

**Explaining the Desire for Local Bargaining:
Evidence from a Finnish Survey of Employers and Employees**

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This paper describes divergences in employers' and employees' opinions on the proper share of local bargaining in contract wage gains in Finland. Employers want the locally bargained wage share to be approximately half of the total wage rise, while the majority of employees would prefer this share to be in the region of 1-24%. Employers in firms that are large or operate in the financial services industry desire the largest locally bargained share of contract wages. Employees in large firms, instead, resist local bargaining. When the firm uses performance-related pay, employees would afford a large role also to local bargaining.

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