

Welcome to the World of Work

The Labour Market ABC



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STUDENT AND YOUTH ISSUES

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STTK, the Finnish Confederation of Professionals, is the leading central organisation representing the interests of highly skilled and educated professionals and specialists in Finland. STTK negotiates collective agreements, plays a part in the preparation processes for new legislation and participates in a variety of working groups and development projects in the world of work. Through these activities STTK brings to bear a wide ranging influence within individual working communities and workplaces, on employment relations and thus on Finnish society as a whole.

There are 20 STTK affiliated trade unions offering unionisation opportunities for every skilled person in the various sectors which they cover. These STTK affiliated unions represent the working interests of those who have either qualified at a university, polytechnic, college or academy, or who are studying in such an institution.

STTK-Students (STTK-Opiskelijat) is a students' union. It publicises its views, is involved in lobbying, represents the interests of its members and provides information on the rules of play within the world of work. STTK-Students as a union emphasises the need to invest in education and in the student. The education system and its methods should be further developed, students should be given better opportunities to influence decision making and their well-being should be improved. Sound contacts to the world of work should also be in place. Therefore, bringing influence to bear on education, social welfare and labour market policies are the key areas for activity by STTK-Students. The union is involved in influencing decision-making both internally, within STTK and externally in society in general. STTK-Students union membership currently exceeds 55,000 and members represent a wide range of educational levels and sectors. You can join by becoming a member of any STTK affiliated trade union.

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Introduction

In Finland, the world of work is essentially based on tripartite cooperation, which means that negotiations take place between the employers' federations, the trade unions and the government, who then jointly agree upon a variety of issues. Employment legislation is a good example of such issues. The aim of this legislation is to safeguard the minimum rights and benefits of the employee and to point out the liabilities which are entailed by taking up employment.

You can succeed in the world of work if you know the rules of play. This guide contains, under one cover, the basics of the world of work. The terminology is explained and there is basic information on the issues which are connected with employment. The information in this guide is based on current legislation.

It is important to remember that nobody is left to solve a problem on their own.

The position of any employee in Finland is fairly well protected, but it is always an advantage to be aware of one's rights. Should there be anything you do not understand or are unable to solve, you can always, even whilst you are studying, get help, for example from the shop steward at your workplace, from your own union branch or from a trade union.

The main focus of the guide is on the clarification of the content and meaning of labour legislation. In addition to the legislation, sectoral collective agreements contain essential regulations, for example on pay levels, working time and holidays. You will be able to obtain the best information on these aspects from those unions which have signed such sectoral collective agreements.

We wish you every success in the world of work!

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The job-seeker's check list

Before any job applications

- Think of what skills you intend to sell.
- Concentrate on your skills:
 - what kind of work would you like to do?
 - where would you like to work?
 - what kind of career would you like?
- Make a list of interesting workplaces.

Job application

- Obtain background information on the company.
- Think of what you can offer to the company.
- Telephone the company, unless this method of contact is not permitted.
- A job application in person is more memorable.
- Remember moderation - exaggeration seldom works.
- Invest time and energy in the drafting of your Curriculum Vitae. Your CV will reflect your skills and your personality.
- Get another person to check your job application and CV.
- Recommendations are often useful, but always first ask your sponsor for permission.
- Explain what you can do and be proud of it.
- Attach your certificates only if they have been requested.

Job interview

- Learn the details of the company!
- Gather a portfolio of your certificates etc.
- Place on top the most important items and those which are essential in connection with the job.
- Practise your interview technique in advance.
- Remember to dress neatly and appropriately.
- Prepare some questions of your own.
- Remember to be polite and to smile.
- Explain what you can do and be proud of it!
- Get some information about the company.

Prepare yourself for the world of work!

The employer's obligations

- The employer is in general obliged to promote good relations with, and amongst, the employees.
- The employer must treat employees equally, and discrimination based for example on age, gender, race, origin, religion, sexual orientation or trade union activities, must not occur.
- Part-time and short-term employees are entitled to equal treatment to other employees and must be informed of any prospective vacancy in a full-time or a permanent position which is provided by the same employer.
- The employer is obliged to ensure safety at work.
- The employer must apply at least the minimum level of terms and conditions which are stipulated by any generally binding collective agreement, if such an agreement is in force in the particular sector in which the employer operates.

The employee's obligations

- The employee must carry out their duties carefully, whilst observing, within the limits of any relevant legislation and collective agreement, any instructions which have been issued by the employer.
- The employee must keep to the agreed working hours.
- The employee must use any protective item which has been so allocated.
- The employee must also, to their best ability, take care of their own health and safety and that of everyone else.
- The employee must not damage the employer by being involved, either directly or through another employer, in any competitive activity.
- The employee must not reveal any of the employer's business or professional confidential matters to any unauthorised person.

Commencing employment

The employment contract in writing

An employment contract is the primary contract in the world of work. The employee is bound by the employment contract to perform certain tasks for the employer and to receive in return an agreed payment and other benefits. The duties of the employee, the starting date of the job, the working hours, the place of work, the salary and the basis on which this is calculated, will be stated in the employment contract. The employer can, within the limits of legislation and the employment contract, give directions on how the work is to be done and ensure that such directions are followed.

An agreement on a trial period may be included in the employment contract. It is always advisable to obtain an employment contract in writing, this being beneficial to both the employer and the employee. An employment contract may also be made orally or electronically, but in these cases, and if the employment in question is to be for longer than one month, the employer must provide written clarification of the key terms of the duties of the employee. Such key terms comprise the basis of the short-term contract and consist, for example, of the length of the contract and its duration, the length of any agreed trial period, and the collective agreement which will cover the employment.

A permanent job

An employment contract is drawn up for an unspecified time in cases where it relates to a

permanent job. Such employment will cease if the employer terminates the contract, for which the employer must have a particular reason. The company finding itself in financial difficulties, significant changes in production, or inappropriate behaviour by the employee which harms the employer, are reasons which may lead to a termination of the employment.

Part-time work

An employment contract can state that the employee will only work for a part of a day or a week. Work is classified as part-time if the employee works for less than the regular weekly working hours which are stipulated by law or by a collective agreement. In this case the pay will reflect the hours to be worked. In general, employment which results in less than 30 working hours per week is defined as being part-time. Should the employer at a later stage need to increase the workforce, such additional work must first be offered to any existing part-time employees.

A part-time employee may be engaged by a number of employers during the same period. Inferior terms of employment may be applied to a part-time employee although employment benefits may be proportional to the working hours. The employer is in any case obliged to treat all employees impartially.

Employment on a short-term contract

A short term employment contract may only be drawn up for a well justified reason. It is required

that the reason for short-term employment, and the duration of such employment, is stated in the employment contract itself or in the written clarification of the terms of the employment, and if this is not done the employer will be liable to a financial penalty. The reason for a short-term contract may be, for example, because the position is as a temporary substitute for a permanent employee, the nature of the job, training in the job or some other reason of similar character which makes the occupation clearly temporary. A short-term contract is regarded as valid for an unspecified time if there are no grounds for defining each period of employment separately.

If a succession of short-term contracts are drawn up with no, or only very brief periods of not working between the contracts, any employment benefit credits will accumulate on the same principles as they do in the case of permanent employees. The annual leave and pay during sick leave are examples of such benefits together with other benefits which are based on the duration of employment. An employee on a short-term contract cannot be dismissed prior to the expiry of the contract. However the contract may be terminated instantly, should the employee seriously breach, or neglect their duties.

The employee cannot move to another job prior to the expiry of the employment contract, unless this has otherwise been agreed. Poorer terms of employment than those enjoyed by other workers may not be applied to an employee engaged on a short-term contract. The employer is, in any case, obliged to treat all employees with impartiality.

Agency work

An employment contract may also be signed with an employment agency. In this case the employee is employed by the employment agency but the workplace may vary and the pay may also vary depending on the place of work. The basis for a short-term contract, as decreed by law, applies equally to agency work, unless a short-term contract is the employee's own choice.

Employment contract law decrees that an agency employee must be paid primarily according to the terms of the collective agreement, which is binding for the employment agency in the position of employer. Should the employment agency in this position not be bound by any collective agreement, then the employee must receive a salary which is stipulated by a collective agreement which is binding on the company (workplace) which is using the agency worker.

One-off jobs

An employer may want to engage somebody to carry out a brief non-repeating job or to participate in a project of a limited period. This type of work is nevertheless also classified as short-term employment, and it is advisable to draw up a contract in writing.

You will be an employee, even if you are only engaged for a very short time and even if you work at home using your own computer. If you are not sure whether your employment contract makes you an employee or if it is a contract between an independent service provider and a customer, contact your shop steward or your own trade union. The type of employment in which you are engaged will have an impact on the terms and benefits which will be applicable to you.

Public service posts

In addition to employment contracts, the state, the municipalities and the church parishes all employ people in public service posts. Such posts are filled by nomination, which must then be accepted, and the terms are not negotiated in the same way in which they are for an employment contract. Instead of an employment contract therefore, a public service officer is given a letter of appointment.

Collective agreements

A trade union or a group of trade unions negotiates a collective agreement with an employer or with an employers' federation. Wages and salaries, pay increases, and benefits which exceed those which are decreed by law, for example those for annual leave and working hours, are bargained for when collective agreements are negotiated for any particular sector.

Collective agreements also cover the provision for the shop steward system. The members of a trade union which has signed a collective agreement, will choose for their workplace a shop steward, who will assist the members of the union in any disagreement with the employer.

The level of wages and salaries, as well as any benefits, which have been agreed upon with a collective agreement, will always represent a minimum, which must not be lowered. However, better terms than those which are stated in the collective agreement can be agreed upon locally or at the workplace. Should an employment contract between an employee and an employer contain a term which is less advantageous to the employee than the relevant term as stated in the collective agreement, the term in the employment contract will be invalid and the corresponding term in the collective agreement will be applied.

These collective agreements are binding for the employer, the trade unions and the employers' federations, and for their members. Industrial action is prohibited on any disagreement which is related to an issue which has been regulated by a collective agreement (industrial peace).

Trial period

A trial period to take place at the beginning of any new employment may be agreed upon separately. This period should not exceed four months. However, if the employer provides training for a new employee for longer than four months, it may be agreed that the trial period be extended to a maximum of six months.

Similarly, a trial period may be separately agreed upon to take place at the beginning of short-term employment. If a short-term contract covers less than eight months, the maximum length of any trial period may only be one half of the duration of the contract. For example, if the length of a short-term contract is six months, the trial period may not exceed three months.

During the trial period both the employee and the employer may terminate the contract of employment instantly. The employer is not allowed to terminate the employment contract for any inappropriate reason.

Pay

You will be paid, for the work which you do, an amount which was agreed upon at the start of your employment. It is always advisable to check on the general level of pay in your field of employment, before you agree to any figure. Your pay should not be lower than the pay level which is defined by the collective agreement, but it can of course be higher. Your pay may be calculated on a time basis so that

you receive either wages on an hourly rate or a monthly salary. Your pay may also be wholly or partly based on your performance and results. The amount and the basis of pay, together with the pay period and the date on which each payment is due, should be recorded in the employment contract. The employer and the employee may further agree upon individual additional pay for reasons of the special skills and expertise of the employee and the results.

Wages and salaries are raised according to the collective agreement, but the employer may increase any pay to a level which is above that stated in a collective agreement. Pay can only be lowered with the consent of the employee, although it cannot be less than the minimum as stated in the collective agreement. In principle the employer may, after a period of notice, change a full-time job into a part-time job on the basis of financial or production considerations by terminating the employment contract and implementing a lowering of both working hours and pay. If there is no collective agreement in that particular sector and if pay has not been agreed upon, the employee must receive the prevailing and reasonable pay for the work which has been done.

Other benefits

In addition to wages or salary, an employee may receive other valuable benefits such as subsidised meals, accommodation, a car, the use of leisure facilities, a home computer or longer holidays than is the norm. It is advisable to also have these recorded in writing in the employment contract. Extra benefits with a monetary value are regarded as taxable income. The minimum benefits which are due to the employee are stated in the collective agreement and these must not be lowered. Employees on a short-term contract and part-time employees are entitled to the same benefits as permanent employees.

Finding work abroad

There is freedom of movement of the workforce within the European Union. This means that citizens of the member states can freely seek work in any EU member state (with the exception of citizens of the new member states for whom temporary transition periods apply). You can leave Finland and seek work for three months in another EU country without losing your Finnish unemployment benefit.

When you find work in another EU country, you will join the social security system of that country

when your right to Finnish social security benefits will cease. Upon application and if your employment contract is valid for an unspecified time, a residence permit will be granted in the country of employment for a minimum of five years. After the initial five years the residence permit will be extended as required. For short-term contract holders, a residence permit will be granted for the duration of the contract.

A Finnish employer may send an employee to another country to work there for a specified period. An employee who has been posted abroad will remain in the Finnish social security system for at least five years. If they fall ill, as an employee who has been posted abroad, they will be entitled to the national health services of the host country, even if they are still registered with the Finnish social security system.

It is advisable for any employee who is to be posted abroad to obtain from the employer a detailed contract in writing on the particulars of such posting. This contract should, as a minimum, cover the duties of the employee, the period of the contract, salary, daily allowance, travel costs, accommodation, care and education of children and the arrangements for a return to the home country.

The employee's trade union will advise them if they are going abroad for work. It is also advisable to contact the relevant insurance company to clarify the position regarding insurance cover whilst abroad.

Checklist for entering the world of work

- Obtain a written employment contract.
- Find out which is your trade union and whether your workplace has a shop steward.
- Check on the collective agreement for your field of work.
- Remember that there must be a proper reason for a short-term contract and clarify the duration of such short term work.
- No trial period exists unless it was agreed at the start of your employment. If there is an agreement on a trial period it must be stated in writing in your employment contract or in a written clarification of the terms of employment which the employer has provided.
- The minimum wage as stated in the collective agreement must not be reduced but it can of course be increased.
- There is a legal requirement to additional pay for overtime working. You are not obliged to work overtime if you do not want to do so.
- Working on public holidays entitles you to special pay.
- You are entitled to annual leave on the basis of the legislation on annual leave and you will be paid a holiday allowance on the basis of the collective agreement.
- Both parents are entitled to family leave and the use of this entitlement must not be restricted.
- Appearing at the workplace under the influence of alcohol or drugs may lead to dismissal without notice.

Being in employment

Working time

Working time consists of the time that you, as an employee, spend working or are obliged to stay at the workplace or to be otherwise available in the event that your employer may need you.

The law decrees that regular working time is a maximum of eight hours per day or 40 hours per week. For cyclical work, which is separately defined in law, any three week working cycle must consist of a maximum of 120 working hours. Regular weekly working time in various fields of work has been reduced by means of collective bargaining, for example to 37 1/2 hours per week.

The collective agreements for each sector contain rules on regular working time and on the periods of time within which the hours worked must level out to equate the agreed maximum hours. The daily, weekly and monthly working hours may be flexible, but nevertheless the regular working time must level out to the number of hours stated both in the law on working time and in the collective agreement. It is possible to agree on flexible working time at the workplace, in which case each employee can decide at what times they start and finish their work. Otherwise it is the employer who sets the time for starting and finishing the working day.

Overtime

Working hours which exceed the regular maximum working time stated in law or in a collective agreement, are classed as overtime (for example working hours exceeding eight hours per day or 120 hours during a three week working cycle).

Overtime working must be agreed upon separately and on each occasion but an employee is not obliged to consent to undertake it. A civil servant however, or a public service officer, cannot refuse to work overtime if such work is necessary to uphold the quality of work or for any other compelling reason.

An employee is allowed to work a maximum of 138 hours of overtime within any four month period, the annual upper limit being 250 hours. In addition to this, the workforce and the employer may agree to an additional 80 hours of overtime per year but in such a way that the above mentioned rule of 138 hours within a 4 month period will not be exceeded.

Overtime working entitles the employee to separate overtime pay. The law on working time decrees that pay shall be increased by 50 per cent for the first two hours which exceed the daily working hours and for any further hours a 100 per cent increase will apply. For cyclical work the overtime pay is calculated on the hours which exceed the working hours of the work cycle.

A 50 per cent increase in the rate of pay is due for any working hours which exceed the weekly regular working time. However, better overtime rates have usually been achieved by bargaining and stated in collective agreements. As an alternative, overtime pay may be converted, either wholly or partially, into increased time off, if this is agreed. An employee cannot validly waive the right to overtime pay even by including such a waiver in the employment contract.

Night and shift work

According to the working time legislation any work

carried out between 11 pm and 6 am is classified as night work. Furthermore the limits and the type of work which an employee can be asked to undertake at night are precisely defined by the law. If the work carried out during the night is highly dangerous or mentally or physically demanding, working time may consist of a maximum of eight hours. The hours which entitle the employee to higher pay for working at nights are stated in the collective agreements. However, the legislated terms and conditions on night working have frequently been improved by bargaining and the collective agreements frequently rule, for example, that extra pay for night work will apply from as early as 9 pm.

Working at nights is commonly linked with shift work. Shifts must be rotated regularly and the same person should not be asked to work night shifts continuously for a long period. Collective agreements contain shift work guidelines.

Daily allowance

The employer pays a daily allowance for travel if the location of some particular work is situated at a distance exceeding 15 km from the regular place of work or home of the employee. No daily allowance will be paid for travelling from home to the regular place of work however, even if this distance exceeds 15 km.

The various daily allowances for work related travel are determined annually by the Board of Taxation. The currently valid figures for these allowances can be found on the Internet site www.vero.fi.

The daily allowance is non-taxable income. The

allowance will be reduced by 50 % if two meals have been provided during a ten hour business trip or one meal during a six hour trip.

The collective agreement for state employees contains rules on the reimbursement of travel costs to state employees. The collective agreements for the other sectors may contain different terms for daily allowances. If the daily allowance and reimbursement of expenses exceed the amounts set by the Board of Taxation, then the excess will be treated as taxable income.

Meals allowance

If a business trip is not sufficiently long to justify a daily allowance, the employee will receive a meals allowance. Updated information on the amounts which are applicable can be found on the Internet site www.vero.fi.

Kilometre allowance

An employee using their own car for business travel will be entitled to a kilometre allowance. An increased allowance will be paid if other employees are travelling in the same vehicle. No kilometre allowance is paid for travel between home and workplace, even if the employee travels in their own car. Updated information on the amount of the kilometre allowance can be found on the Internet site www.vero.fi.

Help in problem situations

The shop steward

At the workplace, a unionised employee is represented by a shop steward, a liaison person or a contact person, who will negotiate with the employer on the terms and conditions of work, on the application of the collective agreement, and on any improvements at the workplace, on behalf of those employees who they represent. Additionally, the shop steward is the connecting link at the workplace with the trade union.

In any dispute, it is always advisable for the employee to contact the shop steward, if one exists at the workplace. It is also recommended that a shop steward be present in any negotiation with the employer. If a problem cannot be solved within the workplace, the employee always has the option to contact the trade union which will provide legal and other specialist services, and will as a last resort provide legal aid and financial support in any employment dispute which is being taken to court.

Trade unions

Most employees in Finland are members of trade unions and of the relevant unemployment fund. Trade union branches or workplace associations have the legal right to meet, outside working hours, at the employer's premises in order to deal with issues

which are connected with the world of work. Unionisation is a recognised right.

The white collar employees will find their appropriate trade union amongst the 20 unions which are affiliated to STTK, the Finnish Confederation of Salaried Employees. These unions have members in all sectors of work including industry, the service sector, health care, IT, and in many other specialist fields of employment which are provided by private companies, municipalities, church parishes and the state.

Health and safety at work

Every employee is entitled to a physically and mentally safe working environment. It is the employer's responsibility to ensure safe working conditions and to promote the well-being of the employees at work. The employer must treat all employees impartially, regardless of age, gender, race, etc.

The law on safety at work decrees that the employer must give the employee sufficient information on any hazardous or dangerous factors at the workplace. The employer is also obliged to ensure that the employee is given an initial introduction to the conditions at the workplace, to the working and production methods and to the correct and safe way of using any equipment.

At each workplace there is a health and safety manager who has been nominated by the employer.

At workplaces where there are ten or more employees, a health and safety representative and two deputies are elected. The health and safety representative, in cooperation with the shop steward and the health and safety manager, will attend to matters concerning safe working conditions. Additionally, at workplaces with 20 or more employees, a health and safety committee will be elected. Regional health and safety authorities supervise the implementation of health and safety measures at work.

Occupational health services

The employer is obliged to arrange occupational health care services in order to prevent occupational health hazards. In many workplaces the occupational health care services cover a larger field than only preventative measures and offer general health care. Occupational health services may be obtained from municipal health care centres, private clinics, or, in large companies, from their own health care department.

Time off

Illness

Employment contract law stipulates that the employer shall provide for an employee who is on sick leave, full pay for ten days, consisting of the day that the employee first became ill plus an additional nine weekdays. If the employee has been engaged by the employer for over one month, full pay will be given but for those who have been engaged for less than one month, one half of the normal pay will be allowed. At the end of this period the Finnish National Pensions Institute (Kela) will pay a daily allowance which is regulated by the health insurance law. However, significantly longer periods of sick pay have been achieved by the bargaining process and are contained in many collective agreements.

The employee must inform the employer of any absence from work. A medical certificate of the inability to work needs to be submitted should the employer request this. The agreed method for informing the employer of any absence, and the number of days an employee may stay on sick leave without providing a medical certificate, is quite often stated in the employment contract or has otherwise been agreed upon at the workplace.

Holidays

Entitlement to annual leave depends on the number of months the employee has been engaged by the same employer. If the employee has been engaged by an employer for less than a year, the annual leave entitlement will consist of two days for each month

in the employment. If the employee has been employed for more than a year the annual leave entitlement will be 21/2 days for each month. Some collective agreements provide longer annual leave than the legal entitlement.

The period on which the annual leave calculation is based starts on the 1st of April and ends on the 31st of March. This is known as the annual leave entitlement period. Of the holiday entitlement which has accumulated during this period, 24 days, i.e. the summer holiday, must be allocated so that it falls within the holiday season which starts on the 2nd of May and ends on the 30th of September. Any remaining days off, i.e. the winter holiday, must be taken prior to the commencement of the next holiday season. It is possible to agree a different timing for the holiday, but this must be within the restrictions of the law on annual leave. Each week which is taken as a holiday will count as six days off (i.e. Monday to Saturday, inclusive).

The employer and the employee may jointly agree that those days of the employee's holiday entitlement which exceed the total of 18 days may be taken during the next holiday season and subsequently as saved holidays.

The employee has a permanent right to save six days of the total annual leave entitlement to be taken at a later time. The employee will be allowed to postpone more than six days as saved holidays only if this does not cause serious harm to the operations of the employer. If it proves impossible to jointly agree when the saved days of the annual leave can be taken, the employee may decide on the dates for the saved holiday by giving the employer advance notification.

The employee will receive full pay during annual leave. In addition a holiday bonus, which will be paid either before or after the holiday, has been bargained and is contained in the collective agreements. In general, the holiday bonus is 50 per cent of the wage or salary which is to be received during the holiday.

Part-time employees who only work on a few days, have, if they so wish, the right to take time off as a holiday, in which case their holiday pay will be calculated on the basis of their earnings whilst at work. When any employment comes to an end, the former employee will receive holiday pay for those days of the holiday entitlement which have not been taken, known as holiday compensation in cash.

Family leave

The regulations which apply to family leave are contained in the 4th chapter of the employment contract law and in the health insurance law. The length of family leave is governed by the health insurance law and the required notice period by the employment contract law. Following a period of family leave the employee has initially the right to return to their former position. If this is not possible, the employer must offer the employee work which is comparable to the work covered by the employment contract, and if even this is not possible, other work which is similar to that which is covered by the employment contract.

Maternity and paternity leave

Maternity leave is approximately four months (105 weekdays). A period of maternity leave can commence from 30 to 50 days before the estimated date of giving birth. A pregnant employee has the right, prior to the birth, to have medical tests during working hours without loss of pay, if such tests cannot be conducted outside working hours.

The duration of paternity leave is from 1 to 18 weekdays, which may be taken following the birth of the child, during the maternity leave period, or during the parenting allowance period. The bonus leave entitlement of the father is two weeks, i.e. 12 weekdays. The father is entitled to this leave if he uses the last two weeks of the parenting leave. The aim of this bonus leave is to encourage fathers to take family leave more often. This total of four weeks is known as the father's month and must be taken before the child reaches 16 months and the child must be being cared for at home.

The collective agreements contain regulations on the obligation of the employer to pay wages and salaries during maternity and paternity leave. There is more information on the subject of maternity, paternity and parenting benefits on the Internet pages of the Finnish National Pensions Institute (Kela) www.kela.fi. A daily allowance calculator, for example, can be found on this site.

Parenting leave

Parenting leave is slightly longer than six months (158 weekdays). In cases of a multiple birth, parenting leave increases by 60 weekdays per child excluding the first born. The parents can take the parenting leave in turns, so that both the mother and the father can take up to two periods of parenting leave with each period lasting no less than 12 days. Parenting leave is usually unpaid, but it is included in the calculation of those days which earn the annual leave entitlement.

Another way of taking parenting leave is for both parents to negotiate and agree with their employer(s) to work a shorter day on proportionally lower pay for at least two months. If both the parents take part-time parenting leave, the child can be cared for by the mother and the father on alternate days or weeks, or by one of the parents during the morning and by the other in the afternoon

Care leave

After parenting leave the parents have the right to take care leave without losing their employment with their current employer. The employee has the right to take care leave in order to care for their own child, or for a child who lives permanently in the household, until the date of the child's third birthday. Care leave may be taken in one or two periods, the length of which must not be less than one month each. The employee and the employer can however also come to some other arrangement. In general, both parents or guardians cannot take care leave at the same time. Nevertheless, if one of the parents or guardians is on maternity or parenting leave, the other may simultaneously take one period of care leave. Care leave is unpaid, but the parent on care leave is entitled to the benefit which is available to those who care for children at home.

Part-time care leave is also possible. Where the employee has been engaged by an employer during the last 12 months, for a total minimum of 6 months, it is permissible for the employee to take part-time care leave until the end of the child's second year in primary school. Part-time care leave, and the details of organising this, need to be negotiated with the employer. The employee must give the employer two months notice of the intention to take part-time care leave. Should it not be possible to come to a mutually acceptable agreement on the details, the employee will nevertheless have the right to take one care leave period during each calendar year. The length and timing of such leave will be based on the employee's request. For this type of part-time care leave the working hours will be reduced to six hours a day. During part-time care leave the Finnish Pensions Institute (Kela) will pay a partial care benefit. This benefit is available to the parents of a child who is less than three years of age and to the parents of primary school children during their first and second year at school.

Temporary care leave

According to the employment contract law, if a child who is less than 10 years of age becomes suddenly ill, the mother or father of the child can take up to four days of temporary care leave. The employer must be informed immediately of such care leave. Some collective agreements stipulate that normal pay continues during temporary care leave.

In addition, the employee has the right to be absent from work for a short period if it is necessary for them to stay with their family due to a sudden illness or accident, or some other cogent and unexpected reason. This is known as absence due to a compelling family issue.

Giving notice of family leave

In principle, the employer must be notified of any intended maternity, paternity or parenting leave no later than two months prior to the starting date of such leave. The starting date of maternity or paternity leave can be changed for a critical reason, for example due to the health of the mother, father or child, or due to the actual birth. These facts must be communicated to the employer as soon as possible. The starting date may also be changed for some other critical reason, but the employer should be notified of these one month in advance. Similarly, the starting date of parenting leave can be changed, if that is found to be essential, and this requires one month's notice prior to the intended starting date. The parent of an adopted child can also change the dates for a critical reason by notifying the employer in advance as soon as possible.

Study leave

Study leave means that studying becomes a possibility for those who are working. The employee is entitled to study leave after having been employed by the same employer for five years or longer. The employee has the right to take a total of up to two years of study leave within a five year period whilst being employed by the same employer. Similarly, the employee has the right to take up to five days of study leave in total, if full-time employment with the same employer, during one period or more, has lasted not less than three months.

Study leave is unpaid unless it has been otherwise agreed with the employer. However, a mature student's grant may be available during a period of unpaid study leave. Study leave will be included in the annual leave calculation as 30 working days during the annual leave entitlement period, on condition that the employee has returned to work after the study leave. The employer may alter the starting date of any study leave if it would otherwise cause difficulties at work.

Sabbatical

A sabbatical is a period of leave lasting from 90 to 359 days, during which time the employee's job is in "stand-by mode". During this period the employee receives the sabbatical rate of pay. Any full-time employee, or an employee whose working hours are equal to 75 per cent of the regular working hours of a full-time employee in that field, can take a sabbatical. An additional requirement is that the person has been in work for at least ten years before embarking on a sabbatical, and have been continuously employed by the same employer for a minimum of one year prior to the starting date of the sabbatical.

The employee and the employer must arrive at a mutual agreement on the sabbatical and they must draw up a sabbatical contract.

The sabbatical does not count as working time on which the annual leave entitlement is calculated unless it has been otherwise specifically stated in the collective agreement or in the individual sabbatical contract. Only thus does the sabbatical contribute to the employee's annual leave entitlement. The employer must engage an unemployed job-seeker through a manpower agency to replace the person who is taking the sabbatical. Once the sabbatical is over, the employee has the right to return to their previous position.

Laying-off

Laying-off means that the employer has decided to suspend both work and pay for a period. The reasons for laying-off may, for example, be a temporary decline in the profitability of the company or in the workload due to essential changes in the production. The employment contract continues to be valid during a laying-off period and therefore notice must be given if an employee wishes to change jobs altogether. If the end date of the laying-off is known and the employee gives notice during the last seven days of the laying-off, the employee will be bound by the notice period.

The employee may undertake work for another employer during a period of laying-off, and any such employment can be terminated with a five day notice period.

The employer must give the employee at least seven days advance information of the laying-off period coming to an end, unless the end date was known previously.

Ending employment

Dismissal

The employment contract law specifies the situations in which the employer has the right to terminate an employment contract. The employer may terminate an employment contract only for an appropriate and weighty reason. The most common reasons for dismissal are the deterioration of the employer's financial situation and/or the re-organisation of production which means that the employer no longer has enough work to offer.

Jobs are often under threat when a company is fully or partially sold to a new owner. However, an acquisition, even by a new owner, is not alone a sufficient basis for the dismissal of an employee. The reasons for dismissal in the case of an acquisition must also be either financial or linked with production.

The employer must establish whether training, or other work within the employer's group of companies, can be found for the employee. If more than 20 people are employed by the company, the employer must not take a decision on any dismissal prior to co-operative consultation with the personnel. The purpose of the co-operative consultation practice is to find ways of avoiding dismissals, for example by means of training and by a placement in a different position.

In these negotiations the personnel are represented by the shop steward, who has been elected by those employees at the workplace who are members of the trade union which has signed the collective agreement which is in force. The employer, the shop stewards and the labour force authorities will jointly try to help those who are

under threat of becoming redundant, in the search for a new job or a place for training.

The employer may also terminate a permanent employment contract for reasons which are caused by the employee. The employer has this right in a case, for example, where the employee continues to arrive significantly late at work regardless of having been warned. On the other hand, the employee does not need any particular reason for terminating an employment contract.

Periods of notice

The employer must apply the periods of notice which are specified by law, unless otherwise agreed.

The periods of notice are as follows:

- 14 days if the employment has continued for one year or less
- 1 month if the employment has continued for over one year but for not longer than four years
- 2 months if the employment has continued for over four years but for not longer than eight years
- 4 months if the employment has continued for over eight years but for not longer than twelve years
- 6 months if the employment has continued for over twelve years.

Unless otherwise agreed, the periods of notice the employee must observe are as follows:

- 14 days if the employment has continued for up to five years
- 1 month if the employment has continued for over five years.

Revoking an employment contract

Any employment may come to an end immediately, without any period of notice, if the employment contract is revoked. Both a permanent and a short-term employment contract can be revoked. The employer can revoke a contract if the employee has seriously neglected or breached those duties which have been specified by the employment contract or by law, examples of this being by endangering other people or by stealing the property of the employer.

In addition, an employment contract can be regarded as being revoked if the employee is absent from work for one week (seven days) without informing the employer. Similarly, the employee can revoke an employment contract if the employer very seriously breaches their obligations. The periods of notice need not be observed in a situation where an employment contract is to be revoked.

Unemployment benefit

If someone becomes unemployed and wishes to receive unemployment benefit, they should immediately register at the manpower agency as a job-seeker who is looking for a full-time job. If the unemployed person is not a member of an unemployment fund, the Finnish National Pensions Institute (Kela) will pay a basic daily benefit. If the unemployed person is looking for a job for the first time, or has already received the daily unemployment benefit for the maximum period, there is a possibility for

obtaining labour market support benefit. In order to be eligible for this labour market support benefit and are under 25 years of age, they must apply for vocational training. In addition, if the applicant has no vocational qualification, there is a five month waiting period for labour market support benefit. The labour market support benefit is means tested, meaning that any earnings of the unemployed person and any earnings of their spouse or partner will reduce the amount of the benefit.

The job-seeker who is a member of an unemployment fund will receive an earnings related daily benefit, provided that they have been members of the fund for the ten months immediately prior to being made redundant and that they fulfil the so-called "presence at work" criteria. This criteria is satisfied if the unemployed person worked for a total of 43 weeks (approx. 10 months) during the 28 months preceding the start of the period of unemployment, in a job with a minimum of 18 working hours per week. The review period can be extended to a maximum of seven years subject to an acceptable reason, which may be, for example, illness, institutional care, rehabilitation, military service, conscientious objectors' service, full-time study or family leave. An unemployed person who was engaged in part-time work or in individual work assignments as specified in the law on unemployment benefit, or who has been laid-off on the terms specified by law, may receive an adjusted daily benefit.

The job-seeker must be available for work in order to receive unemployment benefit. Should the unemployed person, with no good reason, refuse to accept, or leave a job which has been offered to them by the manpower agency, they will not in general be entitled to any unemployment benefit for a period of from two to three months. There is, in all the categories of unemployment benefit, an excess period of seven days at the beginning, during which time no benefit will be paid.

The daily unemployment benefit will be paid on a five day week basis for a maximum period of 500 days.

The earnings related daily benefit consists of the basic daily benefit, which is also called the basic component, and the earnings related component which is calculated on the basis of former earnings. The employee who has been made redundant following a longer period of employment may receive a higher earnings related unemployment benefit component if they fulfil certain criteria, or an additional job-seeker's programme benefit. There is also an additional child increment available to the unemployment benefit. The unemployed person may be eligible for a study support allowance if they participate in manpower policy related training, and the former employee who has been in employment for more than ten years can receive a daily study allowance for any training which they have organised themselves. More information on the amount of the daily unemployment benefit and the terms for eligibility is available at the manpower agency, from your own trade union unemployment fund and from the Finnish National Pensions Institute (Kela).

Pensions

The statutory earnings-related occupational pension starts accumulating for every employee after their 18th birthday. The final level of the occupational pension will depend on the individual's annual earnings and the number of years in employment. The pension accumulation is 1.5 per cent from the age of 18 to 52, 1.9 per cent for the 53 to 62 age group, and as high as 4.5 per cent for those who are 63 years of age or older. The pension will continue to accumulate during family leave, unemployment and sick leave. The Finnish occupational pension insurance provides the old age pension for the age group 63 to 68), the invalidity pension, the part-time pension,

the family pension and the unemployment pension for those who were born before the year 1950. The buying power of the occupational pension is improved by index linking.

The pension for the employee is arranged by the employer. Both the employer and the employee finance the employee's occupational pension by their occupational pension subscriptions. The self-employed are obliged to make their own pension arrangements. The freelance, whose work is in the category which comes under the entrepreneurial pension law, must themselves pay their pension insurance instalments. The occupational pension insurance is usually arranged by taking an occupational pension insurance with an occupational pension company. The occupational pension insurance may also be arranged with a pensions foundation or pensions fund.

Starting in 2008, the various occupational pension institutions will send to those who have a pension insurance with them, an occupational pension statement which shows all periods of employment, earnings data and the accumulated pension of the individual. If your pension data is incomplete or incorrect, you should contact the Pension Insurance Centre (Eläketurvakeskus) or the occupational pension institution with whom you are registered. If the final occupational pension remains very small, or is non-existent, the individual is entitled to a national pension, which needs to be applied for from the Finnish National Pensions Institute (Kela).

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Unions affiliated to STTK

- Association of Finnish Construction Engineers and Architects RIA / Rakennusinsinöörit ja -arkkitehdit RIA / www.ria.fi
- Confederation of State Employees Unions / Palkansaajajärjestö Pardia ry / www.pardia.fi
- Federation of Public and Private Sector Employees Jyty / Julkis- ja yksityisalojen toimihenkilöliitto Jyty / www.jytyliitto.fi
- Federation of Special Service and Clerical Employees / Erityisalojen Toimihenkilöliitto ERTO / www.erto.fi
- Federation of Technical Employees in the Dairy Industry / Meijerialan Ammattilaiset MVL / www.mvl.fi
- Finnish Association of Fire Fighters / Suomen Palomiesliitto SPAL / www.palomiesliitto.fi
- Finnish Engineers' Association / Suomen Konepäällystöliitto / www.konepaallystoliitto.fi
- Finnish Federation of Technicians in Special Branches / Suomen Erityisteknisten Liitto SETELI / www.seteli.fi
- Finnish Ships' Officers' Association SLPL / Suomen Laivanpäällystöliitto SLPL / www.seacommand.fi
- Finnish Union of Practical Nurses / Suomen lähi- ja perushoitajaliitto SuPer / www.superliitto.fi
- Liiketalouden liitto LTA / www.liiketaloudenliitto.fi
- Mediaunion MDU / Mediaunioni MDU / www.mediaunioni.fi
- National Union of Public Health Nurses / Suomen Terveydenhoitajaliitto STHL / www.terveydenhoitajaliitto.fi
- Technical Employees in Stevedoring and Forwarding Branch AHT / Ahtaus- ja Huolinta-alan Tekniset AHT / www.aht-tekniset.fi
- Trade Union SUORA / Ammattiliitto Suora / www.ammattiliittosuora.fi
- Union of Church Employees in Finland / Kirkon alojen ammattijärjestö SVTL / www.svtl.fi
- Union of Finnish Foresters / METO - Metsäalan Asiantuntijat / www.meto-ry.fi
- Union of Health and Social Care Professionals / Tehy / www.tehy.fi
- Union of Insurance Employees / Vakuutusväen Liitto VvL / www.vvl.fi
- Union of Salaried Employees / Toimihenkilöunioni TU / www.toimihenkilouioni.fi



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