

November 2008

# **European Social Charter (revised)**

**European Committee of Social Rights** 

Conclusions 2008 (FINLAND)

Articles 1, 9, 10, 15, 18, 20, 24, and 25 of the Revised Charter

### Introduction

The function of the European Committee of Social Rights is to assess the conformity of national law and practice with the European Social Charter and the Revised Charter. In respect of national reports, it adopts "conclusions" and in respect of collective complaints, it adopts "decisions".

A presentation of this treaty as well as statements of interpretation formulated by the Committee figure in the General Introduction to the Conclusions<sup>1</sup>.

The Revised European Social Charter was ratified by Finland on 21 June 2002. The time limit for submitting the 3rd report on the application of the Revised Charter to the Council of Europe was 31 October 2007 and Finland submitted it on 8 February 2008. On 11 April 2008, a letter was addressed to the Government requesting supplementary information regarding Article 15§1. The Government submitted its reply on 19 May 2008.

This report was the first under the new system for the submission of reports adopted by the Committee of Ministers.<sup>2</sup> It concerned the accepted provisions of the following articles belonging to the first thematic group "Employment, training and equal opportunities":

- the right to work (Article 1),
- the right to vocational guidance (Article 9),
- the right to vocational training (Article 10),
- the right of persons with disabilities to independence, social integration and participation in the life of the community (Article 15),
- the right to engage in a gainful occupation in the territory of other States Parties (Article 18),
- the right of men and women to equal opportunities (Article 20),
- the right to protection in cases of termination of employment (Article 24),
- right of workers to the protection of claims in the event of insolvency of the employer (Article 25).

Finland has accepted all these articles.

The applicable reference period was 1 January 2005 – 31 December 2006.

The present chapter on Finland concerns 20 situations and concerns:

- 11 conclusions of conformity: Articles 1§1, 1§3, 9, 10§1, 10§4, 15§1, 15§2, 18§2, 18§4, 20 and 25;
- 5 conclusions of non-conformity: Articles 1§2, 15§3, 18§1, 18§3 and 24.

In respect of the 4 other situations concerning Articles 1§4, 10§2, 10§3, 10§5 and 15§1, the Committee needs further information. The Government is therefore invited to provide this information in the next report on the provisions in question.

<sup>&</sup>lt;sup>1</sup> The conclusions as well as state reports can be consulted on the Council of Europe's Internet site (<u>www.coe.int/socialcharter</u>).

<sup>&</sup>lt;sup>2</sup> Decision adopted at the 963rd meeting of the Ministers' Deputies on 3 May 2006.

# 4 Conclusions 2008 – Finland

The next report from Finland deals with the accepted provisions of the following articles belonging to the second thematic group "Health, social security and social protection":

- the right to safe and healthy working conditions (Article 3),
- the right to protection of health (Article 11),
- the right to social security (Article 12),
- the right to social and medical assistance (Article 13)
- the right to benefit from social welfare services (Article 14),
- the right of elderly persons to social protection (Article 23),
- the right to protection against poverty and social exclusion (Article 30)

The deadline for the report was 31 October 2008.

# Article 1 – The right to work

### Paragraph 1 – Policy of full employment

The Committee takes notes of the information provided in Finland's report.

# Employment situation

The Committee notes from Eurostat that there was fairly sustained growth in Finland (5% in 2006, compared with 3.7% in 2004).

The employment rate continued its upward trend, from 67.6% in 2004 to 69.3% in 2006. Women also benefited from this advance (67.3% in 2006).

All the unemployment indicators fell during the reference period. The unemployment rate fell significantly, from 8.8% in 2004 to 7.7% in 2006 (the EU-15 average was 7.7% in 2006), while female unemployment declined from 8.9% in 2004 to 8.1% in 2006 (the EU-15 average was 8.5% in 2006). The rate among young persons (15-24) was 9.7% in 2006, compared with 10.3% in 2004, and thus below the EU-15 average (15.7% in 2006).

Long-term unemployment as a percentage of total unemployment also rose slightly, from 24% in 2004 to 25.2% in 2006, but is still below the EU-15 average (42.1% in 2006).

#### Employment policy

Long-term unemployed, women, young persons and persons with disabilities were mainly concerned by active measures during the reference period.

Steps have been taken to ensure that the long-term unemployed benefit from activation measures throughout their period of inactivity.

As regards women, the main measures were linked to the equal opportunities in the framework of the Government's action plan for gender equality 2004-2007. These are particularly concerned with reconciling work and private life and equal pay.

As to disabled persons, they have mainly benefited from financial aids, particularly through training or wage subsidies. During the reference period, an average of 10,000 disabled job seekers benefited from active measures.

Immigrants can be entitled to a labour market subsidy and/or an income allowance. A total of 10,600 immigrants received an integration allowance in 2005, and 3,506 had plans prepared for the first time during the year.

In reply to the Committee's question, the report states that the new project on cultural diversity in the workplace aims to develop good practices with regard to the recruitment of immigrant workers.

The overall project comprised some 25 individual activities in various sectors during the reference period. A total of 8,912 immigrant workers benefited from active measures in 2005, an activation rate of 61.8%, including 5,817 who received training. According to the report, the immigration policy programme to promote work-related immigration was only launched in 2006. The Committee asks to be informed of the results.

There have been various projects to help Roma, Sámi and other ethnic minorities to enter the labour market. The Committee asks to be informed of the results.

It notes that, according to Eurostat, the total number of beneficiaries of active measures rose during the reference period from 96,696 in 2005 to 98,624 in 2006, including 53,945 women. The activation rate among the unemployed was about 48.3% in 2006.

Finally, the Committee notes that total spending on active and passive employment policy fell during the reference period, from 2.9% of GDP in 2004 to 2.5% in 2005. Spending on active measures represented 0.7% of GDP in 2005, the same as in 2004. These figures are still above those of the EU-15 average (2.2% and 0.5% respectively in 2005).

### Conclusion

The Committee concludes that the situation in Finland is in conformity with Article 1§1 of the Revised Charter.

Paragraph 2 – Freely undertaken work (non-discrimination, prohibition of forced labour, other aspects)

The Committee takes notes of the information provided in Finland's report.

1. Prohibition of discrimination in employment

The Committee notes that under Article 1§2 legislation should prohibit discrimination in employment at least on grounds of sex, race, ethnic origin, religion, disability, age, sexual orientation and political opinion.

Legislation must cover both direct and indirect discrimination. With regard to indirect discrimination, the Committee points out that Article E of the Revised Charter prohibits "all forms of indirect discrimination" and that "such indirect discrimination may arise by failing to take due and positive account of all relevant differences or by failing to take adequate steps to ensure that the rights and collective advantages that are open to all are genuinely accessible by and to all" (Autism-Europe v. France, Collective Complaint No. 13/2002, decision on the merits of 4 November 2003, §52).

As with other states that have accepted Article 15§2 of the Revised Charter, the Committee will examine Finland's legislation prohibiting discrimination based on disability under this provision. Similarly, for states such as Finland that have accepted Article 20, the right to equal treatment and opportunities without discrimination based on sex is considered under this provision.

A description of the situation in Finland appears in Conclusions 2006.

Although the courts have had an opportunity to interpret the notion of indirect discrimination the report says that there is no established case-law because there has so far been no ruling from the upper courts. The Committee asks to be informed when such an interpretation is forthcoming.

The Committee points out that under Article 1§2 of the Revised Charter, any compensation awarded to a victim of discrimination must be effective and proportionate and act as a deterrent. It considers therefore that imposing a predetermined upper limit is incompatible with the Revised Charter as in some cases this may mean that the compensation awarded is not commensurate with the loss or damage incurred and not sufficiently dissuasive for the employer (Conclusions 2006).

Compensation may be awarded to the victims of discrimination for non-pecuniary damage but it is limited to a maximum of  $\in$  15,000. Larger sums may be awarded if warranted by the facts of the case, the duration and gravity of the discrimination or other circumstances.

If discrimination has caused material loss there may be liability for damages under the civil liability legislation, if intention or negligence can be established. The amount of damages then depends on the detriment suffered with no pre-determined ceiling. Under the contracts of employment legislation employers are responsible for detriment suffered by employees. Employers must pay damages if they are in breach of their obligations

specified in the aforementioned legislation, the employment contract, any relevant collective agreements or elsewhere in labour legislation, particularly in the case of unfair dismissal. The level of compensation depends on the salary earned but may not exceed the equivalent of 24 months' salary. The situation is therefore not in conformity with the Revised Charter in this respect.

The occupational safety and health authorities are responsible for supervising compliance with the 2004 non-discrimination legislation in respect of employment relationships and the public service. The ombudsman for minorities and the national discrimination tribunal are responsible for supervising compliance with the non-discrimination legislation in respect of discrimination based on ethnic origin.

The Committee notes that the courts, the ombudsman for minorities, other authorities and associations may request a statement from the discrimination tribunal on the application of the non-discrimination act in cases of ethnic discrimination, provided that the case does not relate to an employment or civil service relationship. The Committee asks whether associations, organisations or other legal persons that, in accordance with criteria in national legislation, have a legitimate interest in securing compliance with equal treatment, within the meaning of Article 1§2 of the Revised Charter, are entitled to seek rulings that there has been a breach of the relevant legislation in circumstances other than ethnic discrimination.

The Committee points out that under Article 1§2 of the Revised Charter, states may make foreign nationals' access to employment subject to possession of a work permit, but they may not issue a general ban on nationals of States Parties occupying jobs for reasons other than those set out in Article G. Restrictions on the rights embodied in the Revised Charter are only acceptable if they are prescribed by law, serve a legitimate purpose and are necessary in a democratic society to safeguard the rights and freedoms of others or protect the public interest, national security, public health or morals. The only posts from which foreigners may be banned are therefore those that are inherently connected with the protection of law and order or national security and involve the exercise of public authority (Conclusions 2006).

Although there is no nationality requirement for crew members, the maritime legislation specifies that only Finnish citizens may serve as masters of Finnish vessels. In its last conclusion, the Committee found that masters of vessels might have to exercise public powers in certain circumstances and that this restriction might therefore be justified by Article G of the Revised Charter. Nevertheless before reaching a conclusion it asked for further information on the nature of masters' powers and duties and whether these restrictions applied to masters in charge of any ship or the ship had to fulfil certain criteria. According the report, the Maritime Act is currently being amended, which would enable nationals of European Union or European Economic Area states to be masters of Finnish vessels, other than those of the Finnish defence forces and the border guard. The Committee therefore asks for a detailed description in the next report of the situation in both the merchant and naval fleets, after the new legislation has been enacted.

#### 2. Prohibition of forced labour

#### Prison work

The Committee notes the information supplied in previous reports. To cast further light on the situation, the Committee again asks the Government to answer the questions on prison work in the general introduction to Conclusions 2006, namely:

- Can a prisoner be required to work (irrespective of consent)
  - A. for a private undertaking/enterprise?
    - i) within the prison?
    - ii) outside the prison?
  - B. for a public/state undertaking?
    - i) within the prison?
    - ii) outside the prison?
- What types of work may a prisoner be obliged to perform?
- What are the conditions of employment and how are they determined?
- 3. Other aspects of the right to earn one's living in an occupation freely entered upon

# Service required to replace military service

Under the Military Service Act the length of military service is 180, 270 or 362 days. The duration of unarmed military service is 330 days and of alternative civilian service 395 days.

In its previous conclusion (Conclusions XVII-1), the Committee found that the situation was not compatible with the Revised Charter on the grounds that the length of alternative service was more than double the length of compulsory service performed by the majority of conscripts, since at that time 64.2% of conscripts performed 180 days of military service. In its previous conclusion (Conclusions 2006), it noted that the majority of conscripts (52.3%) served at least 270 days and 47.7% served 180 days. The Committee found that the situation had altered, but only slightly, and that the length of civilian service remained more than double the minimum period of military service undertaken by almost half of all conscripts.

It now notes from the report that there have been no changes in the situation it previously considered not to be in conformity. It therefore finds that the length of alternative civilian service remains a disproportionate restriction on workers' right to earn a living in an occupation freely entered upon. Admittedly, recognised conscientious objectors are in a better position than they would be in countries that do not grant them special status and where refusal to serve is punishable by imprisonment. But even if the state acknowledges the principle of conscientious objection and institutes a replacement service, it cannot make the replacement service longer than is necessary to ensure that refusal to serve on grounds of conscience is genuine, in order to avoid the replacement service being chosen as the most advantageous solution rather than felt as a constraint.

# Privacy at work

The Committee asks for information to enable it to determine to what extent human freedom and dignity are protected by legislation and the courts against intrusions into personal or private life that may be associated with or result from the employment relationship (see observations on Article 1§2, general introduction to Conclusions 2006,  $\S$ [13-21).

# Requirement to accept the offer of a job or training

The Committee considers that in general the conditions to which the payment of unemployment benefits is subjected, including any obligations to take up offered employment, should be assessed under Article 12§1 of the Charter (or Article 12§3 in the case of new developments). However, in certain cases and under certain circumstances the loss of unemployment benefits on grounds of refusal to accept offered employment could amount, indirectly, to a restriction on the freedom to work and as such the situation

would be assessed under Article 1§2. (See General introduction to Conclusions 2008, §10)

The Committee notes that the system of unemployment benefits was altered in 2006 to increase unemployed persons' participation in the labour market. Persons who have received unemployment allowance for a certain time lose their entitlement if they refuse a job offer or an active measure. According to figures in the report, the reform has already led to a fall in the number of recipients of long-term unemployment allowances. The Committee wishes to know under what conditions refusal may be accepted and whether there is any possibility of appeal to an independent body.

#### Restrictions linked to the fight against terrorism

The Committee notes that the report does not answer the question it put in the previous conclusions as to whether a legislation against terrorism exists and whether it precludes persons from taking up certain employment. It therefore repeats the question.

#### Conclusion

The Committee concludes that the situation in Finland is not in conformity with Article 1§2 of the Revised Charter on the grounds that:

- the law establishes a ceiling on the compensation payable in cases of unlawful discriminatory dismissal;
- the length of alternative civilian service constitutes a disproportionate restriction on the right to earn a living in an occupation freely entered upon.

#### Paragraph 3 – Free Placement Services

The Committee takes notes of the information provided in Finland's report.

The report says that the number of vacancies notified to the employment services rose from 344,800 in 2004 to 488,545 in 2006, an increase of 42%.

At the same time, according to the report there was a placement rate of 91% in 2006, much higher than the 41% of the previous reference period. According to the last report, the fall in the number of placements (during the reference period 2003-2004) made by the employment services was linked to changes in job-seeking practices, particularly with the introduction of electronic applications.

The Committee asks for detailed figures in the next report on the total number of public employment offices, and the total staffing of these services.

#### Conclusion

The Committee concludes that the situation in Finland is in conformity with Article 1§3 of the Revised Charter.

#### Paragraph 4 – Vocational guidance, training and rehabilitation

The Committee takes notes of the information provided in Finland's report.

As Finland has accepted Article 9, 10§3 and 15§1 of the Charter, measures relating to vocational guidance, to vocational training and retraining of workers, and to guidance and vocational training for persons with disabilities are dealt with under these provisions.

In these conclusions, the Committee found that the situation with regard to vocational guidance (Article 9) and vocational education and training of persons with disabilities (Article 15§1) was in conformity with the Revised Charter.

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However, it deferred its conclusion on vocational training and retraining for workers (Article 10§3) and vocational education and training of persons with disabilities (Article 15§1) for lack of information.

# Conclusion

Pending receipt of the information requested, the Committee defers its conclusion.

# Article 9 – The right to vocational guidance

The Committee takes notes of the information provided in Finland's report.

As Finland has accepted Article 15 of the Revised Charter, measures concerning vocational guidance of people with disabilities are treated under that provision.

# Vocational guidance in the education system

a. Responsibilities, organisation and functioning

In 2006, the Ministry of Education launched a vocational-guidance project, JOPO, aimed at encouraging young people to continue their studies after compulsory schooling. The project involves co-operation between a number of bodies, in particular schools, municipalities, and vocational training authorities and institutions. The project is due to run until 2011. The Committee requests that the next report provide information about the project's results.

The CHANCES project seeks to develop guidance and advice services and prevent exclusion of young people from the labour market. The project will put forward new training models and good practices which can be implemented at national level. The Committee likewise requests information about the project's results.

In reply to the Committee's question about the results achieved by the project which the National Education Board launched in 2003 to improve counselling services in basic education and upper secondary education, the report states that 97.6% of those who complete compulsory schooling and receive such counselling continue their studies.

b. Expenditure, staff numbers and beneficiary numbers

The report states that financing of vocational guidance is included in the financing of education and training and that there are no detailed figures for guidance. The Committee requests that the next report provide up-to-date figures for expenditure on vocational guidance in the education system. It requests that this information feature systematically in each report.

In 2005 there were 923 guidance counsellors working in general education (primary and secondary) and 134 guidance counsellors in the vocational-training sector. In 2005 the numbers under age 25 receiving counselling came to 11,413 and in 2006 to 11,056.

# Vocational counselling in the labour market

a. Responsibilities, organisation and functioning

In May 2006 the Ministry of Education and the Ministry of Labour jointly introduced an action plan (due to run until 2012) particularly aimed at developing vocational counselling for adults. The target is to ensure that by the end of 2008 citizens have access to information and advice services on adult education and training. The Committee requests that the next report provide information about the action plan's results.

In its previous conclusion (Conclusions 2007) the Committee noted that some counselling services were particularly aimed at the unemployed and that training programmes were provided for the staff operating the services. In the absence of any information in the report, the Committee requests more information on the subject.

# b. Expenditure, staff numbers and beneficiary numbers

The report states that financing of vocational guidance is included in the financing of education and training and that there are no detailed figures for counselling. The Committee requests that the next report provide up-to-date figures for expenditure on

vocational counselling in the labour market. It requests that this information feature systematically in each report.

In 2006 there were 2,700 counsellors working in employment agencies. They have psychology qualifications. In 2005 the numbers aged over 25 receiving counselling came to 20,561 and in 2006 to 20,406.

# Dissemination of information

In addition to electronic advice services (the AVO and A-URA portals) mentioned in the previous conclusion, the Ministry of Labour introduced a new Internet site, Ammattinetti, in 2006. It provides information about the labour market and descriptions of the different occupational sectors.

In 2005 of the Ministry of Labour introduced a national information helpline on education and training opportunities.

# Equal treatment of nationals of other States Parties

The Committee notes that the situation which it previously found in conformity is unchanged (Conclusions XVI-2).

#### Conclusion

The Committee concludes that the situation in Finland is in conformity with Article 9 of the Revised Charter.

# Article 10 – Right to vocational training

Paragraph 1 – Promotion of technical and vocational training and the granting of facilities for access to higher technical and university education

The Committee takes notes of the information provided in Finland's report.

It notes that the report does not reply to the questions asked in its previous conclusions (Conclusions XVI-2 and 2007). The Committee holds that if in the next report the reply is not provided to the questions listed below, there will be nothing to show that the situation in Finland is in conformity with the Revised Charter.

- Describe measures introduced to ensure that qualifications acquired in general secondary and higher education are geared towards helping students find a place in the labour market;
- State the proportion of graduates who find employment and how long it takes for them to find their first skilled job.

#### Secondary and higher education

The Committee notes from another source<sup>1</sup> that the student admission to higher education may be based on the grades attained in the matriculation certificate, or the results of an entrance test or a combination of both. A total of 34,058 matriculation examinations were passed in 2005.

According to Statistics Finland, a total of 176,500 students attended university education leading to a degree in 2006. The number of foreign students was 5,400. A total of 19,400 university degrees were attained in 2006. A total of 132,600 students attended polytechnic education leading to a degree in autumn 2006 and a total of 21,000 degrees were obtained at polytechnics in 2006.

Adult education provided by universities is mainly arranged by universities continuing education centres. Each university has a continuing education centre. The main purpose of continuing education is to provide an opportunity to upgrade knowledge and skills or to acquire new professional skills. In addition, the provision of skills and training based on labour policy considerations is one of the major tasks of continuing education centres.

# Measures to facilitate access to education and their effectiveness

The Committee notes from Eurostat that Finland allocated 6,42% of its GDP to education at all levels in 2004. The Committee asks for more detailed figures on spending, such as on university education and on continuing education.

#### Conclusion

Pending receipt of the information requested, the Committee concludes that the situation in Finland is in conformity with Article 10§1 of the Revised Charter.

# Paragraph 2 – Promotion of apprenticeship

The Committee takes notes of the information provided in Finland's report.

The Committee notes from Finland's report that there have been no new developments in the reference period. However, the Committee notes that the report does not provide the information requested in its previous conclusions (Conclusions XVI-2 and 2007). Therefore the Committee holds that if the reply to the questions listed below is not provided in the

<sup>&</sup>lt;sup>1</sup> <u>http://www.eurydice.org/portal/page/portal/Eurydice/ByCountryResults?countryCode=FI</u>

next report, there will be nothing to show that the situation is in conformity with the Revised Charter.

- What measures have been taken to increase the number of apprentices and does the number of available places satisfy the demand?
- What is the average length of apprenticeship and the division of time between practical and theoretical training?
- How does the selection and training of trainers proceed?
- What are the rules for termination of contracts for apprentices?

The Committee notes from another source<sup>1</sup> that in 2004 participants in apprenticeship training totalled 18,000 in upper secondary vocation training and 29,500 in additional training (non-qualification oriented). In 2004 the total expenditure on apprenticeship training amounted to about  $\in$  129 million. The costs per student for apprenticeship training leading to upper secondary vocational qualifications (IVET) stood at about  $\in$  4,873. The state grants training compensation to employers. The amount of this compensation is agreed upon separately for each apprenticeship contract before the contract is approved.

# Conclusion

Pending receipt of the information requested, the Committee defers its conclusion.

# Paragraph 3 – Vocational training and training of adult workers

The Committee takes notes of the information provided in Finland's report.

The Committee notes from Finland's report that there have been no new developments in the reference period. However, the Committee notes that the report does not provide the information requested in its previous conclusion (Conclusions 2007). Therefore the Committee reiterates its following questions:

- Is there legislation authorising individual leave for training and, of so, under what conditions and on whose initiative, how long it lasts and whether it is paid or unpaid. The Committee holds that if this information is not provided in the next report there will be nothing to establish that the situation in Finland is in conformity with the Revised Charter on this point.
- What is the total spending on continuing training both for employed and unemployed persons?
- How is the cost of vocational training shared between public bodies (central or other authorities), unemployment insurance systems, enterprises and households.

The Committee notes from Eurostat that the unemployment rate amounted to 8.4% in 2005 and 7.7% in 2006.

# Conclusion

Pending receipt of the information requested, the Committee defers its conclusion.

# Paragraph 4 – Long-term unemployed persons

The Committee takes notes of the information provided in Finland's report.

The Committee notes that in 2006 around 7,280 long-term unemployed persons started labour market training. Around 12% of all unemployed participating in labour market training were the long-term unemployed. The Committee notes from Eurostat that the long-term unemployment rate amounted to 25,8% in 2005 and 25.2% in 2006.

<sup>&</sup>lt;sup>1</sup> <u>http://libserver.cedefop.europa.eu/vetelib/eu/pub/cedefop/eknowvet/2006\_TO\_FI.pdf</u>

In its previous conclusion the Committee asked for detailed information on all training measures for the long-term unemployed. In this connection the Committee notes from the report under Article 1§1 that long-term unemployed jobseekers are provided with individual activation programmes and, if necessary, long-term service packages in cooperation with the state, local authorities, the labour force service centres and other actors. The labour market subsidy system was reformed as from the beginning of 2006. In the context of the reform, the system of employment subsidy for employers was revised as well. The new system consists of a pay subsidy and other employment subsidy. The reform aims at improving the quality and effectiveness of employment by combining the subsidies with employment and training. The Committee asks what is the impact of these measures on reducing long-term unemployment.

The Committee concludes that the situation in Finland is in conformity with Article 10§4 of the Revised Charter.

#### Paragraph 5 – Facilities

The Committee takes notes of the information provided in Finland's report.

# Fees and financial assistance (Article 10§5 a and b)

The Committee notes from the supplementary information provided by the Government that the Student Financial Aid Act has been amended. According to the amended version a foreign national permanently residing in Finland for the purposes other than studies is entitled to student financial aid if he/she has been granted either a continuous residence permit, or a permanent residence permit or a long-term resident's EC residence permit.

The Committee notes from another source<sup>1</sup> that continuous residence permit is a fixedterm permit that can be extended for a maximum of 4 years at a time. However, there is another type of a fixed-term residence permit, which is called a temporary residence permit and which can be extended for a maximum of 1 year at a time. The Committee notes that the first permit is usually granted for one year.

In its previous conclusion (Conclusions 2007) the Committee found that the situation in Finland was not in conformity with the Revised Charter because of the length of residence requirement imposed on nationals of certain States Parties, lawfully resident or regularly working in Finland, for entitlement to financial assistance for training.

In the light of the new information received, the Committee asks whether those nationals of other States Parties who have obtained a temporary residence permit are guaranteed equal treatment with regard to financial assistance for training.

#### *Training during working hours (Article 10§5 c)*

The Committee notes that there have been no changes to the situation which it previously found to be in conformity with the Charter.

# Efficiency of training (Article 10§5 d)

The Committee reiterates its request for more information concerning the measures to evaluate the efficiency of training.

#### Conclusion

Pending receipt of the information requested, the Committee defers its conclusion.

# Article 15 – Right of persons with disabilities to independence, social integration and participation in the life of the community

# Paragraph 1 — Education and training for persons with disabilities

The Committee takes note of the information provided in Finland's report and the additional information submitted by the Government on 19 May 2008 in reply to a further question addressed to it by the Committee.

According to the report, in 2005, the total number of persons with disabilities eligible for statutory disability benefit was 254,000 (entitlement to the benefit requires a substantial disability). Moreover, recipients of benefits under the Services and Assistance for the Disabled Act and the Act on Special Care for the Mentally Handicapped were 120,000.

# Non-discrimination legislation

The Committee recalls from its previous conclusions (Conclusions XVI-2 and 2007) that the Constitution guarantees equal treatment for persons with disabilities and that the 1998 Basic Education Act (Section 17) guarantees equal education to every child and in this context promotes inclusive education for children with disabilities.

In its previous conclusion, the Committee asked whether the latter act as well as the Act on Vocational Education (No. 630/1998) explicitly prohibit discrimination on the basis of disability. The report does not provide a reply to this question, however the Committee notes from another source<sup>1</sup> that the Non-Discrimination Act (No. 21/2004) prohibits discrimination *inter alia* on the basis of disability in access to education, all types of vocational training and retraining. The Committee asks the next report to clarify whether aspects other than access to education, vocational training and retraining are also explicitly covered by the non-discrimination legislation.

# Education

As regards admission and/or transferral of students to special-needs education, the Committee had noted that the Basic Education Act provides for the possibility of lodging an appeal against the decision taken against the will of parents/carers with the state provincial office and that a further appeal against such decision could be lodged with an administrative court. The Committee had asked the report to clarify whether the victim could ask for compensation for the damage suffered as a result of discrimination, as well as information on the existing relevant case law. Since the report does not provide the corresponding information, the Committee reiterates its requests.

In relation to the issue of special-needs education, the Committee notes from the report that in 2005 the percentage of students transferred to such education increased by 7.5% compared to the previous year. It also takes note that the largest proportion of the students transferred had learning difficulties caused by emotional disturbances or social maladjustments. The report also points out that during the school year 2004-2005 more than every fifth student received part-time special needs education for the same reasons. According to the additional information provided by the Government, in 2006, little less than half of the students receiving special needs education were integrated entirely or partly in supported mainstream education. Slightly more than half studied in special groups in comprehensive schools or special institutions. In 2006 there were 176 such institutions.

<sup>&</sup>lt;sup>1</sup> Finland Country Report on measures to combat discrimination (Directives 2000/43/EC and 2000/78/EC), State of affairs up to 8 January 2007. Report drafted by Timo Makkonen for the European Network of Legal Experts in the non-discrimination field, available at:

http://europa.eu.int/comm/employment\_social/fundamental\_rights/policy/aneval/mon\_en.htm

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The amount of students in these institutions was slightly under 8,000. Compared to the year 1999 the number of students has decreased by 4,000.

The Committee reiterates its request to obtain information concerning:

- figures on mainstreaming in general upper secondary education, including an estimation of how many students have intellectual disabilities;
- information on whether general teacher training includes a module on special educational needs.

#### Vocational training

The Committee notes from the report that in 2005 vocational and career planning services were provided to 6,500 persons with disabilities, representing 20.2% of the total number of persons benefiting from such services (in 2006 the figures decreased: 5,700 persons with disabilities, representing 18.2%).

The Committee also notes from the report that vocational education may be supplemented by training try-outs aimed at giving disabled students an opportunity to orient themselves to workplaces within their fields of interest. The students' aptitudes for a particular field are studied and verified during these try-outs. The Committee wishes to receive further information on such training and its outcome.

The report points out that rehabilitative instruction and guidance is intended to prepare students with disabilities (particularly those with severe disabilities who cannot participate in education leading to a vocational upper secondary qualification) for work and independent life. Individual rehabilitation plans are prepared to help each student. Teachers providing rehabilitative instruction are supported by multiskilled support staff (in general one support person for three to five students). The Committee requests the next report to provide figures concerning such instruction (number of disabled persons attending such courses and percentage of those entering into some kind of work relationship thereafter).

Finally, in its previous conclusion the Committee recalled that under Article 10 of the Revised Charter it regards vocational training as encompassing all types of higher education including university education. It considers that this interpretation applies *mutatis mutandi* to Article 15. Not having received any information in this regard, it reiterates its question concerning access of persons with disabilities to higher education.

#### Conclusion

Pending receipt of the information requested, the Committee concludes that the situation in Finland is in conformity with Article 15§1 of the Revised Charter.

#### Paragraph 2 – Employment of persons with disabilities

The Committee takes notes of the information provided in Finland's report.

According to the report, in 2005, the total number of persons with disabilities eligible for statutory disability benefit was 254,000: 86,000 (34%) were of working age (16-65). Entitlement to the disability benefit requires a substantial disability. In addition, there are other persons who need support and services for different functions.

#### Non-discrimination legislation

The Committee refers to its previous conclusions (Conclusions 2007) for the description of the Non-Discrimination Act (No. 21/2004), which prohibits direct and indirect discrimination in employment and training on the ground of, *inter alia*, disability and reiterates its previous

questions concerning the implementation of the reasonable accommodation obligation as they were not addressed in the current report, i.e. :

- How is the reasonable accommodation obligation implemented in practice?
- Has the reasonable accommodation obligation given rise to cases before courts?
- Has the reasonable accommodation obligation prompted an increase in employment of persons with disabilities in the open labour market?

#### Measures to promote employment for persons with disabilities

As to measures in place to encourage employers to hire and keep in employment persons with disabilities, the Committee refers to its previous conclusions for their description. It recalls that it asked the next report to indicate any measures introduced to further enable the integration of persons with disabilities into the ordinary labour market and the general rate of progress into it.

In reply to the Committee, the report indicates that to improve the capacity of disabled jobseekers for work and training and to support their employment, the labour administration arranged for supportive measures, including examinations of health and working capacity, rehabilitation examinations, expert consultations, work try-outs at working places, work and training try-outs and preparative training for working life (supported employment). The report highlights that thanks to such measures the number of disabled persons in the ordinary market increased from 42 933 in 2004 to 44 000 in 2006.

The Committee has previously recalled that people working in sheltered employment facilities where production is the main activity must enjoy the usual benefits of labour law. It asks again whether this is the case and whether trade unions are active in sheltered facilities.

#### Conclusion

The Committee concludes the situation in Finland is in conformity with Article 15§2 of the Revised Charter.

Paragraph 3 – Integration and participation of persons with disabilities in the life of the community

The Committee takes notes of the information provided in Finland's report.

#### Anti-discrimination legislation and integrated approach

In the previous conclusion (Conclusions 2007), the Committee concluded that the situation was not in conformity with the Revised Charter on the grounds that there was no antidiscrimination legislation prohibiting discrimination on grounds of disability in the areas covered by this provision. There has been no change to this situation. Therefore the Committee again concludes that the situation is not in conformity with Article 15§3 of the Revised Charter.

In 2006 the Government published a report on Finnish disability policy; the report assesses the strengths and challenges of the current policy and proposes measures to improve it. The report reiterates that Finnish disability policy is based on equality, inclusion and the right of persons with disabilities to the necessary services and support measures. The Committee asks whether this report has resulted or contributed towards the development of integrated programming.

#### Measures to overcome barriers

The National Research and development Centre for Welfare and Health (STAKES) coordinates a Design for All Network, which aims to design and promote the accessibility of all environments, in the fields of communication, the built environment, technologies and services. The Committee asks for information on the results from the development of the Design for All Networks programme.

#### Technical aids

In the last conclusion (*ibidem.*), the Committee noted that services and supportive measures based on the Act on Services and Assistance for the Disabled supplement general services when these are not sufficient or suitable for a person with disabilities.

The Committee refers to its statement of interpretation on Article 15§3 in the General Introduction to these conclusions.

It asks whether persons with disabilities are entitled to free technical aids or must contribute themselves to the cost. If an individual contribution is required, the Committee asks whether the state provides some financial contribution to the cost of obtaining technical aids. It also asks whether disabled persons are entitled to free support services, such as personal assistance or home help, when required, or have to meet some of the cost of such measures. The Committee finally asks whether mechanisms are in place to assess the barriers to communication and mobility faced by individual persons with disabilities and to identify the technical aids and support measures that may be required to assist them in overcoming these barriers.

#### Communication

In 2006 legislation increased the number of interpretation hours for deaf blind persons from 180 to 360, and from 120 to 180 for others needing these services. These are free services provided by the municipalities.

# Mobility and transport

The Ministry of Transport and Communication completed a project on accessibility of public transport in 2006. The Committee asks to be informed of the results of this project.

#### Cultural and leisure activities

In 2006 the Ministry for Education adopted a programme entitled Access to Arts and Culture for All 2006-2010, which, inter alia, aims to strengthen the access to cultural rights for persons with disabilities and promote the cultural rights of persons with disabilities. The measures include increasing funding of the cultural activities of disabled persons' communities and improving access for persons with disabilities to mainstream culture. In addition in 2007 the Ministry of Education set up a new cross expert body on improving accessibility of culture.

#### Conclusion

The Committee concludes that the situation in Finland is not in conformity with Article 15§3 of the Revised Charter on the grounds that there is no anti-discrimination legislation covering issues such as housing, transport, telecommunications and cultural and leisure activities.

# Article 18 – Right to engage in a gainful occupation in the territory of other Contracting Parties

# Paragraph 1 – Applying existing regulations in a spirit of liberality

The Committee takes notes of the information provided in Finland's report.

# Foreign population and migratory flows

It notes, from another source<sup>1</sup>, that at 30 September 2005 there were 113,900 foreigners in Finland, equal to 2.2% of the population. The Committee also notes that in 2005 immigration for lengthy periods of residence – immigration mainly for family and humanitarian reasons – reached its highest level since 1991, with 12,700 people entering the country, mainly Russians and Estonians. These two nationalities likewise figured prominently among temporary migrants, notably those entering the country to perform seasonal work.

# Work permits

The Committee refers to its previous conclusions (Conclusions 2007) for a detailed examination of the regulations governing employment of foreigners. In this connection it points out that, under the new Aliens Act (Law No. 301/2004), nationals of states not parties to the Agreement on the European Economic Area are required to apply for residence permit. The permits are granted on either a temporary or a continuous basis according, in particular, to the nature and duration of the work.

In its previous conclusions (ibidem) the Committee noted that some categories of residence permit gave the holder a limited right to employment. In this connection the report states that since 1 February 2006 foreigners holding a residence permit for study purposes have been allowed to carry on a full-time activity when this is either a work placement connected with their studies or work for completion of a study course. In addition, their right to carry on part-time work, which before 1 February 2006 was limited to 20 hours a week, is now limited to 25 hours a week.

The Committee notes that the transition period concerning workers who are nationals of the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Slovenia or Slovakia ended on 30 April 2006. Thus nationals of these countries are no longer required to obtain a residence permit for work purposes; they are however required to register their recruitment details with the employment services<sup>2</sup>.

# Relevant statistics

The Committee notes that in the 2005-2006 period, whereas applications for an employed person's residence permit increased, applications for a self-employed person's permit decreased: the report states that in 2006 there were 3,838 applications for an employed-person's residence permit and 84 for a self-employed residence permit, as against 3,344 for an employed person's permit and 128 for a self-employed person's permit in 2005.

The Committee also notes that in 2006 some 2,859 employed person's residence permits were granted, which corresponds to a roughly 25% refusal rate, as compared with 2,915 permits granted and a roughly 12.5% refusal rate in 2005. It therefore notes that, in the case of employed persons, the rise in applications has been paralleled by a rise in refusal rates. The situation is different with regard to the self-employed person's residence permit: in 2006 58 self-employed person's residence permits were granted, corresponding to a

<sup>&</sup>lt;sup>1</sup> <u>http://www.oecd.org/</u>

<sup>&</sup>lt;sup>2</sup> <u>http://europa.eu.int/eures</u>.

refusal rate of around 30%, as against 39 granted and a refusal rate of around 68% in 2005. Thus, the Committee therefore notes that, while the number of applications for a self-employed person's residence permit is on the decrease, the proportion of self-employed person's permits granted has increased.

It points out that the assessment of the degree of liberality, and thus of the conformity with Article 18§1 of the Revised Charter, is based on figures showing the refusal rates for both first-time and permit-renewal applications (Conclusions XVII-2, Spain). Even in the absence of data for renewal applications the Committee observes that the refusal rates are very high for first-time applications, a sign that the existing regulations are not being applied in a spirit of liberality.

The Committee requests that the next report provide statistics, with a breakdown per country, on applications for employed person's/self-employed person's residence permits granted, refused and renewed in respect of all nationals of States Parties and not parties to the Agreement on the European Economic Area.

#### Conclusion

The Committee concludes that the situation in Finland is not in conformity with Article 18§1 of the Revised Charter because the existing regulations are not being applied in a spirit of liberality.

#### Paragraph 2 – Simplifying formalities and reducing dues and taxes

The Committee takes notes of the information provided in Finland's report.

It notes that according to the report, there have been no changes to the administrative formalities connected with the issuing of residence permits for employees and self-employed persons. For a detailed description of these formalities, the Committee refers to its previous conclusion (Conclusions 2007).

In this conclusion, it asked for additional information on the different formalities to be completed to obtain an employee's or self-employed worker's residence permit (documents required, conditions, etc.) depending on whether the application was made in Finland or the foreign worker's country of origin. Noting the lack of information about the conditions for renewal of residence permits for employees or self-employed persons, the Committee also asked for the next report to give details of the relevant legislation. It noted that the new Aliens Act had made it possible to speed up the processing of permit applications. In the absence of any detailed information in this respect, the Committee had asked the Government to provide, if possible, estimated figures on waiting times for employees' and self-employed persons' residence permits.

It notes that the report does not answer any of the above questions. The Committee consequently repeats these questions.

It notes that according to another source<sup>1</sup>, continuous residence permits are granted initially for one year and then may be extended up to a maximum of four years. After four years of residence with a continuous residence permit, foreign workers may apply for a permanent residence permit. Temporary residence permits are granted for the duration of the employment contract and may only be extended by one year at a time.

The Committee reiterates that Article 18§2 of the Revised Charter implies that it should be possible to complete the formalities for obtaining the required residence and/or work permit both in the country of destination and in the country of origin and to obtain both

<sup>&</sup>lt;sup>1</sup> http://www.migri.fi/

residence and work permits using one and the same procedure, and that waiting times to obtain permits should be reasonable (Conclusions XVII-2, Finland and Germany). The Committee previously (Conclusions 2007) considered that Finnish legislation certainly satisfies the first two requirements, but, although it put a question on the subject in the previous conclusions, the Committee does not have enough information to assess the situation as regards waiting times. It therefore asks how long it takes in practice to process applications for residence permits for employees and self-employed persons.

The Committee emphasises that if the next report does not provide the necessary information, there will be nothing to show that the situation in Finland is in conformity with Article 18§2 of the Revised Charter.

#### Chancery dues and other charges

The Committee notes that there have been no changes in the fees charged for issuing or renewing residence permits since the last reference period – the charge is still  $\in$  175 for a first permit and  $\in$  100 for a renewal.

In reply to the Committee's question, the report states that there are no plans to reduce these charges. On the contrary, under the new Decree on the Directorate of Immigration's Service Charges, which came into force on 1 January 2007 (outside the reference period), the fee for a first permit has been increased to  $\in$  200 and the fee for a renewal to  $\in$  120. The report points out, nonetheless, that these fees are based on the costs incurred by the authorities when processing permit applications but are lower than the actual cost. Furthermore, whenever the authorities increase fees, they bear in mind that they must not be excessive and that they must not be an obstacle to foreign workers entering the country.

The Committee points out that under Article 18§2 of the Revised Charter the Contracting Parties undertake to reduce or abolish chancery dues and other charges payable by foreign workers or their employers. It considers, however, that increases in chancery dues or other charges cannot be considered to be not in conformity with Article 18§2 of the Revised Charter as long as they are duly justified (for example in order to cover increased processing costs or inflation) and they are not excessive. In the present case, bearing in mind that the increase in charges is warranted by the increased costs incurred by the authorities to process applications, the Committee concludes that the situation in Finland is in conformity with Article 18§2 of the Revised Charter in this respect.

# Conclusion

The Committee concludes that the situation in the Finland is in conformity with Article 18§2 of the Revised Charter.

# Paragraph 3 – Liberalising regulations

The Committee takes notes of the information provided in Finland's report.

#### Access to the national labour market

The Committee notes that according to the report, the legislation on the conditions of access to employment for foreign workers remained largely unchanged during the reference period. For a detailed description of the formalities, it refers to its previous conclusion (Conclusions 2007).

The new Aliens Act improves access to the labour market for various categories of foreigners. Accordingly, persons who have obtained a permanent residence permit or hold a continuous residence permit for reasons other than work, persons issued with temporary residence permits for the purposes of humanitarian protection or immigration on humanitarian grounds or persons with permits because of a family tie are entitled to

engage in a paid occupation (Conclusions 2007, Article 18§1). Foreigners with residence permits for the purpose of studies may also engage in a gainful, full-time activity as long as it consists of a traineeship related to their studies or the preparation of a research paper (in this connection the Committee refers to its conclusion under Article 18§1). The report also states that, on completion of a degree or other qualification, foreign students may be granted new temporary residence permits so that they can look for work in Finland.

#### Exercise of the right to employment

The Committee points out that, in principle, residence permits are granted only for one or more occupational sectors. Holders may change jobs within the sector or sectors for which the permit was granted as well as changing their workplace (Conclusions 2007). Furthermore, after four years of residence with a continuous residence permit, foreign workers may apply for a permanent residence permit (in this connection the Committee refers to its conclusion under Article 18§2).

In its previous conclusion (Conclusions 2007), the Committee noted that, for specific reasons, employees' residence permits could be granted for a single employer only, and it asked what these reasons were. It also wishes to know whether and under what conditions the holders of residence permits for self-employed persons could change their sector of activity. In the absence of any information in the report, the Committee repeats these questions.

#### Consequences of loss of job

In the previous conclusions (Conclusions 2007), the Committee observed that loss of job did not entail the withdrawal of the related residence permit and foreign workers could look for a new job, provided that their residence permit is still valid. It noted, however, that permits could not be extended for the sole reason that the person concerned was looking for a job and asked whether there were any plans to liberalise this rule. The Committee also asked whether residence permits could be extended pending a court decision for foreign workers appealing against dismissal.

It notes that the report does not answer any of these questions. The Committee recalls that, in the event of loss of job, Article 18 of the Revised Charter requires extension of the validity of residence permits to provide sufficient time for a job to be found<sup>1</sup>.

The Committee concludes that the situation in Finland is not in conformity with Article 18§3 of the Revised Charter on the grounds that the rules governing consequences of loss of job are restrictive and the report contains no information that the latter have been liberalised.

#### Conclusion

The Committee concludes that the situation in Finland is not in conformity with Article 18§3 of the Revised Charter on the grounds that it has not been established that the rules governing consequences of loss of job have been liberalised.

# Paragraph 4 – Right of nationals to leave the country

The Committee notes from Finland's report that there have been no changes in the situation it previously considered to be in conformity with the Revised Charter.

It asks for the next report to provide a complete list of practical circumstances in which Finnish citizens may be prevented from leaving the country, and their legal basis.

<sup>&</sup>lt;sup>1</sup> Conclusions XVII-2, Finland

# Conclusion

The Committee concludes that the situation in the Finland is in conformity with Article 18§4 of the Revised Charter.

# Article 20 – The right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex

The Committee takes notes of the information provided in Finland's report.

### Equal rights – legal framework

The Committee previously took note of the amendments to the Act on Equality between Men and Women (amendment 232/2005), which, inter alia removed the limits on compensation payable in the event of sex discrimination. The situation previously found not in conformity with the Revised Charter has therefore been amended.

The Committee notes the amendments to the rules on parental leave, it will consider these the next time it examines Article 27.

The Committee previously asked whether it was possible in equal pay cases to make comparisons of pay and jobs outside the company directly concerned. It reiterates its request for this information

#### Position of women in employment and training

In accordance with the Action Plan for Gender Equality (2003–2007), the Government increased the percentage of women in elected bodies of state owned companies and associated companies. The objective of increasing the percentage of women was achieved only when it comes to candidates nominated by the Government.

Women account for slightly less than half of all Government staff but for only about one third of senior officials.

After the parliamentary election in spring 2007, 42% of the Members of Parliament and 12 of the 20 ministers are women.

In the private sector, women accounted for 12% of the board members of all listed companies in Finland.

The gender wage gap remained at 20% in 2006. The Committee asks how the pay gap is calculated and what percentage of this cannot be attributed to known factors such as part time employment of women or the employment of women in professional sectors with lower remuneration. It again asks for information on measures taken to close this gap. The Committee again asks for information on measures taken to close this gap

#### Measures to promote equal opportunities

The Committee asks the next report to provide information on the most significant measures taken during the reface period to promote equal opportunities.

#### Conclusion

Pending receipt of the information requested, the Committee concludes that the situation in Finland is in conformity with Article 20 of the Revised Charter.

# Article 24 – The right to protection in cases of termination of employment

The Committee takes notes of the information provided in Finland's report.

#### Scope

The Committee refers to its previous conclusion on Article 24 (Conclusions 2007) where it has found that the scope of the provisions dealing with the protection against dismissals in the Employment Contracts Act is in conformity with the requirements of the Revised Charter.

#### Obligation to provide a valid reason for termination of employment

The Committee reiterates its request for a summary of significant case law showing how the grounds for termination of employment as assessed in its previous conclusion (*ibid.*) are interpreted by the competent courts in practice. It asks in particular whether courts are empowered to review the facts underlying a dismissal that is based on financial or production-related grounds invoked by the employer.

The Committee notes that according to Chapter 6 Section 1a of the Employment Contracts Act as amended, an employee's employment relationship is terminated without giving notice and without notice period at the end of the calendar month during which the employee becomes 68 years of age unless the employer and the employee agree to continue the employment relationship. The Committee understands that even though the said Act permits termination on this ground, termination is not compulsory but still subject to the discretion of the employer.

The Committee holds that dismissal on the grounds of age will not constitute a valid reason for termination of employment unless a termination is, within the context of national law, objectively and reasonably justified by a legitimate aim such as legitimate employment policy, labour market objectives or the operational requirements of the undertaking, establishment or service and provided that the means of achieving that aim are appropriate and necessary. In this context it wishes the next report to provide information on what are the underlying legitimate aims of the aforementioned provision of the Employment Contracts Act. It furthermore wishes to know whether dismissal of an employee having reached the age of 68 further is subject to the condition that the employee has fulfilled the conditions as set out in the relevant social security legislation for entitlement to a retirement pension. Meanwhile, the Committee reserves its position on this point.

#### Prohibited dismissals

The Committee examined the situation as regards dismissals prohibited under Finnish law in its previous conclusions (*ibid*) and found the situation to be in conformity with the Revised Charter.

#### Remedies and sanctions

The Committee noted that employees who believe they have been unlawfully dismissed may take a case before the courts and seek compensation which is limited to an amount equal to 24 months pay. It further noted in the last supervision cycle in its conclusion on Article 27§3 and Article 8§2 on Finland (Conclusions 2007) that the Employment Contracts Act does not provide for reinstatement.

The Committee holds that Article 24 of the Revised Charter requires that courts or other competent bodies are able to order adequate compensation, reinstatement or other appropriate relief. In order to be considered appropriate, compensation should include reimbursement of financial losses incurred between the date of dismissal and the decision of the appeal body ruling on the lawfulness of the dismissal, the possibility of reinstatement

and/or compensation sufficient both to deter the employer and proportionate to the damage suffered by the victim. The Committee finds the situation in Finland not to be in conformity with Article 24 of the Revised Charter in this respect.

Finally, the Committee asks the next report to specify how the burden of proof is distributed between the parties to court proceedings regarding unfair dismissals. It holds that in such proceedings the burden of proof should not rest entirely on the complainant, but should be the subject of an appropriate adjustment between employee and employer.

#### Conclusion

The Committee concludes that the situation in Finland is not in conformity with Article 24 of the Revised Charter on the ground that the compensation for unlawful termination of employment is subject to an upper limit.

# Article 25 – The right of workers to the protection of their claims in the event of the insolvency of their employer

The Committee takes notes of the information provided in Finland's report.

The report merely refers to the previous report and thus does not answer the questions asked by the Committee in its previous conclusion (Conclusions 2007).

The Committee recalls that protection of employees' claims in the event of the employer's insolvency is governed by the Unemployment Benefit Financing Act and the Pay Security Act. As defined by the latter, insolvency covers not only bankruptcy or inability to make payments but also situations in which, though no dispute or formal insolvency proceedings are involved, the employer is declared insolvent by the competent supervisory authority.

Claims are protected by an unemployment insurance fund established by the Unemployment Benefit Financing Act. Protection covers all claims arising from an employment relationship, including claims for holiday pay and amounts due in respect of other types of paid absence. No category of employee is excluded from it. The maximum amount which can be granted is  $\in$ 15,200.

In this connection the Committee wishes to know the protection period in respect of each type of protected claim and if the aforementioned ceiling is adjusted periodically. It also wishes to know the precise arrangements for financing the Unemployment Insurance Fund and requests an estimate of the overall proportion of employees' claims which is met by the fund and the average length of time between submission of claims and payment of the sums due to employees. In addition, the Committee reiterates the following question asked in its previous conclusion (Conclusions 2007):

 Does the protection system in force cover part-time employees, employees on fixedterm contracts and persons on temporary contracts?

#### Conclusion

Pending receipt of the information requested, the Committee concludes that the situation in Finland is in conformity with Article 25 of the Revised Charter.