Guide for Foreigners Working in Finland









Guide for Foreigners Working in Finland

You have come to Finland to work here. Welcome! It is important for your Finnish colleagues that their foreign colleagues are treated just as well as they are. You must have the same rights and obligations. This is your compact information package concerning the Finnish labour market model and trade unionism.

For your own benefit and for the common benefit of your work community we recommend that you join the trade union of your own branch. By reading this brochure you will find out how to do that.

Employee organisations on February 5, 2002⁻¹

The Central Organisation of Finnish Trade Unions SAK, the Finnish Confederation of Salaried Employees STTK, the Confederation of Unions for Academic Professionals in Finland AKAVA

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¹ There will be amendments in some benefits in 2003.



Finnish Labour Market Model

Over 80% of Finnish wage earners belong to the trade union of their own branch. Our present labour market model is the result of hard work and built step by step. The wage earners have altogether 77 trade unions in Finland belonging to three different central organisations.

The most important duty of the trade unions is to negotiate collective agreements for their members. In Finland collective agreements cover all members irrespective of where they live or work. Some matters can also be agreed upon locally, but only in the case when there is a total mutual understanding between the employer and the employee. Collective agreements cover e.g. salaries, annual leaves and working times. If any of the parties violates the collective agreement, the dispute can be taken into labour court for solution. Labour court handles only labour conflicts.

Also the employer side is well organised in Finland. Employers have own central unions in each sector; industry, service sector, agriculture and within municipalities, state and church. All central organisations of the employers have their own member unions negotiating the labour agreements with the central organisations of the employees.

The state of Finland works in close co-operation with the labour market organisations. The so-called tripartite co-operation also helps to solve many questions in the social security sector. This co-operation has been the basis of the negotiations on issues like unemployment security, pension benefits and parental leaves.

Collective agreements and labour legislation govern the rights and obligations of wage earners. The unions of wage earners and employers make new collective agreements generally every year or every other year. These agreements must be followed by everybody, also those employers who are not organised. In addition labour legislation guarantees minimum protection for the part of e.g. annual leave and working hours.

The cornerstones of the Finnish welfare state are covering public services and reasonable income disparities. Progressive taxation and financial aid received on the basis of income balance income disparities. The system works only if everybody pays taxes. If grey economy would become more common, it would be very difficult to maintain the present model. The Finns disapprove strongly of black labour markets.

Also the present labour market system requires joint liability. The trade unions can effectively look after the interests of their members only, if as many people as possible pay their membership fees.

In Finland every person who works and is entitled to unemployment security pays taxes to the state and his home municipality. Municipal tax is a fixed per cent of one's income and varies by municipality. The state tax per cent depends upon the size of the income. Each wage earner also pays an employment pension contribution and an unemployment insurance contribution. These are automatically deducted from one's salary.

The share of taxes and other related payments of an average Finnish salary (EUR 2100/month) is altogether 33%. Thus one half of the taxes goes to the municipality and the other half to the state for the financing of social security (e.g. pension, sickness and unemployment contributions). Also employers need to pay their contributions to these funds. The duties of the Finnish municipalities include e.g. teaching, day care of children and public health care (e.g. comprehensive schools, senior secondary schools, day-nurseries, child health centres, hospitals and health centres).



2 What Should Each Employee Know of His Rights and Obligations

Below there is a general description of some key issues connected to working life. You get more information from the shop steward of your workplace or from your own union. The home pages of the Ministry of Labour (www.mol.fi/migration/) include an extensive guide "Are You Planning to Move to Finland".

Employment Contract

An employment contract is made at the beginning of an employment relationship. In this contract the employee undertakes to perform certain jobs for the employer against an agreed salary and other benefits. The employee is entitled to a written employment contract. It is worth while to take advantage of this right.

The principal rule is that the employment contract is made for the time being. The employment contract can be terminated only for a good and valid reason, e.g. the company's financial difficulties or the employee's severe negligence.

The employment contract can also be a fixed term contract. This requires a well-justified reason. A trial period can be agreed upon at the beginning of the employment relationship. The trial period can be four months at the highest. During the trial period either party can cancel the employment contract without a period of notice.

Salaries

In Finland minimum wages, as salaries in general, are determined in collective agreements of different branches. General minimum wages common for all have not been agreed upon. The salary levels determined by the agreements must be applied to both Finnish and foreign employees.

Your shop steward and your own trade union provide information concerning the salaries of the branch.

Working Hours

A statutory regular working time in Finland is eight hours per day at most or 40 hours per week. In most branches the agreed working time per week in collective agreements is shorter, e.g. 37.5 hours per week. Overtime work is restricted and an increased salary must be paid for overtime working. You can get more detailed information on the regulations and stipulations concerning overtime working from your shop steward and your own trade union. In general no more overtime than 250 hours per year is allowed. (Additional information from the Ministry of Labour www.mol.fi)

Annual Leave

There are regulations concerning the annual leave in both annual leave legislation and collective agreements. The legislation provides minimum protection, collective agreements often offer better benefits. According to law the employee earns two days of annual leave per working month in an employment relationship shorter than one year. In an employment relationship that has continued longer than one year the employee earns 2.5 days of annual leave per month. Normal salary is paid for the period of annual leave. In collective agreements a separate holiday bonus is agreed upon. It is generally 50% of the monthly salary. (Additional information from the Ministry of Labour www.mol.fi)

Sick Leave

Employer's obligation to pay salary during the sick leave of the employee is based on employment contract legislation and collective agreements. The length of the employment relation influences the length of the period for which salary is paid during sick leave. According to the law and many collective agreements half of the salary is paid in employment relationships shorter than one month.

After the employer's obligation to pay salary for the sick leave period of the employee has ended, all those living permanently in Finland can get financial aid on the basis of their health insurance. They get a so called health insurance card that is used in the offices of the Social Insurance Institution, pharmacies or health centres. You will get additional information on different compensations e.g. for medicines, doctors' fees and sickness benefits from the Social Insurance Institution (Social Insurance Institution www.kela.fi).

Family Leaves

In Finland we have different kinds of family leaves. These are maternity leave, special maternity leave, paternity leave and parental leave, leave for nursing a child and both partial and temporary leave for nursing a child. After the end of such a family leave the employee has the right to come back to her/his own job or a corresponding job at her/his old workplace.

The length of a maternity, paternity or parental leave is altogether 263 weekdays. The length of the maternity leave is 105 days. After that the parents can decide between themselves which one of them shall use the rest of the leave. In addition, the father is entitled to a paternity leave of 18 working days. J

The Social Insurance Institution pays a compensation for the period of the maternity leave, special maternity leave, paternity leave and parental leave in proportion to the employee's income. In some collective agreements it is agreed that the employee is paid a full monthly salary for a certain part of the maternity leave.

More detailed information on the possibilities for family leaves and other benefits offered by the society can be obtained from the Social Insurance Institution. (Additional information www.kela.fi. Information is also found at the home pages of the Ministry of Social Affairs and Health www.stm.fi.)

Industrial Safety and Impartial Treatment

It is the duty of the employer to arrange safe working conditions for the employees. Every workplace has an Industrial Safety Manager appointed by the employer and an Industrial Safety Delegate elected by the employees. All employees have an accident insurance policy. In addition to accidents also possible occupational diseases will be compensated.

The employer must treat the employees impartially. The employer must not discriminate anyone on the basis of e.g. age, sex, ethnical origin, language, religion, labour movement activities or political activities.

Occupational Health Care

The employer must organise occupational health care for the employees in order to prevent health risks due to work. Occupational health care is more extensive at most workplaces, i.e. covering also sicknesses. (Additional information www.occuphealth.fi)

Redundancies

The employer can terminate the employment relationship, if there is a good and valid reason for it. The reason for terminating the employment relationship can be connected to the personality of the employee (e.g. severe negligence of duties) or the financial situation of the company. A company buyout does not entitle the employer to redundancies.

If you have been dismissed without valid justifications, you should immediately turn to the shop steward of your workplace or contact your own trade union. Illegal redundancies are solved in court, when necessary.

The period of notice varies according to the length of the employment relationship from 14 days to six months. The period of notice of the employee is 14 days, if the employment relationship has lasted five years at most and one month in employment relationships of more than five years.

Unemployment Security

In order to receive unemployment compensation the employee must always be registered as job applicant in a labour force bureau. The members of the unemployment fund are paid earnings-related daily unemployment allowance. Others can get a daily allowance or a labour market subsidy from the Social Insurance Institution. Job applicants who have not established themselves on the labour market or have received the maximum daily unemployment allowance are entitled to the labour market subsidy. This benefit is discretionary and depends on the means of the applicant, e.g. on the income of the spouse. The compensation of the Social Insurance Institution is approximately EUR 470/month and the earnings-related daily allowance EUR 830/month.

The members of the unemployment fund get daily allowance for 500 days. After that also the members are included in the daily allowance system of the Social Insurance Institution. Employees can get a new earnings-related daily unemployment allowance after they have again worked and been a member of the unemployment fund for 8 months during two years. The membership of an unemployment fund is automatically taken care of when the employee joins the trade union.

Employees working on the black labour market cannot naturally receive any daily allowance from the unemployment fund nor daily allowance from the

Social Insurance Institution until after a certain waiting time. Job applicants should prove that they are available at the labour market and they should be ready to accept work when offered.

The first thing one should do when unemployed is to acquire actual information on one's benefits and obligations.

Pension

The amount of work pension depends on the number of years worked and the amount of salary earned. The employees' pension security is mainly arranged and paid by the employer. Work done on the black labour market can sometimes seem attractive, but does not accumulate pension.

Development of Professional Competence

The employer is responsible for the training of the staff. Generally training is organised during working hours and paid by the employer. Professional competence can also be improved voluntarily. People meeting certain requirements get adult education support for this purpose, 70% of the level of unemployment compensation (additional information: www.koulutus-erorahasto.fi). You will find information on general financial aid to students at www.kela.fi/opiskelu.

How to Get a Job in Finland

The labour force bureaux maintained by the society are the most significant agents for jobs in Finland. Labour force advisers help people personally to find a job. You must register as job applicant in the labour force bureau in order to get an unemployment compensation. (Additional information: www.mol.fi). On these pages you will also find accurate information on legislation connected to immigration concerning e.g. work permit matters.

In Finland there are two official languages, Finnish and Swedish. Approximately 6% of the population speak Swedish. A fair skill of both languages is required in the jobs of the public sector.

3_ How to Join the Trade Union

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You join the trade union by completing an application form. You can get a form from the shop steward and your trade union. The membership fee varies by union. The fee is deductible in taxation, which means that you actually pay much less. If so agreed, the employer can deduct the payment directly from the employee's salary. This is a common practice in Finland.

You should join the trade union responsible for negotiating the collective agreement in your branch. The central organisations also help you to select a suitable trade union. At the end of this brochure you will find a list of all the trade unions and central organisations in Finland.

Why Is It Important to Be a Member of the Trade Union

Finnish wage earners have been building the present labour market model already for a century. If we compare the circumstances of today with those of the early 1900's, the difference is really great. The present model focuses on good co-operation: all wage earners co-operate both at workplaces and trade unions and central organisations. In general the co-operation is smooth also with the employers and public authorities. In Finland the labour movement is an important part of the society.

In addition to collective agreements the members of the trade union also get other protection and different kinds of benefits. Disputes concerning employment are primarily solved at the workplace. The shop steward supports the employee and negotiates with the representative of the employer. If no solution is found the trade union provides a negotiator and negotiating assistance. If even that is insufficient, the union will take the matter either to labour court or to lower court depending on the subject. All this is free for the member of the trade union.

The members can also participate in the training organised by their union, get a union magazine and some insurance benefits.

We have a decent labour market model in Finland. Help us to make it still better. Join the trade union of your own branch. You get additional information from the shop steward of your workplace, from the unions and from the central organisations.

Contact Information of the Central Organisations and Trade Unions

CENTRAL ORGANISATIONS

The Central Organisation of Finnish Trade Unions SAK Suomen Ammattiliittojen Keskusjärjestö SAK Tel. +358 9 77211 / www.sak.fi

The Finnish Confederation of Salaried Employees STTK Toimihenkilökeskusjärjestö STTK Tel. +358 9 131 521 / www.sttk.fi

The Confederation of Unions for Academic Professions in Finland AKAVA AKAVA (korkeakoulutettujen keskusjärjestö) Tel. +358 9 141 822 / www.akava.fi

SAK'S AFFILIATES

Union, Telephone / Homepage

Automobile and Allied Salespersonnel's Union, Auto- ja Konealan Unioni AKU ry. +358 9 6153 1660 / www.athry.fi Finnish Transport Workers' Union, Auto- ja Kuljetusalan Työntekijäliitto AKT rv. +358 9 613 111 / www.akt.fi Air Transport Union, Ilmailualan Unioni IAU ry +358 9 478 571 / www.iau.fi Union of Formen in Commerce, Kaupanalan Esimiesliitto ry +358 3 875 800 / www.esimiesliitto.com Chemical Workers' Union, Kemianliitto ry +358 9 773 971 / www.kemianliitto.fi Trade Union for Municipal Sector, Kunta-alan ammattiliitto KTV ry +358 9 770 31 / www.ktv.fi Coastguard Union, Merivartioliitto ry +358 9 7268 5131 / www.merivartioliitto.fi Metalworkers' Union, Metallityöväen Liitto ry +358 9 770 71 / www.metalliliitto.fi

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Service Unions United (PAM), Palvelualojen ammattiliitto PAM ry +358 9 775 71 / www.pamliitto.fi Paperworkers' Union, Paperiliitto ry +358 9 708 91 / www.paperiliitto.fi Postal Workers' Union, Postiliitto ry +358 9 613 116 / www.postiliitto.fi The Wood and Allied Workers' Union, Puu- ja erityisalojen liitto ry +358 9 615 161 / www.puuliitto.fi Construction Trade Union, Rakennusliitto ry +358 9 770 21 / www.rakennusliitto.fi Finnish Railwaymen's Union, Rautatieläisten Liitto ry +358 9 774 941 / www.rautl.fi Railway Salaried Staff's Union, Rautatievirkamiesliitto ry +358 9 662 673 / www.rvlry.fi Finnish Foodstuff Workers' Union, Suomen Elintarviketyöläisten Liitto SEL ry +358 9 393 881 / www.selry.fi Finnish Seamen's Union, Suomen Merimies-Unioni ry +358 9 615 2020 / www.smury.fi Finnish Musicians Union, Suomen Muusikkojen Liitto ry +358 9 6803 4070 / www.musicfinland.com/sml Finnish Social Democratic Journalists' Union. Suomen Sosialidemokraattinen Sanomalehtimiesliitto ry +358 9 770 3379 / www.kolumbus.fi/sssl Finnish Electrical Workers' Union, Sähköalojen ammattiliitto ry +358 3 252 0111 / www.sahkoliitto.fi Textile and Garment Workers' Union, Tekstiili- ja vaatetustyöväen liitto Teva ry +358 3 259 3450 / www.teva.fi Finnish Customs Officers' Union, Tulliliitto ry +358 9 701 8115 / www.tulliliitto.fi The Finnish National Union of State Employees and Special Services (VAL), Valtion ja erityispalvelujen ammattiliitto VAL ry +358 9 7010 120 / www.valry.fi Finnish Prison Officers' Union, Vankilavirkailijain Liitto VVL ry +3589736722Finnish Locomotivemen's Union, Veturimiesten liitto ry +358957603700Finnish Media Union, Viestintäalan ammattiliitto ry +358 9 616 581 / www.viestintaliitto.fi

+358 50 346 6591 / www.yleinenlehtimiesliitto.fi

STTK'S AFFILIATES

Technical Functionaries in Stevedoring and Forwarding Branch r.a., Ahtaus- ja Huolinta-alan Tekniset AHT +358 9 694 8132 / matti.lindqvist@aht.tekniset.fi Financial Sector Union, Suomen Rahoitus- ja Erityisalojen ammattiliitto Suora + 358 9 229 141 / www.suora-finans.fi Federation of Special Service and Clerical Employees ERTO, Erityisalojen Toimihenkilöliitto ERTO +358 020113 0200 / www.erto.fi Federation of Municipal Officers, Kunnallisvirkamiesliitto KVL +358-9-155 2313 / www.kvl.fi Confederation of Municipal Employees in Technical Professions, Kuntien Tekniset KTK +358-9-146 4144 / www.kuntientekniset.fi Association of Print and Media Managers MDU, Mediaunioni MDU +358-9-4542 1830 / www.mediaunioni.com Technical Dairy Employees Association, Meijeriväen Liitto MVL +358-9-615 6611 / www.mvl.fi Union of Finnish Foresters, METO – Metsäalan Asiantuntijat +358-9-6126 5512 / www.meto-ry.fi Sales and Marketing Professionals SMKJ, Myynnin ja markkinoinnin ammattilaiset SMKJ +358-9-4780 7700 / www.smkj.fi Union of Congregational Officials and Employees SVTL, Seurakuntien Viran- ja Toimenhaltijain Liitto SVTL +358-9-2290 0410 / www.svtl.fi The Federation of Salaried Employees Pardia, Palkansaajajärjestö Pardia +358-9-131 521 / www.pardia.fi

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Finnish Federation of Technicians in Special Branches, Suomen Erityisteknisten Liitto SETELI +358-9-684 4370 / www.seteli.fi Finnish Engineers' Association, Suomen Konepäällystöliitto SKL +358-9-5860 4815 / www.konepaallystoliitto.fi Finnish Ship's Officers' Union, Suomen Laivanpäällystöliitto SLPL +358-9-612 2440 / www.seacommand.fi The Finnish Union of Practical Nurses, Suomen lähi- ja perushoitajaliitto SuPer +358-9-272 7910 / www.superliitto.fi The Finnish Union of Public Health Nurses, Suomen Terveydenhoitajaliitto STHL +358-9-131 521 / www.terveydenhoitajaliitto.fi Tehy-Union of Health and Social Care Services in Finland, Tehy +358-9-1551 / www.tehy.fi Association of Employees in Private State Sublisidized Institutions, **Toimiehtoliitto TOEL** +358-9-146 3489 / www.toel.fi Union of Salaried Employees TU, Toimihenkilöunioni TU +358 9 172 731 / www.toimihenkilounioni.fi Insurance Employees Union, Vakuutusväen Liitto VvL +358-9-856 72400 / www.vvl.fi Private Building Engineering Employees YRI, Rakennusinsinöörit YRI +358-9-6122 770 / www.ria.fi/yri.html

AKAVA'S AFFILIATES

Finnish Association of Academic Agronomists, Agronomiliitto +358 9 171 201 / www.agronomiliitto.fi Central Union of Special Branches within AKAVA, Akavan Erityisalojen Keskusliitto AEK +358 201 235 361 / www.aek.fi AKAVA's General Group, Akavan Yleinen Ryhmä +358 500 918 730 / www.akavayleinenryhma.fi Union of Finnish Deacons and Deaconeses, Diakoniatyöntekijöiden Liitto +358 9 150 21 / www.dtl.fi Union of Swedish-speaking Engineers in Finland, Driftingenjörsförbundet i Finland r.f. +358 9 476 7717 / www.diff.fi

Union of Professional Engineers in Finland, Insinööriliitto

+358 0201801 801 / www.insinooriliitto.fi

Finnish Union of Experts in Science, Luonnontieteiden akateemisten liitto LAL

+358 9 150 21 / www.kemistiliitto.fi

Society of Finnish Professional Foresters, Metsänhoitajaliitto ry +358 9 684 0810 / www.metsanhoitajat.fi

Trade Union of Education in Finland, Opetusalan Ammattijärjestö OAJ +358 9 150 271 / www.oaj.fi

Union of Finnish University Professors, Professoriliitto

+358 9 150 21 / www.professoriliitto.fi

Union of Professional Social Workers , Sosiaalialan korkeakoulutettujen ammattijärjestö Talentia

+358 9 877 0270 / www.sostl.fi

The Finnish Association of Architects, Suomen Arkkitehtiliitto +358 9 584 448 / www.safa.fi

The Finnish Association of Graduates in Economics and Business Administration, Suomen Ekonomiliitto

+358 201 299 299 / www.sefe.fi

Finnish Veterinary Association, Suomen Eläinlääkäriliitto +358 9 7745 4810 / www.sell.fi

Finnish Pharmacists Association, Suomen Farmasialiitto +358 9 696 2270 / www.farmasialiitto.fi

Finnish Dental Association, Suomen Hammaslääkäriliitto

+358 9 622 0250 / www.hammasll.fi

Finnish Association of Church Organists, Suomen Kanttori-urkuriliitto +358 9 150 21 /www.kolumbus.fi/skul

Union of Finnish Clergy, Suomen kirkon pappisliitto

+358 9 150 21 / www.evl.fi/jst/pappisliitto

Association of Finnish Lawyers, Suomen Lakimiesliitto

+358 9 680 3450 / www.lakimiesliitto.fi

Finnish Cabin Crew Union, Suomen Lentoemäntä- ja Stuerttiyhdistys

+358 9 143 646 / www.kolumbus.fi/slsy

Finnish Medical Association, Suomen Lääkäriliitto

+358 9 393 091 / www.laakariliitto.fi

Finnish Psychological Association, Suomen Psykologiliitto +358 9 6122 9122 / www.psyli.fi

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Union of Finnish Speech Therapists, Suomen Puheterapeuttiliitto +358 9 150 21 / www.puheterapeuttiliitto.fi The Finnish Association of Occupational Health Nurses, Suomen **Työterveyshoitajaliitto** +358 9 4178 9800 / www.stthl.net Association of Finnish Political Scientists, Suomen Valtiotieteilijöiden Liitto +358 9 685 0800 / www.valtiotieteilijoidenliitto.fi The Finnish Association of Graduate Engineers, Tekniikan Akateemisten Liitto TEK +358 9 229 121 / www.tek.fi Health Science Academic Leaders and Experts, Terveystieteiden akateemiset johtajat ja asiantuntijat +358 9 150 2317 / personal.inet.fi/yhdistys/ylihoitajat Finnish Union of University Researchers and Teachers, Tieteentekijöiden liitto +358 9 150 21 / www.tieteentekijoidenliitto.fi The Officers Union, Upseeriliitto +358 9 668 9400 / www.upseeriliitto.fi Association of Employees in Government Educational Administration, Valtion alueellisen sivistyshallinnon virkamiehet VSV +358 02051 72063 / www.vsvry.org Finnish Union of Environmental Professionals. Ympäristöasiantuntijoiden keskusliitto YKL +358 9 622 6850 / www.ykl.fi YTY & BBAs Union, YTY & Tradenomit +358 9 476 7714 / www.yty.fi, www.tradenomiliitto.fi





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