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1 april 2025 - 31 mars 2027









General Terms and Conditions of Employment for Salaried Employees within Basic Industry plus

Agreement on negotiation procedure and Agreement on provisions concerning working hours for salaried employees

Föreningen Industriarbetsgivarna (Swedish Association of Industrial Employers)

Ledarna

Sveriges Ingenjörer (Swedish Association of Graduate Engineers)
Unionen

Period of validity: 1 April 2025 – 31 March 2027

The Agreements apply together with the agreements and annexes regulating each agreement sector.

This is a translation of the Swedish Agreement.
The Swedish Agreement takes precedence.

Comments applicable to all parties are indicated by shading.

Grey sidebar

Amendments effective from April 1, 2025.

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Section 1 Scope of the agreement

Subs. 1 General information

The Agreement applies to salaried employees who are employed by member companies of the Swedish Association of Industrial Employers in the Steel and Metal, Mining, Sawmill, Construction Materials, Bottle Glass and Welding Engineering industries.

This Agreement is subject to the exemptions and limitations set forth below.

Comments

The Agreement for salaried employees in basic industry concluded between Föreningen Industriarbetsgivarna (the Swedish Association of Industrial Employers) and Unionen/Sveriges Ingenjörer (the Swedish Association of Graduate Engineers)/Ledarna applies at all companies that are members of the Swedish Association of Industrial Employers within the abovementioned agreement sectors.

The Agreement takes effect through the company becoming a member of the Swedish Association of Industrial Employers.

The Agreement covers all salaried employees employed at the Swedish Association of Industrial Employers' member companies. However, certain exceptions are contained in Subsections 2–4.

The Agreement is to be applied for all employees whose primary duties consist of salaried employee work. It is the duties, not the organisation that the employee belongs to, that decide which collective agreement is applicable. If it is unclear which agreement the employee falls under, the local parties should consult with their respective central party.

Subs. 2 Managerial positions

The Agreement does not apply to salaried employees who, on the basis of their duties and terms and conditions of employment, are deemed to have a managerial or other comparable position, unless the employer and the salaried employee have agreed otherwise.

Comments

In larger member companies, the CEO/managing director and their deputy and also salaried employees who are responsible for a major division of the member company's operations are exempt from the application of this Agreement. In small and medium-sized member companies, it is in principle only the CEO/managing director and their deputy who are exempt.

Subs. 3 External activity

For salaried employees who are employed in what constitutes an external activity, this Agreement does not apply with the exception of Section 5 in the part relating to sick pay during the first 14 calendar days in a period with sick pay.

Subs. 4 Salaried employees who have reached retirement age according to LAS, ITP etc.

For a salaried employee who was employed by the member company after having reached the retirement age applicable under the ITP plan or after having reached the normal retirement age applied at the member company, the period of notice is as stated in Section 12 Subsection 3:4.

Upon termination of employment for a salaried employee who has reached retirement age according to the Employment Protection Act (lagen om anställningsskydd – LAS) a special notification procedure applies as stated in Section 12 Subsection 3:5.

The employer and a salaried employee who has reached 68 years of age or who was employed by the member company after having reached their normal retirement age under the ITP plan, or who has been employed after having reached the normal retirement age applied at the member company, may agree to regulate terms and conditions differently than as prescribed in the Agreement. The special notification procedure when retirement age is reached pursuant to the Employment Protection Act, Section 12 Subsection 3:5 applies regardless of what has been agreed between the employer and the salaried employee.

Subs. 5 Duties abroad

If a salaried employee is posted by the employer to serve abroad, the conditions of their employment during the period abroad are regulated either by an agreement between the employer and the salaried employee, or by a separate set of rules for travel abroad or similar at the member company.

For service abroad, the "Avtal om social trygghet för tjänstemän vid utlandstjänstgöring" (Social security agreement for salaried employees serving abroad) applies for the salaried employees named in the said agreement.

Comments

The collective agreement is not normally applicable to work outside Sweden's borders, except as regards agreed insurance such as the agreement on ITP occupational pension.

In accordance with this subsection, when serving abroad the terms and conditions of employment are to be regulated either through an agreement between the employer and the salaried employee or through company-established international travel rules or similar. The intention is to allow employment conditions to be adaptable to international service. Such specific international rules or such agreement between the employer and the salaried employee should generally be established before travelling on business to clarify which rules apply, enabling unnecessary disputes over conditions to be avoided.

Subs. 6 Independent management

The employer has the right to require a salaried employee who is part of the member company's management to refrain from becoming a member of a salaried employees' organisation whose members this Agreement is applied to.

The member company's management includes:

- Corporate executive
- Private sectretary to a corporate executive
- Salaried employees whose duties include representing the member company in relation to salaried employees on issues relating to their working conditions

Disputes concerning the scope of this subsection shall be determined by the Advisory Committee (*Förtroenderådet*).

Comments

The employer may request that salaried employees who are members of executive management, or individuals who otherwise represent the company in matters related to the employment terms of salaried employees, are not members of the organisation which represents salaried employees in the collective agreements. However, under Sections 7–9 of the Co-determination in the Workplace Act (medbestämmandelagen – MBL), which deals with the right of association, every employee has the legal right to join a union. The above provision in the agreement should therefore be interpreted as entitling the employer to encourage its employee to refrain from being a union member without this being considered a violation of the right of association. However, the employee is not obliged to comply with the employer's request.

Section 2 Employment

Subs. 1 Indefinite-term employment

Employment is effective until further notice, unless the employer and the salaried employee have agreed otherwise under Subsection 2 below.

Comments

An employment contract can be established in writing, orally or through tacit agreement (conclusively), meaning without anything being said or written. The latter implies that an employment relationship can arise through the salaried employee performing work on behalf of the employer under circumstances that characterise an employment.

A very strong recommendation for both companies and employees is always to ensure that employment contracts are established in writing to avoid disputes afterwards about what was actually agreed. Regardless of whether or not a written employment contract is established, certain obligations to provide information about the terms and conditions of employment are regulated in the Employment Protection Act (lagen om anställningsskydd – LAS) Section 6 c.

Subs. 2 Fixed-term employment and probationary employment

Subs. 2:1 Fixed-term employment

A contract of employment for a fixed term may be concluded

- 1. For general fixed-term employment
- 2. For temporary substitute employment

If, over a five-year period, a salaried employee has been employed by an employer either in general fixed-term employment for in aggregate more than two years, or as a substitute for in aggregate more than two years, the employment is transformed into indefinite-term employment.

In the case of a salaried employee over 69 years of age, general fixed-term employment or a temporary substitute employment contract is not transformed into indefinite-term employment.

Remarks

Temporary substitute means:

- A salaried employee who replaces another salaried employee during their absence (for example for annual leave, sickness, training or parental leave); or
- A salaried employee who discharges the duties of a vacated position pending the appointment of a new person to that position for a maximum of six months, or for a longer period as agreed between the employer and the local salaried employees' party.

Transitional provisions

These rules enter into force on 1 January 2021. For employment contracts concluded before 1 January 2021, the previous rules apply in full.

Comments

The types of employment specified in Subsection 2 provide exhaustive regulations concerning fixed-term employment and probationary employment.

If, over a five-year period, a salaried employee has been employed by an employer either in general fixed-term employment for in aggregate more than two years, or as a substitute for in aggregate more than two years, the employment is transformed into indefinite-term employment. A five-year period refers to the most recent five years.

Termination of fixed-term employment

A general fixed-term employment or a substitute employment cannot be terminated by notice unless it has been specified in the employment contract that this possibility exists. It must therefore be explicitly stated in the employment contract that the employment can be terminated during the ongoing employment period; otherwise, the employment remains in effect for the duration agreed upon by the company and the salaried employee. This applies to both the employer and the salaried employee. Note, however, that there still need to be objective reasons for terminating a fixed-term employment prematurely.

For fixed-term employment contracts commencing on or after April 1, 2025, the collective agreement includes a mutual option to terminate the employment early under certain conditions, in accordance with § 12 section 3:3.

Subs. 2:2 Probationary employment

A fixed-term employment contract may be entered into between an employer and salaried employee in the form of probationary employment if:

- The salaried employee's qualifications within the job area are untested; or
- There are otherwise special reasons for testing a salaried employee's qualifications and capabilities for the job in the light of special requirements for the tasks.

The probationary period may last for a maximum of six months. If the probationary employee has been ill or otherwise absent for more than one month, the probationary period may be extended by the same period of time as the absence, provided that the employer and the salaried employee agree to this.

Subs. 2:3 Notification to the salaried employees' local association

If the employer is about to employ a salaried employee on a probationary basis, if feasible the employer is to notify the affected salaried employees' local association at the member company of this in advance. However, notification must always be provided within one week of the employment contract being signed.

Remarks

The employer's right to employ salaried employees on a probationary basis may be terminated by the local salaried employees' party, or by the PTK union. The period of notice is three months. If the employer wishes this right to remain on foot, the employer must urgently request negotiations on the matter during the period of notice. The union parties may extend the period of notice in order to allow time for negotiations under the negotiation procedure to be completed before the period of notice expires. As a last resort, the matter of whether the right is to remain on foot or not can be escalated for consideration in the SAF-PTK Salaried Employees' Labour Market Board.

Note for the record

The parties note that all affected PTK unions have agreed that existing salaried employees' local associations and their appointed representatives within the PTK collective bargaining agreement sector at a member company may be represented in relation to the employer by a joint body, PTKL, in matters relating to the main agreement* and matters relating to staffing level reductions under the Agreements on General Terms and Conditions of Employment. This joint body shall then be deemed to be "the local salaried employees" party" in the named Agreements.

PTKL shall also be deemed to be "the local organisation of employees" according to the Employment Protection Act.

^{*}Main agreement adopted as of 23 June 2022.

If the salaried employees' party cannot be represented by PTKL, the member company must be able to reach an agreement with each salaried employees' organisation separately.

Subs. 3 Right of priority to re-employment

The statutory right of priority to re-employment applies with the following collective agreement addendum. The right of priority to re-employment assumes that the salaried employee was employed by the employer for more than twelve months during the last three years. The right of priority applies until such time as nine months have elapsed from the date of termination of employment owing to shortage of work.

Section 3 General code of conduct

Subs. 1 Loyalty and trust

The relationship between employer and salaried employee is based on mutual loyalty and mutual trust.

Salaried employees are to observe confidentiality concerning the affairs of the member company, such as pricing, designs, experiments and surveys, operating conditions, business matters and the like.

Comments

The duty of loyalty is difficult to describe exhaustively, but in summary the following applies:

Employee's duty of loyalty

The employee's duty of loyalty is centred on safeguarding the employer's interests in matters related to the employment. The salaried employee must not act in a way that harms or hinders the employer's operations and must avoid situations that may conflict with the employer's interests.

Employer's duty of loyalty

The employer's duty of loyalty entails an obligation to fulfil agreements and commitments towards employees and to ensure safe and sound working conditions.

Subs. 2 Competing activities and external activities etc.

A salaried employee may not perform work, or directly or indirectly engage in economic activities, for a member company that competes with their employer.

A salaried employee may not either take on assignments or operate a business that could have a detrimental effect on their work in the service of the employer.

If a salaried employee intends to take on an assignment or engage in an external activity of a more comprehensive nature, the employee should therefore first consult with their employer.

Comments

The salaried employee has an obligation to continuously engage in a dialogue with the employer about circumstances that may affect the work.

The starting point in an employment contract is that the salaried employee, during working hours, makes their full capacity available to the employer. A secondary employment may therefore be prohibited if it negatively affects the

performance of the salaried employee. It is therefore important for a salaried employee to consult with their employer before taking on a more extensive external activity.

Subs. 3 Positions of trust

A salaried employee is entitled to take on state, municipal and union positions of trust.

Section 4 Annual leave

Subs. 1 General provisions

Statutory holiday entitlements apply with the addendums and derogations listed below.

Remarks

For the sawmill industry, leave days are counted from 6 a.m. to 6 a.m.

Subs. 2 Change in the annual leave year and/or qualifying year

The employer and the individual salaried employee or the local salaried employees' party may agree on a change in the start and end dates of the annual leave year and/or qualifying year.

Comments

It is possible to make an individual agreement or a local collective agreement regarding a different 12-month period than the one stipulated by law, for example a vacation year starting on June 1. It is also possible to agree on a vacation year that coincides with the earning year.

Subs. 3 Length of annual leave

Subs. 3:1 Agreement on longer annual leave

By agreement between the employer and the salaried employee under Section 7 Subsection 1:2, instead of 25 annual leave days, the salaried employee may be given five or three annual leave days in addition to their statutory entitlement.

Remarks

Annual leave days refers to days of both paid and unpaid annual leave. For salaried employees with more than 25 annual leave days, the number of days with holiday pay is determined in accordance with the principles set out in Section 7 of the Annual Leave Act (semesterlagen).

Comments

Paid and unpaid days of annual leave

Here is how the number of paid days of annual leave is calculated, according to Section 7 of the Annual Leave Act (semesterlagen). Calculate how many days the salaried employee has been employed during the qualifying year (employment period). Subtract from the employment period the days when the salaried employee was completely absent without pay during the qualifying year. Absence due to annual leave or other absences that accrue holiday pay entitlements under the

Annual Leave Act are to be included in the employment period. Non-working days during these absence periods are to be counted as part of the employment period.

The number of paid annual leave days is then calculated according to the formula:

<u>Number of days employed during the qualifying year x 25</u> (28 eller 30) 365 (366 in a leap year)

If this results in a partial number, the result is to be rounded up to the nearest whole number (e.g. 14.2 = 15). The number of unpaid annual leave days is the difference between the salaried employee's annual leave entitlement (25, 28, or 30 annual leave days) and the number of paid annual leave days.

Example

A salaried employee is hired on 1 May and has an annual leave entitlement of 25 days. The company applies a qualifying year running from 1 April to 31 March, and the corresponding subsequent period as the annual leave year. During the qualifying year the salaried employee works except for the following:

- unpaid annual leave 10 days
- sickness absence 16 days
- parental leave 15 days
- leave of absence without pay 5 days

All absence days, except for the leave of absence without pay, are used to calculate the number of paid annual leave days. The salaried employee has not been employed for the entire qualifying year, but only from 1 May to 31 March, which is 365 - 30 days. Subtracting the 5 days of leave of absence without pay that do not accrue holiday pay entitlements, it becomes 335 - 5 days. The number of paid annual leave days is then:

$$\frac{330}{365}$$
 x 25 = 22,60

The number of annual leave days is rounded up to 23. The salaried employee is entitled to 23 paid and 2 unpaid days of annual leave in the subsequent annual leave year.

Subs. 3:2 Guarantee rule

No individual, where annual leave as a consequence of a collective agreement or individual employment contract has come to be a larger number of days than this Agreement provides for, shall suffer any deterioration in their employment conditions as a consequence of this Agreement.

However, this guarantee rule does not apply in the following cases:

- when an arrangement pursuant to Section 7 Subsection 1:2 concerning the fact that instead of special overtime compensation, the salaried employee has received a longer period of annual leave, is terminated.
- where a salaried employee no longer has to carry out preparatory and shutting-down tasks in accordance with the provision in Section 7 Subsection 1:3.

Subs. 3:3 Promoted or newly recruited salaried employees

For salaried employees promoted within or newly recruited to the member company, in accordance with Sweden's Annual Leave Act, the qualifying year shall also include time served by the salaried employee in this or any other capacity as an employee of the member company, or in the case of a group of companies, an employee of any other member company belonging to the group.

Comments

The Agreement contains specific rules regarding annual leave entitlement for salaried employees who have been promoted or newly hired. When calculating the number of paid annual leave days, the entire period of employment during the qualifying year is to be counted, including the time when the salaried employee held a different position within the company. For annual leave accrual purposes, the entire group of companies is considered as a single entity.

Subs. 4 Holiday pay, compensation in lieu of annual leave etc.

Subs. 4:1 Holiday pay

Holiday pay consists of the current monthly salary and accrued holiday supplement as set out below.

For salaried employees paid a weekly salary, the monthly salary is to be calculated as 4.3 x the weekly salary.

The holiday supplement for each day of paid annual leave is:

- 0.8 per cent of the salaried employee's current monthly salary at the time of the annual leave.

Monthly salary means in this context:

- The employee's fixed monthly salary in cash and any fixed pay supplements per month (such as fixed shift, on-call, standby, overtime and travel time supplements, or guaranteed minimum commissions or the like).

Concerning a changed level of occupation, see Subsection 4.4 below.

0.5 per cent of the total of the variable pay component paid during the qualifying year.

Variable pay component means in this context:

- Commissions, profit shares, bonuses or similar variable pay components;
- Incentive pay that is directly linked to the salaried employee's personal work contribution;
- Shift, on-call, standby and inconvenient working hours compensation/compensation for staggered working hours or similar variable pay components to the extent that they are not included in the monthly salary.

For each calendar day (full or partial) of leave that accrues holiday pay entitlements, an average daily income of variable components is added to the "sum of the variable pay components paid during the qualifying year".

It is calculated as follows:

Average daily income =	variable pay component paid out during the qualifying year
	Numebr of days of employment* minus annual
	leave days and full calender days with absences
	that accrue holiday pay entitlements during the
	qualifying year

^{*} The number of days of employment is defined in Section 7 of the Annual Leave Act.

Shift, on-call, standby and inconvenient working hours compensation/compensation for staggered working hours or the like are not to be included in the above calculation of average daily income if during the qualifying year the salaried employee has drawn such compensation for no more than 60 calendar days.

Remarks

- 1. The holiday supplement of 0.5 per cent is predicated on the salaried employee having accrued paid annual leave in full. If this is not the case, the holiday supplement is to be adjusted up by multiplying 0.5 per cent by the number of annual leave days the salaried employee is entitled to under Subsection 3, divided by the number of paid annual leave days that the salaried employee has accrued
- 2. Commissions, profit shares, bonuses and the like refers here to variable pay components that are directly linked to the salaried employee's personal work contribution.
- 3. Concerning overtime compensation, compensation for additional hours in the case of part-time employment, and travel time compensation, the denominators in section 7 Subsection 3:1 and in section 8 Subsection 3 respectively have been adjusted down so that they include holiday pay.

Comments

Example calculation for variable pay components

During the qualifying year, a salaried employee was completely on sick leave for 30 calendar days. During the year the salaried employee received variable pay components totalling SEK 15,500. The average is calculated as follows:

The number of employment days according to Section 7 of the Annual Leave Act, which is 365 in this case, is reduced by the 30 sick days. Next, subtract the number of calendar days during the annual leave period, including intervening Saturdays, Sundays and public holidays. The salaried employee had two periods of annual leave, one for four weeks (26 calendar days) and one for three non-working calendar days. A total of 26 + 3 = 29 annual leave days is therefore to be deducted (365 - 30 - 29 = 306).

Average daily income from variable pay components: 15,500/306 = SEK 50.65.

The supplement for the missing variable pay components during the days of sickness that accrue holiday pay entitlements is then

 $50.65 \times 30 = SEK 1,519.50 \text{ kronor}$

The basis for variable pay components, on which the holiday supplement is to be calculated, is then 15,500 + 1,519.50 = SEK 17,019.50

The holiday supplement on variable pay components for 25 paid annual leave days will be $0.5\% \times 17,019.50 \times 25 = SEK 2,127.44$

Holiday pay for variable pay is generally paid in full on one occasion.

For salaried employees with fewer than 25 paid annual leave days, the percentage is to be recalculated. For example, if there are 18 paid annual leave days, the calculation would be as follows:

25 x 0.5 %

= 0.69 % per day of paid annual leave.

Subs. 4:2 Compensation in lieu of annual leave

Compensation in lieu of annual leave is calculated as 4.6 per cent of the current monthly salary per day of paid annual leave not taken, plus the holiday supplement calculated in accordance with Subsection 4:1.

Compensation in lieu of annual leave for saved annual leave days is counted as if the saved day had been taken in the annual leave year that employment ceased.

Concerning a changed level of occupation, see Subsection 4.4.

Subs. 4:3 Deductions for unpaid annual leave days taken

For each day of unpaid annual leave taken, 4.6 per cent is deducted from the salaried employee's current monthly salary.

Concerning the term monthly salary, see Subsection 4:1.

Subs. 4:4 Different employment rate

If during the qualifying year the salaried employee has had an employment rate that is different to their employment rate at the time of taking annual leave, the employee's current monthly salary at the time of taking annual leave shall be adjusted pro rata in relation to the salaried employee's proportion of full normal working hours at the workplace during the qualifying year.

If the employee's level of occupation has changed during the current calendar month, the calculation is to use the level of occupation that applied during the greater number of calendar days in the month.

Concerning the term monthly salary, see Subsection 4:1.

Comments

When the employment rate changes or when working part-time, the holiday pay is calculated as follows. The current monthly salary at the time of the annual leave is adjusted pro rata in relation to the salaried employee's share of full normal working hours during the qualifying year.

The employment rate in the case of part-time absence is also considered changed for holiday pay purposes in the following cases:

- partial leave of absence, such as study leave for part of the day;
- sick leave that no longer qualifies for holiday pay;
- parental leave that does not qualify for holiday pay for part of the day.

If the employee's employment rate (actual working hours) changes during the current calendar month, in making this calculation the employment rate applying for most of the calendar days of the month is to be used.

Example 1

A salaried employee switches from full-time to half-time employment on 1 September. At the time of their annual leave in the subsequent year, the salaried employee is still working part-time (half hours) and has a monthly salary of SEK 22 500 (for full-time employment the monthly salary is SEK 45 000).

From 1 April to 31 August (i.e. 150 calendar days) the salaried employee works full-time.

From 1 September to 31 March (i.e. 215 calendar days) the salaried employee works part-time.

The salaried employee's average employment rate during the qualifying year (1 April to 31 March) is:

$$(100 \% x 150 + 50 \% x 215)/365 = 70.55 \%$$

The holiday pay is therefore to be calculated based on 70.55 per cent of the full-time salary.

$$0.7055 \text{ x SEK } 45\ 000 = \text{SEK } 31\ 747.50$$

Since the salary at the time of the annual leave does not match the salary that is to be used for the holiday pay calculation, a deduction per day must be made

from the current salary as follows. The holiday pay is then calculated per day based on the average monthly salary during the qualifying year.

Holiday deduction 4.6 % x SEK 22 500 = SEK 1 035 Holiday pay* 5.4 % x SEK 31 747.50 = SEK 1 714.37

Example 2

If an employee instead changes from half-time to full-time employment on 1 September, the level of occupation at the time of the annual leave is higher than during the qualifying year. At the time of their annual leave in the subsequent year, the salaried employee works full-time and has a monthly salary of SEK 45 000.

From 1 April to 31 August (i.e. 150 calendar days) the salaried employee works part-time (half hours).

From 1 September to 31 March (i.e. 215 calendar days) the salaried employee works full-time.

The salaried employee's average employment rate during the qualifying year (1 April to 31 March) is thus:

$$(50 \% x 150 + 100 \% x 215)/365 = 79.45 \%$$

Holiday pay and holiday supplement are therefore to be calculated based on 79.45 per cent of the full-time salary.

$$0.7945 \times SEK 45 000 = SEK 35 752.50$$

Since the salary at the time of the annual leave does not match the salary that is to be used for the holiday pay calculation, a deduction per day must be made from the current salary as follows. The holiday pay is then calculated per day based on the average monthly salary during the qualifying year.

Holiday deduction 4.6 % x SEK 45 000 = SEK 2 070 Holiday pay* 5.4 % x SEK 35 752.50 = SEK 1 930.64

^{*} Of which 0.8 per cent comprises holiday supplement.

^{*} Of which 0.8 per cent comprises holiday supplement.

Subs. 4:5 Payment of holiday pay

When holiday pay is paid, the following applies:

General rule

The holiday supplement of 0.8 per cent is paid in conjunction with the normal salary payment at the time of or immediately after the annual leave. The holiday supplement of 0.5 per cent is paid at the latest at the end of the annual leave year.

Derogation 1

In connection with taking annual leave, if the salaried employee's pay consists to a substantial degree of variable pay components, the salaried employee has the right to have paid to their account on the normal pay day an estimate by the employer of the holiday supplement applicable to the variable pay component of their salary. At the latest at the end of the annual leave year, the employer is to pay any remaining holiday supplement based on the calculation described in Subsection 4:1.

Derogation 2

If it has been agreed that the annual leave year and the qualifying year are to coincide, the employer may pay the remaining holiday pay in respect of the employee's variable pay components on the first normal pay day on which the normal pay procedure can be applied after the end of the annual leave year.

Comments

The fundamental principle for holiday pay is that it should be paid out in conjunction with the annual leave being taken.

According to the collective agreement, the general rule is that the holiday supplement on variable pay components is paid out no later than at the end of the annual leave year.

For salaried employees who are largely compensated with variable pay components, this may mean that a significant portion of the holiday pay is not paid out in conjunction with the annual leave being taken. In order for these salaried employees to also receive holiday pay at the time the annual leave is taken, a payment based on an estimated value needs to be made (a payment on account).

Any remaining holiday supplements are settled at the end of the annual leave year.

Subs. 5 Saving annual leave

Subs. 5:1 More than 25 annual leave days

If a salaried employee is entitled to more than 25 annual leave days, the salaried employee may, subsequent to an agreement with the employer, also save these additional annual leave days. This applies provided that the salaried employee does not take previously saved annual leave days in the same year.

The employer and the salaried employee are to agree on how these saved days of annual leave are to be scheduled with respect to both the annual leave year and planning during that year.

Comments

If a salaried employee is entitled to more than 25 days of annual leave (28 or 30) according to a specific agreement, the following applies. If the salaried employee and the employer agree, these excess paid days can also be saved.

In contrast what applies to annual leave days granted under the Annual Leave Act, the employer and the salaried employee must agree on which annual leave year the excess saved annual leave days should be taken in and when they are to be scheduled.

Subs. 5:2 Taking of saved annual leave

Saved annual leave days are to be taken in the order in which they have been saved.

By law, saved annual leave days are to be taken before annual leave days saved under Subsection 5:1 in the same year.

Subs. 5:3 Holiday pay for saved annual leave

Holiday pay for saved annual leave days is calculated according to Subsection 4:1 (excluding Remark 1). However, when calculating the holiday supplement of 0.5 per cent, all absences during the qualifying year excluding normal annual leave are to be treated in the same manner as absences that accrue holiday pay entitlements.

Furthermore, holiday pay for saved annual leave days is to be adjusted pro rata to the salaried employee's proportion of full-time normal working hours during the qualifying year that preceded the annual leave year in which the annual leave day was saved.

For the calculation of the proportion of full-time normal working hours, see Subsection 4:4.

Subs. 6 Annual leave for new employees (annual leave in advance)

If a new salaried employee's days of paid annual leave are insufficient to cover the member company's main holiday period, or if the salaried employee otherwise wishes to take longer leave than the number of annual leave days, the employer and the salaried employee may agree on leave of absence without pay or leave without loss of pay for the number of days required.

Any such agreement on leave of absence without pay or leave without loss of pay is to be in writing.

In the case of leave without loss of pay, if the employee ceases employment within five years of the date on which employment began, deductions will be made from outstanding pay and/or compensation in lieu of annual leave in accordance with the same provisions as for leave of absence without pay, but calculated on the basis of the salary that applied to the employee during the period of leave. Deductions must not be made if employment ended due to:

- 1) the employee's illness;
- 2) circumstances as referred to in Section 4 third paragraph of Sweden's Employment Protection Act; or
- 3) notice of termination by the employer due to circumstances not related to the employee personally.

Remarks

If a salaried employee has received more days of paid annual leave than the employee's accrued entitlement, and no written agreement as described above has been reached, the provisions relating to holiday pay advanced to the employee in Section 29 a of the Annual Leave Act apply.

Comments

The employer and the salaried employee can enter into an agreement on leave without salary deductions, i.e. annual leave taken in advance.

If an agreement has been made and the employment terminates, the following applies:

Deductions can only be made if the employment ends within five years from the date of employment. Deductions must not be made if the employment ended due to shortage or work or illness, or if the employee leaves the employment because the employer has substantially neglected their obligations towards the salaried employee.

Deductions are made using deductions for leave of absence without pay for the period of advance holiday leave. See Section 10 Subsection 2 concerning deductions for leave of absence without pay.

If the salaried employee has been granted paid annual leave with a written agreement as mentioned above, the employer may make deductions from outstanding pay and/or the compensation in lieu of annual leave to which the salaried employee is entitled when the employment terminates.

If the salaried employee has been granted paid annual leave without a written agreement as mentioned above, the employer may only make deductions from the compensation in lieu of annual leave to which the salaried employee is entitled when the employment terminates (holiday pay received in advance as described in Section 29 a of the Annual Leave Act).

Subs. 7 Certificate of annual leave taken

For information about the certificate of annual leave taken when employment ceases, see Section 12 Subsection 3:8.

Subs. 8 Annual leave for intermittent part-time work

If a salaried employee is employed part-time and their working hours schedule means that the employee does not work every day of every week (intermittent parttime worker), the following applies.

The gross number of annual leave days under Subsection 3 to be scheduled during the annual leave year is to be reduced pro rata in relation to the proportion of normal working hours applicable to a full-time salaried employee in an equivalent job. The number of annual leave days then obtained (net annual leave days) are to be scheduled on days that would otherwise have been working days for the salaried employee.

If both paid annual leave days (ordinary annual leave and saved annual leave) and unpaid annual leave days are to be scheduled during the annual leave year, they are each to be reduced pro rata in accordance with the following:

Number of working				Number of annual leave days to be
days per week	_	Gross number of		scheduled for days
5	X	annual leave days to	=	that would otherwise
		be scheduled		have been working
				days (net annual
				leave days)

If this calculation results in a fraction, it is to be rounded up to the next whole number.

"Number of working days per week" means the number of days that, according to the salaried employee's work schedule, are working days per non-holiday week on average per four weeks (or another period which covers the whole of the scheduling period).

If, according to the working hours schedule, the salaried employee is to work both whole days and parts of days in the same week, in this context partially worked days are to be counted as whole days.

Example

The salaried employee's part-time work is scheduled on average for the following number of working days per week	Net number of annual leave day				
4	20				
3.5	18				
3	15				
2.5	13				
2	10				

If the employee's work schedule is changed so that the "number of working days per week" changes, the number of net annual leave days not taken is recalculated to match the employee's new working hours.

Holiday supplement, compensation in lieu of annual leave and pay deductions (for unpaid annual leave) are calculated based on the gross number of annual leave days.

Comments

To ensure that an intermittently part-time employee receives the same annual leave as a full-time employee, the number of gross annual leave days must be reduced in proportion to the extent of part-time working. This recalculation is done for scheduling purposes and does not affect the holiday pay.

Example

At the time of their annual leave a salaried employee works on 3 days each week: full days on Mondays and Tuesdays plus a half day on Wednesdays. The employee has accrued full annual leave, which is 25 paid annual leave days. The number of gross annual leave days is converted into net annual leave days as follows:

$$\frac{3 \text{ days}}{5 \text{ days}} \quad x \ 25 = 15$$

The 15 net annual leave days should be scheduled on the employee's working days. One full annual leave day is counted for Wednesday, even though the employee would have worked only half of the day.

The part-time salary of the employee is SEK 22 000 per month (= full-time salary of SEK 44 000 per month). On one occasion, the employee takes three weeks of annual leave, which is 9 net annual leave days However, the employee still receives holiday supplement for each gross annual leave day, i.e. for 3 full weeks of annual leave = 15 gross annual leave days. The holiday supplement is then 15 days x = 0.8% x = 0.9% x =

Section 5 Sick pay

Subs. 1 Entitlement to sick pay and sickness notification

Subs. 1:1 Sick Pay Act (sjuklönelagen)

Salaried employees are entitled to sick pay in accordance with the rules set out in this section. In all other respects, Sweden's Sick Pay Act applies.

Subs. 1:2 Sickness notification to the employer

A salaried employee who is unable to work due to illness, accident or work-related injury shall notify the employer as soon as possible of this circumstance. In addition, the salaried employee shall inform the employer of when they expect to be fit for work again.

The same applies if the salaried employee must refrain from working due to the risk of transmitting an infection.

There is no entitlement to sick pay for any period prior to such a notification.

If acceptable reasons constitute an obstacle to notification, the notification is to be made as soon as this obstacle has been removed.

Comments

The employee is obliged to report their sickness absence to the employer as soon as possible. This typically means that the notification of sickness is to be made at the beginning of the working hours. It is essential that the practical procedures for notification of sickness, including how and to whom the notification is to be made, are known to the employees. If specific procedures are to apply for notification of sickness during annual leave, when traveling abroad or in the event of falling ill during working hours, this should be specified.

The employer is not obliged to pay sick pay for the period before the employer has received notification of the illness. If the employee has been physically or mentally unable to make the notification of sickness themselves or through someone else (acceptable reasons) and the notification is made as soon as the obstacle has ceased, however, the day of falling ill is to be considered the first day of the sickness period even if the notification was made later.

Subs. 2 Declaration and medical certificate

Subs. 2:1 Declaration

The salaried employee is required to submit a written declaration to the employer stating that they have been sick, along with information about the extent to which their capacity to work has been reduced due to the sickness and which days the salaried employee should have worked.

No entitlement to sick pay exists before such a declaration has been submitted.

Subs. 2:2 Medical certificate

From the seventh calendar day following the day of sickness notification the employer is only obliged to provide sick pay if the salaried employee provides a medical certificate to substantiate their reduced capacity to work and the length of the sickness period.

If the employer so requests, the salaried employee must provide evidence of their reduced capacity to work in the form of a medical certificate from an earlier day. The employer has the right to assign the physician.

Comments

If the employee is frequently absent due to sickness, or if the employer suspects that there are reasons other than sickness behind the absence, the employer may request that from now on the employee substantiates their absence with a medical certificate starting from the first day of sick leave in future sickness periods (a "certificate from day 1").

Subs. 3 Calculation of sick pay

For the period during which the salaried employee is absent due to illness, no salary is paid; instead the employee receives sick pay.

Subs. 3:1 Sickness up to and including 14 calendar days per sickness period

Comments

The rules of the Sick Pay Act stipulate that the qualifying period deduction is 20 per cent of the sick pay for one week. The rules of this agreement are based on a calculation model where no sick pay is paid for sickness absence of up to 20 per cent of the average weekly working hours. To the extent that the sickness absence exceeds 20 per cent of the weekly working hours, sick pay is paid out.

Subs. 3:1:1 Sickness absence deduction

In the event of absence due to sickness, a pay deduction is to be made for each hour as follows.

Monthly salary x 12

52 x weekly working hours

Subs. 3:1:2 Qualifying period deduction

For sickness absence lasting up to 20 per cent of the average normal weekly working hours during the sickness period, no sick pay is paid (qualifying period deduction).

The qualifying period deduction must not be made for more hours than the employee is actually absent.

Subs. 3:1:3 Sick pay

If the sickness absence lasts for longer than 20 per cent of the average normal weekly working hours, sick pay is paid per hour as follows.

80 % x Monthly salary x 12
52 x weekly working hours

Subs. 3:1:4 Sick pay for shift and inconvenient working hours compensation

If the salaried employee would have worked scheduled staggered working hours, for sickness absence that lasts longer than 20 per cent of the average normal weekly working hours the employee also receives sick pay of 80 per cent of the shift or inconvenient working hours compensation that the employee has missed out on through being sick.

Subs. 3:1:5 Sick pay of 80 per cent throughout the sickness period

For salaried employees that Försäkringskassan (the Swedish Social Insurance Agency) has decided are entitled to 80 per cent sick pay without any qualifying period, no qualifying period deduction shall be made.

Subs. 3:1:6 New sickness period within five calendar days

A new sickness period that begins within five calendar days of the end of a previous sickness period shall be regarded as a continuation of the previous sickness period.

Comments

If the salaried employee has returned to work after a period of sick leave and then falls ill again, it is considered a new sickness period. If the employee returns

to work after a sickness period and then falls ill again within five calendar days, it is counted as a continuation of the previous sickness period as regards qualifying period deductions, the amount of sick pay and the length of the sick pay period. The calculation then is adjusted accordingly.

Example

The salaried employee was sick on Wednesday and Thursday of week 1. The recurrence occurred and was reported on Monday of week 2, i.e. on the fourth calendar day after the first period of sickness. No qualifying period deduction is therefore made because the recurrence occurs within five calendar days. Any medical certificate will only become applicable from the seventh calendar day after the day of notification of sickness. The day of notification of sickness is the Monday of week 2.

	Week 1					Week 2			
	M	Tu	W	Th	F	Sa	Su	M	Tu
Normal working hours	8	8	8	8	8			8	8
Hours worked	8	8	4	0	8			0	0
Qualifying period (hours)			4	4					
Sick pay 80% (hours)				4				8	8
Sickness period – number of			1	1				1	1
days used (day in sickness			(1)	(2)				(3)	(4)
period)									

Subs. 3:1:7 After 10 qualifying period deductions

If the employee has had 10 qualifying period deductions during the 12 months, counted from the start of the current period of sick pay, no further deductions shall be made.

Comments

The fact that a qualifying period deduction extends over several days – for example, a deduction of four hours one day and an additional four hours the next day – does not mean that it is considered multiple deductions. The term qualifying period deduction refers to a deduction as a whole.

Subs. 3:1:8 Definitions of monthly salary and weekly working hours Monthly salary = current monthly salary;

however see Subsection 3:1:9 below. (For salaried employees paid a weekly salary, the monthly salary is to be calculated as 4.3 x the weekly salary.)

Monthly salary means in this subsection:

- fixed monthly salary in cash plus any fixed pay supplements per month (for example fixed shift premium or overtime pay);
- the estimated average income per month from commissions, profit share, bonuses, incentive pay or similar variable pay components. In the case of a salaried employee who receives a substantial part of their pay in the form of the above pay components, agreement should be reached on the salary amount to be used as the basis for calculating sickness absence deductions and sick pay.

Weekly working hours means the number of working hours per non-holiday week for the individual salaried employee. If the salaried employee has irregular working hours, weekly working hours are calculated as the average per month or other scheduling cycle.

Weekly working hours are calculated to no more than two decimal places, the numbers 0–4 being rounded down and 5–9 rounded up.

Where the employee's working hours differ for different parts of the year, working hours per non-holiday week are calculated as the average per year.

Subs. 3:1:9 Change in salary or weekly working hours

Where salary or weekly working hours are changed, the following applies.

The employer is to make sickness deductions based on the old salary and working hours for no longer than the month in which the salaried employee was informed of their new salary or change in working hours, as applicable.

Subs. 3:2 Sickness from the 15th calendar day

For each sick day (including non-working weekdays, Sundays and public holidays), a sickness deduction is made per day according to the following, where monthly salary refers to what is specified in Subsection 3:1:8.

For salaried employees with an annual salary of no more than 10 times the price base amount:

90 % x monthly salary x 12

365

For salaried employees with an annual salary of more than 10 times the price base amount:

The price base amount for 2025 is SEK 58 800. An annual salary of 10 price base amounts is thus $10 \times 58 \times 800 = SEK 588 \times 900$, which gives a monthly salary of SEK 49 000.

10 x pba

The sickness deduction per day may not exceed

Fixed monthly salary in cash x 12

365

Monthly salary = the current monthly salary; however see Subsection 3:1:9.

For the application of this limit rule, fixed monthly salary in cash includes:

- fixed pay supplements per month (for example fixed shift premium or overtime pay);
- commissions, profit shares, bonuses or similar components accrued during the leave that are not directly connected with the salaried employee's personal work contribution;
- guaranteed minimum commission or the like;
- where applicable, time-based supplement for staggered hours.

Comments

From the 15th calendar day onwards, Försäkringskassan (the Swedish Social Insurance Agency) pays sickness benefit and the employer pays sick pay. Sick pay for full sickness is approximately 10 per cent of monthly salary for salary components below 10 price base amounts and approximately 90 per cent of the relevant salary components for salary components exceeding 10 price base amounts. There is a limitation rule to ensure that the sick pay deduction does not exceed the monthly salary.

Example

A salaried employee is sick from 14 May up to and including to 4 June. Day 15 of the sickness period is 28 May. From and including 28 May deductions are to be made as shown below.

The salaried employee earns SEK 50 000 in fixed monthly salary plus variable pay components averaging SEK 3 000 per month. The salaried employee's monthly salary plus variable pay components exceed 10 base amounts, which corresponds to a monthly salary of SEK 49 000.

Deduction per calendar day:

$$\frac{10 \times 58800}{365} = SEK \ 1 \ 449.86$$

+

$$\begin{array}{rcl}
10 \% & x & \underline{(53\ 000\ x\ 12 - 10\ x\ 58\ 800)} \\
365 & = SEK\ 13.15
\end{array}$$

Total deduction per day: SEK 1 463.01

The sickness deduction per day may not exceed: $\frac{SEK\ 45\ 000\ x\ 12}{365} = SEK\ 1\ 479.45$

From the employee's May salary, a deduction of SEK 1 463.01 x 3 is made for the days 28–31 May. From the June salary, a deduction of SEK 1 434.25 x 4 is made for the days 1–4 June. The deduction is made from the higher calculated monthly salary, i.e. both the fixed monthly salary and the average of the variable pay components; in this particular example, SEK 53 000.

Subs. 3:3 Length of period with sick pay

If the salaried employee is entitled to sick pay from the 15th calendar day of the sickness period, the employer is to pay such sick pay to the salaried employee up to and including the 90th calendar day of the sickness period.

The sickness period includes all days with sickness deductions (including qualifying days) as well as non-working days that fall within a sickness period.

Derogation 1

If, during the 12 months preceding the start of the current period of sick pay, the salaried employee has received sick pay from the employer such that the number

of sick pay days, including sick pay days in the current period with sick pay, amounts to at least 105, entitlement to sick pay ceases for the case of sickness after the 14th calendar day of the period with sick pay.

Sick pay days means days with sickness deductions and non-working days that fall within a sickness period.

Comments

This limit rule does not limit the employee's statutory entitlement to sick pay for the first 14 calendar days of the period with sick pay.

Derogation 2

If a disability pension under the ITP plan starts being paid to the salaried employee, the employee's entitlement to sick pay ceases.

Subs. 4 Specific coordination rules

Comments

Subsection 4 regulates coordination with various forms of insurance and sick pay from the employer. The purpose of the regulations is to ensure that the employee does not receive excessive compensation in relation to the compensation they are entitled to.

Subs. 4:1 Compensation in the case of work-related injuries

If a salaried employee starts receiving a lifetime annuity instead of sickness benefit due to a work-related injury and this occurs during the period when the employee is entitled to sick pay, then sick pay from the employer is not to be calculated according to Subsection 3 but instead constitutes the difference between 90 per cent of the employee's monthly salary and the lifetime annuity.

Subs. 4:2 Rehabilitation benefit

If a salaried employee is absent and receiving the rehabilitation benefit for a period of time in which the employee would otherwise be entitled to sick pay in accordance with 3:3, pay deductions are made as in the case of sickness from the 15th calendar day in accordance with 3:2.

Subs. 4:3 Benefits from other insurance

If the salaried employee receives benefits from insurance other than ITP or personal protection insurance for work-related injuries (TFA), and the employer has paid the premium for this insurance, sick pay is reduced by the amount of these benefits.

Subs. 4:4 Compensation from the state

If the salaried employee receives compensation from the state other than under Sweden's Social Insurance Code, sick pay is to be reduced by the amount of this compensation.

Subs. 5 Curtailments on entitlement to sick pay

Subs. 5:1 Concealment of illness

If, when signing their employment contract, a salaried employee concealed the fact that they suffer from a certain disease or illness, then the employee is not entitled to sick pay from the 15th calendar day of the sickness period where the incapacity for work is due to the disease or illness so concealed.

Subs. 5:2 Health certificate

If when signing the employment contract the employer requested a health certificate from the salaried employee but due to sickness the employee has not been able to provide such, the salaried employee is not entitled to sick pay from the 15th calendar day of the sickness period in the case of incapacity for work due to this sickness

Subs. 5:3 Reduced sickness benefits

If a salaried employee has been excluded from health care benefits in whole or in part under Sweden's Social Insurance Code, their sick pay will be reduced accordingly.

Subs. 5:4 Accidents

If the salaried employee has been injured in an accident caused by a third party and compensation is not paid under personal protection insurance for work-related injuries (TFA), the employer is to pay sick pay only to the extent that the salaried employee cannot obtain damages for loss of earnings from the party responsible for the injury.

Subs. 5:5 Accident at premises of another employer

If the salaried employee has been injured in an accident during gainful employment for another employer or in connection with the employee's own business, the employer is to pay sick pay from the 15th calendar day of the sickness period only if the employer has specifically undertaken to do so.

Subs. 5:6 Other derogations

The employer is not obliged to pay sick pay from the 15th calendar day of the sickness period:

- if the salaried employee has been excluded from sickness insurance benefits under Sweden's Social Insurance Code; or
- if the salaried employee's incapacity for work is self-inflicted; or
- if the salaried employee has been injured as a result of acts of war, unless otherwise agreed.

Comments

Self-inflicted illness does not entitle the employee to sick pay from the 15th day of sickness. This does not include procedures such as cosmetic surgery. However, there is no right to be absent from work in order to undergo a non-medically prescribed operation. The convalescence required after the operation may entitle the employee to sick pay or sickness benefit to the extent that work capacity is impaired.

Subs. 6 Other provisions

In the application of the provisions in this section, benefits paid under statutory personal injury protection are equated with the corresponding benefits concerning national insurance and occupational injury insurance in the Social Insurance Code (socialförsäkringsbalken).

Subs. 7 Disease carriers

If the salaried employee must refrain from working due to the risk of transmission of an infection and they are entitled to disease carrier allowance, the following applies:

Absence up to and including the 14th calendar day For each hour a salaried employee is absent, a deduction is made in the amount of

Monthly salary x 12

52 x weekly working hours

From the 15th calendar day, a deduction is made in accordance with Subsection 3:2.

Concerning the terms weekly working hours and monthly salary, see Subsection 3:1:8.

Comments

If a salaried employee is unable to work because they are or may be infected with a contagious disease that poses a public health risk, disease carrier allowance can be paid by Försäkringskassan (the Swedish Social Insurance Agency).

The employer does not provide any salary or sick pay for the first 14 days. During this period, disease carrier allowance is instead paid. If the right to disease carrier allowance continues after day 14, compensation is provided by the employer as it would be for sickness starting from day 15.

Section 6 Parental leave pay and deduction for temporary parental benefit

Subs. 1 Local agreement

The local parties may agree on rules other than those listed below in respect of Subsections 2–5.

Comments:

Parental leave pay cannot be waived through agreement, but local adjustments to the rules can be made.

Subs. 2 Pay deductions during parental leave

During leave of absence without pay, deductions are made in accordance with Section 10 Subsection 2. This applies when the salaried employee is entitled to the parental benefit as described above, and also when the salaried employee has no such entitlement.

Subs. 3 Conditions for parental leave pay

A salaried employee who is on parental leave is entitled to parental leave pay from the employer if the salaried employee has been employed by the employer for a continuous period of at least one year.

Parental leave pay is paid within a period of 18 months after the birth or adoption of a child.

Parental leave pay may be taken for a maximum of three leave of absence periods. Parental leave pay is not paid for a period of leave of absence lasting less than thirty days.

Comments:

To be eligible for parental leave pay, the salaried employee must have been continuously employed for at least one year.

The salaried employee is not required to receive parental benefit during the parental leave in order to obtain parental leave pay. However, under the legislation drawing parental benefit is required to be partially on leave (i.e. in order to take partial parental leave).

Compensation is provided for parental leave periods occurring within the first 18 months of the child's birth or adoption.

Parental leave pay is provided for periods of leave that are thirty calendar days or longer. Parental leave pay is provided for a maximum of three such periods.

Intermittent scheduling means that part-time leave is not scheduled proportionally each working day but is instead concentrated to certain working days. For example, if the leave of absence is based on half parental benefit, it can be scheduled as two and a half leave days per week instead of 50 per cent leave each working day.

If an agreement is reached on intermittently scheduled parental leave, the leave shall be regarded as one period. When calculating the length of the leave period, all calendar days in the period are to be included.

Example:

A salaried employee applies for and is granted 50 per cent parental leave, scheduled for half of Wednesday, all of Thursday and all of Friday each week during the leave period from 1 January to 28 February. Since the leave period is at least thirty days, parental leave pay is provided, but it is paid based on the extent of the leave, which is 50 per cent.

Subs. 4 Scope and calculation

Parental leave pay is paid for a maximum of six months. If the leave of absence is less than six months, parental leave pay is not payable for longer than the duration of the leave of absence period.

Parental leave pay consists of a parental leave pay supplement per month, calculated as the monthly salary minus 30 deductions as described below, regardless of the number of days in the month in question.

The deduction is calculated differently depending on whether the salaried employee's monthly salary is below or above a certain salary limit*.

For a salaried employee with a monthly salary <u>up to the maximum</u> salay limit*, the monthly parental leave pay supplement is: monthly salary – 30 deductions calculated as follows:

For a salaried employee with a monthly salary exceeding the salary limit*, the monthly parental leave pay supplement is: monthly salary - 30 deductions calculated as follows:

For leave covering part of the month, the supplement is calculated per day, based on a 30-day period, multiplied by the actual number of days.

The supplement per day is calculated as:

In the case of three quarters, half, one quarter or one eighth parental benefit, three quarters, half, one quarter or one eighth of the amount according to the above is paid. This also applies if an agreement is in place for intermittent scheduling of the leave.

* The salary limit mentioned above is calculated as follows:

For 2025 the price base amount is SEK 58 800 kronor. The salar limit is thus SEK 49 000.

Remarks

Where the salary is changed, the following applies.

The employer is to make deductions based on the old salary or working hours for no longer than the month in which the salaried employee was informed of their new salary or change in working hours, as applicable.

Comments:

Parental leave pay is paid for a maximum of six months. Parental leave pay is granted at the same amount and extent, regardless of whether it is for a single birth or multiple births.

The period of parental leave pay is calculated on a calendar basis within the framework of the parental leave period and applies regardless of how the parental leave is scheduled – intermittently or evenly distributed. Parental leave pay is provided for a maximum of six months, even in cases where the leave only covers a few days per week during the leave period.

During parental leave, salary deductions are made according to Subsection 2. The parental leave pay is then calculated. Parental leave pay consists of a parental leave pay supplement per month, calculated as the monthly salary minus 30 deductions as described below, regardless of the number of days in the month in question. For leave that covers part of a month, parental leave pay is calculated as a supplement per day.

Example 1

The example relates to a salaried employee with salary of less than 10 price base amounts. The parental leave period applied for and granted is from and including 1 January up to and including 15 June.

Monthly salary: SEK 33 500

Price base amount 2025: SEK 58 800

Monthly salary limit 10 price base amounts: SEK 49 000 (i.e. SEK 588 000/12)

Salary deductions are made as follows:

Deduction of full monthly salary for January – May.

Calender day deductions for 1-15 June: $\frac{SEK \ 33 \ 500 \ x \ 12}{365} = SEK$ 1101.37

Total deduction SEK 1 101.37 kr x 15 = SEK 16520.55.

Parental leave pay is calculated for January–May as follows:

Parental leave pay payable per month for January to May inclusive:

Deductions: 90 % x $\frac{SEK 33 500 \times 12}{365} = SEK 991.23$

 $30 \ deductions: 30 \ x \ SEK \ 991.23 = SEK \ 29 \ 736.90$

Parental leave pay per month: SEK 33 500 – SEK 29 736.90 = SEK 3 763.10

Parental leave pay is calculated for 1-15 Jue as follows:

Supplement per day: (SEK 33 500 - SEK 29 736.90)/30 = SEK 125.44.

Total supplement for June: 15 days x SEK 125.44 = SEK 1 881.60.

Section 6 Parental leave pay and deduction for temporary parental benefit

Note that the figures in the table below have been rounded off to whole numbers.

_						
	January	February	March	April	May	June
Monthly salary	SEK 33 500	33 500	33 500	33 500	33 500	33 500
Salary deductions	- SEK 33 500	- 33 500	- 33 500	- 33 500	- 33 500	- 16 521
Parental leave pay	+ SEK 3 763	+ 3 763	+ 3 763	+ 3 763	+ 3 763	+ 1 882
Total	SEK 3 763	3 763	3 763	3 763	3 763	18 861

Example 2

The example relates to a salaried employee with salary exceeding 10 price base amounts. The parental leave period applied for and granted is from and including 1 August up to and including 20 December.

Monthly salary: SEK 52 000

Price base amount 2025: SEK 58 800

Monthly salary limit 10 price base amounts: SEK 49 000 (i.e. SEK 588 000/12)

Salary deductions are made as follows:

Deduction of full monthly salary for August-November.

Calender day deductions for 1–20 December: $\frac{SEK 52\ 000\ x\ 12}{365} = SEK$ 1705.59

Total deduction SEK 1 709.59 \times 20 = SEK 34 191.80.

Parental leave pay is calculated for August–November as follows:

Parental leave pay payable per month for August to November inclusive:

Deductions:

$$90 \% x$$
 $\frac{10 \times Pba}{365}$ + $10 \% x$ $\frac{(SEK 52\ 000 \times 12) - (10 \times SEK 58\ 800)}{365}$

= SEK 1 459.72

30 deductions: $30 \times SEK 1 + 459.72 = SEK + 43 + 791.60$.

Parental leave pay: SEK 52 000 – SEK 43 791.60 = SEK 8 208.40.

Parental leave pay is calculated for 1-20 December as follows:

Supplement per day: $(SEK 52\ 000 - SEK\ 43\ 791.60)/30 = SEK\ 273.61$.

Total supplement for December: 20 days x SEK 273.61 = SEK 5 472.20.

Note that the figures in the table below have been rounded off to whole numbers.

	August	September	October	November	December
Monthly salary	SEK 52 000	52 000	52 000	52 000	52 000
Salary deductions	- SEK 52 000	- 52 000	- 52 000	- 52 000	- 34 192
Parental leave pay	+ SEK 8 208	+ 8 208	+ 8 208	+ 8 208	+ 5 472
Total	SEK 8 208	8 208	8 208	8 208	23 280

Subs. 5 Derogation or reduction

If the parental benefit has been reduced or withdrawn under the Social Insurance Code, the benefits described above shall be reduced pro rata.

Subs. 6 Temporary parental benefit deductions

For leave with temporary parental benefit, deductions are made for each hour of absence in the amount of

Monthly salary x 12

52 x weekly working hours

Where an absence lasts for a full calendar month, the deduction constitutes the salaried employee's entire monthly salary. Concerning the terms weekly working hours and monthly salary, see Section 5 Sick pay, Subsection 3:1:8.

Comments:

When a salaried employee receives temporary parental benefit, such as for temporary child care ("vård av barn" – VAB) or for shorter leave in connection with a child's birth (known as "pappadagar" in Swedish), deductions are made according to Subsection 6.

Section 7 Compensation for overtime

Subs. 1 Entitlement to overtime compensation

Subs. 1:1

A salaried employee is entitled to special overtime compensation unless otherwise agreed pursuant to Subsection 1:2.

Subs. 1:2 Individual agreement

The employer and the salaried employee may agree that special compensation for overtime is not payable by compensating overtime with a higher salary and/or five or three days of annual leave in addition to the employee's statutory annual leave entitlement.

Such agreements are to apply to salaried employees in a managerial position or salaried employees who have unverifiable working hours or the freedom to schedule their own working hours. In all other cases, special reasons must exist.

The agreement is to cover a period of one annual leave year unless the employer and the salaried employee have agreed otherwise.

If another agreement is in place, it may be renegotiated prior to each new annual leave year.

Comments

Unverifiable working hours means that it is not feasible to register working hours in an expedient manner, for example because to a substantial degree the salaried employee performs work outside the employer's ordinary premises or at different locations. Examples of this might be when work is done at home, or sales work.

The most common scenario in which agreements are made that no special overtime compensation is applicable is when the salaried employee has freedom to schedule their working hours. The assessment of whether it is justified to agree that the right to special overtime compensation does not exist is to be based on whether the employee has the freedom to schedule their working hours as they choose to a reasonable extent, such as by starting later or finishing earlier or by working for longer on certain days and for a shorter period on others. There may be variations in the extent of this flexibility over time. However, overall, the employee's freedom to arrange their working hours should be real when viewed over time. Having freedom in the arrangement of working hours does not necessarily mean that the employer's right to issue orders is restricted. The employer can thus determine that

the employee is to be present at the workplace for a certain period and perform work there.

It is common for an agreement to be made when an employment contract is established and to be valid indefinitely. Such an agreement can be renegotiated before each new annual leave year. Employers or salaried employees who wish to renegotiate or terminate an agreement should notify this well in advance of the end of the annual leave year, and the change will take effect from the start of the next annual leave year, unless the employer or employee agrees otherwise.

An agreement regarding overtime compensation should be in writing and include information about how the salaried employee has been compensated.

Subs. 1:3 Preparatory and shutting-down tasks

If the employer and salaried employee have expressly agreed that the salaried employee is to carry out daily preparatory and shutting-down tasks that last at least 12 minutes, and this has not been taken into account when determining the employee's pay, the salaried employee is to be compensated for this by receiving three extra days of annual leave (beyond their statutory annual leave entitlement).

Subs. 1:4 Notification to the salaried employees' local association

If an agreement has been reached under Subsection 1:2 or Subsection 1:3, the employer is to notify the relevant salaried employees' local association of this.

Notification according to the above shall, if the salaried employees' local association so requests, include the grounds pursuant to Subsection 1:2 on which the agreement is based.

Subs. 2 Entitlement to special overtime compensation

Subs. 2:1 Definition of overtime

Overtime involving entitlement to overtime compensation refers to hours worked in addition to the normal daily working hours applicable to the employee if:

- overtime has been ordered in advance; or
- where overtime could not be ordered in advance, the overtime has been subsequently approved by the employer.

Comments

Work beyond the length of the normal daily working hours is considered overtime. It should be noted that there is a special payment rule regarding excess hours for part-time employees.

Even part-time employees who are ordered to work beyond their daily working hours in the part-time employment are entitled to overtime compensation in accordance with \S 7.

A shift in the scheduling of working hours without an increase in the number of working hours per day thus does not constitute overtime. The measure of working hours is the number of hours worked. Overtime therefore does not occur if a salaried employee who has been absent from work for e.g. two hours on a given day catches up by working those two hours after office hours on the same day.

However, if the salaried employee has been absent for reasons such as leave of absence with pay or has taken compensatory leave for overtime performed previously or hours taken from a time bank, then the calculation of overtime is to commence when the normal working hours end for the day. Absences for the aforementioned reasons are thus included in the daily working time.

Subs. 2:2 Preparatory and shutting-down tasks

The time required to perform the necessary and normally occurring preparatory and shutting-down tasks that form part of the salaried employee's job is not counted as overtime.

Subs. 2:3 Calculation of overtime

When calculating completed overtime, only full half-hours are included.

If overtime has been worked both before and after normal working hours on a specific day, these two overtime periods are to be aggregated.

Comments

Overtime payment is only provided for completed half-hour periods, calculated for each calendar day separately. If the normal measure of working time on a particular day is 8 hours and the work performed after overtime has been ordered amounts to 10 hours and 15 minutes, overtime compensation is paid for 2 hours. If the overtime work amounts to 2 hours and 15 minutes after the end of normal daily working hours plus 15 minutes before the start of the daily working hours, overtime compensation is paid for 2.5 hours since overtime work before and after normal daily working hours is combined.

Subs. 2:4 Special payment rules

If a salaried employee is ordered to work overtime during hours that do not constitute a direct continuation of their normal working hours, overtime compensation is paid as if the overtime had lasted for at least three hours.

This does not apply if the overtime is separated from normal working hours by a meal break only.

Comments

The rule regarding a minimum of three hours of overtime compensation is not applicable to overtime work that was approved afterwards. It is also not applicable if it is on the employee's initiative that the overtime work is performed separately from normal working hours. The reason for this is that the employer has not ordered the overtime work to be performed separately from the normal working hours.

The three-hour rule in this subsection is solely a compensation rule.

Deductions from the available overtime balance according to the working time agreement are to be made based on actual time worked – but only in full half-hour increments – even if compensation has been provided for a longer period in accordance with this subsection.

Subs. 2:5 Travel expenses related to overtime

The employer shall reimburse any travel expenses for overtime in accordance with Subsection 2:4.

This also applies to salaried employees who, under Subsection 1:2, are not entitled to special compensation for overtime.

Comments

The employer reimburses actual travel expenses in connection with overtime work as referred to in Subsection 2:4, such as mileage reimbursement for using one's own car or taxi expenses, if public transport is not available. The employer only reimburses additional costs incurred. Costs for public transport where the employee's monthly pass or similar can be used are not reimbursed.

Subs. 2:6 Shortened working hours

If, during a certain part of the year, working hours are shortened without a corresponding lengthening during the other part of the year, overtime only applies when the salaried employee has completed the longer daily working hours applicable for the rest of the year.

Comments

When the working hours are shortened, e.g. during the summer without a corresponding extension in another part of the year, overtime payment should be calculated based on the longer daily working hours.

According to the working time agreement, however, in this case work beyond the shorter daily measure of working time is counted as overtime work. Deductions from the available overtime balance according to the working time agreement must therefore be made for the work, even if it is not compensated according to this subsection.

Subs. 3 Overtime compensation

Overtime is compensated in either money (overtime compensation) or – if the salaried employee so wishes and the employer, after consultation with the salaried employee, finds that it can be permitted without inconvenience to the activities of the member company – in the form of free time (compensatory leave).

In the consultation between the employer and the salaried employee, the salaried employee's wishes are to be taken into account as far as possible concerning when compensatory leave is to be scheduled.

Subs. 3:1 Calculation of overtime compensation

Overtime compensation per hour is paid as set out below:

a) for overtime between 6 a.m. and 8 p.m. on non-holiday Mondays-Fridays

b) for overtime at other times

Overtime worked on what are non-working weekdays for the individual salaried employee as well as on Midsummer Eve, Christmas Eve and New Year's Eve is counted as "overtime at other times".

Holiday pay is included in the compensation amounts.

In this subsection, monthly salary means the salaried employee's current fixed monthly salary in cash.

When applying the divisors in this section, the salary of a part-time employee shall be adjusted to correspond to the salary for full regular working hours.

(For salaried employees paid a weekly salary, the monthly salary is to be calculated as 4.3 x the weekly salary.)

Subs. 3:2 Compensatory leave

Compensatory leave for overtime is provided as follows:

- a) for overtime from 6 a.m. to 8 p.m. Monday–Friday, in the amount of 1.5 hours for each hour of overtime worked;
- b) for overtime at other times, in the amount of 2 hours for each hour of overtime worked.

Comments

Overtime work is to be compensated either in cash or in the form of time off. A prerequisite for compensation in the form of time off is that both the employer and the employee agree to it.

Scheduling of overtime	work	Compensation in cash	Compensation in the form of time off
Day	Time	Monthly sa- lary/overtime factor	Compensatory leave Hours per overtime hour
Monday–Friday	6 a.m.–8 p.m.	94	1.5
Monday–Friday	8 p.m.–6 a.m.	72	2
Saturday, Sunday, public holiday, Mid- summer Eve, Christ- mas Eve, New Year's Eve, weekday that is a non-working day for the salaried employee concerned	All hours of the day	72	2

Section 8 Travel time

Subs. 1 Entitlement to travel time compensation

Entitlement to travel time compensation applies in accordance with the following general rule and derogations.

General rule

- If the salaried employee is entitled to special compensation for overtime, then
 the employee is also entitled to travel time compensation under Subsections 2
 and 3 below.
- If the salaried employee is not entitled to special compensation for overtime, the employee is entitled to travel time compensation under Subsections 2 and 3 below unless the employer and the salaried employee have agreed that the salaried employee is to be exempted from the provisions concerning travel time compensation.

Derogations

- The employer and a salaried employee may agree that compensation for travel time will be provided in another form, such as travel time being taken into consideration in the determination of the employee's salary.
- A salaried employee who has a job that normally involves a significant amount
 of in-service travel, such as a travelling salesperson, service technician or the
 like, is entitled to travel time compensation only if the employer and the salaried
 employee have agreed on this.

Comments

Travel time compensation applies within Sweden. Any travel time compensation outside Sweden's borders thus needs to be regulated separately.

Salaried employees have the right to travel time compensation according to the rules specified in Subsection 2.

Travel time is compensated based on the hourly rate stated in Subsection 3 unless the employer and the salaried employee have agreed on a different form of compensation for travel time, such as considering the presence of travel time when determining the salary. If the salaried employee has waived the right to separate overtime compensation through an agreement, the employer and the employee can also agree that the employee can waive the right to travel time compensation by agreement.

An agreement that travel time compensation will not be paid or that travel time will be compensated in another way should be in writing, such as being included in the employment contract.

Exceptions to the right to travel time compensation include salaried employees whose positions involve extensive business travel, such as travelling salespersons, service technicians or similar roles, unless the employer and the employee have expressly agreed that compensation is to be provided.

Subs. 2 Conditions for travel time compensation

Travel time that entitles the employee to compensation refers to the period of time during in-service travel ordered by the employer that is taken up by the actual journey to the destination.

Travel time scheduled within the salaried employee's normal daily working hours is counted as working hours. The calculation of travel time therefore includes only in-service travel outside the salaried employee's normal working hours.

When calculating travel time, only full half-hours are to be included.

If travel time is incurred both before and after normal working hours on a specific day, these two travel time periods are to be aggregated.

If the employer has paid for a sleeping berth on a train or ferry for the journey or part thereof, the hours between 10 p.m. and 8 a.m. are not to be included.

Travel time also includes the normal time taken when a salaried employee drives a car or other vehicle during in-service travel, whether or not the car or vehicle belongs to the employer.

The journey is deemed to have started and ended in accordance with the provisions applicable to calculating the subsistence allowance or equivalent applicable at each member company.

Comments

Travel time that entitles the employee to compensation refers to the period of time taken for during in-service travel ordered by the employer that takes place outside of normal working hours. Travel time that occurs outside of normal working hours

is not working time. This time is therefore not to be recorded as working time, oncall time or staggered working hours.

Travel to and from the regular workplace is not a business trip but rather a private journey and does not entitle the employee to travel time compensation.

To be eligible for travel time compensation, the travel time must be at least 30 minutes. Travel time of e.g. 25 minutes is thus not compensated. Travel time of 55 minutes is compensated as 30 minutes. Travel before and after normal working hours is combined. For example, 15 minutes' travel time before the start of working hours and 15 minutes' travel time after the end of working hours totals 30 minutes, resulting in travel time compensation for 30 minutes.

Subs. 3 Rate of travel time compensation

Travel time compensation is paid at the hourly rate of

Monthly salary

240

except when the journey was made during the period from 6 p.m. Friday to 6 a.m. Monday, or from 6 p.m. the day before a non-working public holiday eve or public holiday to 6 a.m. the day after a public holiday, in which case travel time compensation is

monthly salary

190

Holiday pay is included in the compensation amounts.

Concerning the term monthly salary, see Section 7 Subsection 3:1.

In applying the denominators, a part-time salaried employee's pay is to be adjusted up to the equivalent for full-time normal working hours.

Comments

Monthly salary means the salaried employee's fixed monthly salary in cash.

Section 9 Pay for part of a pay period

If a salaried employee begins or ends their employment during the current calendar month, the employee's pay is calculated as follows:

For each calendar day of employment, a daily salary is paid.

Concerning the term daily salary (and monthly salary), see Section 10 Subsections 2:2 and 2:3.

Section 10 Paid leave, leave of absence without pay, and other leave

Comments

This section regulates how to handle salary and salary deductions for various forms of leave from work when this is not otherwise regulated by law or agreement.

Subs. 1 Paid leave

As a general rule, paid leave means short-term leave with pay and is only granted for part of a working day.

However, in special cases (such as a sudden onset of illness in the salaried employee's family or the death of a close relative), paid leave may also be granted for one or several days.

Where Easter Saturday, Midsummer Eve, Christmas Eve and New Year's Eve are not generally days off, paid leave should be granted for these days to the extent that this can be done without causing inconvenience to the member company's operations.

Unless otherwise agreed locally, for those years when Sweden's National Day of 6 June falls on a Saturday or Sunday, salaried employees shall receive another day off without any salary deduction.

Comments

Paid leave is granted by the employer at the salaried employee's request. Salary is paid during this leave. The general rule is that paid leave is granted for part of a day, but in certain situations – such as sudden illness in the employee's family or the death of a close relative – paid leave can be granted for one or more days. It may be appropriate to describe the company's rules for paid leave, including the number of days granted in various situations, in an internal policy or employee handbook.

In those years when Sweden's National Day of 6 June falls on a Saturday or Sunday, salaried employees receive another day off without any salary deduction. This is subject to the employee being employed on 6 June. The leave cannot be carried over to the following year, but the salaried employee is to have been given the opportunity to take the day off during the year. Local parties can agree on other rules regarding Sweden's National Day.

Subs. 2 Leave of absence without pay

Leave of absence without pay, meaning leave of at least one day without pay, may be granted if the employer deems that this is possible without causing inconvenience to the member company's operations.

When the employer grants leave of absence without pay, the employer is to specify the time period that the leave covers.

Leave of absence without pay may not be scheduled so that it begins and/or ends on a Sunday and/or a public holiday that is a non-working day for the individual salaried employee.

For salaried employees who have a weekly rest period scheduled for a day other than Sunday, an equivalent rule is to be applied.

Comments

This subsection describes the rules for leave of absence without pay (i.e. leave with pay deductions), and covers both leave with legal grounds and leave that is not mandated by law.

Leave of absence without pay that is not mandated by law, for a duration of at least one day, can be granted if this can be done without inconvenience to the employer. To avoid disputes requests for leave should always be in writing, specifying the reason and the period for which leave of absence is requested.

Leave of absence without pay may not be scheduled so that it begins and/or ends on a Sunday and/or a public holiday that is a non-working day for the individual salaried employee.

If leave of absence without pay has been granted for a specific period, the salaried employee does not have the right to return to work during that period unless otherwise provided by law. In cases where the interruption of leave of absence/return to work is not regulated by law, the salaried employee and the employer must agree to terminate the leave of absence.

Regarding leave of absence for a shorter period than one day, see Subsection 3.

Subs. 2:1 Leave of absence without pay for maximum 5 working days

Where a salaried employee is granted leave of absence without pay, a deduction is made as follows:

If the salaried employee is on leave for a period of no more than 5 (6)* working days, for each working day of leave a deduction is made in the amount of

$$\frac{1}{21}$$
 $\frac{(1)}{(25)^*}$ of monthly salary

Concerning the term monthly salary, see Subsection 2:3.

Subs. 2:2 Leave of absence longer than 5 working days

For a period longer than 5 (6)* working days, for each day of leave of absence without pay (even days which would normally be non-working days for the individual employee as well as Sundays and public holidays), a daily salary is deducted.

Daily salary:

fixed monthly salary in cash x 12

365

Concerning the term fixed monthly salary in cash, see Subsection 2:3.

Subs. 2:3 Definition of monthly salary

Monthly salary = current monthly salary

Fixed monthly salary in cash in this context is in the same class as:

- fixed pay supplements per month (for example compensation for staggered working hours, fixed shift premium or overtime supplements);
- commissions, profit shares, bonuses or similar components accrued during the leave that are not directly connected with the salaried employee's personal work contribution;
- guaranteed minimum commission or the like.

^{*}The figures in parentheses are used for six-day working weeks.

^{*} The figures in parentheses are used for six-day working weeks.

Comments

This provision specifies how the employer shall make deductions from the salary during leave of absence without pay. It does not apply to part-time employees who only work on certain working days of the week. The deductions for these intermittent part-time employees are regulated in Subsection 2:4.

Deductions are calculated differently depending on the length of the leave of absence without pay. The salary deduction can never exceed the monthly salary or the salary for the current settlement period.

Example 1

A salaried employee who normally works from Monday to Friday applies for leave from Thursday up to and including the following Monday. The employer approves the leave.

The leave of absence period comprises 3 working days. Salary deductions are therefore made for the working days in the period.

The employer is to make the following salary deductions:

3 days x monthly salary

Example 2

A salaried employee who normally works from Monday to Friday wishes to have leave from Tuesday up to and including the following Tuesday. The employer approves the leave.

The number of working days during the leave of absence period is 6 days (Tuesday to Friday and Monday to Tuesday the following week). Salary deductions are therefore made for all the calendar days in the period, which is 8.

The employer is to make the following salary deductions:

8 days x <u>fixed monthly salary in cash x 12</u> 365

Subs. 2:4 Deductions for leave of absence without pay – intermittent part-time work

If the salaried employee is a part-time employee and works normal full-time working hours on only certain days of the working week (termed intermittent part-time work), deductions for leave of absence without pay are to be made as follows:

Monthly salary divided by:

number of working days/week x 21 (25)* 5 (6)*

Example of deductions for leave of absence without pay in the case of intermittent part-time work

Number of working days per weeks	Deduction per working day
4	monthly salary 16.8
3.5	monthly salary 14.7
3	monthly salary 12.6
2.5	monthly salary 10.5
2	monthly salary 8.4

[&]quot;Number of working days per week" means the number of working days per non-holiday week calculated as the average per month.

A deduction as outlined above is to be made for each day where the salaried employee is on leave and that would otherwise have been a working day for them.

Concerning the term monthly salary, see Subsection 2:3.

Comments

The provision specifies how salary deductions are made when a salaried employee who works an intermittent part-time schedule takes leave of absence without pay. An intermittent part-time schedule refers to when an employee works full normal working hours on only certain working days of the week.

^{*} The figures in parentheses are used for six-day working weeks.

Example

A salaried employee with intermittent part-time work works on Wednesday and Thursday one week and Tuesday to Thursday the next week.

The employee applies for leave of absence on a Wednesday in the first week and for the entire of the following week. The employer approves the leave.

The employer makes the following salary deductions:

Since the number of working days per week refers to an average per month, salary deductions are made based on 2.5 working days per week (i.e. 2 + 3 = 5 and 5/2 = 2.5). Deductions are therefore made using monthly salary/10.5 in accordance with the table. Total deduction for the days concerned:

Subs. 2:5 Leave of absence without pay - full calendar month

If a period of leave of absence without pay covers one or more full calendar months, the salaried employee's entire monthly salary shall be deducted for each of these calendar months.

If the settlement periods the member company uses for salary payments do not coincide with the calendar months, the employer is entitled to replace the term "calendar month" with "settlement period" in the application of this provision.

Comments

For leave of absence without pay that encompasses one or more whole calendar months, deductions are made using the full monthly salary for each calendar month. If the extent of the leave of absence is e.g. 50 per cent for one or more whole calendar months, deductions are made at 50 per cent of the monthly salary for each month.

Subs. 3 Other leave - part of day

Other leave may be granted for part of the day if the employer deems that this can be done without causing inconvenience to the member company's operations.

Subs. 3:1 Deductions from pay

Where a salaried employee is granted other leave, a deduction is made for each full half-hour as follows:

Deduction per hour:

Concerning the term monthly salary, see Subsection 2:3.

When applying the denominator 175 for a part-time salaried employee, the employee's part-time pay is to be adjusted up to the equivalent for full-time normal working hours.

Comments

This subsection describes the rules for salary deductions during shorter absences, meaning a portion of the day. Deductions are made for each full half-hour.

Section 11 Obligations and rights of salaried employees in the event of an industrial dispute between employer and employees

Subs. 1

During industrial disputes (strikes, lockouts, blockades or boycotts), the salaried employee is obliged to perform the tasks and duties associated with their job in the usual way;

to perform tasks that otherwise fall within the salaried employee's area of work at the member company;

to perform work which will permit or facilitate the resumption of operations at the end of the industrial dispute; and

to perform maintenance work and repair on machinery, tools and other equipment for the member company's own use, these tasks being assigned in the first instance to salaried employees who are normally associated with the maintenance and repair work or lower level management work within the activity concerned.

Where the employer carries out the unloading of goods for the member company's own use using its own workforce and at the time the notice of the industrial dispute was issued goods deliveries could not be cancelled, the salaried employee is obliged to also participate in such work if ordered to do so.

Subs 2

In addition to what is stated in the previous subsection, the salaried employee is obliged to participate in protection work where necessary.

Protection work includes the work required at the outbreak of an industrial dispute to be able to shut down operations in a technically satisfactory manner, as well as the work required to avert danger to people or damage to buildings or other facilities, ships and machinery, or injury to livestock, or damage to inventories not used in the maintenance of the member company's operations during the industrial dispute; or the work required to dispose of inventories to a greater extent than is necessary to forestall their spoilage or destruction to which the goods are by nature subject.

Work that a person is obliged to do as prescribed by a specific Act or Ordinance is also classed as protection work, as is work that, if not done, could result in liability for dereliction of duty.

Subs. 3

Should the employer during the industrial dispute suggest the performance of any specific work not mentioned in this section, consultation shall take place with the person or persons intended to perform the work and/or with representatives appointed by the salaried employees. If the respective employers' association and salaried employees' party have jointly made a decision concerning the kind of work referred to here, the salaried employee is obliged to comply with this decision. If the organisations cannot agree, at the request of either organisation the issue shall be escalated to the Advisory Committee. The Committee's decision is binding.

Subs. 4

In the event of an industrial dispute which is not permitted by law or under a collective agreement, if the employer so requires the salaried employee is obliged in so far as can reasonably be done – in light of the prevailing circumstances – to perform all work that may come into question.

Subs. 5

A salaried employee may not be given notice as a result of a threatened or ongoing industrial dispute unless it is likely that changed circumstances will make it impossible on the resumption of operations to provide the salaried employee with gainful employment.

On the other hand, if the industrial dispute has been going on for at least three months and the salaried employee cannot be provided with full employment, the employee's salary may – with a corresponding average reduction in working hours – be reduced by 10 per cent, and after one month by a further 10 per cent etc., until the employee's salary has been reduced to 60 per cent of the original amount.

The reduction in salary permitted under the preceding paragraph must not give rise to a reduction in contributions to pension insurance or any other insurance that has been taken out pursuant to the employee's employment.

Section 12 termination of employment

Subs. 1 Termination by the salaried employee

Subs. 1:1 Period of notice

The period of notice from the salaried employee's side is the following unless otherwise provided for in Subsection 3:1–5 below:

Period of employment at the member company	Salaried employee's period of notice in months	
< 3 years	1 month	
3 years < 6 years	2 months	
6 years <	3 months	

Remarks

How to calculate the length of employment is set out in Section 3 of the Swedish Employment Protection Act.

Comments

Note that, according to Section 3 of the Employment Protection Act, the length of employment is the cumulative employment period. All periods of employment are counted when calculating the length of employment. It is irrelevant which form of employment the employee has had, when in time the employment occurred, whether the employee has been on a leave of absence or how the employment was terminated. Note that Section 3 of the Employment Protection Act applies in its entirety.

Subs. 1:2 Formalities of termination

In order to avoid a dispute as to whether termination has been effected or not, the salaried employee should submit their notice of termination in writing. Even if the notice of termination is given orally, the salaried employee should confirm it to the employer in writing as soon as possible.

Subs. 2 Notice of termination by the employer

Subs. 2:1 Period of notice

The period of notice from the employer's side is the following unless otherwise provided for in Subsection 3:1–5 below:

Period of employment at the member company	The employer's period of notice in months	
< 2 years	1 month	
2 years < 4 years	2 months	
4 years < 6 years	3 months	
6 years < 8 years	4 months	
8 years < 10 years	5 months	
10 years <	6 months	

Remarks

How to calculate the length of employment is set out in Section 3 of the Employment Protection Act.

Comments

Note that, according to Section 3 of the Employment Protection Act, the length of employment is the cumulative employment period. All periods of employment are counted when calculating the length of employment. It is irrelevant which form of employment the employee has had, when in time the employment occurred, whether the employee has been on a leave of absence or how the employment was terminated. Note that Section 3 of the Employment Protection Act applies in its entirety.

Subs. 2:2 Extension of period of notice

If at the time of being made redundant owing to a shortage of work the salaried employee has reached the age of 55 and at that time has been employed for a continuous period of 10 years, the period of notice under this Agreement shall be extended by six months.

However, such an extension of the period of notice shall not extend beyond the salaried employee's 65th birthday.

Comments

If a salaried employee whose employment is being terminated due to shortage of work meets the following criteria on the date of termination:

- has reached the age of 55, and
- has 10 years of continuous employment with the company, then the notice period set out in Subsection 2:1 is extended by an additional six months, i.e. to a total of 12 months.

The extended notice period ends no later than the employee's 65th birthday.

Subs. 2.3 Extract from the main agreement between PTK (the council for negotiation and cooperation) and Svenskt Näringsliv (Confederation of Swedish Enterprise) concerning the order of priority in connection with termination of employment due to shortage of work

Extract from the main agreement between PTK (the council for negotiation and cooperation) and Svenskt Näringsliv (Confederation of Swedish Enterprise) adopted as of 23 June 2022.

"Order of priority in connection with termination of employment due to shortage of work

Section 8 In the relationship between PTK and Svenskt Näringsliv, as well as equivalent parties that have adopted the Main Agreemnet at union level, the following shall apply.

The underlying idea in the collective agreement on transition for salaried employees is that the company consistently allocates financial resources to be used in connection with operational cutbacks. In doing so, both the company's needs regarding the composition of the workforce and the terminated employees' requirements for financial compensation and assistance in finding new employment must be able to be met in such a situation. This, in turn, imposes an obligation on the parties involved to, at the request of either party when operational cutbacks become relevant, seek agreement on the order of layoffs. They thereby share a joint responsibility to ensure that the workforce assembled enables the company to achieve increased productivity, profitability and competitiveness.

Where a reduction in staffing is necessary, the local parties are to evaluate the employer's staffing requirements and needs. If these needs cannot be satisfied by the application of the Act, an order of priority shall be determined by derogating from the provisions of the Employment Protection Act.

The local parties shall thereby select the employees who are to be given notice such that particular consideration is given to the skills that the employer needs and to the employer's ability to operate competitively and thereby provide continued employment.

It is assumed that the local parties, at the request of either party, will reach an agreement concerning the determination of the order of priority in the case of terminations by the application of Section 22 of the

Employment Protection Act and the derogations from this Act that are required.

By way of derogation from the provisions in Sections 25–27 of the Employment Protection Act, the local parties may also agree on an order of priority in the case of re-employment. In such an agreement, the criteria listed above shall apply.

The local parties are obliged on request to negotiate as mentioned in the foregoing paragraphs and to confirm in writing any agreements reached.

If the local parties cannot agree, the union parties, if any of them so requests, have the right to reach an arrangement in accordance with the guidelines specified above.

It is assumed that prior to dealing with the matters covered in this subsection, the company will provide the local and/or union parties to this Agreement with the relevant material evidence.

Remarks

Without a local or central agreement as described above, termination owing to shortage of work and re-employment may be adjudicated by law in observance of the negotiation procedure.

Svenskt Näringsliv and PTK note that all affected PTK unions have agreed that existing salaried employees' local associations and their appointed representatives within the PTK collective bargaining agreement sector at a member company may be represented in relation to the employer by a joint body, PTK-L, in matters relating to this agreement and matters relating to staffing level reductions under the Agreements on General Terms and Conditions of Employment. This joint body shall then be deemed to be "the local employees" in the named Agreements. PTK-L shall also be deemed to be "the local organisation of employees" in Sweden's Employment Protection Act.

Section 9 If agreement cannot be reached on the order of priority in connection with termination of employment due to shortage of work, the employer may exempt three employees from within the operational unit and agreement sector concerned. Those who are thereby exempted have priority for continued employment.

Employers who have only one operational unit may, when applying the first paragraph, instead choose to exempt a total of four employees for all agreement areas.

Regarding the situation where multiple operational units have been combined into a common order of priority through the application of Section 22 third paragraph of the Employment Protection Act, the number when applying the first paragraph shall be three employees plus one employee per operational unit covered by the combination, in addition to the first operational unit, per agreement area.

Alternatively, in accordance with the provisions of the first, second and third paragraphs, an employer at the affected operational unit and agreement area may exempt 15 per cent of the employees who will ultimately have their employment terminated due to shortage of work before the combined order of priority list is established. Exemptions under this paragraph may not exceed 10 per cent of the employees at the affected operational unit or operational units, per agreement area.

An employer who has exempted one or more employees in accordance with the first, second, third or fourth paragraph in connection with termination of employment due to shortage of work may not exempt additional employees at the affected operational unit and agreement area in the event of termination of employment that occurs within three months thereafter.

Remarks

This provision replaces the provision in Section 22 second paragraph of the Swedish Employment Protection Act, i.e. what is known as the two exemptions rule.

In this provision, agreement sector means the categorisation between (blue-collar) workers and (white-collar) salaried employees. What constitutes an operational unit is not regulated in this provision. The definition of what is an operational unit can be found in Section 22 third paragraph of the Employment Protection Act, which is a discretionary provision.

The term "employees who will ultimately have their employment terminated due to shortage of work" refers to all employees whose employment is terminated due to shortage of work. This includes not only those who are laid off by the employer but also employees whose employment ends in other ways due to shortage of work, e.g. where employment ends by individual agreement, through early retirement or similar.

Regarding the percentage rule, mathematical rounding is to be applied.

The employees exempted are to be regarded by the employer as being of special importance for the continued operation of the business. The employer's assessment in this matter cannot be legally challenged.

According to the fifth paragraph of this section, the possibility of exempting employees from the order of priority does not apply in cases where the employer has within the previous three-month period terminated employees at the affected operational unit and agreement area due to shortage of work, utilising the exemption option at that time. An employer who has terminated one or more employees due to shortage of work and has exempted employees from the order of priority at that time can therefore only exempt employees from the order of priority for termination of employment due to a "new" shortage of work at an operational unit and agreement area that was affected once three months have passed since the first termination was executed. Otherwise, the employer may be liable for damages for breaching the rules regarding the order of priority. The aforementioned applies only in cases where the employer has actually used the option to exempt employees from the order of priority during the earlier layoffs due to shortage of work. In this provision, the term affected operational unit and agreement area refers to the operational unit and agreement area where any employee has been terminated due to shortage of work. In cases where units have been combined, it means that the restriction in the fifth paragraph of this section only applies to operational units and agreement areas where an employee's employment has actually been terminated due to shortage of work."

Subs. 2:4 Notice

Notice that the employer is required to provide to the local employee organisation according to the Employment Protection Act shall be deemed effected when the employer has handed a letter of notice to the local party of the salaried employees, or two working days after the date on which the employer has sent the letter by registered mail to the address of each salaried employees' organisation.

Notice that the employer has given during holiday closures at the member company shall be deemed to be effected on the day after the end of the holiday closure period.

Subs. 2:5 Pay during periods of notice

With reference to Section 12 of the Swedish Employment Protection Act, the following applies for salaried employees who cannot be offered work during the period of notice. For salaried employees who receive all or part of their pay from commissions that have a direct relationship to the personal work contribution of the salaried employee, the following applies.

For each calendar day on which the salaried employee cannot be offered work, the employee's income from commissions shall be deemed to amount to 1/365 of the employee's income from commissions during the immediately preceding 12-month period.

The same applies to salaried employees who receive profit shares, production premiums or the like.

If compensation for staggered working hours/inconvenient working hours, or for shift work, on-call or standby duty would normally have been paid to the salaried employee, the following applies. For each calendar day on which the salaried employee cannot be offered work, such compensation shall be deemed to amount to 1/365 of the compensation the employee received during the immediately preceding 12-month period.

Comments

According to Section 12 of the Employment Protection Act, the employee is entitled to retain their salary and employment benefits during the notice period, even if the employer does not offer the employee any work. This subsection regulates certain types of pay components. The calculation method is specified in the agreement text. The compensation must not be lower than what would normally have been paid to the salaried employee if they had been allowed to continue with their duties.

It should be noted that under Section 14 of the Employment Protection Act, an employee who employment has been terminated has the right to reasonable leave with retained salary (paid leave) to visit employment agencies or to apply for work with a different employer. The parties' recommendation is that the salaried employee whose employment has been terminated should also be granted leave without any salary deduction in order to be able to participate in outplacement assistance arranged by TRR.

Subs. 3 Other provisions related to termination of employment

Subs. 3:1 Agreement on another period of notice

The employer and the salaried employee may agree that another period of notice shall apply. However, if such an agreement is reached, the period of notice from the employer may not be less than the amount of time specified in the table in Subsection 2:1.

Subs. 3:2 Probationary employment

During the probationary period, the period of notice is one month for both the employer and the salaried employee.

Comments

If an employer or a salaried employee wishes to terminate the probationary employment, a mutual notice period of one month applies. Such termination is not considered a dismissal and therefore does not require objective reasons.

When the probationary period has ended, the employment ceases unless the employer and the employee have agreed otherwise. Neither the employee nor the employer is obliged to provide any prior notice or notification in these cases. However, it is considered good practice for the employer to inform the employee as early as possible before the end of the probationary period whether they will be offered continued employment after the probationary period has ended, and the employee should in turn inform the employer whether or not they are interested in continued employment.

Subs. 3:3 Early termination of fixed-term employment

A fixed-term employment according to Section 2:1, which is longer than six months, can be terminated by either the employer or the employee giving notice thereof. The employment then ends one month after either party has given written notice to the other party of their intention to terminate the employment. However, the employment can end no earlier than after two months of employment. The possibility to terminate the employment by notice applies only until the employee has a total employment period of six months with the company. When an agreement for a fixed-term employment has been preceded by another employment in a similar position in the company, the probationary period is reduced accordingly.

If the fixed-term employment is terminated by notice from the employer, the employer must justify their decision if the employee requests it.

Transitional provision regarding early termination of fixed-term employment

The above rules apply to fixed-term employments that commence on April 1, 2025, or later. When calculating the total employment period in the company, employment periods from April 1, 2025, onwards are included.

Subs. 3:4 Retirement age according to ITP plan etc.

For a salaried employee who was employed by the member company after having reached their normal retirement age under the ITP plan, the period of notice for both the employer and the salaried employee is one month.

The same applies if a salaried employee is employed at the member company after having reached the normal retirement age applicable at the member company.

Subs. 3:5 Retirement age under the Employment Protection Act reached

An employer or salaried employee may, by means of written notification, terminate an indefinite-term position at the earliest at the end of the month in which the salaried employee turns 69 years of age. This notification is to be provided no later than two months in advance. If written notification is provided at a later date, the position shall expire two months after the notification is submitted. The notification period applies whether or not a period of notice has previously been agreed. It is possible to agree on a period of notification longer than two months.

Remark 1

Notice to the trade union organisation need not be submitted in connection with the termination. There is no right of consultation. Normally, however, it is appropriate to take up the matter of the end of the employment with the salaried employee concerned before the above notification is provided.

Remark 2

In good time before the beginning of the month in which the salaried employee will reach the contractual retirement age under the ITP plan, the employer should also request notification from the salaried employee as to whether the employee wishes to terminate their employment on reaching retirement age under the ITP plan or exercise their right to remain employed until the end of the month in which the salaried employee will reach the age of 69.

Comments

If the employer or the salaried employee wishes the employment to terminate at the end of the month when the employee reaches the age of 69, the employer or the employee must provide written notice of this at least two months before the employment is to end. The employment will then terminate at the end of the month when the employee turns 69. There is no requirement for objective reasons to terminate employment in accordance with this subsection, nor is it necessary for the employer to notify the local trade union organisation when providing notice and there is no right to negotiations. The employer and the employee may agree on a longer notice period than two months.

It is in the interest of both the employer and the employee to engage in early dialogue regarding the employee's retirement.

If the employer wishes to terminate the employee's employment before the end of the month when the employee turns 69, objective reasons are required and the usual termination procedure according to the Employment Protection Act must be followed.

Example of terminating employment at the age of 69

An employee turns 69 on 1 May. If the employer wants to terminate the employment at the end of the month when the employee turns 69, i.e., on 31 May, the employer must provide written notice to the employee by 31 March. If the employer does not notify the employee by 31 March and instead notifies them on 30 April, the employment will cease two months later, i.e. on 30 June.

Subs. 3:6 Shortening of the period of notice for a salaried employee

If, due to special circumstances, the salaried employee wishes to leave their job before the end of the period of notice, the employer should review whether this can be accommodated.

Comments

The salaried employee is obliged to observe the applicable notice period, which can only be shortened through an agreement with the employer.

Subs. 3:7 Damages when the salaried employee fails to observe the notice period

If the salaried employee leaves their employment without observing the notice period or part thereof, the employer has the right to compensation for the financial loss and inconvenience thus caused, but as a minimum in an amount equivalent to the salaried employee's pay during that part of the period of notice which the salaried employee failed to observe.

Subs. 3:8 Certificate of Service

When notice of termination has been issued by either the employer or the salaried employee, the salaried employee has the right to receive a Certificate of Service detailing:

- the period of time that the salaried employee has been employed; and
- the tasks the salaried employee was required to perform; and
- if the salaried employee so requests, a reference dealing with the manner in which the salaried employee has carried out their work.

The employer is to provide the Certificate of Service within one week of the salaried employee having requested the Certificate.

Comments

The salaried employee is entitled to a reference, regardless of the reason for the termination of employment. The reference should provide an accurate representation of the employee's job responsibilities. Recommendations are issued only if the employee requests them. The recommendation should reflect the employer's opinion of how the employee performed their work.

Note that the employee does not need to have left the employment to have the right to receive a reference; it is sufficient for notice of termination of employment to have been given.

Subs. 3:9 Certificate of annual leave taken

When the salaried employee's employment ceases, the employee has the right to receive a certificate showing how many of the statutory 25 days of annual leave the employee has taken during the current annual leave year.

The employer is to provide the certificate to the salaried employee within one week of the salaried employee having requested the certificate.

If the salaried employee has the right to more than 25 days of annual leave, in this context these additional days of annual leave shall be deemed to have been taken first.

Section 13 Negotiation procedure

See the agreement on negotiation procedure effective between the parties.

Section 14 Effective date and duration

This Agreement shall be effective from 1 April 2025 up to and including 31 March 2027.

Applies to Unionen and Sveriges Ingenjörer (the Swedish Association of Graduate Engineers):

The schedule for renegotiation can be found in the Industry Agreement.

An embargo on strikes and lockouts applies up to and including 31 March 2027.

Applies to Ledarna (Sweden's organisation for managers):

Either party has the right to give notice by no later than 31 December 2026 that the Agreement will terminate on 31 March 2027. If neither party terminates this Agreement three months before its expiry, it shall be automatically prolonged for a period of one year at a time.

An embargo on strikes and lockouts applies for the duration of the Agreement.

Agreement on negotiation procedure

Introduction

Mutual agreement for the avoidance of disputes

The parties' starting point is that employers and salaried employees address their common concerns in constructive discussions characterised by mutual understanding, and thereby try to avoid disputes.

In cases where a dispute does arise, the parties agree to engage in local and, if applicable, central negotiations, with the aim of reaching a resolution within the framework of the following negotiation procedure.

Remarks

If any collective agreement in force between the parties contains specific provisions on the negotiation procedure, these provisions shall apply in place of this negotiation procedure.

For negotiations in accordance with Sections 11–12 of the Co-determination in the Workplace Act (medbestämmandelagen – MBL), the provisions regulated in the Co-determination in the Workplace Act and the Development of Co-determination Agreement (Utvecklingsavtalet – UVA) apply. Note, however, that for SVEMEK the time limit for calling for central negotiations is different to that for other agreement sectors.

Negotiations on matters of interest Negotiations at local and central level

Negotiations shall in the first instance be conducted at local level between the parties at the workplace.

If the parties do not reach agreement on how a matter of interest is to be resolved during the local negotiations, the party that wishes to take the matter further is to ask the other party's organisation for central negotiations. Central negotiations are conducted between the union parties. The request for central negotiations must be in writing.

Where local or central negotiations have been called for, these shall be commenced as soon as possible and no later than within three weeks of the date that negotiations were called for, unless the parties have agreed otherwise.

The negotiations are concluded simultaneously with the negotiation meeting. If this is to take place at a later point in time, this shall be expressly agreed between the

parties. Ultimately, negotiations can be terminated by a party formally withdrawing from the negotiation process in writing.

Negotiations on legal disputes Negotiations at local and central level

Negotiations shall in the first instance be conducted at local level between the parties at the workplace.

If the parties do not reach agreement on how a dispute is to be resolved during the local negotiations, the party that wishes to take the dispute further is to ask the other party's organisation for central negotiations. Central negotiations are conducted between the union parties. The request for central negotiations must be in writing.

Where local or central negotiations have been called for, these shall be commenced as soon as possible and no later than within three weeks of the date that negotiations were called for, unless the parties have agreed otherwise.

The negotiations are concluded simultaneously with the negotiation meeting. If this is to take place at a later point in time, this shall be expressly agreed between the parties. Ultimately, negotiations can be terminated by a party formally withdrawing from the negotiation process in writing.

If negotiations are not requested within the time limits specified below, the party forfeits the right to negotiation.

Time limit for calling for local negotiations

If a party wishes to claim damages or other performance under the law, a collective agreement or an individual agreement, the party must request negotiations within four months from the time the party became aware of the circumstance on which the claim is based. However, the negotiation must be requested no later than two years after this circumstance occurred.

Derogations

Regarding disputes based on the Employment Protection Act, the statutory time limits shall apply.

Regarding disputes and local negotiations referred to in Section 34 of the Co-determination in the Workplace Act (MBL) concerning work obligations and Section 35 of MBL concerning payment disputes, the provisions of the MBL shall apply.

Comments

In some laws, the time limit for initiating dispute negotiations is not discretionary. In such cases, the respective law's time limit shall apply accordingly.

Time limit for calling for central negotiations

A request for central negotiations must be made to the other party's organisation within two months from the date when the local negotiations were concluded.

Derogations

Regarding disputes and central negotiations referred to in Section 34 of the Codetermination in the Workplace Act (MBL) concerning work obligations and Section 35 of MBL concerning payment disputes, the provisions of the MBL shall apply.

Time limit for initiating legal proceedings in court

If a legal dispute concerning the law, a collective agreement or an individual agreement has been the subject of central negotiations without resolution, a party may refer the dispute for judicial determination within three months from the date that the central negotiations were concluded.

Failure to do so will result in the party forfeiting the right to legal action.

Derogations

Regarding disputes based on the Employment Protection Act, the statutory time limits shall apply.

If the dispute involves confidentiality obligations as per Section 21 of the Co-determination in the Workplace Act (MBL), the action must be initiated within ten days from the date that the central negotiations were concluded.

Regarding disputes and initiating legal proceedings as referred to in Section 34 of the Co-determination in the Workplace Act (MBL) concerning work obligations and Section 35 of MBL concerning payment disputes, the provisions of the MBL shall apply.

Embargo on strikes and lockouts

In the first instance, the party must consider the Embargo on strikes and lockouts that exists due to collective agreements on terms and conditions of employment that apply between Industriarbetsgivarna (Swedish Association of Industrial Employers) and Unionen, Sveriges Ingenjörer (Swedish Association of Graduate Engineers) or Ledarna. Furthermore, it is stipulated that a party may not give notice

or resort to industrial action to resolve a matter of dispute until central negotiations on the matter in dispute have been completed.

Remarks

If any collective agreement in force between the parties contains specific provisions concerning an embargo on strikes and lockouts, these provisions shall apply.

Disputes relating to the embargo on strikes and lockouts

A claim regarding breach of the embargo on strikes and lockouts can be filed with the Labour Court without prior negotiations according to this negotiation procedure.

Effective date and duration

The negotiation procedure is effective indefinitely with a notice period of six (6) months.

If there is a collective agreement on pay or general terms and conditions of employment in force between Industriarbetsgivarna (Swedish Association of Industrial Employers) and Unionen, Sveriges Ingenjörer (Swedish Association of Graduate Engineers) or Ledarna at the time when the negotiation procedure would expire with the notice period taken into account, the negotiation procedure is extended to expire simultaneously with the expiry of the mentioned agreement.

Agreement on provisions concerning working hours for salaried employees

Section 1 Scope of the agreement

Subs. 1 Scope of the agreement

This Agreement covers all salaried employees of employers that are members of the Swedish Association of Industrial Employers within the Steel and Metal, Mining, Sawmill, Construction Materials, Bottle Glass and Welding Engineering industries.

The Agreement replaces Sweden's Working Hours Act (arbetstidslagen) in its entirety.

Comments

The working hours agreement constitutes a comprehensive regulation of working time matters for all salaried employees, and the local parties must not apply any other legal rules on working hours in their practical handling.

The rules do not constitute any change to the regulations of the Work Environment Act (arbetsmiljölagen) relating to minors, i.e. individuals under 18 years of age. Rules concerning working hours for minors are covered in Chapter 5 of the Work Environment Act, with reference to the Swedish Work Environment Authority's regulations on the working environment for minors (see AFS 2012:3).

Subs. 2 Direct exemptions

The provisions in Sections 2–6 shall not apply to:

- salaried employees in managerial positions;
- work carried out by the salaried employee in their home or otherwise under conditions where it cannot be deemed to fall to the employer to monitor the organisation of the work.

Comments

The working hours agreement applies to all white-collar employees; however, Sections 2–6 of the agreement do not apply to:

- Employees in executive positions. In small companies, this typically refers only to the managing director. In medium-sized companies, it may include, for example, the CEO, their deputy, and employees in similar positions. In larger companies, the exemption applies to the top management team. Employees who hold an independent position as head of a major branch of the company's operations are also exempt.
- Certain tasks are also excluded, specifically those performed at home or under conditions where the work cannot be monitored. This may include, for example, traveling sales representatives, maintenance personnel, or other roles with similar types of duties.

This means that an employee may be covered by the working hours agreement for part of their duties, while other parts are exempt.

Subs. 3 Individual agreements

Employers and salaried employees who reach an agreement on the right to special overtime compensation being replaced by longer annual leave or being otherwise compensated in accordance with Section 7 Subsection 1:2 of the Agreement on General Terms and Conditions of Employment may agree that the salaried employee shall be exempt from the provisions in Sections 2–6.

Remarks on Subs. 2 and 3

According to Subsections 2 and 3 above, certain salaried employees are not covered by the provisions in Subsections 2–6. However, it is of mutual interest to the employer and the salaried employees' local association to be able to get an idea of the total working hours of these salaried employees. Some register their hours through a timestamp recorder or some other method, e.g. when flexitime is applied at the member company. In these cases, there is thus a basis for assessing the working hours situation. In other cases, working hours cannot be registered in the same way as for other salaried employees. If the salaried employees' local association so requests, the employer and the salaried employees' local association should jointly draw up a suitable basis for assessing the volume of working hours of these salaried employees.

According to current practice, certain salaried employees who are exempt from the provisions in Sections 2–6 have also enjoyed some freedom in the scheduling of their working hours. This freedom is not affected by the Agreement now reached.

Comments

This subsection refers to the possibility of agreeing to waive the rules regarding overtime compensation as stated in Section 7 of the agreement on general terms and conditions of employment.

This possibility primarily applies to salaried employees in a managerial position or salaried employees who have unverifiable working hours or the freedom to schedule their own working hours. For salaried employees covered by such an agreement, there is also the opportunity for the employer and the employee to enter into a separate agreement stipulating that the employee will also be exempt from Sections 2–6 of the working time agreement.

The remarks on Subsections 2 and 3 aim to highlight that even for employees exempt from the application of Sections 2–6, it is essential to ensure adequate protection of health and safety at work as regards working hours. If the salaried employees' local union association requests it, the employer, together with the local association, is to develop a basis for assessing the amount of working hours for salaried employees whose time is not recorded.

Subs. 4 Local agreement

A written agreement may be entered into between the employer and the salaried employees' local association stating that in addition to the derogations provided for in Subsections 2 and 3, certain salaried employees or groups of salaried employees shall be exempt from the provisions in Sections 2–6 in those cases where salaried employees, in view of their duties, hold a special position of trust in respect of working hours or where special circumstances otherwise exist.

Concerning the period of validity for such agreements, see Section 8 Subsection 2.

Section 2 Agreed working hours etc.

Subs. 1 Available working hours

The total working hours for each seven-day period may not exceed 48 hours on average over a defined period of four months.

Total working hours includes normal working hours and overtime.

When calculating total working hours, annual leave and sick leave during the period when the employee would otherwise have worked shall be treated as completed working hours.

Comments

The provision has its origin in and is based on the compulsory 48-hour rule in the EU Working Time Directive and restricts an employee's total permitted working hours.

Over a period of four months the total working hours – that is, normal working hours and overtime – must not exceed 48 hours on average per seven-day period. The four-month period is fixed, not rolling.

The provision does not impose any restriction on the working hours in an individual seven-day period. Every seven-day period is included in the calculation and those days that the salaried employee was absent from work due to paid annual leave or sick leave are to be "neutral". This means that, in the calculation, the salaried employee is considered to have worked their regular working hours as defined by the current individual working hours schedule. When calculating the average, all time that is not working time is counted as rest – this also applies to public holidays.

Subs. 2 Normal working hours

Comments

In this subsection the maximum allowable average normal working hours per non-holiday week during the defined period is described. The duration of the defined period varies between different agreement areas, ranging from four weeks to one year. Variations can also occur between different types of work schedules.

Average per non-holiday week means that if a public holiday falls on, for example, a Monday, the normal working hours for that week are reduced by eight hours (for a 40-hour working week). The normal working hours can vary between different working weeks or working days.

Subs. 2.1 Steel and Metal, Mining and Welding Engineering industries

Normal working hours may not exceed 40 hours per non-holiday week on average over a defined period of 4 weeks. However, if the member company's system for reporting of working hours is arranged in the form of calendar months, calendar month may be used instead as the defined period.

For salaried employees working intermittent three-shift work, normal working hours may not exceed 38 hours on average per non-holiday week and year.

For underground work and continuous three-shift work, normal working hours may not exceed 36 hours on average per non-holiday week and year.

Remarks concerning the Steel and Metal industry

Full-time salaried employees working double shifts may, for each week of shift work, take two hours of compensatory leave. The right to two hours of compensatory leave is subject to the salaried employee working five consecutive working days of double shifts. In the case of shorter shift work, compensatory leave may be taken pro rata.

Subs. 2.2 Construction Materials and Bottle Glass industries

Normal working hours may not exceed 40 hours per non-holiday week on average over a defined period of 12 months.

For salaried employees working intermittent three-shift work, normal working hours may not exceed 38 hours per non-holiday week on average over a defined period of 12 months.

For underground work and continuous three-shift work, normal working hours may not exceed 36 hours per non-holiday week on average over a defined period of 12 months.

The local partners may agree on various ways of arranging working hours beyond those specified in the Agreement which both support the business but also satisfy individual requests regarding the scheduling of activities.

Subs. 2.3 Sawmill industry

Normal working hours may not exceed 40 hours on average per non-holiday week and calendar year, unless another local agreement is entered into in accordance with Subsection 3 or in connection with an agreement pursuant to Section 3 Subsection 1.

Remarks

If the trade union organisation considers that abuse of this provision is occurring, it can call for local negotiations. If the dispute is not resolved, the employer's party can call for central negotiations. If such negotiations are not requested, or if the dispute is still not resolved following such negotiations, an agreement with the local organisation is thenceforth required which covers the member company or the workplace to which the dispute relates. In such a case, a local agreement is not required for a calculation period of less than four weeks.

For salaried employees working intermittent three-shift work, normal working hours may not exceed 38 hours on average per non-holiday week and year.

For underground work and continuous three-shift work, normal working hours may not exceed 36 hours on average per non-holiday week and year.

Comments concerning all agreement sectors

- 1. Three-shift work can be carried out using three or more shift teams.
- 2. In many member companies, operations require working hours to be scheduled in a way that is more irregular and varied over time. This applies both to the scheduling of normal working hours and to business travel. It is important that the local parties cooperate on matters relating to both the duration and the organisation of working time, with a view to finding solutions that satisfy the interests of both the business and the employees as regards flexibility, and the employees' need for recovery and rest.

Business travel is a natural and necessary element of the member companies' operations and occurs both within Sweden and beyond its borders. Business travel can take place both during and outside of the employee's normal working hours. To ensure that the employee will have an opportunity for recovery and rest in connection with the travel, it is important that manager and employee discuss the employee's opportunity for recovery and rest. In the case of employees who undertake more regular and extensive business travel, it is important that the employer and employee continually monitor how this is being done from a health perspective.

Subs. 3 Other defined period

Where special circumstances exist, a written agreement may be reached between the employer and the salaried employees' local association on a different defined period or scope of normal working hours for a particular salaried employee or group of salaried employees.

Such agreement shall remain in force until further notice, subject to three months' notice of termination by either party.

Remarks

The parties agree that different working hours may be applied during different parts of the year.

Subs. 4 Rest breaks, meal breaks and work pauses

Unless the local parties agree otherwise, rest breaks shall be scheduled in such a way that the salaried employee does not carry out work for more than five consecutive hours at a time. Rest breaks mean interruptions in daily working hours during which employees are not obliged to remain at the workplace. The employer shall

provide details in advance of the length of rest breaks and their scheduling as accurately as circumstances permit. The number, length and scheduling of rest breaks is to be satisfactory in light of the working conditions.

Rest breaks may be exchanged for meal breaks at the workplace where necessary in the light of the working conditions or in light of cases of illness or other events not foreseeable by the employer. Such meal breaks are included in working hours.

The employer shall organise work so that employees are able to take pauses from work as necessary, in addition to rest breaks. If the working conditions so demand, special work pauses can be scheduled instead. Work pauses are included in working time.

Comments

Rest breaks are not included in working hours. A rest break means a break in the work during which the salaried employee has the right to leave the workplace.

If circumstances require it, however, the rest break can be replaced with a meal break. During a meal break the salaried employee has the opportunity to eat at the workplace during working hours and must be available to perform work. The meal break forms part of working hours.

A work pause differs from a rest break in two ways. It is included in working hours, and it is also assumed that the employee remains at the workplace. There is no specific time limit on how long a work pause is to be or how often work is to be paused. It must be assessed on a case-by-case basis. In practice, it typically involves a short interruption in work.

Section 3 Rules on daily, nocturnal and weekly rest

Subs. 1 Daily rest

Unless the local parties agree otherwise, each salaried employee shall be given a minimum of 11 consecutive hours of rest per 24-hour period, calculated from the beginning of the shift in accordance with the salaried employee's current working hours schedule.

Subs. 1:2 Derogations

Derogations may occur due to circumstances that cannot be planned or determined in advance with any certainty, or temporarily when activities make this necessary.

In such cases, the salaried employee shall be given the corresponding extended rest period following the shift that interrupted the rest period.

If, for objective reasons, the employee's rest period cannot be extended in accordance with the preceding paragraph, the corresponding extended rest periods shall be scheduled for the employee within seven calendar days.

If, for objective reasons, the corresponding extended rest periods cannot be provided in accordance with the preceding paragraph, the remaining time shall be added to the salaried employee's time bank.

Remarks om Subs. 1

- 1. If the employer decides to schedule extended daily rest periods during working hours, no pay deduction is made.
- 2. If overtime work ordered by the employer is divided up or scheduled separately from normal working hours at the salaried employee's request, the rules in this subsection shall not apply.
- 3. Corresponding rest period means the difference between 11 hours and the continuous rest period given to the salaried employee. For example, 3 hours if the rest period during a specific period of 24 hours was 8 hours. If, during successive 24-hour periods, the rest period has been shorter than 11 hours, the corresponding rest period shall be the sum of the differences.
- 4. Employers that apply the derogation concerning daily rest are required to report to the local trade union organisation on a quarterly basis, or on another basis as agreed between the local parties, the occasions when this has been done and the reasons for this. The report shall include the names of the affected employees and, where applicable, the organizational unit and/or position.
- 5. In view of the introduction of rules on daily rest, the parties agree that double shifts may only be utilised on occasions when no other solution is available.

Comments

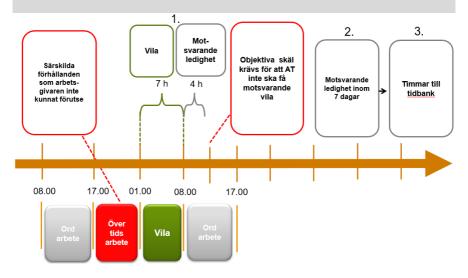
Unless local parties agree otherwise, the daily rest period shall be a minimum of 11 consecutive hours of rest within a 24-hour period. The 24-hour period is not calculated using fixed intervals but instead starts at the beginning of the work shift according to the salaried employee's current work schedule.

To deviate from the rules on daily rest, circumstances that could not have been foreseen by the employer are required. Deviations are compensated as shown in the diagram below.

In the first instance, deviations are compensated by providing the salaried employee with a rest period extended by the equivalent time immediately following the work shift that interrupted the daily rest, i.e. the employer postpones the return to work (see marking 1 in the diagram below). "Equivalent time" refers to the number of hours of daily rest that the salaried employee missed out on. No salary deduction is made when scheduling the extended rest period.

If this is not possible for objective reasons, a rest period extended by the equivalent time shall be provided within seven days from the work shift that interrupted the daily rest (see marking 2 in the diagram below), counting from 1 a.m. No salary deduction is made when scheduling the extended rest period.

If this is not possible for objective reasons, the hours shall be added to the salaried employee's time bank (see marking 3 in the diagram below).



Employers who apply the exception rule with respect to daily rest are to report to the local trade union organisation quaterly or otherwise as agreed between the local parties, stating on which occasions this was done and the reasons for it.

The rules on daily rest do not apply when overtime has been ordered but is divided up or scheduled separately from normal working hours at the employee's request.

Periods spent on standby, when the salaried employee is permitted to stay away from the workplace but must remain at the employer's disposal in order to carry

out work when the need arises, are counted as part of daily rest. However, work during standby interrupts the daily rest.

Subs. 2 Nocturnal rest

All salaried employees are to have time off for nocturnal rest. This shall include the hours between midnight and 5 a.m. Derogations may be made if, in view of the nature of the work, the needs of the general public or other special circumstances, the work must be carried out between midnight and 5 a.m. Derogations may also be made by local agreement.

Comments

Deviations from this subsection can be made unilaterally if the nature of the work, the needs of the public or other special circumstances necessitate it. This may apply, for example, to production-related salaried employees in continuous operations.

Deviations can also be made concerning other circumstances, with the support of a local agreement.

Subs. 3 Weekly rest

Salaried employees are entitled to at least 36 hours of continuous time off during each seven-day period (weekly rest).

As far as possible, weekly rest is to be scheduled for weekends.

Derogations from the first paragraph may be made on a temporary basis if this is occasioned by a special circumstance that the employer could not have foreseen. Such derogations may be made only on condition that the salaried employee is given equivalent compensatory leave.

Compensatory leave as referred to in the preceding paragraph means that the salaried employee is given either 36 consecutive hours of time off calculated from the last shift which interrupted the employee's weekly rest period, or that during the subsequent seven-day period the salaried employee is given 36 consecutive hours of time off in addition to that seven-day period's normal 36-hour weekly rest period.

Weekly rest does not include periods spent on standby when the salaried employee is permitted to stay away from the workplace but must remain at the employer's disposal in order to carry out work when the need arises.

If weekly rest cannot be provided as a result of the salaried employee being on standby, the salaried employee shall receive 72 hours of continuous time off during the next seven-day period.

Time off scheduled during normal working hours shall not result in any pay deduction.

Local parties can enter into agreements concerning weekly rest.

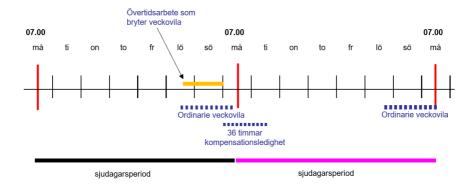
Comments

Salaried employees are entitled to at least 36 hours of continuous time off during each period of seven calendar days (weekly rest). The seven-day period consists of fixed periods, such as from Monday at 7 a.m. to the same time the following Monday, but it does not need to be the same for all salaried employees. Standby duty, during which the salaried employee is allowed to be outside the workplace but must be available to the employer to perform work when needed, does not count as weekly rest.

Interrupted weekly rest, delayed return to work

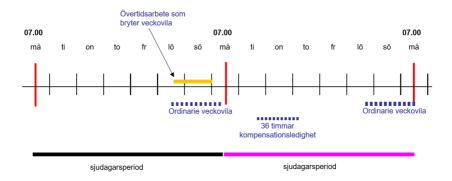
Interrupted weekly rest due to unforeseen events is compensated with 36 consecutive hours of rest calculated from the end of the last work shift that interrupted the weekly rest, i.e. the employer postpones the return to work. For example, if overtime work needs to be performed during the first weekend as shown in the diagram below, the weekly rest can instead be scheduled for 36 hours starting from when the work ends on the night to Monday.

Compensatory leave for interrupted weekly rest, scheduled during normal working hours, does not result in any salary deduction



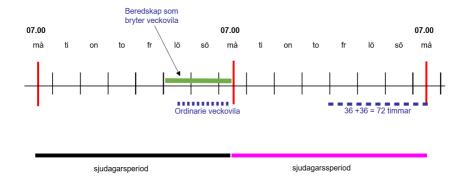
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Interrupted weekly rest, compensatory leave in the following seven-day period If, for operational reasons, it is not possible to provide 36 consecutive hours of rest immediately following the work shift that interrupted the weekly rest, the weekly rest can be scheduled for another time during the upcoming seven-day period in addition to the period's regular rest, as shown in the diagram below. The two 36-hour periods do not need to be consecutive. Weekly rest scheduled during normal working hours does not result in any salary deduction.



Interrupted weekly rest when on standby

During standby, deviations from the rules for weekly rest can be made if the salaried employee receives 72 consecutive hours of time off during the upcoming seven-day period, including the weekly rest for that seven-day period. Time off scheduled during normal working hours does not result in any salary deduction. See the diagram below.



Section 4 Overtime

Subs. 1 Definition of overtime

Overtime in this agreement refers to hours that the salaried employee has worked in addition to the normal daily working hours applicable to the employee if:

- overtime has been ordered in advance; or
- where overtime could not be ordered in advance, the overtime has been subsequently approved by the employer.

The time required to perform the necessary and normally occurring preparatory and shutting-down tasks that form part of the salaried employee's job is not counted as overtime as set out in Subsection 2 below.

When calculating completed overtime, only full half-hours are included. If overtime has been worked both before and after normal working hours on a specific day, these two overtime periods are to be aggregated.

Remarks

Concerning part-time salaried employees, work that is compensated in accordance with Section 7, Subsection 4:1 of the agreement on the general terms and conditions of employment shall be deducted from the overtime bank in Subsection 2 below.

Subs. 2 General overtime

Where there are special reasons, time off in lieu of overtime pay for general overtime may be taken for a maximum of 200 hours per calendar year.

Time off in lieu of overtime pay for general overtime may be taken for a maximum of 48 hours per period of four weeks, or 50 hours per calendar month. These numbers of hours may only be exceeded if extraordinary reasons exist, such as when necessary to enable the completion of work that cannot be interrupted without significant inconvenience to operations.

Comments

Work can be performed as overtime when there are specific reasons. This subsection contains provisions on how much overtime can be worked and how this is to take place.

The use of general overtime is limited to 200 hours per calendar year.

Work performed by part-time salaried employees beyond their normal part-time working hours (additional time) is also to be deducted from the overtime allowance.

Furthermore, the use of overtime is limited to 48 hours during a four-week period or 50 hours during a calendar month. Sometimes a company's situation may be such that production cannot be halted "without considerable inconvenience to the business". In such cases there may be exceptional reasons, and the specified hourly limits may then be exceeded.

Subs. 3 Returning hours to the overtime bank

General overtime, regardless the form in which it is compensated, is to be deducted from the overtime bank set out in Subsection 2.

If overtime is compensated by time off (compensatory leave) in accordance with Section 7 Subsection 3:2 of the general terms and conditions of employment, the number of "overtime hours" that have been compensated by time off is returned to the overtime bank set out in Subsection 2 above.

Example

A salaried employee works overtime on a weekday evening for 4 hours. These overtime hours are deducted from the overtime bank set out in Subsection 2. An agreement is made that the salaried employee shall be compensated with time off (compensatory leave) for 6 hours (4 overtime hours x 1.5 hours = 6 compensatory leave hours). When the compensatory leave has been taken, the overtime hours which have been compensated by the leave are added to the overtime bank set out in Subsection 2.

During a calendar year, a maximum of 150 hours may be returned to the overtime bank in this way unless the employer and the salaried employees' local association agree otherwise.

Remarks

The employer and the salaried employees' local association may agree that, in order to be able to be added into the overtime bank in accordance with the method described above, overtime which has been compensated by compensatory leave shall be scheduled within a certain specified time period, for example, from the time of completion of overtime work or before a specified date.

Concerning the period of validity, see Section 8 Subsection 2.

Comments

The employer and the salaried employee can agree that the worked overtime will be compensated with time off (compensatory leave) instead of cash payment. In this case the number of hours compensated with time off is returned to the overtime allowance, as in the example above. The overtime hours are only returned once the employee has taken the time off.

Subs. 4 Local agreement

A written agreement can be entered into between the employer and the salaried employees' local association with regard to a particular salaried employee or group of salaried employees concerning another way of calculating general overtime or the maximum number of hours of general overtime. An agreement concerning a different number of maximum hours of general overtime must be submitted to the union parties for approval.

Such an agreement shall remain in force until further notice, subject to three months' notice of termination by either party.

Concerning the period of validity, see Section 8 Subsection 2.

Subs. 5 Extra overtime

In addition to the foregoing, where there are special reasons, an agreement may be reached between the employer and the salaried employees' local association concerning extra overtime not exceeding 100 hours per calendar year.

Subs. 6 Emergency overtime

Where a natural disaster or accident or other comparable circumstance that could not be foreseen has caused a stoppage in operations or entailed imminent danger of such a stoppage or injury to life, or damage to health or property, overtime hours worked as a consequence of such a circumstance shall not be taken into account in the calculation of general overtime under Subsection 2 above.

Section 5 On-call time

If, by reason of the nature of the activity, it is necessary for the salaried employee to be at the disposal of the employer at the workplace in order to carry out work when the need arises, such on-call time shall not exceed 48 hours over a period of four weeks or 50 hours during a calendar month. On-call time is not considered to be time during which the salaried employee performs work on behalf of the employer.

A written agreement can be entered into between the employer and the salaried employees' local association with regard to a particular salaried employee or group

of salaried employees concerning another way of calculating on-call time or the maximum number of hours of on-call time.

Concerning the period of validity for such agreements, see Section 8 Subsection 2.

Section 6 Remarks concerning overtime and on-call time

The employer is required to keep records as required for calculating overtime under Section 4 and on-call time under Section 5.

The salaried employee, salaried employees' local association or central representative of the salaried employees' federation of unions shall have the right to see these records.

Section 7 Negotiation procedure

See Agreement on negotiation procedure.

Section 8 Effective date and duration

Subs. 1

This provisions in this Agreement apply from 1 April 1993 to 31 March 1995. If neither party terminates this Agreement three months before its expiry, it shall be automatically prolonged for a period of one calendar year at a time.

If the working hours agreement expires, agreements concluded under that agreement will also expire when the agreement expires.

Subs. 2

A local agreement reached pursuant to Section 1 Subsection 4, Section 2 Subsection 2, Section 4 Subsections 4–6, Section 5 Subsection 2 and the right of the employer and the salaried employees' local association to reach an agreement on extra overtime pursuant to Section 4 Subsection 6 shall apply until further notice, subject to three months' notice of termination by either party.

Notice of termination may be given by the employer, the salaried employees' local association or by the PTK federation. If either party wishes the local agreement to remain on foot, the party must urgently request negotiations on the matter during the period of notice. The union parties may extend the period of notice for the local agreement in order to allow time for negotiations under the negotiation procedure to be completed before the Agreement expires.

The Parties agree as follows: The term "salaried employees' local association" means, in the absence of such a local association at the member company, the salaried employee(s) at the member company who have been designated as the representatives of the salaried employees at the member company.

