

**Agreement on general  
conditions of employment  
Wage Formation Agreement  
Competence Development Agreement**  
**April 1, 2017 - March 31, 2020**

**IKEM**

IKEMs agreement with Unionen,  
Sveriges Ingenjörer/Naturvetarna  
and Ledarna

In the event of disputes arising regarding  
the content of this agreement,  
the Swedish-language version shall apply.

Agreements not included in the printing of the agreement

Occupational Insurance Pension agreement (ITP)

Occupational Group Life Assurance agreement (TGL)

Re-employment agreement

Labour Market No-Fault Liability Insurance agreement (TFA)

Development agreement

Agreement on rights to employee inventions

Agreement on non-competition clauses

Main agreement (negotiating procedure)

Agreement on social security for salaried employees during service abroad

Industry Agreement – the industry cooperation agreement and negotiating agreement (Unionen and Sveriges Ingenjörer)

Agreement on Competence Development in the companies

Agreement on Guidelines for Work Environment Issues

There are also several other agreements, including some relating to cooperation and recommendations

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## **AGREEMENT ON GENERAL CONDITIONS OF EMPLOYMENT**

The agreement on general conditions of employment contains, among other things, provisions relating to starting and ending employment, compensation rules for overtime, travel time, vacations, sick pay and parental leave supplement, as well as semi-retirement.

# Scope of the agreement

## Section 1 Scope of Agreement

### Item 1 General

This agreement applies to companies that are members of “IKEM – The Swedish Industrial and Chemical Employers Association” (IKEM).

The agreement applies to all salaried employees with the exceptions and restrictions as detailed below.

The agreement can serve as the basis for discussions on similar regulations for all employees within the company. Local parties can agree on such bipartite rules notwithstanding this agreement. In such cases, the rules require the approval of all central parties concerned. Should this not be obtained, the parties to the agreement shall take active steps to ensure that central negotiations on the issue take place between all parties.

### Item 2 Exceptions

The agreement does not apply to:

- employees whose duties and conditions of employment are such that they may be deemed to occupy a corporate executive or comparable position.
- employees whose employment is secondary to that with another employer.

*For information:*

*According to the Sick Pay Act, an employee who is exempted from this agreement is entitled to receive sick pay during the sick-pay period.*

### Item 3 Salaried employees who have reached retirement age

This agreement applies with the following restrictions to salaried employees who have reached 67 years of age or who are employed by the company after they have reached the normal retirement age for salaried employees specified in the Occupational Insurance Pension plan (ITP plan) or who have been employed by the company after having reached the normal retirement age applied by the company:

The right to sick pay is governed by Section 8 Item 6:2.

The period of notice is governed by Section 11 Item 3:3.

The employer and the employee can agree on terms of employment that deviate from this agreement.

## **Item 4 Service abroad**

If an employee serves abroad at the request of the employer, the conditions of employment during the stay abroad shall be regulated either by an agreement between the employer and the employee or by specific rules on service abroad or similar that apply at the company.

The agreement “Avtal om social trygghet för tjänstemän vid utlandstjänstgöring” (Agreement on Social Security for Salaried Employees During Service Abroad) applies during service abroad in regard to employees mentioned in said agreement.

“Agreed insurance and pension benefits” means ITP (Occupational Insurance Pension), TGL (Occupational Group Life Assurance), TFA (Labour Market No-Fault Liability Insurance) and benefits according to the reorganisation agreement.

“Statutory insurance and pension benefits” means benefits according to the Swedish Work Injury Insurance Act and sickness benefits and supplementary pension benefits (ATP benefits) according to the Swedish Social Insurance Code.

## **Section 2 Employment**

For employment contracts entered into by 31 May 2017, the previous regulation in the National Salaried Employees’ Agreement 2016/2017 applies to the agreed period of employment. For employment contracts entered into from 1 June 2017 onwards, the regulations below apply.

### **Item 1 Permanent employment**

Employment is deemed to be permanent except where otherwise agreed by the employer and the salaried employee according to Item 2 below.

### **Item 2 Conditions for temporary employment**

Temporary employment within the scope of this agreement can only take place in accordance with this Item, which entirely replaces the regulations on temporary employment in the Swedish Employment Protection Act. Agreements on temporary employment shall be in writing. In the event of temporary employment, the employer shall notify the salaried employees’ union.

## **Item 2:1 Employment agreed directly with the salaried employee**

An employer and salaried employee can reach an agreement regarding temporary employment of at least one month and at most 24 months over a three-year period.

For schoolchildren, students, salaried employees who have turned 67 years of age, and salaried employees who are hired after reaching the normal retirement age under the ITP plan, an agreement can also be concluded regarding temporary employment of less than one month.

For the appointment of doctoral students and postdoctoral researchers, Appendix 7 applies.

## **Item 2:2 Employment supported by local agreement**

Supported by local agreement, an employer and salaried employee can conclude an agreement on temporary employment which entails that the employee will be temporarily employed for less than one month or longer than 24 months over a three-year period.

If there is no salaried employees' union, the employer and salaried employee can agree on such longer temporary employment without the support of an agreement with the union organisation, which, however, should be informed of each specific case. For an employment period shorter than one month, an agreement with the union organisation is required.

If the union organisation believes that the option to agree on temporary employment as indicated in the previous paragraph is being abused, it can request local or central negotiations on the matter. If the dispute is not resolved for the company to which the dispute relates, it will then be the case that an agreement with the union organisation is required for an employment contract longer than 24 months over a three-year period.

### *Comments:*

*Union organisation in the second and third paragraph refers to a central union organisation regarding Sveriges Ingenjörer, Naturvetarna and Ledarna, as well as a regional union organisation regarding Unionen.*

## **Item 2:3 Termination and early termination**

From the date that the salaried employee has a total duration of employment of six months at the company, the employee or employer can, by giving written notice, terminate a temporary employment prematurely. The employment is thus terminated one month after the notice. If it is the employer who terminates the employment, the relevant salaried employees' union is to be notified. The salaried employee has a right to request information on the cause of the employment's termination.

Temporary employment that is not terminated as above may subsequently be terminated prematurely by notice being submitted by the salaried employee or by the employer. In that case, periods of notice under Section 11 of this agreement apply. In the event of notice from the employer, just cause is required.

## Section 3 General rules of conduct

### Item 1 Loyalty and trust

The relationship between the employer and the employee is based on mutual loyalty and trust. The employee shall apply discretion regarding the company's affairs, such as prices, designs, experiments and research, operating conditions, business circumstances, etc.

### Item 2 Secondary employment

An employee may not work or engage, either directly or indirectly, in any sort of economic activities for a company that is in competition with the employer. Nor may an employee accept assignments or carry on a business that could have a detrimental impact on his or her own work for the employer. Any employee who intends to accept an assignment or engage in secondary employment on a more extensive scale should therefore consult the employer before doing so.

### Item 3 Elected positions

An employee is entitled to hold elected positions for central or local government or unions.

## Section 4 Pay for parts of a salary period

A daily wage is paid to employees who begin or end their employment during a calendar month for each calendar day the employee has worked during such month.

For the calculation of the daily wage, see Section 9 Item 3:3.

## Section 5 Overtime

### Item 1 Overtime work

#### Item 1:1 Definition

“Overtime work” that entitles the employee to overtime compensation means work carried out by a full-time employee over and above his or her regular daily working hours, if the employer has requested or subsequently consented to the overtime work.

If working hours have been shortened for a certain period of the year without being lengthened correspondingly at other times of the year, overtime will only be credited once the employee has completed the longer daily working hours that apply for the remainder of the year.

Overtime does not include any time taken to carry out any necessary preparation or rounding-off work that is normally part of the job.

#### Item 1:2 Calculation of overtime

Overtime is credited by the full half-hour. If overtime work is carried out both before and after regular working hours on any one day, the two periods will be added together.

### Item 2 Compensation for overtime

#### Item 2:1 Cash, leave, salary, vacation

Overtime compensation takes the form of:

- cash
- leave
- higher salary
- longer vacation

in accordance with the rules below.

#### Item 2:2 Cash or leave

The employee is entitled to overtime compensation either in cash (overtime pay) or in the form of time off (leave in lieu), except where otherwise specified in Item 2:3 or Item 2:4 below.

# Overtime

Leave in lieu is given if the employee so wishes and if the employer, after consulting the employee, deems that such leave can be taken without inconvenience to the business. When consulting the employee, the employer should as far as possible satisfy the employee's wishes as to when the leave is to be taken.

## Item 2:3 Higher salary, longer vacation

The employer and the employee can reach an agreement that the employee will receive, instead of cash or leave, a higher salary and/or three or five vacation days in addition to the statutory number. Such agreements should be reached with managerial staff or employees whose working hours are difficult to verify or who are at liberty to plan their own working hours.

The agreement shall be in writing and applies to one vacation year except where otherwise agreed by the employer and the employee. Such other agreement may be renegotiated ahead of each new vacation year.

### *Comment:*

*Such an agreement should be structured such that its meaning is clear and should be subject to regular evaluation in a dialogue with the employee.*

*This requires that the employer and the employee, prior to an agreement, make an assessment of the nature of the position and/or the amount of work that can be expected from the employee, and that they adjust compensation in the form of salary and/or vacation in line with the assessment. It is important, particularly in the case of new employment, that an agreement be preceded by such an assessment. If necessary, the employee can turn to their union organisation for discussion on the assessment.*

*During the first six months of a temporary employment it is, in cases where the salaried employee is unproven in the labour market, not appropriate to make an agreement according to this provision.*

*An agreement under this segment does not mean that the employer relinquishes their responsibility for maintaining the employee's working hours at a reasonable level. Nor does an agreement mean that the employee is subject to an extended obligation to work beyond the ordinary working hours under the collective agreement.*



## Item 2:4 Preparation and rounding-off

If the employer and the employee have reached an explicit agreement that preparation and rounding-off work shall be carried out daily and the salary has not been determined, or is determined taking this into account, the employee shall be compensated by receiving 28 days of vacation.

## Item 2:5 Informing local branch of salaried employees' union

If an agreement has been reached in accordance with Item 2:3 or Item 2:4, the employer shall inform the relevant branch of the salaried employees' union thereof on conclusion of the agreement. After informing the branch, the employer is obliged, if so required by the branch, to state the reasons for the agreement.

## Item 3 Calculation of overtime compensation and leave in lieu

### Item 3:1 Overtime compensation

Overtime compensation is paid for each hour in accordance with the following formula:

Overtime 6.00 a.m.–8.00 p.m. Mon–Fri without public holidays	Overtime at other times
$\frac{\text{Monthly salary}}{94}$	$\frac{\text{Monthly salary}}{72}$

“Monthly salary” means the current fixed cash monthly salary.

Overtime on weekdays when the individual employee would not be working and on Midsummer Eve, Christmas Eve and New Year’s Eve is deemed to be overtime “at other times”.

The compensation amount includes vacation pay.

### Item 3:2 Leave in lieu

Leave in lieu is calculated for each hour of overtime in accordance with the following formula:

Overtime 6.00 a.m.–8.00 p.m. Mon–Fri without public holidays	Overtime at other times
1.5 hours	2 hours

# Overtime

## Item 3:3 Overtime work separated from regular working hours

Overtime work separated from regular working hours is compensated according to local agreement.

If a local agreement according to the above cannot be reached, compensation is given according to the following:

- If the overtime work required the employee to present himself/herself at work, overtime compensation or leave in lieu is provided as if the overtime work had been performed for at least three hours. This does not apply if the overtime is separated from regular working hours only by a meal break.
- If the overtime work did not require the employee to present himself/herself at work, overtime compensation is provided for the actual time worked.

The employer shall reimburse any travel expenses incurred in connection with overtime work as defined above. This also applies to employees who are not entitled to overtime compensation or leave in lieu.

## Item 4 Part-time employment

### Item 4:1 Compensation for extra hours

If a part-time employee works for longer than the regular working hours for his/her part-time employment (extra hours), compensation is paid for each additional hour at the following rate:

$$\frac{\text{Monthly salary}}{3.5 \times \text{weekly working hours}}$$

“Monthly salary” means the current fixed cash monthly salary.

“Weekly working hours” means the part-time employee’s working hours for a week without public holidays, calculated as an average per month.

The compensation amount includes vacation pay.

Extra hours are credited on the basis only of full half-hours. If extra hours have been worked on any one day both before and after the regular working hours that apply to the part-time employee in question, both periods will be added together.

## **Item 4:2 Overtime compensation**

If the extra hours are worked before or after the times scheduled for a regular working day for the equivalent full-time employees at the company, overtime compensation is paid.

When calculating overtime compensation in accordance with Item 3:1, the employee's salary shall be adjusted pro rata to a full-time salary.

## **Section 6 Compensation for travelling time**

### **Item 1 Travelling time**

Travel time providing entitlement to compensation is the time during an approved business trip that it takes to travel to the destination.

Travelling time during the employee's regular working hours is classed as working time. Travelling time therefore only includes the hours spent on travel that occurs outside regular working hours.

Only full half-hours are included in travelling time. Travel time, both before and after regular working hours on any given day, shall be added together.

If the employer has paid for a berth on a train or a boat during the journey or part of the journey, the hours between 10 p.m. and 8 a.m. shall not be included.

Travelling time also includes the normal time spent by an employee driving a car or other vehicle on a business trip, irrespective of whether or not it is owned by the employer.

The journey shall be considered to have started and ended in accordance with the employer's rules on the calculation of subsistence allowances or equivalent.

Travelling time should be planned so that it does not unreasonably burden the employee with regard to night, daily and weekly rest.

# Compensation for travelling time

## Item 2 Entitlement to compensation for travelling time

An employee is entitled to compensation for travelling time according to the following general rule and exceptions:

### General rule

- If the employee is entitled to specific compensation for overtime work, the employee is entitled to compensation for travelling time according to Section 3 below.
- If the employee is not entitled to specific compensation for overtime work, the employee is entitled to compensation for travelling time according to Section 3, unless the employer and employee have agreed that the employee shall be exempted from the provisions on compensation for travelling time.

### Exceptions

- The employer and the employee may agree that compensation for travelling time shall be provided in another form, e.g. travelling time requirements may be taken into consideration when determining the salary.
- An employee who holds a position that normally involves a considerable number of business trips, e.g. travelling sales representative, service technician, etc., is entitled to compensation for travelling time only if the employer and the employee have reached an agreement to this effect.

## Item 3 Compensation

Compensation for travelling time is paid by the hour in accordance with the following:

$$\frac{\text{Monthly salary}}{240}$$

When the journey is made between 6.00 p.m. on Friday and 6.00 a.m. on Monday, or between 6.00 p.m. on the day before a non-working eve of a public holiday or on the day before a public holiday and 6.00 a.m. on the day following a public holiday, compensation is instead calculated using the following formula:

$$\frac{\text{Monthly wage}}{190}$$

“Monthly salary” means the current fixed cash monthly salary.

The compensation amount includes vacation pay.

When calculating compensation for travelling time, the salaries of part-time employees are adjusted pro rata to a full-time salary.

## Section 7 Vacations

### Item 1 General rules

Employees have a statutory right to vacation with the supplements stated in Item 2, Item 3, Item 5:1, Item 5:2, Item 6 and Item 7, and the exceptions stated in Item 4 and Item 5:3. Exceptions have only been made to the extent that they are specifically mentioned in the above sections.

*Comment:*

*It is necessary that the main vacation can be scheduled so as not to disrupt the business.*

### Item 2 Adjusting vacation year and/or earning year

The employer can reach an agreement with an individual employee or the local salaried employees' organisation to move the vacation year and/or earning year.

### Item 3 Length of vacation

#### Item 3:1 Agreement on longer vacation

According to Section 5 Item 2:3, agreement can be reached between the employer and the employee that the employee will receive three or five vacation days in addition to the statutory number.

“Vacation days” refers to both paid and unpaid vacation days.

*For information:*

*For employees with more vacation days than the statutory number, the number of days for which vacation pay is received is stipulated in Section 7 of the Annual Leave Act.*

#### Item 3:2 Guarantee rule

If an employee is entitled by collective or individual agreement to more vacation days than provided in this agreement, the employee retains his or her longer vacation.

# Vacations

However, this guarantee rule does not apply when an employee receives a longer vacation as overtime compensation or is no longer obliged to carry out preparation or rounding-off work as specified in Section 5 Item 2:4.

## **Item 3:3 Previous rules**

Previous rules concerning the number of vacation days per year shall continue to apply in a company if this agreement would otherwise result in a reduction in the number of vacation days.

If the need arises to change the vacation rules at a company, the salaried employees' organisation must be notified. Negotiations shall take place before any decision is made, if so required by the salaried employees' organisation.

## **Item 3:4 Same group**

An employee who transfers from one company to another within the same group may credit the period of employment with the first company when calculating the number of vacation days earned unless vacation compensation has already been paid by that company.

## **Item 4 Vacation pay, vacation compensation, etc.**

### **Item 4:1 Vacation pay**

Vacation pay consists of the monthly salary at the time of the vacation and vacation supplement as follows:

The vacation supplement for each paid vacation day is calculated as:

- 0.8 per cent of the employee's current monthly salary at the time of the vacation. "Current monthly salary" in this context means the fixed cash monthly salary plus any fixed monthly salary supplements.

For changes in working hours, see Item 4:4.

- 0.5 per cent of the sum of the variable salary components that have been paid during the earning year.

*Comment:*

*Payment of the 0.5 per cent vacation supplement requires that the employee has earned fully paid vacation. If this is not the case, the vacation supplement shall be adjusted upwards by multiplying the 0.5 per cent by the number of vacation days the employee is entitled to in accordance with Item 3, and dividing the result by the number of paid vacation days that the employee has earned.*

“Variable salary component” here means:

- commission, bonus or similar variable salary components,
- premium pay and compensation for staggered hours, duty or standby compensation or similar variable salary components, if not included in the monthly salary.

“Commission, bonus and similar” here means such variable salary components as are directly linked to the employee’s individual work performance.

For each calendar day (whole or in part) of absence that entitles the employee to vacation pay, an average daily income of variable salary components is added to “the sum of the variable salary components that have been paid during the earning year”. This is calculated using the following formula:

$$\frac{\text{Variable salary component paid during the earning year}}{\text{Number of days of employment minus number of vacation days taken plus whole calendar days with entitlement to vacation pay during the earning year}}$$

*For information:*

*The number of days of employment is defined in Section 7 of the Annual Leave Act.*

Compensation for staggered hours and for duty and standby hours or similar shall not be included in the above average calculation if the employee has received such compensation for a maximum of 60 days during the earning year.

*For information:*

*Overtime compensation, compensation per extra hour in the case of part-time employment, and compensation for travelling time are not included in the calculation of vacation supplement (see Section 5 Item 3:1, Section 5 Item 4:1 and Section 6 Item 3 respectively).*

## Item 4:2 Vacation compensation

Vacation compensation is calculated at 5.4 per cent of the relevant monthly salary per untaken paid vacation day plus any vacation supplement of 0.5 per cent as specified in Item 4:1. Vacation compensation for saved vacation days is calculated as if the saved vacation days had been taken in the vacation year when the employment ceased. For changes in working hours, see Item 4:4.

# Vacations

## Item 4:3 Unpaid vacation

A deduction of 4.6 per cent of the monthly salary is made from the employee's current monthly salary for each unpaid vacation day taken.

For the definition of the term “monthly salary”, see Item 4:1.

## Item 4:4 Changed level of employment

If during the earning year the employee had a different level of employment than at the time of the vacation, the monthly pay at the time of the vacation, shall be adjusted pro rata in relation to the employee's share of full regular working hours at the workplace during the earning year.

If the level of employment has changed during the current calendar month, the employee's level of employment for the major part of the month shall apply.

For the definition of the term “monthly salary”, see Item 4:1.

## Item 4:5 Disbursement

The following rules apply to the disbursement of vacation pay:

### General rule

The vacation supplement of 0.8 per cent is disbursed together with the normal salary at the time of the vacation, or on the next occasion thereafter.

The vacation supplement of 0.5 per cent is disbursed no later than the end of the vacation year.

### *Comment:*

*Where possible, the local parties may agree that the vacation supplements shall be disbursed before the main vacation.*

### Exception 1

If the salary consists largely of variable salary components, the employee is entitled to receive, at the same time as the normal salary disbursement in connection with the vacation, a provisional vacation supplement, as estimated by the employer, that relates to the variable component. The employer must have disbursed any vacation supplement remaining after calculation in accordance with Item 4:1 no later than the end of the vacation year.



## **Exception 2**

If an agreement has been reached that the vacation year and the earning year shall be the same, the employer may disburse the remaining vacation pay for the variable salary components after the end of the vacation year. In such a case, this shall be done in conjunction with the first payment of normal salary during the new vacation year.

## **Item 5 Saving of vacation**

### **Item 5:1 Number of days**

If an employee is entitled to more than 25 vacation days with vacation pay, the employee can, subject to agreement with the employer, save these surplus vacation days, provided that the employee does not take previously saved vacation in the same year.

The employee and the employer shall reach an agreement regarding which vacation year the saved days of vacation may be taken in and when during that year.

### **Item 5:2 Taking vacation**

Vacation days that have been saved shall be taken in the order they were saved. Saved statutory vacation days shall be taken before vacation days saved in accordance with Item 5:1 during the same year.

### **Item 5:3 Vacation pay for saved vacation days**

Vacation pay for saved vacation days is calculated using the formula given in Item 4:1 (excluding the comment). However, when calculating the vacation supplement of 0.5 per cent, all absence, excluding ordinary vacation, during the earning year shall be treated as absence entitling the employee to vacation pay.

All saved vacation days taken shall be considered earned during the immediately preceding earning year.

For the calculation of the proportion of full regular working hours, see Item 4:4.

## **Item 6 Vacation for new employees, etc.**

If a new employee's paid vacation days do not cover the duration of the company's main vacation period, or if the new employee otherwise wishes to have a longer period of leave than corresponds to the number of vacation days, the employer and the employee can reach an agreement on unpaid leave of absence, or leave without deduction of salary for the number of days required.

Such agreements shall be made in writing.

The following points apply to leave without deduction of salary. If the employment ceases within five years from the day it began, a deduction is made from the accrued salary and/or vacation compensation in accordance with the same rules as apply to unpaid leave of absence, but calculated on the basis of the salary that applied during the period of leave. No deduction shall be made if the employment ceases on account of the employee:

- falling sick, or
- having vacated his/her post, as defined in the first sentence in the third paragraph of Section 4 of the Employment Protection Act, or
- having been given notice of termination due to redundancy.

*For information:*

*For employees who have received more paid vacation days than they have earned, the rules on vacation pay in advance in Section 29a of the Annual Leave Act shall apply, except where otherwise agreed in writing.*

## **Item 7 Vacation in the case of employment for less than 3 months**

In the case of employment which is intended to last for no more than three months and which does not last longer, unless otherwise agreed, the employee shall only be entitled to vacation pay. This does not apply where the employee has several consecutive short periods of employment within the same group.

## **Item 8 Vacation certificate**

When the employment ceases, the employee is entitled to a certificate specifying the number of vacation days taken – see Section 11 Item 3:8.

## Item 9 Vacation for intermittent part-time workers

### Item 9:1 Number of days

If an employee is employed part-time and has a working hours schedule that does not involve working on every day of every week (intermittent part-time work), the following applies. The number of vacation days in accordance with Item 3 (gross vacation days) to be scheduled during the vacation year shall be proportional to the employee's proportion of the regular working hours of full-time employees in an equivalent position. The number of vacation days thus received (net vacation days) shall be scheduled on days on which the employee would otherwise have worked.

If both paid vacation days (normal vacation and saved vacation) and unpaid vacation days are to be scheduled during the vacation year, they shall be adjusted separately using the following formula:

$$\frac{\text{Number of working days per week}}{5} \times \text{number of gross vacation days to be scheduled} =$$

= the number of vacation days that are to be scheduled on days  
that would otherwise have been working days

Should a fraction arise, it shall be rounded up to the nearest whole number.

“Number of working days per week” means the average number of days which, according to the schedule, are working days per working week without public holidays during a period of four weeks (or other period that covers a whole scheduling period).

If an employee's schedule involves working both whole days and part days in any one week, the part day worked in this context shall be classed as a whole day. When vacation is scheduled for such an employee, a whole vacation day shall also be taken for a day when the employee would only have worked part of the day.

# Vacations

Example:

Part-time hours scheduled on the following average number of working days per week	No. of net vacation days (with 25 gross vacation days)
4	20
3.5	18
3	15
2.5	13
2	10

If the working hours schedule is changed so that the “number of working days per week” also changes, the number of untaken net vacation days shall be adjusted to correspond to the new working hours schedule.

## Item 9:2 Compensation and deductions

Vacation supplement, vacation compensation and salary deductions (in the event of unpaid vacation) are calculated on the basis of the number of gross vacation days.

## Section 8 Sick pay, etc.

### Item 1 Right to sick pay

The employee is entitled to sick pay in accordance with the rules in this chapter. Otherwise, the Sick Pay Act shall apply.

### Item 2 Reporting of sickness

An employee who is unable to work because of sickness, accident or work injury shall report this as soon as possible to the employer or the person nominated by the employer. If there are valid reasons why a report cannot be made, the report shall be made as soon as this obstacle is removed. The employee shall also inform the employer as to when he or she expects to be able to return to work. The same applies to employees who have to stay away from work on account of risk of contagion.

The employee is not entitled to sick pay for the time preceding the submission of said report.

### Item 3 Written declaration and medical certificate

The employee shall verify to what extent his or her working capacity has been reduced by means of a written declaration sent to the employer. The employee is not entitled to sick pay until such declaration has been provided.

From the eighth calendar day, the employee is always obliged to verify the reduction in his or her working capacity and the extent of that reduction by means of a medical certificate that also shows the duration of the sickness period. The employer may also require the employee to verify the reduction in working capacity and the extent of that reduction by means of a medical certificate to cover the first seven calendar days.

The employer may nominate a doctor to issue the medical certificate, in which case the employer shall cover the cost of the certificate. If the employer has nominated a doctor to issue a medical certificate, it is a prerequisite for the right to receive sick pay that the reduction in the employee's ability to work is verified by a certificate from the nominated doctor.

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

# Sick pay

*Comment:*

*It is in the common interest of the employer and the employee – for purposes of rehabilitation – that the cause of the sickness be determined as early as possible. The applies in particular in regard to recurring cases of sickness.*

## Item 4 Amount of sick pay

### Item 4:1 Sickness up to and including 14th calendar day

For each hour that an employee is absent due to sickness, a deduction for sickness is made using the following formula:

For the first day of sick leave (qualifying day)	From second day of sick leave onwards
$\frac{\text{Monthly salary} \times 12}{52 \times \text{weekly working hours}}$	$20\% \times \frac{\text{Monthly salary} \times 12}{52 \times \text{weekly working hours}}$

If the employee would have worked during scheduled staggered working hours, sick pay is also paid, except for the qualifying day, at 80 per cent of the compensation that the employee would otherwise have received.

### Item 4:2 New period of sickness within five calendar days

If a new period of sickness begins within five calendar days of the end of a previous period of sickness, this shall be treated as a continuation of the previous period of sickness.

### Item 4:3 When deductions have already been made for ten qualifying days

If the employee has had a total of ten qualifying days during the previous 12-month period, a sickness deduction is made for the first day of the next period of sickness in accordance with the formula that applies from the second day of absence during the sick-pay period.

### Item 4:4 Sick pay of 80% for entire period

In the case of employees who are entitled to sick pay of 80 per cent for the entire sick-pay period following a decision by the social insurance agency, a deduction is made in accordance with the formula that applies from the second day of absence during the sick-pay period.

*For information:*

*The content of Item 4:2, Item 4:3 and Item 4:4 is taken from the Sick Pay Act.*

## Item 4:5 Sickness from and including 15th calendar day

### Deduction for sickness per day

For each day of sickness, including non-working days, a deduction for sickness is made using the following formula:

<b>For employees with a monthly salary of no more than 7.5 x price base amount</b>	
<b>12</b>	
90% x	$\frac{\text{Monthly salary} \times 12}{365}$
<b>For employees with a monthly salary of more than 7.5 x price base amount</b>	
<b>12</b>	
90% x	$\frac{7.5 \times \text{price base amount}}{365}$
+10% x	$\frac{(\text{monthly salary} \times 12) - (7.5 \times \text{price base amount})}{365}$

If the salary changes, the sickness deduction is based on the earlier salary up to the day when the employee was notified of his or her new salary.

### Maximum sickness deduction per day

The sickness deduction per day may not exceed

$\frac{\text{Monthly salary} \times 12}{365}$
---

When calculating the maximum sickness deduction per day, the following are deemed to be monthly salary:

- fixed salary supplement per month (e.g. compensation for staggered working hours or overtime supplement)
- such commissions, bonuses or similar earned during the period of leave without having a direct connection with the employee's personal work input
- guaranteed minimum commission or similar.

# Sick pay

## Item 4:6 Definition of monthly salary and weekly working hours

### Monthly salary

“Monthly salary” in Item 4:1 and Item 4:5 means:

- The current fixed cash monthly salary and any fixed monthly salary supplements
- The estimated average income per month in the form of commissions, bonuses, premium pay or similar variable salary components. If a significant part of the employee’s salary consists of such variable salary components, the employer and the employee should reach an agreement on the salary figure from which to make the sickness deduction.

In the event of sickness deduction from the 15th calendar day, monthly salary is also deemed to include benefits in the form of food and accommodation valued in accordance with the Swedish Tax Agency’s flat rates.

### Weekly working hours

“Weekly working hours” means the number of hours per working week without public holidays worked by the employee in question. In the event of irregular working hours, the weekly working hours are calculated as an average over a month or other scheduling period.

If the employee works a different number of working hours at different times of the year, the weekly working hours should be calculated as an average for the entire year.

## Item 5 Duration of sick-pay period

The entitlement to sick pay expires after sick leave has been taken for 90 consecutive calendar days. For employees who have had continuous employment for less than one year, and who have not transferred directly from a post in which they were entitled to 90 days’ sick pay, entitlement expires after 45 consecutive calendar days.

The right to sick pay also expires after the employee has been on sick leave during the past 12-month period for a total of 105 (and 45 respectively) calendar days during the period. The right to sick pay expires when the employee draws an early pension in accordance with the ITP plan.

*For information:*

*The provisions of Item 5 do not restrict the right to statutory sick pay during the sick-pay period.*



## **Item 6 Rules for coordination and restrictions**

### **Item 6:1 The employee is in receipt of other compensation**

If an employee receives compensation from the government, from an insurance policy or from a third party liable for injury, the employer may decide to reduce or withdraw the sick pay in order to avoid over-compensation in the event of sickness in relation to the sick-pay levels that apply pursuant to this agreement. This does not apply to compensation from the social insurance agency or as provided by collective agreement.

### **Item 6:2 The employee has reached 60 years of age**

If the employee has reached 60 years of age at the time of employment, the employer and the employee can reach an agreement that the employee shall not be entitled to sick pay from and including the 15th calendar day of the sick-pay period. The employer shall notify the local salaried employees' organisation in the event of such an agreement being reached.

For pensioners according to Section 1 Item 3, the provisions of Item 4:5 apply only if a separate agreement has been reached between the employer and the employee.

### **Item 6:3 Withholding information about sickness**

Employees who at the time of employment fail to disclose that they are suffering from a particular illness are not entitled to sick pay from and including the 15th calendar day of the period of sickness relating to that illness. The same applies if at the time of employment the employer requested a certificate of good health from the employee but the employee was unable to provide one on account of sickness.

### **Item 6:4 Reduced sickness benefits**

If the employee has been excluded wholly or partially from sickness benefits pursuant to the Swedish Social Insurance Code, the sick pay shall be reduced accordingly.

### **Item 6:5 Accidents, etc.**

If the employee has been injured in an accident while working for another employer or in connection with his or her own business activities, the employer shall pay sick pay from and including the 15th calendar day of the period of sickness only if the employer has undertaken specifically to do so. The same applies if the employee has been injured as a result of wartime measures.

# Sick pay

If the inability to work is self-inflicted, the employee is not entitled to sick pay from and including the 15th calendar day.

## Item 7 Leave with temporary parental benefit

A salary deduction is made for each hour of absence using the following formula:

$$\frac{\text{Monthly salary} \times 12}{52 \times \text{weekly working hours}}$$

In the event of absence for a full calendar month, a deduction equivalent to a full monthly salary is made.

For the definition of monthly salary and weekly working hours, see Item 4:6.

## Item 8 Carriers of contagious diseases

If an employee is required to stay away from work owing to a risk of contagion, and the employee is entitled to contagion-carrier's allowance, a deduction is made using the following formula:

*Up to and including the 14th calendar day:*

For each hour of absence, the deduction is calculated as

$$\frac{\text{Monthly salary} \times 12}{52 \times \text{weekly working hours}}$$

From the 15th calendar day inclusive:

*A deduction is made in accordance with Item 4:5.*

For the definition of monthly salary and weekly working hours, see Item 4:6.

## Section 9 Leave

### Item 1 Paid leave of absence

“Paid leave of absence” means a short period of leave with pay.

Paid leave of absence is generally only granted for part of the working day. In special cases, however, paid leave of absence can be granted for one or more days, in the event, for example, of a sudden illness in the employee’s family or the death of a close relative.

If Holy Saturday, Midsummer’s Eve, Christmas Eve and New Year’s Eve are not customarily days off, paid leave should be granted for these days, if this is not inconvenient to the company.

*For information:*

*For companies that already take off Holy Saturday, Midsummer’s Eve, Christmas Eve and New Year’s Eve, this rule does not imply any shortening of working hours.*

### Item 2 Unpaid leave

“Unpaid leave” means leave of absence without pay (= leave for at least one day) or another type of leave (= leave for part of a day).

Unpaid leave is granted if, in the view of the employer, it does not inconvenience the company.

When unpaid leave is granted, the employer shall specify the period concerned. Unpaid leave may not be scheduled to begin or end on a day that would otherwise be a non-working day for the employee.

### Item 3 Deductions for unpaid leave

#### Item 3:1 Other types of leave

In the case of other types of leave, salary deductions are made for each full half-hour. The deduction per hour is

Current monthly salary (adjusted pro rata to full-time salary)

175

## Item 3:2 Unpaid leave for a maximum of five working days

In the case of unpaid leave for a maximum of five working days, for each working day taken a deduction is made of

$$\frac{\text{Current monthly salary}}{21}$$

*Comment:*

*For six-day weeks, the denominator is changed from 21 to 25.*

## Item 3:3 Unpaid leave for longer than five working days

In the case of unpaid leave for more than five working days, one full day's salary is deducted for each calendar day taken:

$$\frac{\text{Fixed cash monthly salary} \times 12}{365}$$

“Fixed cash monthly salary” means:

- fixed salary supplement per month (e.g. compensation for staggered working hours or overtime supplement),
- such commissions, bonuses or similar earned during the period of leave without having a direct connection with the employee's personal work input,
- guaranteed minimum commission or similar.

## Item 3:4 Intermittent part-time work

If an employee is employed on a part-time basis and works full regular working hours for certain days of the working week (intermittent part-time work), a deduction shall be made for each day of unpaid leave that would otherwise have been a working day for the employee using the following formula:

$$\frac{\text{The monthly salary is divided by}}{\frac{\text{Number of working days per week without a public holiday (average per month)} \times 21}{5}}$$

*Comment:*

*For six-day weeks, the denominator is changed from 5 to 6.*

## Examples of deductions for unpaid leave for intermittent part-time employees

Number of working days per week on average per month	Deduction/working day
4	$\frac{\text{Monthly salary}}{16.8}$
3.5	$\frac{\text{Monthly wage}}{14.7}$
3	$\frac{\text{Monthly wage}}{12.6}$
2.5	$\frac{\text{Monthly wage}}{10.5}$
2	$\frac{\text{Monthly wage}}{8.4}$

### Item 3:5 Leave for a full month

If an employee is on unpaid leave for a full calendar month, the entire monthly salary is deducted. The same applies if the company uses another payment period of the same length instead of the calendar month.

## Section 10 Parental leave supplement

### Transitional regulations:

Applies between 1 April and 30 September 2018.

The regulations in this segment apply to a salaried employee whose first day of parental leave is 1 April 2017 or later. For employees who have been on parental leave before 1 April 2017, the previously applicable regulations for the parental leave supplement shall also apply to periods of leave after 1 April 2017 in the case of parental leave for the same child.

### Item 1

A salaried employee who is on parental leave with the right to parental benefit in conjunction with a child's birth or adoption, or with the right to pregnancy benefit, is entitled to parental leave supplement from the employer as follows:

Period of employment	Parental leave supplement
At least one consecutive year	Maximum of 42 working days
At least two consecutive years	Maximum of 84 working days
At least three consecutive years	Maximum of 126 working days

Leave entails eligibility for parental leave supplement for all working days when the employee receives full parental benefit or full pregnancy benefit, within 18 months after the child's birth or the date of obtaining custody in connection with an adoption.

#### *Comment:*

- 1. When calculating duration of employment according to the above, the first day of leave is used as the calculation date.*
- 2. Disbursement for a full working day is paid continuously during the leave period at the same time as the deduction for absence is made.*

## Item 2

The parental leave supplement is paid continuously per working day as follows:

<u>For employees with a monthly salary of no more than 10 x price base amount</u>	
12	
10% x $\frac{\text{Monthly wage}}{21}$	
<u>For employees with a monthly salary of more than 10 x price base amount</u>	
12	
10% x $\frac{\text{Monthly wage}}{21}$ + 80% x $\frac{\text{Monthly salary} - (10 \times \text{price base amount} / 12)}{21}$	

In the calculation of parental leave supplement, the following is treated as monthly salary:

- fixed salary supplement per month
- guaranteed minimum commission or similar.

*Comments:*

1. *If a significant part of the employee's salary consists of variable salary components, the employer and the employee can reach an agreement on the salary figure on which to base the parental leave supplement*
2. *If the monthly salary changes, the parental salary is based on the earlier salary up to the day when the employee was notified of their new salary.*

## Item 3

For salary deductions during parental leave in accordance with this point, the provisions of Section 9 Item 3:2 – 3:5.

## Item 4

The parental leave supplement is not paid if the employee is excluded from parental benefit under the terms of the Swedish Social Insurance Code. If this benefit has been reduced, the parental leave supplement shall be reduced pro rata.

## Section 11 Termination of employment

### Item 1 Notice given by the employee

#### Item 1:1 Notice period

The employee's period of notice is as follows, except where otherwise specified in Item 3:1 to Item 3:4 below.

Total period of employment with the company	Period of notice in months
Less than 2 years	1
From 2 to 6 years	2
6 years and longer	3

*Comment:*

*The method used for calculating the period of employment is in certain cases stipulated in Section 3 of the Employment Protection Act (LAS). See comment under Item 2:1.*

#### Item 1:2 Written notice

The employee should give notice in writing to ensure that no dispute arises as to whether or not notice has been given. If notice is nevertheless given orally, the employee should confirm this in writing to the employer as soon as possible.



## Item 2 Notice given by the employer

### Item 2:1 Notice period

The periods of notice laid down in the Employment Protection Act apply to employees.

*For information:*

*According to the Employment Protection Act as of 1 May 1998, the following periods of notice apply:*

Total period of employment with the company	Period of notice in months
Less than 2 years	1
At least 2 years but less than 4	2
At least 4 years but less than 6	3
At least 6 years but less than 8	4
At least 8 years but less than 10	5
At least 10 years	6

*Comment:*

- According to Section 11 of the Employment Protection Act as of 1 July 2006, if an employee who is on parental leave according to Section 4 or 5 of the Parental Leave Act is given notice of termination by reason of redundancy, the notice period does not start until the employee partially or fully resumes work or should have resumed work according to his or her application for parental leave applicable at the time notice is given.*
- An employee shall not receive a shorter notice period than is provided for in the Employment Protection Act.*
- The method used for calculating the period of employment is in certain cases stipulated in Section 3 of the Employment Protection Act.*

# Notice of termination

According to Section 3 of the Employment Protection Act as of 1 May 1998:

1. An employee who changes job by transferring from one employer to another may in the new job credit the duration of the previous job if the employers, at the time of the transfer, belong to the same group.
2. An employer who changes job in connection with the transfer of the company, business or division from one employer to another by means of the type of transfer specified in Section 6b may credit the time with the first employer when the period of employment with the second is being calculated. This also applies to a change of employment in connection with a bankruptcy.
3. If the employee makes several such changes of employment as referred to in 1–2 above, the employee may accumulate the periods of employment with all the employers.

## **Item 2:2 Extended notice period**

If an employee has been given notice of termination by reason of redundancy and at the time of notice is aged 55 or older and has an uninterrupted period of employment of ten years, the period of notice shall be extended by six months.

*Comment:*

*Such an extension of the notice period is made until the 65th birthday at the latest.*

## **Item 2:3 Ranking order in connection with redundancies**

If redundancies become necessary, the local parties shall evaluate the company's personnel needs and staffing requirements. If these needs cannot be satisfied through the application of the relevant laws, a ranking order shall be determined that departs from the statutory provisions.

The local parties shall then select which employees are to be given notice, paying particular attention to the company's need for competence and its ability to continue to run a competitive business and thereby provide continued employment.

This requires the local parties, at the request of either party, to reach an agreement on ranking order in connection with redundancies on the basis of Section 22 of the Employment Protection Act and such departures from the Act as are deemed necessary.

The local parties may also reach agreement on ranking order for re-employment that departs from the provisions of Sections 25–27 of the Employment Protection Act. In this case, the aforementioned criteria shall apply.

The local parties are obliged, on request, to engage in negotiations on ranking order for re-employment and to confirm any agreements reached in writing.

It is assumed that the employer provides the local and central parties to the agreement with the necessary facts ahead of the processing of issues referred to in this section.

*For information:*

*In the absence of local or central agreements as referred to above, redundancies necessitated by lack of work and re-employment can be subject to legal review with due account being given to the negotiating procedures.*

## **Item 2:4 Redundancy notices**

The notice that the employer is obliged pursuant to the Employment Protection Act to give to the local union organisation shall be deemed to have been given either when the employer has submitted written notice to the local salaried employees' party or two days after the employer has sent the written notice by registered post to the address of the relevant salaried employees' union.

If such notice is given when the company is closed for vacation, it is deemed to have been given the day after the company re-opens after the vacation.

## **Item 2:5 Salary during notice period**

Further to Section 12 of the Employment Protection Act, the following applies to employees who cannot be provided with employment during the notice period and

- who receive commissions, bonuses, production premiums or similar that are directly related to the employee's personal work input, or
- who would normally have received compensation for staggered working hours or for being on-call or on standby.

For each calendar day that the employee cannot be offered work, compensation shall be deemed to amount to 1/365th of the corresponding compensation received during the most recent 12-month period.

# Notice of termination

## Item 3 Other rules related to the giving of notice

### Item 3:1 Agreement on different notice period

The employer and employee can reach an agreement on a different notice period. In this case, the notice period given by the employer must not be shorter than:

- the notice period specified in Item 2:1
- two months if the employee at the time employment commenced was un-employed and 55 years of age or older. After three years of employment, the notice period must not be shorter than that specified in Item 2:1.

### Item 3:2 Pensioners

For pensioners in accordance with Section 1 Item 3, a mutual notice period of one month shall apply.

### Item 3:3 Employees who have reached retirement age

Unless the employer and the employee have agreed otherwise, the employment is terminated without notice at the end of the month in which the employee reaches the age of 67. The employer does not need to provide notification pursuant to Section 33 of the Employment Protection Act.

#### *Comment:*

*The employer should, in good time prior to the beginning of the month when the employee reaches 65 years of age, which is the agreed retirement age according to the ITP plan, obtain information from the employee as to whether the employee wishes to end his or her employment on reaching the retirement age according to the ITP plan, or whether the employee wishes to exercise his or her right to remain employed until the end of the month during which the employee reaches the age of 67.*

### Item 3:4 Shortening the employee's notice period

If, owing to exceptional circumstances, an employee wishes to leave his or her employment before the end of his or her notice period, the employer should consider whether this can be granted.

## **Item 3:5 Damages**

If an employee leaves his or her employment before the notice period expires, the employer is entitled to claim damages for any financial loss and inconvenience that this causes, subject to a minimum amount equivalent to the employee's salary for the part of the notice period that was not worked.

## **Item 3:6 Certificate of employment/reference**

After notice has been given by either the employer or the employee, the employee is entitled to receive a certificate stating the period of employment and responsibilities at work (certificate of employment).

Should the employee so request, the employer must also provide an assessment of the way in which the employee has performed his or her work (job reference).

The certificate or reference shall be provided within one week of the request being submitted.

## **Item 3:7 Vacation certificate**

Once employment has ceased, the employee is entitled to receive, within one week of requesting it, a certificate indicating how many of the statutory vacation days have been taken during the current vacation year. If the employee is entitled to more vacation days than the statutory number, all additional days in this context shall be deemed to have been taken first.

### Section 12 Collectively agreed part-time working for retirement purposes

#### Item 1 Part-time working for retirement purposes (semi-retirement)

Employees can apply for the right to semi-retirement from and including the month in which the employee reaches the age of 62.

If semi-retirement is approved, from the time at which semi-retirement takes effect, the employee's post shall be a part-time position with the employment hours determined in accordance with semi-retirement.

On approval of semi-retirement, the employer shall, for employees covered by ITP 2, also continue to report income on the basis of the employee's previous employment hours.

Preferential rights to employment with more hours under Section 25a of the Swedish Employment Protection Act shall not apply to employees who have part-time employment as a result of semi-retirement under this agreement.

*Comment:*

*The parties agree that the agreement shall be adapted to the constitutional rules regarding retirement prevailing at any given time, such as tax rules relating to payments from pension insurance.*

#### Item 2 Application and notice

The employee shall apply to the employer in writing for semi-retirement six calendar months before they wish the semi-retirement to begin. The application shall clearly state the working hours requested.

At the same time as the application is submitted to the employer, the employee shall also notify the local branch of the salaried employees' union at the company.

Within two months of receiving the application, the employer shall provide its response in writing to the employee and the local branch of the salaried employees' union at the company as to whether the application is successful or not, unless a delay is agreed with the employee. Failure to respond in a timely manner constitutes a violation of a procedural regulation and therefore does not mean that the application shall be considered to be approved. Where the application is not subsequently granted, the employer shall, where applicable, pay SEK 2,000 to the affected employee for the breach of the procedural regulation.

The employer may reject the application for semi-retirement if, in an objective assessment, to grant it would entail considerable disruption to operations.

### **Item 3 Negotiation and disputes**

Where the application for semi-retirement has been rejected and the employee wishes to have the application examined through the negotiation process, the employee shall inform the local trade union organisation, which is responsible for requesting local negotiation. The dispute shall then be deemed to apply to semi-retirement with 80 per cent working hours and shall be handled in accordance with the relevant negotiation procedure in accordance with the following.

The question of whether semi-retirement is to be approved can be dealt with in local negotiations and thereafter, if the matter is not resolved, finally in central negotiations.

If the parties are unable to reach agreement in either local or central negotiations on the issue of whether semi-retirement in accordance with the agreement can be approved without causing considerable disruption to operations, the local union organisation shall, if the employee wishes to pursue the matter further, request local negotiations on the liability of the employer to pay damages for the failure to apply the agreement.

### **Item 4 Illegal disputes**

In the event of disputes that are not permitted by law or collective agreement, each employee is obliged to carry out, to a reasonable extent, all work that may be required on the basis of the prevailing conditions, should the employer so require.

### **Item 5 Notice of termination, etc.**

An employee may not be given notice of termination on account of a threatened or ongoing dispute unless there are reasonable grounds for supposing that the changed conditions will make it impossible to provide the employee with employment once operations are restored.

If a dispute has continued for at least three months and the employee cannot be provided with full employment, the working hours and salary can each be reduced by 10 per cent. After a further month, a further 10 per cent reduction may be made and so forth until the salary has been reduced to 60 per cent of the original amount.

On no account may a salary reduction lead to any reduction in premiums (or similar) paid in for a pension or any other occupation-based insurance policy.

## Section 13 Employees' obligations and rights in connection with disputes between employer and employees

### Item 1 Obligation to work

During an industrial dispute (strike, lockout, blockade or boycott) the employee has the following obligations:

- The employee shall carry out in the normal way the duties and responsibilities that are associated with his or her position.
- The employee shall carry out such work as otherwise falls within the employee's work area.
- The employee shall carry out work that enables, or facilitates, the resumption of operations at the end of the dispute.
- The employee shall carry out maintenance and repair work on machinery, tools and other equipment for use by the company. These tasks will in the first instance be entrusted to employees normally involved with maintenance and repair work or who have a supervisory position within the area of activity concerned.

If the employer unloads goods intended for the company's own use using the employer's own workforce, and was not able to cancel the delivery of such goods when notice of an industrial dispute was given, the employee is obliged also to take part in such work, should the employer so require.

### Item 2 Health and safety work

Over and above the obligations laid down in Item 1, the employee is also required to take part in health and safety work as necessary.

Health and safety work includes:

1. such work as, on the break out of a dispute, is necessary to ensure that the operations can be closed down in a technically proper manner, and
2. such work as is necessary to prevent
  - risk to people, or
  - risk of damage to buildings or other installations, vessels, machinery or domestic animals, or



- risk of damage to such stocks that will not be used during the dispute to maintain the operations of the company or will be disposed of in order to prevent the spoiling or destruction to which the goods by their nature are exposed.

Work that someone is required to perform pursuant to a specific provision in a law or statute and work which if neglected can constitute breach of duty are deemed to be health and safety work.

### **Item 3 Discussions on specific work**

If during a dispute the employer questions the performance of specific work that is not mentioned in this section, the work in question shall be discussed with the individual(s) assigned to carry out the work or with representatives appointed by the employees. If the relevant employers' association and the salaried employees' organisation have agreed on such work, the employees are obliged to comply with this decision. If the organisations fail to reach an agreement, the matter shall be referred at the request of either organisation to the Conciliation Board, whose decision is binding.

### **Section 14 Negotiating procedures, the Salaried Employees' Labour Market Board SAF-PTK, the Salaried Employees' Labour Market Committee SAF-PTK**

The previously applicable negotiating procedures in Section 7 of the negotiated agreement dated 10 May 1989 between SAF and PTK and Sections 9 and 10 of the negotiated agreement dated 21 May 1976 between SAF and PTK have been replaced by negotiating procedures between IKEM and Unionen, Sveriges Ingenjörer, Naturvetarna and Ledarna.

### **Section 15 Term of agreement**

This agreement applies from 1 April 2017 to 31 March 2020 inclusive.

*Note in the minutes:*

*A party is entitled, no later than 30 September 2018, to given notice of the agreement's termination on 31 March 2019.*

The parties shall enter into negotiations on a new agreement in accordance with the Industry agreement of 21 June 2011.

The timetable and procedure etc. for re-negotiation in connection with the termination of the agreement are laid out in Part II Negotiating procedure of the Industry Agreement.

## **WORKING HOURS AGREEMENT FOR SALARIED EMPLOYEES**

This working hours agreement replaces the Working Hours Act in its entirety and regulates the length of working hours, regular working hours and overtime, as well as rules for scheduling rest periods, such as breaks, pauses, weekly rest and night rest.

Compensation issues relating to working hours are regulated in the agreement on general conditions of employment.

## Appendix 1

### Working hours agreement for salaried employees

#### Section 1 Scope of Agreement

##### Item 1

This agreement applies to all salaried employees whose employers are affiliated to IKEM. This agreement replaces the Swedish Working Hours Act in its entirety. In this agreement the terms “salaried employee” or “employee” and “the local branch of the salaried employees’ union” include “supervisor” and “the local branch of the supervisors’ union”.

The parties agree that this agreement lies within the scope of the EU Working Time Directive, which aims to provide employees with health and safety when organising working time. Specific rules pertaining to working time for juveniles can be found in the Swedish Work Environment Act.

Travelling time should be planned so that it does not unreasonably burden the employee with regard to night, daily and weekly rest.

##### Item 2

The provisions of Sections 2–4 do not apply to:

- employees with managerial status.
- work carried out by employees in their homes or otherwise under such conditions that it cannot be considered to be the employer’s responsibility to supervise how the work is arranged.

##### Item 3

Employers and employees who reach an agreement that the right to specific compensation for overtime shall be replaced by longer vacation, or compensated for in some other way in accordance with Section 5 Item 2:3. in the agreement on general conditions of employment, may reach an agreement that the employee shall be exempted from the provisions of Sections 2–4. Such agreement may only be reached with respect to:

1. work that is performed under such conditions that it cannot be considered to be the employer's responsibility to supervise how the work is arranged, and
2. work performed by employees whose duties and conditions of employment are such that they may be deemed to occupy a managerial or comparable position, or by employees who, considering their duties of employment, are entrusted to organise their working hours themselves.

*Comment on Items 2 and 3:*

*According to Items 2 and 3 above, the provisions of Sections 2–4 do not apply to certain employees. However, it is in the mutual interest of the employer and the local branch of the salaried employees' union to gain an idea of the total number of working hours of these employees. For some of them, hours are registered by a time stamp or in some other way, for example when a company applies a system of flexible working hours. In these cases, the system provides a basis on which to assess working hours. In other cases hours cannot be registered in the same manner as for other employees. If the local branch of the salaried employees' union so requests, the employer and the local branch of the union shall jointly prepare a suitable basis on which to assess the volume of working hours for these employees.*

*Some employees who are exempt from the provisions of Sections 2–4 have, in accordance with current practice up to now, had a certain amount of freedom with regard to the scheduling of working hours. This freedom is not affected by this agreement.*

*Exemption from working hours regulation is primarily intended to apply to employees who have freedom with regard to the scheduling of their working hours and for employees who are able to influence their own work volumes.*

*Agreements which cover Sections 2–4 of the Working Hours Agreement should be formulated such that their meaning is clear.*

*The employer cannot, through an agreement in accordance with this Item, be released from its liability for work environment factors and the application of, among other things, the Swedish Work Environment Authority's regulation on the organisational and social work environment.*

# Working hours

## Item 4

In addition to the exemptions in Items 2 and 3, written agreement may be reached between the employer and the local branch of the salaried employees' union that certain employees or groups of employees shall be exempted from the provisions of Sections 2–4, in those cases where the employees, with respect to their duties, can be deemed to hold a particular position of trust regarding working time or if there are exceptional circumstances.

For the term of such agreements, see Section 7 Item 2.

## Section 2 Number of working hours, etc.

### Item 1 Available working time

The total working time during any seven-day period may amount to a maximum of 48 hours on average over a reference period of 12 months. Regular working time, overtime, extra hours for part-time employees and duty time are included in the total working time.

When calculating the total working time, paid vacation and sick leave during periods when the employee should otherwise have been working, shall be deemed equal to performed working time.

### Item 2 Regular working hours

Regular working hours may not exceed an average of 40 hours per week with no public holidays over a reference period of 12 months.

For employees working intermittent three-shift work, regular working hours may not exceed an average of 38 hours per week with no public holidays over a reference period of 12 months.

For employees working underground or on continuous three-shift work, regular working hours may not exceed an average of 36 hours per week with no public holidays over a reference period of 12 months.

*Comments:*

1. *The following applies for employees who work in line with production:  
Employees working in intermittent two-shift work, with an average of 40 effective working hours per week with no public holiday should be given paid*

*time off to the same extent as is given to subordinate workers under collective bargaining agreements. To the extent that such time off is not provided for in the working time schedule, the time off shall be given in the form of paid days off, after consultation between the employee and the employer. The legitimate interests of production and of the employee shall both be taken into account here. For employees who benefit from compensatory time off according to the above, this shall be taken into account during the local salary review.*

2. *Three-shift work may be carried out with three or more shift teams.*
3. *The parties agree that different lengths of working hours may be applied at different times of the year.*

The local parties may, in addition to the alternatives given in this agreement, agree on different ways to organise working time, which promote the business but also meet individual requests regarding the working-time schedule.

## **Item 3 Breaks, meal breaks, pauses**

Unless the local parties agree otherwise, breaks shall be arranged so that the employee does not work for more than five consecutive hours at a time. “Break” means an interruption in the daily working hours during which employees are not obliged to remain at their places of work. The employer shall indicate the duration and scheduling of breaks in advance and as accurately as the circumstances allow.

Breaks may be replaced by meal breaks at the workplace. Such meal breaks are included in the working hours.

The employer shall arrange the work so that employees can take any pauses that are needed over and above breaks. If working conditions so require, special pauses in the work may be scheduled instead. Pauses are included in working hours.

## **Item 4 Daily rest**

### **Item 4:1 General rule**

Every employee is entitled to at least eleven consecutive hours of rest per 24-hour period, calculated from the start of the period of work, according to the employee’s working-time schedule (daily rest).

# Working hours

## Item 4:2 Exceptions

1. The local parties may agree on deviations from the provisions of Item 4:1, provided that the employee is given an equivalent period of rest after the period of work that interrupted the period of daily rest.
2. If no local agreement according to the first point is made, temporary deviations from Item 4:1 are permitted if these are caused by exceptional circumstances that the employer could not have foreseen, provided that the employee is given an equivalent period of rest after the period of work that interrupted the period of daily rest.
3. If no local agreement according to the first point is made, deviations from Item 4:1 are permitted in the event of work during standby duty, provided that the employee is given an equivalent period of rest after the period of work that interrupted the period of daily rest.

## Item 4:3 Deviations regarding the scheduling of the equivalent rest period

If, for objective reasons, it is not possible to schedule an equivalent rest period according to Item 4:2 after the period of work that interrupted the period of daily rest, the equivalent period of rest shall be scheduled within seven calendar days.

### *Comment:*

*In respect of work in connection with stand-by duty during several consecutive days, the equivalent rest periods for these days may be added together and scheduled within seven calendar days of the most recent stand-by duty shift. However, this presupposes that the employee, despite the interruptions in the rest periods, has had sufficient rest during the stand-by period.*

If the equivalent rest period cannot be given within seven calendar days, the local parties may agree on other appropriate protection.

### *Comment:*

*“Other appropriate protection” does not mean solely financial compensation.*

## Item 4:4 Scheduling of equivalent rest period in regular working hours

No salary deduction shall be made if the employer schedules the equivalent rest period within regular working hours.



## Item 5 Night rest etc.

### Item 5:1 Night work

“Night” means the period between 10 p.m. and 6 a.m. By local agreement, “night” may be defined as another period of at least seven hours including the period between midnight and 5 a.m.

All employees shall be free from work to rest at night. This time off work shall include the time between midnight and 5.00 a.m.

Deviations from the second paragraph are permitted if, in view of the nature of the work, the needs of the public or other particular circumstances, the work must also be carried out between midnight and 5.00 a.m.

Deviations from the second paragraph may also be made on the basis of a local agreement.

### Item 5:2 Night workers

“Night workers” are employees who normally work at least three hours of their working time during the night and employees who are likely to work at least half of their annual working time at night.

The regular working hours for night workers shall on average not exceed eight hours per 24-hour period over a reference period of 12 months.

#### *Comments:*

- 1. When calculating the average, for each commenced period of seven days the weekly rest shall be deducted from the reference period. Vacation and sick leave during periods when the employee should otherwise have been working, shall be deemed equal to performed working time.*
- 2. It is the intention of the parties that the length of the reference period shall not be applied in such a manner as results in working-time schedules where extremely long working hours without sufficient rest are used over a long period of time.*

### Item 5:3 Night workers whose work involves special hazards

Night workers performing work that involves special hazards or heavy physical or mental strain may not work for more than eight hours during any 24-hour period when involved in night work.

# Working hours

## Item 6 Weekly rest

Each employee shall have at least 36 continuous hours of rest during each period of seven days (weekly rest).

Time on standby duty, when the employee is allowed to remain outside the workplace but is obliged to be at the employer's disposal to do work when the need arises, is not included in weekly rest.

Weekly rest periods shall as far as possible be scheduled at weekends.

Deviations from the first paragraph are permitted; e.g. in cases of standby duty or overtime work. The employee shall be compensated for this in accordance with Appendix 4 to the agreement on general conditions of employment.

## Item 7 Overtime

### Item 7:1

“Overtime work” in this agreement means work carried out by an employee over and above his or her regular daily working hours if:

- the overtime work has been requested in advance, or
- where it could not be requested in advance, the overtime work has subsequently been approved by the employer.

Time spent carrying out any preparation and rounding-off work that is necessary and normal for the employee's job is not deemed to be overtime in accordance with Item 7:2 below.

Completed overtime is credited by the full half-hour.

If overtime work has been carried out both before and after regular working hours on any one day, the two overtime periods shall be added together.

### *Comment:*

*For part-time employees, work that is compensated for in accordance with Section 5 Item 4:1 of the agreement on general conditions of employment is deducted from the overtime allowed according to Item 7:2 below.*

## Item 7:2

In exceptional circumstances, up to 150 hours of general overtime may be worked during a 12-month period.

## Item 7:3

General overtime may be worked for a maximum of 150 hours during three consecutive calendar months. Nevertheless, the amount of overtime during any one calendar month may not exceed 100 hours. These 100 hours may only be exceeded in the event of exceptional circumstances, for example when it is necessary to finish a job that cannot be interrupted without considerable inconvenience for the business.

Local parties may also agree that overtime can be worked up to a maximum of 144 hours during 12 consecutive weeks, with a maximum of 96 hours in any four weeks.

## Item 7:4

General overtime, whatever the form of compensation, shall be deducted from the overtime allowance in accordance with Item 7:2 above.

If overtime is compensated for by time off (leave in lieu) in accordance with the agreement on general conditions of employment, the “overtime hours” that have been compensated for by leave in lieu are added back to the overtime allowance according to Item 7:2 above.

## Example:

An employee works four hours of overtime one weekday evening. These overtime hours are deducted from the overtime allowance under Item 7:2. An agreement is reached that the employee shall be compensated with six hours of leave in lieu (four overtime hours  $\times$  1.5 = six hours of leave in lieu). Once the employee has taken the leave in lieu, the four overtime hours that have been compensated for in this way are added back to the overtime allowance under Item 7:2.

During a 12-month period, no more than 75 hours may be added back to the overtime allowance in this manner, unless the employer and the local branch of the salaried employees’ union have agreed otherwise.

# Working hours

*Comment:*

*The employer and the local branch of the salaried employees' union may reach an agreement that overtime compensated for by leave in lieu so as to be added back to the overtime allowance in the manner described above shall be scheduled within a given time period, e.g. calculated from the time the overtime was worked or before a specified date.*

For the term of such agreements, see Section 7 Item 2.

**Item 7:5**

The employer and the local branch of the salaried employees' union may reach a written agreement on a different method of calculation, or on a different volume of general overtime for a particular employee or group of employees. Agreements on a different volume of general overtime shall be submitted to the relevant unions and employer associations for approval.

For the term of such agreements, see Section 7 Item 2.

**Item 7:6**

In addition to what has been stated above, in the event of extraordinary circumstances, an agreement may be reached between the employer and the local branch of the salaried employees' union that up to 150 hours of extra overtime may be worked per 12-month period.

**Item 7:7**

If a natural incident, accident or other similar circumstances that could not be foreseen have caused an interruption in the business or involve an imminent risk of such an interruption or of injury to life, health or property, overtime worked for these reasons shall not be included in the calculation of overtime in accordance with Item 7:2 above.

## Section 3 On-call duty

### Item 1

If, owing to the nature of the business, it is necessary for the employee to be at the disposal of the employer at the workplace to work when the need arises, the maximum number of on-call hours during a four-week period shall be 48, or 50 hours per calendar month. The hours during which the employee works on behalf of the employer are not deemed to be on-call hours.

### Item 2

The employer and the local branch of the salaried employees' union may reach a written agreement on a different method of calculation, or on a different volume of on-call hours for a particular employee or group of employees.

For the term of such agreements, see Section 7 Item 2.

### Item 3

The parties agree that on-call duty that is more frequent than every fourth week shall occur only in cases where this is justified for technical production reasons or human resources reasons.

## Section 3a Standby duty

Standby duty shall be assigned so that it does not unreasonably burden an individual employee. The parties agree that standby duty that is more frequent than every fourth week shall occur only in cases where this is justified for technical production reasons or temporary human resources reasons.

*Comment:*

*Standby duty is not deemed to be working time.*

## Section 4 Overtime and on-call log

The employer shall keep the necessary log for the calculation of overtime in accordance with Section 2 Item 7 and of on-call hours as in Section 3. The employee and the local branch of the salaried employees' union or the central representative of the salaried employees' union are entitled to view this log.

## Section 5 Negotiating procedures

Disputes concerning the interpretation or application of this agreement shall initially be referred to negotiations between the local parties (local negotiations). If the local parties cannot reach agreement, the dispute shall be referred at the request of either party to central negotiations.

A dispute can be referred by the central party to the Working Hours Board for a decision in accordance with Section 6. This shall be done within one month from the conclusion of the negotiations. The decision of the Board is binding on the parties unless the dispute is referred to the Swedish Labour Court no later than two months from the date of the Board's decision.

Matters relating to deviations from the prohibition on night-time working and extra overtime work can, following central negotiations, only be decided by the Working Hours Board.

For other matters, the negotiating procedures agreed between the parties on 31 March 2017 apply.

## Section 6 Working Hours Board

The Working Hours Board considers disputes concerning the interpretation and application of this agreement and agreements reached on the basis of this agreement.

The Board has four members. IKEM appoints two members and the salaried employees' party appoints two. One of the members shall serve as chair. The chair is appointed by the parties alternately for one calendar year at a time.

Each member has one vote. In the event of a tied vote, the Board may, at the request of a member, co-opt a further member. Such members are appointed jointly by the parties in advance for a period of three years.

## Section 7 Term of agreement

### Item 1

The provisions of this agreement come into effect on 1 April 2007 and apply for the same term as the agreement on general conditions of employment.

If this working hours agreement is terminated, agreements entered into on the basis of this agreement shall also cease to apply on the expiry of this agreement.

### Item 2

Local agreements entered into on the basis of Section 1 Item 4, Section 2 Items 7:4–7:6, Section 3 Item 2, and the right of the employer and the local branch of the salaried employees' union to reach agreement on the working of extra overtime according to Section 2, Item 7:6 shall apply until further notice, with a notice period of three months.

Notice of cancellation may be given by the employer, the local branch of the salaried employees' union, or a union affiliated to PTK.

Should either party wish the local agreement and the aforementioned right to enter into local agreements to continue, negotiations on this during the notice period shall be requested promptly. The union/employer association may extend the notice period for the cancellation of the local agreement in order to provide time for the negotiations to be completed in accordance with the negotiating procedure before the agreement expires. As a last resort, the question of whether or not the agreement shall remain in effect may be referred for discussions within the Salaried Employees' Labour Market Board SAF/PTK.





## **AGREEMENT CONCERNING STAGGERED WORKING HOURS, STANDBY HOURS, ETC.**

Agreement concerning staggered working hours, standby hours, etc. is regulated in an agreement with Ledarna (The Association for Managerial and Professional Staff) and an agreement with Unionen (The Swedish Union of Clerical and Technical Employees in Industry), Sveriges Ingenjörer (The Swedish Association of Engineers) and Naturvetarna (The Swedish Association of Scientists). Both agreements contain provisions on compensation for unsocial working hours and standby hours.

The agreement with Ledarna also contains rules on attendance compensation and night rest in the case of overtime. The agreement with Unionen and Sveriges Ingenjörer/Naturvetarna contains rules on compensation for on-call hours.

## Appendix 2

Agreements concerning staggered working hours, standby hours, etc., and nighttime rest in connection with overtime between the ALMEGA Industrial and Chemical Association (now IKEM) and Ledarna, the Association for Managerial and Professional Staff.

### Item 1 Staggered working hours

Unless the local parties agree otherwise, the following applies.

“Staggered working hours” means that part of a supervisor’s regular volume of work that is scheduled outside the regular schedule of daytime working hours at the supervisor’s workplace.

Compensation for staggered working hours is paid as follows:

<b>Evenings and nights</b>	<b>Compensation/hour</b>
From 6.00 p.m. to 6.00 a.m.	$\frac{\text{Monthly salary}}{480}$
<b>Sundays and public holidays</b>	<b>Compensation/hour</b>
From 6.00 a.m. on Saturday and 6.00 p.m. on the day before a public holiday to 6.00 a.m. on the day after a Sunday or public holiday	$\frac{\text{Monthly salary}}{300}$
<b>Major public holidays</b>	<b>Compensation/hour</b>
From 6.00 a.m. on New Year’s Eve to 6.00 a.m. on 2 January From 6.00 p.m. on Maundy Thursday to 6.00 a.m. on Easter Tuesday From 6.00 a.m. on Whitsun Eve to 6.00 a.m. on Whit Monday From 6.00 a.m. on National Day to 6.00 a.m. on the day after National Day From 6.00 a.m. on Midsummer’s Eve to 6.00 a.m. on the day after Midsummer’s Day From 6.00 a.m. on Christmas Eve to 6.00 a.m. on the day after Boxing Day	$\frac{\text{Monthly salary}}{150}$

*Comment:*

*The supplement for Sunday and public holiday from 6.00 p.m. the day before a public holiday is not paid the day before National Day.*

It should be possible to adapt the actual time at each company to the locally agreed time for regular shift hours and the break for Sundays and public holidays, keeping in mind that the total compensation should be the same.

Agreements to depart from the above compensation rules may be reached with the supervisor to whom reasonable compensation is paid in accordance with a different arrangement.

Compensation for staggered working hours and overtime compensation cannot be paid concurrently.

## Item 2 Standby hours

Unless the local parties agree otherwise, the following applies.

1. “Standby hours” means the time when an employee is not under an obligation to work but is required to be available in order to attend at the workplace within a certain period of time after being notified.
2. Compensation per hour

Standby duty compensation is	$\frac{\text{Monthly salary}}{1400}$
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However, the following shall apply:

Sunday to Monday	Compensation/hour
From 6.00 a.m. on Saturday to 6.00 a.m. on Monday	$\frac{\text{Monthly salary}}{700}$
Public holidays	Compensation/hour
From 6.00 p.m. on the day before to 6.00 a.m. on Epiphany (6 January), 1 May, Ascension Day and All Saints' Day	$\frac{\text{Monthly salary}}{1000}$
From 6.00 a.m. on Epiphany (6 January), 1 May, Ascension Day and All Saints' Day to 6.00 a.m. on the first weekday after the respective public holiday	$\frac{\text{Monthly wage}}{700}$
From 6.00 p.m. on Maundy Thursday and New Year's Eve and from 6.00 a.m. on Whitsun Eve, Midsummer's Eve and Christmas Eve until 6.00 a.m. on the first weekday after the respective public holiday From 6.00 a.m. on National Day to 6.00 a.m. on the day after National Day	$\frac{\text{Monthly wage}}{350}$

*Comment:*

*No special compensation is paid from 6.00 p.m. the day before National Day.*

Standby compensation is paid per minimum session of eight hours.

3. Agreements to depart from the above compensation rules may be reached with supervisors in more senior positions to whom reasonable compensation is paid in accordance with a different arrangement.
4. Standby duty shall be allotted so that it does not involve an unreasonable burden on any individual supervisor.
5. A schedule for standby hours should be drawn up well in advance.
6. The parties agree to aim for weekly rest of 36 hours. When arranging appropriate shift schedules for continuous shift work or schedules for on-call duty and standby duty, as well as for overtime work, deviations from the provisions regarding weekly rest may be made to the extent necessary. However, when arranging a schedule, it should be observed that the weekly rest must amount to a minimum of 30 hours per seven-day period.

Similarly, there is no impediment to applying a shift schedule that in some cases limits the weekly rest period to 24 hours on the basis of a local agreement.

*Comment:*

*If the weekly rest cannot be achieved, the supervisor shall be compensated according to Appendix 4, based on the number of hours according to the above.*

### **Item 3 Attendance compensation**

Local agreement may be reached on the following rules:

A supervisor who is instructed to attend work on more occasions per 24-hour period than is required considering the regular working hours that apply at the start of his or her day, receives for each such extra attendance, over and above his or her regular salary and any overtime supplement for the hours worked, attendance compensation in the amount specified in the following paragraph. In this context, a new 24-hour period begins at 6.00 a.m.

Attendance compensation amounts to

$$\frac{\text{Monthly salary}}{240}$$

in SEK per attendance.

For attendance on Sundays or public holidays, non-working days established in the agreement, or Saturdays after 6.00 a.m., the compensation amounts to

$$\frac{\text{Monthly salary}}{205}$$

in SEK per attendance.

If no local agreement is reached, the provisions of the agreement on general conditions of employment, Section 5 Overtime, shall apply.

#### **Item 4 Night rest in connection with overtime work**

Supervisors working daytime hours who work overtime between 10.00 p.m. and 6.00 a.m., and who must start work the following morning, are entitled to paid leave of absence the following morning for the same number of hours as those worked between the stated times, except where otherwise agreed.

### Appendix 3

Agreement on compensation for staggered working hours, standby hours and on-call hours between the Swedish Industrial and Chemical Employers' Association (now IKEM), SIF (now Unionen – The Swedish Union of Clerical and Technical Employees in Industry), Sveriges Ingenjörer (The Swedish Association of Engineers) and Naturvetarna (The Swedish Association of Scientists).

#### Item 1 Staggered working hours

1. The following guidelines apply to compensation for work during staggered working hours. The local parties may reach an agreement providing for a different solution where there are special reasons to do so.
2. “Staggered working hours” means that part of the employee’s regular volume of work that is scheduled outside the regular schedule of daytime working hours at the employee’s workplace.

Compensation for staggered working hours is paid in accordance with point 4 below:

*Notes in the minutes:*

- a. *The parties are agreed that reasonable grounds should exist for the introduction of working staggered working hours. If, in an individual case, the salaried employees’ side claims that no reasonable grounds exist for staggering working hours, the employer may nevertheless stagger the working hours pending the outcome of any negotiations that may be demanded.*
- b. *If a system of flexible working hours is applied, compensation is not paid for working hours between the starting and ending times of the regular schedule of daytime working hours, i.e. within the so-called bandwidth.*
3. As far as possible, the employer should notify the employee concerned at least 14 days in advance that working hours are to be staggered. Such notification should also contain information concerning the expected duration of the staggering of working hours.
4. Compensation for staggered working hours is paid as follows:

# Unionen, Sveriges Ingenjörer/Naturvetarna

## Staggered working hours, standby hours and on-call hours

Evenings and nights	Compensation/hour
From 6.00 p.m. to midnight	$\frac{\text{Monthly salary}}{600}$
From midnight to 7.00 a.m.	$\frac{\text{Monthly wage}}{400}$
Saturday–Sunday	Compensation/hour
From 7.00 a.m. on Saturday to midnight on Sunday	$\frac{\text{Monthly salary}}{300}$
Public holidays	Compensation/hour
From 7.00 a.m. on Epiphany (6 January), 1 May, Ascension Day and All Saints' Day to midnight on the first weekday after the respective public holiday	$\frac{\text{Monthly salary}}{300}$
From 6.00 p.m. on Maundy Thursday and New Year's Eve and from 7.00 a.m. on Midsummer's Eve and Christmas Eve to midnight on the first weekday after the respective public holiday From 7.00 a.m. on Whitsun Eve to midnight on Whit Monday From midnight on National Day (night into 6 June) to midnight on the day after National Day (night into 7 June)	$\frac{\text{Monthly wage}}{150}$

- Agreements to depart from the above compensation rules may be reached with employees in more senior positions to whom reasonable compensation is paid in accordance with a different arrangement.
- Compensation for staggered working hours and overtime compensation cannot be paid concurrently.
- The employee is not entitled to compensation for staggered working hours if the staggered working hours are at the employee's own request.

### Item 2 Standby hours

- The following guidelines apply to compensation for standby hours. Local parties may reach an agreement providing for a different solution where there are special reasons to do so.

# Unionen, Sveriges Ingenjörer/Naturvetarna

## Staggered working hours, standby hours and on-call hours

2. “Standby hours” means the time when an employee is not under an obligation to work but is required to be available in order to attend at the workplace within a certain period of time after being notified.
3. Compensation per hour

Standby duty compensation is	$\frac{\text{Monthly salary}}{1400}$
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However, the following shall apply:

Friday–Sunday	Compensation/hour
From 6.00 p.m. on Friday to 7.00 a.m. on Saturday	$\frac{\text{Monthly salary}}{900}$
From 7.00 a.m. on Saturday to midnight on Sunday	$\frac{\text{Monthly wage}}{600}$
Public holidays	Compensation/hour
From 6.00 p.m. on the day before to 7.00 a.m. on Epiphany (6 January), 1 May, Ascension Day and All Saints’ Day	$\frac{\text{Monthly salary}}{900}$
From 7.00 a.m. on Epiphany (6 January), 1 May, Ascension Day and All Saints’ Day to midnight on the first weekday after the respective public holiday	$\frac{\text{Monthly wage}}{600}$
From 6.00 p.m. on Maundy Thursday and New Year’s Eve and from 7.00 a.m. on Midsummer’s Eve and Christmas Eve to midnight on the first weekday after the respective public holiday From 7.00 a.m. on Whitsun Eve to midnight on Whit Monday From midnight on National Day (night into 6 June) to midnight on the day after National Day (night into 7 June)	$\frac{\text{Monthly wage}}{350}$

Standby compensation is paid per minimum session of eight hours.

4. In the event of working during standby duty, the compensation rules in Section 5 Item 3:3. of the agreement on general conditions of employment apply.
5. Agreements to depart from the above compensation rules may be reached with employees in more senior positions to whom reasonable compensation is paid in accordance with a different arrangement.
6. A schedule for standby hours shall be drawn up well in advance.



# Unionen, Sveriges Ingenjörer/Naturvetarna

## Staggered working hours, standby hours and on-call hours

### Item 3 On-call hours

1. The following guidelines apply to compensation for on-call hours. The local parties may reach an agreement providing for a different solution where there are special reasons to do so.
2. “On-call hours” means the time when the employee is not under an obligation to work but is required to be available to the employer at the workplace in order to perform work when the need arises.
3. Compensation per hour

Compensation for on-call hours	$\frac{\text{Monthly salary}}{600}$
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However, the following shall apply:

<b>Friday–Sunday</b>	<b>Compensation/hour</b>
From 6.00 p.m. on Friday to 7.00 a.m. on Saturday	$\frac{\text{Monthly salary}}{400}$
From 7.00 a.m. on Saturday to midnight on Sunday	$\frac{\text{Monthly wage}}{300}$
<b>Public holidays</b>	<b>Compensation/hour</b>
From 6.00 p.m. on the day before to 7.00 a.m. on Epiphany (6 January), 1 May, Ascension Day and All Saints' Day	$\frac{\text{Monthly salary}}{400}$
From 7.00 a.m. on Epiphany (6 January), 1 May, Ascension Day and All Saints' Day to midnight on the first weekday after the respective public holiday	$\frac{\text{Monthly wage}}{300}$
From 6.00 p.m. on Maundy Thursday and New Year's Eve and from 7.00 a.m. on the respective public holiday From 7.00 a.m. on Whitsun Eve to midnight on Whit Monday From midnight on National Day (night into 6 June) to midnight on the day after National Day (night into 7 June)	$\frac{\text{Monthly wage}}{150}$

# Unionen, Sveriges Ingenjörer/Naturvetarna

## Staggered working hours, standby hours and on-call hours

On-call compensation is paid per minimum session of eight hours.

4. Agreements to depart from the above compensation rules may be reached with employees in more senior positions to whom reasonable compensation is paid in accordance with a different arrangement.
5. On-call hours shall be allotted so that they do not involve an unreasonable burden on any individual employee.

A schedule for on-call hours should be drawn up well in advance.

**AGREEMENT ON COMPENSATION  
FOR WEEKLY REST**

Rules on compensation when weekly rest  
cannot be provided.

## Appendix 4

### Agreement on compensation for weekly rest

between the Swedish Industrial and Chemical Employers' Association (now IKEM), SIF (now Unionen – The Swedish Union of Clerical and Technical Employees in Industry), Sveriges Ingenjörer (The Swedish Association of Engineers) and Ledarna (The Association for Managerial and Professional Staff).

### Section 1

The parties agree to aim for weekly rest of 36 hours. In those cases where 36\* hours of weekly rest cannot be provided, the employee shall receive compensation in accordance with the following:

1. A supplement of 1.0 per cent of the employee's fixed cash monthly salary is paid per interruption.
2. In addition the employee is granted leave in accordance with one of the following two alternatives.

#### Alternative 1

In cases of interruptions to the weekly rest, the employee is compensated by one half-day of paid leave per interruption. Each interruption to the weekly rest after the first ten is compensated by one day of paid leave per interruption.

#### Alternative 2

Instead of taking paid leave as in Alternative 1, the employee is entitled to receive one whole day of leave for each interruption provided that the leave is unpaid.

Each interruption to the weekly rest after the first ten is compensated by one day of paid leave per interruption.

Common to both alternatives:

Interruptions to weekly rest and days of paid leave are calculated per calendar year.

\* For Ledarna, the number of hours stated in Appendix 2, Item 2, Point 6 shall apply. (Agreements between ALMEGA Industrial and Chemical Association (now IKEM) and Ledarna, The Association for Managerial and Professional Staff, on staggered working hours, standby hours etc., and night rest in connection with overtime).

For each calendar year, an agreement is to be reached, either between the employee and the employer or collectively for the workplace between the local parties, as to which alternative shall be applied.

Unpaid leave is taken in accordance with the employee's wishes.

An agreement is to be reached between the employer and the individual employee as to when all leave shall be taken. Normally, the leave should be taken within five days of the most recent interruption to the weekly rest and, as far as possible, immediately before or after a weekend.

## Section 2

Overtime work (apart from on-call and standby duty) shall be compensated in accordance with Section 1, provided that the work is expressly requested in advance.



## **REDUCTION IN WORKING HOURS USING THE LIFETIME WORKING HOURS MODEL AND NATIONAL DAY**

This agreement contains rules on reduced lifetime working hours in the form of allocation to pension premium or reduced annual working hours.

The allocation can also be taken as cash compensation.

## Appendix 5

### Working hours reduction

#### 1 Lifetime working hours – working hours account according to the 2017-2020 agreement

The following rules apply unless the local parties agree otherwise:

1. Individual working hours accounts shall be developed for all employees.
2. An amount based on salary and compensation for regular working hours during the previous year of the agreement is allocated to each working hours account on 31 March each year during the period of the agreement.

The amount allocated is calculated as follows:

Per cent	Date	Corresponding to leave
2.0	31 March each year respectively	4 days*

\* See also point 2a and 2b respectively below.

3. The allocation to the working hours account may be taken as paid leave, pension premium or cash payment.
4. The employee shall decide how the withdrawal is to be made from the working hours account in accordance with point 3. If the employee chooses the paid leave option, the leave shall be scheduled as agreed with the employer.
5. An employee who chooses paid leave is not entitled to carry days over from one year of the agreement to another. Leave that is not taken during the year of the agreement is compensated for in cash. This also applies to employees who, for whatever reason, do not choose any of the three options.

#### 2a Working hours according to the 1998 agreement (SIF/CF) – now Unionen (The Swedish Union of Clerical and Technical Employees in Industry) and Sveriges Ingenjörer (The Swedish Association of Engineers)

Discussions shall be held between the local parties concerning issues relating to working hours at the company. During these discussions, the local parties may agree to a reduction in working hours for full-time employees of one day with effect from 1 May 1999, one further day with effect from 1 May 2000, and another further day with effect from 31 March 2001, with pro rata reductions for part-



time employees. Any reduction shall be scheduled in full days or part days. These discussions can address issues such as a flexible working hours to suit company needs and individual wishes.

If no agreement on a reduction in working hours is reached, the monthly salaries of the employees concerned shall be increased by 0.5 per cent as of the date of the salary review each year.

### **2b Working hours – according to the 1998 agreement (Ledarna – The Association for Managerial and Professional Staff.)**

Discussions shall be held between the local parties concerning issues relating to working hours at the company. During these discussions, the local parties may agree to a reduction in working hours for full-time employees of one day with effect from 1 May 1999, one further day with effect from 1 May 2000, and another further day with effect from 31 March 2001, with pro rata reductions for part-time employees.

Any reduction shall be scheduled in full days or part days. These discussions can address issues such as a flexible working hours to suit company needs and individual wishes.

If no agreement on a reduction in working hours is reached, the monthly salaries of the employees concerned shall be increased by 0.5 per cent as of the date of the salary review each year.

At companies covered by an agreement on “lifetime working hours” for other groups of employees, a corresponding agreement can be reached for members of Ledarna.

## Appendix 6

### Agreement regarding National Day

In December 2004, the Swedish parliament (Riksdagen) decided to make National Day, 6 June, a public holiday as from the year 2005, at the same time abolishing Whit Monday as a public holiday. Since National Day, unlike Whit Monday, will at regular intervals fall on a work-free day, within some patterns of working hours, the Swedish Industrial and Chemical Employers' Association (now IKEM), SIF (now Unionen - The Swedish Union of Clerical and Technical Employees in Industry), Sveriges Ingenjörer (The Swedish Association of Engineers) and Ledarna (The Association for Managerial and Professional Staff) have reached the following agreement.

1. At companies where working time is calculated as hours per week with no public holiday, full-time work during the daytime, intermittent two-shift work and intermittent three-shift work entitles the employee to two hours of compensation per year. Compensation is given pro rata for part-time employees and employees who work only part of the year.
2. At companies that have continuous shift working with stops during major public holidays, work may be performed on National Day provided that the employees with this pattern of working hours are compensated in accordance with point 1 above.
3. The local parties shall agree on how the compensation according to point 1 above shall be handled.

Unless the local parties agree otherwise, the compensation shall be added to the individual lifetime working hours account according to the parties' agreement on reduction in working hours.

At companies where the pension premium alternative is the general rule, this shall be applied and the value of the above hours shall be calculated at 0.125 per cent.

## Appendix 7

### Postdoctoral appointment

For employment as a postdoctoral researcher as below, the employer and salaried employee can, in addition to the provisions of Section 2, Item 2, conclude an agreement on temporary employment of 12 months.

If special circumstances apply, the temporary employment as a postdoctoral researcher can be extended by up to 12 months. Examples of such special circumstances include prolonged absence due to illness, or parental leave. It may also be that the research project to which the appointment as postdoctoral researcher relates is delayed or becomes more extensive for reasons that could not be foreseen when the project began.

The trade union shall be notified of each such employment as referred to in the first and second paragraphs.

Postdoctoral researcher refers to an employee hired principally to conduct research or perform work tasks relating to a career as a researcher, and who has obtained a doctorate or a foreign degree equivalent to a doctorate, and who has completed their degree no more than three years before the application deadline.

If special circumstances are found to exist, the doctorate can have been completed earlier. Special circumstances refers to leave due to illness, parental leave, clinical service, elected positions within union organisations or other similar circumstances.

A position as a postdoctoral researcher is intended to further strengthen research competence through the deepening or broadening of skills so as to allow for a continued academic career. This requires a research plan for the position with a view to achieving results which lead to scientific publications.

A postdoctoral project shall be a time and resource-defined research project that provides the postdoctoral researcher with the opportunity to conduct research under supervision.

# Postdoctoral appointment

*Comment:*

*In cases where there is no salaried employees' union, union organisation in the third paragraph refers to a central union organisation regarding Sveriges Ingenjörer, Naturvetarna and Ledarna, as well as a regional union organisation regarding Unionen.*

## Doctoral studentship

For employment as a doctoral student, the employer and salaried employee can, in addition to the provisions of Section 2, Item 2, conclude an agreement on temporary employment according to the following.

Doctoral student refers to a salaried employee who is admitted to third-cycle studies at a university and performs work tasks as part of their third-cycle education (doctorate) in the form of temporary employment from a certain point and for a limited duration as indicated below, and never for longer than one year after obtaining their doctorate.

The initial appointment can be for a maximum of one year. Thereafter, the appointment is renewed with a maximum of two years at a time and with the following restrictions:

- A person may be employed as a doctoral student for a maximum of eight years.
- However, the total employment period may not be longer than that equivalent to the third-cycle education, full-time for four years.
- For studies leading to a licentiate degree, the total employment period may not exceed the equivalent of third-cycle education, full-time for two years.
- Study time during which the doctoral student has not been employed as a doctoral student shall be deducted from these periods.

The total employment period may, however, be longer than what is indicated above, if special circumstances are found to exist. Special circumstances may include leave due to illness, leave for military service, parental leave, elected positions within union organisations or student organisations

## **AGREEMENT ON WAGE FORMATION AT COMPANIES**

There are three wage agreements in the scope of the agreement, Ledarna (The Association for Managerial and Professional Staff), Unionen (The Swedish Union of Clerical and Technical Employees in Industry) and with Sveriges Ingenjörer (The Swedish Association of Engineers) and Naturvetarna (The Swedish Association of Scientists).

The wage agreements are process wage agreements, which means that wage formation takes place at company and employee level.

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| 1 April 2017 – 31 March 2020

## **Agreement on local wage formation in the companies**

### **Unionen**

IKEM and Unionen have reached the following agreement for Unionen's members employed by companies affiliated to IKEM.

### **Section 1 Importance of wage formation**

Wage formation is a positive force in a company's activities that creates conditions in which individuals can develop and be encouraged to work effectively. This in turn helps to increase productivity, efficiency and profitability. All employees participate in a continuous process of improvement, contributing their input, which results in wage formation that helps to generate income. This enables favourable salary progression and creates job security.

Cooperation based on trust between company management, union representatives and salaried employees is a key factor influencing wage formation. In this regard, it is important that union representatives are kept informed about the company's progress.

Wage formation is based on the company's business and operations concept, financial position, productivity and developmental potential, with overall goals agreed and broken down into sub-goals and individual goals.

### **Section 2 Principles of wage formation at the companies**

Salaries should be determined individually and they should be differentiated according to business requirements, the nature and content of the work and individual efforts, skills and results. The factors determining salary are made clear in

each company. Personal skills and qualities such as personnel management skills, technology, finance, information and material assets, expertise, managerial skills and the ability to work as part of a team, problem solving, judgement, initiative and creativity are all important.

In connection with individual wage formation, particular attention shall be paid to goal fulfilment and the results achieved by the employee concerned.

Technical developments and changed conditions at the company demand improved competence. By developing his or her competence to handle current and future duties, the employee becomes better equipped to contribute to the business goals. Development of the company's work organisation requires flexibility, decentralisation, delegation of responsibility, and increased competence. Such developments enable all employees to develop in their work in response to the needs of the business. A dialogue between the employee and his or her superior provides scope for the development of the employee's job content, working practices and competence.

In the event of technical change, the aim shall be for good job content and opportunities for employees to develop their competence and to take responsibility for their work.

Skills enhancement thus enables the employees to help increase productivity at the company and prepares them for future duties. In discussions between managers and employees it is important for the manager to outline the future need for skills identified by the company. Those discussions result in annual individual development plans. This provides opportunities for personal development with associated salary increases.

All employees' salaries will be evaluated and applied according to the principles set out above, which means that no non-objective or discriminatory salary differences should occur. Normally, those on parental leave are covered by the salary review, based on the salaried employee's likely development in the current position using assessment criteria as if the employee had not been on leave. Prior to salary negotiations as described below, the local parties analyse whether any non-objective or discriminatory salary differences exist. If it is clear from this analysis that non-objective or discriminatory differences exist in the company, these should be adjusted.



## Section 3 Wage formation process and local negotiations

### Item 1

Knowledge of the conditions for wage formation exists within the individual company and is possessed by the company management, the trade-union representatives and the employees. The agreement is intended to ensure that the wage formation process will be implemented through cooperation between company management and trade-union representatives.

The parties should endeavour to find ways to cooperate and negotiate that support active local salary work which allows the parties to contribute their knowledge of the business. The parties should also endeavour to find ways to cooperate and negotiate that suit the company's other business activities.

This includes every salaried employee being informed of the grounds on which salaries are determined and how salaried employees can achieve salary increases. The managers responsible for determining salaries should have the necessary knowledge of the wage formation process and local salary levels. This enables them to determine salaries that are acceptable to both the employer and the individual salaried employee.

### Item 2

The wage formation process involves the parties initially reviewing the intentions of the agreement and its application to the company and reaching agreement on the salary review date, the criteria for wage formation and the timetable for the wage formation process.

This includes considering the conditions for the local salary structure by discussing the economic conditions, the overall salary structure and the future need for skills identified by the company.

## Item 3

Discussions between managers and employees are of crucial importance for determining salaries and for development at work. Discussions should centre on current duties, working conditions, opportunities for development, skills requirements and results achieved in relation to set targets that are linked to individual salary increases.

## Item 4

The employer submits a proposal for individual salaries to the local party acting for salaried employees after salary discussions have taken place between managers and employees. Negotiations are based on the proposal put forward and the local parties establish salaries and the scope for salaries.

## Item 5

On the principle that every employee contributes to the company's increased productivity, improved profitability and growth through their duties and the results they achieve, this should mean that all employees should receive a salary increase.

If a Unionen member nevertheless does not receive any salary increase or receives only a minimum salary increase equal to that stated in Item 7, the reason for this should be reported and there should be a review of the individual's opportunities for future salary increases. A joint action plan should be drawn up including measures to enhance skills or other appropriate measures. The action plan should be documented and followed up before the next salary review. If the same individual receives no salary increase or only receives a minimum salary increase equal to that stated in Item 7 for two consecutive years, an agreement is required.

## Item 6

According to the spirit of the agreement, the local parties endeavour to reach agreement in local negotiations. If there are difficulties involved in reaching agreement, the local parties can contact their respective organisations in order to clarify the intentions of the agreement and the principles for the salary structure. There should be an evaluation of the process after the negotiations have been concluded.

**Item 7**

If the local parties, despite the intentions of this agreement, are unable to agree on salaries for the term of the agreement, the total salary amount for Unionen members at the company who are covered by the salary review will be increased, after the annual salary review, by 2.0 per cent in 2017, 2.0 per cent in 2018 and 2.0 per cent in 2019, with each full-time salaried employee covered by the salary review receiving at least SEK 158 in 2017, SEK 158 in 2018 and SEK 158 in 2019. If agreement on the salary review date according to Section 3, Item 2 is not reached, the following salary review dates apply; 1 April 2017, 1 April 2018 and 1 April 2019.

**Item 8**

After the salary review, the monthly salary for full-time salaried employees aged 18 or over shall amount to a minimum of SEK 17,703. The amount changes on 1 April 2018 to SEK 18,058, and on 1 April 2019 to SEK 18,419. For salaried employees with one year's continuous employment at the company, the monthly salary at 1 April 2017 amounts to SEK 18,827. This amount changes on 1 April 2018 to SEK 19,204, and on 1 April 2019 to SEK 19,588. For salaried employees with no experience of working, a lower salary may apply for twelve months. A local agreement is required if reasons other than lack of work experience exist.

**Section 4 Negotiating procedures and no-strike rule****Item 1**

If agreement cannot be reached on the application of this agreement at local negotiations in accordance with Section 3 Item 4, either party may request central negotiations.

**Item 2**

If the parties are unable to reach agreement on the application of the wage agreement during central negotiations, either party may refer the dispute to the Wages and Salaries Committee within three months from the date when the central negotiations are declared closed.

The Wages and Salaries Committee consists of four members, with IKEM and Unionen each appointing two.

## Section 5 Term of agreement

This agreement shall remain in effect up to and including 31 March 2020.

*Note in the minutes:*

*A party is entitled, no later than 30 September 2018, to given notice of the agreement's termination on 31 March 2019.*

IKEM and Unionen shall enter into negotiations on a new agreement in accordance with the Industry agreement of 21 June 2011.

| 1 April 2017 – 31 March 2020

## Agreement on local wage formation

### Sveriges Ingenjörer/Naturvetarna

IKEM and Sveriges Ingenjörer/Naturvetarna have reached the following agreement for members of Sveriges Ingenjörer et al employed by companies affiliated to IKEM.

#### Section 1 Common points of reference

The salary structure is an important part of the company's remuneration system to encourage employees to perform effectively and bring about individual development and good results. The salary structure thereby contributes to greater competitiveness, productivity, efficiency and profitability, which brings about the appropriate conditions for university graduates to receive salary increases at the company.

The salary structure is based on the company's business and operating philosophy, economics, the progress of productivity, the achievement of established individual and overall targets and relevant circumstances in the surrounding environment. The company's managers have particular responsibility for setting targets and monitoring results in discussions with the employees. A trusting relationship between the company management, the employees and their trade-union representatives is essential for an effective salary structure.

The agreement aims to create a process in which efforts, skills and results are linked to individual salary increases. This gives the employee the opportunity to bring about increases in his or her own salary. The aim is to achieve a procedure for determining salaries that both the employer and the individual salaried employee are able to understand and accept.

## Section 2 Basic principles of wage formation at the companies

Salaries should be determined individually and they should be differentiated according to the company's economic circumstances, business requirements, the nature and content of the employee's duties and his or her individual efforts, skills and results. In each company the aspects affecting salaries are clearly stated, e.g. personal skills and qualities, education, personnel management skills, technology, finance, information and material assets, individual skills, managerial skills and ability to work as part of a team, problem solving, judgement, ability to take the initiative, creativity, etc. The individual salary should also be determined taking the salaried employee's results and achievement of targets into consideration.

Salaries are determined on the basis of discussion between managers and employees concerning the development of the content of the salaried employee's duties, skills and performance. Technical development and changes in conditions require continuous enhancement of skills. Through enhancement of skills for current and future work tasks, salaried employees become better able to contribute to business targets. The development of the company's work organisation leads to a requirement for flexibility, delegation of responsibility and authorisation as well as enhanced skills. This provides opportunities for personal development with associated salary increases.

## Section 3 Wage formation process and local salary negotiations

### Item 1

Knowledge of the conditions for the salary structure exists within the individual company and is possessed by the company management, the trade-union representatives and the employees. The aim of this agreement is to achieve a completely local salary structure and for that reason local parties should reach agreement on the salary process based on the agreement for the entire term of the agreement. This means that the local parties plan how the salary process is to be implemented with regard to such aspects as the timetable for target discussions, salary discussions and the date of the salary review. This involves carrying out an annual analysis of the overall salary structure at the company. Local parties also need to agree

on how the application of the salary process is to be evaluated, what criteria are to apply to determining salaries and how salary increases are to be determined.

Salary increases as a result of promotions or increases carried out in order to replace another benefit, for example remuneration of overtime, are handled outside the salary review.

## **Item 2**

### **Conditions for the salary review**

The local parties should begin by discussing the conditions for the year's salary review on the basis of the company's economic situation, progress, opportunities for growth, relevant circumstances in the surrounding environment and other factors affecting salaries at the company. A joint view of the conditions makes it easier for the parties to subsequently reach agreement in salary review negotiations.

### **Analysis of the salary structure**

At the same time as the annual salary review, the local parties carry out an analysis of the salary structure in order to achieve the desired salary structure. The analysis of the existing salary structure should lead to a discussion of desirable changes and it may prove that there is reason to carry out individual adjustments in addition to the salary review, for example as a consequence of new employment or in order to remedy any non-objective salary differences on the basis of anti-discrimination legislation.

The analysis of the salary structure should be carried out taking into consideration the fundamental principles for the company's salary structure. It is also important for the local parties to base their approach on how the salary structure is to support the business goals.

## **Item 3**

### **Performance management and target discussions**

Individual targets for the employees are set at annual performance management and target discussions. The manager and the employee discuss individual skills development on the basis of the company's need for skills. That discussion should also centre around the employee's duties in terms of requirements, difficulty and responsibility. The results of performance management and target discussions are documented in writing.

## The individual salary discussion

The individual salary discussion forms an important part of the company's wage formation process. The salary discussion should take place each year on the employer's initiative and should take the form of a direct discussion between the manager responsible for determining the salary and the employee.

The salary discussion shall include the following:

- a description of the company's principles when determining salaries and salary criteria and important factors for determining the individual salary
- follow-up on the goals set for the employee and a general assessment of the results by the manager responsible for determining the salary
- individual salary and salary increases
- justification of proposed salary increase by the manager responsible for determining the salary
- what the employee needs to do in order to influence salary increases.

The salary discussion is a dialogue in which both the manager and the employee are expected to put forward their viewpoints on salary levels. The results of the salary discussion are documented in writing.

## Item 4

The employer issues a proposal to Akademikerföreningen (The Association of Swedish Graduates) containing new individual salaries for the members of the association. At the same time, a report is issued on how the proposal affects the salary structure at the company and, as necessary, how the managers responsible for determining salaries have taken into account factors affecting salaries such as:

- greater demands in the employee's work
- skills development
- more experience
- fulfilment of personal goals
- individual performance
- commitment.

Akademikerföreningen and the employer discuss the proposal. If no request for negotiations has been issued within two weeks from when all members of Sveriges Ingenjörer have received information of their new salary, the employer will establish the salaries.



The starting point is that all employees, through their work and results, contribute to the company's progress in terms of productivity, profitability and growth. Therefore all employees should, in principle, receive an increase in salary. If a member of Sveriges Ingenjörer et al receives no salary increase or only receives a small salary increase, the individual's aptitude for the work will be subject to review.

If there is a need for action to enhance skills or other suitable measures, a decision should be made to draw up a plan aimed at bringing about change. The measures should be documented and followed up at an agreed time.

If Akademikerföreningen is not represented at the company, a further salary proposal will be issued and discussed with the individual university graduate.

## Item 5

According to the spirit of the agreement, the local parties endeavour to reach agreement in local negotiations. If there are difficulties involved in reaching agreement, the local parties can contact their respective organisations in order to clarify the intentions of the agreement and the principles governing the salary structure. If local parties so wish, central parties can provide advisory salary consultations around the salary process in order to provide advice and experience.

Such advisory salary consultation shall, unless otherwise agreed by central parties, be carried out no later than 1 month from the central party's request.

*Comments:*

*Unless otherwise agreed by the local parties, the central parties have agreed on a standard for salary level increases of 6.0 per cent for the full term of the agreement.*

*Comments:*

*If the local parties, despite the intentions behind this agreement, fail to agree on the salaries for the members in question, Akademikerföreningen may call for confirmation to ensure that salary increases during the term of the agreement have raised the employees' salary amount by at least 6.0 per cent.*

*If such is not the case, the difference between 6.0 per cent and the total salary increases made in salary reviews during the term of the agreement shall be added to the last salary review and distributed in a salary review in accordance with the principles of this agreement on 1 April 2019.*

*The salary review dates for the term of the agreement are 1 April 2017, 1 April 2018 and 1 April 2019.*

*Note in the minutes:*

*A party is entitled, no later than 30 September 2018, to given notice of the agreement's termination on 31 March 2019.*

*Should notice of this agreement's termination be given by either party specifying 31 March 2019, the difference between 4.0% and the sum of the salary increases of 1 April 2017 and 1 April 2018 is to be added to the salary review on 1 April 2018, in accordance with the principles of this agreement.*

## Section 4 Negotiating procedures

### Item 1

If no agreement can be reached at local negotiations on the application of this agreement, either party may request central negotiations.

### Item 2

If the parties are unable to reach agreement on the application of the wage agreement during central negotiations, either party may refer the dispute to the Wages and Salaries Committee within three months from the date when the central negotiations are declared closed.

The Wages and Salaries Committee consists of three representatives of IKEM and three of Sveriges Ingenjörer/Naturvetarna. One of IKEM representatives shall be chair, with one of the representatives of Sveriges Ingenjörer/Naturvetarna acting as deputy chair.

## Section 5 Term of agreement

This agreement shall remain in effect up to and including 31 March 2020.

*Note in the minutes:*

*A party is entitled, no later than 30 September 2018, to given notice of the agreement's termination on 31 March 2019.*

IKEM and Sveriges Ingenjörer/Naturvetarna shall enter into negotiations concerning the agreement in accordance with the terms of the Industry Agreement of 21 June 2011.

## Valid until further notice

### Agreement on local wage formation

IKEM – The Swedish Industrial and Chemical Employers' Association and Ledarna – the Swedish Association for Managerial and Professional Staff agree the following wage agreement.

#### Common points of reference

IKEM and Ledarna are agreed that wage formation shall take place locally at companies. Salary determination and progression should be based on the company's economic circumstances and they should be differentiated and determined individually. Salaries are determined taking account of the content of the work, the degree of difficulty, external factors, competence and performance.

The common points of reference provide the conditions and stimulus for increased productivity and individual development, which are decisive in terms of the competitiveness and profitability of the company. The parties are keen to take an active, consultative role in the development of the local processes.

### Section 1 Principles of wage formation

#### Dialogue and salary process

An annual salary process takes place, during which there is a structured dialogue between the Ledarna member and his or her manager. It is important that both the company's guidelines and the content and intentions of the agreement with regard to wage formation are known within the company. An important starting point for the task of salary determination is to clarify the company's concept and strategy for how salaries are determined at the company.

Salaries are determined through a dialogue between the manager and the Ledarna member. The annual process includes determining the dates for dialogue, evaluation and salary review. The dialogue discusses goals, priorities and conditions for desired performance. Agreed goals, objectives achieved and the individual's development and performance form the basis of the manager's salary proposal. The salary proposal and the reasons behind it are presented at a scheduled meet-

ing at which an agreement on salary is reached. Both the manager responsible for determining the salary and the employee whose salary is being set have a joint responsibility to ensure that the dialogue functions properly.

## Local representatives

Where there are local representatives for Ledarna, the local parties work together on the practical application of the wage agreement. Annual timings and forms of salary review are also established. A clear description of this is set out in writing.

If no local agreement is reached with regard to the timing of salary determination, set individual review dates according to a predefined procedure are applied, such as the month of the anniversary of employment. The agreed process should be documented and made known throughout the company.

The local parties should also jointly evaluate the local application annually in order to develop the process.

*Comment:*

*For guidance on the cooperation of the local parties, see the common party support material “Stages of development for wage formation that is company-based and manager-based”.*

Competence development is an important part of this agreement and a prerequisite for success in a managerial role. See also common party document “Competence Development in the companies” printed with the agreement.

## Disagreements

In the event of disagreement on the application of the wage agreement or if a member of Ledarna does not agree a new salary with his or her manager responsible for determining the salary, this shall be handled in accordance with the main agreement’s negotiating procedure – salary, Section 1.

## Term of agreement

This agreement replaces the previous agreement on local wage formation of 2 March 2015 and is in force until further notice, with a notice period of three months.

## Valid until further notice

### Main agreement on negotiating procedure

IKEM – The Swedish Industrial and Chemical Employers' Association and Ledarna – the Swedish Association for Managerial and Professional Staff agree the following negotiating procedure for wage negotiations and dispute resolution.

### Section 1 Negotiating procedure – salary

#### Item 1 Salary consultation

In the event of disagreement on the application of the wage agreement, the central organisations should be consulted before local cooperation is ended.

#### Item 2:1 Local negotiations

According to the spirit of the agreement, issues relating to salary should be resolved in the first instance through dialogue between the member of Ledarna and his or her manager.

If a member of Ledarna does not agree a new salary with his or her manager, the member has the right to request the support of local representatives. If agreement still cannot be reached through the salary discussion, local negotiations may be requested immediately, and no later than within seven days.

In the event of disagreement in the local negotiations, the central parties should be consulted on the application of the agreement before the negotiations are ended. The aim shall be to avoid the need for central negotiations.

If an individual is not offered a salary increase, separate discussions shall take place regarding the individual's aptitude for the work and the current requirements of the job, the need for action to enhance skills or other suitable measures.

*Comment:*

*Where there are no local representatives, the member is able to turn to his or her organisation. This must be done within seven days.*

## **Item 2:2 Central negotiations**

If the local parties are unable to reach agreement in local negotiations, central negotiations may be requested. This shall be done no later than three weeks from the date when local negotiations were declared closed.

Parties that fail to observe the time limits specified in Items 2:1 and 2:2 shall forfeit the right to pursue the matter further and the employer shall be entitled to determine the salaries.

## **Item 3 No-strike rule**

Pursuant to the agreement on local wage formation, a no-strike rule applies to both the local and central parties with regard to the matters regulated in the agreement on local wage formation.

If it has not been possible to reach an agreement on individual salaries after central negotiations in accordance with Section 1 Item 2:2, Ledarna is entitled to decide to cancel the no-strike rule at the company or company unit in question. Notice to this effect shall immediately be sent to IKEM. No party may give notice of, or take, industrial action at the workplace in question before the dispute has been referred to the Wages and Salaries Committee and its opinion has been conveyed to the parties involved in accordance with Item 5. To be valid, notice of industrial action must have been issued by Ledarna's central board or by the board of the relevant employers' association.

Otherwise, the rules regarding industrial action as laid down in the relevant laws and agreements shall apply.

## **Item 4 Wages and Salaries Committee**

The Wages and Salaries Committee consists of four members, with IKEM and Ledarna each appointing two, plus one secretary each. If the Board agrees, it can act as an arbitration board with one member of the board appointed independent chairperson. This also applies if the mediator appointed by the parties rules that individual matters under negotiation should be decided by an arbitration board.

## **Item 5**

If the parties are unable to reach agreement on the disputed matter following central negotiations and the opinion of the Wages and Salaries Committee, either party may request mediation in accordance with the Employment (Co-determination in the Workplace) Act.

## Section 2 Negotiating procedure – Dispute resolution

### Item 1 Scope

If a legal dispute or any other conflict of interest arises other than those referred to in Section 1 above regarding conditions of employment and other relations between the parties, negotiations shall be conducted as described in this negotiating procedure.

All disputes where the employment relationship is a necessary condition for a legal claim are covered by the negotiating procedure.

*Comment on the first paragraph:*

*This negotiating procedure has been drawn up with the aim of collating and clarifying the previously applicable rules of the Main Agreement and the Development Agreement relating to negotiating procedures. It also aims to illustrate the differences in procedure for different types of dispute in accordance with the agreement and legislation and in some cases to change the deadlines for requesting negotiations. The aim has not been to make changes, compared with the application of previous negotiating procedures, in relation to forms of negotiation, how negotiations are conducted, the positions of the parties, in which situations negotiations should take place or how the parties otherwise relate to one another locally and centrally. If there is any uncertainty with regard to the content of this negotiating procedure, guidance can therefore be obtained from the application of the previous rules. The Employment (Co-determination in the Workplace) Act applies to negotiations between the associations on general conditions of employment*

### Item 2 Local and central negotiations

Negotiations shall be conducted in the first instance between the local parties (local negotiations). The local parties are the employer and the local trade union.

If local negotiations end without any agreement being reached, the matter under negotiation can be referred for central negotiation. Central negotiations are conducted with the involvement of the industry partners.

### Item 3 Conducting of negotiations

Negotiations shall commence as soon as possible and no later than three weeks after the date negotiations were requested. Negotiations may nevertheless com-

mence at a later date if this is agreed by the parties. Negotiations in accordance with Sections 11, 12, 21 and 38 MBL shall take place without undue delay.

Negotiations shall be conducted swiftly and minutes of the negotiations shall be prepared if requested by one of the parties. The minutes shall be prepared as soon as possible and checked by the parties.

Unless clearly agreed otherwise by the parties, negotiations are concluded on the date negotiations took place. A party may always conclude negotiations by clearly indicating to the counterparty that they consider the negotiations to be concluded.

If minutes are kept, such minutes shall indicate when negotiations were concluded.

## **Item 4 Request for local negotiations**

If a party wishes to claim damages or other performance under law, collective agreement or individual agreement, the party shall request negotiations within four months of the party becoming aware of the circumstance on which the claim is based. Negotiations must nevertheless be requested no later than two years after this circumstance arose.

A party that does not request negotiations within the specified period forfeits its right to negotiation.

If the disputed matter is based on a rule of law and shorter deadlines for initiating a dispute or requesting negotiations apply under the law, the deadlines of the law shall apply instead of the deadlines in this negotiating procedure (cf. in particular the rules in Sections 34 and 35 MBL and Sections 41 and 42 LAS).

## **Item 5 Request for central negotiations**

The request for central negotiations shall be made in writing and shall, unless indicated otherwise below, be made to the counterparty organisation within two months of the date when local negotiations were concluded.

For negotiations in accordance with Sections 11, 12, 21 and 38 MBL, the request for central negotiations shall be made within one week of the date when local negotiations were concluded.

In disputes relating to the invalidity of notice of termination or dismissal or declaration that fixed-term employment is to be made permanent, the request shall be made within two weeks.



Where other negotiation matters are based on a rule of law and a shorter deadline for requesting central negotiations applies under the law, the deadline of the law shall apply instead of the deadline in this negotiating procedure (cf. in particular the rule in Section 37 MBL).

Failure to request central negotiations in accordance with the above shall result in the forfeiture of the right to negotiation.

### **Item 6 Legal action**

A legal dispute that under this negotiating procedure has been the subject of unsuccessful negotiations may be referred by either party for legal resolution within three months of the date when central negotiations were concluded. Failure to do so shall result in the forfeiture of the right to take legal action.

If the disputed matter is based on a rule of law and shorter deadlines for initiating legal proceedings apply under the law, the deadlines of the law shall apply instead of the deadlines in this negotiating procedure (cf. in particular the rules in Sections 34, 35 and 37 MBL and Sections 41 and 42 LAS).

## **Section 3 Term of agreement**

This agreement replaces the previous Main Agreement of 2 March 2015 and is in force until further notice, with a notice period of three months.

If there is a collective agreement on general conditions of employment in force between IKEM – the Swedish Industrial and Chemical Employers' Association and Ledarna at the time the negotiating procedure is due to expire, observing the notice period, the negotiating procedure shall be extended with regard to Section 2 and shall terminate at the same time as the agreements specified.



## **COMPETENCE DEVELOPMENT IN THE COMPANIES**

This agreement states the central parties' views on competence development in the companies.

## Competence development in the companies

**Ledarna (The Association for Managerial and Professional Staff), Unionen (The Swedish Union of Clerical and Technical Employees in Industry), Sveriges Ingenjörer (The Swedish Association of Engineers) and Naturvetarna (The Swedish Association of Scientists)**

### Prerequisites

The increasingly tough international competition requires a target-oriented focus on developing the competence of employees. Rapid product development requires the employees concerned to acquire new competences. Increased focus on customers and the market require greater flexibility. A transition from rule-based governance to target-based governance and quality assurance requires a changed working organisation.

A continuous process of change in these respects requires that both the development needs of the company and those of the employees are identified. In this regard, managers have an important task in translating the company's needs to their own team and its members.

### Needs

All employees should be given an opportunity, through a range of measures, to develop the competence needed in new or changed working tasks. It should also be taken into account that individual employees have ideas on the basis of their perspectives on their own development needs and those of the company. This could involve developing knowledge and skills which can ultimately benefit both the individual and the company.

Development at work takes place through a combination of initiatives related to job content, working methods, work organisation, technical support and expertise.

### Responsibility

It is the responsibility of the companies to carry out the development of their staff, organisation and technology and to allocate the necessary resources. At the

same time, it is incumbent upon the individual employee to take the initiative and to feel a sense of commitment and responsibility for his or her own competence development.

## Dialogue

An important basis for the development of the combined competence of the employees and the company is a dialogue between manager and employee. It is through this dialogue that the development programme of the company and its implementation can be communicated. The dialogue can also be an indicator of the individual employee's engagement, thoughts and plans. The dialogue can be created through measures such as regular planning and development reviews.

Experience shows that well-functioning dialogues require efforts at the companies in the form of training for both managers and employees in communication, target identification and following up on results, etc. The dialogue shall be held in a positive spirit and with the aim of achieving a positive development for the employees and the company.

In order to achieve the desired results, it is important that the agreed measures, such as training, are documented and monitored. This can be done, for example, by drawing up personal development plans.

## Cooperation

It is the opinion of the parties that the implementation of dialogues and competence development, as well as support for initiatives from individual employees for his or her own development, should be adapted to the situation of the specific company and based on the company's business concept and long-term visions.

The forms of dialogue with the employees, as well as planning, implementation and follow up on various development measures, should be discussed and agreements entered into between the local parties.

## Wage formation

The competence development of individual employees should be an important component in the wage formation at the companies. The parties refer to the agreement on wage formation in this respect.



## **WAGE AGREEMENT GUIDELINES – LEDARNA**

Stages of development for wage formation that is company-based and manager-based

### Wage agreement guidelines – Ledarna

#### **Stages of development for establishing wage formation that is company-based and manager-based**

The management agreement is a model for local wage formation that takes into account the circumstances of the company and links salary progression to the development and performance of the individual. The aim of the agreement is locally adapted application that provides quality assurance for both the process and the management dialogue in general.

These guidelines provide support for the parties' common task of creating a well-functioning salary process that is adapted to the business. They can also provide support for evaluating, developing and quality assuring the existing salary process and they contribute to Sustainable managers.

The purpose of the questions is to clarify the practical application of the entire salary process. A well-functioning process and established principles create broader acceptance of wage formation. The parties should therefore discuss and agree on the points below. Document this to make the process clear and practicable!

*10 steps for developing wage formation that is company-based and manager-based*

#### **Common points of reference**

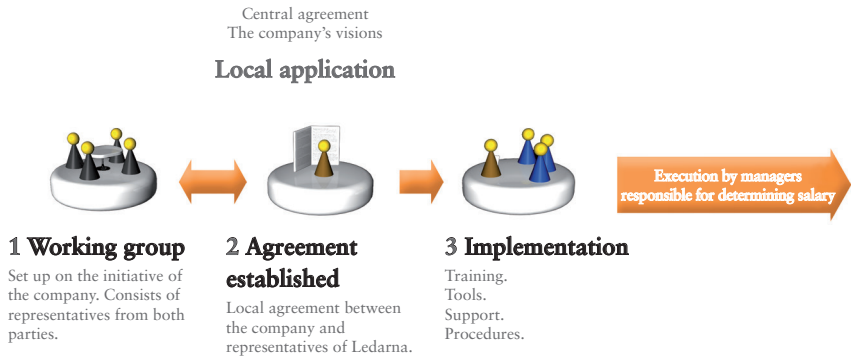
It is useful to divide the salary process into separate elements. To start with, it is a good idea to appoint a working group to define the starting points and shape the local application of the wage agreement.

#### **1. What can you gain from wage formation that is company-based and employee-based?**

How can the wage agreement support a business concept and the development of the business?

Can common points of reference be defined in the salary process?





## Salary process

You should describe the salary process that applies to members of Ledarna for your particular company. The intention is for everyone to understand the practical application and where responsibility for each element lies.

### 2. What are the local conditions?

The company's circumstances?

What role will HR and the local representatives each play in the process?

Identify differences and similarities in the wage agreement between the different union organisations?

### 3. How will you implement the salary process?

Review date?

When will the employee discussions take place?

When will the new salaries be paid?

When and how are the salary process and the salary criteria communicated and established?

How will the managers reach a consensus on the application of the salary criteria?

How will the management communicate the conditions ahead of the annual salary review with the managers responsible for determining salaries?

How will the process be evaluated – for quality assurance?

## Salaries and salary progression

Salaries should be determined individually and they should be differentiated according to the company's salary policy and widely known salary criteria.

### 4. What development do you want to see in your employees?

What demands does the business make on the employees?

What leadership is expected from managers?

What skills and actions are important for the future?

Which salary criteria is it therefore important to highlight?

### 5. Which employee discussions should managers hold?

What is the aim of the different discussions?

When will the discussions take place?

How can the discussions be quality assured?

How can the discussions be documented?

Is a template needed for producing documentation?

## Roles of the manager and the employee

A well-functioning dialogue between the manager and the person whose salary is being determined is key to a well-functioning process based on both parties being prepared to take responsibility. This places significant demands on managers, who must in turn have realistic conditions in order to perform their task.

### 6. Responsibility and authority?

Which managers should assess the performance and results of employees?

How are these assessments to be made?

What authority do the managers need?

Time and resources?

If the manager and employee are unable to agree, what do we do then?

## 7. What support do managers responsible for determining salaries and employees need?

Support in the organisation, administrative support, HR, line manager, colleagues, employees?

How are managers trained in and introduced to the salary process?

What information and support do the employees receive?

What support in the form of materials and documentation do managers and employees need?

## Manager dialogue

Areas with joint responsibility that need to be highlighted in an annual dialogue.

### 8. Development

Duties and areas of responsibility?

Mandate and authority?

What needs to be done and how?

Expected leadership?

Competence development?

Individual goals?

Prerequisites for desired results?

### 9. Follow-up

How is it going?

What is the top priority right now?

How is your private life affected by your work, for example availability and workload?

What support do you need in your managerial role in order to best perform your duties; organisational, administrative, HR, line manager, colleagues, employees?

# Wage agreement guidelines – Ledarna

## 10. Evaluation and salary

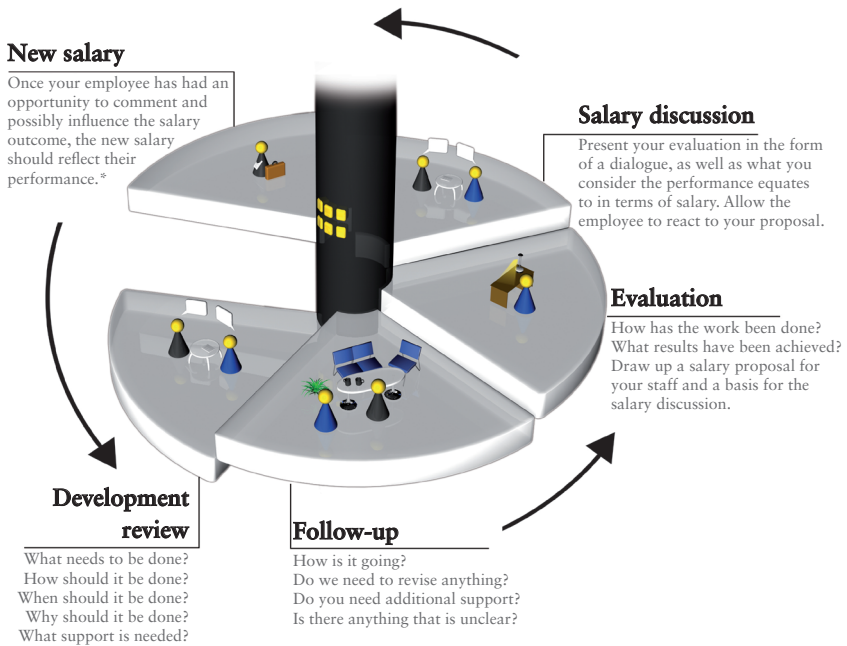
Follow-up on agreed goals?

Individual development?

Performance?

Manager's salary proposal?

*Example of a salary process staircase – over one business year*



# NEGOTIATING SYSTEM


Schematic summary of the negotiating system

# Negotiating system

## Schematic summary of the negotiating system

Issue to which the case relates	Request for local negotiations no later than	Conducting of negotiations
Annulment of a termination of employment or a dismissal pursuant to the Employment Protection Act (LAS)	Must reach the counterparty within 2 weeks of notice of termination or dismissal (Section 41 LAS)	Within 3 weeks of the request unless agreed otherwise
Other disputed matter under law, collective agreement or individual agreement	Within 4 months of becoming aware of the issue to which the dispute relates. Within 2 years at the latest. Exception for uncontested wage claims	Within 3 weeks of the request unless agreed otherwise
Dispute in accordance with Section 34, third paragraph and Section 35 of the Employment (Co-determination in the Workplace) Act (MBL)	The employer shall request negotiations immediately	Within 2 weeks of the request unless agreed otherwise
Negotiations prior to a decision on changes or the hiring in/ engagement of sc, MBL Sections 11,12 and 38	The employer requests negotiations	Without undue delay
MBL Section 21 negotiations on duty of confidentiality	The employer requests negotiations	Without undue delay

Request for central negotiations	Conduction of central negotiations	Initiation of legal proceedings
Within 2 weeks of the conclusion of local negotiations	Within 3 weeks of the request unless agreed otherwise	Within 2 weeks of the conclusion of central negotiations
Within 2 months of the conclusion of local negotiations	Within 3 weeks unless agreed otherwise	Within 4 months of the conclusion of central negotiations
Within 10 days of the conclusion of local negotiations	Within 3 weeks of the request unless agreed otherwise	Within 10 days of the conclusion of central negotiations
Within 1 week of the conclusion of local negotiations	Within 3 weeks unless agreed otherwise	
Within 1 week of the conclusion of local negotiations	Within 3 weeks unless agreed otherwise	Within 10 days of the conclusion of central negotiations



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