

NEWSPAPER DISTRIBUTOR AGREEMENT

2018 – 2020

AGREEMENT

between

The Confederation of Norwegian Enterprise (NHO)
and
The Norwegian Media Businesses' Association (MBL)
(on the one side)

and

The Norwegian Confederation of Trade Unions (LO)
and
The Norwegian Transport Workers' Union (NTF)
(on the other side)

Section I. Basic Agreement LO–NHO
Section II. The Agreement

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§ 1 Scope and definitions

Area of Application

This agreement applies to distribution companies in the media/advertising industry.

Scope

The agreement covers work distributing newspapers, other printed products, product samples and other consignments in weight categories up to 5 kg.

The agreement also covers work facilitating distribution work.

Note:

It is a precondition that the weight and/or volume will be adapted to the current means of transport on the route. If the weight and/or volume should entail a need for additional distribution rounds, the enterprise shall be informed and payment shall be made for time spent and kilometres covered.

Leased manpower

This agreement can be applied as a collective agreement in employment/temp agencies that hire out employees to perform work in accordance with the agreement's area of application, cf. § 1 Scope.

Addenda:

1. The parties require that LO cancel the Staffing Agreement between LO and NHO.
2. During the collective agreement period, the parties agree to implement § 3–7 (2) of the Basic Agreement in the same way that it has been implemented in accordance with the current Staffing Agreement. If the parties do not agree to continue this implementation, § 3–7 (2) of the Basic Agreement applies in the normal manner after the collective wage agreement revision for 2014.

Work area

The agreement covers distribution of newspapers and other material from drop-off points/the distributor's pick-up point to subscribers/sales outlets/other recipients, and transport to drop-off points from central newspaper depots if this is performed by employees who also have their own distribution routes.

Newspaper distributors

Newspaper distributors are defined as employees who distribute material in accordance with the scope provision.

Facilitators

Facilitators are defined as employees who have tasks connected to the time of distribution and whose task is to facilitate distribution, to check, employ substitutes in accordance with the enterprise's guidelines when permanent newspaper distributors

are not available, and to follow up faults/errors in distribution and keep reports on distribution. Facilitators do not have general responsibility for HR.

Distribution route

The distribution route is defined as the shortest route from the pick-up point via all the route's subscribers and delivery points and back home or to the pick-up point, or the next pick-up point if the distributor has two or more distribution routes.

Transport

Transport from the packing plant, delivery centre or drop-off point to smaller drop-off points within the distribution system, for example, the newspaper distributor's pick-up point for material, cf. the scope provision.

Full distribution

Distribution of newspapers and/or adverts to all households on the distribution route.

Advertising inserts

Advertising means announcements in sales objects that do not contain editorial material issued by the publisher.

Additional hours

Additional time is work in addition to agreed time in the employment agreement, but within general working time, cf. § 10–6 of the Working Environment Act.

Overtime

Overtime is work in addition to general working time, cf. § 10–6 of the Working Environment Act.

Reserve distributors

Reserve distributors are permanent employees without a fixed distribution route who can be called out to cover other routes as required.

Temporary staff and substitutes

Temporary staff are employees who have an employment agreement for a fixed period of time or for specific work of a temporary nature, cf. the rules in § 14–9 of the Working Environment Act.

Substitutes are temporary staff who are employed to perform work for a named distributor who is absent on grounds of illness, holidays or leave.

§ 2 Working hours

Daytime work

The ordinary working time for daytime work is 37.5 hours per week. Daytime work shall be performed between the hours of 06.00 and 21.00.

Shifts/nights and weekend working

For shift work, nights and weekend working, the working hours are:

- 36.5 hours per week in normal two-shift work and comparable rota work excluding Saturday evenings or any time on public holidays.
- 35.5 hours per week for round-the-clock shift work and comparable rota work, work that is performed “mainly” at night, two-shift work and comparable rota work that is “regularly” performed on Sundays and/or moveable holidays and working time arrangements that involve individuals having to work at least every third Sunday and/or movable holiday.
- 33.6 hours per week for round-the-clock shift work and comparable rota work.

We refer to the comment under § 3.

Night work

Night work includes work that is mainly performed permanently between 21.00 and 06.00. Distributors who start work before 06.00 shall have their working time converted to night work time of 35.5 hours per week.

Shift work

Shift work is work that is performed at various times of the day and where the workforce changes one or more times during a 24-hour period. The groups of employees change between the various working periods during the day over a certain period of time (shift rotas).

Weekend work

Weekend work is work that is performed in the period between 18.00 on the day before Sunday and public holidays until 22.00 the day before the next working day.

Delivery time

The distributors undertake to report for work at the time established by the enterprise in the employment agreement, and to perform the distribution within the time that is established as ordinary distribution time, provided no unforeseen conditions/events prevent this.

If the distributor cannot perform his/her work due to illness or other conditions, the distributor undertakes to notify the enterprise of this as soon as is practically possible.

Establishment of working hours and route length, changes and measurement of distribution routes

All measurements, revisions/changes of routes and route lengths/working hours shall be discussed and established jointly between the enterprise and employee representative before the routes are implemented.

The distribution routes may be changed in accordance with various needs and requirements that may arise at any one time.

Changes that affect several routes shall be discussed with the employee representatives.

Any changes in individual routes shall be discussed in advance with the distributors in question. The distributor may request assistance from an employee representative if required.

Measurement of individual routes and establishment of normal working hours, cf. § 14–6 no. 1 letter J of the Working Environment Act, and length of the route in kilometres are performed by the distributor/employee representative and the enterprise jointly.

The employee may through the employee representative request that the length of the distribution route be checked. The time for the check shall be agreed and the route shall be measured within 14 days. If this does not happen either of the parties may request a review by tribunal, cf. the below. In the event of major route changes, a special deadline shall be agreed, cf. second para. The route shall be measured in accordance with the rules of the Road Traffic Act and include newspapers and media post products (including inserts). The length of working time is established based on this measurement.

Delivery of other products triggers payment of both additional time/overtime and agreed inconvenience supplements.

If a distributor/employee representative and the enterprise do not agree on working hours and/or the length of the route, the dispute may be brought before the tribunal in accordance with the rules in Appendix 13. “The newspaper distributor tribunal for establishment of working hours and route length.”

The employee representatives shall be given the results of all route measurements.

Maximum waiting time

The enterprise shall establish an emergency/information phone that the distributors can ring to obtain information about the reason for any delays and possible new delivery times. If the enterprise has not established an emergency/information phone, the distributor cannot be expected to wait for delayed newspapers at the drop-off/pick-up point for more than 25 minutes.

The newspaper distributor is available to the enterprise in the time established in the employment agreement. Any additional time/overtime must be agreed with the distributor or imposed, cf. § 10–6 of the Working Environment Act.

Additional hours and overtime

For work performed outside the agreed, and within ordinary, working time, cf. § 2, and § 10–6 of the Working Environment Act, the ordinary hourly rate and other remuneration is paid.

For work performed in addition to ordinary working time and the frameworks of § 10–6 of the Working Environment Act, an overtime supplement calculated as 50% of the

normal hourly rate is paid. For work performed after 21.00 and before 06.00, and on Sundays and public holidays, a 100% supplement is paid.

Food money

An employee who has worked ordinary daytime hours and who has to work overtime the same day after the end of ordinary working hours is paid NOK 86.50 in food money. This is on condition that the overtime lasts at least two hours and the enterprise does not provide food. This also applies to part-time employees who work five or more hours on the day in question and who are given extra work lasting at least two hours.

§ 3 Wage provisions

The newspaper distributor agreement is not a piecework/time-based piecework agreement. The supplements in items 2d, e and f are inconvenience supplements paid in addition to hourly wages (minimum wages and local wage supplements), position supplements, service supplements, night supplements and any overtime supplements.

1. Minimum wage:

- a. Adult workers aged 18 or over:
From 1 April 2018: NOK 158.95 per hour (37.5-hour week)
- b. Minimum wage, nights, weekdays, adult workers:
From 1 April 2018: NOK 160.07 (37.5-hour week)
- c. Facilitators are paid the standard distributor's wage + 12% per hour. (37.5 hour-week).
- d. Young employees
 - Employees aged between 15 and 18 who are not obliged to attend school and who work nights: 80% of adult employees' wages.
 - Employees aged between 16 and 18 who work days:
From 1 April 2018: NOK 134.43
 - Employees aged under 16 who work days:
From 1 April 2018: NOK 113.09 per hour

Young distributors employed by the enterprise for a continuous period of more than three years up until the age of 18 receive a bonus in accordance with the following scale:

3 years: NOK 5,000
4 years: NOK 10,000
5 years: NOK 15,000

For young distributors who only work in connection with Sunday distribution (1 day per week), a bonus is paid in accordance with the following scale:

3 years: NOK 1,000
4 years: NOK 2,000
5 years: NOK 3,000

- e. Substitutes are paid in accordance with the enterprise's ordinary wages scheme. They shall additionally be compensated in accordance with Appendix 9 b) "Remuneration for holidays and 1 May and 17 May (B scheme)".
- f. Reserve distributors shall receive remuneration for the time they are available to the enterprise. Reserve distributors shall additionally receive the same remuneration as adult workers for the time they distribute newspapers and similar.
- g. Transport Distributors who, in addition to performing the delivery job supply transport, are compensated in accordance with the rates stated in this agreement.
- h. Industry service Employees in an enterprise within the collective agreement area (newspaper distributor agreement) who are employed by another enterprise within the collective agreement area retain their pay seniority.
- i. Service supplement – adult employees

Service supplement, 37.5 hours per week (days)

After 4 years' continuous service, personal supplement of NOK 4.50 per hour
After 6 years' continuous service, personal supplement of NOK 9.00 per hour
After 8 years' continuous service, personal supplement of NOK 12.00 per hour
After 10 years' continuous service, personal supplement of NOK 15.00 per hour
After 12 years' continuous service, personal supplement of NOK 18.00 per hour
After 20 years' continuous service, personal supplement of NOK 25.00 per hour

- j. **Service supplement, 35.5 hours per week (nights) including conversion**

Rate per 1 April 2012, 35.5 hours
4 years' continuous service, NOK 6.43 per hour.

6 years' continuous service, NOK 11.19 per hour.
8 years' continuous service, NOK 14.35 per hour.
10 years' continuous service, NOK 17.52 per hour.
12 years' continuous service, NOK 20.69 per hour.
20 years' continuous service, NOK 28.09 per hour.

k. Service supplement, 35.5 hours per week (nights) including conversion and night supplement, see § 3 Wage provisions and conditions 2 a) Night supplement

Rate per 1 April 2012, 35.5 hours
4 years' continuous service, NOK 7.65 per hour.
6 years' continuous service, NOK 13.31 per hour.
8 years' continuous service, NOK 17.08 per hour.
10 years' continuous service, NOK 20.86 per hour.
12 years' continuous service, NOK 24.63 per hour.
20 years' continuous service, NOK 33.43 per hour.

The provision on service supplements does not apply to enterprises where an agreement has already been entered into on better terms and conditions.

2. Particular provisions

a. Night supplement

Work between 21.00 and 06.00 is paid at the minimum wage + 19%.
The night rate for workers on a 35.5-hour week is calculated in accordance with the following formula: $(\text{Hourly wage} \times 37.5/35.5) \times 119\%$.

From 1 April 2018 the minimum wage rate for nights (35.5-hour week) including conversion without night supplement

is NOK 169.09 per hour.

From 1 April 2018 the minimum wage rate for nights (35.5-hour week) including conversion with night supplement

is NOK 201.21 per hour.

b. Sundays and public holiday supplements

From 1 April 2018 the minimum wage for Sundays and public holidays will be:

- for distributors aged under 16, after 06.00, NOK 113.97 per hour
- for distributors aged between 16 and 18, after 06.00,

From 1 April 2018: NOK 120.77 per hour.

- for distributors over 18, before 06.00,
From 1 April 2018: NOK 176.40 per hour.

- for distributors aged over 18, after 06.00,
From 1 April 2018: NOK 161.10 per hour

c. Waiting time supplement

If the enterprise has not established an emergency/information phone, cf. § 2 “Maximum waiting time”, or this information service is not operational, the distributor is compensated with a waiting time/unsocial working hours supplement of 15% in addition to the ordinary wage for the waiting time.

If the enterprise establishes an indoors waiting room near the pick-up point where the distributors can wait inside, no waiting time supplement is paid for the waiting time.

d. Winter supplement

If it can be established that it is a genuine inconvenience to carry out the work in the winter, the distributor shall be paid a supplement for at least three months. The local parties establish at which time and during which period any winter supplement shall be paid. The supplement shall comprise at least 3% per hour.

g. Extra delivery and full distribution

Extra delivery and full distribution are compensated at the ordinary hourly rate for time spent in addition to the agreed working time, plus any kilometre compensation/overtime supplements.

h. Training

When a newly employed newspaper distributor receives training, both the newly employed newspaper distributor and the person giving the training receive ordinary hourly pay for the route per day.

Training is normally given for at least three days.

Car travel compensation, including passenger supplements in accordance with the official rates, is paid to one of the distributors. If other transport means are used compensation is paid to both distributors.

3. Piecework and/or performance-related pay schemes.

Parties can locally enter into agreement on piecework and/or performance-related pay schemes, e.g. volume-based/distance-based pay. This requires prior local agreement on how centrally and locally agreed supplements shall be converted to the established scheme; however, in such a way that no

individual is paid less than the minimum wage rates under the agreement, or less than any higher basic wage earned by an individual prior to the introduction of the piecework/performance-related pay scheme.

The piecework/performance-related scheme shall be reviewed annually in accordance with § 4 b, c and d.

§ 4 Local negotiations

- a. The established wage rates are minimum wage rates.
- b. Local negotiations shall be held between the local parties at least once a year. The date and time of the local wage negotiations shall be agreed with the individual enterprise. The local negotiations shall be genuine, irrespective of the agreement's concepts regarding negotiations, talks, evaluations or similar.
- c. The local negotiations shall be implemented based on the individual enterprise's actual financial situation. This means the local parties shall base negotiations solely on the enterprise's financial situation, productivity, future prospects and competitiveness. The evaluation shall also take account of any collective wage agreement supplements issued since the last evaluation. Supplements may be granted at the minimum wage rate in accordance with service time, proficiency and practice.
- d. Parental leave
The enterprise shall also perform a wage review for any employee who is absent on parental leave in connection with the local wage negotiations.

§ 5 Other remuneration

a. Travel compensation

Compensation is paid for the type of transport means that the enterprise has established for the individual distribution route/assignment, irrespective of whether the employee chooses to use another means of transport.

The employee undertakes to keep the necessary means of transport that has been established for the assignment.

Compensation for use of own transport means (from 1 January 2018):

Use of cars is compensated at:

NOK 4.10 per kilometre

Use of motorcycles over 125 cc is compensated at:

NOK 2.95 per kilometre

Use of mopeds and motorcycles up to 125 cc is compensated at:

NOK 2.00 per kilometre

Use of cycles is compensated at:

NOK 2.00 per kilometre

The above rates shall be applied and regulated in accordance with changes in the official rates.

b. Work clothes

The enterprise keeps the necessary work clothes in accordance with more detailed regulations established following talks with employee representatives.

§ 6 Holiday scheme

Employees are granted the right to free, unpaid Saturdays in accordance with the following continuous service stages:

- after 4 years' continuous service: one Saturday a month
- after 6 years' continuous service: two Saturdays a month
- after 8 years' continuous service: three Saturdays a month
- after 10 years' continuous service: all Saturdays in a month

All employees with 17 years' continuous service or more are granted the right to five paid days off per calendar year.

The provision on holidays/free-Saturday schemes does not apply to enterprises where an agreement has already been entered into on better terms and conditions.

§ 7 Social provisions

Illness

We refer to the public sick pay scheme.

Insurance

The newspaper distributors are insured in accordance with the Occupational Injury Compensation Act.

Protective equipment

The enterprise keeps the necessary protective equipment. All permanent distributors shall as a minimum be equipped with CE-approved reflective jackets and crampons.

Substitute distributors shall be equipped with reflective bands and crampons. The protective equipment is the property of the enterprise and shall be returned on cessation of the working relationship.

Holidays

Holidays are granted in accordance with the Holiday Act and Appendix 2 on contractually agreed holidays.

Parental leave

Parents, or others with the right to parental leave in accordance with § 12–3 (1) of the Working Environment Act, may take two weeks' parental leave at ordinary pay in connection with births. Adoptive parents have the right to two weeks' leave at ordinary pay when they take over care of children. This does not apply to adoption of stepchildren or if the child is over the age of 15.

§ 8 Employment and termination

The individual employee shall have an employment agreement in accordance with § 14–6 of the Working Environment Act. Termination is to be notified in writing and within the deadlines of § 15–3 of the Working Environment Act.

Substitutes and temporary employees may only be used in accordance with the regulations of § 14–9 of the Working Environment Act. The enterprise is responsible for procuring substitutes to cover illness and holidays.

Hiring staff from employment/temp agencies

- 2.1** When hiring staff from employment/temp agencies, § 14–12 of the Working Environment Act applies.
- 2.2** Employees from employment/temp agencies shall, as long as the hiring relationship lasts, have the same wages and working conditions that apply to the lessee enterprise in accordance with §14–12 a of the Working Environment Act (proposal in Proposition to the Storting 74L). Under the terms of the provision, pensions are not covered by the equal treatment principle.
If the employment/temp agency is not bound by the agreement between LO and an employer association, Appendices 3, 4, 5, 6 and 7 to this agreement do not apply.
- 2.3** The lessee enterprise is obliged to disclose the necessary information to the employment or temp agency, in order to ensure that the condition of equal treatment pursuant to item 2.2 can be satisfied, and to subject the employment or temp agency to this condition.
At the request of employee representatives the enterprise shall document wages and working conditions applicable at the employment/temp agency

when hired employees are to work in the application area of the agreement.

- 2.4** Chapter 6 of the Basic Agreement also applies to hired manpower with the following exceptions: If the lessor enterprise is subject to the Basic Agreement between LO and NHO, disputes concerning the wages and working conditions of the hired manpower are a matter between the parties at the lessor enterprise. On request, employee and business representatives from the lessee enterprise may assist in the negotiations by providing information on the agreements in the lessee enterprise.

If the lessor enterprise is not subject to the Basic Agreement between LO and NHO, the employee representative in the lessee enterprise may address any alleged breaches of the principle of equal treatment in item 2.2 with the lessee so that the lessee enterprise can clarify and rectify the situation as necessary.

The hired employee shall be presented to the employee representative in the lessee enterprise*. When discussing the leasing of manpower, the local parties shall also discuss the resources for employee representative work, cf. § 6–6 of the Basic Agreement.

***Comment:**

Where there is a local written agreement on another form of presentation, this may also, subject to agreement, be used for hired-in employees.

Comment

Items 2.1, 2.2 and 2.3 are implemented at the same time as the amendments to the Act enter into force, cf. Proposition no. 74L (2011–2012).

§ 9 Declaration agreements

Non-unionised enterprises – Revisions to collective wage agreements

The following applies to non-unionised enterprises that are bound by this agreement through a direct agreement with the union (“accession agreements”, “hanging agreements” or “declaration agreements”), where the parties agree to enter into “the applicable agreement at any one time”:

These enterprises are covered by collective wage agreement revisions to the agreement made by the parties, without the “declaration agreement” being cancelled.

As a result of the union and non-unionised enterprises agreeing to enter into the applicable agreement at any one time, no special negotiations and/or mediation are held between the union and the non-unionised enterprises, as negotiations/mediation between the parties to the agreement also cover/apply between the union and non-unionised enterprises.

When LO/the union cancels the agreement, non-unionised enterprises are notified of this in a copy of the cancellation. This notification is deemed to constitute prior cancellation of the collective wage agreement and satisfies the requirements of the Labour Disputes Act on the holding of legal industrial disputes.

The union has the right to involve members of these enterprises in industrial disputes on notices of dismissal and any terminations in accordance with the deadlines in § 3–1 no. 1, 2 and no. 4 of the Basic Agreement, at the same time as notification of dismissals/terminations in the main settlement. Any industrial dispute in non-unionised enterprises ceases at the same time as the industrial dispute ceases in the main conflict.

Any new agreement entered into between the parties to the agreement also applies to the non-unionised enterprises without needing to be specifically adopted.

These provisions are a necessary consequence of § 3–1, no. 3 of the Basic Agreement.

If the union or the enterprise wishes to independently revise the collective wage agreement, the “declaration agreement” must be cancelled in accordance with the applicable cancellation rules.

§ 10 Transitional rules

On transition to a national agreement for newspaper distributors, previously agreed schemes supplementary to the provisions of the agreement are continued as special agreements in accordance with § 4–2 item 4 of the Basic Agreement.

In preparing and continuing these types of local agreements, the local parties shall ensure that these do not in reality result in double payment for the same performance.

§ 11 Duration and regulation provisions for the second agreement year

1. Duration

The agreement applies from 1 April 2018 to 31 March 2020 and for a further year at a time if it is not cancelled in writing by one of the parties giving two – 2– months’ notice.

2. Regulatory provisions for the second agreement year

Prior to the end of the first agreement year, NHO and LO, or the body authorised by LO, shall enter into negotiations on any wage adjustments for the second agreement year. The parties agree that these negotiations shall be

conducted on the basis of the economic situation at the time of negotiations and the outlook for the second agreement year, and price and wage changes in the first agreement year.

The changes in the collective agreement for the second agreement year are reviewed by LO's General Council, or the body authorised by LO, and NHO's Main Board. If the parties fail to agree, the organisation that presented the claim may – within fourteen – 14 – days from the end of the negotiations, terminate the individual wage agreements at fourteen – 14 – days' notice (but not to expire before 1 April 2019).

Comment

MBL's wage statistics for Newspaper Distributor Agreement no. 457 shall form the basis of evaluation of the wage level relative to the average industrial worker wage.

Entry into force

The wage increases and changes to minimum wage rates shall apply from 1 April 2018 unless otherwise stated in these minutes. Salary increases and changes to social provisions shall not apply to employees who have resigned their position in the enterprise before adoption. Overtime supplements, shift supplements, etc. paid before adoption are not recalculated and retrospectively paid.

Addenda

a. Gender equality and equal pay

The enterprise shall through its personnel policies promote gender equality in recruitment, promotion and ongoing and continuing training.

During the term of the agreement the parties in each individual enterprise shall perform the requisite review of their local agreements in order to ensure that these comply with the provisions of the Gender Equality Act.

During the collective agreement the local parties should discuss matters relating to gender equality and equal pay with a view to establishing a gender-equality agreement tailored to suit the enterprise. The purpose of such an agreement shall be to ensure that all employees – regardless of gender – are afforded the same work and professional-development and gender-equality opportunities with regard to employment, wages, training and promotion.

In connection with the establishment of any gender-equality agreement and as a basis for gender-equality work in the enterprises, the parties to the collective agreement will draw attention to the following:

- gender equality is the responsibility of management
- gender equality work should be discussed and followed up in the enterprise's established collaboration forums
- gender equality is not solely a question of wage issues

- gender equality also relates to attitudes and standards and requires firm input from management and from the employee representatives

b. Ongoing and continuing training

In accordance with the agreement between LO and NHO in the collective agreement revisions of 1998 and 2000.

c. Apprentices and trainees

“In cases where an apprentice receives a failing grade on his or her first apprenticeship examination, and this cannot be attributed to circumstances relating to the apprentice, the enterprise is requested to facilitate a continuation of the apprenticeship period until the candidate can take a new apprenticeship examination. In the event of such an extension, wages shall be at the same rate as the previous six months. Reference is made to the Education Act.”

d. Accrued pay seniority during leave of absence to care for a child

Employees who take leave in connection with pregnancy/birth or adoption earn pay seniority of up to one year, provided that the employee has the right to parental or adoption allowance in accordance with §§ 14–4 and 14–14 of the National Insurance Act.

e. Collaboration and degree of organisation

The parties, both centrally and locally in each individual enterprise, shall discuss measures to ensure wide-ranging and close proximity to the organisations and to reinforce the collaboration. Measures shall be taken to ensure that all employees receive information on the employee organisation and are introduced to the employee representative(s).

It is important that employee representatives are given sufficient time to perform their work.

We refer to § 9–15 and 6–6 no. 1 of the Basic Agreement.

f. Newspaper distributor wage statistics committee

The committee shall be continued in the collective agreement period.

g. Death benefits

Applies to Oppland Distribusjon AS, Glåmdalen AS, Lillehammer Distribusjon AS and Fellesdistribusjon Østfold AS.

On the death of an employee who has been employed in the same enterprise for at least three years, the enterprise shall pay the deceased's spouse, dependent children or other individuals provided for by the deceased an amount corresponding to two months' full wages.

If the enterprise has introduced a statutory pension scheme, group life insurance or other similar scheme(s) in favour of the bereaved, these amounts

shall accrue to the relevant parties in accordance with their claims, less any wage payments. The same applies to payments under the National Insurance Scheme; however, not lump-sum death benefits in accordance with § 7 of the National Insurance Act.

h. Advance payment of sickness benefits

The Norwegian Transport Workers' Union and the Norwegian Media Businesses' Association will recommend local parties to review the basis for advance payment of sickness benefits, where this has not been done. The parties encourage companies not to discriminate against their workers in terms of advance payment of sickness benefits.

i. Wages during military service

Applies to Oppland Distribusjon AS and Lillehammer Distribusjon AS.

Employees with at least six months' employment in the enterprise who are instructed to undertake military service are paid:

- a) For the overall period of national service, 50% of wages for up to three months less any remuneration the relevant party receives from the public authorities, with the exception of the family supplement.
- b) For subsequent national service, 100% of wages for up to one month less any remuneration the relevant party receives from the public authorities, with the exception of the family supplement.
Military service may not be used as grounds for termination of employment.

The above provisions shall also apply for employees who are instructed to undertake ordinary compulsory national service in the Norwegian Home Guard, the Norwegian Civil Defence, the Norwegian Police Reserve or the Norwegian Civilian Service.

Comment 1:

Payment of wages during military service is based on the proviso that the employee works in the enterprise for at least three months after completing military service. If the employee resigns before the end of this period, the enterprise may offset amounts paid in respect of the above against wages due to the relevant individual in the enterprise.

Comment 2:

For pay seniority during military service, see Appendix 10.

j. Older employees and employees with functional impairment

“In the case of older employees and employees with impaired health, individual employees and the enterprise may enter into individual agreements governing work assignments, *adapted/continuing training*

within specific work areas, work breaks, home/remote working, part-time work/reduced working hours, etc.”

k. Stronger measures to reinforce Norwegian language training and secure further opportunities for vocational training.

“Concerning measures to reinforce Norwegian language training and secure further opportunities for vocational training, the parties refer to the letter from the Norwegian United Federation of Trade Unions and the Federation of Norwegian Industries to the Norwegian Minister of Education and Research, Torbjørn Røe Isaksen, dated 31 March 2014 and his reply dated 1 April 2014.”

m. Vocational training

Two new bullet points with regard to the letter dated 8 April 2014 from LO to the Norwegian Labour Press Union.

- “That each year the enterprise and employee representatives discuss whether there is a skills gap with respect to the enterprise’s skills requirements and if so how arrangements can be made for unskilled workers to take a certificate of completed apprenticeship. The discussions shall be based on the enterprise’s needs for skilled workers and the individual employee’s needs and desire to expand his/her skills base. One of the objectives should be to ensure that all enterprises that satisfy the requirements to be a training enterprise carry out vocational training.
- That parties, centrally and locally, must make arrangements to ensure that migrant workers working in Norway who wish to participate in the Norwegian labour market strengthen their basic skills in language, safety knowledge and work culture.”

Appendices

Provisions included in the following Appendices apply to this agreement.

- 1.** Establishment of working time as of 1 January 1987
- 2.** Statutory extra holidays for older employees
- 3.** Contractual holidays etc.
- 4.** Agreement on a new AFP scheme
- 5.** Severance pay
- 6.** Education and development fund
- 7.** Action programme between LO and NHO – Equality between women and men
- 8.** Short-term leave
- 9.** Remuneration for holidays and 1 May and 17 May. (A scheme)
Remuneration for holidays and 1 May and 17 May. (B scheme)
- 10.** Pay seniority and compulsory military service
- 11.** General Addenda on overtime and equality.
- 12.** Employees at temp agencies
- 13.** Establishment of working hours by the Distribution Agreement Tribunal

Oslo, June 2018

THE CONFEDERATION OF NORWEGIAN ENTERPRISE
THE NORWEGIAN CONFEDERATION OF TRADE UNIONS

THE NORWEGIAN MEDIA BUSINESSES' ASSOCIATION
THE NORWEGIAN TRANSPORT WORKERS' ASSOCIATION

REDUCTION IN WORKING HOURS AS OF 1 JANUARY 1987

A. From 1 January 1987, working hours shall be reduced as follows:

1. To 37.5 hours a week:

Daytime working hours

2. To 36.5 hours a week:

Ordinary two-shift work when shifts are not worked on either Saturday evenings or during the 24-hour period on public holidays.

3. To 35.5 hours per week:

- a. Work that is performed “mainly” at night.
- b. Work on continuous round-the-clock shifts and “comparable” rotas.
- c. Two-shift and “comparable” rotas “regularly” worked on Sundays and/or public holidays.
- d. Working hours schemes that result in individual employees having to work at least every third Sunday and/or movable public holiday.

4. To 33.6 hours a week:

- a. Work on wholly continuous shifts and “comparable” rotas.
- b. Work below ground in mines.
- c. Work on tunnelling and excavation of spaces in rock below ground.

5. For anyone who has extended working hours due to standby duties or passive duties in accordance with § 10–4, paragraphs 2 and 3 of the Working Environment Act, the extension shall be based on the number of hours in the agreement.

B. Implementation of compensation for reduction in working hours

- a. Normal weekly, monthly and annual pay shall remain unchanged. If in addition the employee receives a bonus, production premium or the like which depends on the time worked, the alterable part shall be adjusted according to item d) below.
- b. Hourly pay (minimum pay rates, normal pay rates, individual pay rates and compensation for loss of piecework earnings) shall be increased by:
6.67% for those whose working hours are reduced from 40 to 37.5 hours
6.85% for those whose working hours are reduced from 39 to 36.5 hours
7.04% for those whose working hours are reduced from 38 to 35.5 hours
7.14%.for those whose working hours are reduced from 36 to 33.6 hours
- c. Other rates of pay that are specified in NOK and øre per hour shall be increased in a manner corresponding to item b. when it is clear that, if the rates were not adjusted, the employee's weekly earnings would drop when shorter working hours commenced.
- d. Piecework rates, fixed piecework rates and price lists, production premium schemes, bonus schemes and other pay schemes with varying earnings shall be adjusted so the hourly earnings are increased by the percentage applicable pursuant to item b. above.

Until agreement is reached concerning adjustment of rates for piecework etc., the above-mentioned increases shall be paid per hour worked. The parties may also agree that said increases shall be kept apart from piecework rates etc. and be paid per hour worked.

- e. Standard piecework rates (basis for calculating piecework pay) shall be adjusted so that piecework earnings rise by the percentage that is to be applicable pursuant to item b. above. Until agreement is reached regarding adjustment of standard piecework rates (basis for calculating piecework pay), the old standard rates (basis for calculating piecework pay) shall be used for piecework and the increases shall be paid per hour worked.

When an enterprise within an agreement area for which the Basic Agreement sets standard piecework rates, has to use higher figures than the standard piecework rates in the Basic Agreement, these figures shall only be adjusted to the extent necessary to bring them up to the standard piecework rates in the new agreement.

- f. Subject to agreement between the parties within the individual agreement areas, it may be agreed that compensation pursuant to items a–e above shall be given in the form of an increase in pay in øre instead of as a percentage.

- g. When hours are reduced from respectively 40, 39, 38 or 36 hours from shorter, earlier working hours, the amount of compensation shall be reduced proportionately

C. General remarks concerning implementation

1. When implementing shorter working hours pursuant to item A above, it is of critical importance that the individual enterprise achieves greater flexibility with regard to when the work is to be performed, maintains appropriate working hours and achieve efficient and effective utilisation of working hours.
2. Before shorter working hours are implemented, negotiations regarding practical implementation shall be conducted at the individual enterprises.
3. All collective agreements are to contain a provision to the effect that working hours are to be observed and utilised effectively. The employee representatives are obliged to work to this end. Breaks, washing times etc. shall be reviewed with the aim of making working hours as efficient as possible. If, in the opinion of one of the parties, there is no longer any reason to continue the arrangements, the matter shall be handled in the normal manner for collective agreements.
4. Under § 10–12, paragraph 4, of the Working Environment Act, the parties to a collective wage agreement are, subject to certain conditions, permitted to agree on a different arrangement with regard to working hours than the Act prescribes as normal. If, in particular industries or enterprises, there is a special need for maintaining the present working hours, the parties to the collective agreement may make an agreement regarding this in accordance with the provisions of § 10 of the Working Environment Act.
5. In connection with the shorter working hours it may, for the purpose of economic utilisation of production equipment, be desirable to have different ordinary working hours for the different groups of employees, within the framework of the Working Environment Act. Within the system of working hours it may be desirable to have the employees take their breaks at different times. Rules regarding this provision shall be inserted in the individual collective agreements.
6. If the system of working hours results in some work-free weekdays, employees who work on days when they should have had the day off shall be paid a 50% overtime supplement. In cases where under the collective wage agreement a 100% overtime premium is payable for overtime work on Sundays and public holidays and the eve of such days, a 100% premium shall be paid after 12.00 on Saturdays and after 16.00 on the other weekdays.
7. When there is due reason, the enterprise may change days off. In cases where conditions for this are not prescribed in an agreement for the branch

of industry or the enterprise, the following shall apply:

Instead of the stipulated day off, a corresponding day off may be given in the course of the following 4 weeks.

Notice of change of the day off shall be given by no later than the end of working hours two days prior to the day off. At the same time the enterprise shall inform the employee of the day to be taken off instead.

When conditions for changing the day off are satisfied, the employee shall not receive additional pay for time worked during ordinary working hours before 12.00 on Saturdays or before 16.00 on the other weekdays.

8. In enterprises where the on-call rules in § 10–4 (4) of the Working Environment Act are applicable, the shorter weekly working hours alone shall not give a right to greater compensation in the form of days off than was the practice under a system with an average of 40 weekly working hours.
9. When an enterprise wishes to continue, introduce or expand shift work within the framework of the Working Environment Act, and the collective agreement does not already provide authorisation for this, negotiations concerning shift work rules shall be commenced between the parties during the agreement period.

D. Daytime work

The central organisations recommend that working hours be divided among five days a week, unless there is due reason for a different arrangement, and that the shorter working hours be effected by shortening the daily working hours by 30 minutes.

Other solutions may also be applied, for example by:

1. Shortening the daily working hours by 25 minutes, where there is a 6-day working week.
2. Having weekly working hours longer than 37.5 hours during some periods, and correspondingly shorter in other periods.
3. Retaining the present weekly working hours or reducing working hours by less than 2.5 hours a week, and allowing corresponding days off spread throughout the year, or consecutive days off at certain times of the year.

In cases where the relevant collective agreement contains no pertinent provisions, the following shall apply:

If the enterprise and the employees – if relevant after consulting the organisations – fail to agree, the daily working hours shall be shortened by 30 minutes on 5 of the weekdays or by 25 minutes each day for a 6-day week.

The enterprise shall discuss with the employee representatives whether the working hours shall be shortened at the beginning or the end of the day, or both. When choosing between the alternatives importance should be attached to the employees' wishes and the fact that working hours should as far as possible be the same for all groups in the enterprise. If agreement is not reached – possibly after consulting the organisations – the manner of implementing the shorter working hours shall be determined by the enterprise within the framework of the collective agreement.

The above provisions are not intended to prevent the separate branches of industry from making agreements on how the shorter working hours shall be implemented, nor may they be invoked during union-based negotiations in the case of collective wage agreements that contain exact rules regarding the division of working hours.

E. Change to new shift plan

The parties have agreed that when changing to a new shift plan as a result of the shorter working hours, such shall be followed without making up for time off or working hours pursuant to the earlier shift plan.

F. Maintaining production, productivity and effective working time

It is a condition that the parties at the individual enterprises endeavour to increase productivity. Whenever possible the shorter working hours should not lead to the need for a larger work force.

In connection with the shorter working hours, the central organisations have agreed to effect a number of measures with the aim of improving the productivity of the enterprises. See the organisations' study of working hours dated 6 January 1986.

In the Basic Agreement, the Confederation of Norwegian Enterprise and Norwegian Confederation of Trade Unions have formulated provisions that are intended to facilitate the best possible conditions for cooperation between the enterprise, the employee representatives and the employees. The central organisations stress the importance of the parties following these provisions in practice.

In connection with the shorter working hours, the central organisations, for the purpose of reducing the financial strain, in particular point out that the individual enterprises must collaborate on measures to increase efficiency, reduce production costs and improve the competitiveness of the enterprises.

The central organisations refer to the cooperation that has taken place in connection with earlier reductions in working hours. This cooperation produced positive results and was of great importance in ensuring the competitiveness of the enterprises and creating secure jobs.

In the case of this reduction in working hours the central organisations again urge the parties to discuss utilisation of working time. The parties should consider whether working time is employed effectively in all respects and effect any measures necessary to achieve this. In their initiatives the parties must also pay attention to technical innovations that could improve production results and the working environment. Efficiency improvement measures that are effected must be in harmony with the requirements for a good working environment. Satisfaction and security are important factors when considering the question of effective utilisation of working hours.

G. Further information on § 10 of the Working Environment Act

1. § 10–4

- a. Work on continuous round-the-clock shifts means work that is conducted 24 hours a day, but stops for Sundays and public holidays.

In ordinary weeks, work may take place from 22.00 on Sundays to 18.00 on Saturdays, which means an operating time of 140 hours.

- b. Comparable rotas means a system of working hours that results in the same or nearly the same inconvenience for the employees as continuous round-the-clock shifts, as will normally be the case when working more than five hours a night, even if the number of hours worked by the individual employees during the night may be somewhat less than if operations continued round the clock.
- c. In this provision the expression “Sundays and public holidays” means “Sundays and/or public holidays”. This means that for work on two shifts and comparable work on rotas regularly worked on movable holidays, but not necessarily on Sundays, the ordinary working hours shall not be more than 35.5 hours a week.

For work to be regarded as work on Sundays and/or public holidays, the employee concerned must either have worked at least four hours into the 24 hours legislated as a day of rest, i.e., all four hours between 18.00 and 22.00 or after 22.00. In the latter case without any requirement regarding a minimum length of time.

- d. Movable public holidays shall be counted as Sundays for the purpose of interpreting the expression “every third Sunday”. This means that an employee who does not work Sundays as often as every third Sunday may nevertheless have a 35.5-hour week if in addition he/she works on movable public holidays to such an extent that it will amount to at least

every third Sunday and public holiday.

- e. The expression “work that is performed mainly at night” means that employees will be covered by this provision if three-quarters of their working hours, but not less than six hours under the applicable system of working hours, fall during the night (within the period from 21.00 to 06.00)

2. § 10–4:

- a. “Wholly continuous shifts” means work that continues 24 hours a day without normal stops on Sundays and public holidays.

The extent to which work on rotas can be said to be comparable with wholly continuous shifts, depends on whether the ordinary working hours for the individual employees according to the adopted working plan shall be at different times during the 24 hours, so that working hours for the employee in question include as a general rule at least 539 hours of night work per year and at least 231 hours of Sunday work per year.

In this context “night work” means work between 22.00 and 06.00 (the night shift). The 24 Sunday hours are counted from 22.00 on Saturday to 22.00 on Sunday (the weekend shift).

If the work plan is for a shorter period than one year, the number of hours required for night work and Sunday work must be adjusted accordingly.

Work for a period of less than four weeks is not counted as rota work for the purposes of this provision.

H. Transitional scheme

The existing shifts, rota and other systems for working hours may be used during a transitional period until 1 July 1987.

Moreover the parties to the collective agreement may agree on a further postponement of the shorter working hours for the branch of industry or the enterprises in it, but for no longer than until 1 October 1987.

During the weeks for which the transitional arrangement applies, the number of hours by which the hours worked on average per week under the shift, rota or other system of working hours exceeds the new working hours shall be counted as overtime. Until 1 July 1987, a 50% overtime premium shall be paid for the hours whereby the working hours according to the average worked per week under the shift, rota or other system of working hours, exceeds the new working hours.

If the individual parties to the collective agreement agree to extend the transitional period after 1 July 1987 until 1 October 1987, the additional pay premium during this period shall be 75%.

Compensation for reduced working hours shall be paid in addition to payment for the excess number of hours.

STATUTORY EXTRA HOLIDAYS FOR OLDER EMPLOYEES

The employee's wishes with regard to when these extra holidays are taken shall be complied with whenever possible.

However, the central organisations have agreed that these workers may not demand these extra holidays at a time that would create major difficulties for production or for systematic implementation of holidays for the labour force as a whole. If this is the case, then the enterprise is entitled to require that the employee choose another point in time to take his/her holidays.

HOLIDAYS ETC.

Introduction

One of the principal tasks before the parties is to improve the competitiveness of the enterprises. Therefore, when introducing more leisure time, it is a definite condition that the enterprises must be allowed the opportunity to compensate for the ensuing competitive disadvantages through greater flexibility. The employees on their part will also have different needs for deviating systems of working hours, depending on their different phases in life, working and home situations, etc. Greater flexibility combined with the fifth holiday week should contribute to less sick leave and greater productivity.

A. Flexibility

The following provisions shall be included in all agreements:

- a) "Whenever the local parties so agree, enterprise-adapted systems that do not conform with the collective agreement rules regarding working hours and remuneration for same may be adopted on a trial basis. Such systems must be submitted to the union and the national association for approval."
- b) "Time worked may be calculated on the basis of average time in accordance with the rules of § 10–5 of the Working Environment Act. The parties to the collective agreement may contribute towards establishment of such agreements."
- c) "There may be individual needs for deviating working hours systems, desired off-duty time, etc. Agreement on such arrangements may be made with the individual or the employee representatives, for example in the form of calculating average working hours or having a working hours account. Agreements made with the employee representatives will take precedence over individual agreements."

B. Contractual holidays

1. The extended holiday of five working days, cf. § 15 of the Holiday Act, is advanced by introducing the remaining part as a collective agreement arrangement included as an appendix to all collective agreements.

The extra holiday of six working days for employees over 60 years of age is retained, cf. § 5 nos. 1 and 2 of the Holiday Act.

Employees may claim five working days off each calendar year, cf. § 5 no. 4 of the Holiday Act. If the collective agreement holiday is divided up, the employee may claim only so many days off as he/she would normally work in the course of a week.

If the authorities decide to implement the remaining part of the fifth holiday week, these days shall be deducted from the collective agreement arrangement.

2. The remaining part of the fifth holiday week shall be phased in by taking two days in 2001 and the others in 2002.

Holiday pay shall be calculated in accordance with § 10 of the Holiday Act.

When the fifth holiday week is implemented, the ordinary percentage rate for holiday pay shall be 12% of the basis for holiday pay, cf. § 10, no. 2 and 3 of the Holiday Act.

The increase is made by altering the percentage for the holiday-earning year as follows:

2000 will be set at 11.1%

2001 will be set at 12.0%

If the authorities decide to increase the number of holiday days in the Holiday Act, it is the parties' intention that the above figures shall apply as holiday pay for the corresponding periods.

3. The employer determines the time when the collective agreement holiday shall be taken after discussing this with the employee representative or the individual employee at the same time as determining the time of the ordinary holiday.

The employee is entitled to be notified of the time of the collective agreement portion of the holiday as early as possible and not later than two months before the holiday is to be taken, unless special circumstances prevent this.

4. The employee is entitled to time off for holiday pursuant to this provision, regardless of whether he/she has earned holiday pay.

If the enterprise shuts down wholly or partly in connection with the holidays, all employees affected by the shut-down may be required to take holiday for that same length of time regardless of earned holiday pay.

5. The employee is entitled to request that the total collective agreement portion of the holiday be taken within the holiday year, cf. § 7 no. 2 of the Holiday Act, so that he/she has one full week's holiday. The central organisations urge the parties to arrange the collective agreement holiday so that productivity requirements are met to the greatest possible extent, for example in connection with Ascension Day or the Easter, Christmas and New Year holidays.

6. By written agreement between the enterprise and the individual employee, all or part of the collective agreement portion of the holiday may be transferred to the next holiday year.
7. For shift workers, the collective agreement holiday shall be adjusted locally so that, after full implementation, it constitutes four worked shifts.

Comments:

1. In agreements where holiday according to § 15 of the Holiday Act has already been introduced, the number of days shall not be increased as a result of introduction of the collective agreement holiday. The implementation and practical effectuation of the collective agreement holiday for the pertinent areas shall be subject to further agreement between the parties.
2. For the offshore agreements (no. 129, no. 125 and no. 123), the holiday results in a reduction of 7.5 hours per holiday day. The parties agree that the holiday shall be taken in the off-duty period during the holiday year.

Agreement on a new contractual early retirement pension scheme (AFP)

I Introduction

The contractual early retirement pension scheme (AFP) was established in connection with the 1988 wage settlement. The object was to give employees of enterprises bound by collective agreements an opportunity of early retirement – on certain conditions – before reaching the National Insurance retirement age.

The Storting decision regarding a new National Insurance pension system from 2010 (postponed to 2011) presupposed that other parts of the pension system would be adapted to the new reform.

Against this background LO and NHO, in the 2008 collective agreement, agreed that the existing AFP scheme should be replaced by a new AFP scheme adapted to the rules of the new National Insurance retirement system.

The parties have accepted the Government's standpoint that AFP should continue in the form of a neutral, lifelong addition to the National Insurance retirement pension. This can essentially be drawn from the age of 62 at the retiree's option. The monthly payments will be reduced if the pension is taken out early and will increase the later it is taken out. The new AFP scheme can be combined with earned income without the AFP pension being reduced. With this system, AFP, combined with the new National Insurance retirement system, will contribute towards achieving the principal aims of the pension reform.

The State will make periodic contributions to the AFP scheme for employees/retirees that correspond to one-half of the employer's contributions, excluding outlay for the compensation allowance that is fully financed by the State.

II By-laws

This agreement does not regulate all details of the conditions, rights and duties connected with AFP. These are determined through the by-laws for the scheme, which are adopted by the Joint Scheme for Collective Agreement Pensions (AFP) and are approved by the Ministry of Labour pursuant to the Act of 2010 relating to the contribution scheme.

These by-laws contain detailed rules for both the original and the new AFP scheme. The enterprises concerned must at all times keep themselves updated regarding the duties of the enterprise. The by-laws also contain some special rules that may result in certain employees not being entitled to AFP.

The by-laws that are in force at any given time can be found (in Norwegian) at www.afp.no

III Original AFP scheme

The original AFP will be paid to employees who have filed an application for such a pension by 31 December 2010 when they satisfy the conditions that apply on the date of implementation. The last implementation date for original AFP is 1 December 2010. The original AFP will run until the month in which the retiree turns 67.

Retirees who have started to draw original AFP (wholly or in part) may not later claim to draw the new AFP.

IV New AFP scheme

New AFP will be paid to employees born in 1944 or later who have been granted AFP from an implementation date of 1 January 2011. The scheme is established as a joint scheme in the private sector.

Before reaching the age of 70 the new AFP must be drawn together with the National Insurance retirement pension.

V Conditions for entitlement to new AFP early retirement plan (main points, see also the by-laws)

To be entitled to the new AFP pension the employee must, at the time of taking out the pension and for the last three consecutive previous years, be and have been a genuine employee of an enterprise that belongs to the scheme.

In addition the employee must, at the time of taking out the pension, have a pension-earning income that, calculated as annual income, exceeds the current basic National Insurance amount and have had an income that exceeded the average basic amount in the preceding income year.

Furthermore, an employee born in 1955 or later must, for at least seven of the last nine years before turning 62 (the seniority period), have belonged to the scheme in employment with one or more enterprises that were members of the Joint Scheme during that seniority period. For employees born in the period 1944 to 1951, the seniority requirement is three of the last five years. For employees born in the period

1952 to 1954, both of these figures shall be increased by one year for each year they were born after 1951. The employment during the seniority period must have been the employee's main employment and must have given the employee an income that is higher than the employee's other income.

See also the by-laws (www.afp.no) concerning special rules relating to fractions of positions, sick leave, lay-offs, leave of absence, employer's bankruptcy, other income, other pension paid from other employment, redundancy pay, ownership interests in the enterprise, ownership interests in other enterprises, etc

Employees who have a lower retirement age or age limit than 62 cannot belong to the scheme.

VI Level of pensions in the new AFP scheme

AFP is calculated as 0.314% of the annual pension-earning income through to and including the calendar year in which the employee turns 61 years of age and up to an upper limit of 7.1 G. Pension-earning income is determined in the same way as when calculating pension income in the National Insurance retirement scheme.

AFP will be paid out as a lifelong addition to the retirement pension.

AFP is so designed that it increases when taken out later. However, it will not increase any more if taken out after the age of 70. For calculating AFP, the same mortality adjustments will be made as for National Insurance retirement pensions.

Earned income may be combined with AFP and National Insurance pension without either of them being reduced.

AFP will be regulated in the same way as income pension in the new National Insurance retirement pension, both during earning and payment.

VII The new AFP scheme will be financed as follows:

The costs of AFP will be financed by the enterprises, or parts of the enterprises, that are or were members of the Joint Scheme, and in addition the State will make a contribution relating to the individual retiree.

The State will contribute to AFP. The rules in Act no. 110 of 23 December 1988 will apply until 31 December 2010, and the rules of the AFP Contributions Act shall apply from 1 January 2011.

A compensatory supplement to new AFP will be paid in its entirety by the State.

The enterprises will pay premiums to the Joint Scheme to cover that part of the costs that is not covered by the State's contribution. Further rules concerning payment of premiums are given in the by-laws for the Joint Scheme for contractual early retirement pensions (AFP) and in resolutions adopted by the Board of the Joint Scheme.

In the period 2011 to 2015, both years included, some people will still be receiving the original AFP and during that period enterprises that belonged to the original AFP scheme will have to pay premiums to that scheme, and also own contributions for their employees who have taken out original AFP. The premium and own contributions will be determined by the Board of the Joint Scheme.

For the new AFP, the enterprises must pay a premium for the employees and others who have received pay and other remuneration that is reported under code 111-A in the Tax Directorate's list of codes. The premium rates will be determined by the Board of the Joint Scheme. The premium shall be a percentage of the total payments from the enterprise according to the reports returned by the enterprise under code 111-A. The enterprise shall pay premiums only for that part of the payments to the individual employee in the preceding income year that is between 1 and 7.1 times the average basic amount.

Premiums shall be paid for years up to and including the year in which the member of the scheme turns 61 years of age. Premiums shall be paid in quarterly.

VIII

In addition to the enterprises who are members of NHO for whom the Wage Agreement is binding, this present agreement also applies to enterprises who are not members of NHO but have wage agreements with unions that are affiliated with LO or YS.

Severance pay scheme

Effective 1 January 2011, linguistic amendments in 2014, last amended in 2016 ¹

In the coordinated settlement in 2018, there was agreement between LO and NHO to use the Severance Pay Scheme to finance a scheme for early retirement due to sickness of other limitations. The Severance Pay Scheme will cease when this new early retirement scheme is established. For further information, see Appendix 4 to the Mediation Protocol, which can be downloaded [here](#) .

1.0 GENERAL

1.1 Establishment of agreement

The Severance Pay Scheme was originally concluded between the Norwegian Confederation of Trade Unions (LO) and the Norwegian Employers' Organisation (NAF) – now the Confederation of Norwegian Enterprise (NHO) – hereinafter referred to as the Parties – cf. decision of 14 June 1966 delivered by the State Wage Arbitration Council, as subsequently amended.

The agreement entered into force on 1 October 1966 and is incorporated as part of each and every collective agreement between organisations that are members of the LO and NHO.

Each of the Parties may terminate the agreement with two months' notice to become effective 1 April in connection with revision of the collective agreement. If not terminated, the agreement will continue to apply until the end of the next collective agreement period.

1.2 Object and personnel concerned

The object of this agreement is to provide financial compensation for employees who have reached the age of 50 but not 66, whose employment is terminated for reasons that are not attributable to them, or when employment ceases as a result of disablement or chronic illness.

1.3 Legal status

¹ § 5–15 of the Norwegian Taxation Act was changed on 18 December 2015, with effect from 1 January 2016. According to § 5–15, first paragraph, letter a of the former Taxation Act, the severance pay from the Severance Pay Scheme between LO and NHO was not counted as income. This means that persons who fulfilled the terms for severance pay no later than 31 December 2015, will be paid tax-free, and that persons who meet the terms for severance pay after 1 January 2016 will not be paid tax-free. Classification of severance pay as taxable income may also result in payment of severance pay affecting entitlement to other benefits from the state, such as disability insurance and unemployment benefits. This was not yet finalised as of April 2016.

The Severance Pay Scheme is an independent legal entity keeping its own accounts. Assets belonging to the Severance Completion of the remuneration scheme shall be kept separate from assets belonging to the Parties and may not be held liable for their debts. This shall not prevent the Severance Pay Scheme from collecting and distributing monies from the Education and Development Fund on behalf of LO and NHO and any other employee and employer organisations, provided that these monies are kept separate from assets belonging to the Severance Pay Scheme.

The Severance Pay Scheme may sue and be sued via its Board. The agreed legal venue in all cases is Oslo, which is accepted by joining the Severance Pay Scheme or by claiming an AFP pension.

2.0 COLLECTIVE CONDITIONS

2.1 Enterprises covered by the Scheme

The Scheme encompasses the following enterprises:

- a) NHO member enterprises bound by a contractual agreement that have a collective agreement with an LO union.
- b) Enterprises bound by a collective wage agreement that are not members of NHO that have a collective agreement with an LO union.
- c) NHO member enterprises bound by a collective wage agreement that do not have a collective wage agreement with an LO union, when employer and employees have agreed that the enterprise shall join the Scheme. Such membership is subject to approval from the Board of the Severance Pay Scheme.
- d) Enterprises bound by a collective wage agreement that belong to a different collective wage sector from those that come under a–c above – provided that the Parties agree that the collective wage sector may be included. In the event of breach of any conditions that may be imposed for joining the Scheme pursuant to the first paragraph, consent may be withdrawn when the Board so recommends.
- e) Enterprises that were allowed to join the Scheme on a voluntary basis under an earlier agreement.

Enterprises encompassed by a collective agreement that includes the LO/NHO appendix on the Severance Pay Scheme, are automatically enrolled as members of that scheme.

When an enterprise belongs to the Severance Pay Scheme, the premium payment obligation applies to all employees.

2.2 Joining/withdrawing from the Severance Pay Scheme

An enterprise becomes a member of the Scheme from the time the collective agreement that includes the LO/NHO appendix on the Severance Pay Scheme, enters into force. The relevant collective bargaining organisation is responsible for registration and for checking that the conditions for membership are satisfied. Enterprises that have become members must remain members for as long as the conditions for membership pursuant to the collective wage agreement exist. In the event of termination of the collective agreement during the agreement period, the obligation to pay premiums to the Severance Pay Scheme will nonetheless apply until the end of the collective agreement period. However, this does not apply to enterprises that are voluntary members of the Scheme cf. item. 2.1 letter e – who can withdraw with immediate effect. Premiums shall be payable up to the date of withdrawal.

If the conditions for membership are no longer satisfied, the relevant collective bargaining organisation shall notify the Scheme without delay. Voluntary members may withdraw from the Scheme whenever they so desire.

In cases where the enterprise belongs to an employer organisation, it shall be regarded as a relevant collective bargaining organisation. Registration shall be undertaken by the appropriate employee organisation.

3.0 INDIVIDUAL CONDITIONS

3.1 Required period of membership

An employee must have been a member of the Scheme for three months prior to notice of dismissal. If employment ceases owing to disablement or chronic illness, the employee must have become a member of the Scheme before the leaving date – cf. item 3. 5.

3.2 Age and seniority requirements

To be entitled to severance pay the employee must have turned 50 years of age before the leaving date, but must not have reached the age of 67, and must not be entitled to the contractual early retirement pension (AFP) and in addition:

- a) have been employed by the same enterprise for at least 10 consecutive years, or
- b) have been employed by the enterprise for a total of 20 years, of which the last three are consecutive years, or
- c) have been a member of the Severance Pay Scheme for at least 15 consecutive years immediately before the leaving date, or
- d) have worked in a trade that comes under the agreement for the construction trades, the collective agreement for building trades and electric fitters for a total of 20 years – the last five of which were without interruption. At the time of application the employee must be employed by an enterprise that is encompassed by the Severance Pay Scheme. The seniority required under this item must be certified by the employer(s) and/or NAV (the Norwegian

Labour and Welfare Organisation), if necessary supplemented by information from the trade union/federation. If retirement is not due to disablement or chronic disease, a further condition is that the party in question has received unemployment benefits for at least three months without having been offered suitable employment.

If seniority has been earned in two or more enterprises in the same group, the seniority earned will not count unless the enterprises in question belonged to the Severance Pay Scheme during that period.

An employee who is not working for the enterprise because he or she has been laid off or is receiving interim payments pending a final decision (interim payments) will be considered to retain his or her connection with the enterprise for up to one year, counting from the last ordinary working day.

3.3 Dismissal, sickness, etc.

Severance pay is provided to employees who are given notice due in full or in part to cutbacks, workforce reductions, voluntary liquidation or bankruptcy.

An agreement on leaving due to a reduction in the workforce ranks equal with dismissal. To the extent that pay after termination of employment or a leaving settlement is granted, severance pay will nevertheless not be granted if the employee has found a new job before he/she is granted unemployment benefits. Employees who are released without any definite leaving date are not entitled to severance pay.

Employees who are granted a disability pension are entitled to severance pay.

Severance pay may be granted to employees who are receiving interim payments, provided that the Severance Pay Scheme accepts that the person is suffering from a chronic illness and that it is improbable that the applicant will return to his or her previous occupation in the foreseeable future. To make its decision, the Severance Pay Scheme may request that documentation be produced, including satisfactory medical certificates and documents in proceedings relating to the application for and granting of interim payments showing that the applicant is incapable of continuing in his/her occupation or other suitable work in the enterprise, cf. item 3.4.

3.4 Other suitable work etc.

If an employee who loses his/her job, cf. item 3.3 above, is offered other suitable work in the enterprise, or in the group to which the enterprise belongs, or with new owners, or in another enterprise continuing the business, he/she will not be eligible for severance pay.

When deciding the question of whether the employee shall be deemed to have been offered other suitable work, importance shall be attached to the fact that the object of the Severance Pay Scheme is to provide remuneration for employees who lose their jobs. Employees who in reality continue in their old job, will not normally be entitled to severance pay.

The same applies when all or part of the enterprise is taken over by the employee him/herself, so that he or she is in reality continuing his/her earlier work.

In the event of a shut-down in connection with a change of ownership etc., the employee shall nonetheless be granted severance pay if more than three months pass before he/she is employed anew/re-employed. This applies regardless of the length of the period of notice.

In the event of a merger or transfer of an enterprise that is covered by Chapter 16 of the Working Environment Act, the acquiring enterprise (new employer) shall become a member of the Joint Scheme and be obliged to pay premiums. Nevertheless, this will not apply if the new employer exercises the right to opt out, under the provisions of § 16–2, second paragraph of the Working Environment Act.

3.5 Determining the leaving date

The leaving date will normally be the date on which the period of notice expires.

When employment is terminated owing to disablement or chronic illness, the leaving date shall be counted as six months after the last physical working day, with full withdrawal from working life, and six months after the last day in the normal position on partial withdrawal from working life.

3.6 Conditions governing the right to new severance pay

After severance pay has been granted, a period of at least ten years must elapse before severance pay can be granted again. The leaving date and not the payment date shall apply when determining whether this condition is satisfied.

3.7 Death and severance pay

It is only the employee who can claim severance pay. Severance pay will be paid to the next of kin only if the severance pay claim was filed before the death of the employee, cf. item 7.3.

3.8 Early retirement pension (company-based) and AFP

Early retirement pension, agreed between the enterprise and the employee, must be part of an actual staffing reduction for severance pay to be granted.

Employees who draw an AFP pension are not entitled to severance pay.

In cases where the original AFP pension is paid out pending a disability pension, the employee will as a general rule not subsequently be entitled to severance pay. If the AFP supplement has not been paid out for more than six months, the right to severance pay can be reinstated by repaying the AFP supplement paid out.

4.0 AMOUNT OF SEVERANCE PAY

4.1 Rates of severance pay

The following rates apply for full-time employment (normally 37.5 hours a week) with a finish date from 1 July 2011:

50 Years : NOK 20,000	59 Years : NOK 70,000
51 Years : NOK 20,000	60 Years : NOK 75,000
52 Years : NOK 25,000	61 Years : NOK 80,000
53 Years : NOK 30,000	62 Years : NOK 80,000
54 Years : NOK 40,000	63 Years : NOK 65,000
55 Years : NOK 50,000	64 Years : NOK 50,000
56 Years : NOK 55,000	65 Years : NOK 35,000
57 Years : NOK 60,000	66 Years : NOK 20,000
58 Years : NOK 65,000	

4.2 Retirement age less than 67 years

The above scale is also used for the payment of severance pay to employees with a retirement age lower than 67, however, so that NOK 20,000 is paid for the last year before retirement age is attained, NOK 35,000 is paid for the next to the last year, and so on, until age 50.

Seamen who can retire on a seaman's pension from the age of 60 are to be regarded as having a retirement age of 62, unless they are engaged in a position for which the retirement age is higher.

5.0 REDUCTION IN AMOUNT OF SEVERANCE PAY

5.1 Part-time workers

Severance pay shall be reduced for employees who work fewer hours than for an ordinary full-time position. A proportional reduction shall be made.

5.2 Retaining part of a position

If the dismissal notice only applies to part of a position – mandatory reduction of both working hours and wages – then the severance pay will be reduced correspondingly. The proportional loss of position will form the calculation basis.

Severance pay shall be reduced for employees who are compelled to reduce their occupational activity owing to disablement or chronic disease, but who continue to work – combined with a reduced disability pension. The calculation shall be based on the loss of position.

5.3 Leaving date less than one year before ordinary retirement age

If the leaving date is less than one year before ordinary retirement age for the position, the severance pay plus National Insurance benefits such as rehabilitation benefits, disability pension, pension for bereavement, early retirement pension or unemployment benefits, shall not exceed the pay the employee would have received (gross earnings after deduction of direct taxes and dues) if he or she had remained at work until reaching the age of 67. An employee who receives sick pay until he or she reaches retirement age is not entitled to severance pay.

Corresponding limitations also apply when the retirement age is lower than 67. The provision in the preceding paragraph will then have effect in the year preceding that in which the person can draw ordinary retirement pension.

6.0 PROCESSING APPLICATIONS

6.1 Filing an application

On behalf of the employee, the enterprise/administrator of the estate shall forward an application for severance pay, on the prescribed form, to the Severance Pay Scheme.

Both employer and employee are under obligation to furnish the information necessary to make a decision on the application.

All matters that must be assumed to be of significance for the decision must be documented.

If after the application is filed changes occur that may be of significance for the processing of the application, both the employer and employee are under obligation to notify the Severance Pay Scheme.

6.2 Time bar – deadlines

A claim for severance pay must be filed within three years from the leaving date, or the claim will lapse. In cases of disablement the claim for severance pay must be filed within three years after the decision on disability pension was given.

If a claim for severance pay was not filed because the employer/employee lacked the necessary knowledge concerning the possibility of claiming severance pay, the time bar will at the earliest take effect one year after the day on which the claimant acquired or should have acquired such knowledge. The time bar pursuant to this paragraph may not be extended for more than a total of two years.

6.3 Appeal

Decisions concerning severance pay may be appealed to the Board of the Severance Pay Scheme or a special appellate body appointed by the Board. Cases that have been reviewed may be reviewed again if new information becomes available.

Appeals must have been received by the Severance Pay Scheme or have been posted within six weeks of the notice of the decision being sent to the employee's last reported address. Appeals that are filed too late shall be rejected. In exceptional cases the Scheme's administration may request the Board to consider an appeal even if the deadline has expired.

6.4 Duty of confidentiality

Everyone who performs work or services for the Severance Pay Scheme is obliged to prevent others from gaining access to or knowledge of whatever he or she may, in connection with such work or service, have learned regarding the personal affairs of others. "Personal affairs" include a person's date and place of birth, personal ID number, citizenship, marital status, occupation, home address and workplace.

The duty to maintain confidentiality also covers equipment and procedures, as well as operating or commercial matters concerning which, for the person concerned, secrecy is desirable for competitive reasons.

In addition, a contractual duty of confidentiality applies for employees covered by the Severance Pay Scheme and the contractor in accordance with the declaration of confidentiality. The duty of confidentiality pursuant to the preceding sentence does not apply to information that is generally known or when an obligation to disclose information is imposed by or stipulated by law.

7.0 PAYMENT

7.1 Payment to applicant

If the conditions for entitlement to severance pay are satisfied, payment from the Severance Pay Scheme shall be made as soon as possible after the leaving date.

Claims for severance pay may not be assigned to anyone else.

In cases where the severance pay is to be paid by the enterprise itself – cf. item 7.2 – but the enterprise fails to effect payment as intended, the employee is entitled to payment directly from the Severance Pay Scheme. In such event the Scheme subrogates to the employee's claim on the enterprise.

7.2 Payment from the enterprise

If the enterprise has received a claim, but has nevertheless not paid premiums for two years or more, the enterprise is required to pay the severance pay itself if an employee satisfies the conditions for entitlement to severance pay pursuant to this agreement. The amount of severance pay shall also in such cases be determined according to the provisions of this agreement.

The enterprise may also be instructed to pay the severance pay to an employee who is entitled to severance pay pursuant to this agreement if the enterprise has failed to have the employee entered in the employee register.

7.3 Payment to next of kin after death of applicant

If the applicant dies before the severance pay payment is made, then the payment may be made to the applicant's spouse or domestic partner (living together for a minimum of 12 out of the last 18 months) or to his/her dependent children below the age of 21. If the deceased leaves both dependent children and a spouse or domestic partner as mentioned, the child/children shall have a prior right to the severance pay. Payment to other relatives/heirs will not be considered.

7.4 Repayment of severance pay wrongfully paid out

Repayment of the severance pay will be demanded if severance pay is (wrongfully) paid out to any person in consequence of the information furnished being incorrect or incomplete or the situation having changed since the application was filed.

8.0 PAYMENT OF PREMIUMS ETC.

8.1 Premiums

The enterprise shall pay premiums for each employee. The premium rate payable varies according to working time. On the recommendation of the Board, the amounts may be adjusted by the LO secretariat and NHO's executive committee.

The number of employees for whom premiums are to be calculated shall be determined according to information reported by the enterprise to the Register of Employers and Employees.

The basis for determining the sum payable is the number of employees reported to the Register of Employers and Employees. Quarterly premiums are determined on the basis of the number of employees at the end of the preceding quarter.

8.2 Payment of premiums

Premiums shall be paid quarterly to the Severance Pay Scheme.

8.3 Responsibility for payment of premiums

The employer is – regardless of whether he has received a claim or not – himself responsible for ensuring that the premiums are paid as prescribed.

8.4 Consequences of failure to pay premiums etc.

If the enterprise fails to pay premiums, the amount in question will be sent for debt recovery after a reminder has been sent.

The duty to pay overdue premiums will be upheld without reduction, even if severance pay has had to be paid out by the employer pursuant to item 7.2.

9.0 MANAGEMENT, ADMINISTRATION, ETC.

9.1 The Board of the Severance Pay Scheme

The Board of the Severance Pay Scheme is the supreme agency for the Scheme. The Board consists of four members with four personal alternates.

LO and NHO each elect two of the members of the Board. The persons elected by LO and NHO as members of the Board of the Joint Scheme for Collective Agreement Pensions shall be deemed to have been elected also as members of the Board of the Severance Pay Scheme, except when a party chooses to elect these members separately. The office of Chairman of the Board shall be held by the parties in turn, for two years at a time.

The Board may resolve that a fee shall be paid to board members and alternates, and to the special appellate body (cf. item 9.2). In such cases, the Board shall determine the size of the fee. The Board may delegate decision of the amount of this fee to a committee of a maximum of three persons elected by the parties in the Severance Pay Scheme.

9.2 Duties of the Board

Management of the Severance Pay Scheme pertains to the Board. The Board shall ensure that activities are properly organised.

The Board shall establish plans and budgets for the activities of the Scheme.

The Board shall keep itself informed of developments in the economy of the Scheme and shall ensure that its activities and accounts are subject to adequate controls. The Board shall exercise supervision to ensure that management of the Scheme's assets takes place in accordance with the by-laws and Board resolutions.

The Board determines how the by-laws are to be interpreted and may adopt decisions on matters of principle.

The Board shall process and decide upon complaints. The Board may appoint a special appellate body to handle complaints.

The Board shall prepare and propose amendments of the by-laws, based on the Severance Pay Agreement in force at any one time.

Furthermore the Board shall exercise the authority pertaining to it through statutes or by-laws or that naturally pertains to the Board.

9.3 Board meetings

Board meetings shall be held whenever so decided by the chairman or when requested by a member of the Board. At least four meetings shall be held each year, at suitable intervals.

Meetings shall be chaired by the chairman of the Board. In the absence of the chairman of the Board, meetings shall be chaired by the deputy chairman, or in his/her absence by another person elected by the Board. In the event of a tie of votes in matters to be determined by simple majority, the meeting chairman has the casting vote.

For a board meeting to form a quorum, at least one representative from each party must be present.

Minutes shall be kept of board meetings and signed by the members and/or alternates who are present.

Board resolutions shall be adopted by simple majority when not otherwise provided in the by-laws.

9.4 Daily management

The Severance Pay Scheme shall have a Managing Director to manage everyday business. The Managing Director shall be appointed by the Board. The Board may adopt a job description for the position.

9.5 Representation

The Board represents the Severance Pay Scheme in external affairs.

The Managing Director represents the Severance Pay Scheme in external affairs relating to matters that are part of daily management.

The Board may authorise members of the Board, the Managing Director or named employees to represent the Severance Pay Scheme in external affairs, grant powers of procuration, or other powers. Such rights may be revoked at any time.

If a Board member, the Managing Director or a procurist oversteps his/her powers, the transaction will not be binding for the Severance Pay Scheme when the Scheme can show that the other contracting party understood or should have understood that the person in question was exceeding his/her powers and that it would be dishonest to invoke the transaction.

9.6 Legal competence

No Board member or alternate member shall participate in proceedings or decisions on matters that are of such particular importance for him/her or a person to whom he/she is closely connected, that he or she must be deemed to have pronounced personal or financial interest in the matter. This similarly applies to the Managing Director or other persons performing work for the Severance Pay Scheme.

Nor shall a Board member or Managing Director take part in a matter concerning a loan or other credit facility for him-/herself or security for his/her own debt.

9.7 Duty of confidentiality

The duty to maintain confidentiality under item 6.4 above also applies to members of the Board.

Resolutions adopted by the Board do not come under the duty of confidentiality, unless otherwise stipulated by the first paragraph or resolved by the Board.

Board members and alternate members have a duty of discretion and confidentiality concerning information and views presented in connection with the Board's work, when not otherwise decided by the Board. Nevertheless the duty of confidentiality in the first sentence does not apply when it is necessary to discuss a matter internally in the organisation to which the member belongs, unless otherwise stipulated by the first paragraph.

The rules of this section correspondingly apply for members of the special appellate body, unless otherwise provided by the Board of the Severance Pay Scheme.

9.8 Severance pay agreement

The Board may decide that the administration of the Severance Pay Scheme shall undertake the administrative tasks of the Severance Pay Scheme. In that event Administration shall serve as the secretariat for the Severance Pay Scheme and handle administration of the Severance Pay Scheme. The Managing Director of the Severance Pay Scheme shall also be Managing Director of the administration of the Severance Pay Scheme.

Among other things Administration shall undertake the following on behalf of the Severance Pay Scheme:

- a) prepare matters to be considered by the Board and other agencies in the Severance Pay Scheme,
- b) collect premiums and own contributions from the enterprises,
- c) consider and decide upon severance pay applications and in that connection communicate with the enterprises, the employees and NAV,
- d) represent the Severance Pay Scheme in judicial and extra-judicial disputes with employees, enterprises, organisations and others,
- e) ensure that rights and duties under this Agreement are observed in accordance with the intentions of the central organisations.

The Board may delegate its authority pursuant to item 9.5 to Board members or employees in the administration of the Severance Pay Scheme.

The provisions of item 6.4 regarding confidentiality apply correspondingly to the administration of the Severance Pay Scheme.

The Severance Pay Scheme shall bear costs incurred by the Administration that relate to the Scheme.

9.9 Auditor

The Board shall appoint a State Authorised Public Accountant and approve the auditor's remuneration. The auditor shall have access to all information required to perform his/her work.

10.0 PLACEMENT OF MONIES BELONGING TO THE SEVERANCE PAY SCHEME

10.1 Asset management

The Board shall decide how the Severance Pay Scheme's funds are to be placed and stipulate guidelines for asset management. Within the guidelines adopted, the Board may delegate authority to decide on placements to the administration.

The Board may decide that the Scheme shall entrust asset management to an enterprise that is licensed to conduct active management, or appoint an investment committee to decide how assets are to be placed or otherwise assist with asset management.

Assets shall be managed in a responsible manner.

AGREEMENT

**on an Education and Development Fund
established by the Confederation of Norwegian Enterprise (NHO) and
The Norwegian Confederation of Trade Unions (LO)**

(as last amended in 2011)

§ 1

Purpose

The object of the scheme is to implement or support measures to promote education and development in Norwegian working life.

§ 2

Policies

Education and development measures, including courses and schooling, shall in part be designed to:

1. Provide modern training for employee representatives, with particular emphasis on productivity, the environment, economy and cooperation issues.
2. Provide training for management personnel and employees in the same fields as mentioned under item 1.
3. Prepare, arrange and develop training measures.
4. Contribute through different measures towards increasing value generation.
5. Promote good cooperation within the individual enterprises.

§ 3

Financing

A simplified model for collecting funds has been established in which the number of employees who are to be included for the purpose of calculating premiums is determined from information given by the enterprise to the National Insurance Employer/Employee Register, divided up as follows:

- Group 1: From 4 to 20 hours weekly
- Group 2: From 20 to 30 hours weekly
- Group 3: From 30 hours weekly or more

Premiums shall be paid in arrears by the enterprises at the end of each quarter at the following monthly rates:

From the third quarter of 2011, the following rates per month apply:

- Group 1: NOK 17
- Group 2: “ 27
- Group 3: “ 46

Employees who fall under the Basic Agreement for workers made between LO and NHO are, as part of the financing system, under obligation to pay NOK 3.25 per week.

The amounts may be adjusted by the LO secretariat and NHO's executive committee on the recommendation of the Board of the Scheme, cf. § 5.

§ 4

Collecting premiums

The premiums referred to in § 3 shall be paid quarterly to the Joint Office for the LO/NHO Schemes. The premiums paid shall cover the enterprise's aggregate commitments to all Education and Development schemes.

§ 5

Administration

The Scheme shall be managed by a board having six members, three appointed by each party. The position of Chairman alternates between the Norwegian Confederation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO) for a period of one year at a time.

§ 6

Use and distribution of funds

Each year the board of the Scheme shall determine the amounts to be set aside in advance for joint purposes worthy of support. The other Scheme funds shall be managed – one half by each – by a special committee appointed by each of the two central organisations. Special by-laws shall be drawn up for the activities of these committees.

NHO and LO shall each keep the other informed concerning the plans these special committees have for use of the funds and the measures that have been implemented.

All enterprises that contribute to the Scheme shall, in accordance with rules to be determined, be entitled to participate in measures financed by the Scheme.

§ 7

Financial statements and Report from the Board of Directors

The financial year for the Scheme shall be the calendar year. Annual financial statements shall be drawn up at the end of each financial year and shall be audited by a State Authorised Public Accountant. The financial statements shall be sent to the Confederation of Norwegian Enterprise (NHO) and the Norwegian Confederation of Trade Unions (LO) together with the Report from the Board of Directors.

§ 8

Dissolving the association

If the scheme is dissolved, its assets shall pass to NHO and LO, so that each organisation receives the amount over which it had rights of disposition pursuant to paragraph 6 of this agreement. Remaining funds shall be used in accordance with paragraph 2 of this agreement.

§ 9

Entry into force

This Agreement enters into force on 1 October 1970 and shall apply until the first ordinary collective revision after expiry of the Basic Agreement. The agreement shall thereafter follow the ordinary collective agreement periods with any revisions in connection with the spring bargaining.

Comments:

The NHO representatives on the Board stated that it was assumed that the same agreement would be made with organisations outside LO with which collective wage agreements were made, corresponding to those with unions in LO. In that connection

it will be necessary to discuss in more detail the practical implementation of both the collection of the fee and distribution of the funds.

These organisations are covered under § 7 of the agreement between LO and NHO.

ACTION PROGRAMME BETWEEN LO AND NHO

-

EQUALITY BETWEEN WOMEN AND MEN

Introduction

The Basic Agreement between LO and NHO, supplementary agreement II, “Framework agreement on equality between men and women in working life”, stipulates that the parties shall take the initiative for measures and activities that can promote equality. The agreement states, for example:

“It is recommended that joint equality work under the direction of LO-NHO gives priority to viewing the relationship between working life, gender roles in the labour market, promoting the participation of women in decision-making processes and the preparation of tools for tackling gender-based pay differences.

LO and NHO agree on a joint action programme that includes measures in several areas to follow up the objectives:

Action programme

The central organisations will assume responsibility for action to bring about structural and cultural changes through active measures by means of the following activities/measures:

- **Local equality agreements and projects**
If the local parties desire an equality agreement at the enterprise level or the implementation of specific equality resolutions, the central organisations can provide advisory services.
- **Working life – family policy**
The central organisations will seek a parental leave scheme that promotes equality.
- The central organisations will seek a family policy that balances family and working life considerations.
- **Equal pay**
Joint measures for the follow-up of individual elements in the Equal Pay Commission’s report and any measures initiated in collective wage bargaining.

Full-time/part-time

The parties will seek to gather knowledge of the parties' wishes and needs locally, and increase awareness and attitudes on women's affiliation with working life.

- **Job transfers between sectors**

The central organisations will initiate a survey of and/or research on barriers in relation to job changes from the public to the private sectors and from the private to the public sectors.

- **Training and recruitment – the gendered study and career choice**

- Measures in relation to the training offices and advisory services.
- Recruit more women to managerial positions – Female Future
- Make HF projects (joint projects by the central organisations) such as “Girls in automotive and electrical trades” more visible and challenge several industries to gather experience and launch similar initiatives.
- Motivate untraditional career choices.

- **Shared information**

The parties will cooperate jointly on the development of joint information for the promotion of genuine equality between women and men.

The central organisations shall make an assessment of cooperation within the equality area within 2 years from the implementation of this action programme. This assessment shall form the basis for further cooperation and new measures in the area.

The parties make reference to the Basic Agreement between LO and NHO, supplementary agreement II – framework agreement on equality between men and women in working life, in addition to work on equality on the websites of LO and NHO: www.lo.no and www.nho.no.

**LO-NHO AGREEMENT ON SHORT-TERM WELFARE LEAVE IN ADDITION TO
THE AGREEMENT BETWEEN THE FEDERATION OF NORWEGIAN INDUSTRIES
AND THE NORWEGIAN UNITED FEDERATION OF TRADE UNIONS
(Applies to points 4, 5 and 10)**

In response to the State Mediator's proposal of 1972 regarding equality between workers and staff in regard to short welfare leave, an agreement on such leave shall be made at all enterprises.

The systems must cover at least the following cases of welfare leave:

1. Leave at time of a death or to attend a funeral in the immediate family.

“Immediate family” means persons to whom the employee is closely related, such as a spouse/domestic partner, child, sibling, parent, parent-in-law, grandparent or grandchild. Leave to attend the funeral of an employee, so that the employees working in the same section as the deceased are represented at the funeral.

2. Leave for examination, treatment and check-up by a dental specialist or doctor, and treatment by a physiotherapist or chiropractor when National Insurance allows benefits for such treatment. This concerns cases where it is not possible to obtain an appointment outside working hours. In some cases the employee may also have a long journey. Such cases will not come under these rules, which apply only to short welfare leave. The employee will usually be on sick leave in such cases anyway.
3. Leave for the remainder of the working day when the employee has to leave work due to sickness.
4. Leave to accompany a child on the first day at a kindergarten or the first time the child starts school.
5. Women who are breastfeeding a child are entitled to the time off necessary for this, at least 30 minutes twice a day, or may have working hours shortened by up to one hour per day. Payment for this is limited to a maximum of one hour a day and ceases when the child turns one year of age.
6. Leave where the employee has to leave work due to acute illness in the home.

This refers to acute illness in the home when other help cannot be procured and the employee's presence in the home is absolutely necessary. The rules

concerning short leave for the employee to make other arrangements also apply here.

7. Leave for a spouse/domestic partner when necessary in connection with a birth in the home or admission to hospital.
8. Leave when moving to a new permanent residence.
9. Leave in connection with blood donation when it is difficult to arrange this outside working hours.
10. Leave for the employee to attend his/her own child's confirmation.
11. Leave when parents are called to attend a parent-teacher meeting at a primary or lower secondary school and this cannot be arranged outside working hours. Such leave shall be given for up to two hours.
12. Leave to attend examination for national military service.

"Domestic partner" means a person with whom the employee has shared a home for two years or more and who is registered in the National Population Register as having the same address as the employee during that period.

An agreement concerning the further guidelines for this system shall be made between the parties at the separate enterprises.

Short welfare leave according to the above rules means leave for the necessary time, up to one day, at regular pay.

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**REMUNERATION FOR
PUBLIC HOLIDAYS AND 1 MAY AND 17 MAY**

A scheme

As last amended in 2016

Instead of work pay, employees who are on weekly, daily, hourly or piecework rates and are not at work in the ordinary way on the above-mentioned days shall receive remuneration according to the following rules:

I
Remuneration

1. Remuneration shall be paid for New Year's Day, Maundy Thursday, Good Friday, Easter Monday, Ascension Day, Whit Monday, Christmas Day and Boxing Day when these days fall on a weekday that, according to the regular working system in the enterprise, would otherwise have been working days.
Remuneration shall also be paid when public holidays and 1 May and 17 May fall during a period when the employee is on holiday or is laid off due to a shut-down.
2. Under reference to para 3 of the Act of 26 April 1947 relating to 1 May and 17 May, the organisations have agreed that the rates for 1 May and 17 May shall be coordinated with the rates for movable public holidays.

Except when the parties agree that the remuneration shall correspond to the average hourly pay for all employees at the enterprise, the remuneration for movable public holidays and payment for 1 May and 17 May shall, for adult employees in the individual enterprises, be determined by a group-wise method of calculation. These provisions are not intended to prevent the parties at the enterprise from adopting a different system of payment.

3. For moveable holidays during Christmas and New Year the preceding third quarter is used as a calculation period; the preceding fourth quarter is used for the other moveable holidays and for 1 May and 17 May.

If general supplements are paid in the sector for the collective agreement in the time after the calculation period, these shall be added when paying out remuneration.

These provisions are not intended to prevent the parties at the enterprise from agreeing on a different calculation period.

4. The remuneration shall be paid for the number of hours that would have been ordinary working hours on the day in question.

Remuneration shall be reduced proportionally if, pursuant to the pay system in the enterprise, reduced working hours are in force on the particular weekday. Daily allowances or the like, paid to the employee for the day in question by the employer or by NAV, financed wholly or partly by obligatory contributions from the employer, shall be deducted from the remuneration.

5. For young workers and apprentices, payment shall be determined according to the average hourly pay at the enterprise for these employees together, unless the parties have agreed on a different system of calculation.
6. For employees at enterprises that have a system of regular pay, the remuneration paid shall be calculated according to the individual employee's hourly earnings in the week in which the movable public holiday falls.
7. For employees paid weekly, agreement may be made to the effect that, instead of remuneration according to the above rules, the employees in question retain their ordinary weekly pay in full, including for weeks in which there are public holidays or 1 May or 17 May.

Comments:

- a. In addition to the payment the individual employee is to receive pursuant to the agreement, those on continuous shift work shall receive NOK 45.22 for each full shift worked on a public holiday that falls on an ordinary weekday.

Up to three shifts are counted as a public holiday. As a rule, from 22.00 on the day before the public holiday to 22.00 on the holiday, or if applicable the last day of the public holiday, is counted. The above provisions apply whenever the following days fall on an ordinary weekday:

New Year's Day, Maundy Thursday, Good Friday, Easter Monday, Ascension Day, Whit Monday and Christmas Day and Boxing Day.

Holiday pay is calculated at the above rate, but not shift or overtime percentages.

- b. Shift workers who lose a shift before public holidays due to the overtime rules in the Working Environment Act shall receive the same remuneration for these shifts as for a public holiday day. If part of a shift is lost on such days, the remuneration shall be in proportion to the time lost.

II

Rules for earning remuneration

Employees are entitled to remuneration when they have been employed by the same enterprise for at least 30 days preceding the public holiday, or are engaged later for work lasting at least 30 days. For the purpose of earning remuneration, the three holiday days at Easter are regarded as one unit and the two holiday days at Christmas plus New Year's Day are regarded as one unit.

If an *employee* has been employed by the enterprise for five consecutive years or more is given notice for a reason not attributable to him/her, and the period of notice expires on the last working day in April or December, the employer shall pay the employee remuneration for 1 May or 1 January respectively.

III

Payment

The remuneration shall be paid out not later than on the second pay day after the public holiday. For public holidays that are regarded as a single unit, payment shall be made not later than the second pay day after Easter Monday and New Year's Day respectively. If employment ceases before that date, remuneration shall be paid out with the final settlement.

IV

This remuneration is counted as part of earned income and shall be included when calculating holiday pay. This is not included when calculating overtime pay.

**Remuneration for public holidays and 1 May and 17 May
B scheme**

Instead of work pay, employees who are on weekly, daily, hourly or piecework rates and are not at work in the ordinary way on the above-mentioned days shall receive remuneration according to the following rules:

1. Remuneration shall be paid for New Year's Day, Maundy Thursday, Good Friday, Easter Monday, 1 May and 17 May, Ascension Day, Whit Monday, Christmas Day and Boxing Day when these days fall on a weekday that, according to the regular working hours scheme in the enterprise, would otherwise have been working days.

The employer reserves an amount for each hour worked of:

- a. from 1 April 2018: NOK 5.91
- b. from 1 April 2018: NOK 4.43

The reserved amounts are retained in the enterprise and are saved for periodic payment. Amounts that are reserved for work in the period between 15 August and the end of the year are paid after New Year's Day. The amount that is reserved for the period from 1 January to Easter Monday is paid after Easter Monday. Amounts that are earned from Easter Tuesday to 15 August are paid after this date.

Deductions can be made from these amounts pursuant to the rules under item 3. The amounts are paid no later than one salary period + four days after the above days.

If a worker leaves the enterprise before these payment days, the worker shall receive the saved amount – if applicable in accordance with item 3 – paid together with the final settlement.

2. Remuneration shall also be paid when public holidays and 1 May and 17 May fall during a period when the employee is on holiday or is laid off due to a shut-down.
3. This remuneration is counted as part of earned income and shall be included when calculating holiday pay. This is not included when calculating overtime pay.

PAY SENIORITY AND COMPULSORY MILITARY SERVICE

For various reasons, only about a third of those liable to be called up each year are conscripted to serve the initial period of service. These groups lose one year's occupational employment or suffer one year's delay in their further education. National service gives the conscript experience that is valuable in his/her subsequent studies/occupation and therefore it is important that those who do their national service in the Armed Forces are not set back and ranked behind others when it comes to pay seniority.

For this reason the Parties have agreed that:

Initial service in the Armed Forces shall be credited as pay seniority upon employment in the employee's first job after completing service.

General Addenda on overtime and equality

OVERTIME

As part of the collective agreement settlement for the year, the parties discussed several matters relating to overtime. Overtime can be worked for many reasons, which vary from enterprise to enterprise and over time. The parties urge individual enterprises, based on applicable law and agreement provisions, to discuss how they can optimally facilitate better management and correct use of overtime.

The discussion should highlight the reasons for overtime and its impact on employees, and assess any measures that could be taken.

GENDER EQUALITY

During the collective agreement period the local parties shall discuss matters relating to gender equality and equal pay with a view to establishing a gender-equality agreement tailored to suit the enterprise in accordance with Supplementary Agreement VI to the Basic Agreement item 3 local agreements.

The purpose of such an agreement shall be:

- to ensure that all employees – regardless of gender – are afforded the same opportunities for work and professional development, and treated equally with regard to recruitment, wages, training and promotion.
- to help more women gain employment

Aspects of importance for this type of agreement could include:

- Attitude-shaping work
- Recruitment
- Wage differences between women and men
- Training and personal development
- Information about the agreement
- Gender equality

Employees at Temp Agencies

The provision regulates matters at employment/temp agencies that are covered by this agreement, cf. § 1.

1. This agreement may be applied as a collective wage agreement in employment or temp agencies that have employees who are hired out and perform work under the scope of this agreement, cf. § 1.
2. Employees shall have a written employment contract in accordance with the provisions of the Working Environment Act.
3. A written assignment contract containing all the relevant information on the nature, content and duration of the assignment shall be issued for all assignments.
4. Termination and dismissal apply in accordance with the provisions of the Working Environment Act.
5. If an employee is offered employment by the lessee enterprise, he/she may give notice of his/her resignation and terminate his/her employment at the end of the notice period, unless the parties agree otherwise. During the notice period the employee is entitled to continue to work at the lessee enterprise for the duration of the assignment.
6. The wages and working conditions that have been agreed at the lessee enterprise apply for leasing to enterprises that are subject to this agreement, cf. § 8 item 2.2.
7. The wages and working conditions that have been agreed at the lessor enterprise apply for hiring to enterprises not subject to this agreement, provided they are not in breach of the equal treatment provision of the Working Environment Act.
8. The duty to pay wages applies in accordance with the employees' employment contract. The Working Environment Act and Basic Agreement apply for lay-offs and the termination of employment.

Establishment of working hours by the Distribution Agreement Tribunal

§ 1 *Purpose*

A tribunal shall be established to review local disputes concerning disagreement on working hours/distribution time, measurement of route time for individual routes and the length of routes that it has not been possible to resolve through local negotiations. Review by tribunal shall not replace the current rules on measurement checks.

§ 2 *Topics to be reviewed by tribunal*

The tribunal shall review disputes concerning establishment of distribution time and the length of individual routes. For a matter to be reviewed by tribunal, a measurement check must have been performed in accordance with § 2 of the newspaper distribution agreement and attempts must have been made to resolve the dispute locally. The tribunal also reviews disputes where measurement checks are required but have not been performed in accordance with § 2 sixth para of the agreement.

§ 3 *Composition of the tribunal*

The tribunal is appointed for two years at a time and shall comprise a neutral tribunal chair, two business representatives and two employee representatives of one of MBL's member businesses, with a deputy member being appointed for each group. The tribunal chair is appointed for three years at a time. If the parties cannot agree on the tribunal chair, he/she is appointed by the State Conciliator.

§ 4 *Case review rules*

Minutes of the dispute shall be kept if negotiations on working hours prove unsuccessful. Either of the parties may submit the dispute to be reviewed by the tribunal. Such a request must be submitted without unreasonable delay through the national organisation/union and to the tribunal chair. A written case review is to be kept on the case and the case should be presented orally to the tribunal by the local parties. At least two tribunal members (one for each of the parties) shall help perform a new measurement check prior to the review.

The committee shall convene to review the dispute no later than three weeks from the request for review by tribunal being presented to the tribunal chair. The tribunal's decision shall be presented in writing as soon as possible and no later than two weeks after the conclusion of the tribunal review.

§ 5 *The decision of the tribunal*

The tribunal's decision is final and binding for all parties.

§ 6 *Costs*

Each party covers its own costs in connection with the tribunal review. The organisations jointly cover the costs in connection with the tribunal chair.