrial sector.

If you are not sure that the appropriate collective agreement is being applied for your work, you can check on this by contacting a union official. The relevant contact information is given on the back page of the brochure.

## **MODES OF PAYMENT**

The modes of payment in the electrification and electrical installation industry are piece-work pay and time-based pay. Piece-work pay is always applied for work carried out in conjunction with new construction. Other jobs that can be clearly broken down by unit also are covered by piece-work pay.

The term 'new construction' applies to the following jobs:

- Work on a structure that either has been built or is being built but for which no electrical wiring has yet been installed

- Renovation of a building whose existing electrical installations were dismantled before rewiring commenced
- Installation of newly acquired production-related equipment at industrial plants

Piece work encompasses the following jobs also:

- Renovation of a building where new electrical installations are being added alongside existing ones
- Electrical work aboard a vessel
- Electrical installations that are implemented separately
- Part of a contract performance
- Other clearly definable jobs carried out under a contract

**Before starting a job, always check whether piece-work rates could be applied.** Under the collective agreement, if the criteria for defining a job as piece work are met, you are entitled to do the work at piece-work rates.

Piece-work pay is a form of incentive-based pay that is tied to the productivity of the work performance. While working in line with a contract, you are given a guaranteed amount in relation to the estimated contract price. After completion of the contract, you can calculate the final contract price on the basis of the piece-work price list.

**Note:**  
**See 'Piece-work Rates', Section 8B.**

Piece-work pricing applies for new construction. Freely priced lump-sum contracts are used in connection with other piece work. Application of free-

ly priced lump-sum contracts to new construction work is subject to local agreement and is possible if both your employer is a member of an employer organisation and a chief shop steward has been involved in the local agreement procedure.

**Foremen CANNOT agree on freely priced lump-sum contracts in new construction!**

**GUARANTEED WAGES UNDER A CONTRACT AND WAGES PAYABLE DURING NEGOTIATIONS, INTERRUPTIONS TO WORK, AND THE START-UP STAGE**

1 August 2020 - 31 July 2021		1 August 2021 - 31 March 2022	
Wage group	Euros / hour	Wage group	Euros / hour
5	12,21	5	12,42
1	15,00	1	15,26
2	17,29	2	17,58
3	17,78	3	18,08
4	18,21	4	18,52
5	18,95	5	19,27

If your personal time-based rate (base hourly wage + personal pay component) exceeds the pay determined in accordance with the table above, you will be paid at the personal time-based rate.

The guaranteed wage for piece work is also paid during the start-up stage, contract negotiations, and interruptions to work under a contract. The negotiation period starts when you note the first work-site contract hours in your timesheets.

When working at time-based rates, you are entitled

to pay that is at least equal to your personal time-based rate determined in accordance with the collective agreement's wage table.

## **A 2 PERSONAL TIME-BASED RATES**

<b>1 August 2020 - 31 July 2021</b>		<b>1 August 2021 - 31 March 2022</b>	
<b>Wage group</b>	<b>Euros / hour</b>	<b>Wage group</b>	<b>Euros / hour</b>
<b>5</b>	<b>11,29</b>	<b>5</b>	<b>11,48</b>
<b>1</b>	<b>13,71</b>	<b>1</b>	<b>13,94</b>
<b>2</b>	<b>16,02</b>	<b>2</b>	<b>16,29</b>
<b>3</b>	<b>16,99</b>	<b>3</b>	<b>17,28</b>
<b>4</b>	<b>17,89</b>	<b>4</b>	<b>18,19</b>
<b>5</b>	<b>18,88</b>	<b>5</b>	<b>19,20</b>

### **THE PERSONAL PAY COMPONENT**

The personal pay component (PPC) is determined on the basis of the PPC system negotiated by the chief shop steward, or, if no such system is in place, a personal time-based rate that is at least equal to the rate determined in line with the table above is paid.

NOTE: Time-based work must never be performed at base hourly rates!

### **COMPENSATION FOR PUBLIC HOLIDAYS THAT FALL ON WEEKDAYS**

If you are employed at hourly rates, you are entitled to compensation for the following public holidays when they fall on a weekday: New Year's Day, Epiphany, Good Friday, Easter Monday, May Day, Ascension Day, Midsummer's Eve, Independence Day, Christmas Eve, Christmas, and Boxing Day.

Compensation for weekday public holidays and wages for Finnish Independence Day are paid at the rate of average hourly earnings for purposes of calculation of benefits.

You are entitled to this compensation if the weekday public holiday would have otherwise been a work day or a day of balancing out working hours or if your employer has granted you leave.

If you are at work on a weekday public holiday, you receive, in addition to the weekday-public-holiday compensation, wages on the same grounds as for a Sunday (weekday-public-holiday compensation + personal pay + personal pay at twice the normal rate).

### **ACCUMULATION OF ANNUAL HOLIDAY**

You accumulate annual holiday for each month during which you have been at work on 14 or more days or been absent from work for reasons that do not stop the accumulation of annual leave in accordance with the Annual Holidays Act.

The amount of your annual leave depends also on how long you have been working for the company.

If on 1 April your employment contract has continued for under a year, you accumulate two weekdays of annual leave for each month that is covered in the determination of annual holiday. If you have worked for the company for over a year, you accumulate 2.5 weekdays of annual leave per month.

Holiday pay is calculated on the basis of average hourly earnings. The amount of average hourly earnings is determined by dividing your earn-

ings during the holiday-credit year by the number of hours you have worked. The holiday pay is paid when you leave for your holiday.

**Bear in mind that piece-work earnings affect your average hourly earnings!**

A holiday bonus is paid in conjunction with annual leave, in accordance with the collective agreement. The holiday bonus amounts to 50% of the holiday pay. A third of it is paid when you start your holiday and two thirds when you return to work.

When your employment contract terminates, any annual leave you have not used shall be received in the form of holiday compensation in connection with your final pay.

**Upon termination of an employment contract**, the amount of holiday compensation payable is **always** increased by 50% unless the contract is terminated for reasons attributable to the employee or the employee terminates the employment in violation of the law or an agreement.

### **SHORTENING OF WORKING HOURS**

If you are a full-time employee, you accumulate days off in lieu of shorter working hours. The total amount of working-hour reduction that can be accumulated is 8 hours 20 minutes a month or 100 hours a year. If you work less than eight hours a day, the reduction in working hours is  $7/8 \times 8$  hours 20 minutes = 7 hours 18 minutes.

The period for accumulation of time off is the calendar year.

Accumulated leave shall be granted at a time de-

terminated by the employer but always by the end of March of the following calendar year. Leave is granted by the working day (i.e., by eight-hour period). A day for which you have been granted absence for some other reason cannot be counted as accumulated leave.

**You must be given a chance to have time off!**

Days off shall be compensated for in accordance with the average hourly earnings applicable for calculation of benefits. The compensation is paid when the employee has the day off. The working-hour reduction must not be included in the hourly earnings.

### **OVERTIME WORK**

**Daily overtime** refers to work performed during the work day beyond the regular daily working time of eight hours.

Compensation for daily overtime work is paid at the average hourly rate increased by 50% for the first two overtime hours and by 100% for subsequent hours.

**Weekly overtime** refers to work that exceeds the regular weekly working time of 40 hours specified in the collective agreement. Daily overtime work performed during the same work week is not included in weekly overtime.

The compensation for weekly overtime is the average hourly rate increased by 50% for the first eight overtime hours and by 100% for subsequent hours.

## **SUNDAY WORK**

Work done on a Sunday or religious holiday is subject to compensation at normal wages and with any overtime bonuses, plus a statutory Sunday bonus for each hour worked that amounts to 100% of the average hourly earnings applicable for calculation of benefits.

## **TRAVEL EXPENSES**

A **travel allowance** is compensation for expenses incurred via travel to and from a temporary place of employment and for work trips made at the beginning or end of a work assignment, or during interruption to it.

Travel expenses are subject to compensation based on the actual expenses incurred and the distance from either one's home or the place of recruitment, whichever is closer to the place of employment.

For the time at the location of the assignment, the employee is reimbursed for travel costs incurred, including compensation for travel time for the distance between the residence and the place of work.

## **COMPENSATION FOR TRAVEL**

The employee is paid travel compensation if the total daily travel time between residence and place of work in the location of the assignment exceeds an hour.

For assignments that involve an overnight stay in the location, the employee is paid travel-time remuneration for the beginning, the end, and any interruption of the assignment in accordance with the actual travel time. If a sleeping berth has been arranged for the employee, compensation is not paid

for the time between 10pm and 7am.

### **MEAL ALLOWANCES**

You are paid a meal allowance if you work or participate in training assigned by your employer for at least four hours outside your place of recruitment. The hours need not be continuous; the amount may be made up of several short stints, such as temporary jobs.

You are entitled to a meal allowance only if you do not receive a per diem allowance.

The amount of the meal allowance is a quarter of the amount of the per diem allowance confirmed by the Finnish Tax Administration.

A double meal allowance is paid for a work trip that lasts at least 10 hours.

A triple meal allowance is paid for a work trip that lasts for 14 hours or more.

You do not receive a meal allowance if you have been hired as a driver.

Neither do you receive a meal allowance if the employer provides a meal in the workplace.

### **PAYMENT OF THE PER DIEM ALLOWANCE**

Full and partial per diem allowances are payable if the temporary place of employment is at least 40 km from the employee's place of recruitment and at least 15 km from the employee's home.

The full per diem allowance is payable when the work trip lasts over 10 hours. A partial per diem al-

allowance is paid if the work travel lasts more than six but under 10 hours.

When the last full day of the trip is exceeded by more than six hours, the full per diem allowance is paid.

When the last full day of the trip is exceeded by more than two hours, the partial allowance is paid for the hours of excess.

A travel day is a period not exceeding 24 hours that starts when you begin your work trip.

The last day of travel is deemed to end when you return from your work trip to the above-mentioned location of departure.

**Note:**

**The Tax Administration confirms the amount of tax-exempt allowance annually.**

**To check the amounts of meal allowances, per diem allowances, and the kilometre-based allowance, please visit [www.vero.fi](http://www.vero.fi) or [www.sahkoliitto.fi](http://www.sahkoliitto.fi).**

**PAY DURING AN ILLNESS**

If you are rendered unable to work by an accident or illness, you are paid compensation for lost earnings for the working days of the sick-leave time on the basis of the average hourly earnings for purposes of calculation of benefits thus:

<b>Employment contract in force continuously</b>	<b>Period</b>
for... Under 3 years	28 calendar days
3 years but less than 5 years	35 calendar days
5 years but less than 10 years	42 calendar days
10 years or more	56 calendar days

If the employment contract has been in force under a year, the first day of disability – or, when the disability started during a working day, the following working day – is not subject to payment unless the disability has resulted from an accident at work. If a disability resulting from an illness lasts for at least six working days after the day the illness began, the employer pays wages from the beginning of the disability.

Pay during illness shall be given only if the disability does not result from the employee's gross negligence, negligent lifestyle, or paid work performed elsewhere and the employee did not fail to disclose this or a related illness when signing the employment contract.

**Notify your employer immediately of any sick leave you are taking and its expected duration!**

If the employer so requests, the employee must present a certificate from an occupational health-care doctor or other physician approved by the employer or some other documentation of the sick leave approved by the employer.

## **DEFINITIONS:**

### **COMPENSATION FOR LOSS OF EARNINGS**

Compensation for lost earnings is paid to the employee to compensate for the loss of income. Compensation for loss of earnings is paid in line with the average hourly earnings applicable for calculation of benefits.

### **AVERAGE HOURLY EARNINGS FOR PURPOSES OF CALCULATION OF BENEFITS**

The average hourly earnings applicable in calculation of benefits are the average earnings for determination of annual holiday in accordance with the previous holiday credit year, increased by the percentage agreed on by the relevant unions. Check the applicable percentage with your union representative or by consulting the union's Web site.

### **BASE HOURLY WAGES**

The base hourly wage specified in the collective agreement for the relevant wage group is used as the wage for distribution of the contract sum and to determine the compensation for travel time and waiting time for time-based work. The base hourly wage must not be used as the rate for time-based work.

### **PERSONAL TIME-BASED RATE**

The rate for time-based work must be no less than the employee's personal time-based rate. The personal time-based rate is determined either on the basis of the company's PPC system or from the time-based payment table in the collective agreement. The personal time-based rate must be at least equal to the time-based rate specified in the collective agreement's table of time-based payment rates.

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