

# **Basic agreement**

## ***2010 -2013***

### **LO - NHO**

**with supplementary agreements**

Confederation of Norwegian Enterprise  
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BASIC AGREEMENT OF 2006  
PART A

**CHAPTER I**  
**PARTIES, APPLICATION AND DURATION**

**§ 1-1 Parties**

The Basic Agreement is an agreement between the Confederation of Norwegian Enterprise (NHO) including all its national and local associations and individual enterprises, and the Norwegian Confederation of Trade Unions (LO) including all its unions and associations (divisions). The Basic Agreement in no way affects or alters relations between parties to other collective agreements.

**§ 1-2 Scope of Application**

The Basic Agreement is the first part of all collective agreements for workers that have been or may be concluded by the organisations named in the heading and/or their members, and which are not covered by other Basic Agreements. Part B of the Basic Agreement applies to industrial and craft enterprises in the same way as the former agreement on production committees. It is the intention that NHO and LO and the interested employer and employee associations may at any time enter into negotiations aimed at making Part B of the Basic Agreement applicable or at adapting the rules in Part B to other commercial sectors than industry and crafts.

**§ 1-3 Duration**

This agreement, which enters into force on 1 January 2010, shall remain in force until 31 December 2013, and thereafter for a further two years at a time unless terminated by one of the parties in writing with 6 - six - months' notice.

**CHAPTER II**  
**FREEDOM OF ASSOCIATION. OBLIGATION TO REFRAIN FROM**  
**INDUSTRIAL ACTION. THE RIGHT TO NEGOTIATE AND**  
**TO TAKE LEGAL ACTION**

**§ 2-1 Freedom of Association**

The Confederation of Norwegian Enterprise (NHO) and the Norwegian Confederation of Trade Unions (LO) mutually recognize the freedom of association of employers and employees.

A well-organised working life is a source of strength for the employee and employer organisations and for the community as a whole. By virtue of the broad interests they represent, LO and NHO safeguard the general interests of the whole community.

For LO and NHO to fulfil their roles, it is important that they have wide support. The democratic rights of the associations are laid down in the Basic Agreement and the Act relating to labour disputes. A central principle of national and international law in the field of labour law, is that employees and employers are given the right to form associations and make collective agreements to safeguard their interests.

To ensure organised employees and employers wide support enabling them to fulfil their functions as central actors in society, it is of decisive importance, in negotiation and conflict situations, to show respect for the interests of the organisations and that neither party acts in a manner that will weaken the position of the other.

**§ 2-2 Obligation to refrain from industrial action**

No stoppages or other industrial action must take place where a collective agreement is in force. If a dispute arises concerning interpretation of a collective agreement, or demands based on a collective agreement, it shall be settled by the Labour Court if the parties fail to reach agreement according to the rules in § 2-3 below.

**§ 2–3 Negotiations**

1. In the event of a dispute between an enterprise and its employees, attempts shall first be made to settle the dispute by negotiations between the enterprise and the shop steward(s). Minutes shall be taken of the negotiations. The parties' views shall be recorded in the minutes, which shall be signed by both parties.

**Building/construction/offshore**

If these fail to reach agreement, negotiations shall be commenced between the enterprise and the shop stewards referred to in Chapter V. In such event the enterprise is also entitled to summon a representative or one of its officers. The organisations on both sides are entitled to take action if the agreements resulting from the above mentioned negotiations are contrary to the collective agreements in force.

2. If no agreement is reached between the enterprise and the shop stewards, the union and national association or LO and NHO, may agree to continue negotiations after summoning a responsible representative from each of the organisations.
3. The organisations or their subordinate bodies may not make direct contact with members of the other organisation except by agreement with the other organisation.
4. If no agreement is reached by negotiations pursuant to items 1 and 2 above, each of the parties may submit the dispute to the union and national association concerned or to LO and NHO or the subordinate organisations authorized by them.
5. Negotiations shall take place within 8 days after a request for negotiation has been made in writing.

**§ 2–4 Legal action**

Disputes concerning interpretation of this Basic Agreement may be submitted to the Labour Court. Under the Agreement only NHO and LO have the right to take legal action. The same applies to legal action in connection with any other collective agreement, except when the right to take legal action is assigned to another pursuant to section 8 of the Labour Disputes Act (Norway).

LO and NHO shall notify the other party of any legal action against/from any other party to a collective agreement concerning identical collective agreement provisions.

## CHAPTER III INDUSTRIAL DISPUTES

**§ 3–1 Collective notice**

1. When collective agreements are being revised, or when notice of stoppage has been given pursuant to the Labour Disputes Act, NHO and LO will accept as valid notice of stoppage for the employees a notice exchanged between the two organisations or between affiliated national associations and unions, provided that the central organisations have been informed of the stoppage. Both parties undertake to give such information with at least 14 days' notice.

If revision of the collective agreement is carried out as a coordinated or cartel-wise settlement, the common expiry date for all of the terminated collective agreements concerned will be 1 April, irrespective of the expiry date given in the individual collective agreements and notices previously given.

In form and content notices of stoppage shall be in accordance with section 28 of the Labour Disputes Act.

2. Notice of stoppage (the final extent of the stoppage) shall be given with at least 4 days' notice and at the latest in connection with a demand that mediation be terminated in accordance with section 36 of the Labour Disputes Act.

Similarly notice of extension of the conflict shall be given by each of the parties with at least 4 days' notice.

3. In the case of enterprises outside NHO that are bound by collective agreements of the same nature, LO shall notify them and give notice of and effect stoppages to the same extent and from the same time, provided that this is practicable.
4. In the case of enterprises outside NHO that are bound by an agreement though a direct agreement with the national union (so-called "association agreements", "hanging agreements" or "declaration agreements"), where the parties agree to join "the agreement in force at the time in question", the following shall apply:

These enterprises are covered by collective agreement revisions between the parties to the agreement, without terminating the direct agreement.

As a consequence of agreement between the national union and the non-organised enterprises to join the agreement in force at the time in question, no particular negotiations and/or mediation are conducted between the national union and the non-organised enterprises, since negotiations//mediation between the parties to the agreement also include/concern the national union and the non-organised enterprises.

When LO/the national union terminates the agreement, the non-organised enterprises shall be informed by way of a copy of the termination. This notice shall count as a prior termination of the collective agreement and complies with the requirements of the Labour Disputes Act for launching a legal industrial dispute.

The national union has the right to call out members in these enterprises for industrial action with notice of stoppage and a possible stoppage of work pursuant to the deadlines in section 3-1 subsections 1, 2 and 5, while notice of stoppage/stoppage of work is given in the main bargaining round.

A possible industrial dispute in non-organised enterprises ceases at the same time as the industrial dispute in the main conflict ceases.

A new agreement concluded between the parties to the agreement is applicable to the non-organised enterprises without particular decision-making.

These provisions are a necessary consequence of section 3 -1 subsection 3 of the Basic Agreement.

If the national union or the enterprise wishes to conduct an independent collective agreement revision, the direct agreement must be terminated according to the applicable rules for termination.

5. If a mediation proposal is rejected, stoppage can be effected at 4 days' notice, unless otherwise agreed between the parties. The notice may be given before the reply deadline expires.

### **§ 3–2 Position of apprentices and training candidates in industrial disputes**

1. Apprentices on contract and training candidates on training contracts are not included in collective notices of stoppage given in accordance with the first paragraph of section 3-1 above unless they are expressly mentioned in the notice to be exchanged between the organisations.
2. When not included in the notice of stoppage, apprentices and training candidates shall continue their training during the stoppage. Whenever possible enterprises shall continue to



provide normal training. If the stoppage makes it impossible to provide effective training, apprentices and training candidates may be laid off, with at least 7 days' notice, for the duration of the stoppage.

For apprentices and training candidates laid off in accordance with the preceding paragraph, the question of a possible extension of the period of apprenticeship/training because of the stoppage shall be decided in accordance with section 4-6 of the Act relating to the comprehensive school and further education (the Schooling Act) or corresponding provisions in other legislation.

### **§ 3-3 Work in connection with industrial disputes**

1. The central organisations presuppose that, in ample time before the collective agreement expires, the necessary agreements will be made at the individual enterprises or in the separate sectors covered by the collective agreements, to regulate conditions for the technically safe and sound closing down and restarting of operations, and the necessary work to prevent hazards to life and health or substantial material damage.
2. Local agreements to this end are subject to approval by the direct parties to the collective agreement. If agreement is not reached at local negotiations, the matter may be submitted to the parties to the collective agreement. If agreement is not reached at these negotiations, or if one of the parties to the agreement does not approve the local agreement, the matter may be submitted to the central organisations.
3. The agreements referred to in item 2 above shall apply until a new collective agreement enters into force.

### **§ 3-4 Voting procedure for Employees**

1. For voting on proposed collective agreements, those having the right to vote shall be called to a meeting at which the proposed agreement is presented and a secret written vote is taken. Ballot papers shall be collected either by the union committee or by a specially appointed committee. The ballot papers shall be sealed and held by the union committee or the specially appointed committee until voting in the district concerned has been concluded for all participants. The union committee or special committee shall then count the votes and record the result. The result of the ballot shall be sent to the union concerned and shall not be published in any form until the central organisations have so decided. If so requested the ballot papers shall be sent to the national union concerned.

The national unions shall send the unions summaries of total results and of the voting in the divisions.

Votes may also be taken by making the proposed collective agreement known to each employee with a say in the decision, and sending them ballot papers with an obligation to return their votes.

2.
  - a) All organized employees of enterprises covered by the proposed collective agreement have the right to vote.
  - b) In unions whose members constantly change their places of work (building workers, transport workers, lumbermen and agricultural workers, workers in seasonal enterprises etc.), all members have the right to vote.
  - c) When a union has a general agreement submitted to it which in effect regulates wages and working conditions for the whole trade, all members have the right to vote.
  - d) Voting is compulsory for all members with the right to vote.
3.
  - a) If so few votes are cast that the ballot is not a fair reflection of majority opinion among members with the right to vote, the executive committee of the national union concerned

may order a new ballot. The new ballot shall comprise all unions concerned and all members with the right to vote.

b) At enterprises that work shifts where there is no dispute, the meeting or meetings shall be arranged so that all members have an opportunity to vote.

4. Members who are receiving financial assistance from a union and who without valid reason fail to vote on a proposed collective agreement, forfeit the right to continued assistance. Disputes between a union and its members concerning this provision shall be settled by the executive committee of the national union.
5. This procedure for ballots on proposed collective agreements shall be followed by all organisations affiliated with LO.
6. Any dispute concerning the application of these voting rules shall be settled by the Secretariat.
7. These rules do not affect the right of the national unions and the Secretariat to conduct and conclude wage settlements and disputes in accordance with current bylaws of the bylaws governing LO.
8. In connection with voting the enterprise shall give the shop stewards a list of the places where employees are working.

#### **§ 3–5 Voting procedure for Employers**

When a proposed collective agreement is submitted to a referendum, those members of NHO take part to whom the agreement applies. Ballots shall be secret and in writing. For a proposal submitted to a referendum to be rejected, at least half of those entitled to vote must have voted for rejection.

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

These rules do not affect the right of the Executive Council and the national associations to conduct and conclude wage settlements and disputes in accordance with current bylaws governing the organisations.

#### **§ 3–6 Industrial sympathy actions**

1. The provisions in collective agreements enjoining avoidance of industrial action do not limit the right of enterprises or employees to take part in stoppages in support of other lawful industrial action when consent is given by NHO or LO. Before giving such consent, these organisations must conduct negotiations concerning any extension of the main dispute. Negotiations shall be commenced within four days after being demanded.
2. Notice of any stoppage of work shall be given as provided in § 3–1. In the event of sympathy strikes at NHO's member enterprises in support of employees at enterprises which do not belong to any employers' organisation, the period of notice shall be three weeks.
3. If LO calls a sympathy strike among NHO members in connection with a dispute at an enterprise which is not a member of NHO, LO shall at the same time call a sympathy strike at corresponding unorganized enterprises, if any; however, the number of employees brought out on sympathy strike at the unorganized enterprises shall correspond roughly to the number of employees at the organized enterprises. The central organisations may agree on exceptions to this rule. LO may exempt State and Municipal enterprises.

4. The right of LO to call sympathy strikes at enterprises affiliated with NHO in support of demands made to unorganized enterprises is limited to demands which do not exceed the terms of collective agreements between NHO and corresponding enterprises.
5. Notice of stoppages pursuant to the rules in this section shall be unconditional, except when the main dispute concerns the right to fix terms and conditions of employment in a collective agreement at enterprises where at least half of the employees are organized in unions affiliated with LO. If the aim of the dispute is to protect the right of association, LO or unions affiliated with LO are entitled to give conditional notice of stoppage regardless of the number of members.

**Entered in the minutes:**

"The N.A.F. negotiators proposed in 1947 that the expression "state, municipal" in the sixth paragraph of the section (now subsection 3, penultimate paragraph, last sentence) should be changed to "public activity". The LO negotiators remarked that the present expression does not allow LO to exempt public manufacturing enterprises whose production is not mainly geared to national defence requirements. Referring to this, the N.A.F. negotiators withdrew their proposal.

The provision in the last sentence of § 3–6, subsection 5, relates to cases of employers who dismiss employees who organize themselves, so that the number of organized employees never reaches 50% of the workforce. It takes account of the general rule practised for many years by LO of not initiating industrial disputes aimed at the adoption of collective agreements at enterprises where only a minority of the workers is organized. Corresponding rules will also be observed with regard to clerical staff.

LO is willing to enter into agreements with contents corresponding to § 3–6 with other associations of employers, as well as to include in such agreements provisions corresponding to § 2–1 of the Basic Agreement."

**§ 3–7 New collective agreements during term of agreement**

1. During the term of a collective agreement LO and NHO may demand that the collective agreement shall apply in a member enterprise that has not been bound by the collective agreement between the organisations.

This similarly applies if an enterprise that is bound by the collective agreement commences activities that are not covered by the existing collective agreement for that enterprise.

If a union has presented a demand for a collective agreement to an enterprise that is not a member of NHO and the enterprise afterwards becomes a member, NHO/LO shall, without undue delay, send notice of such membership to the trade union by which the demand was presented. At the same time, NHO/LO shall adopt a position in regard to the wage claim.

2. For demanding implementation of a collective agreement, it is a condition that the enterprise is a member of NHO/national association and that employees of the enterprise are organized in LO/the union.

It is a condition that not less than 10% of the employees in the enterprise within the agreement sector are organized in LO/the union. Enterprises having less than 25 employees are not subject to the above rules, but usually they will follow them.

Vertical agreements and individually applicable agreements are excepted.

3. In cases where only apprentices are organized and not the other employees of the enterprise within the same agreement sector, LO may demand that the rules of the agreement shall in practice be applied in relation to the apprentices, even if the agreement is not made applicable.

This practice must be confirmed by exchange of letters between the parties to the agreement.

4. The demand shall apply to the existing collective agreement between LO and NHO that applies to enterprises of the same type.

The question of which collective agreement is to be made applicable shall be decided by LO and NHO. The union and national association are not empowered to bind the central organisations. Internal organisational memberships will be determined by LO and NHO, but have no significance for the choice of agreement.

5. The collective agreement shall apply from the date on which the demand is received.

In the event of dispute regarding a choice between two or more appropriate collective agreements, the parties shall discuss whether the Basic Agreement and the United Agreement schemes shall be made applicable from the date of the demand.

If the enterprise is bound by another collective agreement at the time of joining NHO, that agreement shall apply until it is terminated.

6. If a change to another collective agreement results in changes in wages and working conditions, this including pensions, or differences in the conditions among those who perform the same work, an interim arrangement shall be negotiated.
7. The provisions of this section are not intended to prevent implementation of vertical agreements/organisational relations. In particular the parties would point out that adapting the agreements to the traditional collective agreements in private business and industry may create problems for enterprises having a background from public enterprises.

#### **§ 3–8 New collective agreements owing to changed circumstances**

If changes in the type of production, manner of performing the work or working conditions mean that the collective agreement in force ceases to be the most appropriate one for the enterprise, each of the parties may initiate negotiations for adoption of the most appropriate agreement in accordance with the provisions in § 3–10, subsection 3. Disputes concerning which of one or more collective agreements can apply shall be settled by the arbitration tribunal. Section 3-7,6 applies correspondingly.

#### **§ 3–9 Procedure in event of demand for new collective agreement**

1. A demand for implementation of a collective agreement pursuant to § 3–7 shall be made in writing by LO or NHO, or through the union or national association, to NHO/the national association or LO/the union, as appropriate.
2. Confirmation of implementation of a collective agreement on behalf of NHO or LO shall be returned to the other party as soon as possible and within 1 month from receiving the demand.
3. If the demand is disputed, cf. § 3–7, subsections 2 and 3, negotiations to solve the dispute shall be conducted between LO and NHO. The party by whom the demand is disputed shall request a negotiatory meeting at the same time. Unless otherwise agreed between the parties, the meeting shall be held within one month.
4. If agreement is not reached, either party is entitled to submit the dispute to the Permanent Arbitration Tribunal in LO/NHO, cf. § 3–10. In such event the action must be filed within two months from the close of the negotiations. Except when otherwise decided by the parties in the particular case, failure to observe this time limit will result in the collective agreement being implemented in accordance with the demand presented.

#### **§ 3–10 The Permanent Arbitration Tribunal**

1. The Permanent Arbitration Tribunal shall consist of one representative from LO and one from NHO and an impartial umpire appointed by the parties jointly. If the parties fail to

agree on this appointment the umpire shall be appointed by the National Arbitrator. The period of office for the Tribunal shall follow the duration of the Basic Agreement.

2. The Tribunal shall make its decision on the basis of the guidelines set forth in subsection 3.

If the parties so agree, the Tribunal may make its decision on the basis of written proceedings.

In the event of a choice between two or more appropriate collective agreements, the Tribunal shall make a decision on merits.

If the Tribunal finds that none of the cited collective agreements are appropriate, the dispute shall be dealt with in accordance with section 6,3 of the Labour Disputes Act.

3. When determining the nature of an enterprise, regard must be had to its operation and working conditions and to the kind and performance of the work. The designation of the enterprise shall not be decisive, since the main aim is to arrive at the collective agreement most appropriate to the trades and operations at the enterprise.
4. If the rates of pay in the collective agreement concerned (hourly, daily, monthly, percentage pay or piecework rates) are not directly applicable, negotiations shall take place in accordance with § 2–3. If agreement is not reached, the dispute shall be settled by a tribunal composed as described in subsection 1 above. The same applies if the collective agreement lacks rates of pay for certain categories of employee at the enterprise, or if special circumstances necessitate the inclusion of provisions not contained in the collective agreement being applied.
5. If at the time an enterprise enrolls notice of stoppage has been given in support of a demand for a collective agreement at the enterprise, or if mediation proceedings have been decided on, a tribunal may determine that all or part of the arrears of wages for work done in the time that has elapsed shall be paid at the rates adopted for the enterprise. If the enterprise is entering into a new collective agreement, arrears of wages shall be paid with effect from the date of the written demand. If the enterprise is merely revising an existing collective agreement, payment of arrears can not take effect until the expiry date of that agreement.
6. If employees at an enterprise previously enjoyed benefits which are not normally subject to regulation in collective agreements, and which were not taken into account when the terms and conditions of employment were established in the collective agreement, all employees can retain such benefits for as long as they are attached to the enterprise. However, under special circumstances NHO may demand the withdrawal also of such benefits. If a dispute arises in this connection which can not be resolved by negotiations in accordance with § 2–3, it shall be settled by a tribunal pursuant to subsection 1 above.

If the collective agreement adopted for a newly enrolled enterprise contains provisions concerning the retention of benefits over and above those stipulated in the agreement, such provisions do not entitle employees to demand that benefits be retained to any greater extent than provided above, and any dispute in this connection shall be settled by the tribunal.

**Note:**

Examples of benefits which are not normally regulated by collective agreements are free medicine, free schooling for children of employees, or paid leave to serve in positions of public trust, or loan schemes.

**§ 3–11 Enterprises that resign from NHO**

If an enterprise that is bound by a collective agreement ceases to be a member of NHO during the term of the agreement, NHO shall as soon as possible notify the union concerned of this withdrawal and the effective date thereof.

An enterprise that withdraws from NHO during the term of collective agreement will continue to be bound by the collective agreements that were in force at the time of withdrawal (cf. Labour Disputes Act, section 3,4).

**§ 3-12 Lists of enterprises bound by collective agreements**

During the auditing year LO and NHO shall exchange lists of the enterprises bound by collective agreements as of 1 February.

The revised wage agreement for the year will apply to all enterprises listed as of 1 February, except when the list states that membership of NHO will expire before the end of the agreement term.

For enterprises covered by a collective agreement that expires in the second half-year, the corresponding date will be two months before the expiry date for the collective agreement.

**§ 3-13 Enterprises that no longer have any organised employees**

Before expiry of the first agreement year, the union and LO shall conduct negotiations concerning whether the collective agreement shall lapse for enterprises in which there are no members.

**§ 3-14 Political demonstrations**

The parties mutually recognize the right to implement political demonstrations, on condition that the demonstration is not an action intended to force through changes in matters regulated under collective agreements.

Prior notice must be given of political demonstrations. The party organizing the action shall notify the other party to the agreement at the earliest circumstances permit, and also arrange for notifying interested shop stewards and enterprises. The notice should state the time and date for the demonstration, the background for it and the expected duration. The purpose of giving prior notice is to afford the parties concerned the time and opportunity to make preparations so that the demonstration does not interfere with the ordinary operations of the enterprise any more than is necessary.

The above provisions are not intended to alter the prevailing law created through the Labour Court case law relating to political demonstrations.

**CHAPTER IV  
SPECIAL AGREEMENTS**

**§ 4-1 Validity of special agreements**

Special agreements governing wages and conditions of employment entered into in writing by the management and shop stewards at an enterprise are binding for the parties until terminated by written notice. This shall not apply, however, if the special agreement conflicts with the collective agreement adopted by the organisations for the enterprise.

**§ 4-2 Termination of special agreements**

**1. Negotiations prior to termination**

The local parties shall conduct negotiations concerning special agreements before termination is effected. However termination may take place if negotiations have been demanded but have not commenced within eight days.

**2. Special agreements with specific expiry dates**

Special agreements with specific expiry dates may be terminated with at least one month's notice before the expiry date unless otherwise agreed. If no notice of termination has been given by the date of expiry, the same period of notice shall apply for a further one month at a time.

**3. Special agreements that apply until further notice**

If it has been decided or presupposed that a special agreement shall apply until further notice, it may be terminated at any time with at least 1 month's notice, unless otherwise agreed.

**4. Special agreements that are concurrent with the enterprise's collective agreement**

If it has been agreed or presupposed that a special agreement shall be valid until the collective agreement for the enterprise expires, it shall remain in force also during the term of the next collective agreement, except when it has been agreed during revisal of the collective agreement that the special agreement shall lapse or be changed.

If a special agreement has the same duration as the collective agreement, local negotiations aimed at revising the special agreement may be demanded during the term of the collective agreement.

If agreement is not reached, the matter may be submitted to the organisations in accordance with § 2–3 of the Basic Agreement. If no agreement is then reached, the special agreement may be terminated by either of the local parties with effect from expiry of the collective agreement, with the same notice as for the collective agreement.

**5. Right to negotiation and arbitration**

The preceding provisions are supplementary to the right the parties have under the current collective agreement to demand negotiations and necessary arbitration when revising special agreements.

**§ 4–3 Effects of the expiry of a special agreement**

When a special agreement expires following notice of termination while the collective agreement between the parties remains in force, the matters governed by the special agreement shall be regulated on the basis of the provisions in the collective agreement.

The last paragraph of section 6,3 of the Labour Disputes Act correspondingly applies for termination of special agreements that are concurrent with collective agreements. Therefore the wage and working conditions that apply under the special agreement will remain in force for as long as negotiation and mediation for a new collective agreement are taking place.

## **CHAPTER V SHOP STEWARDS, NUMBERS AND ELECTION**

**§ 5–1 Right and duty to elect shop stewards**

Shop stewards to represent the organized employees shall be elected at every enterprise where the enterprise or the employees so demand.

When an enterprise is split into smaller units and the former owners have major owner interests in the new companies, employees within the same union area may demand that a common committee of shop stewards be appointed for a transitional period of up to six months, see section 5–4 below.

When the enterprise structure is altered in such a way that it no longer is in keeping with the established organisation of workplace branches/departments, the parties shall discuss appropriate arrangements.

**Building/Construction/Offshore**

Company or site shop stewards for the organized employees shall be elected whenever so demanded by the enterprise or the employees. In such event site shop stewards should be elected for the main building and construction trades.

If it is found that to facilitate communication both company and site shop stewards are needed, an agreement may be made between the parties at the individual enterprise to the effect that shop stewards of both categories may be elected.

If the parties fail to reach agreement at local negotiations, the matter may be referred to the organisations for decision.

#### Definitions

Site shop stewards are those shop stewards who in the main building (bricklayers, carpenters, and concrete trades) and construction trades are elected by and from among the employees working for the individual enterprise on the site concerned. In this connection central workshops, stockyards and storage sites are regarded as separate workplaces.

Company shop stewards are those who are elected by and from among the employees of an enterprise as a whole (the workplace branch committee, for example).

Union shop stewards are those who are employed or are elected within *the* Norwegian United Federation of Trade Unions' collective agreement area for the Joint Agreement for the Building Trade or the Norwegian Union of General Workers, or their subdivisions and groups. The "Joint Declaration of the Central Organisations concerning Shop Stewards" in Chapter VI, § 6–2, subsection 2, § 6–4, subsection 2, § 6–11 and § 9., and Part B Cooperation Agreement, do not apply for these shop stewards, nor does § 2–3, subsection 1, apply for the main building trades' central workshops. Special shop stewards, elected from among employees to handle piece-work agreements, are not regarded as shop stewards for the purpose of the Basic Agreement.

#### § 5–2 Number of shop stewards

At enterprises with up to 25 employees, 2 shop stewards may be elected.

The number of shop stewards at enterprises having over 25 employees shall be as follows:

from	26	to	50 employees	3	shop	stewards
"	51	"	150 "	4	"	"
"	151	"	300 "	6	"	"
"	301	"	500 "	8	"	"
"	501	"	750 "	10	"	"
over	750		"	12	"	"

Employees who are members of organisations not affiliated with LO shall not be included when calculating the number of shop stewards.

When an enterprise is reorganised or alters the number of employees, the number of shop stewards shall be discussed. The number of shop stewards shall always be proportional to the number of employees.

The parties at the individual enterprise may enter into a written agreement for a larger number of shop stewards, especially whenever so dictated by the structure and organisational form of the enterprise.

#### **Building/Construction/Offshore/Domestic Trade**

For election of shop stewards the enterprise may either be regarded as one unit, or the individual building or construction sites may be regarded as separate units.

In the main building and construction trades, two site shop stewards may be elected for each workplace at which there are up to 25 employees.

The number of site shop stewards at workplaces having more than 25 employees shall be as follows

from	26	to	50 employees	3	site shop	stewards
"	51	"	150 "	4	" "	"
"	151	"	300 "	6	" "	"
over			300 "	8	" "	"

One of these shop stewards may be elected as an educational shop steward who, in agreement with the management of the enterprise, shall handle vocational training and



professional informative work. However, at workplaces having more than 301 employees an educational shop steward may be elected in addition to the number prescribed above.

Whenever company shop stewards and the appurtenant executive committee are not elected, an executive committee may be elected from among the site shop stewards at individual building or construction sites where three or more shop stewards have been elected.

If two or more main building trades within one and the same enterprise are represented on the site, each trade shall be entitled to have at least one shop steward. If another main building trade is represented after the elections have taken place, it is a condition that one of those already elected shall yield his place if necessary.

### **§ 5-3 Election by groups of employees**

Elections of shop stewards may if so desired be arranged by groups. Any working group that is recognized as such by the local parties and that averages at least 25 employees is then entitled to have one shop steward on the committee of shop stewards. This shall apply even if the number of shop stewards should thereby exceed the number pursuant to § 5-2.

### **§ 5-4 Executive committees**

An executive committee consisting of a chairman, a vice-chairman and a secretary shall be elected from among the shop stewards. The executive committee is responsible for managing the work of the shop stewards.

### **§ 5-5 Shop stewards elected to special functions**

Among the shop stewards some may be elected to be responsible for special functions, such as the educational shop steward, social shop steward, youth shop steward and equal status shop steward, cf. § 10-11 and Chapter XVI. This shall not imply an increase in the number of shop stewards. If a special social shop steward is elected he/she shall assist the employees with matters of a social nature that are linked with conditions in the enterprise. The educational shop steward shall be consulted before vocational training measures are implemented.

Shop stewards under supplementary agreements IV and VI may be elected in addition to the number prescribed in § 5-2.

If employees are members of various unions affiliated with LO but having their own basic agreement, discussions with the management of the enterprise may be entered into for the purpose of arriving at efficient procedures for dealing with questions relating to supplementary agreement II, including the number of computer shop stewards.

### **§ 5-6 Committee of shop stewards**

If the employees of an enterprise are members of various trade unions affiliated with LO, they may hold joint meetings to elect the chairman of shop stewards. The chairman of the LO committee need not be one of the elected shop stewards and may be elected regardless of which basic agreement is applicable.

The chairman may take part in all agreed negotiatory meetings held pursuant to § 2-3.

### **§ 5-7 Committees for groups of companies**

In a group of companies, a group committee may be established in accordance with the rules in Chapter XIV of the agreement.

### **§ 5-8 Construction of large industrial plants: Coordinating Committees**

If two or more enterprises are engaged on construction of a large industrial plant, a coordinating committee may be established consisting of one shop steward from each of the enterprises concerned. This similarly applies in the case of major works taking place for a limited time, such as conversion/upgrading of such plant. A coordinating committee may similarly be established in other operations where two or more enterprises are engaged for

work at the same place for one and the same principal. If necessary meetings of the coordinating committee may be held during working hours.

The committee shall be responsible for providing information on matters of common interest and on social/cultural activities. One member of the committee may be made specially responsible for cultural, welfare and social matters.

**§ 5–9 Voting rules**

Shop stewards shall be elected from among workers of recognized ability, with experience of and insight into working conditions at the enterprise. Whenever possible they shall have worked at the enterprise or in the company as a whole for the last two years.

Employees who act as the employer's representative to a large extent, for instance employees in such positions of particular trust as manager or personal secretary to the management, or who represent the employer in negotiations or decisions concerning wage and employment conditions for subordinate personnel, may not be elected as shop stewards.

Entered in the minutes:

Employees who have been dismissed cannot be elected. This does not concern re-election.

**§ 5–10 Election periods**

Elections are for one calendar year. The chairman, vice-chairman and secretary may be elected for two years. If the chairman is absent, the vice-chairman shall function as chair, or if the vice-chairman is absent, the secretary shall function as chair.

A shop steward who leaves the enterprise shall cease to function as such.

**§ 5–11 Notification of elections**

Within 8 days of an election, the enterprise shall be notified in writing of the names of those elected pursuant to § 5–2 and § 5–9, and of which of them is chairman, vice-chairman and secretary.

It cannot be demanded that an employee shall be recognized as a shop steward before such notice has been given. Until the enterprise receives notification of elections, those previously elected shall function as shop stewards.

**CHAPTER VI**  
**RIGHTS AND DUTIES OF EMPLOYERS AND SHOP STEWARDS**

**§ 6–1 Joint Declaration of the Central Organisations concerning Shop Stewards**

It is of decisive importance that cooperation between representatives of the enterprise and the shop stewards takes place in an efficient and reliable manner, and that conditions enable shop stewards to perform efficiently their duties according to the Basic Agreement and the Working Environment Act.

The central organisations wish to emphasize how important it is that representatives of both the workers and the enterprise have the best possible qualifications for dealing with questions of cooperation. A mutually correct and trusting attitude between the representatives of the enterprise and the shop stewards is an absolute condition for good cooperation between the parties in the enterprise.

In cases of reductions, reorganisations and lay-offs, particular consideration shall be given to the the shop stewards' special position.

Through providing information and courses the central organisations will seek to train the parties' representatives for the duties incumbent upon them.

**§ 6–2 Shop stewards**

1. Shop stewards shall be recognized as the representatives and spokesmen of the organized employees.
2. Shop stewards have the right to commit the employees in matters that concern the entire workforce or groups of employees in so far as this is not precluded by a collective agreement. It is a precondition that whenever they consider it necessary the shop stewards will submit questions to their fellow workers before reaching decisions.

The enterprise is entitled to an answer without undue delay.

3. Shop stewards have the right to deal with and to try to settle amicably any grievance individual employees may have against the enterprise or the enterprise may have against individual employees.
4. When shop stewards have a matter to discuss they shall address themselves direct to the employer or the employer's representative at the place of work.

**§ 6–3 Employer representatives**

A responsible representative of the employer shall be present and available at the enterprise daily for consultation by shop stewards. The employer shall notify the committee of shop stewards in writing of the name of the representative and of his or her deputy.

If the employer's representative wishes to consider a matter more closely and is therefore unable to make an immediate decision, an answer shall be given without undue delay.

**§ 6–4 Representatives of the parties at negotiations**

1. The representatives of the enterprise and of the workers shall be empowered to conduct genuine negotiations, cf. § 6–2, subsection 2, and § 6–3.
2. Negotiations with shop stewards can be attended either by the employer or by a deputy appointed by the employer from within the management. The employer or his/her deputy may summon other members of the management to take part in the negotiations.

The shop stewards may call in representatives of those employees whom the negotiations concern and call in the group shop steward according to § 14–3 if the matter concerns a group of companies. The head of the coordinating committee may in accordance with § 5-8 meet instead of the group shop steward.

3. In disputes proceedings will not normally be attended by more than three representatives from each party. If only one shop steward is present, he or she may be accompanied by another employee.

**§ 6–5 Conduct of the parties**

1. The shop stewards and employer representatives are under obligation to do their best to maintain smooth and peaceful cooperation.
2. The employer and the shop stewards shall ensure that the parties fulfil the duties resting upon them under a collective agreement, workplace regulations and the Working Environment Act, unless these duties have expressly been assigned to other agencies.
3. It is incompatible with the duties of employers and shop stewards to incite to or participate in unlawful industrial actions. Nor are shop stewards entitled to resign from office in connection with such actions.
4. Shop stewards must try to ensure that production is interfered with as little as possible, and that the regular operation of special machines is not stopped.

### § 6-6 Working conditions for shop stewards

1. The central organisations agree that shop stewards must be allowed the time they need to perform their duties as shop stewards in accordance with the Basic Agreement.

If one of the parties at the enterprise so wishes, local negotiations shall be conducted concerning an agreement on the amount of time a shop steward needs to perform his or her duties as shop steward within ordinary working hours. If the parties fail to agree, the dispute shall be handled in accordance with § 2-3.

**Note:**

The amount of time necessary for a shop steward to perform his/her duties as a shop steward, will differ from one enterprise to another. A possible solution might be to agree on a time frame. Big enterprises often have a time frame agreement. However such agreements may also be suitable for small and medium-sized enterprises.

2. Local discussions *shall* be held to determine whether, a room with the necessary equipment should be made available,. Whenever practicable and subject to further agreement, access should be given to corresponding technical office equipment as used in the enterprise. In these discussions consideration shall be given to the size, structure, form of operations and technical nature of the enterprise, its information and communications technology equipment, the form of pay stipulated in the collective agreement, etc.

In any case shop stewards shall be entitled to a locker and access to a telephone, and when the company has a telefax, also access to a telefax by agreement.

#### **Building/Construction/Offshore**

In connection with winding up work on a building or construction project, the enterprise shall arrange conditions so that shop stewards can remain at the place of work for as long as possible in the final period.

When transferred to other work, the person concerned shall be entitled to new work in accordance with his rights under the legislation and the collective agreement.

3. To the extent necessary for the performance of their duties, the executive committee and shop stewards elected pursuant to § 5-5, shall have unimpeded access to the various departments of the enterprise. They shall ensure in advance that their immediate superiors are informed of their reason for leaving their workplaces and whenever possible shall tell the supervisor of the department they are entering whom it is they wish to see.

The other shop stewards shall also be allowed to perform their duties without hindrance. In this connection they may leave their workplaces with the permission of their immediate superiors.

### § 6-7 Meetings during working hours

1. **Committee meetings**

By agreement with the management, the committee of shop stewards may hold meetings during working hours without wage deductions.

If mergers, demergers or major reorganisations are being planned, the shop stewards at the enterprises involved may, by agreement with the management, hold joint meetings without wage deductions.

2. **Members' meetings**

Meetings of members to elect shop stewards or to vote on proposed wage agreements may be held during working hours without wage deductions provided they do not entail any major operational inconvenience.

If the committee of shop stewards, by agreement with the management, considers that a matter needs immediate decision or that the matters to be considered are of particular importance, members meetings may be held during working hours without wage deductions.

If operations at the enterprise extend beyond eight hours, members meetings may, by agreement with the management, be held during working hours without wage deductions.

For matters which do not require immediate decision, the enterprise shall be given at least 8 days' notice.

### **§ 6–8 Remuneration**

For time spent in negotiations agreed locally according to § 2–3, shop stewards shall be compensated for lost earnings when meetings take place during the individual shop steward's regular working hours. Payment for meetings that are held during off-duty hours shall be made at the hourly wage rate calculated according to the rules for public holidays and 1 and 17 May.

Corresponding remuneration shall be paid for time spent on shop steward work pursuant to § 6–6, subsection 1, and also for time spent on meetings according to Chapter IX, meetings of works councils, departmental committees, working environment committees, works conferences, and meetings of the cooperation committee according to part B, and whenever it is necessary to give the chairman and/or the secretary of the works council leave of absence to perform their duties.

Corresponding remuneration shall similarly be paid for time spent on safety work by safety delegates. The parties at each enterprise or within each sector covered by a collective agreement may agree on another method of calculating payment. Overtime shall be paid as stipulated in the Working Environment Act, § 6 - 5, subsection 3.

### **Building/Construction/Offshore**

Trades that have remuneration for public holidays according to the B system:

Shop stewards shall be paid remuneration at the rates that apply from time to time for short welfare leave for the building and construction trades.

### **§ 6–9 Leave of absence for shop stewards**

1. The shop stewards at an enterprise shall not, unless absolutely necessary, be refused leave of absence when summoned to attend meetings or negotiations by their organisations, or to take part in union courses or other informative union activities, in union delegations or to lecture at or function as leader of courses for shop stewards conducted by the organisation.

#### **Entered in the minutes:**

LO has stated that the meetings and negotiations that are relevant pursuant to § 6-9 and the first paragraph of § 10–6 are:

Meetings of the national executive, national union executives, and the Committee of Representatives, national meetings, congresses, executive meetings of the LO department, executive meetings of the trade union, negotiations on collective agreements, and negotiations according to § 2–3.

A corresponding right to leave applies for educational courses lasting up to one week for employee representatives on the governing bodies of the enterprise. The elected representative shall be remunerated for loss of earnings in connection with courses approved by the enterprise.

Employees, who are being trained for positions of trust within the trade union, shall also be given leave of absence to a reasonable extent to attend union courses or other professional informative union activities.

2. Requests for leave of absence pursuant to the above provisions shall be addressed to the management as early as possible, cf. § 6–5,4.

### **§ 6–10 Conditions for demanding the withdrawal of a shop steward or an employer representative**

If a shop steward is guilty of serious breach of duties under the Basic Agreement, NHO may demand of LO that he or she resigns from office as a shop steward. If the demand is complied with, a new shop steward shall immediately be elected by the employees.

If an employer representative is guilty of serious breach of duties under the Basic Agreement, LO may demand of NHO that he or she resigns from office as an employer representative. If the demand is complied with, a new representative shall immediately be appointed by the employer.

If the parties fail to agree regarding such resignation, the dispute shall be settled by the Labour Court. Inciting to or taking part in an unlawful dispute shall be regarded as serious breach of duty under the Basic Agreement.

A shop steward or employer representative who is forced to resign may not be re-elected or re-appointed before two years have passed.

A shop steward shall not, without due reason, be given a written warning founded on exercise of his/her office as shop steward.

### **§ 6–11 Notice to leave or summary dismissal of shop stewards**

Shop stewards may not be given notice to leave or be summarily dismissed without just cause. In addition to seniority and other factors which should reasonably be taken into account, due regard shall be given to the special position the shop stewards have in the enterprise.

If shop stewards are given notice individually, the period of notice shall be 3 months unless they are entitled to longer notice under the Working Environment Act or their contracts. This special period of notice does not apply if notice is given owing to the shop steward's own conduct.

The rules in Chapters 15 - 17 of the Working Environment Act apply correspondingly, with the qualification that if LO maintains that the notice to leave or summary dismissal was not warranted, the shop steward shall not leave until judgment has been passed by the Labour Court. In such event the originating writ must be filed within eight weeks after notice of dismissal was received.

If an enterprise closes down, it is important for the employees concerned that a shop steward be retained as long as possible. This similarly applies when operation of a bankrupt enterprise is continued under the administrators in winding up proceedings.

Before giving a shop steward notice to leave or summary dismissal the employer shall discuss the matter with the executive committee, unless the person concerned objects to this or to do so could be offensive to others.

If an enterprise has given shop stewards or other employees notice to leave or summary dismissal during the last three months before becoming a member of NHO and it is maintained that this was due to a demand for a collective agreement, the dispute shall be dealt with according to the rules of the Basic Agreement. This similarly applies in the case of disputes concerning notice to leave or summary dismissal of shop stewards in connection with the sale of an enterprise or its reorganisation under company law if LO claims that the notice or discharge contravenes § 2–1 of the Basic Agreement.

The above provisions apply correspondingly to safety delegates and members of working environment committees, boards, and corporate assemblies.

### **§ 6–12 Access to the enterprise**

When LO or union shop stewards or chairmen of their subdivisions that have collective agreements with an enterprise request access to the enterprise for the performance of their

duties under the collective agreement, they shall be given such access after notifying the management. The above also concerns problems linked with the shop stewards not mastering the Norwegian language This does not alter the provisions in § 2–3,3.

Group shop stewards shall have unhindered access to enterprises that are members of the Group to enable them to perform their duties pursuant to § 14–3 and the second paragraph of § 6–4,2.

#### **Building/Construction/Offshore**

Union shop stewards

These shop stewards shall be over the age of 18. When acting as shop stewards they shall have unimpeded access to workplaces and whenever requested shall give their names and produce identification.

In the case of access to apartments, offices and business premises that are in use, the shop stewards must first consult the employer concerned.

The unions shall keep NHO informed in writing of the names of the shop stewards concerned and the groups they represent.

## **CHAPTER VII SAFETY WORK AND HSE PERSONNEL**

### **§ 7–1 Safety delegates**

Safety delegates shall have unimpeded access to areas for which they are responsible. If they have to leave their workplaces, they shall inform their immediate superiors beforehand or as soon as possible.

If the parties in an enterprise with fewer than 10 employees agree not to have a safety delegate, the functions of the safety delegate may be performed by the shop steward.

Seniority and wages shall be calculated as if the safety delegate/chief safety delegate was working throughout the period in which they served these functions.

### **§ 7–2 Working environment committees**

In enterprises where working environment committees are established the management may, within specific budgetary limits, authorize the committee to implement safety measures agreed upon by the members of the committee. This does not limit the decision-making powers vested in the committee under the law.

### **§ 7–3 Occupational health service**

The parties wish to emphasize the importance of preventive work in regard to the working environment and health in the enterprises.

When under the rules of the Working Environment Act an enterprise is required to have safety and health (HSE) personnel, it shall secure the assistance of such personnel. If no offer of such a service is available, the enterprise and the shop stewards jointly shall work actively with other enterprises to seek to establish systems that satisfy the Working Environment Act Regulations relating to HSE personnel. The duties of the HSE personnel shall be set forth in the documentation of the enterprise in accordance with the Regulations relating to systematic health, safety and environmental work in enterprises (Internal Control Regulations).

## **CHAPTER VIII LAYOFFS**

### **§ 8–1 Conditions for lay-offs**

1. Laying-off is permitted when valid reasons make this necessary for the enterprise.

2. Laying-off pursuant to subsection 1 above may not take place for more than 6 months unless the parties agree that valid reason still exists.
3. Departures from the seniority principle may be made when laying off, provided there is due reason for this. This rule is not intended to prevent use of revolving lay-offs.
4. When deciding which employees to lay-off, weight shall be attached to the special tasks the executive committee has to perform in the enterprise.

#### **§ 8–2 Obligation to consult shop stewards before giving notice of lay-offs**

Before giving notice of layoffs, the shop stewards shall be consulted in accordance with Chapter IX. Before effecting lay-offs of a longer duration, the enterprise should alternatively assess occupational skills-upgrading measures according to the needs of the enterprise and which may strengthen the competitive situation of the enterprise. Minutes of the consultations shall be taken and signed by the parties. The period of notice in § 8–3, subsections 1 and 2, shall not commence until after such consultations have been held. If negotiations are demanded because the seniority principle 31 was not observed or because the enterprise adopts different rules for taking workers on again than when laying off, shall not result in postponement of the laying off or reinstatement.

#### **§ 8–3 Notice of lay-offs**

1. Employees shall be given 14 days' notice of lay-offs.
2. When laying-off is due to unforeseen events such as mentioned in the Working Environment Act, § 15 – 3 (10), the period of notice shall be 2 days. In the event of fire it shall be 14 days.
3. The period of notice commences from the end of the working day on which notice is given.
4. These periods of notice do not apply when effective employment of the workers is prevented by a dispute in another enterprise, an unofficial dispute in the enterprise itself, or unauthorized absence. Nevertheless the enterprise is obliged to give as much notice as possible.
5. These periods of notice do not apply if the collective agreement provides for shorter periods of notice. The same applies for workplace regulations established prior to 31 December 1997.
6. If the enterprise lays off employees without observing the period of notice the employees shall receive their usual pay until the period of notice expires. Ordinary hourly rates shall be paid in the case of lay-offs such as mentioned in subsection 2 above.
7. If a new lay-off period is interrupted and the employee is taken on for work for more than four weeks, the new lay-off period shall be regarded as a new lay-off for the purpose of the rules concerning conditions, discussions, notices etc. This does not apply in regard to taking on temporary replacements for other employees on regulation leave of absence. However in such cases the employee shall be given notice as soon as possible and not later than three days before the period of employment expires.

*Note: The parties make reference to the minutes of 4 June 2009 between LO and NHO and are in agreement on the following: As long as a daily cash benefit is being granted directly following a period of work of up to 6 consecutive weeks during a lay-off period, the parties agree that the length of the period of work which may be used in order for the continued lay-off not to be considered a new lay-off period, shall be changed from 4 to 6 weeks.*

#### **§ 8–4 Form and contents of notice of lay-off**

1. Each employee shall be given notice in writing, except when the local parties have agreed on a different procedure.
2. In the case of conditional lay-offs pursuant to § 8–5 the notice may be posted up in the enterprise. Employees who are temporarily absent shall be notified in a suitable manner.



3. The notice shall state the probable length of the lay-off. If that is not possible, continued lay-off shall be discussed with the shop stewards within one month and each following month, unless otherwise agreed between the parties. At these 32.discussions the parties shall consider the questions of whether conditions warrant continued lay-off or whether dismissals must be effected.
4. Employees who are laid off shall be given documentation of this, stating the reason for and the probable duration of the lay-off.
5. Unconditional notice given in writing which contains the required information, will serve also as lay-off documentation.

#### **§ 8-5 Conditional notice**

In the event of an industrial dispute within the enterprise itself the notice shall, as far as possible, indicate which employees will be laid off and each employee who is to be laid off shall be informed definitely as far in advance as possible.

#### **§ 8-6 Notice of dismissal during lay-offs**

Employees who are laid off will still be attached to the enterprise and have the right and duty to resume work there provided their employment has not been formally terminated.

If employment is terminated during the layoff period, the employee is bound to work for the enterprise during the period of notice unless a new work agreement prevents this. If the work obligation ceases to apply for this reason, wages shall not be paid for the period of notice.

If employees who have been laid off for over 3 months and until further notice resign in order to take other work, they may leave their jobs without any period of notice.

Employees who have not been dismissed during the layoff period and are not taken on again afterwards, are entitled to pay for the period of notice.

#### **§ 8-7 Special provisions**

1. The rules in Chapter VIII will apply in typically seasonal industries, except when otherwise established by collective agreement or standard practice. § 8-6 will apply correspondingly also in these cases.
2. When an employee is laid off sickness insurance obligations continue for both the employer and the employee as long as the legal obligation continues to exist, but only for as long as the employee is not in other work.
3. § 8-3 does not entail any change in the customary right to lay-off employees owing to adverse weather.

## CHAPTER IX

### INFORMATION, COOPERATION AND CODETERMINATION

#### § 9–1 Objectives

The Norwegian Federation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO) agree on the need for good and trusting relations between the employees, their shop stewards and the enterprise, both in individual enterprises and in groups of companies.

Through cooperation and codetermination, employees will contribute their experience and insight towards creating the financial conditions necessary for the continued development of the enterprise and for secure and satisfying working conditions, for the benefit of both the enterprise and its employees.

Conditions must be arranged so that the individual employees, through their shop stewards or otherwise, are able to exercise genuine influence on the general efforts of the enterprise to improve efficiency, reduce production costs, improve competitiveness, exploit new technology, facilitate necessary restructuring, etc.

The management of the enterprise, the employees and their shop stewards have a common duty to take initiative and actively support and contribute towards cooperation.

The central organisations on their part will, separately and jointly, effect various measures to support this work.

The objectives stated in this section are binding in regard to cooperation at the enterprise and shall also serve as guidelines for the parties at the individual enterprises when organizing cooperation.

#### § 9–2 Organisation and implementation

Developing forms of codetermination and improving the working environment in the enterprise will necessitate extensive decentralisation and delegation of decision-making powers within the enterprise, so that those who work in each department or working group are allowed a greater right to make their own decisions in their daily work. In concrete work on this it is important to find forms of cooperation and participation in the decision-making process that are appropriate to the size and nature etc. of the enterprise. It is presupposed that those who take part in the decision-making process at the various levels within the enterprise have responsibility not only to the owners or their fellow workers, but also to the enterprise as a whole.

It is important to promote understanding of and insight into the financial position of the enterprise and the enterprise's influence on the outer environment.

The employees concerned shall be secured real influence when working, project and steering groups are being established within the enterprise which are not a regular part of its organisational structure. The shop stewards shall be secured genuine influence on the composition of these groups and their terms of reference. The shop stewards appoint themselves the representatives of the employees among the employees concerned.

Representatives of the various parts of the enterprise must take part in work to develop meaningful jobs and forms of organisation and management.

For the individual enterprises it is of the greatest importance that the parties find practical forms of codetermination and participation in accordance with the intentions underlying the rules of this Chapter IX. The central organisations recommend that separate agreements concerning this be made at each enterprise. Such matters shall be taken up for discussion whenever one of the parties so requests. The parties at the enterprise may request assistance from their organisations.

### § 9–3 Discussions concerning the ordinary operations of the enterprise

The management of the enterprise shall discuss the following with the shop stewards (the executive committee):

- matters relating to the financial position of the enterprise, its production and its development
- matters immediately related to the workplace and everyday operations
- general wage and working conditions at the enterprise

Unless otherwise agreed, discussions shall be held as early as possible and at least once a month, and otherwise whenever requested by shop stewards.

#### **Entered in the Minutes:**

Regarding leasing of manpower etc.

The parties would emphasize how important it is that practices with regard to leasing manpower, contracting out work and similar contract systems are within the framework set by current legislation and agreements. It is recommended that a solution to the need for any practical adjustments should be sought through the individual collective agreements.

### § 9–4 Discussions concerning reorganisation of operations

The management of the enterprise shall discuss the following with the shop stewards (the executive committee) as early as possible:

- reorganizing of importance for the employees and their working conditions, including important changes in production systems and methods
- employment matters, including plans for expansion or reduction

### § 9–5 Discussions concerning matters of company law

The management of the enterprise shall discuss the following with the shop stewards (the executive committee) as early as possible:

- mergers, demergers, selling or closing down all or part of the business, or reorganisation of the legal form of the business.

The management of the enterprise shall provide for a meeting to be held between shop stewards and the new owners concerning the transfer and whether the collective agreement shall continue to apply.

If the enterprise is considering whether to close down, the possibility of continued operation, including whether the employees desire to take over the business, shall be discussed with the shop stewards (the executive committee).

### § 9–6 Particulars relating to discussion and information

#### **1. Obligation for enterprise to allow shop steward to present views before any decision is adopted.**

Before adopting any decision on matters that concern the employees' jobs and working conditions, this shall be discussed with the shop stewards. In cases where the management of the enterprise finds that the shop stewards' comments cannot be taken into consideration, the reasons for this must be given. Minutes of the discussions shall be kept and signed by both parties.

If an enterprise wishes to effect such changes in existing labour employment conditions and LO and the unions find that this would be in breach of the collective agreement, the question of postponing effectuation until a negotiatory meeting has been held between the central organisations may be taken up with NHO by LO without undue delay. In such event the meeting shall be held within one week from the time such a meeting is requested in writing.

#### **2. Obligation for enterprise to inform shop stewards of reasons for and effects of its actions.**

In cases concerning matters that come under §§ 9–4 and 9-5, the shop stewards shall be informed of the reasons for the enterprise's actions and the legal, financial and employment-related consequences these actions are believed to have for the employees.

**§ 9-7 Disclosure of accounts and financial matters**

The accounts of the enterprise shall be submitted to the shop stewards when they so request.

The annual financial statement shall be submitted to the shop stewards immediately after being adopted.

Moreover the shop stewards shall be allowed to study matters which concern the financial position of the enterprise, to such extent as the shop stewards need this information in order to safeguard the interests of the members, cf. §§ 9-3, first sub-section, 9-4 and - 9-5.

If an enterprise introduces a wage system for which insight into financial matters is important, the shop stewards shall have access to the information that will afford such insight.

**§ 9-8 External advisers**

If the shop stewards wish to consult external advisers, the management of the enterprise shall be informed of this. The shop stewards may take up the question of whether all or part of the expenses shall be paid by the enterprise.

If the shop stewards, by agreement with the enterprise, employ an adviser to examine the accounts, the annual financial statement etc., the adviser shall have access to the necessary records and information.

An adviser who has access to confidential information shall not make use of this information for any purpose other than the task he or she is to perform.

**§ 9-9 Departments under their own management**

If the enterprise has departments that have their own management and are empowered to make decisions relating to the department, §§ 9-3 through 9-8 similarly apply at divisional level.

**§ 9-10 Combined meetings**

Discussions that are to take place pursuant to Chapter IX may be combined with meetings referred to in §§ 12-7 and 13-4 in Part B, but this shall not interfere with the rights shop stewards have pursuant to Part A.

**§ 9-11 Effects of failing to provide information**

If an enterprise fails to fulfil its obligations to provide information pursuant to §§ 9-3 -9- 8 in regard to what is relevant for termination, the employee who is given notice is entitled to 2 months' normal earnings from and including the day on which the shop stewards were informed of the notice, even if the employment ceased at an earlier date. If employees who are given notice are entitled to notice of more than 1 month to the end of a calendar month, they similarly are entitled to at least 3 months' wages (normal earnings).

**§ 9-12 Seniority in the event of dismissal due to cut-backs**

If notice of dismissal is given because of cutbacks or restructuring, the seniority principle may be departed from when there is due reason for this.

If in connection with cutbacks in the workforce an enterprise finds reason to depart from the seniority principle, and the shop stewards consider that this is not justified, the matter may be submitted to the organisations for negotiation. If the shop stewards notify the enterprise within three days after the conference that they request such negotiations, the disputed notices of dismissal shall not be made effective until negotiations have taken place between the organisations.

**Entered in the minutes:**

The alterations in the text do not involve any change in existing law practices.

**Building/Construction/Offshore**

In building/construction/offshore the time limit within which negotiations must be

demanded is 5 days.

### **§ 9-13 Personnel records and control measures**

#### **1. Personnel records**

The parties locally shall discuss what personal data the enterprises may keep on record and how this information shall be stored and used. Information must not be recorded without due reason. The practices followed must be in compliance with the Act relating to personal data and regulations issued by virtue thereof, any instructions of the enterprise governing personal data, and the framework agreement on technological development and computer-based systems.

Personnel records shall be treated as confidential documents.

#### **2. Control measures**

The need for, the type and the introduction of internal control measures shall be discussed at the enterprise.

In other respects reference is made to the Act and regulations relating to personal data and Supplementary Agreement V in Part C.

The control measures effected should be re-assessed by the parties at regular intervals.

#### **3. Television surveillance**

There must be due reason for television surveillance having regard to the operations in the enterprise by which surveillance is being conducted. If direct and continuous television surveillance of the individual employee while at work is required, the purpose and need for it must be clarified. Such surveillance should be avoided to the greatest possible extent. See also the Act and Regulations relating to personal data.

### **§ 9-14 Advance information to shop stewards**

Shop stewards shall be informed as early as possible in advance of any matters on which the enterprise wishes to brief employees. ("at a meeting or by posting up" to be deleted).

### **§ 9-15 New employees etc.**

As soon as possible, and at the latest at entry into employment, the enterprise shall provide the executive committee and shop stewards in the appropriate departments, including foremen/managers of importance for operations in the department, with information concerning new employees and tell the new employees who the shop stewards are. The new employees shall be introduced to the chairman of the executive committee and the group shop stewards as soon as possible.

At large places of work the new employees shall, at suitable intervals, be called to attend introductory meetings at which the management and shop stewards present information concerning the enterprise and labour organisations. These meetings should not be held too long after new engagements. At smaller places of work the management and shop stewards shall collaborate in giving new employees such information.

When they so request the shop stewards shall each quarter be given a list of the employees in the areas covered by the appropriate collective agreements in the enterprise. The list shall contain their names, workplace and the date on which they were engaged.

### **Building/construction/offshore**

The enterprise representative shall also introduce new employees to the site shop stewards as soon as possible and at the latest within 14 days.

### **§ 9-16 Change in ownership of limited companies**

In the event of change in ownership of limited companies, the shop stewards shall be informed immediately the management has definite information concerning this, provided the buyer:

- acquires more than 1/10 of the company share capital or shares representing more than 1/10 of the voting rights in the company, or
- becomes the owner of more than 1/3 of the share capital or shares representing more than 1/3 of the votes.

The management shall help to ensure that the new owners inform the employees of their plans as soon as possible.

#### **§ 9–17 Discussions within a group of companies**

If plans for expansion, cutbacks, or restructuring may have significant impact on employment in several enterprises within the same group of companies, the group management shall, at the earliest opportunity, discuss these issues with a coordinating committee of shop stewards pursuant to Chapter XIV, a)c) for employees covered by Part A, regardless of whether or not the enterprises are bound by a joint agreement. The group management may summon representatives of the managements of the enterprises concerned.

Such discussions shall also take place concerning matters relating to the financial position of the group and its production and development.

Shop stewards shall be given an opportunity to present their opinions before the group management makes its decisions. If the group management finds it impossible to take the shop stewards' views into account, it shall state its reasons for not doing so.

Minutes of the discussions shall be kept and shall be signed by both parties.

#### **Entered in the minutes:**

The parties refer to the long tradition that has developed in enterprises and groups of companies in Norway regarding cooperation etc. between the management, the employees and their representatives. 39.

The parties find it desirable that developments in this area as a consequence of the increasing internationalization shall be followed up also in the Basic Agreement.

Accordingly the parties agree that the committee appointed in regard to Chapter III shall continuously follow up developments and ensure the continuance of our traditions in this area.

#### **§ 9–18 Contact meetings at enterprises owned by companies**

In enterprises owned by companies (limited companies, cooperative societies, etc.), contact meetings shall -except when otherwise agreed between the parties -be held between the board of directors of the enterprise and the shop stewards whenever so requested by either party. The purpose of these meetings is to promote cooperation and mutual trust by discussing matters of interest to the enterprise and its employees, and to allow shop stewards an opportunity to present their views to the owner's representatives on the board of directors. These meetings should be attended by the greatest possible number of directors and shop stewards. The general manager of the enterprise or his/her deputy shall convene, arrange and attend these contact meetings. The meetings shall not impinge on normal procedure for dealing with disputes, cf. § 2–3. Summaries of the meetings shall be prepared and shall be signed by the parties.

#### **§ 9–19 Breach of rules regarding information and discussions**

1. The central organisations would stress the importance of observing the Basic Agreement rules concerning information and discussions. Therefore the parties have found it appropriate to establish rules to ensure this.
2. Material breach of the rules concerning information and discussions contained in §§ 9-3 through 9-6 in the Basic Agreement may be subject to fines in accordance with the provisions of this section. If shop stewards receive confidential information pursuant to the rules in §§ 9–3 through 9-6, material breach of the shop stewards' duty of fidelity shall be dealt with in accordance with the provisions of this section.

3. If it is claimed that material breach such as mentioned in 2 above has been committed, the parties shall follow the rules of procedure set forth in § 2–3 of the Basic Agreement.
4. If the parties have completed negotiations pursuant to §2-3 of the Basic Agreement and disagree as to whether material breach such as mentioned in 2 above has taken place, the organisations may, within one month after the negotiations ended, refer the dispute to the commission referred to in 6 below.
5. If it is agreed that material breach according to these provisions has taken place, the parties may agree on the sanctions to be imposed. If the parties fail to agree on the sanctions, one of them may refer the dispute to the sanctions commission referred to in 6 below.
6. A commission consisting of five members shall be appointed by the parties jointly. The parties shall each appoint two members. The chairman of the commission shall be appointed by the National Arbitrator.

Rules of procedure shall be adopted by the commission.

The commission shall state the reasons for its decision and may impose a fine. When determining the size of the fine, consideration shall be given to the degree of culpability, the gravity of the breach, financial capability and circumstances otherwise.

Importance shall also be attached to whether the person concerned has made amends or attempted to make amend for the alleged material breach. The fine must not exceed NOK 300,000.-.

The commission's decision is final. The period of service for the commission shall be the same as the term of the Basic Agreement.

7. Any fine imposed pertains to HF-B (the central organisations' joint measures for development of enterprises).
8. The provisions of this section are not intended to restrict the parties' right to claim compensation for financial loss in other respects.

**Entered in the Minutes:**

The parties have agreed that the experience gained from operation of the provisions of this section shall be continuously evaluated by the Basic Agreement Committee during the term of this agreement.

## **CHAPTER X**

### **PROVISIONS RELATING TO TERMS AND CONDITIONS OF EMPLOYMENT**

**§ 10–1 The right to refuse to work with persons who have shown improper conduct**

Employees have the right to refuse to work with or under the management of persons who have shown such improper conduct that according to the norms of working or social life generally it ought to justify their dismissal. Discussions between employers and shop stewards should be held immediately if such situations arise. If they fail to reach agreement, there shall not be any stoppages or other forms of industrial action, but any dispute shall be dealt with by the organisations in accordance with § 2–3.

**§ 10–2 Discussions prior to giving notice to leave or summary dismissal**

Before an employer decides to give an employee notice to leave or summary dismissal the matter shall be discussed with the employee and his/her shop steward whenever 41.practicable and provided the employee has no objection. Notices in connection with cut-backs etc. must in any case be discussed with the shop stewards, cf.§ 9–4.

**§ 10–3 Measures for the vocationally handicapped**

When measures are being adopted pursuant to subsection 2 of section 13 of the Working Environment Act, the employer shall cooperate with the vocationally handicapped employee and, if the latter consents, with the shop stewards and the rehabilitation committee if there is one at the enterprise.

**§ 10-4 Priority in appointment to new jobs**

If employees are taken on during the first year following cut backs, employees who were then dismissed shall have prior claim to new jobs unless there is just cause for departing from this rule. The shop stewards shall be consulted beforehand. Previously attained seniority shall be retained.

When the enterprise has need of more manpower, consideration shall also be given to the fact that some part-time workers may be interested in having longer working hours.

**§ 10-5 Leave of absence to take up public office**

Employees who are entitled to pay for overtime shall receive equal treatment with regard to deduction from wages for absences to attend to public offices.

As to public offices, reference is made to the Local Government Act and the Working Environment Act.

An employee who has been elected to sit in Parliament has the right to leave of absence.

In the case of other public offices, the employees shall be granted leave of absence when this can be arranged without serious detriment to the business. This does not apply if the duties can be performed outside working hours.

**§ 10-6 Leave of absence for employees**

1. Employees who hold offices in the trade union, in the Workers' Educational Association and the Norwegian People's Aid, shall be given leave according to the rules that apply to shop stewards, cf. § 6-9.
2. When circumstances permit, employees who are employed in or are elected to paid offices in the trade union shall be given unpaid leave for two election periods. The question of further leave shall be decided by the enterprise in each particular case.

**§ 10-7 Certificates of employment on leaving**

When an employee leaves an enterprise following rightful notice, he or she shall be given a certificate of employment.

This certificate shall contain:

- a. Name, date and year of birth
- b. When employment commenced
- c. When employment ended (without stating the reason)
- d. Trade or occupation
- e. Pay at time of leaving
- f. Dates of last holiday
- g. Information as to whether application has been made for severance pay for the employee
- h. If so requested by the employee, information describing the nature of his or her work for the enterprise.

After summary dismissal employees are also entitled to certificates on leaving, but in such cases the employer may state that the employee was dismissed, without specifying the reason for dismissal. If the employee so requests, the employer shall consult the shop stewards.

**§ 10-8 Change in working hours as a result of general reductions in electricity supplies**

Unless otherwise agreed, for instance in accordance with § 6-2, subsection 2, the following shall apply:



1. When working hours are changed no extra pay shall be given for work between 0600 and 1800 hours. For hours of work outside that period, a 20% addition to normal wages shall be paid.
2. Enterprises are under obligation to change working hours to other times of day if doing so enables them to maintain operations for an average of at least 30 hours per week and at least 4 hours a day. This obligation may be terminated at 1 week's written notice.
3. These rules have no direct application to shift work. In the case of shift work an agreement should be sought between the enterprise and the employees, which shall be based upon the guidelines in subsections 1 and 2.

**§ 10-9 1 and 17 May**

Unless otherwise established in a collective agreement, the statutory provisions and regulations governing 1 and 17 May shall apply as rules in the collective agreement. Disputes shall be dealt with in accordance with the rules in § 2-3.

**§ 10-10 Making up for days off**

When on special occasions the shop stewards make agreements with employers to the effect that days off may be made up for by working longer hours on other days, the rules governing overtime pay shall apply unless otherwise agreed between the parties.

**§ 10-11 Leave of absence for educational purposes**

1. If full or partial leave of absence is necessary for purposes of education that is of value to both the person concerned and the enterprise, leave shall be granted unless there are special reasons to prevent this.
2. Employees who have been in paid employment for at least three years and have been employed by the employer for the past two years, are entitled to leave of absence for educational purposes in accordance with § 12 - 11 of the Working Environment Act.
3. When applications for leave of absence are being considered, the applications shall be judged by the same criteria for all employees or groups of employees, and this also applies in respect of any financial assistance.
4. Replies to applications for leave should be given within three weeks. The reasons shall be given if an application is refused.
5. When an employee returns to the enterprise after studies lasting up to two years, the employee is -whenever practically possible -entitled to work equivalent to that he/she had before commencing the studies. If the studies last for more than two years, a special agreement shall be made concerning the type of work the employee is to have when he/she returns.
6. Employees who have leave of absence for studies and break off their studies, are entitled to return to work in the enterprise as soon as that is practically possible.

**CHAPTER XI**  
MONTHLY WAGES, WAGES PAID THROUGH BANKS,  
DEDUCTION OF UNION DUES

**§ 11-1 Monthly wages**

1. Wages should be paid monthly, unless otherwise agreed by the parties at the enterprise. An agreement may be made for an advance payment on account for the wage period. A transitional period will be required for changing to monthly pay. The rules of the old subsections 1 and 2 in § 11-1 will apply during this transitional period.

2. With monthly wages, a somewhat longer time will be needed between the end of a wage period and payment of the wages. The parties to collective agreements or the parties at the enterprises should therefore seek to arrive at practical arrangements, which meet this need.

### **§ 11-2 Wages paid through banks**

If the enterprise so desires, wages may be paid through banks. If so, the following shall apply:

- a) The employer shall make the statutory deductions, such as taxes, national insurance contributions, etc., and deductions agreed upon in writing between employer and employee.
- b) On pay days, the employee shall receive a slip from the employer showing how wages were calculated, the gross amount, the deductions, and the net amount transferred to the employer's bank.
- c) The employer's bank shall make collective deductions or other deductions as instructed by the employer or the employee.

Net wages - wages minus the deductions made by the bank - will be credited to the employee's account so as to be at his or her disposal on pay day.

If the employee wishes to have his or her account in another bank, the enterprise or the employee can instruct the bank to effect the transfer.

- d) It is the assumption that cash withdrawals (across the counter or from a cash point) from wage accounts will continue to be free of charge. If changes are made which are contrary to this assumption, either party may demand negotiations to determine the rules that are then to apply. If agreement is not reached, the provisions in §§ 11-2 and 11-3 may be rescinded at 3 months' notice.

Further details concerning the payment of wages through a bank shall be defined in a special agreement between the individual employee and his or her bank.

### **§ 11-3 Deduction of trade union dues**

The enterprise shall, either itself or through a bank, deduct trade union dues and also insurance dues if that is part of the membership, when so requested by the shop stewards or where no shop stewards have been elected by the employees' union.

The shop stewards or their union shall supply the enterprise with a list of the organized employees to whom the deductions shall apply and are responsible for keeping the list up to date and correct at all times.

Amounts deducted shall be transferred for each pay period, except when a different arrangement has been adopted by agreement.

Where union dues are calculated on a percentage basis, guidelines for implementing deductions will be established by the parties to the collective agreement. Calculation of the amount of dues shall be based on gross earnings, i.e. the sum entered in column 111A of the annual statement of earnings and deductions, with the exception of fees paid in addition to ordinary earnings to members of the board of directors or the corporate assembly, and gratuities. The enterprise shall draw up lists of the dues deducted for the periods stipulated by the parties to the collective agreement.

These lists shall contain:

- the date of birth and personal registration number
- name
- the amount deducted
- place of work

Particulars, which should include:

- joined during period
- left during period
- leaving for or returning from initial period of national/community service
- any other items of information agreed on by the parties to the collective agreement.
- gross pay
- deducted hitherto
- transferred to disability pension, retirement pension, or agreement-based pension (AFP)

If union dues are deducted by the enterprise for more than one union, it is a condition that the deduction lists are coordinated.

The deduction lists shall be sent electronically wherever possible.

The guidelines must leave scope for modifications in enterprises which for technical reasons are prevented from observing them to the letter. If agreement on the guidelines is not reached, the matter shall be submitted to the central organisations for decision.

## PART B COOPERATION AGREEMENT PURPOSE OF CHAPTERS XII-XVIII OF THE AGREEMENT

The object of this agreement is to strengthen and further develop cooperation between the employees, their representatives and the management in the individual enterprises and groups of companies. The objectives expressed in § 9-1 of the Basic Agreement also apply for cooperation pursuant to this agreement. In accordance with these intentions, the central organisations have concluded the supplementary agreements listed in Part C.

Through developments in labour relations, with new forms of work and organisation, internationalisation, use of new technology and so on, the parties are confronted with new requirements regarding development of good and flexible ways of organising cooperation that will promote the objectives of the agreement.

Conditions in the individual enterprise will determine the best means of organising cooperation. Here consideration must be given to the nature of the operations, the size of the company, technology, organisational structure, decision-making system, geographic location etc.

However, the central organisations agree that a certain formalisation of the cooperation is desirable and necessary in all enterprises. A local agreement should be sought on this. In this connection the parties at the enterprise may request assistance from the organisations.

## CHAPTER XII WORKS COUNCILS, JOINT WORKS AND WORKING ENVIRONMENT COUNCILS

### § 12-1 Establishment

In enterprises with at least 100 employees, a works council shall be established consisting of representatives from the management and the employees.

Works councils shall also be established in enterprises with less than 100 employees whenever so requested by one of the parties and the parties' central organisations agree. A joint works and working environment council may be established in accordance with the rules in §§ 12-11, 12-12 and 12-13 unless otherwise agreed between the parties at the enterprise.

Representatives who are to participate in dealing with matters under section 24 of the Working Environment Act must have been elected according to the rules in § 5 of the Regulations relating to safety delegates and working environment committees. Only these representatives are entitled to participate in voting on resolutions regarding such matters. In the event of a tie, the chairman has the casting vote. Other representatives on the joint works and working environment council have the right to speak and to make proposals when these subjects are being discussed.

Otherwise the rules for works councils apply where appropriate.

### **§ 12-2 Composition**

In enterprises with from 100 to 400 employees, the management may appoint up to five representatives. The employees shall have five representatives.

The workers shall elect three, and the current chairman of the executive committee should be one of these ex officio. The supervisors elect one representative and the technical and mercantile staff one representative. In enterprises with over 400 employees, the management may appoint up to seven representatives. The employees shall have seven representatives.

The workers elect four, who should include ex officio the current chairman and vice-chairman or instead of the vice-chairman another member of the executive committee.

Supervisors, technical staff and mercantile staff may elect one representative each.

If a works council is established at an enterprise that has less than 100 employees, the council shall consist of up to three representatives from the management. The employees elect two, one of whom shall be the chairman of the Executive Committee for the workers. Supervisors, technical staff and mercantile staff elect one joint representative.

If there is only one representative from the management, that representative may have a personal secretary who takes part in council meetings, but without the rights that pertain to council members.

### **§ 12-3 Elections and voting rights**

Representatives from the employees shall be elected by written secret ballot within the individual groups under the direction and control of the shop steward for the particular group.

If those entitled to vote in one group belong to more than one union, their shop stewards shall confer on the matter of calling and conducting the meeting. If they fail to agree, this shall be reported to LO and NHO and they jointly shall decide how the election is to be arranged.

Elections shall be arranged so that all of those who are entitled to vote can take part.

All employees are entitled to vote, with the exception of those who are members of senior management.

### **§ 12-4 Terms of office**

Elections shall be held before the end of February and those elected shall take office immediately. The term of office is two years for those who are not ex officio members.

When a works council is established for the first time, it commences to function immediately after the election. Members may be re-elected.

### **§ 12-5 Members of the council**

Members of the council should be over 20 years of age and be elected from among those who are recognized as competent employees and who whenever possible have worked in the enterprise for the past 2 years.

A member of the council who is transferred to a post in another group than the one by which he or she was elected or leaves his/her employment at the enterprise, shall cease to function as a member of the council and shall be replaced by the deputy member.

The provisions in §§ 6–10 and 6-11 in Part A apply correspondingly to elected members of the works council.

#### **§ 12–6 Chairmanship of the council**

The council shall have a chairman and a secretary elected from among its members for one year at a time. The chairman shall be elected alternately by management and employee representatives, unless otherwise agreed between the parties.

When a representative of the management is chairman, an employee representative shall be secretary, and vice versa.

The deputies for the chairman and the secretary shall be elected from the same groups as the chairman and the secretary.

#### **§ 12–7 Meetings of the council**

Council meetings shall be held at least once a month unless otherwise agreed between the parties. The agenda and documents enclosed therewith shall be prepared by the chairman and the secretary and distributed at least three days before the meeting.

Proposals concerning matters which council members wish to have discussed must be submitted to the secretary early enough to be included on the agenda.

If the representatives of one of the groups represented on the council agree to request an extraordinary meeting, that meeting shall be called with 3 days' notice.

#### **§ 12–8 Works council activities**

The main task of the works council is, through cooperation, to work for the most efficient production possible and for the maximum wellbeing of all who work at the enterprise. In enterprises that have joint works and working environment councils, the council shall handle, in addition to the statutory duties of working environment committees, the following areas of work that otherwise would pertain to the works council. A practical division of the work must be arranged if both separate councils are maintained.

The fields of activity are:

Informative and confidential reports from the management on the financial status of the enterprise and of its standing in the industry, as well as on other matters of importance for production and sales conditions.

In this connection, financial information shall be provided in writing to the same extent as it normally is given to shareholders through the financial statement submitted at a company's annual general meeting. When so requested by council members, opportunities shall be provided for reverting to the accounts at a subsequent meeting of the council.

Matters that are of material importance for the employees and their working conditions which relate to the activities of the enterprise, substantial investments, changes in systems and methods of production, quality, product development, plans for expansions, reductions or restructuring, shall be submitted to the council for its opinion before any decision is made.

Reports on the activities of the enterprise and any existing plans for operations in the immediate future.

Such reports shall be provided and discussions shall take place at the earliest opportunity, to enable the council to deliver its opinions soon enough to influence the final decision.

If matters as mentioned in this section are to be dealt with by the board of directors or corporate assembly of the enterprise, the council's statement shall be included with the relevant documents, unless lack of time has made it impossible to obtain such a statement.

The council shall work for sound and proper rationalization. By work to provide information, it shall promote understanding of the great importance rationalization has for the community and for the enterprise.

The council has the authority and the responsibility to establish such general guidelines as its members may agree on for vocational training for the employees of the enterprise. The same applies to guidelines for new employees. Moreover the works council can constitute a forum for the employees' active participation in general educational issues. Within a fixed budgetary limit, the management may give the council authority and responsibility for implementing safety measures. This does not limit the decision-making powers of the working environment committee under the Working Environment Act.

Within a fixed budgetary limit, the management may give the council authority and responsibility for implementing social welfare measures.

The management shall deal as soon as possible with matters on which the council has given an opinion, and shall inform the council of its decision at the next meeting of the council.

When the matters referred to in paragraphs 2 through 9 of this section are being discussed, information given by the enterprise shall be kept absolutely secret to the extent enjoined by the management.

The works council itself should concentrate on work and measures of a general nature relating to the enterprise as a whole or to large sections of it. Otherwise as far as possible the council should delegate authority and responsibility to the departmental councils in matters which can be decided at departmental level.

#### **§ 12-9 Minutes**

Minutes shall be kept of council meetings.

When votes are taken, both majority and minority standpoints shall be recorded.

Transcripts of the minutes shall be distributed to the management, the members of the works and working environment councils and to shop stewards who are not members of the council. The central organisations may request reports on the council's work.

The council shall keep employees informed of the results it achieves so that it promotes interest in cooperation.

#### **§ 12-10 Questions concerning wages and working hours**

The council shall not deal with questions concerning wages and working hours or disputes over the interpretation of collective agreements or contracts of employment. Issues of this kind shall be dealt with according to the rules in Part A.

Working hours and wage and piecework systems may be discussed in general, but no agreements concerning this may be entered into by the council.

#### **§ 12-11 Composition of the joint works and working environment council.**

##### **Elections and terms of office.**

The joint works and working environment council shall be composed partly of persons elected according to the rules in §§ 1-22 through 12-5, partly of persons elected according to the rules of the Working Environment Act and the Regulations concerning safety delegates and working environment committees.

The council shall commence its functions immediately after the elections are held in accordance with the Working Environment Act.

**§ 12–12 Chairmanship of the joint works and working environment council.**

The council chairperson shall be elected according to the rules in the Regulations relating to safety delegates and working environment committees.

The secretary shall be elected from among the council members for one year at a time. When the chairperson is a management representative the secretary shall be an employee representative, and vice versa.

When the council is dealing with working environment matters, only members elected in accordance with the Regulations relating to safety delegates and working environment committees (safety and health personnel excepted) are entitled to vote.

**§ 12–13 Meetings of the joint works and working environment council**

Meetings to deal with environmental matters shall be held at least four times a year. Such meetings shall also be held whenever so requested by any two members elected according to the Regulations relating to safety delegates and working environment committees.

For particulars concerning meetings to deal with other matters and proposals concerning matters which council members wish to have discussed, see § 12–7.

**CHAPTER XIII**  
**DEPARTMENTAL COUNCILS**

**§ 13–1 Establishment**

Departmental councils should be established in enterprises having over 200 employees and independent departments under their own management with authority to make decisions on matters concerning the department.

Departmental councils should also be established in smaller enterprises that have independent departments, if these are scattered geographically or other reasons make it natural to have separate departmental committees.

**For building/construction/offshore:**

Replace departmental councils by site councils.  
Replace department by building/construction site.

**§ 13–2 Composition, elections, voting rights, etc.**

The parties at the enterprises may make agreements on the composition of departmental councils, elections and voting rights, terms of office and chairmanship; however, one member appointed by the management of the department, the department's senior shop steward, and one member appointed by the department's supervisors shall be ex officio members of the council.

Other department representatives should also be called to meetings depending on the matters to be discussed.

**§ 13–3 Activities**

Departmental councils may deal with the matters mentioned in § 12–8 when they only concern the department. In particular, the committees should deal with matters of rationalization, matters relating to daily operations and plans for the department's development. A departmental council shall deal with matters submitted to it by the management or the works council. § 12–10 applies correspondingly.

Whenever possible matters should be dealt with on the basis of written material and any production plans and budgets used by the department management.

Councils should be allowed an opportunity to put forward proposals during the preparation of plans or budgets for the department.

When authorized by the management or the works council, the council may make decisions in matters which only concern the department and on which the members of the council agree.

The council shall also advise the management of the department and report directly to it.

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

When the council has submitted a proposal on a matter, the management shall reply giving the reasons for the standpoint it adopts.

#### **§ 13–4 Meetings**

Meetings shall be held at least once a month unless the ex officio members agree otherwise.

The rules in § 12–7 concerning agendas and in § –12-9 concerning minutes and reports and information to employees, shall apply correspondingly.

### **CHAPTER XIV PROVISIONS FOR GROUPS OF COMPANIES**

#### **§ 14–1 Committees for groups of companies**

The parties agree that there is a need to discuss on a group basis the matters referred to in Chapter IX and § 12–8 of the Basic Agreement. With the assistance of the organisations the local parties shall seek to establish suitable forms of cooperation. Such cooperation can be organized either by

- a) establishing a coordinating shop steward committee in groups having enterprises that use a joint collective agreement. This committee shall discuss matters with representatives for the management of the group and the enterprise, and shall consist of the chairpersons of the local shop steward committees; or
- b) establishing a committee where representatives of the workers' shop stewards and of the other groups mentioned in § 12–2 of the Basic Agreement can meet representatives of the managements of the group and the enterprise to discuss the matters referred to in § 12–8 that are of common interest. Such meetings shall take place at least once a year; or
- c) finding other corresponding forms of cooperation.

Groups of companies may have a decision-making structure at divisional or regional level that decides matters of material importance for the employees and their working conditions at these levels. In such cases arrangements may be agreed upon which provide for consideration of the matters discussed in Chapter IX and §12-8.

The arrangements agreed upon by the parties shall not interfere with normal procedures for dealing with disputes, cf. § 2 – 3 of the Basic Agreement.

If the parties fail to agree, the matter may be submitted to the central organisations for final decision.

#### **Note:**

In this connection "group" means:

An amalgamation of legally and/or administratively independent units (e.g. limited companies and/or divisions) which financially and in part also administratively and commercially form one unit.



See also the definition of a “group” in § 1-3 of the Norwegian Limited Liability Companies Act and § 1-2 of The Partnerships Act (Norway).

#### **§ 14–2 Remuneration for shop stewards**

For time spent on discussions pursuant to § 14-1, first and second paragraphs, shop stewards shall be paid remuneration as provided in § 6-8. In those cases where travelling is necessary in connection with such discussions, the group shall pay subsistence allowance at the agreed rates and the actual travelling expenses.

#### **§ 14–3 Group shop stewards**

The central organisations agree that in groups having more than 200 employees there may be need for a group shop steward arrangement. An agreement may be made to the effect that one of the shop stewards from an enterprise in the group shall be elected to this function. The group committee under Chapter XIV may elect the group shop steward, or other systems of election may be agreed upon.

The group shop steward shall promote the interests of the employees relative to group management in matters that are dealt with at group level and that may be of significance for employees of the group as a whole. The work of the group shop steward shall not interfere with or take the place of the parties’ rights and duties at enterprise level.

Rights and duties for the group shop steward shall follow the rules of Part A of the Basic Agreement relating to shop stewards.

The group shop steward's other rights and duties are regulated by agreement with the group. This agreement may include provisions concerning

- Employment conditions, employer's liability, and pay conditions
- Election/term of office
- Employment conditions, including office space, technical equipment etc. for the shop steward
- Full/part-time.

#### **§ 14–4 European Works Councils**

“The Agreement on European Works Councils or similar forms of cooperation” made between NHO and LO on 30 November 1995, was made generally applicable by Royal Decree of 18 October 1996.

The Agreement is attached as to this Basic Agreement as Supplementary Agreement VIII.

The parties have agreed that the principles on which the Basic Agreement is founded in § 9-1 and Part B shall also be the guiding principles for application of this agreement.

Note: Based on Directive 2009/38/EC of the European Parliament and the Council on the establishment of a European Works Council, which replaces Council Directive 1994/45/EC, the parties agree to enter into negotiations to update this agreement.

#### **§ 14-5 A sustainable working life**

LO and NHO underline the importance of a decent and sustainable working life. In this context the parties make reference to the principles on which both the OECD Guidelines for Multinational Enterprises and the UN Global Compact are based. Enterprises are encouraged to let this type of principles form the basis for their activities at home and abroad.

**CHAPTER XV**  
INFORMATION MEETINGS AND COMPANY CONFERENCES

**§ 15-1 Information meetings**

Information meetings shall be held at least once a year for the employees of an enterprise or its separate departments, at which the management gives a general briefing on the position and future prospects of the enterprise. Information meetings may be held more frequently if the works council so desires.

**§ 15-2 Company conferences**

Subject to agreement between the chairperson and the secretary of the works council, members of the works council and the departmental committees shall be called to attend a works conference at which the management presents information concerning the status of the enterprise and the tasks ahead, and the further work of the committees is discussed.

**CHAPTER XVI**  
DEVELOPMENT OF COMPETENCE

**§ 16-1 Introduction**

NHO and LO recognize how highly important wider education is for the individual, for development of the enterprise, and for the community as a whole. This applies to general education, vocational training, courses of adult education, advanced studies and rehabilitation.

Therefore the parties wish to emphasize the great value that lies in stimulating employees to increase their knowledge and improve their qualifications, and attaching great weight to planned courses of education and training for employees, within the enterprise itself or at outside educational establishments.

**§ 16-2 Supplementary studies and further education**

Supplementary studies and further education are especially important as means of developing the competitive ability of the enterprise. At all stages of the value chain the right qualifications are necessary to enable the enterprise to accept and utilize new knowledge. Development of qualifications through supplementary studies and further education must be based on the present and future needs of the enterprise, taking as a starting point the targets set by the enterprise for its operations.

"Supplementary studies" refers to maintaining qualifications for a position already held, while "further education" refers to qualifying for new and more demanding tasks within the enterprise. Both supplementary studies and further education will benefit the enterprise as well as the individual employee and therefore they must accept responsibility for developing such qualifications.

**§ 16-3 Ways and means**

Each enterprise must present its objectives for future development as a basis for charting the qualifications needed. Cooperating with the employees, it will be the enterprise that is responsible for charting and initiating necessary measures. Charting must normally be updated once a year. Wherever there is a gap between existing qualifications at the enterprise and its future needs, this should be covered by appropriate training measures or other means.

The costs of supplementary and further education must be borne by the enterprise. Responsibility for ensuring that any competence gap is covered satisfactorily rests with the enterprise and all its employees.

**§ 16-4 Documentation of actual qualifications**

It is important that the enterprise has a system for documenting the individual's experience, courses and practice related to the employment relationship.

**CHAPTER XVII**  
**THE PARTIES' RESPONSIBILITY FOR**  
**FOLLOWING UP COOPERATION AGREEMENTS**

**§ 17-1 Organisations' responsibilities**

The central organisations have joint responsibility for providing information and guidance in application of the cooperation agreement in the enterprises.

Their joint responsibility for following up the cooperation rules shall be discharged by the board referred to in Chapter XVIII.

**§ 17-2 Assistance from organisations**

When so requested by the parties at the individual enterprise, the organisations shall assist with advice and guidance in establishing cooperating bodies and in the further development of these bodies as suitable means for cooperation within the enterprise.

Through information, training and exchange of experience, the organisations jointly shall spread knowledge of the cooperation agreement and how it can help in the development of the enterprises.

**CHAPTER XVIII**  
**THE ORGANISATIONS' JOINT MEASURES**  
**-COOPERATION AND DEVELOPMENT**

**§ 18-1 Organisation**

Joint cooperation and company development measures shall be directed by a board. This comprises measures pursuant to the Basic Agreement, Chapter IX, § 9-1 Part B, Supplementary Agreement I, II and III, and other measures upon which the parties have agreed.

**§ 18-2 Composition**

The composition of the board and the number of members shall be determined by discussion between LO and NHO. An equal number of members shall be appointed from each of them.

**§ 18-3 Development, results and plans**

The board shall once a year hold a conference with invitation to the agreement parties.

**§ 18-4 Secretariat**

The necessary secretariat will be established by the organisations jointly.

**§ 18-5 Financing**

Joint measures effected in accordance with these rules will be financed 50 % by LO and 50 % by NHO.

**PART C**  
**SUPPLEMENTARY AGREEMENTS**

The following supplementary agreements apply in addition to the provisions of the Basic Agreement (and are appended to it as annexes):

- I. Agreement on enterprise development.
- II. Framework agreement on equality between women and men in working life.
- III. Agreement on in-company training in relation to the working environment for safety delegates and members of the Work Environment Committee (AMU).
- IV. General agreement on technological development and computerized systems.
- V. Agreement on control measures in enterprises.
- VI. Guidelines for the use of time and motion studies.
- VII. Framework agreement on systematic job evaluation as basis for determining differentiated pay.
- VIII. Agreement on European Works Councils or equivalent forms of cooperation.

**SUPPLEMENTARY AGREEMENT I**  
**Agreement on enterprise development**

**Objectives and obligations**

In pursuance of the objectives in § 9–1 of the Basic Agreement, LO and NHO and their affiliated organisations undertake to work actively to promote enterprise development.

The objective with regard to enterprise development is to increase the creation of values through broad participation by the employees at the enterprise. The Joint Programme of the central organisations will ensure professional guidance and support when launching and implementing development measures pursuant to this agreement. Possible questions arising regarding collective agreement conditions shall be raised with the organisations that are parties to the collective agreement.

**General guidelines for development efforts in the enterprise**

Questions concerning the enterprise's need for improvement and innovation work and for the development of the enterprise's organisation, ensuring the individual employee co-determination and influence, shall be central in the projects. This also applies to conditions which ensure employees co-determination and influence in the value creation process in the enterprise. The parties at the enterprise shall work to ensure that enterprise development work is conducted in a universal perspective, in the sense that it also attends to the gender perspective and diversity.

**Control and organisation**

The common measures under this agreement shall be controlled and organised pursuant to the provisions of Chapter XVIII of the Basic Agreement. The board shall develop strategies and guidelines for support.

## SUPPLEMENTARY AGREEMENT II

**Framework agreement on equality *between women and men* in working life****I. Purpose**

Work on matters related to equal opportunities is important for utilizing human resources and promoting generation of value.

As an element in achieving equality and equal opportunities, all employees irrespective of their gender – must be afforded the same possibilities to use their abilities and talents. This must be on equal terms with regard to employment, salary, training and promotion.

The effort relating to equality is an executive responsibility and it must be anchored at top management level within the enterprise and be followed up by other executives, who must be evaluated based on achieved results.

The parties state that:

-equality concerns attitudes and norms

-equality requires co-operation between management and shop stewards

- equality requires the ability to see the correlation between working life, family life and social life

- equality shall be included in all strategy- and planning documents

**II. Duties of the central organisations**

The work done by the central organisations in relation to gender equality is anchored in the legislative and agreement framework as well as in international conventions and directives.

The equality work done by the central organisations must be based on a universal concept. Therefore it is a precondition that the equality perspective be integrated in the separate trades and that this is set forth in the documents for the central organisations' strategies and plans.

It is the intention that the central organisations and their member organisations shall contribute to work being done locally by, for example, offering professional assistance with local development work, preparing information material, arranging courses / conferences, making speakers available, etc.

It is the parties' responsibility to work to implement the principles of the framework agreement and the initiative must be taken by the parties themselves on efforts and activities that can promote equality.

It is recommended that joint NHO-LO efforts on equality give priority to activities which aim at investigating the connection between the world of work, gender roles in the labour market, the promotion of women's participation in decision-making processes, and the elaboration of instruments aimed at tackling gender-based wage differences.

**III. The local work****1. Responsibility of the parties**

Equality has to do with culture and traditions and cannot be seen as separate and apart from the other activities of the enterprise. Equality can be achieved by efforts integrated in development work within each enterprise. The parties underline the importance of systematic, goal-oriented work that is set forth in the strategy and planning documents prepared by the enterprise.

**2. Organisation of local work**

Responsibility for implementation of gender equality measures rests with the local parties. The local parties shall give special emphasis to measures that serve to

- ensure that women and men are given qualified tasks on equal terms
- ensure that women and men are given equal opportunities for advancement within the enterprise
- ensure recruitment of women to executive positions on all levels
- ensure a better organisation and distribution of working time in order to promote equality

Charting and analysing equality in the enterprise, including pay specified for men and women must take place as a first step in this work, providing a background for forming visions, aims, action plans and measures.

The rules of the Personal Data Act must be observed when performing charting and analysis.

It is important to see the connection between working life and family life and to ensure a better distribution of parental leave between the parents.

#### **IV. The right and duty to negotiate**

Disputes concerning interpretation of this framework agreement and the local equality agreements shall be dealt with in accordance with § 2 of the Basic Agreement.

Information

Reference is made to information on equality that is published on the websites of LO and NHO:

[www.lo.no](http://www.lo.no) and [www.nho.no](http://www.nho.no).

### SUPPLEMENTARY AGREEMENT III

#### **Agreement on in-company training in relation to the working environment for safety delegates and members of the work environment committee (amu)**

##### **Introduction**

This agreement is based on the provisions of the Working Environment Act.

Training in working environment matters is a precondition for good health, safety and environment work (HSE) in the enterprise. Sound knowledge of the working environment should exist at all levels. It is particularly important that members of working environment committees, safety delegates and foremen have the knowledge required to be able to perform their functions in the HSE work. Also other persons who make decisions affecting the working environment should have such knowledge. It is therefore desirable that also other key personnel undergo training.

The training shall provide a basis for stimulating cooperation and participation in the HSE work at the enterprise.

##### **1. The agreement concerns**

Employee representatives on the working environment committee and the safety delegate within each safety area are covered by the agreement.

##### **2. Object and content of the training**

The training shall provide the participants with the skills and knowledge required to perform their functions in the HSE work and furnish knowledge of the rights and duties of members of working environment committees and of safety delegates. The objective is to give the management and the employees of the enterprise a basis which enables them to solve working environment problems in the enterprise. The local parties should cooperate on the implementation, in order to ensure a good training scheme.

The training must therefore focus on topics agreed on by LO and NHO to be applicable in agreements with relevant training organisations on established professional and pedagogic criteria, including:

- knowledge of the roles of the various actors in the HSE work in the enterprise, including, in particular, the roles and functions of the safety delegate and the working environment committee in the enterprise, and of the challenges of their own branch.
- knowledge of, and insight into, the work methodology in systematic HSE work, including risk assessment and deviation management.
- insight into the work methodology related to an inclusive workplace, including focus on the psychosocial working environment, adaptation and dialogue.
- insight into, and knowledge of, relevant physical and chemical conditions.
- provision of training opportunities on working environment tasks.

### **3. Length of training**

The agreement is based on training of a duration of not less than 40 hours. Longer or shorter periods than 40 hours may be agreed upon if the parties in the branch of industry agree that this is safe.

### **4. Implementing the training**

LO and NHO shall develop criteria for the training, with focus on applicable legislation and the investment areas of the organisations, for the training organisations that offer training on behalf of the parties.

To ensure that the training is linked with the participants' own working environment, it is recommended that the parties in the branch of industry prepare common teaching materials based on the relevant rules and regulations in force in the field, and with focus on the particular challenges of the individual branches of industry. If the parties in the branch of industry so agree, they may choose relevant material.

#### **Training providers**

The training should take place locally in cooperation between the parties at the enterprise, under the management of the national union and/or national branch association, or at the training organisations that offer training on behalf of the parties. The training may also be provided by others possessing the necessary competence. The parties in the branch of industry shall decide on the competence to be considered as relevant.

The parties recommend that the training is supervised by a training provider with pedagogic experience and knowledge. The company health service should be involved as resource persons in the training at the local level.

### **5. Further training**

Further training shall be given in subjects that are of particular importance to the working environment in the individual enterprise. The working environment committee shall assess the need for further training when this is necessary to ensure that the separate functions are attended to.

### **6. Plan for training in the enterprise**

The enterprise's plan of action with regard to HSE contains training under this agreement.

### **7. Deadlines, courses during/outside working hours and costs of courses**

New personnel comprised under this agreement should have commenced their basic training within six months and in any case within not more than 12 months. Personnel comprised under this agreement, who have not previously received such training, shall be given training within reasonable time.

The training shall preferably take place during working hours. If the training of personnel during working hours constitutes a major obstacle for the enterprise, the training may take place outside ordinary working hours.

The employer shall cover all expenses connected with the training under this agreement, such as charges for courses, living and travel expenses if any, and loss of earnings. Travel and living expenses should be kept at the lowest possible level. Employees who are not full-time employees, shall be paid for the number of hours the course lasts.

If the training is given outside working hours, wages shall be paid as for ordinary working hours, without overtime pay. If the training takes place in a boarding house or similar establishment ordinary daily wages shall be paid, without overtime.

## **8. Disputes**

Reference is made to Chapter II of the Basic Agreement.

### **SUPPLEMENTARY AGREEMENT IV General agreement on technological development and computerized systems**

#### **I. General provisions**

The Confederation of Norwegian Enterprise (NHO) and the Norwegian Confederation of Trade Unions (LO) agree that this general agreement shall form the basis for the planning, introduction and use of technology and computer-based systems. The general agreement is based on and does not entail any limitation of the Basic Agreement, Part A, Chapter IX, and Part B, § 12–8.

The parties agree that the provisions of the agreement must be given applications appropriate to the size of the enterprise, without thereby detracting from the intentions of the agreement. In this agreement the term "technology" shall comprise technology connected with production (including automation), administration and control systems.

The agreement comprises technology and systems used in planning and carrying out work, and systems for the storage and use of personal data concerning the employees at the individual enterprise. "Personal data" means all information and assessments that can be traced back to a particular person, cf. section 2, item 1, of the Act relating to personal data.

It is further the intention that, in addition to computer-based systems, the agreement shall apply also to technological changes on a significant scale and in those cases where the changes are important to employees and their conditions of employment. Disputes concerning interpretation of this agreement shall be dealt with according to § 2–3 of the Basic Agreement.

Exploitation of new technological opportunities in the form of equipment and systems can be decisive for the development and even for the existence of an enterprise. New solutions and systems can affect the workplaces and working conditions of employees. This being the case, it is important not to consider new technology solely from a technical or financial but also from a social point of view. The design, introduction and use of systems and new technology shall be based on such an overall view, for instance in consequence analyses. An overall view includes such considerations as organisational changes, employment, information routines, human contacts, equality of the sexes, etc.

The central organisations shall contribute to the development and dissemination of methods and procedures for carrying out simple, easily understandable and efficient consequence analyses.



## **II. Information**

Enterprises shall keep employees informed through their shop stewards of circumstances within the scope of this agreement, so that shop stewards can put their views forward as early as possible and before the decisions of enterprises are implemented, cf. § 4-2, 1 of the Working Environment Act. If information is given at meetings, the central organisations recommend that minutes be kept and are signed by both parties.

This information shall include any long-term plans and pilot projects the enterprise may have. In other respects, see also subsection 1 of § 9-3 of the Basic Agreement.

This also applies to information concerning research projects within the scope of this agreement. Such information shall be mutual. The information shall be clearly presented, and in a language which people without special knowledge of the field can understand. Management and shop stewards shall moreover separately and jointly attach importance to providing employees with sufficient information to afford them insight into and understanding of the main features of the systems they themselves use or are affected by, and to enable them to understand the importance use of such systems has not only for the enterprise but also for the employees and their job situations.

Enterprises planning for and beginning to use computer systems shall clearly define their areas of use. Systems shall only be used for other purposes after discussion with shop stewards.

## **III. Participation**

When the parties agree to engage in work in the form of projects, real influence should be ensured not only for shop stewards, but also for representatives of the employees directly concerned. The central organisations recommend that as far as practicable all employees whom the projects directly concern should be engaged in work on them.

This is desirable not only in order to take advantage of the knowledge available at all levels of the organisation, but also to ensure that the employees through their elected representatives can influence the design, introduction and use of the systems. It is assumed that sufficient time will be allowed for this work, and that both lost earnings and necessary expenditure on information in accordance with "III Participation" will be compensated.

In consultation with the management, the enterprise shall to a reasonable extent make its own expertise available to the shop stewards.

By agreement with the management and through their central organisation, it shall be possible for workers' representatives to consult outside expertise in the field if necessary. Unless otherwise agreed in advance, the cost of obtaining such expert assistance shall be met by the enterprise.

Before an enterprise finally decides which system and/or technology to choose within the sector covered by the agreement, the parties at the enterprise should discuss how employees can participate in developing and/or choosing such technology.

In the course of this work, the parties shall also discuss how employees can participate in plans for the work, working conditions and management routines.

Training and retraining needs shall be clearly defined. Special emphasis shall be given to developing the professional job content of each employee.

## **IV. Shop Stewards**

If the employees of an individual enterprise so desire, they may elect a special shop steward (computer shop steward) to safeguard their interests and cooperate with the enterprise within the sector covered by this agreement. The computer shop stewards may also be appointed from among existing shop stewards, cf. §§ 5-2 to 5-8 of the Basic Agreement.

If it is natural in view of the size of the enterprise and the extent to which new technology is being used, more than one special shop steward may be appointed by agreement with the enterprise. It is recommended that they form a working group and that the necessary time be placed at their disposal.

It is a prerequisite that shop steward(s) be given the opportunity to acquaint themselves with general issues relating to the influence of new technology on conditions affecting employees. Shop stewards shall have access to all documentation on hardware and software within the scope of this agreement. In connection with their engagement within the scope of the agreement, the shop stewards shall on the basis of their special qualifications be at the disposal of employees and other shop stewards.

Shop stewards and employees participating in specific projects shall have access to all necessary documentation within the project area.

## **V. Training**

The central organisations emphasize the importance of making active use of systematic training in connection with the use of new technology. It is recommended that the parties at the individual enterprises discuss training needs at an early planning stage. Enterprises shall ensure that shop stewards receive the training necessary to enable them to perform their duties satisfactorily.

In consultation with the shop stewards the enterprises shall also assess the training needs of other employees who become engaged in specific projects within the scope of the agreement.

Examples of such training are courses in work on systems and project management that are of a sufficiently high standard to equip them with the competence they need to be able to take active part in designing the system, cf. § 4-2, 1 of the Working Environment Act.

The nature and scale of the training provided shall be assessed according to the needs of the individual enterprise. The assessment shall comprise general training of an informative nature aimed at meeting the need to improve the general level of knowledge in the enterprise, necessary training in project and system work for those participating actively in projects, and training in the operation and use of systems and equipment. Enterprises may provide the training internally or avail themselves of external training courses or use a combination of both, depending on circumstances at the individual enterprise.

## **VI. Handling personal data**

In the case of systems for the storage and use of personal data concerning the employees in the enterprise, reference is made to the Act relating to Personal Data Registers, etc. and the Regulations issued pursuant thereto. Personal data shall not be compiled, recorded, collocated, stored or disclosed except when there is due reason for doing so having regard to operation of the enterprise. Each enterprise shall establish which types of personal data concerning the employees are to be compiled, stored, processed and used by means of computerized/electronic systems. Instructions governing the storage and use of personal data shall be prepared at each enterprise in collaboration with the shop stewards. If agreement is not reached, the matter may be submitted to the central organisations.

## **VII. Information and communication Technology (ICT)**

If an enterprise allows shop stewards to access its computer system in the course of their work as shop stewards, a system must be established which prevents access to the shop stewards' computerized records. The manner of establishing such a system shall be discussed between the parties. This provision does not imply any restriction of the employer's rights in maintenance and operation of the computer system.

### **Entry in Minutes from NHO:**

NHO's intention with the above provision is that the authorities shall regard the shop stewards themselves as being responsible for processing pursuant to section 2, item 4, of the Act relating to personal data.

LO and NHO agree that they jointly shall approach the authorities (the Data Inspectorate and the Ministry of Justice) to have this matter clarified.

### **VIII. Forms of cooperation and local special agreements**

The parties at the individual enterprise should themselves try to find the most appropriate forms of cooperation and organisation in the agreement field. In accordance with the guidelines in this framework agreement, a special agreement shall be sought established at the individual enterprise, if so requested by one of the parties.

If agreement is not reached, each of the parties may submit the matter to the central organisations. The central organisations are committed to seeking to find a solution within reasonable time, in cooperation with the parties at the enterprise.

### **IX. Obligations of the parties**

The parties at each enterprise affected by the provisions in this agreement undertake to make the agreement known to the employees.

#### **SUPPLEMENTARY AGREEMENT V**

##### **Agreement on control measures in enterprises**

NHO and LO agree that this general agreement shall form the basis for the design and introduction of internal control measures and significant changes in existing control systems in individual enterprises where such measures appear necessary for the activity.

The parties also refer to the Working Environment Act chapter 9 on control measures at enterprise level.

1. Control measures may be based on technological or financial, considerations or considerations relating to health and safety, as well as on other social and organisational conditions in an enterprise. The measures introduced shall not be broader in scope than is necessary and must be objectively justified in the activities and needs of the particular enterprise.
2. All employees or groups of employees shall be treated equally in relation to controls implemented in accordance with subsection 1.
3. Questions concerning the need for and the design and introduction of or significant changes in internal control measures shall be discussed with the shop stewards. Through their shop stewards, the enterprise shall keep its employees informed concerning plans and work in this area, so that they can make their views known as early as possible and before the enterprise makes its decision.
4. Before measures are initiated, employees shall have been informed of the purpose and practical consequences of the measures. The management and the shop stewards shall separately and jointly endeavour to provide the employees with the necessary information before measures are initiated.
5. In so far as control measures involve processing personal data manually or electronically (this including processing such information in the form of pictures/films, texts, tapes, etc.), questions related to the period and method of storage, destruction, etc. of this information shall be discussed with the shop stewards and settled in accordance with the provisions in the Act relating to personal data and Regulations issued pursuant thereto.
6. Control measures designed and adopted in accordance with the provisions in this agreement may in practice be carried out either by the enterprise's own employees or by independent agencies hired for the purpose. An enterprise that intends to effect control measures that come under the Act relating to security guard agencies shall employ an agency that has authorization pursuant to that Act. Responsibility for the measures will in any case rest with the enterprise.

7. If either of the parties at a particular enterprise so wishes, the parties should seek to make a local agreement governing the planning and implementation of the enterprise's control measures and establishing the proper area for their use. If agreement is not reached, either party may submit the matter to the central organisations.

**SUPPLEMENTARY AGREEMENT VI**  
**Guidelines for the use of time and motion studies**

**I**

**Scope**

NHO and LO agree that use of time and motion studies in an enterprise shall be based on this agreement. It is a precondition that agreement is reached between the parties at the enterprise before the studies are initiated.

This agreement does not apply to use of time and motion studies that do not give a mathematical link between the results of the studies and wages.

**II**

**General remarks**

The parties agree that the agreement must be applied in an expedient manner that is in keeping with the organisational conditions and development strategies of the enterprise, without this impairing the intentions of the agreement, cf. Chapter IX, Part A of the Basic Agreement. Furthermore the parties agree that it is highly important to promote methods that are capable of improving working conditions for the individual employees and give a pleasant working environment, cf. Chapter 4 of the Working Environment Act). Time and motion studies may not be used to reduce the employees' earning possibilities during the term of the collective agreement unless a right of revisal ensues from that agreement or a special agreement.

Disputes concerning the interpretation of this agreement shall be settled pursuant to § 2-3 of the Basic Agreement.

**III**

**Representatives for time and motion studies**

The employees shall elect one or more time and motion study representatives, depending on the nature and size of the enterprise and the study techniques to be employed. These representatives shall be the employees' experts on time and motion studies and should not at the same time hold positions of trust as regular negotiators.

Those elected should have technical insight and an interest in time and motion studies. The normal provisions of the Basic Agreement also apply to time and motion representatives. Their term of office shall be two years. The period should be extended unless there are material grounds for making a change. If the parties so agree, new elections may be held after a shorter period.

If possible, the incumbent time and motion study representative should continue until a new one has been trained and can take over.

Enterprises shall ensure that time and motion study representatives receive the necessary theoretical and practical training in such studies. The enterprise shall ensure that these representatives maintain the level of theoretical and practical knowledge needed to be able to understand and evaluate submitted study material and carry out spot checks.

During the training periods and while employed as such, time and motion study representatives shall be paid regular average earnings.

**IV**

**General remarks on time and motion studies**

In general, time and motion studies comprise studies of:

1. Methods
2. Extra time
3. Basic time

Studies of methods and extra time are normally performed before any basic time studies.

1. Method studies aim at organizing the work and the method of performing it so that the work can be done in the best possible manner. The employees that normally perform the work should be consulted during the studies.
2. Extra-time studies are performed to record all extra time used at a workplace or in a department, both with a view to making improvements and for determining necessary additions to the adopted basic time studies. Additions of time for personal needs (see Chapter V) are not usually included under extra-time studies.
3. Basic time studies are carried out to determine how much time an employee of average skill and standard performance spends on one operation.
  - a. Standard performance is the rate that can be maintained for long periods by an experienced employee who is familiar with the working method, tools and machinery used.
  - b. During the study, the employee's performance is assessed so that the time can if necessary be adjusted up or down so as to arrive at standard performance.
  - c. The study shall be carried out on an experienced employee. If necessary for a more reliable basis, studies may be made of several workers with experience of the operation concerned.

## V.

### **Personal additions and time for rest**

Personal additions are the time the employee requires for personal needs irrespective of the nature of the work.

Time for rest is the extra rest time necessary for extremely tiring work.

If personal additions and, where applicable, necessary rest time, are not determined during the time and motion studies, they shall be determined by negotiation between the parties at the enterprise. In the event of disagreement the matter shall be handled pursuant to § 2-3 of the Basic Agreement. The rules proposed by the enterprise shall be applied in the meantime.

## VI

### **Calculating piecework rates**

1. Standard times are established either by means of time and motion studies or by use of standard time systems.
2. The time for a task is generally determined by adding the established additional times to the standard time.
3. Piecework rates are calculated on the basis of the time for the task as time or NOK piecework with pay for standard performance as described under 1. Before basic time studies are initiated, the basis for calculation shall be agreed upon between the parties to a collective agreement or to a special agreement at the enterprise.

## VII

### **Negotiating piecework rates**

1. When piecework rates have been calculated, they shall be submitted for approval to the employee or group of employees by whom the work is to be done, and shall be signed by the negotiating parties at the enterprise.

2. Employees who so wish shall be allowed to see the time studies and calculations, including the assessment of performance, on which the piecework rates are based.
3. If agreement is reached on piecework rates, they shall enter into force at once.
4. Failing agreement, the T & M study representatives of the enterprise and of the employees respectively shall go through the study material as soon as possible and carry out any necessary checks together. If agreement on piecework rates is still not reached, the normal provisions in the agreement concerning piecework rate negotiations and disputes shall apply.
5. If agreement is not reached on piecework rates, the central organisations recommend that the enterprise's proposals be adopted provisionally. The final result shall apply retroactively with effect from the date the provisional piecework rates were adopted.
6. All applicable agreements on piecework rates shall be registered and filed. Each agreement shall include a detailed job description.

The employee representatives shall receive copies of current piecework rate agreements.

### **VIII**

#### **Basis for changing piecework rate agreements based on time and motion studies**

Revision of piecework rates shall be allowed under one or more of the following circumstances:

1. Changes in wage levels following revisal of collective wage agreements.
2. Changes in methods, machines, workplaces or materials.
3. Changes in the production system in the enterprise (department) that result e.g. in changing extra times.
4. When some piecework rates are much older than the other rates at the enterprise.
5. Piecework rates which are evidently wrong, for instance as a result of calculating errors. Both parties have a mutual obligation to report such mistakes if they find them.

Revisals shall normally be effected by making new T & M studies.

### **IX**

#### **Pay during time and motion studies**

1. Payment during T & M studies shall be in accordance with the wage system at the enterprise.
2. Employees earning piecework rates who, through additional time studies or method studies, are prevented from maintaining their normal earnings, shall be guaranteed their average hourly earnings.

### **X**

#### **Duration**

The provision governing the termination and duration of this agreement shall be the same as those that apply for the Basic Agreement LO/NHO.

## SUPPLEMENTARY AGREEMENT VII

**Framework agreement on systematic job evaluation as a basis for determining differentiated wages****I****Scope**

LO and NHO agree that this agreement shall form the basis for the design and initiation of systematic evaluation of work and/or proficiency in the individual enterprises. It is a condition that agreement is reached between the parties at the enterprise before such systems are introduced. The agreement does not apply to systems that do not give a mathematical link between the result of the assessments and wages.

**II****General remarks**

The parties agree that performance of the agreement must take place in an expedient manner that is in keeping with the organisational conditions and development strategies at the enterprise, without this impairing the intentions of the agreement, cf. Basic Agreement, Part A, Chapter IX. Furthermore the parties agree that it is highly important to promote methods that are capable of improving working condition for the individual employee and give a pleasant working environment, (cf. Working Environment Act, Chapter 4).

Disputes regarding the interpretation of this agreement shall be settled pursuant to § 2 – 3 of the Basic Agreement.

**III****Job evaluation****1. Application**

Job evaluation provides a basis for a systematic system of placing jobs in wage groups according to the qualifications required for the jobs and the conditions under which the jobs are performed.

The parties wish to emphasise that systematic assessment irrespective of sex can be a useful tool in promoting equal pay for men and women at an enterprise.

A wage system based on job evaluation is based on:

1. Description of the jobs to be placed in the system.
2. An agreement on the factors to be taken into account in the evaluation and - if a points system is to be applied – the weighting in points of each factor.
3. Systematic evaluation by a committee to determine where each job should be placed in the system.
4. Conversion of the evaluation results to wage groups.

**2. Initiation**

Before job evaluation is introduced in an enterprise, an agreement concerning this must be made between the parties in writing.

**3. Job descriptions**

A job description is drawn up by the management of the enterprise in cooperation with the employee concerned or a representative for the group. It shall consist of a general description of the particular job. It shall include enough detail for the description to convey a general impression of what the job consists in and the conditions under which the job is done.

**4. Choice of system**

The evaluation system - i.e. the factors and any weighting in terms of points – shall be agreed between the parties at the enterprise. These factors shall be sex-neutral and as

relevant as possible, such as competence, how tiring the work is, responsibility, working condition etc. Advice regarding choice of system can be obtained from the respective organisations.

### **5. The evaluation committee**

The evaluation committee shall consist of an equal number of members from the management and the employees. The committee should consist of 2 or 3 members from each of the parties.

The enterprise shall ensure that the committee members receive the necessary theoretical and practical training.

Members of the evaluation committee are entitled to their normal earnings during their training and performance of committee work.

The committee shall assess the individual job on the basis of the job descriptions, onsite observation of the particular job and, if necessary, interviews with employees and department supervisors.

The individual employees shall be entitled to see the assessment of their own jobs.

If the committee fails to agree on the assessment of one or more jobs, those jobs must be reevaluated. This should not be done until the committee has completed its consideration of the other jobs. Disputes concerning the assessment of a job may not be submitted to any board of appeal, but at the request of either party advice may be sought from the central organisation.

When the work of introducing job evaluation has been completed, the committee shall remain in existence for the purpose of:

1. evaluating new jobs,
2. checking previous evaluations when necessary, and
3. reevaluating jobs which have changed.

Conversion to money is not within the committee's province.

### **6. Conversion to money**

When job evaluation results are known, the ordinary local negotiating parties at the enterprise shall determine the wage groups based on the evaluations. The negotiating parties at the enterprise may not make any alterations in the assessments. Any alteration in the assessment of one or more jobs must be effected by the evaluation committee.

## **IV**

### **Assessment of proficiency**

#### **1. Application**

Assessment of proficiency affords a systematic basis for determining supplements for the individual employees based on proficiency and qualifications.

#### **2. Initiation**

Before systematic proficiency assessments are commenced at an enterprise, a written agreement concerning this shall be made between the parties, whenever not otherwise provided by the collective wage agreement. (Cf. subsection I).

#### **3. Implementation of assessment**

The assessment system - i.e. the factors and any weighting in terms of points - shall be agreed between the parties at the enterprise. These factors shall be sex-neutral and as relevant as possible. Agreement shall also be made on the manner of the implementation. Advice regarding choice of a system and implementation of the assessment can be obtained from the respective organisations.



#### **4. Conversion to money**

When proficiency assessment results are known, the results will be used in the local wage system.

### **V**

#### **Duration**

The rules for termination and duration of this agreement shall be the same as those that apply for the Basic Agreement LO/NHO.

## **SUPPLEMENTARY AGREEMENT VIII Agreement on European Works Councils or equivalent procedures for information/consultation**

### **§ 1 Object**

The object of this Agreement is to improve the rights to consultation and information for employees in undertakings and groups of undertakings with establishments in the EEA and thus to extend to such undertakings the positive industrial relations developed through agreements and practices in Norwegian working life.

### **§ 2 Scope**

This Agreement applies to all groups of employees in Norwegian undertakings that satisfy the following conditions:

Norwegian undertakings having 1000 employees or more within EEA and 150 or more employees in each of at least two EEA countries, hereinafter called community-scale undertakings; groups of undertakings having the controlling undertaking in Norway and 1000 employees or more within EEA, when the group has at least two undertakings in different EEA countries that each have 150 employees or more.

In respect of election systems and otherwise in so far as is relevant the Agreement applies also to Norwegian undertakings or subsidiaries that are part of a community-scale undertaking or group of undertakings having a foreign head management or controlling undertaking, to such extent as the Norwegian undertakings are to be included in the group's consultation arrangements.

If owing to conflict between Norwegian and foreign legislation or by decision of the foreign group/controlling undertaking it becomes necessary to appoint a Norwegian subsidiary to perform the duties under this Agreement, the Agreement shall apply in full to that subsidiary.

If a foreign main administration or controlling undertaking is situated outside the EEA area and no representative has been appointed with responsibility for applying this Agreement, such responsibility shall rest with the Norwegian subsidiary if that is the undertaking that has the greatest number of employees among the units within the EEA area.

For the purposes of this Agreement the terms "group of undertakings" and "controlling undertaking" are based on the definitions in section 1-2 of the Companies Act (Norway). "Controlling undertaking" means the undertaking that pursuant to these definitions exercises decisive influence over the other units.

If conflict between Norwegian and foreign legislation results in there being two or more undertakings within a group that can be regarded as controlling undertakings, the undertaking that is entitled to appoint more than one half of the representatives in the governing bodies of the other undertaking(s) shall be deemed to be the controlling undertaking, except when it can be documented that another undertaking has the decisive influence for other reasons.

The term "employee" comprises the number of employees, including part-time workers, that are employed at the time the request for establishment of a European Works Council is made.

If the average number of employees, including part-time workers, was higher in the two preceding years than at the time this request is made, that average figure shall apply.

### **§ 3 Establishment of consultation arrangements**

Establishment of a European works council or other form of consultation arrangement that ensures the employees transboundary consultation and information may be requested in undertakings and groups of undertakings of a size and structure as described in § 2 above.

Such a request may be made in writing by the central management of the undertaking/group in Norway (hereinafter called the management) or by not less than 100 employees or their representatives in at least two undertakings in not less than two different EEA countries.

The negotiations shall comprise all employees in undertakings or subsidiaries in EEA countries, including those that have less than 150 employees, provided this is not contrary to the other country's national laws or Agreements and the other conditions pursuant to § 2 are satisfied.

The management is responsible for arranging and bearing the cost of the negotiations, including providing interpreters and the necessary translations of documents, and also for implementing and financing the permanent consultation arrangements agreed upon between the parties, cf. § 6,6.

If a foreign group has more than one subsidiary in Norway, arrangements may be agreed upon that facilitate contact between the Norwegian representative(s) on the European Works Council and the employees in the subsidiaries, in connection with meetings of that Council.

In cases where the company structure makes it logical to establish consultation arrangements at a level other than the central management, for example at divisional or regional level, this shall not adversely affect the rights the employees have under this Agreement to information/consultation on matters relating to the activities of the group as a whole.

### **§ 4 Procedure for establishing the arrangements**

The management shall be responsible for organising negotiations according to the following rules:

- a) Representatives of the employees in Norway and the national units within the EEA shall form a special negotiating body that will negotiate with the management concerning establishment of a European Works Council or other procedure for information/consultation.
- b) The special negotiating body shall have a minimum of three and a maximum number equivalent to the number of states which at any given point of time are covered by the provisions on European Works Councils. The composition of this body shall be such as to ensure that there is at least one representative for each country in which the undertaking/group has one or more units. There shall be additional representatives in proportion to the number of employees in the separate national units. Within the agreed total number, the number of additional representatives and their distribution among establishments shall be determined by representatives of the employees in the undertaking/group after discussion with the shop stewards in the national units.
- c) Members of the special negotiating body shall be appointed or elected by and from among the employees in the community-scale undertaking and its establishments or in the group, according to the following rules:
  - Employees in Norway shall elect their representative(s) either by written and secret ballot according to the rules in § 12-3 of the Basic Agreement or, in undertakings where that is not

appropriate, in accordance with the rules of the Companies Act (Norway) relating to election of employee representatives.

Failure to agree on the election procedure or complaints regarding elections shall be settled by the Industrial Democracy Board.

- Employees in foreign subsidiaries shall elect their representatives according to the rules that flow from the law, the agreements or practice in the subsidiary's home country.
- 
- d) The special negotiating body shall inform both the central management and the management of the national units of its composition.
- e) Within three months the management shall call a negotiatory meeting with the special negotiating body with the aim of establishing a European Works Council or other information/consultation procedure. The managements of the national units shall be notified of this.
- f) The special negotiating body shall be entitled to engage the assistance of experts of its choice. The management is under obligation to bear the costs for one such expert. Costs other than this can be agreed upon between the parties.
- g) During the negotiations the parties can, upon request, obtain advice and guidance from their organisations whenever these exist. The same applies if doubt regarding the scope of the agreement arises after the agreement is made.
- h) A special negotiating body's decision to conclude an agreement on consultation arrangements pursuant to § 3 must be adopted by a majority of its members.

With at least 2/3 of the votes the special negotiating body may decide not to open negotiations or to terminate negotiations already opened pursuant to this Agreement.

A new request to convene the special negotiating body may not be made until two years have elapsed since such decision was made, unless the parties in the undertaking/group agree on a shorter time limit.

## **§ 5 Contents of the Agreement**

- a) Through the Agreement on the European Works Council or equivalent procedures for information/consultation, the parties shall provide for the employees' need for relevant, regular information and for direct dialogue with the management regarding matters that concern the group or the community-scale undertaking as a whole and that are of a transboundary nature, cf. § 1.

The solutions and procedures shall be chosen having regard to the organisational structure of the undertaking/group, its form of management, its corporate culture, and any existing cooperation traditions. The solutions shall provide for good and trusting relations between the management and the employees, where the employees can use their experience and insight to help create the financial conditions necessary for continued development of the undertaking and for safe and satisfactory working conditions serving the best interests of the undertaking and the employees.

- b) The agreement between the parties shall be in writing and at a minimum shall specify
  - 1) the countries and establishments it covers
  - 2) the composition of the European Works Council, the number of members and distribution of seats, its area of responsibility and terms of office. In the case of any other consultation model the agreement shall define its scope and contents together with the nature and extent of information to be provided and consultations to be held
  - 3) the venue, frequency and duration of meetings of the European Works Council, including any preparatory meetings before Council meetings
  - 4) the budget for the activities of the European Works Council or consultation procedure
  - 5) the duration of the agreement and the procedure for its renegotiation.

## **§ 6 Practical work of the European Works Council**

Members of the Council shall be elected or appointed by and from among the employees pursuant to § 4,c unless otherwise agreed.

If not otherwise decided by the parties, the Council shall consist of a minimum of three and a maximum of 30 members. When so warranted by the size of the Council, a working party of no more than three members may be elected.

The European Works Council shall be entitled to meet the management at least once a year to receive information and be consulted on the development and future prospects of the community-scale undertaking/group, based on a report prepared by the management.

Otherwise the parties shall decide the scope and subjects of the Council's activities.

When not otherwise agreed, the following basic rules apply for the activities of the European Works Council:

1. At meetings it shall consider
  - the structure of the community-scale undertaking/group
  - the economic and financial situation
  - expected developments in regard to activities, production and sales
  - the employment situation and the probable trends
  - investments
  - material changes in the organisation of the group
  - introduction of new working methods or production processes
  - plans for transferring production, mergers, de-mergers, cut-backs, complete or partial plant closures
  - collective redundancies
  
2. In exceptional circumstances that will materially affect the interests of the employees, particularly relocation or closure of establishments or collective redundancies, the Council's working party, or if one is not appointed the whole European Works Council, shall be entitled to demand a meeting with the management of the group or other appropriate management level that has independent authority to decide the matter, cf. § 3, fourth paragraph.

If this meeting is held with the Works Council, those members of the full European Works Council who represent the establishments directly affected by the measures in question are entitled to be present.

Such meetings shall be held at the earliest possible time and be based on a report from the management. At the end of the meeting or as soon as possible afterwards, the European Works Council /working party shall be entitled to issue a statement regarding the report. Unless exceptional circumstances make this impossible, the statement shall be attached to the dossier forming the basis for the further proceedings.

3. If the parties have agreed to hold preliminary meetings pursuant to § 5, b, the employee representatives shall be entitled to meet without the management being present.
  
4. Subject to reservations regarding any confidentiality requirements imposed, the members of the Council shall inform the representatives of the employees of the undertaking/group of the contents and outcome of the meetings. In undertakings where there are no employee representatives, the information shall be given to the workforce as a whole.
  
5. The full Council or the working party may seek the assistance of experts of their choice if that is found necessary to enable them to perform their duties. The management may decide that the undertaking/group will cover the cost for only one such expert.
  
6. Operating costs for the Council shall be borne by the management. Adequate resources and equipment shall be made available to the Council so that it can perform its duties satisfactorily.

In particular the management shall ensure that satisfactory arrangements are made for meetings and shall pay travelling and subsistence expenses for the members.

To the extent necessary it shall arrange for translation of documents and for interpreter(s) at the meetings.

7. If other procedures for information/consultation have been agreed upon in the undertaking/group, the above basic rules shall apply whenever relevant, unless otherwise provided in the agreement between the parties.

#### **§ 7 Renegotiation**

Renegotiation of the agreement on the European Works Council or other form of consultation may be requested by either party when the agreement expires or before in the event of material changes in the number of employees or the structure of the undertaking/group.

In such event renegotiation shall be conducted by the European Works Council and, where appropriate, representatives from any new groups of employees, without the prior election of a special negotiating body pursuant to § 4.

#### **§ 8 Confidentiality**

Members of the special negotiating body, the European Works Council and any experts assisting them are bound to observe confidentiality concerning information provided by the management whenever that is expressly requested. A similar obligation rests on participants in other consultation arrangements established pursuant to this Agreement.

#### **§ 9 Deadlines for completing negotiations etc..**

Negotiations concerning consultation arrangements according to the above rules shall be terminated when they have continued for two years without an agreement being made between the parties.

Negotiations may also be terminated earlier by joint decision of the parties if agreement cannot be reached.

In such cases, or if the management refuses to start negotiations within a period of six months from the date of receiving a request made pursuant to § 3, the matter shall be referred to the Industrial Democracy Board.

The Board may instruct the management to establish a European Works Council within a time limit of six months. The structure and duties of the Council pursuant to §§ 5 and 6 shall be determined by the Board.

#### **§ 10 Disputes**

Disputes regarding the contents or scope of this Agreement shall be settled by the Industrial Democracy Board. This similarly applies in the case of disputes regarding the interpretation or scope of agreements concluded in community-scale undertakings/groups concerning the European Works Council or equivalent procedures for information/consultation, including disputes relating to the extent of the required confidentiality or of the management's obligation to provide information.

#### **§ 11 Relation to agreements in force**

The obligations under this Agreement do not apply to procedures for information/consultation existing before this Agreement entered into force and covering all employees of the undertaking/groups as referred to in § 2.

They do further not apply to information and consultation procedures established after the entry into force of this Agreement, if they are founded on amendments to the EU Directive on European Works Councils and comply with the conditions established there.

Such arrangements shall remain in force until the expiry date specified in them and may thereafter be renewed by joint agreement between the parties irrespective of the provisions of this Agreement.

If the parties fail to agree on renewal, the provisions and deadlines in this Agreement become applicable from the expiry date of the arrangements.

Disputes regarding the basis for or scope of agreements such as mentioned in the first subsection above may be referred to the Industrial Democracy Board for decision pursuant to § 10, unless the parties to those agreements have not decided upon other mechanisms for settlement of disputes.

This Agreement is without prejudice for the rights and obligations that otherwise apply between the parties in labour relations under Norwegian laws or agreements.