

Agreement

between the Confederation of Icelandic Employers(SA) and Framsýn union on the interpretation of rights and legal status of Framsýn union members working on whale watching vessels.

General rights of whale watching employees are in accordance with the Collective Agreement between the Confederation of Icelandic Employers and Framsýn union for employees in the tourism sector (Collective Agreement between The Confederation of Icelandic Employers and The Federation of General and Special Workers in Iceland (SGS) for service and tourism)

The conditions and terms of employees may not be less than stated in the Collective Agreement at each time. However the following deviations from the stated Collective Agreement are in place for employees who are a part of a registered crew on whale watching vessels:

- Employees working at sea that are subject to the nautical laws no. 35/1985 of shall be subject to rights and duties of those laws, including article 36 regarding incapacity due to illness or injury.
- Provisions of the maritime laws no 34/1985 shall be in place for employees as applicable, including the provisions of paragraph 1 of article 172 on accident insurance.
- Due to the special status of whale watching employees and the lack of placement in a wage category in the applicable Collective Agreement, both parties agree that in the year 2013 the minimum wage for full employment, cf. article 1.4 of the Collective Agreement, as well as the hourly rate shall be the same as stated in the Collective Agreement between the Seamen's Federation and The Federation of Icelandic Fishing Vessel Owners regarding wage guarantee and hourly rate. Further clarification of this is stated in the Proclamation regarding minimum wage insurance and hourly rate. During the upcoming wage negotiations parties shall reach a conclusion on the wage category for this work, with regard to its nature and responsibility.

Whale watching companies shall strive to provide employees with the necessary training courses to ensure they can execute their job with diligence and safety according to official requirements. During courses, arranged by the company for their employees, they shall receive the wage guarantee and reimbursement for accommodation and travel cost, as agreed upon, if the course is held away from the regular working area. The course cost shall be paid by the company.

Upon hiring the company shall issue a contract of employment with the employee since the employment is temporary; that is during the regular whale watching season. A contract of employment shall at least include working arrangement and payment for trips, also if the arrangement is for shifts, hourly rate or payment per trip.

Parties shall mutually assess if injury insurance according to maritime law sufficiently covers the nature of whale watching work and make suggestions for improvements if necessary.

Reykjavík, 9. ágúst 2013

Proclamation regarding minimum wage insurance and hourly rate

An agreement between the parties states for a temporary solution for whale watching employees pay conditions and terms. This employment has the special status that the Collective Agreement between the parties does not in full apply to rights and duties included in maritime and nautical laws. These employees are also subject to demands that do not apply to employees on land. Parties agree that the minimum wage categories for employees in tourism (Cat 5 and 6) do not reflect the nature and responsibility of the employment. Therefore the parties have agreed to base the 2013 salary on provisions in the Collective Agreement between the Seamen's Federation and The Federation of Icelandic Fishing Vessel Owners. Parties agree to revise the wage category references in the upcoming wage negotiations in order to find an acceptable solution for both parties. This means that the minimum hourly rate for a general worker shall be ISK 1.313(updated 1 January 2016 to ISK 1.608). Added shift supplement shall be according to Chapter 3 of the Collective Agreement between The Confederation of Icelandic Employers and The Federation of General and Special Workers in Iceland (SGS) for service and tourism. It is agreed that this hourly rate is valid both for unscheduled and scheduled trips up to 173,33 hours per month. Further work shall be paid with overtime rate, minimum ISK 2.363 (updated 1 January 2016 to ISK 2.894). Payments for work during meal breaks are already included in these rates.

It is allowed to negotiate to include December and Vacation Supplements in the rates. If this method is chosen it must be stated in a contract of employment (Updated 7 March 2014, it is not allowed to include the supplements in the rates according to the conciliation proposal of the Public Conciliator).

Trip salary:

It is allowed to negotiate on a special trip salary that takes into consideration the stated hourly rates with added shift supplement according to Article 3.2 in the Collective Agreement between The Confederation of Icelandic Employers and The Federation of General and Special Workers in Iceland (SGS) for service and tourism. For trips lasting more than 4 hours, including trip preparation, the minimum payment per trip is:

(updated rates from 1 January 2016):

| | | |
|-------------------------------------|-----------|------------|
| Trip during 08:00 – 17:00 Mon-Fri: | ISK 5.252 | ISK 6.432 |
| Trips during 17:00 – 24:00 Mon-Fri: | ISK 6.985 | ISK 8.555 |
| Weekend trips: | ISK 7.615 | ISK 9.326 |
| All trips exceeding 43 per month: | ISK 9.452 | ISK 11.576 |

Weekend and holiday supplements are according to the applicable Collective Agreement.

Holiday pay is added to the salary according to Chapter 5 of the Collective Agreement.

It is allowed to pay a fixed hourly rate for all working hours with consideration to the work schedule of the employee. If weekends and holidays are a part of the schedule, that shall also be taken into consideration. An employee can ask for verification that the total outcome of the fixed hourly rate during his term of employment is not less than stated in this agreement.

Agreement for Framsýn union members working on whale watching vessels

The agreement between the parties from 9 August 2013 shall also apply to 2014 with the salary amendments stated in the parties Collective Agreement.

The monthly rate for general workers will increase by ISK 9.750 and as well as other salary items.

A special increase of Holiday Supplement of ISK 10.000 and December Supplement of ISK 20.000 shall not be included in the monthly salary according to the agreement and is to be paid separately according to provisions of the parties Collective Agreement on the payment of Holiday and December supplements.

Reykjavík 21 February 2014

Updated: Framsýn union

In accordance with the agreement between Confederation of Icelandic Employers (SA) and Framsýn union the wage insurance shall increase on 1 February to:

Wage insurance:

(updated rates from 1 January 2016):

| | | |
|-----------------------------------|-------------|-------------|
| Deckhands/guides: | ISK 237.402 | ISK 278.671 |
| Engine attendants: | ISK 292.564 | ISK 333.074 |
| Captains/mates/engineer officers: | ISK 351.039 | ISK 397.782 |

Wage structures

The following wage structures are valid for whale watching. Available are a fixed hourly rate, a regular hourly rate and overtime or shift rates. A contract of employment shall stipulate which wage structure is being used.

Fixed hourly rate:

It is allowed to negotiate on a fixed hourly rate for the first 43 trips including time for the trip, preparation, cleaning and closing. Upon deciding the fixed hourly rate all Major Holiday supplement must be taken into consideration or paid separately.

After 43 trips per month an 80% supplement must be added to all hours, as they are stated in this agreement. Holiday pay shall be added to the fixed hourly rate.

Regular hourly rate

If this method is chosen the minimum rate for a 4 hour trip is as follows. After 43 trips per month an 80% supplement shall be added. Major Holiday supplement shall be paid for work on major holidays.

Deckhands/guides

Daytime trips: ISK 6.432

Overtime trips: ISK 11.576

Captains/mates/engineer officers

Daytime trips: ISK 9.180

Overtime trips: ISK 16.524

Engine attendants

Daytime trips: ISK 7.688

Overtime trips: ISK 13.838

Shift pay

If this method is chosen the minimum rate for a 4 hour trip is as follows. After 43 trips per month an 80% supplement shall be added. Major Holiday supplement shall be paid for work on major holidays.

Deckhands/guides

Daytime trip: ISK 6.432

33% supplement

Evening trips: ISK 8.555

45% supplement

Weekend trips: ISK 9.326

Engine attendants

Daytime trip: ISK 7.688

33% supplement

Evening trips: ISK 10.255

45% supplement

Weekend trips: ISK 11.148

Captains/mates/engineer officers

Daytime trip: ISK 9.180

33% supplement

Evening trips: ISK 12.209

45% supplement

Weekend trips: ISK 13.311

Explanation

to the agreement between the Confederation of Icelandic Employers(SA) and Framsýn union for union members working on whale watching vessels.

- Upon hiring a contract of employment shall be made with all employees. It shall, among other things, include whether the rates are regular hourly rates, fixed hourly rates or shift rates. A job title and a short description of the work shall also be included.
- All employees shall be wage earners. It is unauthorized to recruit employees as contractors since their employment is for regular whale watching duties on behalf of the companies.
- The minimum wage for employees shall be according to the wage table of Framsýn union and the Confederation of Icelandic Employers that is based on provisions in the Collective Agreement between the Seamen's Federation and The Federation of Icelandic Fishing Vessel Owners for minimum wages.
- Regular trips/shifts shall be fully paid even if they are cancelled since the employee is on boat duty during that time.
- Employees shall receive Major Holiday pay on Major Holidays.
- For single trips, such as for non-regular employees, the minimum wage stated in the Confederation of Icelandic Employers (SA) and Framsýn union wage table shall be in effect.
- Work experience supplement shall come into effect after 2 years and 3 years. The supplement will not affect the regular hourly rate. See further in the wage table.
- Employees sailing on Major Holidays, such as 17 June, shall receive Major Holiday supplement as stated in Article 3.2 in the Collective Agreement between The Confederation of Icelandic Employers and The Federation of General and Special Workers in Iceland (SGS) for service and tourism.
- Holiday pay shall be added to the agreed wages as stated in Chapter 5 of the Collective Agreement.
- If the companies choose to implement a shift based system it shall be in accordance with Chapter 3 of the Collective Agreement. It states, among other things, that shifts shall be planned for 4 weeks at a time.
- All employees are entitled to receive necessary education and training for them to execute their work with diligence and safety according to official requirements.
- Employees shall receive meals as stated in Article 4.5.1 in the Collective Agreement.
- Employees shall be supplied with work uniforms/clothes suited for their work by the companies.
- Acquired rights of employees shall be transferred between years as stated in Article 13.4 in the Collective Agreement.
- Companies are required to ensure an adequate working environment for employees.
- All employees that are on call or required to attend work at a short notice shall receive a special remuneration for this obligation.
- If not negotiated otherwise, the notice period shall be 7 days for deckhands/guides and three months for officers. After 3 months of employment deckhands/guides shall have a notice period of 1 month. Further information regarding this is stated in Article 1.11 of the Collective Agreement between the Seamen's Federation and The Federation of Icelandic Fishing Vessel Owners.
- Sick leave shall be according the Article 36 of the nautical laws.
- Minimum rest periods are as stated in Article 2.4 of the Collective Agreement.