

TEKNOLOGIATEOLLISUUS RY  
METALLITYÖVÄEN LIITTO RY

October 24, 2013

## **SUMMARY ON THE MINIMAL WORKING CONDITIONS OF POSTED WORKERS IN THE TECHNOLOGY INDUSTRY**

This guide is intended for foreign companies operating in the technology industry, as well as their workers who come to work in Finland and are subject to the Posted Workers Act. The Act is based on an EU Directive. Posted Workers represent three types:

- 1) Employees of a foreign subcontractor (subcontracting)
- 2) Employees sent to work in an establishment or a company of the same group (international assignment)
- 3) Employees of a foreign employee leasing agency (temporary agency worker).

This guide may also be useful for enterprises acting as contractors, as well as the authorities who oversee occupational health and safety issues.

The guide covers the key provisions concerning wages, working times and annual leave in the technology industry. Following the guidelines, the employers and employees can ensure that the wages and working hours meet the minimum requirements of Finnish law.

This guide is not a collective labor agreement or a part of it. Strict rules can be found in the collective agreement and the law. Links to key legislation and the collective agreement can be found at the end of the guide.

### **WORKING HOURS**

Regular working hours shall not exceed eight hours per day and 40 hours per week. The week starts on Monday.

Working hours can be arranged to fit the average by agreeing verifiably, preferably in writing, on a daily and weekly maximum number of regular working hours. Working hours shall be balanced to a maximum of 40 hours per week for 52 weeks or a shorter-term employment during the employment period. The balance of working hours must be compiled into a working hour plan or a plan of the use of working hours for the entire period of balancing of working hours. The working hour plan shows the beginning and the end of the working time, as well as the rest periods.

The averaging of the working hours, therefore, provides an opportunity to work more hours per week, for example, a six-day work week and, correspondingly, a longer time off, for example in the home country, in which

case, the working hours are balanced. This requires an agreement, a compilation of a working hour plan, as well as maintaining the working hour records and observing the rest periods.

Unless the working hours are averaged as mentioned above, the worker shall be paid overtime for the working hours exceeding their regular working hours. For the hours exceeding the regular daily working hours, the employee shall be paid their wage increased by 50% and for the following hours by 100%. For the overtime put in on a day off, in excess of a regular working week, the employee shall be paid their wage increased by 50% for the first 8 hours and by 100% for the rest of the overtime put in during the same working week. The maximum amount of overtime is 250 hours per calendar year.

Employees must be given an 11 hour daily rest period between shifts. Employees must also be given a 35 hour weekly rest period. If an employee works during their weekly rest period, they must be paid a wage increased by 100%, in addition to the above-mentioned overtime wage increase, or they must be given a corresponding rest period later.

The following public holidays falling on weekdays Monday through Friday are days off, and employees paid on an hourly basis must be paid an 8 hour wage:

- New Year's Day (January 1st)
- Epiphany (January 6th)
- Good Friday
- Easter Monday
- May Day (May 1st)
- Ascension
- Midsummer's Eve
- Independence Day (December 6th)
- Christmas Eve, Christmas Day, Boxing Day (December 24th, 25th and 26th)

Work done on Sundays and public holidays must be compensated for by a 100% Sunday increase.

Employees working 40 hours a week must be given a 100 hour (12.5 day) leave per year (averaging days of working time), if deployed for one full calendar year. This leave of bank holidays cannot be used for the averaging of the regular working hours as described above. The wage of these holidays must be compensated to an employee paid by the hour, either by paying an additional 6.3% benefit for each hour worked within the regular working hours or paying an 8 hour wage for each of these holidays. The benefit for the averaging of the working hours of a monthly paid employee is included in the monthly salary.

The employer must keep working time records of the hours worked. More information on working time records: <http://www.tyosuojelu.fi/fi/workingtime>

## **SALARY**

According to the collective labor agreement, a minimum wage of the employee consists of a job related wage share, based on how demanding the job is, as well as a personal wage share, based on the employee's qualifications.

The job related wage share (a minimum wage mentioned in the collective labor agreement) is based on the demands level of the job performed by the employee.

The demands level of the job can be determined through a rough segmentation. The job demands segments are determined by the following definitions:

I Jobs that require a fairly brief hands-on experience, normal responsibilities and are routinely performed in ordinary work premises.

II Jobs that require standard professional skills and involve a great deal of responsibility for the progress of the work, as well as jobs performed in difficult working conditions, but requiring a fairly short working experience.

III Jobs that require versatile and good professional skills and involve a great deal of responsibility for the progress of the work. Jobs that require good professional skills and involve a great deal of responsibility and performed in fairly difficult working conditions. This segment also includes the jobs performed in difficult working conditions that require standard professional skills and involve a great deal of responsibility.

If the client company uses the above-mentioned segmentation, concerning the demands level of the job (temporary agency workers), the leasing agency can take advantage of the demands level specifications used in the client company.

The personal share of the wage must be determined no later than four months after the commencement of employment. The personal share of the wage must amount to at least 3% and a maximum of 25% of the job related share of the wage.

The salary can be determined per hour or per month.

Evening and night bonuses must be paid for the shift work.

## **IMPLEMENTATION OF THE TRAVEL PROVISIONS OF THE COLLECTIVE LABOR AGREEMENT**

The travel provisions of the collective labor agreement do not apply to posted workers, unless the posted worker is temporarily working at another place of employment in Finland.

## **ANNUAL LEAVE**

According to the Finnish Annual Holiday Act, employees working in Finland must be given 2 days (if the employment relationship is for less than one year) or 2.5 days (if the employment relationship has lasted for more than a year) paid annual leave for each calendar month of work. The leave accumulated by March of each year, the summer leave (24 days off or four weeks) must be given during the holiday season, from May to September. The days of holiday leave are considered to be all days, except Sundays and public holidays. Winter holiday (in excess of the 24 days) must be given between October and April. It can be agreed upon with the employee to postpone the holiday leave to a later point in time.

In addition to the salary for the duration of the holiday leave, the employee must be paid a holiday pay that amounts to 50% of the salary for the duration of the holiday leave. At the end of the employment, the employee must be paid a holiday compensation that equals the salary for the untaken holidays.

More information on annual leave: [www.tyosuojelu.fi/fi/holidays](http://www.tyosuojelu.fi/fi/holidays)

## **OCCUPATIONAL SAFETY**

Posted workers are covered by the Occupational Safety Act and the Occupational Health Care Act. The employer must take out accident insurance for the employees against accidents at work.

## **ADDITIONAL INFORMATION**

The Collective Agreement in its entirety can be found at:

<http://www.teknologiateollisuus.fi/fi/tyomarkkina-asiat/tyoehtosopimukset.html>

Link to the laws concerning posted workers:

<http://www.finlex.fi/en/laki/kaannokset/1999/en19991146?search%5Btype%5D=pika&search%5Bpika%5D=posted%20workers>

Link to the EU Directive concerning posted workers:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31996L0071:EN:HTML>

Link to the Occupational Safety Law:

<http://www.finlex.fi/en/laki/kaannokset/2002/en20020738?search%5Btype%5D=pika&search%5Bpika%5D=health%20and%20safety>