

**KEY PROVISIONS OF
THE COLLECTIVE AGREEMENT
IN HOTEL, RESTAURANT
AND LEISURE INDUSTRY**

1 April 2022–31 March 2024



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the collective agreement
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and leisure industry**

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Terms and conditions of employment in the hotel, restaurant and leisure industry

Employees' terms of pay and employment are constituted on the basis of labour laws, the relevant collective agreement and individual employment contracts. Collective agreements concluded by labour market organisations specify better terms and conditions than the law in many respects.

For example, collective agreements specify a five-day working week, whereas the Working Hours Act only requires one day off per working week. The Employment Contracts Act contains very few provisions on minimum pay, and does not recognise supplements based on working hours or special conditions, working clothes or holiday bonuses.

PAM has negotiated better terms and conditions of employment for employees in the hotel, restaurant and leisure industry than provided by labour laws on their own.

Here are a few examples of how you benefit from the Collective Agreement:

AREA	COLLECTIVE AGREEMENT	LAW
Pay	Minimum wages (see tables)	No
Pay increases	Negotiated by the Union	No
Working hours supplements	Negotiated by the Union	No
Maximum working hours	112.5 hrs / 3 wks	120 hrs / 3 wks
Days off	2 days / wk	1 day (35 hrs) / wk
+ extra annual days off	1 day (35 hrs) / wk	Maximum 15 hrs
Length of working day	Maximum 10 hrs	Maximum 15 hrs
Rosters	Can only be changed if mutually agreed	Can be changed by employer for justified work-related reasons
Sick pay	1 – 56 days	1 – 9 days
Pay during maternity leave	Difference between pay and maternity allowance for 3 months	No
Holiday bonus	50% of holiday pay	No

What is PAM?

Service Union United PAM negotiates collective agreements for private service sectors and safeguards the interests of its members.

Membership

Join PAM if you work in a sector that we represent. In addition to other benefits, PAM membership gives you earnings-related unemployment security. The membership fee is 1.5% of your gross pay. The membership fee is tax-deductible.

Students studying for careers in sectors represented by PAM can join as student members. Student members only pay membership fees on any earnings from employment.

It's easy to join PAM: just go to www.pam.fi/join and fill in the form.

What is a collective agreement?

Service Union United PAM has concluded the Collective Agreement for the Hotel, Restaurant and Leisure Industry with the Finnish Hospitality Association MaRa. The Collective Agreement specifies the minimum terms and conditions of employment, including details of pay, working hours, sick leave and annual holidays. Wages and salaries specified in the Collective Agreement negotiated by PAM are the minimum level that must not be undercut. It's worth bearing in mind that you cannot conclude a personal employment contract on terms and conditions weaker than those agreed in the Collective Agreement. The agreement is universally applicable, which means that all employers in the sector must apply at least these terms and conditions to their employees.

This pocket guide summarises the key provisions of the Collective Agreement for the Hotel, Restaurant and Leisure Industry. More detailed provisions are available in the actual Collective Agreement.

If you are a PAM member, you can order the collective agreement free of charge at www.pam.fi/tilaukset. The collective agreement is also available in electronic format at www.pam.fi. If you need additional

or more detailed information about terms and conditions of employment, contact the shop steward at your workplace. You can also call PAM's employment helpline on 030 100 620.

What is an employment contract?

An employment contract is an agreement between an employee and an employer. The employment contract must comply with at least the provisions of the Collective Agreement. It is also possible to agree terms and conditions of pay and employment that are more beneficial for the employee. An employment contract should be made in writing.

An employment contract should clearly specify the following points:

- your work duties
- your pay
- your working hours or minimum working hours
- the start date of your employment (and the end date of your employment for a fixed-term contract).
- your trial period
- your workplace (commuting area)
- workplace meals.

Employment contract forms are available at the Union offices and on PAM's website www.pam.fi. You can find more detailed provisions on the terms and conditions of employment in the industry in the Collective Agreement.

The minimum information you should know about the Collective Agreement

Trial period

- For an employment contract concluded for an indefinite period: maximum 6 months.
- The employer is entitled to extend the trial period to offset any absence from work due to work incapacity or family leave during the trial period. For more details, check the relevant Collective Agreement.
- A trial period including extensions may not exceed half the duration of a fixed-term employment relationship, but may be no longer than six months.

Periods of notice

When the employer terminates the employment contract:

DURATION OF EMPLOYMENT	PERIOD OF NOTICE
less than 5 years	1 month
less than 10 years	2 months
less than 15 years	3 months
more than 15 years	4 months

When the employee terminates the employment contract:

DURATION OF EMPLOYMENT	PERIOD OF NOTICE
less than 10 years	14 days
more than 10 years	1 month

The notice period applicable for supervisors is one month.

Fixed-term employment contracts are in force for a specified period, such as from 1 June to 31 July. Under the collective agreement, there must always be justified reasons for an employment contract being for a fixed period, such as working as someone's replacement.

Trainees

When an employee starts working in the industry for the first time, the training period is six months. If the employee has the training required for the job, the training period is two months. Trainees' pay is 80% of the pay scale wages for 0–2 years of experience for the job in question.

Periods of training are not applicable to supervisors; instead supervisor-trainees must be paid at least the wages or salaries payable to the corresponding employees' wage group.

Students

Lower and upper secondary school students can be hired for a maximum of two months. The wages payable to students are 70% of pay-scale wages for the wage group concerned.

Seniority

Any prior work experience in similar work assignments is taken into consideration in employment relationships.

Working hours

Regular working hours total 112.5 hours over three weeks.

There are three working hours adjustment systems applicable to full-time employees:

- working hours are adjusted to 112.5 hours over a maximum of six (6) three-week periods, and regular working hours in one single three-week period must not exceed 130 hours.
- working hours are adjusted to 112.5 hours over a maximum of nine (9) three-week periods, and working hours in one single three-week period must not exceed 136 hours. Introduction of this system is subject to an agreement under Section 30 of the Collective Agreement.
- an annual working hours system based on local agreement (so-called working hours account). (Check the relevant Collective Agreement for more details.)

Part-time employees

The employer and the employee will agree either fixed minimum working hours or average minimum working hours over a three-week period.

The fixed minimum working hours must be met during each three-week period.

If the employer and the employee have agreed average working hours in a three-week period, the agreed working hours must be met within one year unless there is local agreement on a shorter follow-up period in place at the workplace.

The adjustment follow-up is made for full three-week periods from January to January.

Follow-up periods 2022–2023

THREE-WEEK PERIOD STARTING ON	THREE-WEEK PERIOD ENDING ON	NUMBER OF THREE-WEEK PERIODS	NEXT FOL-LOW-UP PERIOD STARTING ON
3.1.2022	15.1.2023	18	16.1.2023
10.1.2022	1.1.2023	17	2.1.2023
17.1.2022	8.1.2023	17	9.1.2023
24.1.2022	15.1.2023	17	16.1.2023
31.1.2022	1.1.2023	16	2.1.2023

Follow-up periods 2023–2024

THREE-WEEK PERIOD STARTING ON	THREE-WEEK PERIOD ENDING ON	NUMBER OF THREE-WEEK PERIODS	NEXT FOL-LOW-UP PERIOD STARTING ON
2.1.2023	14.1.2024	18	15.1.2024
9.1.2023	31.12.2023	17	1.1.2024
16.1.2023	7.1.2024	17	8.1.2024
23.1.2023	14.1.2024	16	15.1.2024
30.1.2023	31.12.2023	16	1.1.2024

Follow-up periods 2024–2025

THREE-WEEK PERIOD STARTING ON	THREE-WEEK PERIOD ENDING ON	NUMBER OF THREE-WEEK PERIODS	NEXT FOLLOW-UP PERIOD STARTING ON
1.1.2024	12.1.2025	18	13.1.2025
8.1.2024	19.1.2025	18	20.1.2025
15.1.2024	5.1.2025	17	6.1.2025
22.1.2024	12.1.2025	17	13.1.2025
29.1.2024	19.1.2025	17	20.1.2025

The follow-up of working hours will be performed within two months of the end of the respective period.

If the hours worked are, for no justified reason, longer than the working hours in the employment contract, an agreement must be made to match the working hours to the actual hours worked.

In fixed-term employment contracts that last less than one year, the agreed average minimum working hours must be met during the employment relationship.

If the actual hours worked do not meet the agreed minimum, the employer is obliged to pay compensation for the working hours not given to the employee. However, the compensation obligation does not apply if the agreed working hours have fallen short for reasons attributable to the employee or due to absence without pay.

Annual leave system ('VV days')

- The annual leave system covers both full-time and part-time employees.
- Employees earn one annual day off per actual 220 hours worked.
- An employee can earn up to seven (7) leave days in one calendar year.

From 1 January 2022, employees earn one annual leave day per 200 actual hours worked. After 1400 actual hours worked, the accrual limit is 140 hours and after 1540 actual hours worked it is 100 hours (see table below). You can earn a maximum of nine (9) leave days in one calendar year.

You can earn leave days per calendar year as follows:

NUMBER OF ACTUAL HOURS WORKED	NUMBER OF ANNUAL LEAVE DAYS
200	1
400	2
600	3
800	4
1000	5
1200	6
1400	7
1540	8
1640	9

Additional work

Employers are obliged to offer up to 112.5 hours per three-week period of additional work to an existing part-time employee before hiring a new employee for such work. It is recommended that ground rules for offering additional work are agreed at the workplace.

Overtime

Overtime is work done beyond 120 working hours in a three-week period.

Increased pay

Pay increased by 50%:

- overtime payable for first 18 hours in excess of 120 hours per 3 weeks
- work performed on an additional day off ('X day')
- work performed on an annual leave day ('VV day')
- holiday eve compensation: work performed after 3 pm on New Year's Eve, Easter Saturday, May Day Eve, Midsummer Eve or Christmas Eve

Pay increased by 100%:

- overtime payable for hours in excess of (120 hrs + 18 hrs =) 138 hours per 3 weeks
- work performed on a weekly rest day ('V day')
- work performed on Sundays or other Church holidays or on Independence Day or May Day

N.B. The overtime provisions applicable to working hours adjustment systems different. See the Collective Agreement.

Sick leave

DURATION OF EMPLOYMENT AT TIME OF FALLING ILL	LENGTH OF PERIOD WITH PAY
1 month – 4 months	waiting period under Health Insurance Act 1+9 days
more than 4 months	28 days
more than 3 years	35 days
more than 5 years	42 days
more than 10 years	56 days

If an employee is incapable of performing his/her work due to an accident at work, then instead of the above table he/she is paid sick pay for the period of absence due to work incapacity in accordance with the rules below for a period of at least four weeks (28 calendar days) regardless of the length of the employment relationship. For this period, the allowance legally due to the employee is paid to the employer up to an amount equivalent to the wages paid by the employer.

Annual holiday and holiday compensation

An employee earns the following amount of holiday for each full holiday credit month when the employment relationship has, by the end of the holiday credit year (1 April – 31 March), continued for:

- less than one year 2 weekdays
- more than one year 2.5 weekdays

A full holiday credit month is a calendar month in which

- a. the employee has worked at least 14 days
- b. the employee has worked at least 35 hours.

Holidays are also accrued for days/hours equivalent to working days/hours as per the Annual Holidays Act (e.g. sick leave to a certain extent). The employee earns holidays either according to option a) or b). The employee earns holidays in line with option a) when he/she works at least 14 days a month in every calendar month under the terms of his/her employment contract.

The employer is obliged to pay holiday pay for the days of annual holiday earned. Employees whose working days or hours do not add up to meet the conditions for accrual of holiday entitlement as described above are entitled to holiday compensation equal to holiday pay.

At the end of employment, the employee is entitled to receive annual holiday compensation in lieu of annual holiday pay for holiday days earned but not taken. For detailed calculation of holiday pay and holiday compensation, see the Collective Agreement.

Holiday bonus

The holiday bonus is 50% of holiday pay, and is payable on the pay day following the end of the holidays.

Unexpected illness of a child under 10 years of age

The employee receives pay for a maximum of 3 days.

Work clothing

Work clothing must be neat and appropriate. The employer will make available to employees for use at work:

- work clothing as required by legislation or official guidelines
- uniforms if the employer has specific requirements as to the colour, design or uniformity of work clothing.

Meal and other breaks

The employer is obliged to arrange for the employee to have a meal during working hours when the length of the working day exceeds 6 hours.

If work causes an uninterrupted load or requires continuous presence in one place, the employer is obliged to give the employee the chance to take short breaks away from his/her workstation. This also applies to shifts of less than 6 hours.

In a shift of over 4 hours, the employee must also have at least one coffee break. If this is not possible due to work arrangements, the employee must have an opportunity to take refreshments while working.

Food and meal benefits

The cash value of a food and meal benefit in the period from 1 January to 31 December 2022 is 6.08 euros. (The cash value of a food and meal benefit received by a staff member at a hospital, school, day-care centre or other equivalent institution in connection with institutional meals is considered to be 5.36 euros per meal.)

Night work travel

If the employee's shift begins or ends between 11.00 pm and 6.00 am and he/she cannot travel to and from work using public transport, his/her own or spouse's car, bicycle or other means, the employer is required to arrange transport for the employee.

Monthly and hourly pay as of 1 July 2022

Employees

Pay scales for employees as of the beginning of the pay period commencing on 1 July 2022 or as of the beginning of the subsequent pay period closest to that date.

	0-2 YRS	OVER 2 YRS	OVER 5 YRS	OVER 10 YRS
1	1678 (10.55)	1724 (10.84)	1769 (11.13)	1817 (11.43)
2	1712 (10.77)	1756 (11.04)	1823 (11.47)	1913 (12.03)
3	1819 (11.44)	1875 (11.79)	1930 (12.14)	2018 (12.69)
4	1921 (12.08)	1977 (12.43)	2039 (12.82)	2118 (13.32)
5	2006 (12.62)	2053 (12.91)	2107 (13.25)	2172 (13.66)

Supplements for evening and night work

Evening supplement (18.00–24.00) 1.33 euros/hour

Night supplement (24.00 – 06.00) 2.25 euros/hour

For Sundays and public holidays, supplements are doubled (Collective Agreement, Section 17).

Supplement for grocery store work

- weekdays 18.00–24.00 1.86 euros/hour
- Sundays, Church holidays,
May Day and Independence
Day, 18.00–24.00 3.71 euros/hour
- Weekdays and public
holidays 00.00–06.00 3.71 euros/hour

Pay scales for head waiters, constituting the basis of the supplement paid to the representative of a licence holder as of 1 July 2022

0-2 YRS	OVER 2 YRS	OVER 5 YRS	OVER 10 YRS
2206 (13.87)	2266 (14.25)	2334 (14.68)	2401 (15.10)

Wage groups

1	Assistant, porter
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2	Waiter, cashier, shop assistant, cook, motorway traffic and service station worker, bowling alley attendant (<i>cafés, fast food restaurants and restaurants serving no alcohol or serving alcoholic beverages containing maximum 5.5% ethyl alcohol by volume</i>) Cleaner, pool attendant, transport and distribution of goods by vehicle, reception worker, campsite worker
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3	Staff restaurant cook (<i>not serving alcohol beverages exceeding 5.5% ethyl alcohol by volume</i>) Floor attendant, processed food cook, baker
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4	Waiter, cook, cold buffet cook, motorway traffic and service station worker, bowling alley attendant (<i>licensed premises serving alcohol beverages exceeding 5.5% ethyl alcohol by volume</i>) Doorman, bouncer, service attendant, switchboard operator, reception assistant, karaoke operator, conference organiser, wellness sector employee (<i>e.g. fitness trainer, personal trainer, chiroprapist</i>), hobbies and events worker (<i>e.g. gym trainer, leisure activities instructor, roadie, hall builder, caddie master</i>), beautician, exercise instructor, masseur/masseuse
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5	Hotel receptionist, porter, physiotherapist
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Monthly and hourly pay as of 1 July 2022

Supervisors

Pay scales for supervisors as of the beginning of the pay period commencing on 1 July 2022 or as of the beginning of the subsequent pay period closest to that date.

	0-2 YRS	OVER 2 YRS	OVER 5 YRS	OVER 10 YRS
1	2028 (12.75)	2085 (13.11)	2146 (13.50)	2209 (13.89)
2	2130 (13.40)	2188 (13.76)	2255 (14.18)	2318 (14.58)
3	2206 (13.87)	2266 (14.25)	2334 (14.68)	2401 (15.10)
4	2225 (13.99)	2285 (14.37)	2355 (14.81)	2421 (15.23)
5	2334 (14.68)	2399 (15.09)	2474 (15.56)	2548 (16.03)
6	2494 (15.69)	2551 (16.04)	2612 (16.43)	2674 (16.82)

Supplements for evening and night work

Evening supplement (18.00–24.00) 1.33 euros/hour

Night supplement (24.00–06.00) 2.25 euros/hour

On Sundays and public holidays supplements are doubled (Collective Agreement, Section 17)

Supplement for grocery store work (Collective Agreement, Section 16, 3)

- weekdays 18.00–24.00 1.86 euros/hour
- Sundays, Church holidays,
May Day and Independence
Day, 18.00–24.00 3.71 euros/hour
- Weekdays and public
holidays 00.00 – 06.00 3.71 euros/hour

Wage groups

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- 1** Shift manager
(cafés, fast food restaurants and restaurants serving no alcohol or serving alcoholic beverages containing maximum 5.5% ethyl alcohol by volume)

 - 2** Floor manager, cleaning manager, bar tender

 - 3** Shift manager, shift supervisor, head waiter
(in licensed premises serving alcoholic beverages containing over 5.5% ethyl alcohol by volume)
Head of reception

 - 4** Café manager, staff restaurant manager, hall manager
(cafés, fast food restaurants and restaurants serving no alcohol or serving alcoholic beverages containing maximum 5.5% ethyl alcohol by volume)

 - 5** Chef de cuisine

 - 6** Restaurant manager, responsible manager in charge of licensed service of alcohol
(in licensed premises serving alcoholic beverages containing over 5.5% ethyl alcohol by volume)
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**Palvelualojen
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Membership services

030 100 600

**Employment advice
for members**

030 100 620

Unemployment Fund

020 690 211

**www.pam.fi/join
www.pam.fi**