

Finnish Seafarers' Union FSU

Finnish Shipowners' Association (FSA)

AGREEMENT ON PASSENGER SHIPS IN INTERNATIONAL TRAFFIC

1 March 2021–28 February 2024

as necessary pursuant to the MLC requirements.

DEFINITIONS

In this collective agreement,

passenger ship refers to a vessel that is required be inspected as a passenger ship pursuant to the regulations in force;

guaranteed wage refers to a wage that includes remuneration for work performed during regular working time, the agreed amount of overtime work and seniority allowances that the employee is entitled to receive for each pay period regardless of whether or not the employer has the employee perform the agreed overtime work;

monthly earnings refer to a wage that includes the guaranteed wage and other allowances and compensation paid pursuant to this agreement;

daily wage refers to a wage that is derived by dividing the guaranteed wage by 30;

work period plan refers to a plan that states the start and end of on-duty and off-duty periods;

work schedule refers to a list, as referred to in the Seamen's Working Hours Act, which states the start and end times of daily work and rest periods included in the guaranteed wage;

watchkeeping employee refers to an employee whose work is divided into watchkeeping periods;

day worker refers to an employee whose work is not divided into watchkeeping periods and who is not a catering employee;

catering employee refers to an employee who has been employed for the purpose of attending to the meals of the crew or passengers or for performing other duties connected with such work, clerical work or other similar duties that are not performed by the deck or engine room departments;

day refers to the period from midnight to the following midnight;

week refers to the period from midnight on Monday to midnight on the following Sunday; and

holiday refers to a Sunday or other religious holidays, Independence Day and May Day.

1. MINIMUM AGE

The collective agreement includes no stipulations on minimum age.

2. MEDICAL CERTIFICATION

All members of the ship's deck and engine room departments and the catering staff must have a certificate, as referred to in the Act on Medical Fitness Examinations of Seafarers (1171/2010), stating that they are fit to serve at sea.

3. QUALIFICATIONS OF SEAFARERS

All members of the ship's deck and engine room departments and the catering staff must have a qualification certificate, as referred to in the Act on Ships' Crews and the Safety Management of Ships (1687/2009), and other certificates required by legislation and authorities.

4. SEAFARERS' EMPLOYMENT AGREEMENTS

Fixed-term employment agreement

Fixed-term employment agreements may be concluded for the aims referred to in the provisions of chapter 1, section 4 of the Seafarers' Employment Contracts Act if the nature of the work, the substitution of another employee, traineeship or some other comparable reason so requires or if the employer has another justified reason relating to the company's operation or the work to be performed for concluding a fixed-term contract. The purpose of this provision is to prevent the circumvention of an employee's protection against unilateral termination and the circumvention of an employee's benefits based on the duration of employment.

5. USE OF ANY LICENSED OR CERTIFIED OR REGULATED PRIVATE RECRUITMENT AND PLACEMENT SERVICE

When hiring employees for Finnish passenger ships engaged in international traffic, shipowners must primarily use the employment services provided by the state. However, an employee may be hired through other means than the state's employment service if the employer already has knowledge of a new employee or when it is not possible to use the employment service or when there are other weighty reasons to do so.

6. HOURS OF WORK OR REST

WORKING TIME AND ROTATION

Rotation system

1. Rotation system refers to a system where on-duty and off-duty shifts alternate as regularly as possible.
2. A so-called 1:1 rotation system means a system where on-duty and off-duty shifts alternate and have the same length and a 2:1 rotation system means a system where the length of an on-duty shift is two (2) times the length of an off-duty shift.

3. The shipowner and the Finnish Seafarers' Union agree on the how the rotation systems referred to hereinafter (A, B, C and D) are applied on the ship when the ship is on some specific route. In the same connection, the parties must also agree on how the longer uninterrupted off-duty shifts included in the rotation systems B and C are taken into account in rotation and what changes this causes to the lengths of the on-duty and off-duty shifts.

4. On-duty and off-duty shifts should be implemented so that they are on average periods of no more than two (2) weeks (two (2) weeks of work and two (2) weeks of time off), unless otherwise agreed between the relevant employees. However, the employer's representative must confirm such arrangements.

5. A working hours register is maintained for the rotation system in accordance with the Seamen's Working Hours Act's provisions on working hours registers. The rotation system must be made available in a suitable location where it can be easily reviewed.

6. In order to balance the on-duty and off-duty shifts, additional workforce is employed on the ship, as necessary. This may be the case, for example, in case of holidays, training and sick leaves.

7. An employee is entitled to take time off corresponding to the days off gained under the rotation system if the days off have been accrued during two (2) consecutive holiday entitlement periods and if they have not been used for implementing the rotation system. Time off must be granted at a time requested by the employee, provided that it is appropriate in terms of the rotation system and other work.

Various rotation systems

System A (1:1):

1. Daily working time included in the guaranteed wage: 10.5 hours.
2. Number of working days in a year: 165.
3. Annual holiday: 36 days during two (2) consecutive holiday entitlement periods.
4. Off-duty periods and time off are granted so that the employee has at least two uninterrupted holidays during two consecutive holiday entitlement periods.

System B (1:1):

1. Daily working time included in the guaranteed wage: 10 hours
2. Number of working days in a year: 173.5
3. Annual holiday: 36 days during two (2) consecutive holiday entitlement periods, of which 18 days may be used for rotation.
4. Off-duty periods and annual holidays are granted so that the employee has at least one (1) uninterrupted holiday during two (2) consecutive holiday entitlement periods, with the length of the holiday being 18 days.

System C (1:1):

1. Daily working time included in the guaranteed wage: 9.5 hours.
2. Number of working days in a year: 182.5

3. Annual holiday: 36 days during two (2) consecutive holiday entitlement periods. The days may be used for rotation.

System D (2:1):

1. Daily working time included in the guaranteed wage: 8 hours.
2. Number of working days in a year: 220.
3. Annual holiday: 36 days.
4. Off-duty periods and annual holidays are granted so that the employee has at least two (2) uninterrupted holidays during two (2) consecutive holiday entitlement periods.

7. MANNING LEVELS FOR THE SHIP

Manning agreement

The shipowner must agree with the Finnish Seamen's Union on the number and qualifications of crew members employed on ships. Prior to making a manning agreement, the shipowner must discuss the manning with the chief shop steward. The manning agreement concluded between the shipowner and the Finnish Seamen's Union must be made available on the ship's noticeboard. The positions agreed upon in the manning agreement must be filled with employees in permanent employment relationships.

Ship-specific manning agreements are made in accordance with the following principles:

- 1) for the deck and engine room departments, the starting point is the minimum manning referred to in the manning document issued by the Finnish Transport Safety Agency. However, when agreeing upon manning, sufficient rest periods must be ensured for crew members performing watchkeeping duties;
- 2) for the catering staff, manning levels are agreed while taking into account the number of passengers, level of service and safety regulations;
- 3) the flexible use of catering staff within and between different departments is made possible; and
- 4) it must be possible to flexibly adapt manning in accordance with any changes in the operating conditions.

Concluding or amending a manning agreement must not lead to the redundancy of any employees or to the termination of their employment. Any quantitative changes to the manning levels must take place as a result of natural wastage.

External labour force

The use of external labour may only be resorted to after it has been determined whether it is possible to use the ship's own staff to perform the duties and how the use of external labour will affect the employment and duties of the ship's own staff.

Trainees

The use of trainees must not lead to the replacement of permanent labour.

8. ACCOMMODATION

Accommodation plans

1. The shipowner must present to the Finnish Seamen's Union, the chief shop steward, special occupational safety representative and occupational safety representative the accommodation plans for any new construction and other new vessels and the plans for any alterations and repairs to be made to the accommodation areas that will have a substantial impact on the crew's accommodation.
2. Accommodation must be arranged and planned so that all permanent employees and their substitutes have the opportunity of private accommodation, unless otherwise agreed in the manning agreement.
3. The employer must arrange for the on-duty employees appropriate accommodation corresponding to the circumstances on the ship for the duration of the ship's docking. The detailed arrangements are agreed with the chief shop steward.

Cleaning

1. Dishes and cutlery must be washed and the dining area organised and cleaned after each mealtime. The cleaning work is carried out during the working hours included in the guaranteed wage.
2. Sleeping cabins must be organised and cleaned daily. In addition, the sleeping cabins and dining areas must be cleaned and washed thoroughly once a week. Such work is carried out during the working hours included in the guaranteed wage.
3. If the work referred to above cannot be carried out during the working hours included in the guaranteed wage, it must be performed as overtime work.
4. Employees must aim to promote tidiness and comfort, for their part, so that the employees make their own beds.
5. The chief steward supervises the cleaning duties performed by the catering staff.

9. ON-BOARD RECREATIONAL FACILITIES

The collective agreement includes no stipulations on on-board recreational facilities.

10. FOOD AND CATERING

Meals and meal breaks

1. The employer is responsible for providing three (3) meals and snacks on a daily basis for the employees. The meals must be nutritious, varied, tasty, sufficient in quantity and of high quality.
2. A meal schedule that is appropriate and creates as little disturbance as possible must be planned for each ship. The schedule must be made available in a visible location in the dining area. When

necessary, meals must be served in shifts (30-minute shifts). If it is necessary to deviate from the regular meal schedule, for example, due to special port conditions, the kitchen staff and those mainly responsible for supervising the various staff groups must be notified of this at the earliest possible time.

3. Before the shipmaster confirms the meal schedule, the matter must be negotiated with the crew's representatives as referred to in the Act on Co-operation within Undertakings.

4. Meal and coffee breaks should be organised within the following time limits, unless there are special reasons preventing this:

breakfast/coffee breakfast	6:30 a.m.–8:30 a.m.
lunch	11 a.m.–1 p.m.
afternoon coffee	3 p.m.–4:30 p.m.
dinner	4:30 p.m.–6:30 p.m.

5. Meal breaks may be shortened so that they last for no less than 30 minutes and their start time may be shifted by no more than one hour.

11. HEALTH AND SAFETY AND ACCIDENT PREVENTION

Protective clothing

1. Ships must be equipped with necessary amounts of proper protective clothing and footwear and other protective equipment.
2. Uniform protective overalls with reflecting tape must be provided at the employer's expense for employees working in the cargo areas.
3. The protective clothing provided/made available by the employer for the employees' use are laundered at the employer's expense or washed during working hours. When spray painting and when cleaning containers that have contained hazardous cargo or when other similar work is carried out, employees must use protective masks and other protective equipment provided by the employer.

Catering staff's work clothes

1. If the employer requires catering staff to wear special work clothes manufactured to the shipowner's instructions, the employer must provide the clothing it requires.
2. The catering staff has the right to have the work clothes provided by the employer laundered at the employer's expense or wash the clothes during working hours. This also applies to the kitchen staff's special work coats, work trousers, aprons and chef's hats.
3. If the employer requires that kitchen staff wear work coats, work trousers and headwear, the employer pays for the clothing.

12. ON-BOARD MEDICAL CARE

The collective agreement includes no stipulations on on-board medical care.

13. ON-BOARD COMPLAINT PROCEDURES

The collective agreement includes no stipulations on on-board complaint procedures.

14. PAYMENT OF WAGES

PAY TERMS

Payment of wages

1. Wage is paid from the start of the day on which the employee arrives at work, from the start of the day on which the employee begins the journey if the employee has to travel to the ship from the location where the contract was concluded or if the ship is delayed, from the day on which the employee was due to arrive at the ship according to the shipowner's instructions.
2. During employment, wage is paid as a monthly wage even for months which the employee spent on paid leave on shore either fully or partly. When employment ends, the last wage payable must be at the employee's disposal or available for withdrawal without delay, but no later than on the sixth (6) weekday after the end of employment. In exceptional cases, when the wage is not known, for example, because all the information needed for calculating the wage sum is not available at the end of employment, the last wage must be at the employee's disposal or available for withdrawal no later than on the tenth (10) weekday after the end of employment.
3. If employment starts or ends in the middle of a calendar month, wage for such a month is calculated by dividing the guaranteed wage by 30 and by multiplying the result by the number of days of employment during the month.
4. Upon the termination of employment, the employee is compensated for any days off that have been earned in accordance with the rotation system but that have not been taken so that one (1) day off entitles to a monetary compensation equivalent to one (1) day's wage.
5. In other respects, wages are paid in accordance with the provisions of chapter 2 of the Seafarers' Employment Contracts Act and section 15, subsection 1 of the Seamen's Annual Holidays Act.
6. When paying wages or adjusting them, the employer must provide the employee with an itemisation that states the wage amount paid and how it was calculated.
7. Full pay, as referred to in the Seafarer's Employment Contracts Act or another similar act refers to the monthly wage defined hereinabove.

Guaranteed wages

1. Guaranteed wages are set out in Appendix 1.
2. When concluding a contract of employment, the professional titles used must comply with the collective agreement.
3. If the adding of new titles that are not included in the agreement is deemed necessary during the agreement period, the signatory parties must first agree on the pay terms and other terms and conditions related to the professional title.
4. If the employment contract of an employee states a higher wage or better benefits than those set out in this collective agreement, such benefits apply regardless of the stipulations of this

collective agreement, subject to the stipulations of the employment contract or unless agreed otherwise by the parties to the employment contract.

Seniority allowances

1. An employee is entitled to a seniority allowance after 3, 5, 8, 11 and 14 years of service. A seniority allowance always corresponds to 3% of the guaranteed wage to be paid.
2. An employee who has accumulated under the old agreement valid before 1 March 2001 a seniority allowance of 20, 25 or 30% is entitled to a seniority allowance of 20% in the service of a new shipowner when the employee starts working for a different shipowner during the validity period of the new agreement.
3. When calculating the time entitling to a seniority allowance, shipowners under the same management are deemed to be one shipowner.
4. In order to have such periods taken into account, the employee must present the relevant certificates regarding employment referred to hereinabove.
5. The time entitling to a seniority allowance must be accumulated through employment in longer-distance traffic than inland waterway traffic (= coastal traffic or traffic of longer distances). Regarding seniority allowances paid irrespective of the shipowner, term of service on foreign ships is also taken into account.
6. The time entitling to a seniority allowance also includes the time an employee has been on annual holiday or rotation-related period of time off as well as time during employment when the employee has not been able to work due to the following reasons:
 - 1) annual holidays of other employees in the workplace;
 - 2) military reservist training or extraordinary military service if the employee has returned to work as soon as such hindrance ended;
 - 3) an interruption referred to in section 3, subsection 2, paragraph 3 of the Seamen's Annual Holiday Act;
 - 4) a medical examination referred to in the Occupational Health Care Act (1383/2001) or the Act on Medical Fitness Examinations of Seafarers (1171/2010) or ordered by the employer or as a result of any illness or accident;
 - 5) maternity leave, special maternity leave, paternity leave or parental leave referred to in the Seafarer's Employment Contracts Act;
 - 6) municipal or other public elected position or appearance as a witness in a court of law which the employee had no right to refuse pursuant to the law or the refusal of which would only have been permitted for a special cause stated in legislation;
 - 7) an order issued by the authorities to prevent the spreading of a disease;
 - 8) travel required due to work if such travel days are not otherwise counted as working days for the employee;
 - 9) for any other reasons if the employer is by law required to pay the employee remuneration for such time despite of the employee's absence;

- 10) with the employer's consent, taking part in training required for work, but so that only 30 days at a time are counted as equivalent to working days.

7. An employee on a passenger ship engaged in seasonal traffic is credited with the time the employee has been employed during successive sailing seasons on passenger ships in seasonal traffic. In such cases, 11 months constitute one year when calculating seniority allowances.

8. If an employee's employment is terminated due to reasons not attributable to the employee, such as the bankruptcy of a shipowner, shipowner going out of business, assignment of business or reasons referred to in chapter 12, section 4 of the Seafarer's Employment Contracts Act, the employee is entitled to have the seniority allowances that were valid when the employee's previous employment terminated to be taken into account in the next employment relationship.

Overtime and remuneration for overtime

1. Overtime remuneration is paid for work performed outside the daily working hours included in the guaranteed wage and indicated in the work schedule or for work performed outside the working time included in the guaranteed wage during a work period.

2. Hourly overtime remuneration is calculated by dividing the guaranteed wage by 100.

3. Overtime remuneration is paid in cash or given as time off upon the request of the employee so that three (3) hours of overtime work corresponds to one (1) day off. Days off granted as compensation for overtime work are considered to be used regardless of whether the day off falls on a Saturday, Sunday or another holiday. If time off is granted during a slow period and when possible in terms of the work situation, it is not necessary to obtain a substitute for the person taking time off. Request for time off must be presented no later than four (4) weeks before the leave is planned to be taken. If the employer does not allow the employee to convert overtime work to time off, the employer must provide the reasons for refusal.

4. Wage for at least one (1) hour of overtime work must be paid for time used in rescue and fire extinguishing drills and drills where other safety equipment is used, when such drills take place outside the working hours included in the work period plan and guaranteed wage.

Compensation for work carried out on specific holidays

The compensation for work carried out on Christmas Day, Good Friday, May Day and Midsummer Day, when no overtime remuneration is paid for such work, is 1.5 times the daily wage.

Stand-by compensation

1. If an employee is ordered to remain on board the ship during the employee's free time for stand-by duty pursuant to chapter 4, section 6 of the Seafarers' Employment Contracts Act or due to another related important reason, the employee is paid for each hour or part thereof 1/260 of the guaranteed wage.

2. Instead of stand-by compensation, overtime remuneration is paid for work performed during the stand-by time. The employee should be notified of the stand-by duty well in advance before the end of regular working hours.

3. If an employee is ordered to come to the ship during the employee's free time to perform a duty, the employee receives for this a remuneration equivalent to two (2) hours of overtime work carried

out on a weekday if the employee is not entitled to stand-by compensation pursuant to the provisions of the first paragraph hereinabove.

4. If an employee is required to carry a pager or some other technical device through which the employee can be reached and called to work outside the working hours included in the guaranteed wage, the employee is entitled to compensation for the time such a device is carried, as defined in the wage appendix, for each day the employee is required to carry the pager or device.

Compensation for cargo handling

If a crew member, as an exception, participates in cargo handling, mooring and/or casting-off on board the ship, the employee is paid for each hour of cargo handling a compensation that is 1/164 of the guaranteed wage in addition to the regular wage. Winch operators are paid compensation for cargo handling if they operate winches during loading and unloading.

When pre-ordered products and/or products purchased on the ship are delivered or transported to the car deck or a corresponding location, the ship's crew member participating in such deliveries or transport is paid, in addition to the regular pay for working time included in the guaranteed wage, remuneration amounting to 1/475 of the guaranteed wage for each hour or a part thereof that is spent on the work.

Catering allowance

When meals are temporarily served to people other than crew members in the crew mess with the shipowner's consent, the crew's cook and catering assistant are paid an allowance in accordance with Appendix 1 for each temporary diner and for each day regardless of the number of meals served, unless otherwise agreed between the shipowner and the Finnish Seamen's Union. However, the allowance is not paid for maritime pilots, customs officers, security guards or the crew's family members if they are not charged for the meals.

Service allowance

1. Unless agreed otherwise, the total amount of service allowance is 4% of all preorders, sales and food and beverages served on the ship, excluding alcohol sold by the bottle in the shop.
2. The total amount of the service allowance is distributed as separately agreed between the shipowner and the Finnish Seamen's Union. If the parties fail to agree on the distribution method, the matter is submitted for resolution to the parties of this collective agreement.
3. The service allowance is paid only to members of the Finnish Seamen's Union.
4. The minimum service allowance is set out in Appendix 1.
5. For days on which the ship is not in operation due to docking or another unexpected and unforeseen reason, and when there are no sales on the ship, the minimum service allowance amount is adjusted in proportion to the time the ship is in or out of operation. Thus, if a ship is not in operation for 10 days in a month and operates on 20 days in a month, the minimum service allowance is 2/3 of the minimum service allowance in force at the given time, as specified in clause 6.9 of the wage appendix to the passenger ship agreement.
6. Service allowance paid during a sick leave does not reduce the total service allowance amount.

Compensation for fringe benefits

The amount of compensation for fringe benefits during on-duty and off-duty shifts, annual holiday and sick leave is set out in Appendix 1.

Compensation for employees for whom no meals and/or accommodation are arranged on board

If meals and/or accommodation on board are not arranged for an employee, the employer must provide the employee with similar benefits on shore or pay to the employee reasonable compensation equivalent to the value of such benefits. The amounts set out in Appendix 1 are deemed to be reasonable meal allowances.

Relevant accommodation expenses are reimbursed against an invoice.

Sick leave, maternity leave and paternity leave

1. An employee who is prevented from carrying out their work duties due to an illness, injury or accident is entitled to receive sick pay for no more than 60 days during the period the employee is prevented from working. If an employee is not able to work due to an illness, injury or accident when employment terminates, the employee is entitled to receive compensation equivalent to sick pay if the employee would have been entitled to sick pay in case employment continued.
2. An employee is also entitled to full pay for a period during which the employee is entitled to sick pay pursuant to the Seafarers' Employment Contracts Act, unless agreed otherwise hereinunder.
3. An employee entitled to maternity allowance is entitled to wages for 78 weekdays starting from the beginning of the maternity allowance period (maternity leave).
4. An employee on paternity leave is paid for 12 days the difference between the employee's wages and the paternity allowance referred to in the Health Insurance Act.
5. An employee is entitled to service allowance multiplied by 0.5 during disability caused by an illness or injury, with the service allowance being paid only after seven (7) days of sick leave, unless the disability can be clearly proven to be attributable to work-related conditions, in which case the service allowance is paid starting from the first day of disability. Compensation for fringe benefits is paid for no more than 42 days during a sick leave even if the employee returns home during this period.

Dirty work allowance

An employee is entitled to a dirty work allowance in accordance with Appendix 1 when the employee is required to clean or handle as part of the employee's duties an unusual amount of vomit, faeces, other similar secretions or blood. Remuneration set out in Appendix 1 is paid for each hour or part thereof for work carried out in order to clean, unclog and repair wastewater tanks and chutes and piping and which entails handling the aforementioned secretions or blood.

In such situations, the employee's supervisor must be contacted to determine whether the work in question is work that is subject to separate compensation as referred to hereinabove.

Allowance for instructing trainees

If a trainee is working on the ship, a crew member providing direct instructions to the trainee must be appointed. In addition to the regular wage, the crew member receives compensation for each day of instruction in accordance with the wage appendix.

War risk zone allowance

If the ship operates in a war risk zone or an area that is deemed to be equivalent to a war risk zone, the provisions of the War Risk Agreement are applied. (Appendix 14)

Online training

If an employee participates in online training, the stipulations of the online training agreement (appended agreement 12.1) are applied.

15. FINANCIAL SECURITY FOR REPATRIATION

The collective agreement includes no stipulations on financial security for repatriation.

16. FINANCIAL SECURITY RELATING TO SHIPOWNERS' LIABILITY

The collective agreement includes no stipulations on financial security relating to shipowners' liability.

AVAILABILITY AND TRANSLATION OF THE COLLECTIVE AGREEMENT

1. The employer must make the collective agreement freely available to the employees on the ship's noticeboard.
2. An employers' association that is a party to the collective agreement must provide a copy of the agreement on paper and in electronic format to the ministry responsible for occupational health and safety and the related supervision within one (1) month from the signing of the agreement.
3. On ships engaged in international traffic, the collective agreement must also be available in English. The employers' association ensures that the collective agreement is translated to a sufficient extent into English and other working languages used on the ship.

VALIDITY

This agreement is valid from 1 March 2021 to 28 February 2024.

CONTINUED EFFECT

In the Finnish judicial system, the terms of employment are determined even after the termination of the actual validity period in accordance with the terminated collective agreement until a new collective agreement takes effect or until terms and conditions have been agreed between the employer and employee. This procedure, which is called continued effect, has been established through the decisions of the Supreme Court of Finland.