

*Sáttmálin umsettur til enskt.*

***AGREEMENTS***

**between**

**Føroya Handverkarafelag / Landsfelag Handverkaranna**

**and**

**Føroya Arbeiðsgevarafelag / Føroya Handverksmeistarafelag**

October 1, 2016

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## **Chapter 1: Scope of the Agreement**

### **Art. 1. Scope of the Agreement**

1.1 The scope of this Agreement is people with a qualification in a craft who work in the craft sector – hereinafter called craftpersons. This Agreement also includes specialist workers in the craft sector.

1.2 Any individual wanting to take up work as a craftperson must be able to provide proof that they have a qualification compliant with the Faroese Vocational Education and Training Act, or any other qualification meeting the approval of the federations.

1.3 Any individual wanting to take up work as a specialist worker must be able to provide proof that they have a qualification as a specialist worker.

When any disputes regarding qualifications arise, the joint administrations shall enter negotiations until such time when a fixed scheme has been established regarding qualifications, terms and conditions and other particulars.

1.4 Should any disputes regarding the present article arise, then the boards of the craftpersons employers' union and craftpersons' union shall take a joint decision.

## **Chapter 2: Terms and Conditions of Employment**

### **Art. 2. Employment Contract**

Employment contracts are to be issued as stipulated in the law concerning employment contracts enacted by the Faroese Parliament.

### **Art. 3. Injuries**

3.1 Should any craftperson sustain any injuries during working hours, the difference between his regular weekly wages and any sickness benefits he may receive shall be paid to him, for up to 12 days, by the master or company and the craftpersons' union, which shall each pay him 50% of said difference.

3.2 The craftperson shall submit a doctor's certificate, if so required by the master or the company. (Notwithstanding any sickness benefits received.)

3.3 If a craftperson who has worked for the same master for a continuous period of

more than 9 months is rendered unfit to work because of an occupational injury, which is classified as an occupational injury pursuant to the Occupational Insurance Act (Arbeiðsskaðatryggingarlógin), the employer, after the period stipulated in 3.1 has ended, has an obligation to pay the difference between the sickness benefits received and the ordinary wages, which the craftsperson would have received if they had not sustained the injury.

The master's obligation to pay continues until the craftsperson is fit to work again, but only up to a maximum of 4 months after the occupational injury was sustained.

#### **Art. 4. Termination of Employment**

4.1 No craftsperson may be dismissed or abandon work without grounds.

4.2 Period of Notice:

- 5 working days after more than 3 months' service.
- 10 working days after more than 6 months' service.
- 20 working days after more than 2 years' service.
- 30 working days after more than 5 years' service.

4.3 Both parties are bound by this period of notice and both parties shall give notice in writing. Should these conditions be breached by a craftsperson, then he shall be fined with the loss of daily wages corresponding to half of the period of notice; should a master breach said conditions, then he shall pay the equivalent of said wage loss.

4.4 If a craftsperson who has worked for the same master for a continuous period of more than 9 months is rendered unfit to work because of an occupational injury, which is classified as an occupational injury pursuant to the Occupational Insurance Act, said craftsperson may not be given notice by the employer until 6 months after the occupational injury was sustained. This provision shall only apply, however, until the craftsperson is fit to work again.

### **Chapter 3: Working Hours**

#### **Art. 5. Working Hours**

5.1 As of January 1, 1980, in accordance with Faroese Parliamentary Act 37, dated June 1, 1979, the standard working week is 40 hours. Daily working hours shall be in the period from Monday to Friday, between 7:00 am and 6:00 pm.

5.2 Working hours at restaurants, hotels and similar establishments are 40 hours a week planned ahead in four-week work schedules. Employees shall receive the work schedule at least 7 days before it enters into force.

#### **Art. 6. Meal Breaks**

6.1 Any workplace shall be free to schedule meal breaks as agreed by a simple majority of craftspersons, specialist workers and masters voting by ballots at the workplace.

6.2 Meal breaks may be no more than 4 hours apart.

#### **Art. 7. Shift Work**

7.1 If required, working hours can, on a case by case basis, be scheduled between 7:00 am and 7:00 am the following day after talks between craftspersons and masters, said work shall be arranged as paid shift work pursuant to Art. 17.

7.2 When working in shifts, meal breaks shall not be deducted for the 2<sup>nd</sup> and 3<sup>rd</sup> shifts.

#### **Art. 8. Overtime**

8.1 Overtime shall not accrue before the standard working day as per agreement (8 hours) has been worked, if there has been a chance to work.

8.2 Notice regarding overtime shall be given before lunchtime, if possible.

#### **Meal Breaks when Working Overtime**

8.3 When working overtime, meal breaks shall be arranged as usual at the workplace, without pay deduction.

8.4 When working 2 hours overtime taking tea is allowed, without any pay deduction. However, leaving the workplace to take tea is not permitted.

8.5 When working 4 hours overtime, a one-hour meal break shall be granted without any pay deduction.

#### **Art. 9. Non-Working Days**

9.1 On May 1 and New Year's Eve (January 31) workers have the whole day off. On Faroese Flag Day (April 25), on Faroese Flag Day (April 25), Danish Constitution Day (June 5), November 1 and Christmas Eve (December 24) workers have the day off after 12:00 noon.

9.2 Half days off can be combined into whole days off applicable to the whole workplace, provided that the employer and majority of employees at the workplace agree to this. This

means that one of the half days off mentioned becomes a whole day off, while the remaining half working day becomes an ordinary whole working day. If the resulting combined whole day of work is a non-working day it shall be remunerated in accordance with Art. 20.2. When the resulting combined whole day of work is a working day it will be remunerated as an ordinary working day.

## **Chapter 4: Wages**

### **Art. 10. Wages for craftsmen with long vocational training**

10.1 By October 1, 2016 journeyman pay rates rise by 2.2% amounting to DKK 137.40  
By October 1, 2017 journeyman pay rates rise by 2.3% amounting to DKK 140.56

10.2 These pay rates shall be understood as minimum wages.

### **Art. 11. Wages for craftsmen with short vocational training.**

11.1 By October 1, 2016 journeymen pay rates are DKK 131.86  
By October 1, 2017 journeymen pay rates are DKK 134.89

11.2 These pay rates shall be understood as minimum wages.

### **Art. 12. Length of Service**

Journeymen shall receive the following bonuses for length of service:  
After 3 years' employment they shall receive 1.6% of their basic rate.

Length of service shall be understood as: a period of employment with a Faroese employer in the trade in which the journeyman has taken his journeyman exams.

Journeymen are entitled to transfer accrued periods of service from one employer to another, provided they have not abandoned their trade for more than 7 years.

### **Art. 13. Specialist Worker Pay Rates**

By October 1, 2016 hourly rates are:

- a) Specialist workers qualified in a craft: DKK 128.39
- b) Unqualified specialist workers:
  - 1<sup>st</sup> Year DKK 122.97
  - 2<sup>nd</sup> Year 1.45% on top of 1<sup>st</sup> year unqualified specialist worker's wages
  - 3<sup>rd</sup> Year 2.92% on top of 1<sup>st</sup> year unqualified specialist worker's wages



4<sup>th</sup> Year and thereafter 4.41% on top of 1<sup>st</sup> year unqualified specialist worker's wages

By May 1, 2017 hourly rates are:

- a) Specialist workers qualified in a craft: DKK 131.35
- b) Unqualified specialist workers:
  - 1<sup>st</sup> Year DKK 125.80
  - 2<sup>nd</sup> Year 1.45% on top of 1<sup>st</sup> year unqualified specialist worker's wages
  - 3<sup>rd</sup> Year 2.92% on top of 1<sup>st</sup> year unqualified specialist worker's wages
  - 4<sup>th</sup> Year and thereafter 4.41% on top of 1<sup>st</sup> year unqualified specialist worker's wages

#### **Art. 14. Delayed Work**

If craftspersons arrive to the workplace at the agreed time, but work does not start, then they shall receive 2 hours' pay. If work starts after the agreed time, they shall receive pay for the time spent waiting.

#### **Art. 15. Bonuses and Allowances calculated as a percentage of regular craftsperson's wages**

15.1 The rate of Tools Allowance is 1.5% per hour if the craftsperson uses all the standard hand tools required for the trade.

15.2 The rate of Dirty Work Allowance is 0.5% per hour.

15.3 The allowance for work on new tunnels; in steam boilers; in used oil, cod-liver oil and other tanks and inside small tanks in general; as well as in trash fish and herring holds is 10% per hour.

15.4 Small tanks can be defined as tanks measuring less than the average height of a man on all sides. Should there be any particularly cramped areas of a tank, it is up to the parties at each individual workplace to agree on an allowance.

15.5 The parties at each individual workplace are free to agree a higher hourly allowance for work mentioned in subsection 15.3. If any such agreement is made, the allowances in subsection 15.3 shall be replaced with the agreed allowances.

15.6. If the parties at a workplace agree that a task is unusually dirty for a specific trade and is not mentioned in subsection 15.3, then the allowance stipulated in subsection 15.3 shall be paid. The parties may also agree on an allowance pursuant to the stipulations in subsection 15.5.

**Art. 16. Piecework**

16.1 When the nature and circumstances of work allow for piecework, masters and journeymen shall agree on a set number of hours to carry out the task or a specific amount to be paid for the task. Said agreement must be made in the initial phases of work, be in writing and signed by both parties

16.2 Parties are under the obligation to negotiate piecework in all practicable areas.

16.3 If orders are given to carry out piecework overtime, wages shall rise in accordance with Art. 19.

16.4 The parties agree to prepare standard agreement slips and possibly a rate list.

**Art. 17. Shift Wages**

17.1 1<sup>st</sup> Shift: standard wages.  
2<sup>nd</sup> Shift: standard wages + 6.63%  
3<sup>rd</sup> Shift: standard wages + 9.11%  
These allowances shall not be indexed-linked

17.2 Regarding overtime, refer to Art. 20.

**Art. 18. Displaced Working Hours (bakers and service workers)**

18.1 Bakers

Bakers receive an additional DKK 65.00 per hour for working from 4:00 am to 7:00 am on ordinary working days, on Saturdays and public holidays they receive an additional DKK 100.00.

18.2 Service Workers

Where it is usual for individual trades (service workers) to work on Saturday, they shall receive the following additional payments:

8:00 am – 2:00 pm ..... 35 %  
2:00 pm – thereafter ..... 100 %

**Art. 19. Detailed provisions regarding driving and working away from the workplace for craftspersons and specialist workers**

19.1 Craftspersons are employed according to their employment contract in one of the following three categories:

- A. Craftsperson with a fixed workplace
- B. Craftsperson with changing fixed workplaces

C. Craftsperson providing customer services / service worker

Craftspersons in category A spend most of their time at one workplace. This workplace is the company's registered address. Craftspersons in category B work, for example, in the construction industry, and, therefore varying building sites become their fixed workplace for a specific period of time. Craftspersons in category C provide services for changing customers and regularly drive out to carry out assignments in the field– they are usually called service workers and have no fixed workplace.

19.2 A distinction is made between *Útiarbeiði* (same day away work) and *Burturarbeiði* (overnight away work).

*Útiarbeiði* is: Work carried out elsewhere than at the workplace where craftspersons have been hired to work, according to their employment contract, and which they can travel to and from on the same day.

*Burturarbeiði* is: Work carried out elsewhere than at the workplace where craftspersons have been hired to work, according to their employment contract, and which requires them to stay overnight.

19.3 Travel time from home to workplace and back is, as a general rule, not included in working time.

19.4 The following applies to craftsmen employed in category A (fixed workplace):

*Útiarbeiði*:

- a) When craftspersons attend the fixed workplace to work, but are subsequently sent elsewhere to work, and the working day including transport time exceeds 8 hours, then they shall receive wages during the transport time as applies in subsections 18.1 and 18.2.
- b) Transport to the away workplace will only be compensated with wages if it takes longer than to the fixed workplace.
- c) Actual travel expenses are compensated as follows:
  - i) If public transport is used between home and the away workplace, travel expenses will be compensated if these are higher than if the craftsperson was to meet at the fixed workplace.
  - ii) When craftspersons use their own vehicle for transport between home and the away workplace, they will receive compensation for each kilometre, but only if the number of kilometres exceeds the number of kilometres required to reach the fixed workplace. This compensation is paid according to the public sector regulations in force at any given

time. Any ferry transport, tunnel tools, etc. are also compensated.

- iii) If the company arranges transport, no compensation is paid for actual travel expenses.
- d) Masters are under no obligation to pay board, except when a craftsperson was unaware that he would be working away from his fixed workplace. This implies that craftspersons are to be notified of work away from the fixed workplace on the previous day, at the latest, should masters fail to do so, then they are obliged to pay board.

*Burturarbeiði* (Same stipulations as for *Útiarbeiði*, except for the following difference):

Masters are obliged to pay for room and board. If masters do not arrange room and board, they are obliged to reimburse these, within reason, against receipts and invoices, unless other arrangements have been made.

#### **19.5 Provisions for craftspersons in category B (changing fixed workplace):**

*Útiarbeiði*:

- a) Transport to the away workplace is compensated with wages if it takes longer than transport to the fixed workplace.
- b) The compensation for actual transport expenses is:
  - i) If public transport is used between home and the away workplace, travel expenses will be reimbursed if these are higher than if the craftsperson was to attend fixed workplace.
  - ii) When craftspersons use their own vehicle for transport between home and the away workplace, they will receive compensation for each kilometre, but only if the number of kilometres exceeds the number of kilometres required to reach the fixed workplace. This compensation is paid according to the public sector regulations in force at any given time. Any ferry transport, tunnel tolls, etc. are also compensated.
  - iii) If the company arranges transport, no compensation is paid for actual travel expenses.
- c) Masters are under no obligation to pay board, except when a craftsperson was unaware that he would be working away from his fixed workplace. This implies that craftspersons are to be notified of work away from the fixed workplace on the previous day, at the latest, should masters fail to do so, then they are obliged to pay board.

*Burturarbeiði* (Same stipulations as for *Útiarbeiði*, except for the following difference):

e) Masters are obliged to pay room and board. If masters do not arrange room and board, they are obliged to reimburse these, within reason, against receipts or invoices, unless other arrangements have been made.

**19.6 Provisions for category C (service workers)**

a) When people are hired by employment contract in category C, a special agreement shall be entered into between the employer and service worker regarding the terms and conditions of work.

b) *Burturarbeiði* is subject to the same stipulations as listed for category A and B.

19.7 Travel abroad: Travel abroad shall be compensated according to public sector regulations, unless other arrangements have been made.

19.8 Use of own vehicles to provide services for masters: If craftspersons use their own vehicle they shall receive compensation for each kilometre driven, according to the public sector regulations in force at any given time.

19.9 Thus masters cannot order craftspersons to use their own vehicle for work.

19.10 Any agreements reached between craftspersons employed before October 1, 2007, and masters must not deteriorate due to this Agreement; therefore, any changes to such agreements shall be announced with a term of notice.

**Art. 20. Overtime Pay**

20.1 Overtime is paid as follows for both craftspersons and specialist workers:

First 4 hours, standard wages	+ 35 %
Following 3 hours, standard wages	+ 60 %
Following hours, standard wages	+ 100 %
Saturday.....	+ 100 %

20.2 Working on Sundays, public holidays and non-working days is compensated with 100% additional pay, which shall be kept up if continuous work is required.

20.3 Double wages shall be paid for working during meal breaks.

20.4 Overtime – if working hours exceed the 8-hour shift – for shift work as well as Sundays and holidays – allowances are paid pursuant to subsection 20.1 herein.

**Art. 21.**

21.1 Overtime shall not accrue before the ordinary working day as per agreement (8 hours) has been worked, if there has been a chance to work. However, illness and night work caused by the master or company are excluded from the aforementioned.

22.2 When a member is summoned by a master outside ordinary working hours, members shall receive standard wages + the following additional pay:

- + 35% between 6:00 pm – 9:00 pm
- + 60% between 9:00 pm – 12:00 midnight
- + 100% between 12:00 midnight – 7:00 am

21.3 Additional payments shall continue if evening or night work continues uninterrupted into the regular working hours the morning after.

#### **Art. 22. Payments**

22.1 Wages shall be paid according to a fixed scheme either weekly or fortnightly. However, if a special agreement is signed between individual companies and the trade union concerned (Føroya Handverkarafelag or Landsfelag Handverkaranna), wages can be paid monthly.

22.2 Each payment shall be accompanied by a payslip.

22.3 Masters shall pay wages, holiday pay, pension contribution and any other items agreed by the federations through the A-skattaskipan (income taxation at source regime).

22.4 All payments and transfers pursuant to the agreements shall be made when wages are paid.

#### **Art. 23. On-call**

Craftspersons on call shall receive an On-call Allowance of DKK 15.00 per hour from Monday to Friday at 12:00 midnight. From Friday midnight and until regular working hours resume on Monday morning craftspersons on call shall receive an On-call Allowance of DKK 30.00 per hour. On-call allowances on public holidays and non-working days shall be the same as in weekends.

## **Chapter 5: Payments**

#### **Art. 24. Membership Fee**

24.1 Each workplace may freely decide whether the master shall retain the membership fee for members of the craftspersons' unions.

24.2 The aforementioned decision shall be made by a simple majority of craftspersons, specialist workers and masters voting by ballots at the workplace.

24.3 If it is decided that the master is to retain membership fees, said fees shall be paid to the craftspersons' union concerned as per agreement.

#### **Art. 25. Education Fund**

Craftspersons and master craftsmen each pay DKK 0.10 of each hour of work into the education and continuing training of craftspersons and master craftsmen.

#### **Art. 26. Pension Fund**

26.1 Masters pay 13% of wages into Føroya Handverkarafelag or Landsfelag Handverkaranna's pension fund.

26.2 If workers, who have been employed by their current employer for at least 1 year, die while at work, their spouse or children under 18, for whose maintenance they were responsible, are entitled to bereavement compensation for the month in which they died and three months after that.

For hourly-paid workers wages are calculated as an average of the wages paid by their current employer over the last 12 months of the employment.

26.3 The pension fund is both for journeymen and specialist workers in craft trades.

27.4 When a craftsperson turns 67, the pay quotient equivalent to pension payments is paid as wages.

## **Chapter 6: Other Provisions**

#### **Art. 27. Dining and Cloak Rooms**

27.1 Any workplace with several workers shall have a dining room.

27.2 Any workplace with several workers shall have a cloakroom.

#### **Art. 28. Work Clothes, Protective Clothes and Exhaust Ventilation**

28.1 Bakers shall receive work clothes for free.

28.2 Welders, mechanics and others who carry out welding, cutting and grinding assignments shall receive for free protective clothes, such as oilskin aprons, sleeves and gloves from the master.

28.3 Exhaust ventilation is required during welding inside tanks.

## **Chapter 7: Labour Relations**

### **Art. 29.**

The parties agree that it is in their common interest for all employers/masters to be members of an employers' association and for all craftspersons to be members of a craftspersons' union.

Arbeidsgevarafelagið/Handverksmeistarafelagið endeavour to inform employers/masters about the advantages of membership in the employers' association and in working for such membership. Similarly, the craftspersons' unions endeavour to inform craftspersons about the advantages of membership in craftspersons' unions and also in working for such membership. The parties strive to ensure that the agreements in force are upheld.

Craftspersons and masters have a duty to notify the unions and associations when non-organised craftspersons or masters work at the same workplace.

### **Art. 30. Unskilled Labour**

When craftspersons, who are employed pursuant to this agreement, carry out unskilled labour their wages shall not to be reduced.

### **Art. 31. Transfers between Unions**

Upon transfer between unions, any debt, arrears or membership fees to the date of transfer must be paid.

### **Art. 32. Provisions for Board Members**

32.1 If a board member experiences any grievance due to being a board member of a craftspersons' union or employers' association, he can lodge a complaint with the board of which he is a member.

32.2 The board shall process the complaint immediately and submit it with a recommendation to its federation within 3 days.

32.3 The federation that receives such a complaint shall process it immediately.

32.4 Should the nature of the complaint be such that it concerns both federations, then a joint meeting shall be summoned as soon as possible and within 3 days of reception of the complaint from the local union by either of the federations.



**Art. 33. Labour Disputes**

33.1 Should any dispute arise about labour matters not provided for in this Agreement, the unions and associations shall negotiate the terms and conditions of work and pay in question, before taking the matter to a committee.

33.2 Any dispute whatsoever regarding the correct interpretation of this Agreement shall be settled by a committee.

33.3 Each union and association shall appoint 2 members of said committee. Should the committee fail to reach an agreement, the matter shall be subject to arbitration by the judge or any other person appointed by him. The arbitrator's decision shall be final.

**Art. 34. Shop Steward Scheme**

Both unions recognise the shop steward scheme. Refer to the provisions for the shop steward scheme.

**Art. 35. Special Agreements**

Member unions and associations may enter special agreements with each other, however, no such agreement may go against the agreement between the federations.

## **Chapter 8: Terms of Validity and Notice**

**Art. 36. Validity and Notice**

36.1 This agreement enters into force on October 1, 2016 and can be terminated with 2 months' notice by an October 1, though by October 1, 2018 at the earliest

Tórshavn, November 7, 2016

**On behalf of Føroya Handverkarafelag**

Suni Simonsen, Chair

**On behalf of Landsfelag Handverkaranna**

Daniel P. Djurhuus, Chair

**On behalf of Føroya Arbeiðsgevarafelag**

Marita Rasmussen, Lead Negotiator



**On behalf of Føroya Handverksmeistarafelag**  
Magnus Magnussen, Chair

## Union Steward Scheme

1. Workplaces with 5 or more workers may elect a shop steward for 2 years at a time.’
2. Union stewards shall receive necessary information regarding any planned measures, which might affect working conditions.
3. The employer and the board of the organising union shall receive a written notification of the outcome of shop steward elections.
4. Union stewards represent and negotiate with employers or their representatives on behalf of fellow workers, and they shall do their utmost to ensure that work is carried out in an environment of respect.  
Employers and stewards shall together promote sound cooperation at the workplace.
5. The parties agree to strive to ensure the highest possible standards of health, safety and wellbeing at the workplace.

The aim is to foster safety, wellbeing and development at the workplace, promote social cohesion, as well as enthusiasm among both employees and management for the tasks at hand. For health and safety matters, please refer to the Health and Safety at Work Act in force.

Management and employees shall jointly strive to ensure that the aforementioned health and wellbeing targets are met

### Health and wellbeing policy for workplaces

Employers shall ensure that:

- Work is arranged in a manner that minimises the risk of worker stress.
  - Measures are implemented to guarantee sound cooperation between management and employees as well as between employees.
  - There is no bullying at the workplace.
  - Potential complaints regarding health or wellbeing are immediately registered and dealt with by management, shop stewards and safety stewards.
  - Any necessary measures are implemented to improve the situation, if compliance with the aforementioned conditions should prove unsatisfactory.
6. Stewards shall convey any complaints or recommendations from their colleagues to their employer or, if he is unavailable, to his representative.

Stewards have the right to take proceedings regarding health and safety at the workplace, refer to FAROESE PARLIAMENTARY ACT 70, DATED MAY 11,

2000, ON THE WORKING ENVIRONMENT, AS AMENDED BY FAROESE PARLIAMENTARY ACT 18, DATED MAY 8, 2008.

Stewards also have the right to take proceedings regarding matters mentioned in section 5.

7. If, during negotiations, stewards are unable to reach an agreement with the management at the workplace, which workers can accept, then the issue shall immediately be submitted to the organising union.

Stewards and workers may not stop working, before receiving instructions from the union.

8. Stewards are entitled to freely tend to their tasks as stewards. Stewards' duties shall be carried out in such a manner that they have as little impact as possible on production. Management shall receive notice of any absence as soon as possible.

In this case, as when management summons stewards regarding issues related to workers or working conditions, stewards shall receive the stipulated wages for the time they spend away from work.

9. The term of notice for stewards is as stipulated in the Main Agreement + 1 month.

Stewards shall only be dismissed on arguable and demonstrably necessary grounds. In the case of lack of work, the conditions of notice applicable to other workers shall also apply to stewards.

10. Any disputes regarding dismissals of stewards shall be dealt with in accordance with Art. 35.3. Should any such dispute arise, the unions shall immediately initiate negotiations, before taking the matter to arbitration.

If an employer upholds a dismissal, in spite of the arbitration committee deciding against said employer, then the arbitration committee shall determine the compensation to be paid to the steward.

The amount of such compensation shall be determined based on the circumstances of the dismissal, but may, however, not exceed 3 months' salary in accordance with the dismissed steward's employment contract.

11. Deputies for shop stewards, who shall substitute stewards when they are absent, shall carry out their duties under the same terms and conditions as stewards.
12. If workers agree to elect a new steward, such elections may take place according to the provisions in paragraph 3 herein.

13. This shop steward scheme may only be amended during collective bargaining.
14. Should any disputes arise regarding this scheme, they shall be settled by an arbitration committee, in accordance with Art. 35.3 of the Agreement between the unions and employer's association.

## ***SALARY AGREEMENT FOR SALARIED CRAFTSPERSONS***

### **Art. 1. Employment**

1.1 This Agreement applies to all craftspersons whom employers wish to employ with a fixed salary.

1.2 Employers who, when this Agreement enters into force, have already entered a fixed salary agreement with craftspersons, may still use their previous agreement. Nevertheless, this Agreement shall apply to all craftspersons who are employed as salaried craftspersons after October 1, 1991.

1.3 Craftspersons employed pursuant to this Agreement shall receive an employment contract in accordance with Faroese parliamentary legislation on employment contracts.

### **Art. 2. Salary**

2.1 Craftspersons employed under the Salary Agreement for Salaried Craftspersons shall receive a salary of at least the journeyman's wages stipulated in the Main Agreement in force times a monthly number of hours of 173.33 hours. Otherwise, the parties are free to decide on an appropriate salary.

2.2 No agreements whatsoever reached between masters and craftspersons employed before October 1, 2007 may deteriorate due to this Agreement; therefore, any changes to such agreements shall be announced with a term of notice.

2.3 Working a full working week, meaning 40 hours per week, is a condition for receiving the salary stipulated in subsection 2.1.

2.4 Craftspersons working short time shall receive a salary proportional to the reduced number of hours they work.

### **Art. 3. Overtime Pay**

4.1 Overtime shall be compensated with overtime pay in accordance with Art. 20 in the agreement on hourly rates entered into between the craftspersons' union and the employers' association.

4.2 Craftspersons working short time shall only receive overtime pay after having worked a full day.

4.3 If, for example, a craftsperson works 30 hours per week and works 9 hours in one day, he shall receive an additional payment of: Regular craftspersons' hourly rates for 2 hours and overtime pay in accordance with subsection 1.1 for 1 hour.

**Art. 4. Time Off in Lieu of Wages**

Overtime, exceeding 40 hours per week, which is compensated as time off in lieu of wages, shall be compensated according to its value.

**Art. 5. Business Trips**

Employers shall pay all expenses related to business trips.

**Art. 6. Non-working Days**

On May 1 workers have the whole day off. On Faroese Flag Day (April 25), Danish Constitution Day (June 5), November 1 and Christmas Eve (December 24) workers have the day off from 12:00 noon.

**Art. 7. Holiday Provisions**

Craftspersons' holidays are governed by Faroese Parliamentary Act 30, dated April 7, 1986, on paid holidays.

**Art. 8. Leave**

8.1 Craftspersons are entitled to unpaid leave, provided that it is not to the detriment of employers' interests.

8.2 When union stewards request leave to attend steward courses, employers shall treat such requests favourable. This also applies to board members of the craftspersons' unions.

**Art. 9. Pregnancy**

9.1 Pregnant craftspersons shall notify their employers 3 months before their due date. If they fail to do so, then employers are entitled to dismiss them as of the day when they are no longer able to work.

**Art. 10. Sick Pay and Bereavement Allowance Regulations**

10.1 Illness

Sick Pay, Bereavement Allowance and other such matters shall be governed by the regulations in Faroese Parliamentary Act 13, dated March 30, 1958, on salaried employees.

### **Art. 11. Termination of Employment**

11.1 Employment contracts can be terminated with a months' notice by the first day of a month, unless it has been agreed that employment is only temporary or on a trial basis, and that said employment lasts no longer than 3 months.

After 2 years' employment a 3-month notice is required.

After 5 years' employment a 4-month notice is required.

For craftspersons employed before October 1, 2005, the regulations provided for by Faroese Parliamentary Act 13, dated March 30, 1958, on salaried employees shall govern such matters.

11.2 Craftspersons shall give 1 month's notice at any given time.

### **Art. 12. Education Fund**

Craftspersons and master craftsmen each pay DKK 0.10 of each hour of work into the education and continuing training of craftspersons and master craftsmen.

### **Art. 13. Pension Fund**

As of October 1, 2007, masters pay 11% of wages into Føroya Handverkarafelag or Landsfelag Handverkaranna's pension fund. As of October 1, 2008 pension payments increase 1% to 12%. As of October 1, 2009 pension payments increase 1% to 13%.

### **Art. 14. Special Agreements**

While this Agreement is in force Føroya Arbeidsgevarafelag / Føroya Handverksmeistarafelag and Føroya Handverkarafelag / Landsfelag Handverkaranna may enter into special agreements.

### **Art. 15. Validity and Notice**

This Agreement enters into force on October 1, 2014 and may be terminated by either party with 2 months' notice, though, by October 1, 2016 at the earliest.

#### ***Agreed Minutes on an Offshore Agreement:***

*The parties agree to take up negotiations about an agreement for craftspersons employed in the offshore industry in Faroese waters.*

The parties aim to conclude this task by June 1, 2015.



## **Apprentice Agreement**

between

**Føroya Handverkarafelag & Landsfelag Handverkaranna**

and

**Føroya Arbeidsgevarafelag & Føroya Handverksmeistarafelag.**

### **Art. 1. Scope of the Agreement**

This Agreement is valid for craft apprentices training in accordance with the Faroese Vocational Education and Training Act, and who are employed by masters/companies that are members of Føroya Arbeidsgevarafelag/Føroya Handverksmeistarafelag.

### **Art. 2. Working Hours**

2.1 As of January 1, 1980, in accordance with Faroese Parliamentary Act 37, dated June 1, 1978, the ordinary working week is 40 hours. Daily working hours shall be the same as that of other employees at the same company (journeymen).

Masters are obliged to pay apprentices wages for the number of hours per week stipulated in the Apprentice Agreement.

2.2 If apprentices are absent from work/school without legitimate reason, then companies/masters are not obliged to pay them wages for the periods they have been absent.

### **Art. 3. Shift Work**

Apprentices may work shifts like journeymen. Shift Work Allowance shall be paid at the same percentage rate as apprentice wages of journeyman wages.

When working in shifts, meal breaks shall not be deducted for the 2<sup>nd</sup> and 3<sup>rd</sup> shifts.

### **Art. 4. Holiday Pay**

Please refer to the Faroese Parliamentary Act on paid holidays. Apprentices shall, at present, receive 12% holiday pay.

**Art. 5. Maternity and Paternity Leave**

Governed by the Faroese Parliamentary Act on the Parental Leave Scheme.

**Art. 6. Illness**

Governed by the Faroese Parliamentary act on sickness benefits.

Apprentices shall submit a doctor's certificate, if so required by the master or the company. (Notwithstanding any sickness benefits received.)

**Art. 7. Non-working Days**

Apprentices are entitled to the same non-working days as those stipulated in the Main Agreement. Currently the following are non-working days: On May 1 and New Year's Eve (January 31) workers have the whole day off. On Faroese Flag Day (April 25), Danish Constitution Day (June 5), November 1 and Christmas Eve (December 24) workers have the day off from 12:00 noon. Masters shall not pay wages for public holidays and non-working days, however, they shall pay 1.5% to the pension fund for said days.

**Art. 8. Wages**

Apprentices shall, at any given time, receive the wages stipulated in the Agreement in force between Føroya Handverksmeistarafelag and Føroya Handverkarafelag. This is:

- 1<sup>st</sup> year 35% of journeyman wages
- 2<sup>nd</sup> year 40% of journeyman wages
- 3<sup>rd</sup> year 45% of journeyman wages
- 4<sup>th</sup> year 55% of journeyman wages
- 5<sup>th</sup> year 70% of journeyman wages

Apprentices shall always start from year 1. If the study period, for example, lasts 3 years, then apprentices start from year 1 and then continue to year 2 and 3. Except when the study period is shortened, in that case, the shortened period shall be deducted from year 1. This means that if an apprentice's study period is shortened by 20 weeks, his 1<sup>st</sup> year study period will be 32 weeks, after which the apprentice continues to year 2, etc.

**Art. 9. Pay During School Periods**

Masters are obliged to pay apprentices wages during their school periods.

**Art. 10. Driving and Working Away from the Workplace**

Art. 19 in the Main Agreement on provisions regarding driving and working away from the workplace for craftspersons and specialist workers applies to apprentices.

**Art. 11. Pension Payments**

Masters pay 7.5% of wages into Føroya Handverkarafelag or Landsfelag Handverkaranna's pension fund.

The pension payment mentioned in Art. 7 is included in this pension payment.

**Art. 12. Payment of Wages**

11.1 Wages shall be paid according to a fixed scheme either weekly or fortnightly.

11.2 Each payment shall be accompanied by a payslip(s).

11.3 All payments pursuant to agreements shall be made when wages are paid.

**Art. 13. Overtime**

Throughout the apprenticeship overtime shall be compensated with year 1 specialist wages + the following percentages:

First 4 hours	+ 35%
Next 3 hours	+ 60%
Following hours	+ 100%

**Saturdays:**

First 5 hours	+ 35%
Following hours	+ 60%

**Sundays and public holidays:** + 100%

**Art. 14. Work Stoppage**

Apprentices may not participate in labour market work stoppages.

**Art. 15. Displaced Working Hours**

For work within the following periods, the following allowances shall be paid (displaced working hours):

Trade	Period	Allowance as of October 1, 2005
Apprentice bakers	Any day between 6:00 pm and 4:00 am	35.00

	Sundays and Holidays 12:00 midnight to 12:00 midnight (24 hours) and Non-working Days	25.00
Apprentice chefs and waiters	Weekdays 6:00 pm – 6:00 am	4.00
	Saturdays, Sundays and Holidays	5.50
Apprentice hairdressers	Sundays	Paid as apprentice overtime

### **Art. 16. Membership Fees**

Art. 24 in the Main Agreement applies to apprentices.

Currently this article stipulates:

“24.1 Each workplace may freely decide whether the master shall retain the membership fee for members of the craftspersons’ unions.

24.2 The aforementioned decision shall be made by a simple majority of craftspersons, specialist workers and masters voting by ballots at the workplace.

24.3 If it is decided that the master is to retain membership fees, said fees shall be paid to the craftspersons’ union concerned as per agreement.”

### **Art. 17. Validity and Notice**

This Agreement enters into force on October 1, 2016 and can be terminated with 2 months’ notice by an October 1, though by October 1, 2018 at the earliest.

This Agreement does not apply to apprentices who commenced their apprenticeship before October 1, 2005, the parties may, however, choose to apply this Agreement.

Tórshavn, November 7, 2016

**On behalf of Føroya  
Handverkarafelag**  
Suni Simonsen, Chair

**On behalf of Landsfelag  
Handverkaranna**  
Daniel P. Djurhuus, Chair

**On behalf of Føroya  
Arbeiðsgevarafelag**  
Marita Rasmussen, Lead Negotiator

**On behalf of Føroya  
Handverksmeistarafelag**  
Magnus Magnussen, Chair.

## **STATUTES OF VITAN**

### **Continuing Education Fund**

**Established on January 1, 1990**

#### **Art. 1. Name and Domicile**

1.1 The Fund's name is Vitan.

1.2 The Fund is owned by Føroya Handverkarafelag (FHF)/Landsfelag Handverkaranna (LH) and Føroya Handverksmeistarafelag (FHMF).

1.3 The Fund is domiciled in Tórshavn.

#### **Art. 2. Purpose**

2.1 The Fund's main purpose is to provide financial and technical support for any members of either union planning to attend a continuing education course.

2.1 In exceptional cases, the board may decide to allocate funds to purposes other than continuing education.

#### **Art. 3. Conditions for Support**

The conditions for receiving support are:

a. Craftspersons must be active members of a craftspersons' union, which must be an affiliate of FHF/LH and masters, or their company, must be active members of a local masters' association, which must be a member of FHMF.

b. The applicant and master are both up-to-date with their contributions to Vitan.

c. The applicant must have worked for a master craftsman or been a master craftsman within the last 4 weeks before commencing a continuing education course.

d. The company payment is up-to-date.

#### **Art. 4. Original Capital**

The federations have entered an agreement stipulating their contributions to the Fund. Interest on the fund's financial assets is used to maintain its original capital.

#### **Art. 5. Grants**

5.1 The fund may pay out in grants:

- a) Its annual contributions received.
- b) Funds received from other sources.
- c) Funds mentioned in a and b, which were not spent in the foregoing year.

#### **Art. 6. Payment of Member Contributions**

6.1 Master craftsmen are obliged to deduct craftspersons' contributions from their wages whenever wages are paid and transfer this contribution to the Fund, similarly, masters shall pay their own contributions at the same time.

6.2 Master craftsmen shall settle contribution payments with the Fund every time they pay wages, or by arrangement with the Fund.

6.3 Masters who employ more than one craftsperson can transfer the total amount for each salary paid in one lump sum to the fund.

6.4 When the contributions are paid a detailed overview of the persons, numbers of hours and periods paid shall be submitted to the Fund's administrator.

6.5 If a master craftsman accrues more than a month's debt to the Fund, in accordance with the statutes in force or an arrangement made, and fails to pay this debt within 8 days of payment of said debt being requested, at the latest, said debt may be collected following standard procedures.

#### **Art. 7. Administration**

7.1 A five-member board shall be elected to direct the Fund. It shall administer the fund and decide on any issues relating to it.

7.2 The boards of FHMF shall appoint two members, while the boards of FHF and LH shall appoint a member each, the fifth member shall be jointly elected by the other four.

7.3 The board shall be elected for a two-year term and board members may be re-elected.

7.4 The board may seek specialist assistance, which shall be paid out of the Fund's income.

7.5 The Funds operational expenses and compensations for board members shall be approved by the federations and paid out of the contributions received by the Fund.

#### **Art. 8. Applications**

8.1 Applications for grants shall be made on a special application form, which the Fund's board shall have prepared for this purpose.

8.2 The application shall be submitted with a cost estimate of the expenses related to the continuing education course, which the applicant intends to attend; based on this information, the Fund may grant support.

8.3 Nonetheless, all payments of grants are contingent upon the submission of documents supporting the expenses.

8.4 The board shall aim to strike a reasonable balance between contributions received and grants allocated to individual applicants each financial year.

#### **Art. 9. Accounts**

9.1 The Fund's accounting year runs between January 1 and December 31.

9.2 The Fund's audited accounts shall be presented at the federations' annual general meetings.

9.3 The board shall appoint an auditor.

#### **Art. 10. Amendments**

These statutes may be amended, if a board member of the Fund or a federation considers it necessary, however, any amendments shall be submitted to the federations for approval.

#### **Art. 11. Liquidation**

Should the federations decide to wind up the Fund, the Fund's assets shall be liquidated, but shall not under any circumstances whatsoever be transferred to the federations themselves. Said assets shall instead be given to a good cause, which the federations agree to choose at that stage, and which falls within the federations' sphere of activity.

#### **Art. 12. Establishment**

This continuing education fund has been set up during the collective bargaining round between craftspersons and master craftsmen in May 1989 and is to commence its activities on January 1, 1990.

The statutes were approved by the federations in December 1989, subsequently amended in December 1998, May 2002 and in November 2008.

#### **Føroya Handverkarafelag**

Poul Øregaard, Chair

#### **Føroya Handverksmeistarafelag**

Vilhelm M. Johannesen, Chair

#### **Landsfelag Handverkaranna**

Dániel P. Djurhuus

#### **Føroya Arbeidsgevarafelag**

Vilhelm M. Johannesen, Chair

## Piecework Wages for Car Painters

### Art. 1

At workshops, where circumstances allow it, masters and journeymen may agree to apply this Agreement to car painting.

### Art. 2

2.1 Piecework wages for car painting shall be paid in accordance with the annexed table.

2.2 A 25% additional allowance shall be paid for metallic paints. DKK 11.32 shall be paid for each period.

### Art. 3.

This Agreement enters into force on January 1, 1994 and may be terminated with 2 months' notice by an October 1, though by October 1, 1994 at the earliest.

Tórshavn, January 31, 1994

On behalf of Føroya Handverkarafelag  
Høgni Højgaard, Chair  
Jørgen Rubeksen

On behalf of Føroya Handverksmeistarafelag:  
Vilhelm M. Johannesen, Chair  
Johan Petersen, Vice Chair  
Jákup í Gerðinum, administrator

m2	1	2	3	4	5	6	7	8	9	10
0.0	312	479	634	787	930	1070	1210	1350	1491	1632
0.1	329	496	656	802	944	1083	1224	1364	1505	1646
0.2	346	513	671	816	958	1097	1238	1378	1519	1660
0.3	363	530	685	831	971	1111	1252	1392	1533	1674
0.4	380	546	699	846	985	1125	1266	1407	1548	1689
0.5	397	564	713	861	999	1139	1281	1421	1562	1702
0.6	244	414	580	728	874	1013	1153	1294	1435	1576
0.7	262	430	594	742	888	1027	1167	1309	1449	1590
0.8	279	447	608	758	903	1041	1182	1323	1463	1603
0.9	296	463	623	773	917	1055	1196	1336	1477	1617



<b>m2</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
0.0	1773	1914	2054	2195	2335	2476	2617	2758	2899	3039
0.1	1787	1928	2068	2210	2349	2490	2631	2772	2912	*)
0.2	1801	1942	2082	2223	2363	2505	2645	2786	2926	
0.3	1815	1956	2096	2237	2378	2519	2659	2800	2940	
0.4	1829	1970	2110	2251	2392	2533	2673	2813	2954	
0.5	1843	1984	2124	2265	2406	2546	2687	2827	2969	
0.6	1857	1998	2138	2279	2420	2560	2701	2843	2983	
0.7	1871	2011	2153	2293	2434	2574	2715	2857	2997	
0.8	1885	2026	2167	2307	2448	2588	2730	2871	3011	
0.9	1899	2044	2181	2321	2462	2604	2744	2885	3025	

\*) Following m<sup>2</sup> v/DKK 140,-

**Office Hours and Contact Information**  
**Føroya Handverkarafelag**

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Monday – Thursday  
9:00 am – 3:00 pm