

**Collective Agreement**  
**between**  
**Verzlunarmannafélag Reykjavíkur, VR**  
**(The Commercial Workers' Union of Reykjavik)**  
**and**  
**Samtök atvinnulífsins, SA**  
**(The Confederation of Icelandic Employers)**

**Effective from May 2000**

*This is a translation only and not a legitimate document.  
In matters of dispute refer to the original text in Icelandic.*

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# 1. Wages

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## ***1.1. Wages will be as follows:***

### ***1.1.1. Clerks and division managers in stores.***

#### **Effective from 1 May 2000**

<b>Clerks in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
16 year old youths	66,648	392.04	692.13
17 year old youths	70,350	413.82	730.58
Starting wages for 18 year olds	74,053	435.61	769.04
After 1 year in field of work	77,756	457.39	807.50
After 3 years in field of work	78,706	462.98	817.36
After 5 years in field of work	80,396	472.92	834.91
After 7 years with same company	81,612	480.07	847.54

<b>Division managers in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	83,738	492.58	869.62
After 1 year in field of work	85,185	501.09	884.65
After 3 years in field of work	86,619	509.52	899.54
After 5 years with same company	88,039	517.88	914.29

#### **Effective from 1 January 2001**

<b>Clerks in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
16 year old youths	70,980	417.52	737.13
17 year old youths	74,924	440.73	778.08
Starting wages for 18 year olds	78,867	463.92	819.03
After 1 year in field of work	82,810	487.12	859.98
After 3 years in field of work	83,790	492.88	870.16
After 5 years in field of work	85,256	501.51	885.38
After 7 years with same company	86,302	507.66	896.25

<b>Division managers in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	88,114	518.32	915.06
After 1 year in field of work	89,335	525.50	927.74
After 3 years in field of work	90,534	532.55	940.20
After 5 years with same company	91,712	539.48	952.43



### Effective from 1 January 2002

<b>Clerks in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
16 year old youths	75,594	444.67	785.04
17 year old youths	79,793	469.37	828.65
Starting wages for 18 year olds	83,993	494.08	872.27
After 1 year in field of work	88,192	518.78	915.87
After 3 years in field of work	89,205	524.74	926.39
After 5 years in field of work	90,460	532.12	939.43
After 7 years with same company	91,348	537.34	948.65

<b>Division managers in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	92,875	546.32	964.51
After 1 year in field of work	93,895	552.32	975.10
After 3 years in field of work	94,899	558.23	985.53
After 5 years with same company	95,859	563.88	995.50

### Effective from 1 January 2003

(According to contract between ASÍ and SA 13 December 2001)

<b>Clerks in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
16 year old youths	81,702	480.60	848.47
17 year old youths	86,241	507.30	895.61
Starting wages for 18 year olds	90,780	534.00	942.75
After 1 year in field of work	93,858	552.11	974.71
After 3 years in field of work	94,935	558.44	985.90
After 5 years in field of work	96,116	565.39	998.16
After 7 years with same company	96,860	569.76	1,005.89

<b>Division managers in stores</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	98,130	577.24	1,019.08
After 1 year in field of work	98,971	582.18	1,027.82
After 3 years in field of work	99,787	586.98	1,036.28
After 5 years with same company	100,578	591.63	1,044.50

Starting wages is determined by the calendar year on which the employee turns 18 years old.

The title of Division manager applies only to those employed to undertake responsibility and/or management duties according to a special written contract of employment.

### **1.1.2. Youths' wages.**

- a) Wages of 17 year olds are 95% of the starting wages of 18 year olds, and wages of 16 year olds are 90%.
- b) Youths' wages are to be proportionately determined by the wages of 16 year olds, according to the following ratio:

Younger than 14 year old:	50%
14 year old youths:	75%
15 year old youths:	85%

Wages of youths to whom the contract of the union (VR) pertains are to be measured from the beginning of the year in which they reach the stipulated age.

### **1.1.3. Office workers**

#### **Effective from 1 May 2000**

<b>Office workers</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	87,408	546.30	907.73
After 1 year in field of work	89,803	561.27	932.60
After 3 years in field of work	91,384	571.15	949.02
After 5 years with same company	92,783	579.89	963.55

#### **Effective from 1 January 2001**

<b>Office workers</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	91,429	571.43	949.49
After 1 year in field of work	93,934	587.09	975.50
After 3 years in field of work	95,588	597.43	992.68
After 5 years with same company	97,051	606.57	1,007.87

#### **Effective from 1 January 2002**

<b>Office workers</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	95,635	597.72	993.17
After 1 year in field of work	98,255	614.09	1,020.38
After 3 years in field of work	99,985	624.91	1,038.34
After 5 years with same company	101,516	634.48	1,054.24

## **Effective from 1 January 2003**

(According to contract between ASÍ and SA 13 December 2001)

<b>Office workers</b>	<b>Monthly Wages</b>	<b>Day Work</b>	<b>Overtime</b>
Starting wages	100,400	627.50	1,042.65
After 1 year in field of work	103,151	644.69	1,071.22
After 3 years in field of work	104,967	656.04	1,090.08
After 5 years with same company	106,574	666.08	1,106.77

A new pay agreement should not automatically lead to an increase disproportionate to a general wages-increase. For reference see appendix on the agreed rate-change.

Interns undergoing practical training in connection with tourism studies have the right to claim 60% of the starting wages. In order for payments to be made according to this provision a tri-lateral agreement must be in place between school, union and company.

### **1.1.4. Other contracts.**

For information on the wages of workers in pharmacies (p. 60), kiosks (p. 65), hotel receptions (p. 68), cinemas (p. 73) and employees of Icelandair Ltd. (p. 89) see the appropriate contracts. Special contracts with Baugur hf., Kaupás hf., Matbær hf. and Samkaup hf. can be found on pp. 77-85.

## **1.2. Development of wages.**

### **1.2.1. Increase of wages.**

Effective from 1 May 2000 all wages and other wages terms increase by 3.9%.

1 January 2001 wages increase by 3%

1 January 2002 wages increase by 3%

1 January 2003 wages increase by 3.4% (According to contract between ASÍ and SA 13 December 2001)

Due to different timeframes regarding the enforcement of changes of provisions pertaining to working hours, store workers who have been employed from 1 May 2000 shall no later than 1 June 2000 be paid a lump sum of ISK 10,000, for full-time workers, or otherwise proportionate to job ratio. Holiday pay is included in the lump sum.

### **1.2.2. Wages based on individual performance.**

Decisions made between employer and employee regarding wages should reflect the work effort, skill, education and general competence of the employee as well as the nature of the job and the responsibility it calls for. Care shall be taken that decisions regarding wages comply with equal rights legislation.

Employees have the right to claim one interview per year with their manager to discuss their work and potential change in working conditions and terms.

### ***1.3. Minimum wages for full-time work.***

Minimum wages for full-time work, i.e. 173.33 working hours per month (40 per week), shall be as follows for employees 18 years of age or older with a working experience of four consecutive months with the same company:

1 May 2000	ISK 77,000 per month
1 January 2001	ISK 85,000 per month
1 January 2002	ISK 90,000 per month
1 January 2003	ISK 93,000 per month

From 1 October 2000 full-time work is measured as 171.17 working hours per month (39.5 hours per week).

A monthly remuneration shall be added to the wages of employees who do not reach the aforementioned monthly rate. "Wages" here denotes all payments, including any extra payments, for work within the stipulated working time.

Wages for work exceeding 173.33 hours per month (from 1 October 2000, 171.17 working hours per month) along with cost reimbursements does not apply in these calculations.

### ***1.4. Christmas and vacation premium.***

#### ***1.4.1. Christmas premium.***

Those who have been employed by the same company for the full year and are still with the company in the last week of November or the first week of December shall no later than 15 December each year receive a special lump sum, Christmas premium. Part-time workers fulfilling the same conditions shall be paid pro rata. Work ratio is proportionate to customary working hours, although not exceeding 40 hours per week for clerks (39.5 from 1 October 2000) and 38 hours per week for office workers (37.5 from 1 October 2000). The period measured is determined by the calendar year. A full year's work is here defined as 45 working weeks or more excluding vacations. Employees with less work longevity shall be paid pro rata. The Christmas premium amount is fixed and is not altered by other provisions.

Christmas bonus rates are as follows:

In 2000	ISK	28,200
In 2001	ISK	40,000 (acc. to contract, VR/SA 7 March 2001)
In 2002	ISK	41,000 (acc. to contract, VR/SA 7 March 2001)
In 2003	ISK	42,000 (acc. to contract, VR/SA 7 March 2001)

An employee who stops working during the year due to age or after 12 consecutive weeks with the same company shall at time of termination be paid a Christmas premium in proportion to work longevity and ratio in that year. The same rule applies if an employee is on sickness leave after the employer's paying obligation ends or, as in the case of maternity/paternity leave, for up to 6 months.

Christmas premium with vacation pay is paid independently and irrespective of wages.

#### **1.4.2. *Vacation premium.***

Employees who have earned full vacation rights for the next year working for the same employer and are still employed in the last week of April or the first week of May shall be paid a lump sum, a vacation premium, either before using their vacation rights or otherwise no later than 15 August. The premium is, from 1 May 2000, ISK 9,400 for full time work or otherwise proportionate to work longevity and ratio. Work ratio is proportionate to customary working hours, although not exceeding 40 hours per week for clerks (39.5 from 1 October 2000) and 38 hours per week for office workers (37.5 from 1 October 2000). Full-time work is here defined as 45 working weeks or more excluding vacations.

The vacation premium is a fixed amount and does not alter according to other provisions.

Vacation premium rates are as follows:

- From 1 May 2000 ISK 9,400
- From 1 May 2001 ISK 15,000 (acc. to contract, VR/SA 7 March 2001)
- From 1 May 2002 ISK 15,300 (acc. to contract, VR/SA 7 March 2001)
- From 1 May 2003 ISK 15,400 (acc. to contract, VR/SA 7 March 2001)

An employee who stops working due to age or after 12 consecutive weeks with the same company shall at time of termination be paid a vacation premium for time earned proportionate to work longevity and ratio in that year. The same rule applies when the employee is on sickness leave after the employer's paying obligation ends or, in the case of maternity/paternity leaves, for up to 6 months.

Vacation premium does not include rights for vacation pay.

#### **1.5. *Evaluation and work experience.***

An employee who has two differently paid jobs with the same company shall be paid according to the higher-paid one, except if he takes the second as extra work.

When an employee who is not specifically hired as a potential replacement for supervisor replaces his supervisor either because of vacation or sickness leave and this replacement lasts for one week or more the employee is entitled to remuneration for the replacement taking into account the responsibilities and the work effort required.

Evaluations of work longevity with regard to wages shall be measured from the time an employee begins work for the company irrespective of employee's age. The evaluation can first take place when the employee has reached 18 years of age. Evaluations of the work longevity of youths younger than 18 years of age in part-time work shall be measured as amount of hours worked. The amount of hours worked can be calculated from average wages. A full year measures 1,800 working hours.

On evaluating work longevity with regard to wages 21 years of age equals 1 year of work in field of work, and 24 years of age give the right to a wage equal to the next work longevity step above. Work longevity defined under those provisions applies unconditionally to decisions made regarding higher work longevity steps in a table of wages.

A commercial exam equals two years of work experience.

If an employer requests written proof of work experience the employee shall, if possible, provide it, given that the previous employer is obliged to issue such documentation. For further information on work longevity see appropriate wages tables and contracts.

## ***1.6. Courses.***

If an employee is requested to take a course jointly organised by the contracting parties it shall be held during work hours and without any lowering of wages. Courses should aim to increase the employees' skill and professional knowledge in a goal-oriented manner.

For taking requested courses outside of working hours the employee shall be paid for half of the course hours, day- or night pay as appropriate. This provision never lowers a fixed monthly pay.

## ***1.7. Fractional numbers.***

### ***1.7.1. Fractional numbers for hourly pay.***

#### **1.7.1.1. Coffee breaks included.**

Hourly day wages for each employee is calculated by dividing the fixed monthly rate of the appropriate wage group (according to article 1.1.1.) with the number 170 for clerks and the number 160 for office workers.

#### **1.7.1.2. No coffee breaks included (effective from 1 October 2000).**

Hourly day wages for each employee is calculated by dividing the fixed monthly rate of the appropriate wage group (according to article 1.1.1.) with the number 158.5 for clerks and the number 157.1 for office workers.

### ***1.7.2. Fractional numbers for day wages and vacation pay.***

The day wages of each employee is calculated by dividing the fixed monthly wages with the number 21.67 (Saturdays not included).

## ***1.8. Added rate of wages for overtime.***

Wages for overtime is defined as an hourly pay equaling 1.0385% of the monthly wages for day work.

The overtime of office workers in an organised shift system is paid according to the appropriate contracts.

Wages for work on special holidays is defined as an hourly pay equaling 1.375% of the monthly wages for day work. This does not apply where winter holidays are granted according to specific contracts due to work on said holidays. For information on special holidays see article 2.2.5.

### ***1.9. On-call duty.***

When an employee is called in for work which does not directly follow daily work he shall be paid wages for overtime for at least 4 hours, except when his customary working hours begin within 2 hours.

### ***1.10. Rules on wage payments.***

Wages shall be paid monthly on the first day after the month ends for which the wages is being paid. If that day is a holiday wages shall be paid on the last working day of the month.

#### ***1.10.1. Pay slip.***

An employee shall be given a pay slip upon each payment where the payment is itemized into such categories as day work, overtime and hours of overtime. All deductions shall also be itemized.

#### ***1.10.2. Payment period of overtime work.***

All overtime shall be paid afterwards as a single sum for each month.

### ***1.11. Contracts of employment.***

If an employee is hired for longer than one month and on average for more than 8 hours per week a written contract of employment shall be made, or employment confirmed otherwise in writing, no later than 2 months after the work began. If an employee stops working before the 2 month interval ends without any written employment contract having been made, or employment confirmed otherwise in writing, such a confirmation shall be given at time of work termination.

Changes in terms of employment which go beyond legal or collective contract provisions shall be confirmed in the same way no later than a month after they became effective.

Otherwise applicable is the agreement of VSÍ/VMS and ASÍ on written confirmation of employment.

*[See agreement on p. 91 Icelandic copy online, agreement not translated.]*

## **2. Working time**

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### ***2.1. Day work (effective from 1 October 2000).***

Active working time in stores, excluding breaks, for day work shall be 36 hours and 35 minutes per week. Daily working hours shall be from 09:00 to 18:00 from Monday to Friday. If contracted coffee breaks are included then working time increases according to article 3.1.2. and the weekly working time becomes 39.5 hours. Working time shall be decided jointly by employees and employers according to what befits in each place.

#### ***2.1.1. Day work before 09:00.***

Day work may begin before 9:00 a.m. if earlier times are considered necessary for each company or area of work.

#### ***2.1.2. Consecutive working hours.***

The contracted maximum day work shall be within the limits stated above so that the hours worked each day will be consecutive.

#### ***2.1.3. The beginning of overtime.***

If day work begins to some extent earlier in the morning, overtime begins earlier by the same measure.

#### ***2.1.4. Vacation for overtime.***

Overtime may be paid with vacation from day work according to agreements between employee and employer. Calculations regarding this shall be based on the overtime wages achieved.

##### ***Example:***

*1 hour of overtime work equals 1 hour and 48 minutes.*

Payments for such work shall be simultaneous to monthly wage payments, and that part of such work which has not already been paid for with vacations or will be paid for with vacations in the following month shall be paid with wage payment, except if both parties agree on connecting payments for overtime to employee's vacation benefits. The vacation shall be taken as whole days following a weekend and be consecutive. This authorization does not apply to overtime after 12:00 on Saturdays in December and after daily working hours end on 23 December.

Contracted store workers and supply room clerks who have long working hours in December, for example on Saturdays after 16:00, on Sundays, on 23 December and who have at least a 50% work ratio are entitled to two paid days off work in the following January.



If an employee so wishes he has a right to a 10% bonus on day work wages in December instead of 2 paid days off work. The above provision also applies in the same way to the employees of those pharmacies that use authorizations regarding longer business hours in December.

*[Appendix from 1 May 1989: Contracting parties are in agreement that vacation earned because of longer business hours in December may be granted after Christmas.]*

**2.1.5. Daily working time of office workers and salespeople (effective from 1 October 2000.)**

Active working time of office workers and salespeople, excluding breaks, for day work shall be 36 hours and 15 minutes per week. If contracted coffee breaks are included the working time increases to the same degree according to article 3.1.2. and the weekly working time becomes 37.5 hours. Working time shall be decided jointly by employees and employers according to what befits in each place regarding longer working time before 9:00, after 17:00 and/or shorter lunch breaks.

**2.1.6. End of work on 24 and 31 December.**

On 24 and 31 December work shall end no later than at 12:00, provided they occur on Monday to Friday.

**2.1.7. Various provisions regarding working time**

On the first working day after Christmas, working time in stores shall begin at 10:00.

Each employee has the right to decline overtime work and shall not be penalized for such action in any way.

**2.1.8. Working time in bakeries.**

**2.1.8.1. Working time of clerks (effective from 1 October 2000).**

Active working time of clerks, excluding breaks, for day work shall be 36 hours and 35 minutes per week. Daily working hours shall be from 08:00 to 18:00 from Monday to Friday. If contracted coffee breaks are included, the working time increases to the same degree according to article 3.1.2. and in such cases the weekly working time may be on average 39.5 hours. Working time shall be agreed upon by employees and employers according to what befits in each place.

**2.1.8.2. Working time of assistants (effective from 1 October 2000).**

Active working time for assistants in bakeries, excluding breaks, for day work shall be 36 hours and 35 minutes per week. Daily working hours shall be from 7:00 to 17:00 from Monday to Friday. If contracted coffee breaks are included the working time increases to the same degree according to article 3.1.2. and in such cases the weekly working time may be on average 39.5 hours. Working time shall be agreed upon by employees and employers according to what befits in each place.

The lunch and coffee breaks of assistants in bakeries may be co-coordinated with the breaks of others who work there provided that all parties are consulted.

## ***2.2. Overtime work and work on special holidays.***

### ***2.2.1. Overtime.***

Overtime work is defined as work that exceeds the normal daily hours and work during weekends as well as all other public holidays mentioned in article 2.2.4.

### ***2.2.2. Work on special holidays.***

Work on special holidays is defined as work on New Year's Day, Good Friday, Palm Sunday, 17 June (National Day), The Bank Holiday Monday, Boxing Day and later than 12:00 on 24 and 31 December.

### ***2.2.3. Work on Saturdays and Sundays (effective from 1 June 2000).***

Wages for work on Saturdays and Sundays is never less than for 4 hours overtime even though working time is shorter.

### ***2.2.4. Public holidays.***

Holidays are defined as all holidays of the Church of Iceland, the first day of summer, 1 May, 17 June (National Day) and The Bank Holiday Monday. Also 24 and 31 December after 12:00 if they occur on working days.

### ***2.2.5. Special holidays.***

Special holidays are New Year's Day, Good Friday, Easter Sunday, 17 June (National Day), The Bank Holiday Monday, Boxing Day and after 12:00 on 24 and 31 December.

## ***2.3. Minimum time of rest.***

### ***2.3.1. Daily time of rest.***

Working time for each 24 hour day shall be ordered in such a way as to provide at least 11 hours of consecutive rest for the employee. If possible, the daily time of rest shall fall between 23:00 and 6:00.

It is unauthorized to organize longer than 13 hour workdays.

### ***2.3.2. Exceptions and right for time off from work.***

Under special circumstances, when valuables are at risk, consecutive working time may be increased to a maximum of 16 hours, which must in all cases be followed by an 11 hour time of rest without any reduction of the right to fixed daily wages.

When special circumstances demand that an exception be made to the above rules regarding daily resting time, as provided by the working time contract of ASÍ/VSÍ from 30 December 1996, the following applies: If employees are specifically asked to come to work before the 11 hour time of rest is over it is allowed to postpone the rest and grant it later so that the right to time off from work, 1.5 hours (day work), accumulates for every hour of rest reduction. It is allowed to pay 0.5 hours (day work) of the right for time off if an employee so wishes. In all cases it is not allowed to reduce 8 hours of consecutive rest.

If the working time of an employee on a day prior to a holiday or a weekend is too long to allow for 11 hours of rest considering the normal beginning of working day, the same shall apply. If an employee comes to work on a holiday or a

weekend, overtime wages shall be paid for the time worked with no additional payments resulting from this.

The above provisions do not apply to organised shift work where the reduction of resting time is allowed down to the 8 hour limit.

The accumulated right for time off according to the above shall be shown on the wage statement and granted in half and whole days outside of the times of maximum activity in the operation of company in consultation with employees, given that the accumulated right to time off is at least 4 hours. On termination of job the employee's outstanding right to time off shall be paid as a part of the employment time.

### **2.3.3. Weekly day off.**

For every 7 day period an employee shall have at least one day off work, which is directly connected to daily resting time. Monday is the first day of the week, in this respect.

### **2.3.4. Postponement of the weekly day off.**

If possible, the weekly day off shall fall on a Sunday and, if possible, every employee of a given company shall have that day off. If necessary a company, after consultation with its employees, may postpone the weekly day off where special reasons make such an exception unavoidable. If there is a special need to organize the work in such a way that calls for the postponement of the weekly day off, a contract of employment shall be made to that effect. In those cases the days off may be taken together every other week (Saturday and Sunday). If the days off occur on working days for reasons unforeseen it does not affect the rights of employees to fixed wages and a bonus for added working hours.

*[Appendix from March 1997 and May 2000 on the interpretation of article 2.3.4. on weekly day off: It is the joint understanding of the contracting parties that if no agreement exists between employees and managers on the postponement of the weekly day off then the employee has a right to a day off during the next week without reduction of wages. - The same understanding applies to working-trips abroad.]*

### **2.3.5. Breaks.**

An employee has the right to a 15 minute break if his daily working time exceeds 6 hours. This does not reduce rights afforded by provisions on lunch and coffee breaks, according to article 3.1.

Regarding applicability, resting time, breaks etc. see the contract between ASÍ and VSÍ from 30 December 1996 on specific provisions regarding the organization of working time. It is attached to this contract and is considered a part of it. The following provisions complete article 13 of that contract.

## ***2.4. Registration of working time.***

### ***2.4.1. General.***

Employees shall come to work on time regardless of when work begins in the morning, and after lunch and/or coffee breaks. If employees come to work late it is authorised to withdraw 1/4 hour from the monthly wages on overtime wages for every begun 1/4 hour, if the incident repeats itself.

A begun 1/4 hour of worked overtime is considered 1/4 hour.

### ***2.4.2. Registration with a time clock.***

If an employee comes late to work, he is not entitled to wages for the elapsed time. Overtime shall not be paid until the contracted daily working time requirements have been met. This never delays the beginning of overtime for more than 30 minutes.

## ***2.5. Rights of part-time workers.***

People who are hired for part-time work and have a regular working time, shall be paid monthly wages proportionate to the working time of tenured employees according to article 2.1., i.e. 39.5 hours or 37.5 hours.

Employees who have a regular part-time work with the same employer shall have the same rights regarding payments for contracted holidays, leave for health reasons, work longevity measures, etc., as those who work full time, and shall be paid according to the normal working time of an employee.

The parties agree that the above provision applies equally to those who work a part of a day consecutively throughout the week and those who work otherwise regularly, for example one day per week or a part of a day.

## ***2.6. On-call duty.***

It is allowed to organize on-call duty in those cases where an employee must be reachable by phone and come in to work when needed. Unless otherwise stated by contracts of employment, the following applies:

For every hour of on-call duty during which the employee on-call stays at home he shall be paid 33% of hourly day wages.

For an on-call duty where immediate response is not required on behalf of the employee, but he is ready for work when reached, the wages shall be 16.5% of hourly day wages for every hour of on call duty.

When called in for work, the employee which is on-call duty shall be paid for time worked, subject to a minimum of 4 hours, except when regular working time begins within 2 hours from the time the employee arrived. Payments for on-call duty and overtime should never be joined.

## **3. Food and coffee breaks, cost and transportation**

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### ***3.1. Food and coffee breaks for day work.***

#### ***3.1.1. Food breaks (effective from 1 June 2000).***

Lunch time shall be 0.5 - 1 hour taken between 12:00 and 14:00 and is not counted as normal working time. Five hours of work during the day gives the right to a food break.

#### ***3.1.2. Coffee breaks (effective from 1 June 2000).***

For store clerks the coffee break shall be 35 minutes per day for day work. For office workers the coffee break shall be 15 minutes per day for day work. Employees working a part of a day shall have proportionate coffee breaks. Coffee breaks may be skipped or reduced given that the working time is reduced by the same measure.

### ***3.2. Food and coffee breaks for overtime.***

#### ***3.2.1. Supper break during evenings (effective from 1 June 2000).***

Supper break shall be granted between 19:00 and 20:00 on overtime pay. If supper break is worked through, in part or in full, the overtime pay increases by that measure.

#### ***Example:***

*An employee works until 19:10 and receives 20 minutes of overtime pay for work during supper break.*

#### ***3.2.2. Work commencing at 16:00 and later.***

Employees in stores who start work at 16:00 or later shall be paid an extra 5 minutes for every hour worked, or a minimum of 15 minutes for breaks not taken. If an employee works 4.5 hours or more he is entitled to a one hour lunch break.

#### ***3.2.3. Other food and coffee breaks.***

Regarding overtime; lunch break shall be between 03:00 and 04:00 and coffee breaks from 22:00 to 22:20 and between 06:15 and 06:30.

On 23 December it is allowed to grant a 20 minute coffee break between 21:40 and 22:20. The above lunch and coffee breaks count as working time and work during those times shall be paid as additional overtime.

#### ***3.2.4. Food and coffee breaks on public holidays.***

For work on public holidays the same rules regarding breaks apply as on regular working days.

### ***3.3. Work during food and coffee breaks.***

If food or coffee breaks are worked through during day work they count as overtime and shall be paid as such.

### ***3.4. Transportation to and from place of work.***

Trips to and from a place of work in the greater Reykjavik area, (Reykjavík, Kópavogur, Garðabær, Hafnarfjörður, Mosfellsbær og Seltjarnarnes), outside of hours which buses operate on shall be paid by employer.

### ***3.5. Food and transportation costs.***

The employer shall provide the employee free food, accommodation and transportation back and forth when the work takes place outside of the contracted area.

### ***3.6. Driving costs.***

If union members use their own car for work they shall, unless otherwise agreed upon, receive payment according to the decision of the National Committee on Travel Costs (Ferðakostnaðarnefnd ríkisins) regarding rate per kilometer.

Changes of this rate will be issued in accordance with changes in rates of public employees and are effective from date of issue.

### ***3.7. Daily allowance abroad.***

Daily allowance to employees for trips abroad shall be in accordance with the rules of the National Committee on Travel Costs (Ferðakostnaðarnefnd ríkisins) provided that companies do not have rules of their own.

## **4. Vacation pay**

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### **4.1. *Vacation rights.***

The minimum vacation is 24 working days. Vacation pay shall be 10.17% of all wages, both for day and overtime work.

For vacation pay calculations the fractional number 21.67 shall be used (Saturdays not included). The first five Saturdays are not considered vacation days.

(Regarding vacation pay, an employee is considered permanent when he has at least one month's notice on his contract of employment).

### **4.2. *Vacation outside the vacation period.***

Those, who at their employer's request, do not take their vacation during the appointed vacation period by law, i.e. during the period from 2 May to 15 September each year, shall receive a 25% extension on the portion of the vacation taken outside the vacation period or equivalent payment.

### **4.3. *Additional vacation.***

After 5 years' employment with the same company an employee shall have a 25 day vacation and the vacation pay shall then be 10.64% After 10 years' employment with the same company an employee shall have 28 days vacation and the vacation pay shall then be 12.07% (effective in the vacation year starting 1 May 2001) An employee who has gained the right to 28 days vacation after a 10 years' consecutive employment with the same employer, regains this right after a 3 year employment with a new employer, provided this right has been proved in the beginning. It is allowed to give vacation in excess of 23 days in winter, unless other arrangements are agreed upon.

- For vacation premium, see article 1.4.2. -

### **4.4. *Decision on commencement of vacation.***

An agreement with the employer is decisive regarding when vacation is taken.

### **4.5. *Sickness while on vacation.***

If an employer becomes sick when taking his vacation in Iceland, to the extent that he can not enjoy his vacation, he shall on the first day inform his employer of his sickness and the name of the medical doctor who will issue a medical certificate of his sickness. This notice shall be sent to the employer in a verifiable manner, such as with a telegram.

The same applies if the employee gets sick in a country within the EEA, provided the sickness is serious to the extent that hospitalization is required.

If the employee fulfils his duty to give notice and the sickness lasts more than 3 full consecutive days in Iceland or 6 full consecutive days within the EES-area, the employee obtains the right to extra vacation equal to the time which can be

verified that his sickness lasted. Under these circumstances the employee shall always verify his sickness with a certificate from a medical doctor.

Extra vacation shall, if possible, be granted at the time the employee wishes and shall be granted in the period between 2 May through 15 September, unless special circumstances prohibit this.

#### **4.6. Icelandic law on vacation rights.**

See Icelandic law nr. 30/1987 on vacation rights.

##### **An example of the calculation of vacation pay:**

*An employee's wages for his work in a store in June 1999 ISK 80,000 for day work and ISK 20,000 for overtime work. In total his wages is ISK 100,000. Vacation pay for this month is 10.17% of ISK 100,000, or ISK 10,170. The vacation is transformed into vacation hours by dividing into the vacation pay the wages for daytime work, that is ISK 470.59 ( $80,000 / 170$ ). Thus the vacation hours for June amount to 21.61 hours ( $100,000 \times 10.17\% / 470.59$ ). Over the vacation year, this employee could for example have gained in total 237.1 vacation hours ( $11 \text{ months} \times 21.61 \text{ hours}$ ). When he takes his vacation in the summer of 2000 his wages could have increased and his payment per hour is now ISK 480.07. The vacation pay of the employee is therefore ISK 114,117 ( $237.71 \text{ vacation hours} \times 480.07 \text{ ISK per hour}$ ).*

#### **4.7. Maternity/paternity leave.**

After one year's employment with the same employer a leave of absence due to maternity/paternity leave for up to six months shall be counted as working time for the purpose of assessing work related rights, such as the right to increased vacation according to collective agreements, in the calculation of December premium, vacation premium, wage increases due to seniority, sickness rights and the notice period of termination.

Maternity/paternity leave for up to 6 months shall count as working time in the calculation for the right of vacation, i.e. the right to have a vacation but not the right to vacation payments.



## **5. Company-related part of the agreement**

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### ***5.1. Goals.***

The goal of the company-related agreement is to enhance the cooperation of employees and executives in the workplace, with the aim of making adjustments to improve the wage conditions with more productivity.

The goal is to evolve agreements so that they benefit both parties. One of the goals is for example to shorten the working hours while achieving the same or more productivity. It shall always be underlined that the sought after benefit is to be divided between the employees and the company in accordance with clear pre-conditions.

### ***5.2. The right to initiate discussions.***

The company-related part of the agreement shall include all employees who are paid according to the agreement of the unions concerned. Special agreements are allowed within particular working places, if an agreement can be reached.

Discussions on the company-related part of the agreement are to be conducted in accordance with the peace clause in all common agreements, and should be started only with the agreement of both parties. It should be stipulated in writing, which parties the agreement is to reach.

When discussions have been decided a notice is sent to VR and SA. Both parties, i.e. the employees and the representatives of the company, are obliged to consult the contracting parties. Both parties can jointly or individually decide to ask the representatives of the contracting parties for discussions when the talks have been decided.

### ***5.3. Representatives of the employees - representation in talks.***

Union representatives shall represent employees in discussions with the executives of companies. In addition, a union representative can arrange to have two to five people elected, in a negotiating committee, according to the number of employees in the working place, and they form together a joint negotiating committee.

The union representative and the elected representatives in a negotiating committee shall be granted reasonable time for preparations and negotiations during working hours. They shall furthermore enjoy special protection in their work and it is not allowed to make them suffer in any way for their work in the negotiating committee. It is for example prohibited to terminate their employment due to their work in the negotiating committee.

At a place of work where there are two union representatives in two or more unions, they shall jointly represent the employees when the company-related agreement has any influence on their position. Under these circumstances special care shall be taken that a representative for the concerning profession is included in the talks, even though the negotiating committee will become larger to that extent.

VR can help to establish a negotiation committee, in workplaces where union representatives have not been appointed.

#### ***5.4. Exchange of information.***

Executives of companies should inform union representatives and others sitting in the negotiating committee of the current position, the company's future and its employment vision, before a company agreement is made.

A union representative is entitled to information on wage payments in the place of work he represents, to the extent that is necessary to enforce the appropriate contract clauses.

During the company agreement all union representatives should be informed of every above provision and also the focal points of the operations of the company twice per year. They are not to divulge confidential information to the extent that they are not publicly discussed.

#### ***5.5. Allowed exceptions.***

If an agreement is made within a company, between the employees and the company, it is allowed to adjust the wage contract to the needs of the workplace with the allowed exceptions regarding the following matters, provided an agreement is made on appropriate remuneration:

- a) **Four day working week.** It is permitted to fulfill a week's work contribution in four working days when law or other agreements do not prohibit.
- b) **Working in shifts.** It is permitted to start a system of shift working with at least one month's notice. A shift working period shall not be shorter than one month.
- c) **Extra overtime work calculated in the day wages.** It is permitted to transfer part of extra overtime work into the day wages
- d) **Vacation for overtime work.** It is permitted to agree to collect all overtime work hours and to have in their place extra vacation, i.e. to have the equivalent amount in working days outside the time of maximum operations of the company. The overtime working hours are to be collected and paid later with the day wages, but the extra time is to be paid in cash.
- e) **Breaks.** It is permitted to make an agreement to arrange breaks differently than stipulated in the agreement.
- f) **Vacation.** It is permitted to allocate a part of the vacation to reduce the operations of the company or even close the company on certain dates, outside the maximum operations of the company.
- g) **Production related payment system.** It is permitted to evolve a production related payment system without making any formal research into the working conditions, where it is deemed to be effective in the opinion of both parties.

Exceptions from the common rules of the agreement not found in the clauses above are only permitted when they have been agreed to by VR and SV. It shall be

stipulated in an individual contract of employment which part the company-related agreement is applicable in the employee's working conditions.

### ***5.6. Remuneration of employees.***

If an agreement is reached on adjustment of the individual clauses of the agreement to the needs of the company or an agreement is reached on other variations from the former agreement of organization of the work, an agreement shall be made on the employees' share in the benefits the company receives from these variations.

The employee's share can be realized through the decrease of working hours without a corresponding decrease in payments, or a fixed monthly or quarterly payment, or competence payments, or a percentage payment on top of payments or with a fixed payment on top of rates of pay per hour or in any other way, according to the relevant agreement. It shall be stipulated in a clear manner in the agreement what the benefit of the company is and what the remuneration of the employees is. Both are exceptions to the agreement, and can be ended by a notice of a termination according to Art. 5.7.

### ***5.7. Entry into force, applicability and duration of the agreement.***

The agreement on company-related part of the agreement shall be in writing and it shall be voted on by all those who are to be affected by the agreement. The vote shall be organised by the relevant negotiation committee. The agreement shall be deemed to be accepted if it is supported by a majority of votes cast. The relevant union shall make sure that the agreed exceptions and remuneration for the exceptions, considered as a whole, are in compliance with law and other agreements on minimal rights of workers. If a notice is not received stating otherwise within four weeks, the agreement is considered accepted by both parties.

It is permitted to have individual company-related agreements in force temporarily for up to 3 months, and after that period to finally conclude its contents taking into consideration the experience of its operation in that period. Otherwise, the duration of the agreement shall be indefinite. After one year's duration of the contract, both parties can demand a re-evaluation of the agreement. If an agreement is not reached on changes within two months, both parties can terminate the agreement with six months notice, effective at the end of the month. When that time has passed both the agreed upon exceptions and the remuneration of the employees are terminated. For a termination of the agreement to be binding it must be supported by a majority of the relevant employees in similar vote as applied when the agreement entered in force. If an employer terminates the company-related agreement, the agreed upon wages increase shall only be void to the extent that is equal to the extra cost of reapplying the former agreement clauses.

### ***5.8. The effects of company-related part of the agreement on terms of employment.***

All changes in the terms of employment that can be derived from individual company-related agreement are binding for all relevant employees, provided they did not formally protest the conclusion of the contract to the executives of the company or to the negotiation committee before votes were cast.

The company-related agreements are effective for both those employees that were employed with the company when the agreement was concluded according to the clauses of the agreement, and those employees who take up their employment at a later stage, provided they are made familiar with the terms of the agreement when they are hired.

### ***5.9. Handling of disputes.***

If a disagreement should arise within the company on the understanding or execution of the company related agreement, and this disagreement is not resolved by discussions within the working place, the employees have a right to consult VR or to ask VR to resolve the disagreement.

If no agreement is reached on the effects of the termination of the agreement, according to Art. 5.7. Par. 2 in fine, both parties can ask for an independent party to make a ruling on the matter. 65% of the cost of the handling is paid by the company and 35% of the cost is paid by the employees.

## **6. Preferential right to work.**

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### ***6.1. Obligatory union membership.***

All office and shop clerks that this agreement reaches, have a membership obligation to the union of commercial workers, provided they have worked for more than four months.

Up to that time, the employer shall collect authorization dues of workers in those unions that have clauses to that effect in their agreements. This is neither applicable for store managers, nor for those workers who had worked 10 years at the same company on 13 December 1963 and were not at that time members of the union.

See Act 55 9 June 1980 on the working conditions and rights of workers.

### ***6.2. Preferential right of the employer.***

Those unions that are parties to this contract, are under the obligation to allow the stipulated employer's unions preferential rights to work for their members, if there is a shortage of workers in the relevant professions.

The members of the relevant commercial unions shall not work with other employers, other than those that are members of the employer's unions that are parties to this agreement.

## **7. Work environment and work environment safety**

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### ***7.1. Medicine chest, sanitary- and coffee facilities.***

In every place of work the employer shall provide a medicine chest with necessary medicines and bandages. There should also be toilet facilities in each place of work.

In every place of work there shall be a coffee facility and a place for storing working clothes.

An employee shall have access to a locker or an otherwise safe place where he can keep his personal effects during work.

### ***7.2. Rules on cafeterias.***

When food is regularly consumed in the place of work, both employers and employees shall follow the instructions of health authorities regarding the work facilities, sanitary facilities and cafeteria environment.

### ***7.3. Safety equipment.***

In each working place there shall be present the safety equipment necessary for the particular work, as prescribed by the Administration of Occupational Safety and Health (Vinnueftirlit ríkisins) or as stipulated in the collective agreement. This safety equipment shall be at the disposal of the employees.

Employees are obliged to use the safety equipment as prescribed in the collective agreement and official rules. It is the duty of supervisors and union representatives to see to that the employees use the necessary safety equipment.

#### ***7.3.1. Sanctions for employee negligence.***

If employees do not use the particular safety equipment in the place of work, the employer can terminate the contract immediately, provided the employee has been notified beforehand in writing. The union representative shall immediately make certain that the termination of the contract was justifiable, and he has the right to inspect the case for that purpose. If the union representative sees fault with the cause of the termination of the employee's contract, he has to protest the termination in writing. If the termination of the contract is protested in this way immediate termination is not effective.

Breach of those safety rules that cause immediate threat to the safety of other employees, gives right to immediate termination of contract without prior written notice, provided the union representative and a representative of the company agree.

#### ***7.3.2. Sanctions for employer's negligence.***

If the safety equipment stated in the collective agreement, or the Administration of Occupational Safety and Health (Vinnueftirlit ríkisins) has requested to be used in the company is not available in the working place, each employee who does not

receive that particular equipment may refuse to carry out those tasks for which the safety equipment is necessary. If there is no other task available for the concerned employee, he shall retain his full wages without any reduction.

#### ***7.4. Disputes.***

If a dispute arises regarding this clause it is permitted to confer the matter to the sitting committee of ASÍ and SA.

See Act 46/1980, on work facilities, sanitary facilities and safety in the working place.

## **8. Work related accidents, accident insurance, occupational diseases and payments of wages during accident or sickness leaves**

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### ***8.1. Work related accidents and occupational diseases.***

#### ***8.1.1. Medical expenses.***

If a work related accident occurs the employer shall pay for the transport of the injured employee to his home or to a hospital. The employer shall refund the employee all normal medical expenses in each case, provided that this cost is not refunded by the employee's health insurance or social security.

#### ***8.1.2. Wages in cases of work related accidents or occupational diseases.***

In each case of a work related accident or occupational disease that is caused by the employee's work, is a direct consequence of his work, or occurs during the employee's commuting back and forth from the place of work, the concerned employer shall pay wages for up to three months according to the employee's wages at the time the accident or sickness occurred, provided all payments from the social security and/or from the national health insurance are paid directly to the employer. This paragraph does not reduce any further rights the employee may enjoy according to law, rules or other collective agreements.

See Act 19/1979.

### ***8.2. Wages when an employee is sick or has an accident.***

#### ***8.2.1. Wages when an employee is sick or has an accident in the first year of his employment.***

When an employee has been working for the same employer for up to one year, the employee has two paid days per month of sickness leave.

#### ***8.2.2. Wages when an employee is sick or has an accident after the first year of his employment.***

When an employee has been working for the same employer for more than one year, he shall be paid as follows when he is on sickness leave.

- After one year, two months every twelve months.
- After five years with the same employer, four months every twelve months.
- After ten years with the same employer, six months every twelve months.

An employer who has gained the right to a four or six month sickness leave with his former employer shall, in the least, have the right to two months every twelve months with his new employer.



### ***8.3. Medical certificates.***

If an employer becomes sick and unable to come to work he must immediately notify his manager. It is then the duty of his manager to evaluate whether a medical certificate is required. A medical certificate shall be issued by a consulting medical doctor if required.

#### ***8.3.1. Payment for medical certificates.***

The employer pays for the medical certificate if the above conditions are fulfilled.

### ***8.4. Maternity/paternity leave.***

From 1 January 2001 both working parents have the right to a maternity/paternity leave that is paid by an appropriate fund (Fæðingarorlofssjóður), see Act 95 22 May 2000.

### ***8.5. Sickness of children and leave due to uncontrollable reasons.***

After one month of employment, a parent has the right to spend up to seven working days for every twelve months to take care of his sick children under the age of 13, provided that another care can not be arranged. During this time the parent has the right to full wages, including shift bonuses when applicable. After one year of employment with the same employer a parent has a comparable right to spend up to 10 working days taking care of his children under the age of 13.

It is the joint understanding of both parties that the term parent also includes a foster parent or a legal guardian of a child, provided that that person has the legal duty to support the child and in effect replaces the child's natural parents.

An employee has a right to a leave from work due to uncontrollable reasons (force majeure) or when it concerns a very serious sickness or accident in his family that requires his immediate presence.

An employee does not have the right to payment of wages in the above cases, see for comparison par. 1.

### ***8.6. Insurance for death, accident and disability.***

#### ***8.6.1. The duty to insure.***

An employer has the duty to insure those employees that are paid according to this collective agreement, for death, permanent or temporary disability due to work connected accidents or accidents that occur on the normal route between the place of work and the employee's home.

#### ***8.6.2. Living away from home due to work.***

If an employee must, due to work, live temporarily away from home, this temporary home replaces the employee's home. In this case the insurance also covers accidents that occur on the normal route between the place of work and the temporary home of the employee.

### ***8.6.3. Death compensations effective from 1 June 2000:***

1. If the deceased was unmarried and did not have children and did not support older parents (aged 67 or older), the compensation is ISK 400,000.00.
2. If the deceased was unmarried but had a child (children) under the age of 17 or/and it is verified that he supported his parent or parents (aged 67 or older), the compensation is ISK 1,825,877.
3. If the deceased was married the compensation to the spouse is ISK 2,493,533.
4. If the deceased had a child (an adopted child or a foster child) under the age of 17, the compensation for each child is ISK 479,952.

Compensation is only paid according to one of paragraphs no. 1, 2 or 3. In addition to paragraphs 2 and 3, there can be a compensation according to paragraph 4.

#### ***8.6.3.1. The beneficiaries of death compensations are:***

1. Legal heirs.
2. The concerned parties jointly.
3. Surviving spouse.
4. The concerned children. The compensation is to be paid to the surviving spouse if he is the other parent, or the administrator of the estate or to a legal guardian.

A spouse according to par. 8.6.3. also includes an individual in confirmed cohabitation or otherwise registered as living with the deceased.

#### ***8.6.4. Compensation for permanent disability.***

Compensation for permanent disability is paid in proportion to the compensation sum ISK 4,363,636 with the adjustment that each disability step 26% - 50% has a double effect and each disability step from 51% - 100% has a quadruple effect. Compensation for 100% disability is thus ISK 12,000,000.

#### ***8.6.5. Compensation for temporary disability.***

A daily allowance, ISK 9,916 per. week. It is paid four weeks from the accident until the injured employee is fit for work again, but not for a longer period than 48 weeks. In addition to the daily allowance ISK 1,323 per week is paid for each child under the age of 17 supported by the injured employee.

#### ***8.6.6. Insurance of sales representatives.***

See chapter 15 of this collective agreement on insurance of sales clerks.

#### ***8.6.7. Review of compensation sums.***

The compensation sums are to be reviewed twice a year, on 1 January and 1 July, and the should be increased in proportion to the goods index per May and November each year.

The employee's accident insurance does not compensate him when his loss is covered by the legal compulsory motor vehicle insurance, regardless of whether it is covered by the liability insurance or the accident insurance of the operator of the vehicle and the owner of the vehicle.

The mentioned increases in the compensation sum and changes of the terms are effective for accidents that occur after 1 June 2000. The amounts are calculated according to the goods index of 1 April 2000.

**8.6.8. *Better insurance rights.***

This does not change any right that an employee may enjoy according to other previous agreements on more favorable insurance rights.

**8.6.9. *Duration of the insurance.***

The insurance is effective from the moment the insured employee begins his employment (is listed on the payroll). The insurance is terminated at the moment the insured employee leaves his employment (when his name is taken of the payroll).

**8.6.10. *Terms.***

The terms applying for this insurance are the same as for the occupational accident insurance issued by the Union of Icelandic insurance companies (Samband íslenskra tryggingarfélaga) effective from the date of this agreement.

**8.6.11. *Deduction of accident compensations and daily allowance when damage liability is established.***

A full deduction of the accident compensation and daily allowance shall be made from the compensation the employer may have to pay his employee, if the employer is liable for damages to his employee and the employee is insured in accordance with this agreement. The daily allowance shall be paid to the employer for the duration of the wage duty according to this agreement.

**8.6.12. *Statement of the employer.***

The relevant employer's organization declares that it will use its influence for its member to insure all their employers and that the insurance is kept valid.

## **9. Tools and work clothes**

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### ***9.1. Work- and protective clothes.***

Where special work clothes are needed according to the foreman and the union representative, the employer shall provide such clothing and washing of the clothing, provided the items are owned by the employer.

### ***9.2. Insurance and compensation for damage.***

If an employee incurs damage on common necessary clothing and things in the workplace, such as watches and glasses etc. the loss shall be compensated according to an evaluation.

Such damages will only be compensated if they occur because of a mishap in the workplace. The damage shall not be compensated if it occurs because of the negligence or carelessness of the employee.

## **10. Sickness and vacation fees, pension funds**

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### ***10.1. Sickness fund.***

Employers shall pay 1% of the employee's wages to the sickness fund of the relevant union, unless there is an agreement on higher payments in the relevant collective agreement.

See Act 19/1979, on the right of workers to have a notice of termination of working contracts etc. See also Act 55/1980 on working conditions and rights of workers.

### ***10.2. Vacation fund.***

Employers are to pay to the commercial worker's vacation home fund 0.25% of the basis that is used to calculate payments to the pension funds. The contracting parties agree that the relevant pension funds are to collect this fee. The contracting parties also agree that the relevant pension fund is to collect an equal premium to the community home fund of the commercial workers or other employers that are members of this collective agreement, all according to the decision of the payer.

The cost of collection is equally divided.

See Act 55/1980 on the working conditions and the rights of workers.

### ***10.3. Pension funds.***

#### ***10.3.1. The operation of pension funds.***

It is agreed that pension funds shall operate in accordance with effective regulation or regulation passed in the future by the contracting parties. It is also agreed that all office and sales workers that fall under the agreement have the right to join the pension funds

See Act 55/1980 on working conditions and rights of workers.

#### ***10.3.2. Earnings.***

The contracting parties agree, that in addition to earnings on the dispositive funds in accordance with article 7 of the regulation of the pension fund, the fund should also earn investment on its funds by granting loans to the industries in an efficient way.

#### ***10.3.3. Premiums.***

Premiums to the pension funds shall be calculated in accordance with current regulation.

#### ***10.3.4. The Management of The Pension Fund of Commerce.***

The management of the pension fund of commercial workers shall be comprised of equal numbers of representatives of the employers and VR.

#### **10.3.5. Additional contribution to pension savings.**

When the employee pays an additional contribution to a private pension fund, the counter-contribution of the employer is the following:

Effective from 1 May 2000 the counter-contribution of the employer shall be 1% provided the employee pays 2%.

Effective from 1 May 2002 the counter-contribution of the employer shall be 2% provided the employee pays 2%.

*From 1 July 2002 employers pay a 1% unilateral private pension contribution for those employees who do not save in a private pension fund. This 1% contribution does not affect the provision of a 2% reciprocal employer's contribution for the employee's supplementary 2% contribution. This addition does, however, not affect those employers who by law or contract pay a 7% or more pension contribution. Employers pay the 1% contribution to the private pension department of the employee's pension fund, unless the employee otherwise decides. (According to contract ASÍ/SA 13 December 2001.)*

## **11. Union fees**

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### ***11.1. Collection.***

Employers shall collect the union's annual fees and deliver a stamped cashier's receipt, or a receipt from its employee, or by other means agreed upon.

See Act No. 55/1980, on conditions of employment etc.-

### ***11.2. Means of collection.***

The parties agree that the syndicates should be granted the means to collect union fees in the form of a fixed percentage off wages, for instance by collecting them alongside pension fees and on the same basis.

### ***11.3. Reports on human resources.***

Employers shall turn in reports on their human resources to the unions every six months, if required.

## **12. Work outside the union district**

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### ***12.1. Wages and working conditions***

#### ***12.1.1. Meals, housing and trips.***

If work is provided outside the district in which the convention is valid, the employer shall provide the employee with free meals, housing, and trips to the place of work and back.

Should members of tradesmen unions work outside their relevant districts, the employer shall pay all traveling expenses incurred, as well as boarding expenses, such as they appear on invoices presented.

#### ***12.1.2. Extra working hours.***

See Article 15.5, on payment for extra working hours during sales trips .

### ***12.2. Insurance.***

Salesmen and other persons whose occupation requires them to work outside the district where their contract is valid, and have to spend the night outside their homes, shall be covered by insurance round the clock, while other employers shall be insured during working hours and normal trips from home to the place of work and on the return trip home.

Among categories of employees whose job requires them to travel within their district of convention, one might mention chauffeurs, collectors, damage assessors working for insurance companies, and messengers. This list is by no means exhaustive. In other instances, the nature of the work must serve to determine whether it is necessary for the employee to be constantly traveling within the district where the convention applies, and be thereby exposed to constant risk of traffic accident.



## **13. Period of notice**

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### ***13.1. Period of notice.***

Both parties are bound by one week's notice during the initial three months, which are considered a trial period, after which the period of notice shall be of one month during the following three months. After an employment period of six months, the period of notice shall be of three months. Once the trial period is over, the dismissal shall be submitted in writing and take effect at the end of a given month.

Should an employee be dismissed after no less than 10 years of continuous employment with the same firm, the period of notice shall be of 4 months if the employee has reached the age of 55 years, 5 months if he has reached the age of 60 years, and 6 months if he is 63 years old or more. On the other hand, the employee can hand in his resignation at any time with a 3-month notice.

These provisions do not apply if the employee has been guilty of gross neglect in his duties, or if the employer is in breach of contract towards an employee.

### ***13.2. Group dismissals.***

The parties agree that dismissals should only be aimed at employees whose employment must be ended, but should not be aimed at all employees or categories of employees. Therefore, the parties have agreed to the following:

#### ***13.2.1. Application.***

This convention only applies to group dismissals affecting permanently employed personnel when the number of employees to be dismissed over a thirty-day period is:

- no less than 10 persons in companies with 16-100 employees,
- no less than 10% of the staff in companies with 100-300 employees,
- no less than 30 persons in companies with 300 employees or more.

It is not considered a group dismissal when the employment period ends in accordance with the terms of work contracts which are effective for a limited period, or for special assignments. The present agreement does not affect the dismissal of particular employees, dismissals which aim at changing the conditions of employment without ending the employment period, nor does it affect the dismissal of ships' crews.

#### ***13.2.2. Consultation.***

If an employer is considering group dismissals, he should, before dismissals are issued, consult the representatives of the syndicates involved, in order to look for means to avoid dismissals as far as possible, and reduce their effects. If syndicate representatives are not available, the employees' representatives should be consulted. The representatives are entitled to information relevant to the considered dismissals, especially the reasons for those, the number of employees which are to be dismissed, and the time when dismissals become effective.

### ***13.2.3. Group dismissals in practice.***

If the employer considers that group dismissals cannot be avoided, even though some of the employees are meant to be re-employed without their employment being ended, it is suitable that the decision regarding which employees will be re-employed be known as soon as possible. Should a decision concerning re-employment not have been taken, and an employee is announced that re-employment is not possible, timely enough so that no less than 2/3 of the advance notice of the employee in question remain, his advance notice is extended by one month if his advance notice amounts to three months, by three weeks if his advance notice amounts to two months and by two weeks if his advance notice amounts to one month. This provision applies to employees who have acquired the right to no less than one month's advance notice. The provisions of this Article do not affect the employer's right, when external circumstances which the employer does not control, to condition the announcement of re-employment to the continuation of the employer's activity for which the employee is hired, without such condition leading to an extension of the advance notice.

## **14. Trade union representatives**

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### ***14.1. Selection of union representatives.***

Employees have the right to elect one union representative for every place of work employing 5 to 50 employees, and two union representatives, if the number of employees exceeds 50. After the election, the union concerned appoints the union representatives. If elections cannot be held, the union representatives shall be appointed by the union concerned. Union representatives should not be elected or appointed for a period exceeding two years at a time.

### ***14.2. Time assigned to union representatives.***

Union representatives in places of work shall, in consultation with the foreman, be allowed to assign, as needed, time to such tasks as they may be entrusted with by the workers employed at the place of work in question and/or the union involved, relevant to their duties as union representatives, and their wages shall not be reduced for such reasons.

### ***14.3. Access to data.***

In case of dispute, the union representative can examine data and work reports related to the point of contention. Such information shall be treated as confidential.

### ***14.4. Locker and telephone.***

The union representative of a place of work shall be granted access to a locker, and he shall be allowed to use the telephone in consultation with the foreman.

### ***14.5. Meetings.***

The union representative for each company shall be authorised to hold a meeting with the staff twice a year at the place of work during working hours. The meetings shall start one hour before day work finishes, as far as possible. The meetings shall be announced in consultation with the union concerned and the company's management with a 3-day notice, except when the subject of the meeting is of great urgency and directly relevant to a problem in the place of work, in which case a one-day notice suffices. The employees' wages will not be reduced during the first hour of the meeting.

### ***14.6. Complaints.***

The union representative shall submit the employees' complaints to the foreman or other members of the company's management before having recourse to other parties.

### ***14.7. Courses for union representatives.***

Union representatives at places of work shall be allowed to attend courses, intended to make them more fit to perform their duties.

Each union representative has the right to attend one course per year. Those attending the courses shall keep their wages for day work intact for up to a week per year, granted that the courses are acknowledged by both parties to the present agreement. In companies employing more than 15 employees, the union representatives shall keep their day work wages intact for up to two weeks during the first year. This applies to one union representative per year in each company numbering 5 to 50 employees, two union representatives if there are more than 50 employees.

#### ***14.8. Further rights.***

This agreement, concerning union representatives at places of work, does not affect the rights of such unions that already enjoy, according to their collective agreements, further rights than those determined here concerning union representatives at places of work.

## **15. Salesmen**

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### ***15.1. Application.***

This Article applies to salesmen employed by wholesale companies, distribution companies, service companies and car retail companies.

#### ***15.1.1. Definition.***

A salesman is an employee working in sales divisions of companies listed in Article 15.1., whose main occupation involves selling products and/or services, having been employed in order to do such jobs as this definition applies to, or in cases when selling activities have become an important part of his job.

The provisions of this Article do not apply to the following items:

General ticket sales for airline companies, shipping companies and travel agencies.

### ***15.2. Day work (effective from October 1, 2000).***

The effective working hours of salesmen, i.e. the time of work excluding breaks, shall, during day work periods, amount to 36 hours and 15 minutes per week. Including coffee breaks stipulated in collective agreements, the working hours are increased accordingly, in accordance with Article 3.1.2, the weekly work hours amounting to a total of 37½ hours. The work hours shall be organised by salesmen and employers according to what befits in each place, for instance by lengthening the daily working hours, before 9:00, past 17:00 and/or shortening meal breaks.

On December 24 and on December 31 the day work must finish at the latest at 12:00 noon, when these dates occur on weekdays.

### ***15.3. Insurance on trips.***

On the amount of accident insurances, see Chapter 8 of the present Agreement.

However, in case of death, the indemnities to widowed spouse and children shall not be reduced, rather adjusted in accordance with Article 8.6.7.

The accident insurance of employees does not grant an employee compensation if the damage incurred by him is covered by the compulsory vehicle insurance, whether by the liability insurance or the accident insurance of the driver and owner of the vehicle.

The increases of insurance amounts mentioned above, as well as the changes in terms, apply to accidents which occur after June 1, 2000. Amounts are based on the consumer price index as of April 1, 2000.

### ***15.4. Insurance round the clock.***

Salesmen and other persons whose occupation requires them to work outside the district where their contract is effective, and therefore have to spend the night outside their homes, shall be covered by insurance round the clock, while other

employers shall be insured during working hours and normal trips from home to the place of work and on the return trip home.

#### ***15.5. Costs incurred during trips.***

The employer shall at all times cover all boarding expenses, as well as traveling expenses during sales trips, in accordance with invoices. Due to longer working periods during sales trips, the salesman shall be paid a 43% extra on his monthly wages, if a sales trip lasts 5 days or less, against 65% extra if a sales trip lasts longer than 5 days. Such extras are added to the monthly wages in proportion with the number of days involving trips which necessitate more than 60 km driving from the company's headquarters, unless other arrangements have been made. If a salesman uses his private car, this shall be paid for in accordance with the decision of the State Travel Costs Committee, for trips out of the city. If the salesman's private car is used within city limits, a daily fee shall be fixed.

#### ***15.6. Courses.***

If possible, salesmen should attend such courses as are available in their field, whether domestically or abroad, the employer covering costs for the courses, travel and board.

## **16. Employees in food retail**

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### ***16.1. Breaks.***

Due to the specific workload on employees working on cash desks on Fridays and the workday preceding a general holiday occurring on a weekday (Monday to Friday), those employees who have no less than a 3-hour continuous working period after 16:00, shall be given a 15-minute break during the period from 16:00 to 19:00, providing that supper breaks are not granted on the said days.

## **17. Insurance companies' employees**

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### ***17.1. On the use of home telephones***

If an insurance company lists its employees home numbers in the phone directory, or indicates such numbers in any other similar manner, it shall be stipulated in the work contract what remuneration is paid for such work and nuisance outside working hours, resulting from such procedures.

### ***17.2. Courses.***

Insurance companies' employees, working with insurances, shall, after one year's work, be entitled to attend the basic courses of the Insurance School.



## **18. Acquired Rights**

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### ***18.1. Acquired Rights.***

The employees' acquired rights shall remain intact in the case of re-employment within one year. Similarly, the acquired rights are restored after one month's work if re-employment occurs after one year or more has passed, but less than three years. An employee who has worked continuously for 1 year or more for the same employer shall similarly enjoy acquired rights again after a work period of 3 months, if re-employment occurs after an interruption of more than three years, yet within 5 years.

An employee who enjoys more advantages than those determined by this agreement shall preserve them unchanged while he holds the same job.

## 19. Points of contention

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### ***19.1. Reconciliation committee.***

Should arguments occur concerning wages, conditions of employment or similar disputes on the agreement's interpretation during its period of validity, each party can turn to a specific reconciliation committee, composed of two representatives from each of the two parties. The committee's goal is to solve the parties' quarrels.

## **20. Standard, optional company section**

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### ***20.1. Standard, optional company section.***

Shop attendants and warehousemen can enjoy a higher wage scale than stated in Article 1.1, see Article 20.3, if they accept changes to the following provisions. A request to that effect shall be presented in writing on the basis of the approval of the majority of all the employees involved, after a secret vote. in accordance with Article 5.7. of the chapter on the collective agreement's company section.

### ***20.2. The following provisions are changed:***

#### ***2.1. Day work.***

##### **2.1.1. Day work for shop attendants and employees in warehouses(effective from Oct. 1, 2000).**

The effective working time of shop attendants and warehousemen, i.e. time of work without breaks, shall during day work amount to 36 hours and 35 minutes per week. Day work shall cover the period from 08:00 to 20:00 from Monday to Friday. If coffee breaks determined by the agreement are taken, the work period lengthens accordingly, in accordance with Article 3.1.2., the weekly work period thus amounting to 39 ½ hours Working time shall be agreed upon by employees and employers according to what befits in each place.

##### **2.1.2. The organization of day work.**

It is permissible to organize day work so that the employees start work at different times. The beginning of day work for each employee shall be stated in his employment contract and involve continuous work each day. It is not permissible to change the beginning of an employee's day work without consulting him.

##### **2.1.3. The beginning of overtime.**

Overtime begins once an employee has delivered 8 full hours during the period of day work. However, overtime can never begin later than at 20:00. See also Article 2.4.

##### **2.2.3. Work on Saturdays and Sundays (effective from 1 June 2000).**

For work on Saturdays and Sundays, the minimal payment shall amount to four hours overtime, even if the working period is shorter.

#### ***2.4. Registration of working time.***

Employees shall come to work on time regardless of when work begins in the morning, and after lunch and/or coffee breaks. Should an employee arrive too late to work, he cannot demand to be paid for the time elapsed before he came to work..

### ***3.1. Meal and coffee breaks for day work.***

#### **3.1.1. Meal breaks.**

Meal breaks during day work shall, during the period of day work, be ½ - 1 hours during the period from 12:00 to 14:00 and shall not be accounted as working time. Five hours of work during the day grants the right to a meal break.

### **3.2.1. Breaks in the evening.**

If employees have to work past 20:00 they shall be granted 1 hour's break which shall be paid as overtime wages. Should the employee work during the break, or part of the break, the time of work is paid additionally as overtime.

## ***20.3. Wages.***

The scale of wages in a standard company section is 6% higher than the scale of wages stated in Article 1.1.1.

## **21. Conditions for the agreement**

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### ***21.1. Conditions for the agreement.***

The parties agree that the present agreement is based on a diminishing inflation. In February each year, the parties shall assess whether the premises for this agreement are still valid. Should such premises fail, the wage-related provisions of the present agreement can be cancelled with a three month-notice, counting from the beginning of a given month.

## **22. Period of validity**

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### ***22.1. Period of validity.***

The parties' last collective agreement is extended until March 1, 2004, with such changes and reservations as are inherent to the present agreement, whereupon it will become void without a specific cancellation.

## Protocols and statements

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### ***Protocol 2000 on changes to the wage scale for office personnel.***

The present agreement has as one of its purposes to bring the wage scale for office personnel closer to the wages actually paid out, yet without raising the wages which are higher than the new wage scale. The minimum raise, however, shall be of 3.9%. When assessing whether a change of the wage scale calls for a raise of wages which were, prior to the agreement, higher than stated by the wage scale, all extra payments for regular work must be added to the wage scale, beside reimbursement of expenses incurred.

Against the raise of the scale, all contract-related extra payments and bonuses will be lowered. Among these are the extra payments granted as a fixed percentage or amount added to the scale.

Should the terms of employment of an employee grant him wages higher than justified by his period of employment according to the collective agreement, he will be re-assessed by wage scale according to his actual period of employment.

The sum total of payments for a full-time job must be added, and the raise of wages based thereon. If the sum total of payments exceeds the new scale, the raise will amount to 3.9%. The raise of the scale thus affects the wages for day work, the extra payments lowering accordingly, as shown in the examples below:

#### **Example 1:**

**Wages on a 5-year scale, ISK 84,081, fixed extra ISK 15,000 per month.**

		<b>Change</b>
Wages acc. to the scale of the collective agreement	84,081	
Fixed extra	15,000	
<b>Total</b>	<b>99,081</b>	
General raise	3,864	
<b>Wages after raise</b>	<b>102,945</b>	3.90%
Of which new scale	92,783	8,702
Of which new extra	10,162	-4,838

**Example 2:****Wages on a 5-year scale, ISK 84,081, extra 15%.**

		<b>Change</b>
Wages acc. to the scale of the collective agreement	84,081	
Extra <b>15%</b>	12,612	
<b>Total</b>	<b>96,693</b>	
General raise	3,771	
<b>Wages after raise</b>	<b>100,464</b>	3.90%
Of which new scale	92,783	8,702
Of which new extra <b>13%</b>	7,681	-4,931

***Protocol 2000 on inability to work due to illness.***

The parties agree that besides cases of illness and accidents, the right to illness leave according to the present agreement will become effective, should the employee need to have urgent and necessary surgery in order to diminish or eradicate the consequences of an illness which would probably lead to invalidity.

The above definition does not involve a change in the concept of illness in labor legislation, such as it has been interpreted in court. However, the parties agree that any surgery that the employee must undergo in order to improve the consequences of an accident at work would also render effective the right to illness in accordance with the present agreement.

***Protocol 2000 on joint research on terms of employment.***

The parties will collaborate on a research on wages and make a request to the Committee on Wages and Conditions of Employment Research that a specific project be published yearly concerning the wages of commerce employees. It must be secure that it will not be possible to assess the wages payments of single companies or the wages received by individuals on the basis of the results of such research.

***Protocol 2000 on changed provisions concerning meal breaks and coffee breaks.***

Due to changed provisions concerning meal breaks and coffee breaks, changes can occur to the job proportion of part-time employees, and in such instances, the change of wages for monthly wages shall be no less than 3.9%.

***Protocol 1997 on security for shop assistants.***

The parties agree that it is necessary to find means to improve the security of employees in shops, especially those which are open in the evening and during week-ends. For that purpose, the union VR on the one hand and the employers' unions VSÍ and VMS on the other hand agree to appoint a committee composed of two representatives from each of the two parties, to make suggestions on the matter. The committee will examine points



such as safety buttons, safety systems, minimum number of staff, and the handling of money and valuables.

### ***Protocol 1997 on the wages system and performance.***

The parties agree that a more transparent wage system should evolve within companies and reflect naturally the assessment of performance, education, abilities and other factors determining the employees' contribution to a company's success.

### ***Protocol 1997 on the interpretation of Article 2.3.4. on a weekly day off.***

It is the joint understanding of both parties that if there is no consensus between employees and employers on the postponing of a weekly holiday, the employee is entitled to a holiday on a weekday during the following week, while keeping his wages intact.

The same understanding applies concerning professional trips abroad.

### ***Protocol 1995 on undeclared activities.***

The parties agree that means must be found to put an end to "black market work", for instance of youths in kiosks and stalls. Youths who take on such jobs lose various rights, for instance the right to illness leave and pensions. It is unacceptable that a youth's initial experience on the working market should be one where collective agreements and joint agreements of the parties are not respected.

### ***Protocol 1990 on the legal situation of employees when a company changes owners.***

The parties agree that a change of ownership or the merging of companies should not alter the conditions of employment of their staff, including employees' rights to holidays and illness, unless the employment contract has been cancelled. The parties mutual advance notice is not affected by a company's change of owners.

The parties agree that the former owner should present intended changes of a company's operations, or its sale, as much in advance as possible.

When a company changes owners, the new owner accepts the former owner's rights and duties towards the personnel, unless specific agreements have been made on the subject with former owners. Should the new owner thus consider himself free of the employment obligations of the former owner, he must notify the employee thereof as soon as he takes over the company's operation. In such an instance, the former owner is obliged to pay the employees concerned an advance notice in accordance with their employment contract or the collective agreement.

Similar rules apply when a company is rented, or rented and sold due to bankruptcy, if such a contract includes the operation of a company, but not solely the premises, instruments and other equipment.

### ***Declaration 1990 on employees' adaptation to retirement.***

In order to facilitate the employees' adaptation to retirement, the employers' unions VSI and VMS will encourage their members to respond favorably to the wishes of their

employees, concerning a reduced job proportion during the last years work prior to retirement.

***Protocol 1989 on the participation of women in management.***

The parties agree that the aim is to increase women's participation in corporate management.

Furthermore, women should be encouraged to take on jobs which entail more responsibility and higher wages.

The parties agree to appoint a committee to study the development of the difference between wages for men and women, the reasons for such difference, and the means to reduce it.

# **Agreement between SA and VR and LÍV on matters concerning employees' training**

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The parties agree on the importance of employee training for the Icelandic working market. An increased ability and vocation-related education of the employees is essential in order to increase productivity and improve the competitiveness of Icelandic companies. The working market needs well-trained employees who are able to fulfill new demands and adapt to changes on the working market. It is essential that the offer in education and educational material should be in harmony with the needs of the working market at each given time.

While the agreement is effective, the parties will undertake a joint project concerning employees' training.

The project board will supervise the project. Its main aspects are the following:

1. Grants to members.
2. The sponsoring of courses.
3. The sponsoring of the making of educational material.
4. A grant to companies for the professional training of employees.

The project board shall be composed of three representatives of the unions and three from the Confederation of Icelandic Employers, and of two vice-representative from each party. The project board shall put forward working rules which shall be submitted to the parties, and further determine the project's goals.

The unions and the Confederation of Icelandic Employers each handle the reception and processing of requests from their members relating to the project. The operations of the project board are not likely to involve high costs.

The employers shall in general pay the equivalent of 0.15% off the members' wages to this project. If a company is formally involved in employees' training and invests in it a sum comparable or superior to the amount of the above proportion, it shall pay the equivalent of 0.05% off the wages of the members working for that company. The project board confirms that these conditions are fulfilled on the basis of information from the company. The project board determines further rules on the execution of this provision.

The unions shall pay a contribution amounting to one third of the contribution paid to the project by employers.

Furthermore, specific projects can be financed with grants from employees' training funds and direct income from courses.

In general, courses shall be awarded grants only if a determined proportion of the costs involved is covered by participation fees, in accordance with the further decision of the project board.

In spring 2003, the parties shall assess the project's results and the benefits it has entailed. Depending on their conclusion, a decision shall be taken on a follow-up for the next negotiations.

This agreement takes effect on June 1, 2000.

# Specific collective agreement for pharmacies' personnel between VR and LÍV, and SA

The main agreement of trade workers with employers made in May 14, 2000, the provisions of which are all effective except the following:

## **Article 1. Application.**

This specific collective agreement is effective for personnel in pharmacies. The agreement is part of the main collective agreement of the parties and has the same period of validity.

## **Article 2. Wages.**

Wages of pharmacies' personnel will be as follows from the day the agreement becomes effective:

### **Effective from May 1, 2000**

<b>Assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
16 year old youths	66,648	392.04	692.13
17 year old youths	70,350	413.82	730.58
Starting wages 18 years	74,053	435.60	769.04
After 1 year in field of work	77,756	457.38	807.50
After 3 years in field of work	78,706	462.98	817.36
After 5 years in field of work	80,396	472.92	834.91
After 7 years with the same firm	81,612	480.07	847.54

<b>Pharmacy clerk</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	81,489	479.35	846.26
After 1 year in pharmacy	84,383	496.37	876.32
After 3 years in pharmacy	88,603	521.19	920.14
After 5 yrs with the same firm	93,031	547.24	966.13

<b>Lab. assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	95,000	558.82	986.58
After 2 years in pharmacy	99,750	586.76	1,035.90
After 5 years in pharmacy	104,738	616.11	1,087.70
After 7 yrs with the same firm	109,974	646.91	1,142.08

**Effective from January 1, 2001**

<b>Assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
16 year old youths	70,980	417.52	737.13
17 year old youths	74,924	440.73	778.08
Starting wages 18 years	78,867	463.92	819.03
After 1 year in field of work	82,810	487.11	859.98
After 3 years in field of work	83,790	492.88	870.16
After 5 years in field of work	85,256	501.51	885.38
After 7 yrs with the same firm	86,302	507.66	896.25

<b>Pharmacy clerk</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	83,933	493.72	871.64
After 1 year in pharmacy	86,915	511.26	902.61
After 3 years in pharmacy	91,261	536.83	947.75
After 5 yrs with the same firm	95,822	563.66	995.11

<b>Lab, assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	97,850	575.59	1,016.17
After 2 years in pharmacy	102,743	604.37	1,066.99
After 5 years in pharmacy	107,880	634.59	1,120.33
After 7 yrs with the same firm	113,274	666.32	1,176.35

**Effective from January 1, 2002**

<b>Assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
16 year old youths	75,594	444.67	785.04
17 year old youths	79,793	469.37	828.65
Starting wages 18 years	83,993	494.08	872.27
After 1 year in field of work	88,192	518.78	915.87
After 3 years in field of work	89,205	524.74	926.39
After 5 years in field of work	90,460	532.12	939.43
After 7 yrs with the same firm	91,348	537.34	948.65

<b>Pharmacy clerk</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	86,451	508.54	897.79
After 1 year in pharmacy	89,522	526.60	929.69
After 3 years in pharmacy	93,999	552.94	976.18
After 5 yrs with the same firm	98,696	580.56	1,024.96

<b>Lab, assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	100,786	592.86	1,046.66
After 2 years in pharmacy	105,825	622.50	1,098.99
After 5 years in pharmacy	111,116	653.62	1,153.94
After 7 yrs with the same firm	116,672	686.31	1,211.64

## **Effective from January 1, 2003**

(According to contract ASÍ/SA 13 December 2001)

<b>Assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
16 year old youths	81,702	480.60	848.47
17 year old youths	86,241	507.30	895.61
Starting wages 18 years	90,780	534.00	942.75
After 1 year in field of work	93,858	552.11	974.71
After 3 years in field of work	94,935	558.44	985.90
After 5 years in field of work	96,116	565.39	998.16
After 7 yrs with the same firm	96,860	569.76	1,005.89

<b>Pharmacy clerk</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	89,401	525.89	928.43
After 1 year in pharmacy	92,577	544.57	961.41
After 3 years in pharmacy	97,206	571.80	1,009.49
After 5 yrs with the same firm	102,064	600.37	1,059.93

<b>Lab, assistants</b>	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>
Starting wages	104,224	613.08	1,082.37
After 2 years in pharmacy	109,436	643.74	1,136.49
After 5 years in pharmacy	114,907	675.92	1,193.31
After 7 yrs with the same firm	120,653	709.72	1,252.98

### ***Article 3. New wage scale – a scale adapts to the actual wages.***

A new wage scale shall not automatically to a raise in excess of a general raise in wages in accordance with the main common agreement. See the attached Protocol on the change to the wage scale.

### ***Article 4. Footwear.***

In those pharmacies demanding that employees wear specific footwear at work, the employer shall provide permanent employees with one pair of shoes per year.

### ***Protocol 2000 on changes to the wage scale.***

This specific collective agreement aims at adapting the wage scale of laboratory assistants closer to the actual wage, without raising wages which are already higher than the new scale of wages. The minimum raise shall nevertheless amount to 3.9% when the scale becomes effective. When evaluating whether the change of wage scale calls for a raise of wages which were, at the time of the making of the agreement, higher than the wage scale, all extra payments for regular work, other than reimbursement of expenses incurred, shall be added to the wage scale.

Against the raise of the scale, contract-bound extras and bonuses are lowered. These are among others extra payments in the form of a fixed percentage or amount added to the scale.

If an employee's conditions of employment are such that he is paid wages according to a longer duration of employment than the one applicable to him in accordance with the collective agreement, he is re-assessed according to the wage scale according to his actual duration of employment.

If an employee's conditions of employment are such that he is paid wages according to a longer duration of employment than the one applicable to him in accordance with the collective agreement, he is re-assessed according to the wage scale according to his actual duration of employment.

The sum of all payments for a full-time job must be added, and the raise of the wage scale determined accordingly. Should the sum of payments be higher than the new scale, this sum will be raised by 3.9%. The raise of the scale will then be apparent in wages for day work, while extra payments are lowered accordingly. This is illustrated by the following examples:

*Example 1:*

**Wage scale ISK 89,973, fixed extra ISK 20,000 per month.**

		<b>Change</b>
Wages by the scale of the collective agreement	89,973	
Fixed extra	20,000	
<b>Total</b>	<b>109,973</b>	
General raise	4,289	
<b>Wages after raise</b>	<b>114,262</b>	3.9%
Of which new scale of wages	109,974	20,001
Of which new extra	4,288	-15,712

**Example 2:**

**Wage scale 89,973, extra payment 20%.**

		<b>Change</b>
Wages by the scale of the collective agreement	89,973	
Fixed extra	17,995	
<b>Total</b>	<b>107,968</b>	
General raise	4,211	
<b>Wages after raise</b>	<b>112,178</b>	3.9%
Of which new scale of wages	109,974	20,001
Of which new extra <b>2%</b>	2,204	-15,790

***Protocol 2000 on presentations which personnel is required to attend.***

If personnel is required to attend presentations outside normal working hours, this must be taken into consideration when remuneration is determined.

***Protocol 1995 on students training for laboratory assistance.***

The parties agree that students training for laboratory assistance should get wages according to the wages agreement of general shop assistants.



# Specific collective agreement for staff in kiosks and stalls, between VR and LÍV, and SA

This specific collective agreement is part of the main collective agreement of the parties and has the same validity period, and the provisions of the main collective agreements apply except the following:

## **Article 1. Application.**

The present agreement is effective in stalls offering a limited choice of goods and is thus neither applicable to general food stores nor the shops which propose self-service during part of the day.

## **Article 2. Wages.**

Wages are according to Article 1.1.1. of the main collective agreement.

**Monthly wages for assistants in kiosks:**

### **Effective from May 1, 2000**

	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>	<b>33% extra</b>	<b>45% Extra</b>
16 year old youths	66,648	392.05	692.14	521.42	568.47
17 year old youths	70,350	413.83	730.59	550.39	600.05
Starting wages 18 yrs	74,053	435.61	769.04	579.36	631.63
After 1 year in job	77,756	457.39	807.50	608.33	663.21
After 3 years in job	78,706	462.98	817.36	615.76	671.32
After 5 years in job	80,396	472.92	834.91	628.98	685.73
After 7 years in firm	81,612	480.07	847.54	638.49	696.10

### **Effective from January 1, 2001**

	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>	<b>33% extra</b>	<b>45% extra</b>
16 year old youths	70,980	417.53	737.13	555.32	605.42
17 year old youths	74,924	440.73	778.08	586.17	639.05
Starting wages 18 yrs	78,867	463.92	819.03	617.02	672.69
After 1 year in job	82,810	487.12	859.98	647.87	706.32
After 3 years in job	83,790	492.88	870.16	655.53	714.68
After 5 years in job	85,256	501.51	885.38	667.00	727.18
After 7 years in firm	86,302	507.66	896.25	675.19	736.11

### **Effective from January 1, 2002**

	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>	<b>33% extra</b>	<b>45% extra</b>
16 year old youths	75,594	444.67	785.04	591.41	644.77
17 year old youths	79,793	469.37	828.65	624.27	680.59
Starting wages 18 yrs	83,993	494.08	872.27	657.12	716.41
After 1 year in job	88,192	518.78	915.87	689.97	752.23
After 3 years in job	89,205	524.74	926.39	697.90	760.87
After 5 years in job	90,460	532.12	939.43	707.72	771.57
After 7 years in firm	91,348	537.34	948.65	714.66	779.14

### **Effective from January 1, 2003**

(According to contract ASÍ/SA 13 December 2001)

	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>	<b>33% extra</b>	<b>45% extra</b>
16 year old youths	81,702	480.60	848.47	639.20	696.87
17 year old youths	86,241	507.30	895.61	674.71	735.58
Starting wages 18 yrs	90,780	534.00	942.75	710.22	774.30
After 1 year in job	93,858	552.11	974.71	734.30	800.55
After 3 years in job	94,935	558.44	985.90	742.73	809.74
After 5 years in job	96,116	565.39	998.16	751.97	819.81
After 7 years in firm	96,860	569.76	1,005.89	757.79	826.16

#### ***Article 3. Working shifts.***

Working shifts shall take into account 40 hours (39½ hours per week from October 1. 2000) work per week in average. All work in excess is paid with overtime wages.

#### ***Article 4. Bonus for working in shifts.***

Those who work in regular shifts get a 33% extra on the part of their wages, which is paid for work delivered during the period from 18:00 to 24:00 from Monday to Friday. For work delivered on Saturdays, Sundays and general holidays occurring from Monday to Friday, a 45% extra shall be paid. For work on special holidays, a 90% extra shall be paid.

#### ***4.1. Winter holidays due to work during official holidays.***

Employees working shifts earn 12 winter holidays for one year's work, in compensation for week-ends and holidays occurring from Monday to Friday.

Should the workplace be closed during the aforementioned days, or should holidays be granted, the relevant number of holidays shall be deducted from the extra holidays, except in the instance of an employee having acquired a vacation between shifts.

Winter holidays shall be granted during the period from October 1 to May 1. Winter holidays are acquired from October to October.

It is permissible by agreement to grant payment instead of such holidays, 8 hours of day work pr. holiday for a full-time job. Substitute employees shall have their acquired winter holidays compensated upon when their employment ends.

***Article 5. Meal breaks and coffee breaks.***

Employees getting wages according to the present agreement do not get specific meal breaks and coffee breaks. Employees are nevertheless allowed to consume food and coffee when working their shifts, if the work permits them to do so. Due to the above limitation on breaks and because of changes of shifts, 5 minutes overtime shall be paid extra for each hour of work.

***Article 6. Holidays.***

At least one day's holiday must be granted weekly, in such a way that the holiday is preceded and followed by a night without work, for no less than a continuous period of 36 hours.

***Article 7. Irregular work.***

Employees who do not work regular shifts shall get paid wages for day work and overtime in accordance with the main collective agreement.

***Article 8. Starting and stopping shifts.***

The starting and the stopping of shifts shall be announced with at least 30 days' notice. Shifts shall last for at least 4 weeks.

# Specific collective agreement for personnel in hotel receptions, between VR and LÍV, and SA

## ***Application.***

This specific collective agreement is part of the main collective agreement of the parties and has the same validity period, and the provisions of the main collective agreements apply except the following:

## ***Article 1. Wages.***

**Wages of personnel in hotel receptions.**

### **Effective from May 1, 2000**

	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>	<b>33% extra</b>	<b>45% extra</b>
Starting wages 18 yrs	90,284	531.08	937.60	706.34	770.07
After 6 months in job	92,999	547.05	965.79	727.58	793.23
After 1 year in job	95,895	564.09	995.87	750.24	817.93
After 3 years in job	98,799	581.17	1,026.03	772.96	842.70
After 5 years in firm	102,223	601.31	1,061.59	799.74	871.90

### **Effective from January 1. 2001**

	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>	<b>33% extra</b>	<b>45% extra</b>
Starting wages 18 yrs	93,154	547.96	967.40	728.79	794.55
After 6 months in job	95,789	563.46	994.77	749.41	817.02
After 1 year in job	98,772	581.01	1,025.75	772.75	842.47
After 3 years in job	101,763	598.61	1,056.81	796.15	867.98
After 5 years in firm	105,290	619.35	1,093.44	823.74	898.06

### **Effective from January 1. 2002**

	<b>Monthly wages</b>	<b>Day work</b>	<b>Overtime</b>	<b>33% extra</b>	<b>45% extra</b>
Starting wages 18 yrs	96,612	568.31	1,003.31	755.85	824.04
After 6 months in job	98,713	580.66	1,025.13	772.28	841.96
After 1 year in job	101,735	598.44	1,056.52	795.93	867.74
After 3 years in job	104,816	616.56	1,088.51	820.03	894.02
After 5 years in firm	108,448	637.93	1,126.23	848.45	925.00

## Effective from January 1. 2003

(According to contract ASÍ/SA 13 December 2001)

	Monthly wages	Day work	Overtime	33% extra	45% extra
Starting wages 18 yrs	100,729	592.53	1,046.07	788.06	859.16
After 6 months in job	102,400	602.35	1,063.42	801.13	873.41
After 1 year in job	105,206	618.86	1,092.57	823.08	897.35
After 3 years in job	108,392	637.60	1,125.65	848.01	924.52
After 5 years in firm	112,149	659.70	1,164.67	877.40	956.56

The above wage scale includes payments for necessary communications because of changes of shifts, preparations and closing down. Such time is assessed as lasting at least 30 minutes for each shift, and payment for that time is included in the wage scale to form the basis for overtime. A specific payment for changing shifts is therefore discontinued. Furthermore, the present wage scale has been adapted to the actual wages current within field of work, see Article 6, and the Protocol attached to the present agreement

Trainees attending practical training in reception studies are entitled to wages which amount to 60% of starting wages.

### ***Article 2. Working hours.***

#### ***2.1. Day work.***

Against the fixed monthly wages, employees shall work 40 hours (39.5 hours (36 hours and 35 minutes effective work hours) from October 1. 2000) per week or proportionally, or for a shorter period, if one of the holidays listed in Article 2.2.4. - 2.2.5. in the main collective agreement, occurs during the week.

The period of day work lasts from 08:00 to 17:00 Monday to Friday, yet it is permissible to start day work sooner, if the employer and employees agree upon it. However, the day work of each employee shall always be delivered continuously each day and never begin sooner than 07:00.

#### ***Regular part-time job.***

An employee, who is hired for a part-time job, gets paid by the hour for work delivered in addition to the proportional position, as day work during the day work period, overtime outside the day work period, and on contractual holidays, and special holidays, wages for work on special holidays.

#### ***Occasional work.***

Employees who are called to work occasionally (do not have a working duty) get paid by the hour, for day work during the day work period, overtime outside the day work period, and on contractual holidays, and special holidays wages for work on special holidays.

#### ***2.2. Overtime.***

Overtime starts once day work is finished, to wit 8 hours (7 hours and 54 minutes. (7 hours and 19 minutes of effective work hours) from October 1, 2000) during the period from 07:00 to 17:00, Monday to Friday.

Work during meal breaks and coffee breaks during the day work period is paid as overtime work.

### ***Article 3. Shifts.***

#### ***3.1. Shifts***

It is permissible to require work in shifts every day of the week. Those who work exclusively shifts 5 days a week during the period from 17:00 to 08:00 shall have a full work week of only 38 hours.

A shift must not exceed 12 hours and not be shorter than four hours. Each shift must be worked as a single continuous period of work.

In this agreement, shifts are understood as a working scheme decided in advance. The work of part-time workers in excess of their job proportion is paid by the hour, for day work during the day work period, overtime outside the day work period, and on contractual holidays, and special holidays wages for work on special holidays.

#### **Shifts scheme.**

Shifts shall generally be determined for four weeks at a time. The shifts scheme shall be visible where employees have an easy access to it one week before it takes effect. When organizing shifts, work during pressure period should as far as possible be divided equally between employees. The working scheme of each employee shall be determined in his employment contract and shall not be changed unless with a prior cancellation or arrangement.

#### ***3.2. Extra on day work wages.***

An extra on day work wages shall be paid on the part of the 40 hours (39.5 hours from October 1, 2000) work per week in average, which occurs outside the period from. 08:00 - 17:00 Monday to Friday as follows:

33% extra during the period 17:00 - 24:00 Monday to Friday.

45% extra during the period 00:00 - 08:00 all days including week-ends.

#### **Extra on holidays.**

Work on Maundy Thursday, Easter Monday, the First Day of Summer, May 1, Ascension Day, Whitsun Monday and the Second Day of Christmas is paid with a 45% extra.

#### **Extra on special holidays.**

Work on New Year's Day, Good Friday, Easter Sunday, Whitsun Sunday, June 17 (National Day), The Bank Holiday Monday, December 24 after 12:00, Christmas Day and New Year's Eve after 12:00 is paid with a 90% extra.

#### **Overtime wages.**

For work in excess of 40 hours (39.5 hours (38 hours for work during the period 17:00 - 08:00) from October 1, 2000) in average on shifts per week, overtime wages shall be paid.

#### **Breaks.**

Breaks shall amount to 5 minutes for each hour of work, and be distributed as agreed by the employees and the manager. Breaks should generally last for 15 minutes at a time. Work during breaks is paid with overtime wages, else the working hours are shortened accordingly. Employees who work no less than 8 hours shifts are furthermore entitled to a ½ hour meal break. If the meal break is generally taken at a time fixed beforehand, it shall not be counted as working time.

### ***3.3. Winter holidays due to work on holidays.***

Employees working shifts earn 12 winter holidays for one year's work (96 hours working duty for a full-time job), for holidays in accordance with Article 2.2. of the main collective convention, occurring on Monday to Friday.

If the working place is closed on the aforementioned days, or holidays granted, the equivalent number of days is deduced from the number of extra holidays, except for an employee who has not used his acquired holidays between shifts. Such changes of the shift scheme shall be notified one month in advance.

Winter holidays shall be granted during the period from October 1 to May 1. The acquisition of winter holidays is reckoned from October to October.

It is permissible, by agreement between employer and employee, to grant payment instead of the said holidays, 8 hours of day work for each holiday for a full-time job. Substitute employees shall, at the end of their employment, be paid for the holidays which have occurred during the period.

### ***Article 4. Trips to the place of work and back.***

Trips to and from the place of work within the greater Reykjavik area (Reykjavík – Kópavogur – Garðabær – Hafnarfjörður – Seltjarnarnes og Mosfellsbær), at times when the busses are not available, shall be paid by the employer. The same rule applies in other townships where public busses are available from morning to night every day of the week. The payment shall amount to two and a half times the starting fee of taxis. However, the employer is entitled to transport his personnel at his own expenses, if he so wishes.

### ***Article 5. Working clothes.***

A uniform is understood to include trousers or a skirt, a jacket or a vest, two blouses, shirts and shoes. Clothes shall be granted each year, starting at the latest after four months of work. The uniform is the property of the employer.

### ***Article 6. Meals.***

If employees buy meals partly or exclusively at the place of work, they shall pay for it monthly off their wages. Meal breaks occurring during working hours are reckoned as half meals. The amount in question is of ISK 3.514 as of May 1, 2000, in accordance with consumer index 198,4.

### ***Article 7. New wage scale – Adapted to actual wages.***

A new wage scale shall not automatically lead to a raise in excess of a general raise in wages in accordance with the main convention. Furthermore, changes of wages according to this convention may not in any case lead to a lesser raise in wages than amounts to the raise in wages according to the main convention. See attached protocol on the change of scale.

### ***Protocol 2000 on the change of wage scale.***

This specific collective convention aims at adapting the wage scale to the actual wages, without raising wages which are higher than the new wage scale. The minimum raise when the convention becomes effective, however, shall be of 3.9%. When assessing whether a change of the wage scale calls for a raise of wages which were, prior to the

convention, higher than stated by the wage scale, all extra payments for regular work must be added to the wage scale, beside repayment of expenses incurred.

Against the raise of the scale, all contract-related extra payments and bonuses will be lowered. . Among these are the extra payments granted as a fixed percentage or amount added to the scale..

If an employee's conditions of employment are such that he is paid wages according to a longer duration of employment than the one applicable to him in accordance with the collective convention, he is re-assessed according to the wage scale according to his actual duration of employment.

The sum total of payments for a full-time job must be added, and the raise of wages based thereon.. If the sum total of payments exceeds the new scale, the raise will amount to 3.9%. The raise of the scale will then be apparent in wages for day work, while extra payments are lowered accordingly. This is illustrated by the following examples:



**Example 1:****Wages - 5 years scale, ISK 84,081, fixed extra ISK 15,000 per month.**

		<b>Change</b>
Wages acc. to scale of collective convention	84,081	
Shift change fee	6,306	
Fixed extra	15,000	
<b>Total</b>	<b>105,387</b>	
General raise	4,110	
<b>Wages after raise</b>	<b>109,497</b>	3.9%
Of which new wage scale	102,223	18,142
Of which new extra	7,274	-7,726

**Example 2:****Wages - 5 years scale, ISK 84,081, extra 15%.**

		<b>Change</b>
Wages acc. to scale of collective convention	84,081	
Shift change fee	6,306	
Extra 15%	12,612	
<b>Total</b>	<b>102,999</b>	
General raise	4,017	
<b>Wages after raise</b>	<b>107,016</b>	3.9%
Of which new wage scale	102,223	18,142
Of which new extra 5%	4,793	-7,819

# Specific collective agreement for personnel of cinemas, between VR and LÍV, and The SA

## **Article 1. Application.**

This specific collective agreement applies to personnel in ticket sales, candy stores and ushers in cinemas. The agreement is part of the main collective agreement of the parties and has the same validity period.

## **Article 2. Average pay by the hour**

Average pay by the hour will be as follows when this agreement becomes effective:

### **Effective from May 1, 2000**

<b>General employees</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
16 year old youths	392.04	545.00	692.13	916.41
17 year old youths	413.82	575.00	730.58	967.31
Starting wages 18 years	435.61	605.00	769.04	1,018.22
After 1 year in field of work	457.39	630.00	807.50	1,069.14
After 3 yrs in field of work	462.98	663.00	817.36	1,082.20
After 5 yrs in field of work	472.92	713.00	834.91	1,105.44
After 7 yrs in the same firm	480.07	779.00	847.54	1,122.16

<b>Foremen</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
Starting wages	500.95	696.00	884.40	1,170.97
After 1 year in field of work	525.99	724.00	928.60	1,229.50
After 3 yrs in field of work	532.42	763.00	939.96	1,244.53
After 5 yrs in field of work	543.85	820.00	960.14	1,271.25
After 7 yrs in the same firm	552.08	896.00	974.67	1,290.49

### **Effective from January 1. 2001**

<b>General employees</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
16 year old youths	417.52	561.00	737.13	975.95
17 year old youths	440.73	592.00	778.08	1,030.21
Starting wages 18 years	463.92	623.00	819.03	1,084.41
After 1 year in field of work	487.12	649.00	859.98	1,138.64
After 3 yrs in field of work	492.88	683.00	870.16	1,152.11
After 5 yrs in field of work	501.51	735.00	885.38	1,172.28
After 7 yrs in the same firm	507.66	803.00	896.25	1,186.66

<b>Foremen</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
Starting wages	533.51	716.00	941.89	1,247.08
After 1 year in field of work	560.19	746.00	988.99	1,309.44
After 3 yrs in field of work	566.81	785.00	1,000.67	1,324.92
After 5 yrs in field of work	576.74	845.00	1,018.21	1,348.13
After 7 yrs in the same firm	583.81	923.00	1,030.69	1,364.66

**Effective from January 1. 2002**

<b>General employees</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
16 year old youths	444.67	578.00	785.04	1,039.42
17 year old youths	469.37	610.00	828.65	1,097.15
Starting wages 18 years	494.08	642.00	872.27	1,154.91
After 1 year in field of work	518.78	668.00	915.87	1,212.65
After 3 yrs in field of work	524.74	703.00	926.39	1,226.58
After 5 yrs in field of work	532.12	757.00	939.43	1,243.83
After 7 yrs in the same firm	537.34	827.00	948.65	1,256.03

<b>Foremen</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
Starting wages	568.19	739.00	1,003.11	1,328.14
After 1 year in field of work	596.60	768.00	1,053.27	1,394.55
After 3 yrs in field of work	603.45	809.00	1,065.36	1,410.56
After 5 yrs in field of work	611.94	870.00	1,080.35	1,430.41
After 7 yrs in the same firm	617.94	951.00	1,090.94	1,444.43

**Effective from January 1. 2003**

(According to contract ASÍ/SA 13 December 2001)

<b>General employees</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
16 year old youths	480.59	605.41	848.47	1,123.39
17 year old youths	507.30	634.54	895.61	1,185.82
Starting wages 18 years	534.00	672.68	942.75	1,248.22
After 1 year in field of work	552.11	699.79	974.72	1,290.56
After 3 yrs in field of work	558.44	735.93	985.91	1,305.36
After 5 yrs in field of work	565.39	792.16	998.17	1,321.61
After 7 yrs in the same firm	569.76	864.44	1,005.88	1,331.81

<b>Foremen</b>	<b>Day work</b>	<b>Average pay</b>	<b>Overtime</b>	<b>Special holidays</b>
Starting wages	614.10	774.08	1,084.16	1,435.45
After 1 year in field of work	634.93	805.21	1,120.94	1,484.15
After 3 yrs in field of work	642.21	846.37	1,133.79	1,501.16
After 5 yrs in field of work	650.20	910.63	1,147.90	1,519.84
After 7 yrs in the same firm	655.22	993.96	1,156.76	1,531.58

On special holidays, overtime pay shall be granted, and on special holidays, wages for special holidays, in accordance with the main collective agreement.

***Article 3. Conditions for average pay.***

Compensation for December and holidays are included in the pay by the hour in accordance with Article 1, and is therefore not paid separately. Furthermore, the average pay is based on the condition that the work takes place during the period between 15:30 and 01:00 Mondays to Thursdays, from 15:30 to 02:00 Fridays and the eve of Saturdays, from 13:00 to 02:30 Saturdays and the eve of Sundays, and from 13:00 to 01:00 on Sundays and the eve of Mondays.

***Article 4. Breaks.***

Breaks shall amount to 5 minutes for each hour of work. Should it occur that employees cannot take a break, it should be paid.

# Specific collective agreement between SA for Baugur hf., and VR and LÍV

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## **Article 1. Application.**

This specific collective agreement is part of the main collective agreement of the parties and has the same validity period, except that it becomes effective on May 15, 2000. The agreement applies to employees working as shop assistants and stock assistants in all commercial activities of Baugur hf. The main collective agreement of the parties applies in all other points not specified below.

## **Article 2. Purpose.**

The purpose of the present agreement is to integrate a part of the overtime extra pay gradually to the day work basis.

## **Article 3. Wages.**

Chapter 1.1.1. reads as follows:

1.1.1. **Wages for shop and stock assistants.** See also wage scales page 88-91.

	2000	2001	2002	2003
Starting wages	74,356	79,437	84,864	92,204
After 6 months	79,346	85,807	92,772	101,241
After 1 year	80,316	86,822	93,837	102,405
After 2 years	83,168	90,457	98,378	108,862
After 5 years	84,638	91,965	99,948	110,676

(According to contract ASI/SA 13 December 2001)

Starting wages are intended for an employee who will turn 18 years during the current year. Seniority is assessed on the basis of employment with the consortium.

The fourth and fifth paragraphs of Article 1.5 of the main collective agreement “On evaluating work logevity ... two years of work experience” do therefore not apply.

Commercial specialists, who have concluded no less than four semesters’ studies in the branch of commerce of Borgarholtsskóli School, or similar studies as the parties agree, are nevertheless entitled to start their employment with the equivalent of six months’ seniority. An employee having at least two years of experience in field of work is entitled to the same right.

All employees are entitled to an interview once a year with their manager, to discuss their tasks and possible changes in their terms of employment.

Wages should reflect the performance, abilities, education, and skills of the employee, as well as the job’s contents and the responsibility involved. The provisions of parity legislation should be considered when wages are determined.

The following is added to Article 1.2.1.:

Wages of employees who receive higher wages than this agreement stipulates, shall in addition to general raises, get a raise as shown in the following table.

<b>Additional raise to monthly wages against a lower overtime extra</b>				
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	2.0%	1.6%	1.6%	2.6%

***Article 4. On overtime.***

Article 1.8 of the main collective agreement shall be replaced by the following:

**1.8. Overtime extra**

All overtime work shall, from May 15, 2000, be paid by hourly wages amounting to 0.992% of the monthly wages for day work. This proportion becomes 0.956% from January 1, 2001, 0.921% from January 1, 2002, and 0.862% from January 1, 2003.

All work during special holidays shall, from May 15, 2000, be paid by the hour with hourly wages amounting to 1.314% of monthly wages for day work. This proportion becomes 1.268% from January 1, 2001, 1.222% from January 1, 2002, and 1.146% from January 1, 2003.

***Article 5. Application.***

This agreement shall be submitted to all employees of Baugur hf. concerned by the agreement.

## ***Specific provisions for stores operated under the name 10-11***

### ***Article 1. Application.***

The present agreement applies to all stores named 10-11 which are open between 10:00 and 23:00. Employees of these stores work in stints which reach a maximum duration equal to the opening hours.

### ***Article 2. Wage scales.***

Wage scales shall be as specified here from the date when the agreement becomes effective. Wages for 170 hours' work per month, no less than 35% during the day work period (09:00-18:00). See also wage scales page 88-91.

#### **Shop assistants**

<b>Monthly pay</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	106.767	113.707	121.098	130.881
After 6 months	114.749	122.208	130.152	138.513
After 1 year	124.726	132.833	141.467	150.555
After 2 years	131.714	140.276	149.394	158.990

<b>Average pay</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	628	669	712	769,89
After 6 months	675	719	766	814,78
After 1 year	734	781	832	885,62
After 2 years	775	825	879	935,24

#### **Commercial specialists**

<b>Monthly pay</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	117.444	125.077	133.207	143.970
After 6 months	126.224	134.429	143.167	152.364
After 1 year	137.199	146.117	155.614	165.611
After 2 years	144.887	154.304	164.334	174.891

<b>Average pay</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	691	736	784	847
After 6 months	742	791	842	897
After 1 year	807	860	915	974
After 2 years	852	908	967	1.029

(According to contract ASÍ/SA 13 December 2001)

Seniority is assessed on the basis of employment with 10-11. Foremen shall receive wages according to the next seniority step in the wage scale.

Part time employees shall receive wages according to the next seniority step in the wage scale.

An extra kr. 283 shall be paid per hour for work from 00:00 to 08:00. This does not apply to regular restocking work.

On bank holidays kr. 283 shall be paid extra for each working hour. On special holidays 1.375% of monthly wages shall be paid.

## **Specific provisions for stores operated under the name Bónus**

### ***Article 1. Application.***

The segment of this agreement regarding wages applies to opening hours Monday through Thursday from 12:00 to 18:30, Friday to 20:00 and on Saturday from 10:00 to 16:00.

When, under special circumstances, the store is open on Sunday, the majority of the workforce shall be part time personnel.

### ***Article 2. Wage scales.***

As of the time the agreement comes into effect the wage scales will be as follows. See also wage scales page 88-91:

<b>Shop assistants</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Basic wages	88,119	93,847	99,947	107,592
After 6 months with the firm	92,469	98,479	104,880	111,173
After 12 months with the firm	93,762	99,857	106,347	112,728
After 2 years with the firm	100,790	107,341	114,319	121,178
After 5 years with the firm	104,812	110,836	117,317	123,899

  

<b>Commercial specialists</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Basic wages	94,207	100,331	106,852	115,025
After 6 months with the firm	101,744	108,357	115,400	122,324
After 2 years with the firm	111,918	119,192	126,940	134,556
After 5 years with the firm	116,383	123,071	130,268	137,577

To earn the right to acquired seniority, the employee shall satisfy the demands of the performance assessment on which the parties agree. A performance assessment takes place every month. An employee must obtain a 75% result during the three preceding months, or for three months in a row.

### ***Article 3. Till attendant.***

In a store where a special till attendant is appointed, the employee concerned shall get a lump sum of ISK 7,840 per month. The till attendant is in charge of management, change and employees' training. The sum changes in accordance with general raises in wages.

### ***Article 4. A system of shared benefits***

A system of shared benefits should be aimed for, in order to create conditions for the improvement of employees' conditions along with an increase in productivity. The benefits shall be determined and shared between employees and the firm according to clear rules. Further details shall be available as soon as possible.



***Article 5. Day work period.***

The day work period lasts from 08:00 to 20:00 all working days. The maximum duration of day work is 8 hours. After that period, overtime is paid, even though the day work period is not over.

***Article 6. Meal break in the evening.***

Meal breaks in the evening are taken from 20:00 to 21:00.

***Article 7. Overtime extra***

Overtime is paid by a 40% extra on day work. Work on special holidays is paid with a 80% extra on day work.

***Article 8. The Bank Holiday Monday.***

The Bank Holiday Monday is considered a special holiday.

***Article 9. Performance assessment and experience***

Those who have concluded studies in the branch of commerce of Borgarholtsskóli School or similar studies, on which the parties agree, lasting no less than four semesters and four months in vocational training, shall be considered commercial specialists according to the present collective agreement.

A person who has 3 years' experience in the branch, and who has been employed for 3 months, having fulfilled the demands of the performance assessment, shall be paid wages according to 6 months' seniority.

The performance assessment is available and the parties agree on its interpretation and practice.

# Specific collective agreement between SA concerning Kaupás hf., and VR and LÍV

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## **Article 1. Application.**

This specific collective agreement is part of the main collective agreement of the parties and has the same validity period, except that it becomes effective on May 15, 2000. The agreement applies to employees working as shop assistants and stock assistants in all commercial activities of Kaupás hf. The main collective agreement of the parties applies in all other points not specified below.

## **Article 2. Purpose.**

The purpose of the present agreement is to integrate a part of the overtime extra pay gradually to the day work basis..

## **Article 3. Wages.**

Chapter 1.1.1. reads as follows:

**1.1.1. Wages for shop and stock assistants.** See also wage scales pp. 88-91.

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	74,356	79,437	84,864	92,204
After 6 months	79,346	85,807	92,772	101,241
After 1 year	80,316	86,822	93,837	102,405
After 2 years	83,168	90,457	98,378	108,862
After 5 years	84,638	91,965	99,948	110,676

(According to contract ASÍ/SA 13 December 2001)

Starting wages are intended for an employee who will turn 18 years during the current year. Seniority is assessed on the basis of employment with the company.

The fourth and fifth paragraphs of Article 1.5 of the main collective agreement “On evaluating work logevity ... two years of work experience” do therefore not apply.

Commercial specialists, who have concluded no less than four semesters’ studies in the branch of commerce of Borgarholtsskóli School, or similar studies as the parties agree, are nevertheless entitled to start their employment with the equivalent of six months’ seniority. An employee having at least two years of experience in field of work is entitled to the same right.

All employees are entitled to an interview once a year with their manager, to discuss their tasks and possible changes in their terms of employment.

Wages should reflect the performance, abilities, education, and skills of the employee, as well as the job’s contents and the responsibility involved. The provisions of parity legislation should be considered when wages are determined.

The following is added to Article 1.2.1.:

Wages of employees who receive higher wages than this agreement stipulates, shall in addition to general raises, get a raise as shown in the following table:

<b>Additional raise to monthly wages against a lower overtime extra</b>				
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	2.0%	1.6%	1.6%	2.6%

#### ***Article 4. Overtime.***

Article 1.8. of the main collective agreement shall be replaced by the following:

##### **1.8. Overtime extra.**

All overtime work shall, from May 15, 2000, be paid by hourly wages amounting to 0.992% of the monthly wages for day work. This proportion becomes 0.956% from January 1, 2001, 0.921% from January 1, 2002, and 0.862% from January 1, 2003.

All work during special holidays shall, from May 15, 2000, be paid by the hour with hourly wages amounting to 1.314% of monthly wages for day work. This proportion becomes 1.268% from January 1, 2001, 1.222% from January 1, 2002, and 1.146% from January 1, 2003.

#### ***Article 5.***

This agreement shall be submitted to all employees of Kaupás hf concerned by the agreement.

#### ***Protocol 2000 on the wage scale.***

When the present agreement takes effect, the employees who take wages according to the wage scale “Head of department in store” in the main collective agreement, without fitting the definition of the collective agreement on the area of work, will get wages according to the wage system of this specific collective agreement. Furthermore, they will get a wage bonus to the amount of ISK 3,700 per month. This wage bonus is subject to general changes during the agreement period of validity.

# Specific collective agreement between SA concerning Matbær hf., and VR and LÍV

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## **Article 1. Application.**

This specific collective agreement is part of the main collective agreement of the parties and has the same validity period, except that it becomes effective on May 15, 2000. The agreement applies employees working as shop assistants and stock assistants in all commercial activities of Matbær hf. The main collective agreement of the parties applies in all other points not specified below.

## **Article 2. Purpose.**

The purpose of the present agreement is to integrate a part of the overtime extra pay gradually to the day work basis.

## **Article 3. Wages.**

Chapter 1.1.1. reads as follows:

**1.1.1. Wages for shop and stock assistants.** See also wage scales page 88-91.

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	74,356	79,437	84,864	92,204
After 6 months	79,346	85,807	92,772	101,241
After 1 year	80,316	86,822	93,837	102,405
After 2 years	83,168	90,457	98,378	108,862
After 5 years	84,638	91,965	99,948	110,676

(According to contract ASÍ/SA 13 December 2001)

Starting wages are intended for an employee who will turn 18 years during the current year. Seniority is assessed on the basis of employment with the company.

The fourth and fifth paragraphs of Article 1.5 of the main collective agreement “On evaluating work logevity ... two years of work experience” do therefore not apply.

Commercial specialists, who have concluded no less than four semesters’ studies in the branch of commerce of Borgarholtsskóli School, or similar studies as the parties agree, are nevertheless entitled to start their employment with the equivalent of six months’ seniority. An employee having at least two years of experience in field of work is entitled to the same right.

All employees are entitled to an interview once a year with their manager, to discuss their tasks and possible changes in their terms of employment.

Wages should reflect the performance, abilities, education, and skills of the employee, as well as the job’s contents and the responsibility involved. The provisions of parity legislation should be considered when wages are determined.

The following is added to Article 1.2.1.:

Wages of employees who receive higher wages than this agreement stipulates, shall in addition to general raises, get a raise as shown in the following table:

<b>Additional raise to monthly wages against a lower overtime extra</b>				
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	2.0%	1.6%	1.6%	2.6%

#### ***Article 4. Overtime.***

Article 1.8. of the main collective agreement shall be replaced by the following:

##### **1.8. Overtime extra**

All overtime work shall, from May 15, 2000, be paid by hourly wages amounting to 0.992% of the monthly wages for day work. This proportion becomes 0.956% from January 1, 2001, 0.921% from January 1, 2002, and 0.862% from January 1, 2003.

All work during special holidays shall, from May 15, 2000, be paid by the hour with hourly wages amounting to 1.314% of monthly wages for day work. This proportion becomes 1.268% from January 1, 2001, 1.222% from January 1, 2002, and 1.146% from January 1, 2003

#### ***Article 5.***

This agreement shall be submitted to all employees of Matbær hf concerned by the agreement.

#### ***Protocol 2000 on wage scale.***

When the present agreement takes effect, the employees who take wages according to the wage scale "Head of department in store" in the main collective agreement, without fitting the definition of the collective agreement on the area of work, will get wages according to the wage system of this specific collective agreement. Furthermore, they will get a wage bonus to the amount of ISK 3,700 per month. This wage bonus is subject to general changes during the agreement period of validity.

# Specific collective agreement between SA concerning Samkaup hf., and VR and LÍV

---

## ***Article 1. Application.***

This specific collective agreement is part of the main collective agreement of the parties and has the same validity period, except that it becomes effective on May 15, 2000. The agreement applies employees working as shop assistants and stock assistants in all commercial activities of Samkaup hf. The main collective agreement of the parties applies in all other points not specified below.

## ***Article 2. Purpose.***

The purpose of the present agreement is to integrate a part of the overtime extra pay gradually to the day work basis.

## ***Article 3. Wages.***

Chapter 1.1.1. reads as follows:

**1.1.1. Wages for shop and stock assistants.** See also wage scales page 88-91.

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	74,356	79,437	84,864	92,204
After 6 months	79,346	85,807	92,772	101,241
After 1 year	80,316	86,822	93,837	102,405
After 2 years	83,168	90,457	98,378	108,862
After 5 years	84,638	91,965	99,948	110,676

(According to contract ASÍ/SA 13 December 2001)

Starting wages are intended for an employee who will turn 18 years during the current year. Seniority is assessed on the basis of employment with the company.

The fourth and fifth paragraphs of Article 1.5 of the main collective agreement “On evaluating work logevity ... two years of work experience” do therefore not apply.

Commercial specialists, who have concluded no less than four semesters’ studies in the branch of commerce of Borgarholtsskóli School, or similar studies as the parties agree, are nevertheless entitled to start their employment with the equivalent of six months’ seniority. An employee having at least two years of experience in field of work is entitled to the same right.

All employees are entitled to an interview once a year with their manager, to discuss their tasks and possible changes in their terms of employment.

Wages should reflect the performance, abilities, education, and skills of the employee, as well as the job’s contents and the responsibility involved. The provisions of parity legislation should be considered when wages are determined.

The following is added to Article 1.2.1.:

Wages of employees who receive higher wages than this agreement stipulates, shall in addition to general raises, get a raise as shown in the following table:

<b>Additional raise to monthly wages against a lower overtime extra</b>				
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Starting wages	2.0%	1.6%	1.6%	2.6%

#### ***Article 4. Overtime.***

Article 1.8 of the main collective agreement shall be replaced by the following:

##### **1.8. Overtime extra.**

All overtime work shall, from May 15, 2000, be paid by hourly wages amounting to 0.992% of the monthly wages for day work. This proportion becomes 0.956% from January 1, 2001, 0.921% from January 1, 2002, and 0.862% from January 1, 2003.

All work during special holidays shall, from May 15, 2000, be paid by the hour with hourly wages amounting to 1.314% of monthly wages for day work. This proportion becomes 1.268% from January 1, 2001, 1.222% from January 1, 2002, and 1.146% from January 1, 2003

#### ***Article 5.***

This agreement shall be submitted to all employees of Samkaup hf concerned by the agreement.

#### ***Protocol 2000 on wage scale.***

When the present agreement takes effect, the employees who take wages according to the wage scale "Head of department in store" in the main collective agreement, without fitting the definition of the collective agreement on the area of work, will get wages according to the wage system of this specific collective agreement. Furthermore, they will get a wage bonus to the amount of ISK 3,700 per month. This wage bonus is subject to general changes during the agreement period of validity.

# Wage scales for personnel of stores owned by Baugur hf., Kaupás hf., Matbær hf. and Samkaup hf.

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**15, May 2000**

**Baugur (except Bónus and 10-11) Kaupás, Matbær and Samkaup**

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	66,920	393.65	663.85	879.33
17 year old youths	70,638	415.52	700.73	928.19
Starting wages	74,356	437.39	737.61	977.04
After 6 months	79,346	466.74	787.11	1,042.61
After 1 year	80,316	472.45	796.73	1,055.35
After 2 years	83,168	489.22	825.03	1,092.83
After 5 years	84,638	497.87	839.61	1,112.14

**1, January 2001**

**Baugur (except Bónus and 10-11), Kaupás, Matbær and Samkaup**

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	71,493	420.55	683.48	906.54
17 year old youths	75,465	443.91	721.45	956.90
Starting wages	79,437	467.28	759.42	1,007.26
After 6 months	85,807	504.75	820.31	1,088.03
After 1 year	86,822	510.72	830.02	1,100.90
After 2 years	90,457	532.10	864.77	1,146.99
After 5 years	91,965	540.97	879.19	1,166.12

**1, January 2002**

**Baugur (except Bónus and 10-11), Kaupás, Matbær and Samkaup**

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	76,378	449.28	703.44	933.33
17 year old youths	80,621	474.24	742.52	985.19
Starting wages	84,864	499.20	781.60	1,037.04
After 6 months	92,772	545.72	854.43	1,133.67
After 1 year	93,837	551.98	864.24	1,146.69
After 2 years	98,378	578.69	906.06	1,202.18
After 5 years	99,948	587.93	920.52	1,221.36



### 1, January 2003

#### Baugur (except Bónus and 10-11), Kaupás, Matbær and Samkaup

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	82,984	488.14	715.32	951.00
17 year old youths	87,594	515.26	755.06	1,003.83
Starting wages	92,204	542.38	794.80	1,056.66
After 6 months	101,241	595.54	872.70	1,160.23
After 1 year	102,405	602.38	882.73	1,173.56
After 2 years	108,862	640.36	938.39	1,247.56
After 5 years	110,676	651.03	954.03	1,268.35

### 15, May 2000

#### Bónus. Shop assistants

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	79,307	466.51	653.12	839.72
17 year old youths	83,713	492.43	689.40	886.37
Starting wages	88,119	518.35	725.69	933.02
After 6 months	92,469	543.94	761.51	979.08
After 1 year	93,762	551.54	772.16	992.77
After 2 years	100,790	592.88	830.04	1,067.19
After 5 years	104,812	616.54	863.16	1,109.77

### 1, January 2001

#### Bónus. Shop assistants

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	84,462	496.84	695.57	894.31
17 year old youths	89,155	524.44	734.21	943.99
Starting wages	93,847	552.04	772.86	993.67
After 6 months	98,479	579.29	811.00	1,042.72
After 1 year	99,857	587.39	822.35	1,057.31
After 2 years	107,341	631.42	883.98	1,136.55
After 5 years	110,836	651.98	912.77	1,173.56

### 1, January 2002

#### Bónus. Shop assistants

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	89,952	529.13	740.78	952.44
17 year old youths	94,950	558.53	781.94	1,005.35
Starting wages	99,947	587.92	823.09	1,058.26
After 6 months	104,880	616.94	863.72	1,110.49
After 1 year	106,347	625.57	875.80	1,126.03
After 2 years	114,319	672.46	941.45	1,210.44
After 5 years	117,317	690.10	966.14	1,242.18

### 1, January 2003

#### Bónus. Shop assistants

	Monthly wages	Day work	Overtime	Special holiday extra
16 year old youths	97,220	571.88	800.64	1,029.39
17 year old youths	102,621	603.65	845.12	1,086.58
Starting wages	108,022	635.43	889.60	1,143.77
After 6 months	111,618	656.57	919.20	1,181.83
After 1 year	113,179	665.76	932.06	1,198.36
After 2 years	121,663	715.66	1,001.93	1,288.19
After 5 years	124,395	731.73	1,024.43	1,317.12

### 15, May 2000

#### 10-11. Shop assistants

	Monthly wages	Average wage rate	Overtime	Special holiday extra
16 year old youths	96,090	565.24	848.24	1,321.24
17 year old youths	101,429	596.64	879.64	1,394.64
Starting wages	106,767	628.04	911.04	1,468.05
After 6 months	114,749	674.99	957.99	1,577.80
After 1 year	124,726	733.68	1,016.68	1,714.98
After 2 years	131,714	774.79	1,057.79	1,811.07

### **1, January 2001**

#### **10-11. Shop assistants**

	Monthly wages	Average wage rate	Overtime	Special holiday extra
16 year old youths	102,336	601.98	893.47	1,407.12
17 year old youths	108,022	635.42	926.91	1,485.30
Starting wages	113,707	668.86	960.35	1,563.47
After 6 months	122,208	718.87	1,010.36	1,680.36
After 1 year	132,833	781.37	1,072.86	1,826.45
After 2 years	140,276	825.15	1,116.64	1,928.80

### **15, May 2002**

#### **10-11. Shop assistants**

	Monthly wages	Average wage rate	Overtime	Special holiday extra
16 year old youths	108,988	641.11	932.60	1,498.59
17 year old youths	115,043	676.72	968.21	1,581.84
Starting wages	121,098	712.34	1,003.83	1,665.10
After 6 months	130,152	765.60	1,057.09	1,789.59
After 1 year	141,467	832.16	1,123.65	1,945.17
After 2 years	149,394	878.79	1,170.28	2,054.17

### **1, January 2003**

#### **10-11. Shop assistants**

	Monthly wages	Average wage rate	Overtime	Special holiday extra
16 year old youths	117,793	692.90	1,002.14	1,619.66
17 year old youths	124,337	731.40	1,040.64	1,709.64
Starting wages	130,881	769.89	1,079.13	1,799.62
After 6 months	138,513	814.78	1,124.02	1,904.55
After 1 year	150,555	885.62	1,194.86	2,070.13
After 2 years	158,990	935.24	1,244.48	2,186.12

# Specific collective agreement between VR concerning personnel in telephone sales and sales offices of Icelandair

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## **Article 1. Winter holidays.**

Winter holidays shall cover 12 almanac days and start at the beginning of a working shift and be assessed as working days.

## **Article 2. Meal breaks.**

Employees working on shifts until past 19:30 get a 30-minute meal break during the period from 18:00 to 20:00. Should an employee be too busy to take a meal break, double wages shall be paid out for meal breaks.

## **Article 3. Special holiday extra.**

All overtime work on special holidays is paid by hourly wages amounting to 1.375% of monthly wages. Special holiday work is work done on New Year's Day, Good Friday, Easter Sunday, Whitsun Sunday, June 17 (National Day), The Bank Holiday Monday, Christmas Day and after 12:00 on Christmas Eve and New Year's Eve.

## **Article 4. Wages.**

### **Sales office**

	(1. May '00)	(1. Jan. '01)	(1. Jan. '02)	(1. Jan. '03)
	Month Wages	Month Wages	Month Wages	Month Wages
Starting wages	94,401	98,744	103,286	108,432
After 1 year	96,987	101,449	106,115	111,403
After 3 years	98,695	103,235	107,984	113,364
After 5 years in firm	100,206	104,815	109,637	115,100

(According to contract ASÍ/SA 13 December 2001)

### **Booking/sales office with IATA-UFTAA diploma**

	(1, May '00)	(1, Jan, '01)	(1, Jan, '02)	(1, Jan, '03)
	Month Wages	Month Wages	Month Wages	Month Wages
Starting wages	97,894	102,397	107,107	112,444
After 1 year	100,576	105,202	110,042	115,524
After 3 years	102,347	107,055	111,979	117,558
After 5 years in firm	103,913	108,693	113,693	119,359

(According to contract ASÍ/SA 13 December 2001)

The above wages are intended for personnel of 18 years of age at least, having wide competences in languages, as well as basic knowledge in general office work.

## **Article 5. Period of validity.**

The present agreement has the same period of validity as the parties' main agreement.

***Protocol 1997***

Employees which have successfully taken older tests, based on a IATA-UFTAA standard, are entitled to wages according to the wage scale of booking office/sales office workers with a IATA-UFTAA diploma.

**Wage scale for personnel of technical store**

	<b>1.5.2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Basic wages	80,224	83,914	87,774	92,148
After 1 year	81,421	85,166	89,084	93,523
After 3 years	85,411	89,340	93,450	98,106
After 5 years	89,214	93,318	97,611	102,474
After 7 years in firm	92,797	97,065	101,530	106,950

(According to contract ASÍ/SA 13 December 2001)