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**BASIC
AGREEMENT
OF
1978**

(Hovedavtalen)

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BASIC AGREEMENT OF 1978

(Hovedavtalen)

To constitute part of all collective agreements between the Norwegian Federation of Labour Unions and the Norwegian Confederation of Employers' Organizations

Chapter I

N.A.F. has LO recognize the united right of employees and employers to organize freely.

The negotiators of N.A.F. proposed in 1947 a new paragraph which is therefore in conflict with a basic principle of collective agreements. The two main organizations of employees and employers agreed to amend the paragraph in order to avoid a situation where the organization of employees is organized or unorganized.

The LO negotiators proposed that the paragraph should be amended so that it would be in line with the basic principle of collective agreements. The N.A.F. negotiators have therefore proposed a new paragraph.

Chapter II

Right and duty to negotiate

1) Where a collective agreement is in force, no other agreement shall be concluded.

2) Disputes concerning the interpretation of a collective agreement or a change of based on a collective agreement shall be settled by the Labour Court if the parties cannot reach an agreement within the time limits of subsections 3-4.

3) Disputes between the parties to a collective agreement shall be submitted to arbitration if the parties cannot reach an agreement within the time limits of subsection 2. If no agreement is reached within the time limits of subsection 2, the parties shall refer the dispute to arbitration.

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BASIC AGREEMENT OF 1978

(Hovedavtalen)

between
the Norwegian Employers' Confederation (N.A.F.), all national associations, local associations and individual undertakings
and
the Norwegian Federation of Trade Unions (LO) and all unions and associations (divisions).

To constitute part I of all collective agreements between the Norwegian Employers' Confederation and the Norwegian Federation of Trade Unions (cf. note after sec. 46).

Part A.

Chapter I.

The right to organize.

Section 1.

N.A.F. and LO recognize the mutual right of employers and employees to organize freely.

Addition:

The negotiators of N.A.F. proposed in 1947 a new 2d paragraph:

«It is therefore in conflict with a basic principle of cooperation between the two main organizations if attempts are made to prevent appointment or employment of an employee because the employee or the undertaking is organized or unorganized.»

The LO negotiators remarked that they considered this addition superfluous as the rule was evident already from section 1 now in force.

The N.A.F. negotiators then declared that they withdrew their proposal for a new 2d paragraph.

Chapter II.

Right and duty to negotiate.

Section 2.

- 1) Where a collective agreement is in force, no work stoppage or other labour dispute shall occur.
Disputes concerning the interpretation of a collective agreement or a demand based on a collective agreement shall be settled by the Labour Court if the parties cannot reach an agreement under the rules of subsections 2—4.
- 2) Disputes between an undertaking and its employees shall first be submitted to negotiations between the undertaking and the shop-steward or shop-stewards. At these meetings minutes shall be kept for the information of the parties concerned.
- 3) If no agreement is reached through negotiations conducted pursuant to subsection 2, the parties involved, or the main organizations, may agree to con-

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tinue negotiations on the spot after summoning a responsible representative from each organization.

The main organizations or their subordinate bodies may not contact members of the other organization directly regarding wages and working conditions without the consent of the other organization.

- 4) If no agreement is reached through negotiations provided for in subsections 2 and 3, or if such negotiations do not take place, or if there is a dispute between the organizations, each of the parties is obligated to refer the conflict to the national organization concerned, or to LO and N.A.F., or to subordinate organizations authorized by these.
- 5) Negotiations shall be held within 8 days after a written request by one of the parties.

Chapter III.
Shop-stewards.

Section 3.

At each undertaking shop-stewards shall be elected to represent the organized employees if requested by the undertaking or by the employees.

Section 4.

At undertakings employing up to 25 employees, 2 shop-stewards may be elected.

At undertakings employing:

26— 50 workers,	3 shop-stewards,
51—150 »	4 »
151—300 »	6 »
301—500 »	8 »
501—750 »	10 »
over 750 »	12 »

One of these shop-stewards may be elected study shop-steward in order to take care of vocational training and also occupational information activities with the agreement of the management.

Moreover, in agreement with the management shop-stewards for other special tasks may be elected among the above mentioned shop-stewards.

In addition to the above mentioned shop-stewards, there are shop-stewards elected according to directions for the use of time studies and the general agreement concerning systems based on data machines.

If desired, the election of shop-stewards can take place groupwise. Any working group recognized as such by the undertaking and averaging at least 25 employees, is entitled to one shop-steward on the committee. This applies even if the number of shop-stewards thereby should exceed the scale above.

If the undertaking employs members of a single trade union only, and the trade union has members from this undertaking only, members of the trade union executive committee may be elected shop-stewards to the extent permitted under this agreement.

Where the employees of an undertaking belong to more than one trade union, each one of which is affiliated to LO through its national union, joint meetings

(factory meetings) may be called where they elect the chairman of the shop-steward committee. The chairman may be elected from any group affiliated to LO, irrespective of which basic agreement between N.A.F. and LO the group belongs to. He may then be elected among others than the elected shop-stewards.

The election shall fully express the will of the majority of the organized employees.

The chairman of the shop-steward committee may participate in all prearranged negotiation meetings, cf. section 2 of the Basic Agreement, between the employees and the undertaking, irrespective of which group affiliated to LO is concerned.

Addition:

1. If certain employees of an undertaking are members of an organization not affiliated with LO, the calculation of the number of shop-stewards shall be based on the number of workers employed by the undertaking, minus those attached to these organizations.
2. By the working committee is meant chairman, vice chairman and secretary of the shop-steward committee.

Section 5.

The shop-stewards at the undertaking shall be elected among employees of recognized ability and with experience and insight into its working conditions. They shall, as far as possible, be elected among employees who have been employed at the undertaking for the last 2 years. They shall be over 20 years old. Workers under 18 years of age, however, shall be entitled to elect one representative under 20 years of age of the number fixed in section 4.

Note:

If one of the parties is of the opinion that the election has been conducted in conflict with these rules, the matter may be submitted to the main organizations for discussion. Further, the main organizations may discuss an adjustment of these rules in cases where most of the workers are under 18 years of age.

The election shall be valid for one calendar year at a time. However, the chairman of the shop-steward committee can be elected for 2 years.

If a shop-steward terminates his employment at an undertaking he shall cease functioning in this capacity.

Within 8 days of the election, the undertaking shall be notified in writing of the names of those elected in accordance with sections 4 and 5, 1st paragraph and who is the chairman of the committee. An employee cannot claim to be recognized as a shop-steward prior to such notification. The employees previously elected shall be recognized as shop-stewards until the undertaking has been notified of the new election.

Addition:

The N.A.F. *negotiators* proposed in 1947 to include the following provision:

«The workers are not entitled to elect others to act instead of the shop-stewards in matters under the charge of these.»

The LO *negotiators* referred to the following congress resolution from 1925 which was still in force:

«... No organization, cells, groups or action committees must be organized for the purpose of putting out of action the normally established and elected authorities within the labour union or promote aims which are parallel to those of the union...»

With reference to this, the LO *negotiators* considered any provision in this respect superfluous in the Basic Agreement.

Accordingly, the N.A.F. *negotiators* withdrew their proposal.

Chapter IV.

Joint declaration of the main organizations concerning the shop-steward system.

N.A.F. and LO agree that it is of vital importance to the good relations at the place of work that cooperation between the representatives of the management and the shop-stewards proceeds in a rational and secure way, and that the shop-stewards are enabled to fulfill effectively their tasks in conformity with the Basic Agreement and the Working Environment Act, and as representatives at the undertaking of their organization.

Referring to this, the main organizations agree that the shop-stewards shall be given the necessary time to perform their work as shop-stewards at the undertaking. In this connection, if the parties wish it, an agreement may be made about the time needed for the shop-stewards to perform their work as such within the regular working hours of the undertaking. The time altogether used for shop-steward work is adapted to the extent of the work. It may also be discussed locally whether the undertaking, to facilitate the work of the shop-stewards, shall put at their disposal a work room with the necessary equipment. During discussions in accordance with this paragraph, the size and technical character of the enterprise, the wage system of the collective agreement, etc. must be taken into consideration.

In connection with that stated in the second paragraph, the local parties may ask their local organizations for advice.

Concerning remuneration for the time spent on shop-steward work according to this rule, see section 8,1.

The main organizations stress the importance of the employees as well as the undertaking having representatives with the best possible qualifications for dealing with questions of cooperation. The main organizations will, within their membership, try to qualify the representatives of the parties for the tasks incumbent upon them under the Basic Agreement through information and courses.

Mutual rights and obligations of the undertaking and of the shop-stewards.

Section 6.

1) The shop-stewards at the undertaking shall be recognized as the official representatives and spokesmen of the organized employees.

In common with the employers and persons representing the undertaking in its dealings with the employees, it is the duty of the shop-stewards to do their best to maintain peaceful and effective cooperation at the place of work. This

applies during working hours, during conferences between the management and the shop-stewards, when reporting to their own organizations and when dealing with the organization of the other party.

This also applies to the performance of other functions assigned to the shop-stewards.

2) The shop-stewards have the right to take up and seek to settle amicably any grievance of the individual employee against the undertaking, or of the undertaking against the individual employee.

The management shall notify the working committee and the shop-stewards of the specific department, if any, about new employees, and also let the new employees know who are shop-stewards. As soon as possible, the management shall also introduce the new employees to the chairman of the shop-steward committee, and if there is a group shop-steward, to him also.

At larger places of work, the management shall at suitable intervals, summon the new employees to meetings of introduction where the management and the shop-stewards inform them about the undertaking and the organizations of industry and trade. Such meetings ought to be held not too long after employment. Also in smaller places of work, the management and the shop-stewards shall cooperate in giving new employees such guidance.

3) Within the terms of the collective agreement, the shop-stewards are entitled to commit the employees in matters that concern the whole labour force or groups of employees. It is assumed that the shop-stewards, if they deem it necessary, will submit the matter to their fellow workers before committing themselves. The management shall be answered without undue delay.

Note:

When on special occasions, the shop-stewards, on behalf of the employees make an agreement with the employer to make up one working day by working longer hours on other days, the rules for overtime work shall apply, unless the parties make another agreement.

4) Like the employer, the shop-stewards shall see to it that the obligations of the parties under the collective agreement, the factory regulations and the Working Environment Act are observed to the extent that these duties are not particularly vested in other institutions. It is therefore inconsistent with the duties of the employers and the shop-stewards to instigate or participate in any unlawful conflict.

5) Questions about carrying out other provisions of the Working Environment Act than sections 55 A — 68, on which no agreement is reached within the undertaking, or which cannot be settled without taking the matter to the State Labour Inspection may — if one of the parties wishes — be tried solved through negotiations in accordance with the rules of the Basic Agreement, section 2,2.

6) The staff records of the undertaking shall be treated confidentially.

At the individual undertaking, the parties shall discuss which personal information the undertaking may register, how the information shall be kept and how it may be used.

The rules practiced must conform to the provisions of legislation enacted and in the general agreement about systems based on data machines.

Section 7.

- 1) When the shop-stewards have a question to discuss, they shall communicate directly with the employer or his representative at the place of work.
- 2) The chairman, and the vice-chairman or in their place, the secretary of the shop-steward committee, shall have unrestricted access to the various departments of the establishment to the extent necessary to perform the task of shop-steward. They must inform their immediate superior in advance of the reason for having to leave their place of work, besides, as far as possible, they shall let the supervisor of the department concerned know with whom they wish to communicate.
- 3) Also the other shop-stewards shall be able to perform their tasks as such unimpeded. In this connection, they can leave their place of work with the permission of their immediate superior.
- 4) When the shop-steward committee in agreement with the management hold the view that particularly important matters concerning wages and working conditions at the individual undertaking must be dealt with immediately, the committee shall be given the opportunity to meet during working hours without deduction from wages unless important production requirements prevent it.

When the shop-steward committee, in agreement with the management, finds that certain questions must be decided immediately, or that matters of special importance shall be dealt with, trade union meetings may take place during working hours without deduction from wages. This also applies to union meetings for election of shop-stewards.
- 5) When officials of LO or the trade union which has a collective agreement with the undertaking want admittance to it to settle questions in connection with the agreement, such admittance shall be given after the management has been informed. This does not change the provisions of section 2, 3, 2d paragraph.
- 6) The shop-stewards at the undertaking and workers with commissions of trust within the trade union organization shall not be refused time off without very good reason when called to meetings or negotiations by their organization, or when attending courses or carrying on other trade union information work, including participation in organizational delegations.

Employees who are to be trained for commissions of trust as mentioned above shall also, to a reasonable extent, be given time off to participate in trade courses or other organizational information activities.

Inquiries concerning time off in accordance with the above provisions shall be sent the management as early as the circumstances allow.
- 7) All shop-stewards must do their best to ensure that production is interfered with as little as possible and that, as far as possible, no stoppage is caused in the regular operation of special machines.
- 8) In undertakings where circumstances permit it, employees who are elected to paid positions of trust in the trade union are entitled to leave of absence without pay for one period of service.

The question of further leave is decided by the undertaking in each individual case.

Addition:

When asked, the LO *negotiators* stated that the meetings and negotiations that might come into account according to section 7, 6 are: Meetings of the main executive committee, the committee of representatives, national meetings, congresses, executive meetings of the District Trades Councils, tariff negotiations in conformity with section 2 of the Basic Agreement.

Section 7 a.

Safety work.

- 1) If the parties at an undertaking with less than 5 employees agree that there shall be no safety guardian, the functions of the safety guardian may be carried out by the elected shop-steward.

The safety guardian shall have free access where it is needed for his work as a safety guardian. If the person concerned must leave his place of work, his immediate superior shall be informed beforehand or as soon as possible.

Where no working environment council has been established, the employer and the safety guardian shall cooperate also on the tasks assigned to safety guardians through directives worked out in conformity with the Working Environment Act, § 26 item 7, 2d sentence.
- 2) At undertakings where, in conformity with § 23 of the Working Environment Act, working environment councils have been established, the management can set up a budget and within this give the council authority and responsibility for putting into effect safety measures on which the members of the committee agree. This does not limit the council's decision — making authority in accordance with the Working Environment Act.

Section 8.

- 1) In negotiating with the shop-stewards the employer may either be present in person or appear through a representative whom he appoints within the management. The employer or his representative may summon other members of the management to participate in the negotiations. The shop-stewards may call in representatives of the employers concerned.

Where there is only one shop-steward, or if only one of them is present, he can take with him another employee for negotiations with the undertaking.

For the time used for pre-arranged negotiation meetings in accordance with section 2,2 and 3 of the Basic Agreement, the shop-stewards shall be remunerated for lost earnings when the meetings take place at the undertaking within their regular hours of work. The parties at the undertaking or within the individual agreement region may agree on another way of calculating the remuneration.

For meetings held during the free time of the individual shop steward, he shall be remunerated in the same way as for holidays and May 1 and 17, unless the parties within the individual agreement region agree on another way of calculation.

The remuneration mentioned in the above paragraph also applies to safety guardians for the time used for safety work.

For time spent by the shop-stewards, apart from prearranged negotiation meetings, on work in accordance with chapter IV, the introduction, 2d—4th paragraph, they are paid correspondingly.

Note:

It is the understanding of the parties that in negotiations regarding labour disputes, ordinarily no more than 3 shop-stewards take part. The parties have also presumed that special rules for the remuneration of the shop-stewards may be agreed on at the individual undertaking.

The same remuneration as mentioned above shall also be paid for meetings in accordance with section 9 of the Basic Agreement — for meetings in works councils, departmental committees, consultation within the undertaking and cooperation committees in conformity with part B of this agreement — and also for meetings in working environment councils.

The same remuneration shall also be paid if it is necessary to give the chairman and/or secretary of the works council time off to fulfill their duties.

- 2) At the place of work the employer shall daily have a responsible representative whom the shop-stewards can consult. The employer shall give the shop-steward committee his name in writing, also that of his deputy. If this representative cannot reach a decision immediately because he needs to consider the matter more closely he shall give his answer without undue delay.
- 3) The representatives of the undertaking and of the employees shall be authorized to carry on real negotiations, cf. subsection 2 above and section 6,3.

Section 9.

In parts A and B of the Basic Agreement, N.A.F. and LO have framed rules aiming at adjusting conditions for good cooperation between the organizations and between the undertaking and the employees. To the individual person it is of the greatest importance that the feeling of unity between him and the undertaking is strong and alive, and this is also a prerequisite to effective production. In order to obtain such a feeling of unity it is important to have practical ways of discussing common problems and of mutual information in matters of interest to the undertaking and to those working there. Through this cooperation, the employees, through their experience and insight, shall take part in increasing efficiency, reducing production costs, improving the competitive capacity of the undertakings, and shape a more satisfactory place of work and a working organization which is both efficient and meets the human need for self-development. Thereby they also take part in establishing the economic prerequisites for the continued development of the undertaking and for secure and good working conditions for the benefit of the undertaking and for the employees as well. See also the introduction of Part B of the Basic Agreement, the Cooperation Agreement.

- 1) On the basis of the above introduction, the management shall discuss with the shop-stewards (the working committee) questions concerning the finan-

cial and productive position and development, and also the general wage conditions of the undertaking.

By general wage conditions is understood the average earnings specified for the individual departments comprised by the agreement conditions of LO.

It is also important that the employees are kept informed about conditions immediately connected with their place of work and the daily operation. The management shall therefore discuss with the shop-stewards (the working committee), — or, as the case may be — with the departmental shop-stewards, questions concerning the ordinary operation, important changes in the techniques and methods and in working conditions. Such discussions shall take place at regular intervals and at least once a month unless the parties of the establishment agree on something else.

Note:

By department is meant above: an independent department with its own management with authority to make decisions in questions concerning the department. The top management shall discuss with the shop-stewards to which extent such departments are in existence at the individual undertaking. If no agreement is reached, the question may be submitted to the Cooperation Council.

Addition:

The discussions to take place in accordance with section 9, 1, may be combined with the meetings mentioned in sections 31 and 41 in part B, but this is not to interfere with the rights of the shop-stewards as stated in part A.

- 2) The management shall, as early as possible, confer with the shop-stewards (the working committee) — or as the case may be — with the shop-stewards of the individual departments regarding intended expansions, reduction of output or changes in operation of importance to the employees and to their working conditions.

When employment and working conditions are involved, the employees shall be given opportunity to express their viewpoint through their shop-stewards before the decisions of the management are put into effect. If the management finds that it must disregard the comments of the shop-stewards, it shall state the reasons for its standpoint. Conference minutes shall be kept and signed by both parties.

If the undertaking has not fulfilled its information duty according to the above paragraph, the employees given notice of dismissal shall be guaranteed 2 months' salary (ordinary wages) from and including the day the shop-stewards were informed of the notice of dismissal, even if the employment is terminated at an earlier date.

If employees given notice of dismissal have a longer term of notice than 1 month for expiry at the end of a calendar month, these shall correspondingly be ensured 3 months' wages (ordinary wages).

If the undertaking finds that, in connection with reduction of the number of employees, it must deviate from the seniority rule and the shop-stewards are of the opinion that the facts do not justify this, the question may be brought in

for negotiations between the organizations. If the shop-stewards, within 3 days after the conference, inform the undertaking that they want such negotiations, the disputed lay-offs are delayed till after the negotiations between the organizations.

When taking on new employees in the first year after reductions have been carried out, the employees who had to be laid off have prior right to be employed unless there is pertinent reason to deviate from this. The shop-stewards shall be conferred with in advance.

- 3) If plans of expansion, reduction of output or changes in operation also may be of primary importance for the employment at several undertakings within the same concern, the management of the concern shall as early as possible discuss these questions with a coordinating shop-steward committee in accordance with section 47 a)—c) for employees who are included in Part A, regardless of the undertakings being bound by a joint agreement. The management of the concern may summon representatives of the management within the undertakings involved.

Such discussions shall also take place in regard to questions involving the financial and productive position and development.

The representatives of the employees shall be given the opportunity to further their points of view before decisions are put into effect. In cases where the concern management finds that it cannot take into consideration the comments from the employees it shall give the reasons for its viewpoint. Minutes from the conference shall be kept and signed by both parties.

- 4) In undertakings owned by companies, contact meetings between the board of directors and the shop-stewards are held once a year or when one of the parties expresses a wish for it — unless the parties at the undertaking agree on another arrangement. The purpose is to strengthen cooperation and mutual confidence by discussing questions of mutual interest.

The daily manager of the undertaking or his deputy participates in the contact meetings. He summons the parties and organizes the meetings. The meetings shall not interfere with the ordinary procedure of dealing with labour disputes, — cf. section 2 of the Basic Agreement. Notes are to be taken at the meetings and signed by both parties.

Note:

The parties realize that it will not always be practical with participation by all board members and all shop-stewards in the contact meetings, but each side should be represented in a way that ensures that the purpose of the established arrangement is achieved.

Section 10.

If a shop-steward is guilty of gross violation of his duties according to the Basic Agreement, N.A.F. may demand of LO that he resign as a shop-steward. If LO does not find the demand justified, the dispute is settled by the Labour Court. If then a shop-steward must resign, the workers of the undertaking must immediately elect a new shop-steward.

If it is the employer's representative who has grossly violated the Basic Agreement, LO can demand of N.A.F. that he resigns as the employer's representative vis-à-vis the employees. If N.A.F. does not find the demand justified, the

dispute is settled by the Labour Court. If the person concerned must resign as the employer's representative vis-à-vis the employees, the employer is duty bound to immediately appoint a new representative, cf. section 8, 2.

Section 11.

Dismissal or lay-off of shop-stewards must not take place without just cause. When discharging such employees individually, the employer must give him 8 weeks' notice, unless the Working Environment Act or the collective agreement entitles him to longer term of notice. If LO claims that the dismissal is without just cause, it shall not be put into effect before the decision of the Labour Court is at hand. The presumption is that a writ has been issued at the latest 8 weeks after the notice of dismissal has been received. The provisions of the Working Environment Act, §§57—67 concerning notice of termination are correspondingly used, however if LO claims that at notice of termination or dismissal is without just cause, LO shall take the case directly to the Labour court.

If the dismissal is due to shortage of work, the special term of notice in the previous paragraph does not apply. If the dismissal is due to shortage of work, not only seniority and other reasons which it seems reasonable to consider shall be emphasized, but also these employees' special position within the undertaking. Otherwise, these employees have no special privileges within the undertaking.

Before the employer gives notice or discharges such employees the questions shall be discussed with the other shop-stewards (the working committee), unless the employee concerned objects to this, or this might have an offending effect to others.

If an undertaking, within the last 3 months before becoming a member of N.A.F. has given notice to or dismissed shop-stewards or other employees, and it is claimed that this is due to a demand for a collective agreement with the undertaking, the dispute shall be dealt with according to the rules of the Basic Agreement.

Disputes regarding notice to or dismissal of shop-stewards in connection with transfer or corporate reorganization are dealt with in the same way if LO claims that the dismissal is in conflict with section 1 of the Basic Agreement.

Correspondingly, the above rules apply to safety guardians, members of the working environment council, the executive committee and the works council.

Chapter V.

Terms of notice for special agreements.

Section 12.

- 1) Written special agreements concerning wages or working conditions entered into by the management and the employees' representatives are binding on the parties until terminated by written notice. This does not prevail, however, if the special agreement is in conflict with the collective agreement which, in conformity with the rules of the organization, has been established for the undertaking.
- 2) If the special agreement has a specific date of expiry it may be terminated by giving at least 1 month's notice before the date of expiry, unless something else has been specified in the special agreement or in the collective agreement. It is presumed that the local parties have had negotiations before

notice of termination takes place or that negotiations have been requested and have not taken place within 8 days. If no notice of termination of the agreement is given at the time of expiry, the same term of notice is in force for 1 month at a time.

3) If it has been decided or presumed that the special agreement shall be in force for the time being, it may be terminated at any time with at least 1 month's notice, unless something else is specified in the special agreement or in the collective agreement. It is presumed that the local parties have had negotiations before notice of termination takes place, that negotiations have been requested and have not taken place within 8 days.

4) The provision in subsection 3 does not apply when it has been agreed or presumed that a special agreement shall be in force as long as the collective agreement of the undertaking is in force. Unless it is agreed in connection with an ordinary revision that such a special agreement shall expire or be changed, it is also in force during the term of the next collective agreement.

When a special agreement in writing has the same duration as the collective agreement established between the organizations, each of the parties can, during the period of the collective agreement, demand that local negotiations shall be entered into for revision of the special agreement. If no agreement is reached there shall be opportunity to take the matter to the organizations in accordance with the rules in section 2, 3—5 of the Basic Agreement. If no agreement then is reached, each of the local parties can terminate the agreement with the same term of notice as the collective agreement when the collective agreement expires.

The preceding provision is supplementary to the right the parties might have in accordance with the rules of the collective agreement in force to request negotiations, and if necessary, arbitration during revision of special agreements.

5) When a special agreement expires after notice of termination while the collective agreement between the parties is still in force, the conditions dealt with in the special agreement shall be adjusted according to the terms of the collective agreement.

Chapter VI.

Questions of employment.

Section 13.

The employees shall not be obliged to work with or under the management of persons who have shown such improper conduct from the point of view of those working with them or from a general social point of view that they ought to be removed. If such conditions arise, discussions shall take place between the shop-stewards and the employer. If the discussions lead to no agreement, no work stoppage or other form of industrial strife may take place, but the dispute shall be further considered by the organizations in accordance with the rules of section 2.

Section 13 a.

1) Before the employer decides to give notice to or dismiss an employee he shall, if it is practically possible, discuss the question with the employee. This

does not concern dismissal in connection with reduction of output etc. which in accordance with section 9, 2, shall be discussed with the shop-stewards.

2) When carrying out arrangements in accordance with § 13, 2 of the Working Environment Act, the employer shall cooperate with the person not capable of full employment and — if he consents — also with the shop-stewards in the departments concerned and if necessary, with the rehabilitation committee of the undertaking.

Section 14.

1) Leave of absence may be given:

a) When the parties have agreed on it in conformity with section 6,3.

b) If such unpredictable circumstances arise as are mentioned in § 59,1 of the Working Environment Act.

c) When a conflict comprising part of the employees of the undertaking causes that other employees cannot be occupied in an effective way.

d) When other valid reasons necessitate such action by the undertaking.

e) When the collective agreement or custom gives the undertaking the right to do it.

2) a) When giving leave of absence, 2 weeks' notice in writing shall be given, figured from the end of the working day when notice is given. Leave in accordance with 1 b, however, may be given with only 2 days' notice, — in case of fire, 2 weeks.

b) The under a) mentioned terms of notice are not to be used if the agreement or the factory regulations authorize shorter notice.

Neither are the terms of notice valid when the leave of absence is due to a conflict at another undertaking or an unlawful conflict at the undertaking concerned. Also in these cases, however, the undertaking is bound to give as long notice as possible.

Note:

The rule in subsection 2, b, second paragraph applies only when the conflict results in it being impossible to occupy other employees in an effective way in the same department or in other work at the undertaking.

c) Neither shall the under a) mentioned terms of notice be applied when there is irregular absence to an extent which makes it impossible for the establishment to occupy the workers in a financially justifiable way in the same department or with other work within the establishment.

3) Before notice of leave of absence is given, the shop-stewards shall be conferred with in conformity with section 9. Minutes of the conference shall be kept and signed by both parties. The same applies if the undertaking, when reinstating after the leave, wants to follow other rules than those used when giving the leave of absence.

When, in accordance with the rules of subsection 2, the workers shall be allowed a time limit before the leave of absence is put into effect, this time limit starts only after such a conference has been held.

- 4) The probable length of the leave of absence shall be given in the notice. If this is not possible, a date shall be fixed where the need for continued leave of absence shall be discussed with the shop-stewards.
- 5) Notice in connection with a conflict at the undertaking (1 c) shall, as far as possible, indicate which employees will be affected by the prospective leave of absence, and the individual employees who will be given leave shall be notified definitely as long ahead as possible.
- 6) If the undertaking puts into effect leave of absence without observing the terms of notice mentioned in subsection 2, it shall pay the workers ordinary wages till the term of notice has expired. During leave of absence in conformity with subsection 1, b, ordinary time rate is paid.
- 7) When the employees are given leave of absence they shall, if they request it, be given an attestation in writing by the employer. The attestation shall state the reason for the leave and — if possible — the probable duration.
- 8) When employees, in conformity with these terms, are given leave of absence they are still associated with the undertaking and have the right and duty to resume work there as long as their working contracts have not been formally terminated according to the rules otherwise in force. If the undertaking terminates the contract of employment during the period of leave of absence, the employee is entitled to wages for the term of notice in force in such a situation. If the undertaking wants it, the employee is then obliged to perform work for the undertaking during this term of notice unless he is working for another employer. If an employee whose contract has not been terminated during the leave, is not reinstated after the expiry of the leave, the undertaking is obliged to pay him wages during the term of notice in force.

Notes:

- 1) The rules of section 14 apply to the typically seasonal industries unless the collective agreement or fixed practice leads to something else. Also in such cases, section 4, 8 applies accordingly.
- 2) When an employee has been given leave of absence according to the rules of section 14, the obligation of sickness insurance continues both for the employer and the employee as long as the obligation exists according to the Social Insurance Act. The obligation continues only as long as the employee is not in other work.
- 3) The rules of section 14 do not prevent the employer or the employee from terminating the contract of work according to the rules otherwise in force.
- 4) The rules of section 14, 8 have not regulated the responsibility to compensate which might arise for the employer in connection with the leave of absence.
- 5) The provisions of subsection 2 do not involve any changes in the customary right of the undertaking to give leave of absence because of weather obstacles.

- 6) When it can be done without detriment to production, the employees shall, as much as possible, be given leave of absence for public assignments (state and local). This does not apply if these assignments can be taken care of out of working hours.

Section 15.

If nothing else has been agreed on — e.g. in conformity with the terms of section 6, 3 — the following is in force concerning shifting of working hours as the result of a general reduction of the delivery of electric power:

- 1) In cases where the working hours are shifted at an undertaking for such a reason, no extra pay shall be given for work during the hours from 6 a.m. to 8 p.m. For work on shifted hours out of this period, 20% addition to the ordinary wages shall be paid.
- 2) The undertaking is obliged to shift the working hours to other hours if it thereby can maintain operation of an average of not less than 30 hours a week, of which at least 4 hours a day. The obligation of the undertaking may be terminated with one week's notice in writing.

Note:

These rules do not apply directly to shift work. When it comes to shifting working hours for such work, individual agreements between each undertaking and its employees shall be attempted. The main organizations presume, however, that the directives of subsection 1 and 2 of this section are also made the basis for shift work.

Chapter VII.

May 1 and 17.

Section 16.

If nothing else is stipulated in the collective agreement, the provisions of the law and the public regulations concerning May 1 and 17 are in force for those to whom they apply.

Disputes concerning the provisions are treated in accordance with the rules of section 2.

Chapter VIII.

Work certificates.

Section 17.

When an employee leaves an undertaking after due notice, at his own request or through the action of the employer, regardless of the reason for it, he shall receive a work certificate covering the period during which he was employed at the establishment.

The certificate shall include only:

- a) Name and date of birth.
- b) Date of commencing at the undertaking.
- c) Date of termination (without stating any reason)
- d) Trade.
- e) Wage rate at termination.
- f) Period of his last holiday.

If the employee requests it the certificate shall also inform of the kind of work he has performed at the undertaking.

An employee who is discharged is also entitled to a work certificate, but the employer may then state that the employee was discharged without particularly stating the reason. If the employee wishes, the employer shall first confer with the shop-stewards in such cases.

Chapter IX.

New members of N.A.F. and LO.

Section 18.

For undertakings which join N.A.F. during the period of a collective agreement, or which during the period start operations not included in the agreement, the following shall apply:

- 1) These shall be covered by agreements in force between the organizations for undertakings in the same category if N.A.F. or LO requests it. Disputes about the category of the undertaking shall be settled by a committee with one representative for each of the parties, and with a neutral umpire who is appointed by the state mediator if the parties cannot agree on the appointment. When classifying an undertaking for a collective agreement, its operation and working conditions and the kind of work and its execution shall be considered. The designation of the undertaking shall not be the determining factor, the main purpose being to adopt the collective agreement most suitable to its operation.

If an undertaking at the time of enrolment is bound by an agreement (below called special agreement) this will be in force till it expires.

- 2) Request conforming to the first paragraph must be made by N.A.F. at the same time as the union concerned is informed that the undertaking has been enrolled as a member of N.A.F., or when the special agreement of the concern is terminated by N.A.F., or at the latest, 2 weeks after the Confederation has received notice of termination of the special agreement. Request conforming to the first paragraph must be made by LO or the union concerned at the latest 2 weeks after the union has been informed by N.A.F. that the undertaking has been enrolled as a member, or when the special agreement in force at the undertaking is terminated by the union concerned, or at the latest, 2 weeks after the union has been informed of the notice of termination of the special agreement. Both parties, however, may request an extension of one month, within the same time limit. If request has been made within the time limit for one agreement to take effect, then both parties may later request that other agreements also take effect.
- 3) Where a number of collective agreements between the organizations can be referred to, they shall be cited in the following order of priority:
 - a) collective agreement at the national level,
 - b) collective agreement covering a group of undertakings in the same town or district where the newly enrolled undertaking is situated,
 - c) collective agreement covering a single undertaking in the same place,
 - d) another collective agreement covering undertakings in the same category.

This order of priority may be deviated from when it is necessary for the

adoption by the undertaking of the collective agreement under which it naturally belongs according to the system of collective agreements concluded by the two main organizations. If the parties are not in accord on the agreement to be adopted, the matter shall be settled by such a committee as described in subsection 1 above. Disagreement about which to adopt of 2 or more applicable agreements within the same category is settled in the same way.

- 4) Where the wage rates of the collective agreement concerned (hourly, daily, monthly or percentage wages, or piece work) are not automatically applicable, negotiations take place pursuant to section 2. If no agreement is reached, the dispute shall be settled by a committee composed as prescribed in subsection 1 above.

The same provision shall apply where the collective agreement contains no rates of pay for certain categories of the newly enrolled undertaking, or where special conditions there necessitate the incorporation of provisions not included in the collective agreement put into effect. The wages shall be fixed in conformity with section 19,2.

- 5) If at the time of enrolment of an undertaking, notice of termination has been given in support of a request for a collective agreement, or if conciliation proceedings have been decided upon, a committee may decide that work performed during the past period shall fully or partly be postpaid in accordance with the wage rates which are put into effect at the undertaking. When it comes to establishing a collective agreement at the undertaking for the first time, however, additional pay may not be claimed for a period further back than one month after written proposal for a collective agreement was made by the employees' organization. If it is a question of revising an earlier collective agreement at the undertaking, additional pay may not be claimed sooner than from the time the previous agreement expired.
- 6) If the workers of a newly enrolled undertaking have previously had certain advantages which are not ordinarily regulated by collective agreements and which have not been taken into consideration when establishing collective wage and working conditions, such advantages may continue in force for the individual employees as long as they are associated with the undertaking. N.A.F. may, however, demand that also such advantages be omitted under special circumstances. If in this connection a dispute arises which is not settled by negotiations according to section 2, it shall be settled by the committee in conformity with subsection 1 above.

If the collective agreement which takes effect at a newly enrolled undertaking contains clauses concerning retention of advantages in addition to those fixed in the agreement, such a clause does not entitle the employees to demand that the advantages shall be retained to a greater extent than mentioned above. In case of dispute it shall be settled by the committee.

Note:

Special advantages which ordinarily are not regulated by collective agreement may be e.g. free medicine, free schooling for the children of employees, or paid leave of absence in connection with duties of citizenship.

Section 18 a.

If changes in the type of production, the nature of the performance of the work or the working conditions cause that the collective agreement in force no longer is the most suitable for the undertaking, each of the parties can start negotiations to put into effect the collective agreement which is most naturally used according to the provisions in section 18. A dispute about which of 2 or more collective agreements which can be put into effect is settled according to section 18, 1. If so, the provisions in section 18, 3 will correspondingly take effect.

Section 19.

For employees becoming members of LO during the period of a collective agreement, the following applies:

- 1) When the workers of an undertaking bound by a collective agreement are newly organized, and their work is done in a place where the collective agreement applies and without their being covered by it, each of the parties may demand negotiations concerning wages and working conditions of the newly organized workers pursuant to section 2. In case of dispute, it shall be settled by a committee with membership in accordance with section 18, 1.
- 2) When the collective agreement contains no wage rates for these workers, the decision of the committee shall, to a reasonable extent, take into consideration:
 - a) the wage and working conditions settled by collective agreement for the other employees of the same undertaking,
 - b) the proportion between the wages under the collective agreement for corresponding groups of employees employed under corresponding conditions at other undertakings covered by collective agreement between the main organizations,
 - c) the general level of wages for the group concerned in other collective agreements between the main organizations.

Note:

For the purposes of this section, supervisors in administrative positions are not considered employees.

Chapter X.

Conflicts.

Section 20.

Collective notice of termination.

N.A.F. and LO will, at the time of contract revision or notice concerning work stoppage under the Labour Disputes Act, accept as valid a notice of termination of employment exchanged between the two organizations or between affiliated federations and unions, when the main organization has received notice of it. Both parties bind themselves to a minimum of 2 weeks' notice of termination.

The notice of termination shall conform in form and contents to section 28 of the Labour Disputes Act.

Apprentices on contract are not included in a collective notice of termination

according to section 20, 1st paragraph unless they are particularly mentioned in the notice to be exchanged between the organizations.

Apprentices shall, when they are not included in the notice of termination, continue their training during the work stoppage. As far as possible, the establishment shall carry on the training in the regular way.

If the stoppage makes it impossible to keep up the training in an effective way, the apprentices may be given leave of absence for the duration of the stoppage with at least 7 days' notice.

For apprentices given leave of absence according to the previous paragraph the question of possible extension of the apprenticeship because of the work stoppage shall be settled in accordance with section 10, 4th paragraph of the Act Respecting Apprentices or corresponding stipulations in other legislation.

Section 21.

Sympathetic actions.

The provisions in the collective agreements concerning obligation to maintain peaceful relations shall not limit the right of either employers or workers to participate in work stoppage in support of other lawful conflicts, provided the consent of N.A.F. or LO has been obtained. Negotiations between these organizations must precede the action of expanding the principal conflict.

Negotiations shall commence within 4 days after it has been requested.

Notice of work stoppage shall be given as provided in section 20.

For sympathetic strikes at undertakings affiliated with N.A.F. in support of workers at undertakings not belonging to any employers' federation, 3 weeks' notice must be given.

If LO declares a sympathetic strike among members of N.A.F. because of a conflict at an undertaking not affiliated with N.A.F., LO shall simultaneously declare a sympathetic strike at corresponding unaffiliated undertakings, if any exist; however, the number of workers at the unaffiliated undertakings participating in the sympathetic strike shall be approximately equal to the number of workers at the affiliated undertakings.

The main organizations may agree on exceptions to this rule. LO may except state, communal, cooperate and worker-owned undertakings.

The right of LO to declare sympathetic strikes at undertakings affiliated with N.A.F. in support of demands against unaffiliated undertakings is contingent upon such demands not going beyond the conditions contained in N.A.F. collective agreements for similar undertakings.

Notice of termination of employment under the rules of this section shall be unconditional, unless the main dispute involves the right to have working conditions embodied in a collective agreement at undertakings where at least one half of the workers are organized in national unions affiliated with LO. If the object of the dispute is to protect the right to organize, LO or national unions affiliated with LO are entitled to avail themselves of conditional notice regardless of the membership.

Addition:

The N.A.F. negotiators proposed in 1947 that the expression «state, communal» in paragraph 6 of the section should be changed to «public activity». The LO negotiators remarked that the expression now used does not allow LO

to exempt public productive concerns which do not mainly produce for national defense requisites.

With reference to this, the N.A.F. negotiators withdrew the proposal.

The provision in section 21, last sentence refers to cases where the employer dismisses those who organize, so that the number of these never amounts to 50% of the employees. For as a main rule, LO will comply with the practice of many years of not starting an industrial conflict in order to establish a collective agreement when only a minority of the workers of an undertaking is organized. Corresponding rules will be followed as far as the salaried employees are concerned.

LO is willing to conclude agreements with contents corresponding to that of section 21 with other employers' organizations and, moreover, also include provisions in these agreements corresponding to section 1 of the Basic Agreement.

Section 22.

Voting procedure.

A. Employees' voting procedure.

I.

For voting on proposed collective agreements, those having the right to vote shall be called to a meeting where the proposed agreement shall be explained and a written secret ballot taken. The ballots shall be collected, either by the executive committee of the trade union or by a specially appointed committee. The ballots shall be sealed and held by the executive or the special committee until the voting in the electoral district is concluded for all who are to participate in it. The executive committee or the special committee shall then count the ballots and record the results. The voting results shall be sent to the national union concerned and shall not be published in any form until the main organization has given its permission. If it is requested, the ballots shall be sent to the national union.

The national unions shall send the local unions a summary of the combined results of the voting and of the voting in the affiliated unions.

The voting may also be carried out by sending each employee taking part in the decision the proposed agreement and a ballot with the obligation to return this with his vote.

II.

- a) All organized employees of an undertaking who will be covered by the proposed agreement have the right to vote on it.
- b) In trade unions where the members constantly shift their place of work (building workers, transport workers, lumbermen, agricultural workers, workers in seasonal plants, etc.) all members are entitled to participate in voting.
- c) When there is submitted to a local union an agreement which in fact determines wages and working conditions for the entire trade, all its members have the right to participate in the voting.
- d) All members having the right to vote have the duty to vote.

III.

- a) If so few vote that the results do not adequately show the majority opinion, the national union executive committee can order a new ballot. The new ballot shall cover all unions concerned and all members qualified to vote.
- b) In undertakings where there is shift work, and where there is no dispute, the meetings shall be held so that all members get the opportunity to vote.

IV.

Members who are receiving financial assistance from a union and who fail to vote on a tariff proposal without valid reason, forfeit their right to continued assistance. Disputes between a trade union and its members concerning this provision shall be settled by the executive committee of the national union.

V.

This voting procedure concerning proposed collective agreements shall be followed by all organizations affiliated to LO.

VI.

Any dispute concerning the voting procedure shall be settled by the LO Secretariat.

VII.

These rules do not alter the right of the national unions and the Secretariat to conduct and terminate contract negotiations and conflicts under the statutes in force, cf. the statutes of LO.

B. Employers' voting procedure.

When proposed collective agreements are submitted to a direct vote, those members of N.A.F. covered by the proposal shall participate. The ballot shall be secret and in writing. To defeat a proposal submitted to direct vote it is required that at least half of those entitled to vote have voted for its rejection.

If a proposed agreement for an individual or several individual members of a national association contains provisions which may affect the working conditions of other members of the association, all its members are entitled to vote, unless the national association decides that only the members bound by a collective agreement shall have the right to vote.

These rules do not affect the right of the Central Executive Committee of N.A.F. and the national associations to conduct and terminate negotiations and conflicts under the statutes in force at any time in the organizations.

Section 23.

Work in connection with disputes.

- 1) The main organizations presume, where it is needed, that agreements are made at the individual undertaking, or as the case may be, within the individual agreement region, in plenty of time before expiry of the collective agreement, which regulate conditions in connection with the stoppage and resumption of operation in a secure way as to technique and safety, and also work necessary to avoid danger to life and health or considerable material damage.

- 2) Local agreements of this nature must be approved by the direct parties to the agreement. If no agreement is reached through local negotiations, the matter may be taken to the parties to the agreement. If no agreement is reached through these negotiations, or if one of the parties to the agreement does not approve the local agreement, the matter can be taken up with the main organizations.
- 3) Agreements as mentioned under item 2 are in force until a new collective agreement takes effect.

Chapter XI.

Fortnightly pay, payment of wages through bank and withholding of trade union dues.

Section 24.

The main organizations agree that for reasons of rationalization it is necessary to have local arrangements for fortnightly pay, payment of wages through bank and withholding of trade union dues. For this purpose the following rules apply:

- 1) For employees paid by the hour, day or week, and for piece work, fortnightly pay shall be used if the undertaking so prefers.
To ease the transfer to fortnightly pay, a transition system may be agreed on whereby, during the transition period, the employees are paid an advance on account during the weeks without pay day.
- 2) Wages may be paid through bank if the undertaking so prefers.
The following shall apply if the system is adopted:
 - a) The employer administers the statutory deductions, such as taxes, insurance etc. and deductions agreed on in writing by employer/employee.
 - b) On pay day the employee receives a deduction statement from the employer, stating the calculation of the wages, the gross amount, the deduction and the net amount transferred to the bank connection of the employer.
 - c) The employer's bank connection administers general and other deductions according to the specifications of the employer or the individual employee.
Net wages less deductions administered by the bank are deposited to the wage account of the employee and are at his disposal on pay day.
If the employee prefers to have his wage account in another bank than that of his employer, the employer or the employee notifies the bank that such transfer shall be made.
 - d) Specific details concerning payment through bank are stipulated in a special agreement between the individual employer and his bank connection.
- 3) The undertaking shall either on its own or through the bank, take care of the deduction of the trade union dues of the employees if the shop-stewards request it.
The shop-stewards shall give the undertaking a list of the organized employees to whom the deduction arrangement applies. The shop-stewards and their organization are responsible for the list being correct at all times.
In connection with percentage calculation of the union dues, it is presumed that the direct tariff parties establish directions for putting it into practice.

The basis of calculation shall be the gross earnings of the organized employee (see note). If deduction for dues at the undertaking is done for employees organized in several trade unions, it is presumed that the reporting is coordinated. The directions must have room for the necessary adjustments at undertakings which for technical reasons cannot follow them fully. If no agreement is reached on the directions, the question is taken to the main organizations for settlement.

Note:

By gross earnings is meant the total of the amounts to be stated in columns 1, 1 and 1, 2 of the annual wage and deduction statement.

Addition:

It is the assumption of both parties that a system is found by which ordinary disposal of wage accounts and sensible use of checks (number and size) will continue to be free of charge. If changes are made so that this presumption no longer is valid, each of the parties can request negotiations regarding the rules then to be followed. If no agreement is reached, the provisions in subsections 2 and 3 can be terminated with 3 months' notice.

- 4) The main organizations agree that with a system of fortnightly pay it will be necessary — for practical and rational reasons — in some measure to be able to prolong the interval between the end of the wage period and payment. The main organizations therefore recommend that the parties to the collective agreement or the parties of the individual undertaking find practical arrangements with due allowance for this requirement.

Part B.

Cooperation Agreement.

The objectives expressed in the introduction to section 9 also apply to cooperation in conformity with this agreement. Part B of the Basic Agreement contains not only provisions binding on the parties in respect to cooperation. It also contains provisions to guide the parties of the individual undertaking when deciding how to organize the cooperation. A precondition for the development of forms of co-determination and better working environment at the undertaking will be a wide decentralization and delegation of decision — making authority within the organization of the undertaking. In the actual work with this, it is important to adjust the forms of cooperation and participation in the decision procedure to the kind and size of the undertaking, etc. It is presumed that those participating in the decision procedure on the various levels of the undertaking are responsible not only to the owners or their co-workers but to the undertaking as a whole.

In the efforts to give those working within the individual departments or working group more opportunity to make decisions on their own during their daily work, it is, among other things, important to promote understanding for and insight into the financial position of the undertaking. Learning, development, information and consultation will increase the possibilities of the individual employee for taking part in the decision procedure and create a basis for a meaningful work situation. The organizations therefore presume that the works

and working environment council — or the works council and the working environment committee — of the individual undertakings will see it as an essential task to promote proposals about what can be done within the various fields of the undertaking to adapt conditions for such a development.

Experience shows that it is of little use to change jobs or positions in isolated cases, or to try to change the forms of organization and management within an individual group or department without any connection with the rest of the undertaking. Such changes need the support and active cooperation of the rest of the organization and may lead to larger or smaller changes also in other parts of the organization. Therefore, representatives of the various parts of the undertaking must be included in such development work.

The organizations emphasize that it is the duty of the top management and of the employees and their shop-stewards to take the initiative and actively support and take part in such development work. For their part, the organizations will, jointly and separately, support this work through various actions.

If there is disagreement about matters falling within the authority of the works council, they may be referred to the Cooperation Council LO/N.A.F. The Cooperation Council will then take up the question and try to find a solution.

Chapter XII.
Works Councils.
Section 25.
Establishment.

1) In all undertakings with at least 100 employees, a works council shall be established, consisting of representatives of the top management and of the employees.

Works councils shall also be established in undertakings with less than 100 employees if one of the parties requests it and the main organization of the party agrees.

2) When the parties to the Basic Agreement, on the local level, agree on it, the individual undertaking may establish a joint works and working environment council. In that case, the rules of sections 35—37 are followed, unless the parties agree on something else. The representatives of the works and working environment council who shall have co-determination in accordance with § 24 of the Working Environment Act shall be elected according to the rules in § 5 of directions concerning safety guardians and working environment councils. When taking a ballot on resolutions which according to § 24 of the Working Environment Act falls within the working environment council, only these representatives have the right to vote. In case of an equality of votes, the vote of the chairman is decisive. Other representatives of the joint works and working environment council have the right to talk and make proposals when the subjects mentioned above are under discussion. Otherwise the rules for works councils apply as they are appropriate.

Section 26.
Composition of the works council.

a) In undertakings with 100—400 employees, the management may appoint up to 5 representatives. The employees shall have 5 representatives. Of these,

the workers elect 3 representatives, among these the at any time officiating chairman of the shop-steward committee according to part A, is ex officio member. The supervisors may elect one representative and the technical and office employees, one representative.

b) In undertakings with more than 400 employees, the management can appoint up to 7 representatives. The employees shall have 7 representatives. Of these, the workers elect 4 representatives, among these the at any time officiating chairman and vice-chairman of the shop-steward committee are ex officio members, or in the place of one of them, another member of the committee. The supervisors elect one representative, the technical employees one and the office employees one.

c) If works councils are established in undertakings with less than 100 employees, the council shall consist of up to 3 representatives of the top management and 2 of the workers of which one shall be the chairman of the shop-steward committee. In addition, the supervisors and the technical and office employees may elect one representative.

If there is only one management representative in the council, he may use one of the employees as his personal secretary. The secretary may attend the meetings of the council, but without any of the privileges vested in the members.

Addition:

In undertakings with less than 100 employees where works councils have not been established, the tasks dealt with in the provisions of this agreement concerning works councils, department councils and cooperation committees, shall be taken care of jointly by the management and the shop-steward committee. Cooperation questions in these undertakings may also be taken up with the Cooperation Council.

- d) Nobody can be elected a representative of any group but his own.
- e) In each group, the same number of deputies as representatives are elected. The individual group decides whether there are to be personal deputies.
- f) The representatives appointed by the undertakings shall be persons of real influence and good knowledge of all conditions within the concern. Thus, the management may not appoint a subordinate as its representative.
- g) Through the election of representatives and deputies, it is presumed that the various fields of knowledge and experience within the undertaking should be represented as far as possible.

Section 27.
Election and the right to vote.

The management appoints its own representatives.

Election of the employees' representatives is in writing and secret within each group under the direction and control of the shop-stewards of the group concerned.

If those entitled to vote within one group belong to several organizations, their shop-stewards shall confer regarding the summoning to the meeting and the

conduct of this. If they cannot agree, it is referred to the Cooperation Council which decides how to arrange the election.

Elections shall be arranged so that all who are entitled to vote may do so.

Entitled to vote in the election of representatives are all those employed by the undertaking. Employees belonging to the management, however, are not entitled to vote.

Section 28.

Term of service.

The elections shall take place before the end of the month of February. The members of the council begin to serve immediately. The term of service of the representatives who are not ex officio members is 2 years.

Where a works council is established for the first time, it shall take office immediately after the election.

Re-election may take place.

Section 29.

The members of the council.

Members of the works council must be over 20 years of age and are chosen among the most competent employees of the undertaking, if possible among those who have worked there the last 2 years.

If a member of the works council transfers to a position belonging in another group than the one he is elected from, or if the member terminates his employment at the undertaking, he ceases to function as a member of the council and his deputy takes his place.

The provisions of sections 10 and 11 in part A correspondingly apply to the elected members of the works council.

Section 30.

The direction of the council.

The work of the council is directed by a chairman and a secretary elected among the members for one year at a time.

The chairman is elected alternately by the management and the representatives of the employees, unless the parties agree on another arrangement.

When a representative of the management is chairman of the council, the employees choose the secretary and vice versa.

The deputies of the chairman and the secretary are elected from the same group as the chairman and the secretary.

Section 31.

Meetings of the council.

The works council meets at least once a month unless the parties agree on something else. The agenda of the meeting are prepared jointly by the chairman and the secretary and distributed to the members at least 3 days in advance. As far as possible, copies of the documents to be dealt with should be annexed to the agenda.

Proposed subjects which the council members wish discussed must be submitted to the secretary early enough for inclusion in the agenda.

If the representatives of one of the groups with members on the council agree on requesting it, an extraordinary meeting may be called with 3 days' notice.

Section 32.

Field of activity of the council.

The main task of the works council is through cooperation to work for the most efficient production possible and for the well-being of everybody working at the undertaking. At undertakings with joint works and working environment councils, the council shall, in addition to the functions laid down by law, also deal with the below mentioned field of work which otherwise would be assigned to the works council. If the separate bodies are maintained, a practical solution for the division of the work between them must be found. The field of work is:

a) Informative and confidential reports from the management on the financial status of the undertaking and its standing within its industrial branch, as well as other matters of importance to production and sales possibilities.

In this connection, written financial statements are given to the same extent as they are normally given the stock-holders through the financial account at the annual general meeting. If the members of the council request it, they shall be entitled to return to the account at a later meeting of the council.

b) Questions of substantial importance to the employees and their working conditions in connection with the activities of the undertaking, larger investments and changes in production plans and methods, questions of quality, product development and plans for expansions or curtailments or reorganization shall be submitted to the council before any decision is made.

Reports on the activities of the undertaking and the production plans for the immediate future.

Such reports and decisions shall take place as early as possible so that the opinion of the council can be ready in time to influence the final decision.

If matters as mentioned in this item shall be dealt with by the board of directors or the works council of the undertaking, the opinion of the council shall be placed with the relevant documents, unless it, because of pressure of time has been impossible to obtain such an opinion.

The council shall work for sound and correct rationalization. Through informative work, it shall promote understanding for the social and industrial importance of this.

The committee has authority and responsibility for establishing general directions concerning vocational training for the employees of the undertaking and on which the members of the council agree. The same applies to directions for new employees.

c) Within the framework of a fixed budget the management may give the committee authority and responsibility for putting into effect protective measures. This does not limit the decision making authority of the working environment council in accordance with the Working Environment Act.

d) Within the frame of a fixed budget, the management may give the council authority and responsibility for putting into effect social welfare measures.

When the council has expressed its opinion on a question the management

shall deal with it as soon as possible and inform the council at the first council meeting after it has reached a decision.

When matters mentioned under a) and b) of this section are under discussion, the information given by the undertaking shall be kept absolutely secret to the extent requested by the management.

The works council itself ought to concentrate on work and measures of general interest to the undertaking as a whole or to larger parts of it. Otherwise the council ought to delegate authority and responsibility, to the greatest extent possible, to the department councils in matters which can be decided on the department level.

Section 33.

Minutes and reports.

Minutes are kept of the council's discussions. When a ballot has been taken, the standpoint of the majority and the minority as well shall be recorded in the minutes.

Excerpt of the minutes shall be given to the management, the members of the works and working environment council, and also to those shop-stewards who are not members of the council.

To achieve the object of the council's work it is necessary that the council keep as many of the employees as possible informed in a way which will promote increased interest in the work of the council.

The Cooperation Council may obtain reports on the work of the councils. The printed form for this is sent to the management who must have the council make the report and send it to the Cooperation Council.

Section 34.

Questions concerning wages and working hours.

The works council shall not deal with questions of wages and working hours or disputes on the interpretation of collective agreements or work agreements. Issues of this kind shall be dealt with according to the stipulations of part A.

Working hours and standard wage and piece-work systems may be discussed in general, but no agreements may be entered into by the council.

Chapter XIII.

Department councils.

Section 35.

The composition of the works and environment council, election and period of service.

The works and working environment council is composed partly of persons elected and with term of service as provided in sections 26, 27, 28 and 29 of the Basic Agreement, partly of persons elected and with term of service as provided in the Working Environment Act and the regulations concerning safety guardians and working environment councils.

When a works and working environment council is established for the first time, it starts functioning immediately after the elections which take place in accordance with the Working Environment Act.

Section 36.

The direction of the works and working environment council.

The chairman of the council is elected according to the rules in directions about safety guardians and working environment councils. His deputy is elected from the same group as the chairman.

When the council deals with working environment subjects, only members elected according to the directions about safety guardians and working environment councils (the safety and health personnel excepted) have the right to vote. With equal votes the vote of the chairman is decisive.

The council shall have a secretary who is elected among the members of the council for one year at a time. When a representative of the management is chairman, the representatives of the employees shall elect the secretary and vice versa.

Section 37.

The meetings of the works and working environment council.

The council meets at least once a month unless something else is agreed on. Meetings to deal with working environment matters must be held at least 4 times a year. If two of the members elected in accordance with the directions concerning safety guardians and working environment councils request a meeting to deal with environment questions, such a meeting shall be held. A meeting to deal with other questions than those connected with environment may be requested by two members of the council and be called with 3 days' notice.

The agenda is jointly prepared by the chairman and the secretary. The agenda is given to the members at least 3 days before the meeting. Enclosed with the agenda ought to be, as far as possible, copies of the documents to be dealt with at the meeting.

Proposals to questions which the members of the council want taken up, must be delivered to the secretary early enough to be included in the agenda.

Section 38.

Establishment.

In undertakings with more than 200 employees and with independent departments with their own management with authority to make decisions in questions concerning the department, department councils ought to be established.

Department councils also ought to be established in smaller undertakings with independent departments as mentioned in the first paragraph, if these are scattered geographically or if, for other reasons, having their own department councils seems natural.

Department councils may also be established in departments which are not of the category mentioned in the 2 above paragraphs.

Section 39.

Composition, elections and the right to vote, etc.

The parties of the individual undertakings may make agreements about the composition, election and the right to vote, about term of service and about the direction of the department councils; however, one member appointed by the

management of the department, the chief shop-steward of the department and one member named by the foremen of the department are ex officio members of the council.

Besides, other representatives of the department ought to be summoned to the meetings, depending on the agenda.

Section 40.

Field of activity of the department councils.

On their own initiative, the department councils may deal with the same questions mentioned in section 32 insofar as the problems are of concern only to its own department. In particular they ought to deal with questions of rationalization and questions in connection with the daily operation of the department and plans for its future development. The department council shall also deal with matters submitted to it by the management or the works council. Section 34 applies correspondingly.

As far as possible, the discussions ought to be based on written material and on any production plans and budgets used by the department management.

The councils ought to be given opportunity to make proposals during the preparation of plans or budgets for the activity of the department.

When authorized by the management or by the works council, the department council has the authority and responsibility to make decisions on which the members of the council are agreed.

Otherwise, the council shall serve the responsible management of the department in a consultative capacity and report to it directly.

The department council shall also report on its activities to the works council of the undertaking.

The department council shall also report on its activities to the works council.

When the department council has put forward a proposal on a subject, it is entitled to a well-founded standpoint from the management.

Section 41.

The meetings of the department councils.

Meetings shall be held at least once a month unless the ex officio members agree on something else. The stipulations of section 31 concerning agenda and of section 33, 1st and 2nd paragraphs concerning minutes and reports apply correspondingly.

It is the duty of the members of the department council to give the best possible information to as many as possible of the employees of the department on the subjects discussed.

Chapter XIV.

Joint meetings.

Section 42.

When the chairman and the secretary of the works council agree on it, all members of the works council and the department councils are summoned to a

joint meeting. At these meeting, the management informs on the status of the undertaking and the tasks ahead, and the further work of the various councils is discussed.

Chapter XV.

The Cooperation Council.

Section 43.

Establishment.

N.A.F. and LO agree on the establishment of a Cooperation Council consisting of 3 representatives with deputies from each of the two main organizations.

Section 44.

Field of activity.

The Cooperation Council shall be an informative and consultative body to the cooperation institutions of the undertakings.

It shall assist in making the individual works councils function in the best possible way. It shall encourage educational measures which will promote cooperation and also put at the disposal of the cooperation agencies of the individual undertakings experiences of others and research results which may be of practical importance to them.

Representatives of research and science may be assigned to the Council by the parties. These representatives are summoned to meetings where matters of fundamental importance to cooperation and forms of cooperation within industry and trade are dealt with. It is presumed that the representatives are kept informed about the activities of the Council to the extent necessary for their participation in its work.

The Council may also initiate research which it feels will be of particular importance to further development of cooperation. In this connection, the Council may also initiate practical experiments by agreement with the individual undertaking.

The Cooperation Council may itself get in touch with the individual works councils and cooperation committees. At the request of a works council, either collectively or through some of its members, it shall also be able to confer with this council. On communication from the parties of a cooperation committee, or one of the parties, the Cooperation Council shall be entitled to investigate the cooperation conditions of the individual undertaking. It shall give advice and guidance in connection with the establishment and the composition of the cooperation institutions of the undertaking regarding the work in these, and in connection with the cooperation work on the whole.

The Council shall have the right to ask the parties for the information needed for its work. However, it may not request information on trade secrets.

Section 45.

Organization of the Cooperation Council, etc.

The Council itself establishes its rules of procedure. Its work is directed by a chairman who is elected alternately by N.A.F. and LO for one year at a time. A

vice-chairman is elected from the organization which does not have the chairman.

The Council operates on the basis of a separate budget and, among other things, by means of a secretariat with a permanent salaried staff. The Council may attach expert help to the extent it finds necessary.

The expenses of the Council are paid equally by N.A.F. and LO. These organizations also decide the budget at the proposal of the Council.

Chapter XVI.

Information meetings and concern committees.

Section 46.

Information meetings.

Once a year, information meetings for the employees of the undertaking or its individual departments ought to be held where the management gives a general orientation about the conditions and the prospects of the undertaking. If the works council finds it desirable, information meetings may be held more often.

Section 47.

Concern committees.

The parties agree that there exists a need to discuss, on a merger basis, matters mentioned in sections 9 and 32 of the Basic Agreement. Such cooperation may proceed either by

- a) establishing coordinating shop-steward committees in concerns using the same collective agreement. The committee shall meet with representatives of the management of the concern and of the undertaking. It shall consist of the local chairmen of the shop-steward committees, or
- b) establishing a committee where representatives of the workers' shop-stewards and of the other groups mentioned in section 26 of the Basic Agreement may get together with representatives of the management of the concern and of the undertaking and discuss the questions in section 32 and which are of mutual interest. Such meetings shall take place at least once a year, or
- c) finding other corresponding ways of cooperation.

The local parties, assisted by the organizations try to find appropriate forms for such cooperation.

The arrangements the parties might agree on shall not disturb the ordinary procedure in dealing with disputes, cf. section 2 of the Basic Agreement.

If the parties cannot agree, the matter may be taken to the main organizations for final settlement.

Note:

By concern is understood in this connection:

«Combines of legal and/or administrative independent units (e.g. corporations and/or divisions) which financially, and partly also administratively and commercially form a unit.»

Addition:

A concern may be organized so that important divisions are not made by the concern management or the local management, but by an organ between these, e.g. on a division level. The purpose of the rules about concern councils is to ensure that the employees through their representatives shall have opportunity to discuss with the management questions of importance to them. If decisions of essential importance to the employees and their working conditions are made in an organ as above mentioned, it is the presumption of the parties that a system is found which takes care of the purpose mentioned, e.g. that the local chairmen of the shop-steward committee of the undertakings concerned get the opportunity to discuss the question with the management of the organ mentioned.

Joint declaration regarding further education and leave of absence in that connection.

N.A.F. and LO realize the importance of further education to the individual, the undertaking and society. General education, vocational training, adult education and retraining as well, must be seen from that point of view.

The parties therefore want to emphasize the value of the employees increasing their knowledge and improving their competence, and also of the undertakings stressing systematic training of their employees.

If, in connection with education which is of value both to the individual and the undertaking, it is necessary to have full or partial leave of absence, this should be allowed unless special reasons make it impossible.

Also in connection with other education of importance to the further development of the individual, the undertaking ought to be obliging if full or partial leave of absence should prove advantageous, provided it can be done with only minor inconvenience to the undertaking.

Part C. Joint provisions.

Section 48.

Disputes concerning interpretation.

Disputes concerning the interpretation of this Basic Agreement may be submitted to the Labour Court. According to the agreement only N.A.F. and LO have the right to bring action.

Section 49.

Duration.

This agreement which takes effect on February 1, 1978, is in force till June 30, 1981, and further 2 years at a time unless it is terminated in writing by one of the parties 6 — six — months in advance.

Note:

This Basic Agreement is part one of all collective agreements in force or to be entered into by the organizations mentioned in the heading and/or their members.

Part B of the Basic Agreement applies to industrial and handicraft undertakings in the same way as the previous agreement on production committees. It is presumed that N.A.F. and LO and the employers' associations and unions concerned at any time may enter into negotiations to make part B of the Basic Agreement take effect or adapt the provisions of part B to other parts of the economic life than handicrafts and industry.

The relations of the parties of the individual collective agreements are in no way affected or changed by the Basic Agreement.

Oslo, December 23, 1977.

Norwegian Employers' Confederation.

Norwegian Federation of Trade Unions.

