

**THE FIRST PERIODIC REPORT OF THE REVISED EUROPEAN  
SOCIAL CHARTER**

**SUBMITTED BY THE GOVERNMENT OF FINLAND**

**JANUARY 2006**

## REPORT OF THE GOVERNMENT OF FINLAND

For the period from 1 August 2002 to 31 December 2004, in accordance with Article C of the Revised European Social Charter and Article 21 of the European Social Charter, on the measures taken to give effect to Articles 1 (with the exception of 1 § 4), 5, 6, 7, 12, 13, 16, 19 and 20 of the Revised European Social Charter, the instrument of approval of which was deposited on 21 June 2002.

In accordance with Article C of the Revised European Social Charter and Article 23 of the European Social Charter, copies of this official report in the English language have been communicated to 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), the Confederation of Finnish Industry and Employers (TT), the Employers' Confederation of Service Industries (PT).

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## ARTICLE 1: RIGHT TO WORK

In respect of Article 1, the Government further refers to the National Action Plan for Employment for 2004 (Annex 1) constituting the response of the Government of Finland to the guidelines for the employment policies adopted by the Council Decision in 2004<sup>1</sup>, and to the recommendations addressed to Finland. These, in turn, are based on the European Employment Strategy established at the Lisbon European Council of the EU in 2003.

### Article 1, para. 1: Level of employment

#### *Question A: Policy followed in attempting to reach and maintain full employment*

The main objective of the economic policy of Prime Minister Matti Vanhanen's Government is to raise the employment rate with 100,000 persons by the end of the Government term from 2003 to 2007. The aim is to reach an employment rate of 75% by the year 2011, with the support of tax policy. A reform of the corporate income tax and the tax on capital entered into force at the beginning of 2005, improving the competitiveness of the Finnish corporate income tax in respect of both the tax rates and the tax base. For the purpose of enhancing employment, tax concessions are focused on employees with small and middle-sized income.

In 2003, the Government introduced four cross-sectoral programmes - employment, business initiative, information society, and civil society participation - that are meant to ensure the effective achievement of the objectives and cooperation between the different sectors of administration for their achievement. The purpose of the Government's employment programme is to reduce structural unemployment and to ensure the availability of labour. The public employment service is undergoing a reform during the Government term. There are now 29 employment service centres offering services for those jobseekers that have most difficulties to find employment, whereas the local employment agencies may focus on other employment services.

#### Trends in total employment policy expenditure

##### Spending on active and passive labour policy measures in 2000 to 2003 (million euro)

	2000	2001	2002	2003
Employment services	123.3	144.3	151.5	177.5
Training and in-house training	494.4	439.1	477.1	509
Part-time work	71.4	79.6	70.5	88.5
Employment incentives	152.4	154.8	152	186
Vocational rehabilitation	121.8	140.4	148.7	144
Employment in the public sector	149.1	133.5	145.3	129.1
Support for the setting up of private business	15.2	14	14.7	16.1
Active measures in total	1127.6	1105.7	1159.8	1250.2

Unemployment	2000	2001	2002	2003
(Adjusted daily allowance)	164.6	157.6	164.3	163.8
Unemployment benefits	1960.9	1894.9	1999.1	2102.1

<sup>1</sup> Council Decision (2004/740/EC) of 4 October 2004 on guidelines for the employment policies of the Member States [Official Journal L 326 29.10.2004]

Unemployment pension	621 680.8 742.1 736.9
Passive measures in total	2746.52733.32905.53002.8
Labour policy measures in total	3874.1 38394065.3 4253

#### Number of employed by category of persons

Year	2002	2003
In total	36 600	35 180
Young persons	3 600	3 700
Long-term unemployed	19 800	18 240
Disabled	2 300	2 340

#### Active policy measures

##### Women

The strong position of Finnish women in the labour market is based on their high-level education and participation. Job segregation, i.e. the distribution of jobs on the basis of sex, and the wage differentials between the two sexes constitute, however, a problem, particularly in female-dominated sectors of employment. A working group that has considered ways to reduce job segregation gave its report in 2004, proposing a number of measures relating to the contents of teaching, education, vocational guidance, and the development of working life.

For the purpose of increasing the share of women in political and administrative decision-making, the Government has launched a programme that is applied until the end of 2005. The aim of the programme is to increase the number of women in the boards of government of state-owned companies and companies in which the State has shares. In the light of an interim assessment, it seems that the share of women has increased, as in the highest and middle levels of management their share was 17% in 1997 and 33% in 2003.

On 7 May 2004, the Ministry of Trade and Industry set up a working group, for the period of time from 10 May to 31 December 2004, to assess ways to enhance female entrepreneurship and to develop counselling services designed for female entrepreneurs.

The volume and effectiveness of loans granted by financing company Finnvera<sup>2</sup> to female entrepreneurs have further increased. In 2003, the loans granted amounted to a total of 18,208,000 euro (EUR 17,321,000 in 2002), covering in total 1,213 projects. The companies that received such financing created a total of 1,200 new jobs. There are particularly large numbers of female entrepreneurs among estate agents and other personal service producers.

##### Young persons

The Government aims at reducing the unemployment of young persons by means of a *social guarantee for young persons*, which applies to young persons within the meaning of the Act on the Public

<sup>2</sup> Finnvera plc is a specialised financing company offering financing services to promote the domestic operations of Finnish businesses, and to further exports and internationalisation of enterprises. As a financing company owned by the State, Finnvera supplements the financial market and enhances the development of business activities, regions and exports.

Employment Service (1295/2002), i.e. to unemployed jobseekers under the age of 25 years. The social guarantee means that an unemployed jobseeker under the age of 25 is given - at the latest when the unemployment has lasted three months without interruptions - a promise of an active measure to improve his or her situation. The Government has also set an objective that at least 96% of persons completing comprehensive school education move on to the upper secondary school, vocational education or voluntary additional basic education. There is also an intention of increasing apprenticeship training.

For the purpose of supporting the career planning and educational choices of young persons, the National Board of Education has introduced a project to develop the educational guidance services at comprehensive schools, upper secondary schools and vocational schools between 2003 and 2007. The procedures applied by vocational schools and upper secondary schools to the admission of students is developed with a view to ensuring the access of young persons completing comprehensive school to further studies during the same year. Such unemployed young persons who do not continue their studies after comprehensive school are offered a possibility to in-house or workshop-type of training meant for young persons, at the latest when they have been unemployed for three months.

The purpose of the workshop-type of training is to improve the young persons' command of life. The workshops should help them find employment or education, and support pupils of comprehensive schools and/or vocational schools so that they would be able to complete comprehensive school and obtain basic vocational education. In addition, the workshops offer possibilities for job experiments, traineeships and work. Although the workshops have national objectives and their activities take place within a set national framework, the implementation of workshops takes always place at the local or regional level.

#### Ageing workers

Finland has been implementing an active national policy on ageing workers for several years already, by means of introducing reforms of working life, applying the principle of life-long learning and developing the national employment policies. In addition, there are national programmes (TYKES<sup>3</sup> and VETO<sup>4</sup>) for the development of working life, which support ageing workers in staying at work. The restrictions concerning the possibility of early retirement and the system of part-time pension, entailing increased part-time work that helps ageing workers to gain strength, have contributed to the positive development.

#### Long-term unemployed

The Government has set an objective of reducing structural unemployment by increasing, among others, the number of employment service centres offering services for those jobseekers that have it most difficult to find employment. The reform of public employment service, which began in 2004, improves the possibilities of employment agencies to focus on regular job exchange, job-seeking and vocational training services. The reform particularly aims at supporting initiative-taking by the jobseekers themselves. In 2004, there were a total of 29 employment service centres or joint service points. The employment service centres and joint service points constitute a coherent network of activating services provided by the local administration, including employment agencies, other local authorities and the Social Insurance Institution. Such services include, among others, training and rehabilitation as well as support for unemployed persons in the command of life and search for jobs.

<sup>3</sup> The TYKES programme supports the development of organisational and management practices of Finnish workplaces, with a view to developing the quality and productivity of working life.

<sup>4</sup> VETO is a national action programme to enhance the attraction of working life and the capacity for work and rehabilitation of persons at working age.

The Rehabilitative Work Act (189/2001) imposes on local authorities and employment agencies an obligation to prepare an individual activation plan together with a young person or a customer who has been unemployed for a long time. In case it is not possible to offer training or work to the customer, the local authority must arrange rehabilitative work that may enhance the said person's possibilities to find employment. On the basis of the results of follow-up made so far, it has been shown that the customers had felt it necessary to have an activation plan made. It has encouraged them to independently search for jobs and set objectives. After six months' follow-up, half of the persons participating in the follow-up survey had found employment or benefited from various active measures enhancing employment, and 8% had found employment in the open labour market. The dependency on social security benefits also reduced in respect of such persons for whom an activation plan had been prepared.

In addition to the reforms of public employment service and labour market subsidy, the system of employment subsidies will be clarified and the criteria for the retirement on pension of the long-term unemployed will be assessed.

#### Persons with disabilities

In accordance with an agreement reached between the Government and trade unions, the legislation applied to rehabilitation has been amended with effect as of 1 January 2004. Upon the amendment, workers who face a risk of losing their capacity for work, have the right to vocational rehabilitation under the applicable pensions legislation. The objective is that the vocational rehabilitation improves the possibilities of persons with reduced capacity for work to stay at work.

The Social Enterprises Act (1351/2003) entered into force in January 2004. The purpose of the Act is to enhance the possibilities of persons with reduced capacity for work and long-term unemployed persons to find work in social enterprises. Such enterprises differ from other companies in that at least 30% of their employees are persons with reduced capacity for work, or both such persons and long-term unemployed. Social enterprises may be granted employment subsidy or combined subsidy on less strict conditions than to other companies and for a longer period of time. In September 2004, there were 11 social enterprises in Finland. Of their 204 employees, 43% had reduced capacity for work or had been long-term unemployed.

#### Immigrants

In 2003, there were a total of 35,600 foreign jobseekers registered with employment agencies. Their estimated unemployment rate was approximately 28.6%, which is about 0.5% less than in the previous year. Foreign jobseekers were provided with the following employment services and other measures:

Employment in the open labour market	11,380
Employment with the support of active measures	9,100
Labour market training	13,390
Other training	1,730

In 2003, a total of 10,849 immigrants attended labour market training, which is 24% more than in the previous year. Adult immigrants, who fall within the scope of application of the Act on the Integration of Immigrants and Reception of Asylum-Seekers (hereinafter "the Integration Act", 439/1999), benefit from training enhancing their integration in Finnish society. A total of 8,635 labour market training measures were targeted at immigrants with an integration plan. In accordance with the recommendation of the Ministry of Education, the labour administration provides persons entitled to an integration plan and unemployed jobseekers in a corresponding situation with immigrant training amounting to 40

credits. Upon the completion of the training, immigrants are advised to take an intermediate-level Finnish language exam (levels 3 and 4).

The employment of immigrants has been easier as the demand for labour has increased particularly in the service sector, and the employers have increasingly seen immigrants as a resource in fields where there is a lack of labour. This trend has been supported by the active measures and preparatory training targeted at immigrants, as well as by vocational training arranged in cooperation with employers in the Helsinki area, including Finnish language courses.

Measures of employment and other active measures have been taken in respect of persons provided with an integration plan under the Integration Act between 1999 and 2003 as follows:

	<i>1999 May-December</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
<i>Employed in the open labour market</i>	<i>1,434</i>	<i>3,077</i>	<i>3,311</i>	<i>4,046</i>	<i>5,033</i>
<i>Employed with the support of active measures</i>	<i>897</i>	<i>2,072</i>	<i>2,655</i>	<i>3,691</i>	<i>4,936</i>
<i>Labour market training</i>	<i>2,241</i>	<i>5,635</i>	<i>6,527</i>	<i>8,164</i>	<i>8,635</i>
<i>Other comparable training/month</i>	<i>693</i>	<i>813</i>	<i>1,344</i>	<i>1,526</i>	<i>1,822</i>

In April 2003, a project (so-called *MoniQ*) for the development of cultural diversity at workplaces was introduced under the European Social Fund, covering the years 2003 to 2006. The purpose of the project is to create a functioning model for the recruitment of immigrants. In addition, the project includes training in cultural diversity and tolerance at workplaces.

#### Immigration policy programme

The immigration policy programme based on the Government's political programme was prepared by a working group set up by the Ministry of Labour, under the guidance of a ministerial group chaired by the Minister of Labour. The proposal of the working group for an immigration policy programme was submitted to the ministerial group on 15 June 2005. This new immigration policy programme, which is the second one, focuses on the enhancement of work-related immigration. Other relevant objectives include the improvement of preparedness for problems in the availability of labour by means of enhancing work-related immigration, the improvement of the system of integrating immigrants, and the improvement of ethnic relations, as well as the ensuring of that Finland will also in future be able to implement its humanitarian and other international obligations. The aim is to enhance the development of society based on the diversity of values and cultures and on the principle of non-discrimination, supporting thereby the internationalisation and competitiveness of Finland.

#### Ethnic minorities

*Roma.* In the spring of 2003, the Ministry of Labour sent out a questionnaire to all employment agencies to find ways to support the employment of Roma by means available to the labour authorities, to find out how many Roma have been registered as jobseekers or unemployed jobseekers with the employment agencies, and to get estimates as to the age distribution of unemployed jobseekers of Roma origin and their educational background.

As a result of the aforementioned inquiry, the Ministry of Labour sent a letter to the labour departments of the Employment and Economic Development Centres and to the employment agencies, proposing them various measures to enhance the employment of Roma. These measures include, among others, the designation of representatives of the labour administration to the regional advisory boards for Roma affairs, operating under the auspices of the Provincial State Offices of Southern Finland, Eastern Finland, Western Finland and Oulu, as well as the designation of a Roma contact person for each employment agency and the labour department of each Employment and Economic Development Centre. The other proposed measures include the increase of preparatory labour market training suitable for the Roma and training meant for the personnel of employment agencies and labour departments in issues relating to ethnic equality and Roma culture and in the inclusion of these aspects in their work.

In respect of ethnic minorities, the Government also refers to the information given concerning the Non-Discrimination Act (21/2004) below.

*Question B: Trends in employment*

Year	Employed			Labour available	Population	Labour available	Rate of activity**	Employment rate***
	In total	Men	Women	In total	15 to 74 years old	65 to 74 years old		
1996	2127000	1116000	1011000	2490000	3850000	14000	64.68	55.25
1997	2170000	1143000	1028000	2484000	3862000	15000	64.32	56.19
1998	2222000	1174000	1048000	2507000	3878000	15000	64.65	57.30
1999	2296000	1206000	1090000	2557000	3890000	15000	65.73	59.02
2000	2335000	1228000	1108000	2588000	3901000	17000	66.34	59.86
2001	2367000	1240000	1127000	2605000	3909000	17000	66.64	60.55
2002	2372000	1229000	1144000	2610000	3918000	18000	66.62	60.54
2003	2365000	1227000	1138000	2600000	3926000	20000	66.23	60.24
2004*	2370000	1231667	1138000	2610000	3934000	19000	66.34	60.24

\*Average during the third quarter of the year

\*\*Share of labour force among 15 to 74 years old persons

\*\*\*Share of employed persons among 15 to 74 years old persons

Source: Ministry of Labour

**Employment rate by age group in 2002 and 2003**

	2002	2003
15-64	67.7	67.3
15-24	39.4	38.5
25-54	81.5	81.1
55-64	47.8	49.6
20-64	72.4	72.0

Source: Finland's National Action Plan for Employment 2004

Year	Unemployment rate (registered persons)			Employment rate		
	In total	Men	Women	In total	Men	Women
1994	19.4	20.7	17.9	59.9	61.1	58.8
1995	18.2	18.9	17.4	61.1	63.1	59.1
1996	17.4	17.8	17	61.9	64.2	59.5
1997	15.9	15.8	15.9	62.9	65.4	60.3
1998	14.4	13.9	14.8	64.1	66.9	61.3
1999	13.2	12.8	13.6	66	68.4	63.5
2000	12.1	11.6	12.6	66.9	69.4	64.3
2001	11.3	11	11.7	67.7	70	65.4
2002	11	11.2	10.9	67.7	69.2	66.2
2003	10.9	11.1	10.6	67.3	68.9	65.7

**Part-time workers, share of all employees**

	In total	Men	Women
2002	12.5	7.7	17.2
2003	12.6	7.6	17.5

**Regional differences**

There are regional differences in both the employment rate and the unemployment rate in Finland. In 2003, the employment rate was 74% in southern Finland and between 55 and 57% in the eastern and northern parts of the country. The unemployment rate was the highest in Kainuu (17.0%) and the lowest in southern Finland (6.5%). Without labour policy measures, the differences between regions would be even bigger. The regional differences in the employment rate slightly increased when compared with the year 2002, whereas the differences in the unemployment rate became smaller.

The regional differences are particularly significant between southern Finland and the coast areas and the scarcely populated eastern and northern parts of the country. Within individual regions, there are also differences between rapidly growing agglomerations and countryside.

Average numbers of employed persons in 2004, 2003, 2002 and 2001:

	2004	2003	2002	2001
Jobseekers	524,305	523,355	523,484	525,569
Unemployed jobseekers	288,402	288,843	293,969	302,177
Men	152,179	153,473	154,460	153,433
Women	136,223	135,370	139,509	148,744
Persons under the age of 25	34,933	35,250	35,759	36,555
Over 50-year-old persons	98,858	95,881	95,301	98,260

Persons whose unemployment has lasted more than a year	73,040	72,426	77,661	82,693
Persons whose unemployment has lasted more than two years	31,756	33,336	36,407	39,224
Persons subject to lay-offs	13,239	14,219	12,695	10,366
Share of the unemployed of the whole labour available	11.1	11.1	11.3	11.7
Shortened working hours	2,129	2,330	2,446	2,701
Unemployment pension	50,694	52,992	54,668	52,715

Source: Employment survey of the Ministry of Labour  
Advance information: December 2004

#### Employed persons in 1995 to 2003:

1000 persons	1995	1996	1997	1998	1999	2000	2001	2002	2003
Nature of work									
Part-time work	245	245	238	253	277	286	288	302.3	307
Full-time work	1853	1882	1930	1968	2017	2047	2077.7	2068.5	2057
Not known	-	-	2	1	1	2	1.5	1.5	1
Employer									
Private sector	1469	1508	1547	1588	1656	1692	1718.4	1722.8	1709
Local authority	463	462	475	480	484	486	497.4	498	507
State	162	152	143	149	149	151	146.8	146.4	144
Not known	5	5	4	5	7	6	4.6	5.2	6
Position									
Entrepreneur	325	324	322	317	321	319	307.2	304	304
Salaried worker	1773	1803	1846	1905	1975	2016	2060	2068.2	2061
Not known	0	0	2	0	0	0	0.1	0.1	0
Sector									
Agriculture and forestry	170	159	153	144	144	142	135	126.7	120
Industries	457	461	463	475	488	494	496.8	491.4	470
Construction	115	118	130	139	149	149	145.3	147.8	151
Trade	301	316	329	339	355	354	357.2	363.3	363
Transportation	163	160	164	170	168	172	174.4	169.3	173
Finance and insurance	228	241	240	249	267	287	301.3	308	313
Public services	659	667	684	700	719	732	749.9	758.5	767
Not known	6	6	7	8	6	7	7.3	7.4	8

Source: Statistics Finland

*Question C: Trend in the number and the nature of vacant jobs*

<b>Year</b>	<b>Number of jobs/month</b>	<b>Share of new jobs</b>	<b>Average duration (days)</b>
1996	23,800	15,000	17
1997	30,400	18,900	18
1998	35,000	19,900	21
1999	34,500	20,900	19
2000	39,500	24,100	20
2001	43,400	25,300	21
2002	45,800	26,000	22
2003	48,800	26,600	24
2004	48,800	27,400	

Although the number of jobs has decreased in the sector of industries, it has increased in that of services. The upward trend has been the strongest in professional fields where the public sector plays a significant role. In addition, the number of jobs has increased in the sectors of finance, insurance, other business services and trade.

**Committee's conclusions XVII-1 concerning Article 1, para. 1**

*Employment situation*

The Committee has taken note of the figures given in an appendix to the Government's previous report. In particular, the Committee has noted that Finland had some 175,000 long-term and recurrently unemployed in 2002, and that this figure did not match the number of long-term unemployed given in the text of the report proper (77,700 persons). The Committee therefore asks how the figure of 175,000 is arrived at.

The smaller figure (77,700) consists of registered jobseekers who have been unemployed at least one year without interruptions. Any interruption of the period of unemployment may lead to them no longer being considered long-term unemployed. In the past decade, such interruptions were often related to a temporary active labour policy measure. Since then, most persons who have benefited from labour policy measures have ended up being unemployed again.

The larger figure (175,000) consists of all those persons who are considered to be in a difficult position in the labour market. This group includes the long-term unemployed (unemployed for at least a year without interruptions), persons who have been unemployed for at least 12 months in the past 16 months, and those who will, on the basis of monitoring data, most likely or certainly benefit from labour policy measures after a (three months') monitoring period. Consequently, the said figure is rather theoretical and gives account of a larger group of persons whose labour-market position is considered to be difficult.

### *Employment policy*

In respect of proposals and measures taken to ensure that a larger proportion of the unemployed, in particular the young unemployed, are offered participation in active labour market programmes, the Government refers to information given concerning young persons (on page 6 of the report).

#### Impact of policy proposals on expenditure.

In accordance with the objectives set for the Member States of the European Union, the Government has made efforts to activate unemployed persons and persons outside the labour force by means of various measures. In accordance with the Government's political programme, there is a plan to raise the activation rate for unemployed jobseekers, which was 23% in 2003 and 24% in 2004 and the objective of which is 25% for the year 2005, up to 30%.

In 2003, the structural unemployment reduced. Of young persons, 7.9% were unemployed for more than six months. (The corresponding figure was 8.6% in 2002.) Of persons over the age of 25 years, 8.8% were unemployed for more than twelve months in 2003, whereas the corresponding figure was 9.4% in 2002. These figures also indicate the share of those long-term unemployed persons who have not found work or education or benefited from other labour policy measures. On the basis of the statistical figures, the activation rate for young persons has increased.

The structural unemployment reduced rapidly from 1997 until 2001, but thereafter it has remained at a high level as the demand for labour has reduced. In respect of structural unemployment, the most difficult problem to be solved is that of the long-term unemployed whose share of the available labour was 2.1% in 2002 and 2003. The number of long-term unemployed persons began to rise again at the beginning of 2004.

At the same time, while the activation of unemployed persons has increased, it has been required that the effectiveness of measures remain at least at the existing level. In 2003, there was no change in the effectiveness of active labour policy measures when compared with the previous year. Three months after the termination of a measure, an average of 45% of participants were again unemployed jobseekers and 20% had been placed in different duties by means of various measures. Furthermore, 44% of those who had completed labour market training, and 52% who had been in subsidised employment, were unemployed again after three months.

The purpose of labour market subsidy is to enhance the possibilities of employment for persons entering the labour market or having been unemployed for a long time, by means of active measures. In practice, labour market subsidy has been mainly used as a means of ensuring the permanent income of long-term unemployed persons. A working group that was set up to assess the possibilities of reforming the system of labour market subsidy, submitted its proposal in January 2005. According to the working group's proposal, the duration of support paid without requiring participation in any activities should be limited to 500 days, and thereafter the payment of support would require participation in active measures.

Measure	2000	2001	2002	2003
Labour market training	3,720	2,998	2,930	2,991
Apprenticeship training for the unemployed	521	395	341	338
Traineeships	1,105	1,022	2,283	4,171
Independent studies	550	400	500	600
Subsidised salaries (private sector)	1,552	1,318	1,112	984
Job alternation leaves	104	131	97	111
Part-time employment	1,121	797	517	521
Support for the initiation of business activities	344	273	271	291
Employment in the public sector	8,305	6,844	6,476	4,975
Combined support	11,214	11,038	11,496	11,740
(A) Active measures in total	28,536	25,216	26,023	26,722
(R) Long-term unemployed	88,968	82,693	77,661	72,426
Activation rate A/(R+A), %	24.3	23.4	25.1	27.0

NB. Some of the figures given are only estimates.  
Source: Ministry of Labour, database of jobseekers

Class	Labour market measure	2000	Share of ESF %	2001	Share of ESF %	2002	Share of ESF %	2003	Share of ESF %
0-1	Employment services	123.3		144.3		151.5		177.5	
2	Training and traineeships	494.4	19.8	439.1	13.8	477.1	11.9	509.0	10.5
3	Job alternation leaves	71.4	0.2	79.6	0.03	70.5	0.2	88.5	0.1
4	Employment incentives	152.4	5.5	154.8	3.2	152.0	3.9	186.0	3.2
5	Vocational rehabilitation	121.8		140.4		148.7		144.0	
6	Employment in the public sector	149.1	9.8	133.5	5.4	145.3	6.1	129.1	5.5
7	Support for the initiation of business activities	15.2	19.5	14.0	8.9	14.7	5.3	16.1	1.8
<b>0-7</b>	<b>Active measures</b>	<b>1,127.6</b>	<b>14.8</b>	<b>1,105.7</b>	<b>9.7</b>	<b>1,159.8</b>	<b>9.0</b>	<b>1,250.2</b>	<b>7.9</b>
82, 83	Unemployment (adjusted daily allowance)	164.6		157.6		164.3		163.8	
81, 84, 85	Unemployment benefits	1,960.9		1,894.9		1,999.1		2,102.1	
9	Unemployment pension	621.0		680.8		742.1		736.9	
<b>8-9</b>	<b>Passive measures</b>	<b>2,746.5</b>		<b>2,733.3</b>		<b>2,905.5</b>		<b>3,002.8</b>	
<b>0-9</b>	<b>Labour policy measures in total</b>	<b>3,874.1</b>		<b>3,839.0</b>		<b>4,065.3</b>		<b>4,253.0</b>	
	<b>Active measures %</b>	<b>29.1</b>		<b>28.8</b>		<b>28.5</b>		<b>29.4</b>	
	<b>Passive measures %</b>	<b>70.9</b>		<b>71.2</b>		<b>71.5</b>		<b>70.6</b>	

<b>Share of labour policy measures of GDP %</b>	<b>3.0</b>	<b>2.8</b>	<b>2.9</b>	<b>3.0</b>
<b>Active measures %</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>
<b>Passive measures %</b>	<b>2.1</b>	<b>2.0</b>	<b>2.1</b>	<b>2.1</b>

Source: Database of labour market measures

## **Article 1, para. 2: Right of the worker to earn his living in an occupation freely entered upon**

### *Question A: Elimination of all forms of discrimination in employment*

In respect of this question, the Government refers to the provisions on equality and non-discrimination in the Constitution of Finland (731/1999), the Employment Contracts Act (55/2001), the Seamen's Act (423/1978), the State Civil Servants Act (750/1994), the Act on the Security of Employment of Municipal Office-Holders (484/1996), the Act on Equality between Men and Women (608/1986) and the Penal Code (39/1889), that have been given account of in the Government's previous reports.

A new Non-Discrimination Act (21/2004) (Annexes 2 and 3) entered into force in February 2004, to transpose two EU directives: Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation, and Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of race or ethnic origin. The purpose of this Act is to foster and safeguard equality and enhance the protection provided by law for those who have been discriminated against in cases of discrimination that fall under the scope of this Act. The Non-Discrimination Act is of general application, and its provisions are to be taken into account in the application of the provisions of other Acts of more limited application, prohibiting discrimination. The provisions of the Act do not replace the prohibitions of discrimination in other existing legislation.

The prohibited grounds of discrimination in the Non-Discrimination Act include age, ethnic and national origin, nationality, language, religion, conviction, opinion, health, disability, sexual orientation or other personal reason. The prohibited forms of discrimination include direct and non-direct discrimination, harassment based on prohibited grounds of discrimination and instructions or orders entailing discrimination. In addition, the Act prohibits retaliatory measures, i.e. the targeting of unfavourable treatment or negative implications at a person who acts with a view to ensuring respect for the principle of non-discrimination.

Act applies to both public and private activities in the following contexts: conditions for access to self-employment or means of livelihood, and support for business activities; recruitment conditions, employment and working conditions, personnel training and promotion; access to training, including advanced training and retraining, and vocational guidance; and membership and involvement in an organization of workers or employers or other organizations whose members carry out a particular profession, including the benefits provided by such organizations. The Act also applies to discrimination based on ethnic origin concerning: social welfare and health care services; social security benefits or other forms of support, rebate or advantage granted on social grounds; the performance of military service, women's voluntary military service or non-military service; or the supply of or access to housing and movable and immovable property and services on offer or available to the general public other than in respect of relationships between private individuals.

Each authority shall draw up a plan for the fostering of ethnic equality (*equality plan*), which must be as extensive as required by the nature of the work of the authority. The general recommendations for the

contents of equality plans, issued by the Ministry of Labour, are available on the Internet at <http://www.mol.fi/migration/ajankoht.html> in Finnish, Swedish and Sámi. According to the instructions of the Ministry, the equality plans must be drawn up by the end of 2005.

Compliance with the terms of the Non-Discrimination Act in employment relationships and service relationships governed by public law, and in traineeships and other comparable activities at the workplace, shall be supervised by the occupational safety and health authorities and the prohibition on discrimination based on ethnic origin other than in employment relationships and service relationships governed by public law shall be supervised by the Ombudsman for Minorities and the Discrimination Board. The latter may, within the limits of its competence, confirm a conciliation settlement between the parties, or prohibit the continuation or repeat of conduct contrary to the prohibition of discrimination or retaliatory measures. The Board may also impose a conditional fine and, where necessary, order the payment of a conditional fine.

At the same time with the enactment of the Non-Discrimination Act, the provisions on the prohibition of discrimination in the Employment Contracts Act (55/2001), the Seamen's Act (423/1978), the State Civil Servants Act (750/1994) and the Act on Municipal Office-Holders (304/2003) were amended. In addition, the provisions of the Aliens Act (301/2004) concerning the control of employment and work permits were made more effective by increasing the right of occupational safety and health authorities to also control the residence permits of employees. The purpose of the amendments is to enhance the equal treatment of foreign workers. Under the new provisions, the employer is under an obligation to preserve the data on foreign workers and on the grounds of their employment for four years after the termination of employment.

Furthermore, the provisions of the Penal Code (39/1889) concerning work discrimination were supplemented by adding nationality as a prohibited ground of discrimination and a new provision prohibiting usury-type of discrimination at work. The latter provision applies to situations where the lack of knowledge or a weak position of a foreigner has been taken advantage of in connection with agreeing on the terms and conditions of employment. The Employment Contracts Act was amended by adding a new provision under which a refusal to provide a worker with a payroll upon his or her request is a punishable act. The amendments to legislation entered into force at the same time with the new Aliens Act on 1 May 2004.

#### *Sanctions and remedies available in cases of discrimination in employment*

##### Sanctions

The applicable penalties for violations of the prohibition of discrimination in the Non-Discrimination Act are provided for in Chapter 11, section 9, and Chapter 47, section 3, of the Penal Code.

##### Remedies

Under the Non-Discrimination Act, a supplier of work, movable or immovable property, or services, education or benefits, as referred to in section 2, who has infringed the provisions of section 6 or section 8 on the basis of age, ethnic or national origin, nationality, religion, belief, opinion, state of health, disability or sexual orientation shall pay the injured party compensation for the suffering caused by such discrimination or victimization. The maximum compensation is 15,000 euros. The court may decide not to order compensation if such a decision is considered reasonable in the circumstances of the case. The payment of compensation does not preclude an injured party claiming damages under the Tort Liability

Act (412/1974) or other legislation. However, damages may not be awarded to the extent that the damage caused to a victim of discrimination or retaliatory measures has already been remedied.

#### Changing discriminatory contractual terms

In cases being processed by them, courts may change or ignore contractual terms so that the application of the contract does not lead to discrimination. If a contractual term is such that it would be unreasonable to continue the contract otherwise unaffected after changing or ignoring the offending term, other parts of the contract may also be changed, or the contract as a whole may be declared void. A commitment concerning the amount of payment is also considered a contractual term.

#### *Question B: Methods adopted*

##### *a) Co-operation of employers' and workers' organisations and other appropriate bodies*

In accordance with the principle of consulting employers' and workers' organisations, these organisations have participated, among others, in the preparation of the aforementioned Non-Discrimination Act.

##### *b) Educational efforts*

Information on the provisions of the new legislation and on the instructions concerning equality plans has been disseminated widely. Training has also been provided for persons and bodies responsible for the monitoring of the implementation of the Non-Discrimination Act. The monitoring of the implementation of equality plans (including background to the plans) is at the responsibility of a working group set up by the Ministry of Labour.

In the spring of 2005, an extensive training programme was provided for employees of the Ministry of Labour, the Ministry of Education, the Ministry of the Interior and the Ministry of Social Affairs and Health. Organisations representing various groups vulnerable to discrimination (on the grounds of ethnic origin, religion, disability, age or sexual orientation) have fully participated in the dissemination of information, as both experts and partners of cooperation.

A booklet (SEIS III) providing information on new legislation, that was produced in May 2004, is available in Finnish, English, Swedish, Sámi, Russian, Somali and Arabic. It is also available in an electronic form in English, French and Spanish at <http://www.join.fi/seis/yhdenvertaisuuslaki.shtml>. Another booklet providing information the provisions of the Non-Discrimination Act is addressed at the authorities. It is available in Finnish, Swedish and English.

Materials produced within the framework of an EU-wide campaign "*For Diversity. Against Discrimination*" ([www.stopdiscrimination.info](http://www.stopdiscrimination.info)) have been widely disseminated in Finland by different means (Internet, mailing lists, etc.) and in connection with a variety of events.

#### *Question C: Guarantees which prevent discrimination*

Section 13 of the Constitution of Finland provides for freedom of assembly and freedom of association. In addition, provisions on freedom of association and right of assembly are included in Chapter 13 of the Employment Contracts Act (55/2001). According to section 1 of Chapter 13, employers and employees have the right to belong to associations and to be active in them. They also have the right to establish lawful associations. It is prohibited to impose restrictions on the exercise of this right and

freedom. According to section 2 of Chapter 13, the employer must allow employees and their organizations to use suitable facilities under the employer's control free of charge during breaks and outside working hours in order to deal with employment issues and matters forming part of the function of trade unions. Exercise of this right of assembly must not have a harmful impact on the employer's operations. The provisions on the freedom of assembly ensure the workers' right to gather at the workplace to discuss issues relating to employment, profession and working conditions. The provisions apply to all workplaces irrespective of the number of employees.

Chapter 2, section 2, of the Employment Contracts Act, which entered into force on 1 February 2004, also prohibits employers from exercising any unjustified discrimination against employees on the basis of trade union activity.

The applicable penalty for a violation of the worker's right to organise is provided for in Chapter 47, section 5, of the Penal Code. According to the said provision,

*"An employer, a representative thereof or an employee who prevents  
(1) an employee from establishing a lawful industrial or political association or using his/her right to join or belong to it or to participate in its activities; or  
(2) the employees or their industrial organisations from appointing or electing an employee representative, trustee, work safety trustee or personnel representative in group co-operation  
shall be sentenced for violation of the right to organise to a fine."*

The Government further refers to the provisions of the aforementioned Non-Discrimination Act.

#### *Question D to F*

In this respect, the Government refers to its previous reports.

#### *Question G: Conditions under which work is carried out in prison establishments*

Work carried out in prisons is not employment but a service duty under public law. However, the provisions of the Occupational Safety and Health Act (738/2002) are applied to work carried out by a person serving a sentence of imprisonment or undergoing community service. The provisions of this Act have been given account of earlier.

### **Committee's conclusions XVII-1 concerning Article 1, para. 2**

#### *Prohibition of discrimination in employment*

Amount of compensation awarded to victims of discriminatory dismissal

Section 1 in Chapter 12 of the Employment Contracts Act (55/2001) concerns the general liability in damages of employers during employment. According to section 1, if the employer intentionally or through negligence commits a breach against obligations arising from the employment relationship or this Act, it shall be liable for the loss thus caused to the employee. Thus, the liability of employers requires intentional or negligent conduct. It is necessary that the conduct of the employer, which is in violation of the legal or contractual obligations, has been reproachable in view of the employer's position and has resulted in damage suffered by the employee.

Liability in damages may arise not only from a breach of obligations based on the Employment Contracts Act, but also from a breach of an obligation based on an employment contract or collective agreement or other labour legislation, such as the Annual Holidays Act or the Working Hours Act.

The employer is liable to compensate in full the damage caused to the employee by the employer's conduct. The compensation may consist of both pecuniary and non-pecuniary damages. Pecuniary damages may cover personal damage or damage to property or assets. The amount of compensation may be adjusted in accordance with the principles set forth in the Tort Liability Act.

The aforementioned provision shall not, however, be applied to the compensation for damage caused by unjustified termination of employment. In this case, section 2 of Chapter 12 of the Employment Contracts Act shall apply. In respect of this provision, the Government refers to information given concerning Article 8, paragraph 2, in the tenth periodic report of the Government of Finland.

In respect of the payment of compensation for damage caused by discrimination in employment, the Government refers to the information given in respect of question A concerning Article 1, paragraph 2.

#### Transposition of Directives 2000/78/EC and 2000/43/EC

The Directives have been transposed in Finland (with the exception of the province of Åland) by the Non-Discrimination Act (21/2004) that entered into force on 1 February 2004. In respect of the contents of the Act, the Government refers to the information given in the foregoing in reply to question A concerning Article 1, paragraph 2.

#### Foreigners working on board Finnish merchant vessels

The Finnish legislation does not prevent the employment of foreigners on board Finnish vessels. In connection with the entry into force of the Non-Discrimination Act (24/2004), a new section 15a was added to the Seamen's Act (423/1978), providing for a prohibition of discrimination and a requirement of equal treatment. The provision is applied to both recruitment and employment. Nor do Finnish collective agreements contain provisions allowing discriminatory treatment of foreign workers. It is not even possible to include such provisions in a collective agreement as section 15a of the Seamen's Act is a mandatory provision.

The requirement of equal treatment in the Seamen's Act means that the conditions of employment are the same irrespective of the nationality or national or ethnic origin of the workers. On board Finnish vessels, the terms and conditions of employment based on Finnish law are applied.

Vessels covered by the provisions of the Act on the List of Merchant Vessels in International Trade (1707/1991) may derogate from the provisions of Finnish labour legislation. Even in this case, however, it is required that the collective agreements meet the standards of Finnish legislation and comply with the requirements of international agreements binding on Finland. The employer may even conclude such a collective agreement with a foreign employees' union, provided that there is no Finnish collective agreement regulating the same work. In practice, however, such collective agreements have not been concluded.

According to section 1 in Chapter 6 of the Maritime Act (674/1994), only Finnish citizens may serve as the master of a Finnish merchant vessel. However, a proposal has been given for an EU directive on the recognition of seafarers' certificates issued by the Member States. Depending on the final contents of the draft directive, it may be necessary to assess the need to revise the Maritime Act. The possibility to

amend the Maritime Act to the effect of entitling citizens of other EU Member States to serve as the master of a Finnish merchant vessel depends on to what extent the master is considered to be using public powers.

#### *Other aspects of the right to earn one's living in an occupation freely entered upon*

##### Service required to replace military service

In Finland, both armed and unarmed military service is performed at army barracks subject to military discipline and restrictions on the use of time and absence from the barracks. The alternative civilian service is performed in civilian conditions, usually in the service of a governmental authority. The maximum working hours in civilian service are 40 hours a week. By an amendment (19/1998) to the Military Service Act, the length of military service was changed so that it now amounts to 180, 270 or 362 days. The length of unarmed military service remained the same, amounting to 330 days. The alternative civilian service lasts 13 months (395 days).

The Ministry of Labour has twice, in 1998 and 2000, prepared an amendment to the Civilian Service Act, to the effect of reducing the length of civilian service to 365 days. On both occasions, the Government Bill has been refused by Parliament.

The decisions of Parliament were based, among others, on that the military service is considered to be more burdensome both physically and mentally. The daily working hours in military service are longer and there are more restrictions on the freedom of movement and other personal freedoms. In addition, the persons who have undergone military service are under an obligation to later participate in military refresher courses amounting to a total of 40 to 100 days, whereas the persons who have undergone civilian service have no corresponding obligation.

According to a survey carried out by the Ministry of Defence in 2003, as many as 47.7% of conscripts performed 180 days, 17.2% performed 270 days and 35.1% performed 362 days in military service. Thus, the majority of conscripts (52.3%) perform at least 270 days.

##### Part-time work

The provisions on working hours exceeding regular working hours are included in Chapter 4 of the Working Hours Act (605/1996). "Extra hours" and "overtime" are defined in section 1 of Chapter 4.

Under the Finnish system extra hours does not mean the same as overtime. "Extra hours" refers to hours that are in excess of the working hours agreed on in the employment contract or collective agreement, but do not exceed the regular working hours based on law. Where the working hours agreed on for a certain workplace is 37.5 hours a week, and the regular working hours set forth in the Working Hours Act is 40 hours a week, the difference between these two is extra hours. Extra hours are only acceptable on the worker's consent, unless they have been agreed on the employment contract. The wages paid for regular working hours also cover extra hours.

Overtime work means such work as exceeds the maximum number of regular working hours. Overtime work is only acceptable on consent given by the worker for each time separately. However, the worker may give his or her consent for a certain brief period at the same time, where it is necessary for the purpose of work arrangements. A worker may only work overtime and he or she may only be requested to work overtime for a maximum of 138 hours during a period of four months, provided that the total amount of overtime work does not exceed 250 hours in a calendar year. Different methods of

calculation of overtime work may be agreed on by means of an employment contract or collective agreement, provided that the reference period does not exceed twelve months.

A separate remuneration is paid for overtime work. For the first two hours exceeding the regular working hours a day, a 50 per cent raise is paid, and for the following working hours, a 100 raise is paid. For the working hours exceeding regular weekly working hours and for the working hours exceeding the normal working hours in period-based work, a 50 per cent raise is paid. Upon agreement, compensation for overtime work may also be given, instead of the payment of extra remuneration, in the form of extra days off from work, to be calculated entirely or partly in the same way as the financial compensation.

### **Article 1, para. 3: Free employment services**

#### *Question A: Operation of free employment services*

The present regional and local labour authorities include the labour market departments of 15 regional Employment and Economic Development Centres and the 147 local employment agencies. In the past few years, the number of local agencies has been reduced by merging small ones and by concentrating certain types of services.

The employment agencies provide services for persons searching for jobs or needing training, vocational counselling, rehabilitation or special immigration services. They also offer labour exchange services for employers. These public services are free of charge for individual service-users, and nor are any fees imposed on employers.

In 2004, the total number of jobseekers was 804,600, of whom 571,000 were unemployed. The share of women of both jobseekers and unemployed persons was approximately 51%, and the share of persons under the age of 25 was approximately 21%. The share of persons under the age of 50 of all jobseekers was approximately 49% and that of persons over the age of 50 was approximately 30%. More than 52% of unemployed jobseekers were under the age of 50. The numbers of jobseekers were the largest in the sectors of industry (20%) and health care and social services (10%). The numbers of unemployed jobseekers were the largest in the sectors of industry (20%), public administration (11%) and technology and health care and social services (10%).

In 2004, there were a total of 344,800 vacancies announced, of which 141,300 were filled with the help of employment agencies. The average time during which the jobs remained vacant was 23 days, and the average time within which unemployment ended was 16 weeks.

#### *Question B: Organisation of public employment services*

The Decree on the Ministry of Labour was revised with effect as of 4 December 2003. The Policy Department of the Ministry of Labour is responsible for the preparation of matters for Parliament and Government sessions. The Labour Market Policy Implementation Department guides, supports and directs regional and local authorities in questions relating to employment policy. The Administrative Services Unit provides support for the aforementioned departments and regional and local authorities and is responsible for the management of the alternative civilian service.

The preparation of the objectives of productivity of the Employment and Economic Development Centres is at the responsibility of the Ministry of Labour, the Ministry of Trade and Industry and the Ministry of Agriculture and Forestry. The Ministry of Labour negotiates with the regional

administration, i.e. the labour market departments of the Employment and Economic Development Centres, and the latter negotiates with the local employment agencies on the objectives to be set. These negotiations make it possible to take the regional differences in respect of the economic structure and the labour market into account.

The provision of guidance for employment agencies falls within the competence of the Ministry of Labour that may allocate resources to the Employment and Economic Development Centres to be further distributed to the local employment agencies. Thus, changes in labour policy at the regional and local levels may be taken into account in the allocation of resources.

The decision-making competence concerning the working methods of employment agencies has been delegated to the local authorities. The most important employment services and activation programmes, for both jobseekers and employers, are, however, mainly implemented in the same way in all parts of the country.

*Question C: Steps to co-ordinate free employment services*

The Ministry of Labour compiles information on a regular basis on the activities of both private job exchange service-providers and human resource businesses. The information is analysed at the national, regional and local levels. The social partners are informed of the outcome of the analyses. The information is used for the purpose of developing cooperation.

*Question D: Participation of representatives of employers and workers in the organisation and operation of the employment services*

Trade unions participate in the consultative bodies operating under the auspices of the Ministry of Labour and the regional and local labour administrations. Any projects concerning the development of the organisation of labour administration or the implementation of employment policy as well as legislative initiatives are discussed among the social partners.

*Question E: Legislation or administrative guarantees to ensure that the employment services are available to all*

According to the Act on the Public Employment Service (1295/2002), the employment authority shall arrange or provide employment services, labour market training and other services for vocational development, as part of public employment services, and promote the employment of unemployed persons through employment subsidy. Public employment services shall be free of charge unless otherwise provided hereafter or in another Act or in a Decree issued by the Ministry of Labour under the Act on Criteria for Charges Payable to the State (150/1992). Services provided by the employment office are free charge for jobseeker clients. Employment exchange services are free of charge for employers.

**Conclusions XVII-1 concerning Article 1, para. 3**

Share of employment agencies of the placement of jobseekers

The assessment of the share of employment agencies of the placement of jobseekers is based on a survey carried out with employers every quarter of the year. According to estimates, approximately

63% of vacancies are announced through employment agencies. Of new vacancies, approximately 40% are filled with the help of employment agencies. In the 1990s, the share of employment agencies was 55%. This reduction is partly explained by the changed job seeking practices, such as the independent use of electronic applications, which means that the filled vacancies are no longer registered as having been filled through employment agencies.

## **ARTICLE 5: RIGHT TO ORGANIZE**

In this respect, the Government refers to its previous reports.

### **Conclusions XVII-1 concerning Article 5**

Elected trade union representatives

Under Chapter 13, section 3, of the Employment Contracts Act, employees who do not have a shop steward referred to in a collective agreement applicable to the employer under the Collective Agreements Act may elect a representative from among themselves. The employees may further take majority decisions to authorise the elected representative to represent them in matters of employment relationships and working conditions specified in the authorisation. Elected representatives are entitled to any information that they need to carry out the duties referred to in law and to sufficient release from work obligations. The employer must compensate for any loss of earnings caused thereby. Release from work obligations in order for the elected representative to carry out other duties and compensation for any loss of earnings must be agreed on with the employer. Chapter 7, section 10, of the Employment Contracts Act lays down provisions concerning the protection of elected representatives from termination.

According to the interpretation adopted by the Supreme Court (precedent KKO 1993:163) concerning section 53 of the repealed Employment Contracts Act (320/1970), not all employees or personnel groups have the possibility to choose a representative for themselves, so that it would be binding on the employer, e.g. in situations where there is no collective agreement on the conditions and terms of employment of the personnel group in question. Therefore, it is provided in Chapter 13, section 3, of the new Employment Contracts Act (55/2001) that in the aforementioned cases and in cases where the collective agreement contains no provisions on shop stewards, the employees have the right to choose from among themselves a representative who is called elected representative as a distinction from shop stewards whose status is based on the provisions of the collective agreement.

The elected representative is elected for a certain personnel group. Such groups mainly include those that are determined in accordance with the Act on Co-operation within Undertakings (725/1978). Thus, e.g. higher-level employees of a company would have the right to choose from among themselves a representative even if there is no collective agreement applicable to their conditions and terms of employment or if the collective agreement does not contain provisions on shop stewards or corresponding representatives.

The position of the elected representative is secondary with regard to that of the shop steward based on the collective agreement, as required by Article 5 of ILO Convention No. 135. Finland ratified the Convention in 1975. Where the employees have an elected shop steward based on the provisions of a collective agreement, no additional representative may be elected.

Generally binding nature of collective agreements

The decisions confirming the general applicability of collective agreements are made by a commission referred to in section 1 of the Act on Confirmation of the General Applicability of Collective Agreements (56/2001). The collective agreement is considered generally binding where it is representative in the field covered by it. The degree of representation is assessed on the basis of statistics indicating to what extent the agreement is applied and how established such application is, as

well as on the basis of the degree of organisation of the parties to the agreement. The collective agreement is considered to be representative already on the sole ground that approximately half of employees in the sector work for an employer belonging to an employers' union.

Certain collective agreements have been confirmed as being generally binding despite that they have not been considered representative in the light of statistics. Such collective agreements include those applied to the sectors of construction, rural industries and transportation of goods by road. In the decisions concerning these agreements, attention has also been paid to the numbers of workers covered by adjacent agreements, to the established application of the agreement and the wide degree of organisation among both the employees and the employers. In respect of the two first-mentioned sectors, attention has also been paid to that the collective agreement has earlier been considered generally binding.

### **Comments of trade unions**

The **Federation of Finnish Enterprises** considers that the Employment Contracts Act (55/2001) places employers in different positions as only those employers who are members of an employers' union have the right to derogate from the provisions of the Act by means of a collective agreement. An employer who is bound by a generally binding collective agreement but who is not a member of an employers' union may only do so where the application of the provisions of the Act does not require local agreement. Consequently, organised employers who have concluded a collective agreement have, on the basis of different collective agreements, a wider contractual freedom than those who are not parties to a collective agreement. This also affects the employers' freedom to organise as non-organised employers have a weaker position under the law.

The Federation of Finnish Enterprises further submits that the provisions of the Employment Contracts Act, concerning local agreement, mean in practice that non-organised employers cannot make such solutions benefiting the employer as are possible between organised employers and employees. The Federation further submits that, although the Constitutional Law Committee found in connection with the enactment of the Act that the restrictions resulting from it on the freedom to organise cannot be considered excessive because the Act aims at protecting employees, the development of contractual relations should be monitored in respect of the right of not belonging to an organisation.

The Federation of Finnish Enterprises wishes to draw attention to the provisions of the Employment Contracts Act concerning the generally binding nature of collective agreements and the effects of those provisions on the right to organise.

Chapter 13, section 7, of the Employment Contracts Act provides for the possibility of derogation from its provisions under a collective agreement. According to section 8, employers who are required to observe a generally applicable collective agreement as referred to in Chapter 2, section 7, of the Act, may observe the provisions referred to in section 7 within the scope of application of this collective agreement if such application does not call for a local agreement. In other words, non-organised employers have no equal right to agree with its employees on derogation from the provisions of the Employment Contracts Act. Such a contractual freedom is only afforded in the Act to organised employers.

In the view of the Federation of Finnish Enterprises, from the perspective of the freedom of association, section 13, subsection 18, of the Employment Contracts Act places employers in different positions. Organized employers, as members of employers' unions and under several collective agreements, have a wider contractual freedom and a possibility to apply more favourable conditions of employment than

non-organized employers. According to the Federation, this kind of a regulatory situation, placing non-organized employers in a weaker position, affects the right of employers not to organize.

In the same way as the European Social Charter, the Constitution of Finland also protects the freedom of association that also includes the right of not belonging to an organisation. This is binding, among others, on authorities and Parliament. The provisions of the Employment Contracts Act concerning the conclusion of workplace-specific contracts mean in practice that non-organised employers do not benefit from such favourable solutions on which the organised employer and employees may agree. In connection with the enactment of the Employment Contracts Act, the Constitutional Law Committee of Parliament found, however, that the restriction imposed by the Employment Contracts Act on the freedom of association was not excessive, considering that the aim of labour legislation was the protection of employees (Opinion of the Constitutional Law Committee, PeVL 41/2000). The Committee required, however, that the development of practice concerning collective agreements be monitored, particularly in respect of the right to not organise.

## **ARTICLE 6: RIGHT TO BARGAIN COLLECTIVELY**

In this respect, the Government refers to its previous reports.

### **Conclusions XVII-1 concerning Article 6**

#### *Paragraph 3: Conciliation and arbitration*

In respect of information on labour disputes, see Annex 4.

#### *Paragraph 4: Collective action*

##### Permitted objectives of collective action

The State Civil-Servant Collective Agreements Act (664/1970) provides for the obligation of state officials to ensure industrial peace and for their right to collective action. Under the provisions of the Act, the only permitted forms of collective action in respect of valid terms and conditions of employment are a lockout (for employers) and a strike. The decision on a lockout is made by the Ministry of Finance, being the state authority responsible for the negotiation procedures. The decision on a strike of state officials is made by the union of officials in question.

The collective action needs to be complete. The officials on strike must refrain from performing any duties (partial strikes, bans on over-time work and slow-down strikes are not allowed, for example). However, the most relevant services must be provided irrespective of the requirement of a complete strike, even if the services would be covered by the strike. In addition, the strike must be focused on the other negotiating party, with a view to affecting the existing labour dispute.

The strike may be introduced for the purpose of supporting objectives that are related to such issues on which it is possible to agree between the parties to the collective agreement, in accordance with the State Civil-Servant Collective Agreements Act. Thus, a strike may also be called for where the purpose is to reach aims that are related to employment based on such conditions of employment as have been agreed on in accordance with the said Act, even if the party introducing the strike does not aim at concluding a collective agreement. It is also possible to resolve a labour dispute by means other than the conclusion of a new collective agreement, e.g. in respect of such matters that fall within the State's competence under the State Civil-Servant Collective Agreements Act.

However, the collective action must not concern a valid collective agreement, and therefore it is not possible to introduce a strike for the purpose of supporting issues that are covered by the valid agreement. A strike may be introduced for the purpose of pressing the employer to conclude a new collective agreement upon the expiry of the collective agreement.

Such forms of collective action as do not concern valid terms and conditions of employment, e.g. boycott action to prohibit union members from applying for a newly established post or other boycott is allowed.

Issues that may under no circumstances be supported by means of collective action

There are certain issues determined by law, which may not be agreed on by means of a collective agreement. Firstly, a strike may not be introduced to support such objectives as are not covered by the definition of employment. Secondly, it is prohibited to introduce a strike to achieve such conditions and terms of employment in respect of which collective action is prohibited under the State Civil-Servant Collective Agreements Act, even if the issue could as such be considered a term or condition of employment of officials.

Most issues referred to in the foregoing, on which it is not possible to agree by means of a collective agreement, are either directly or indirectly related to the right of political bodies (Parliament, town councils, etc.) or administrative officials to decide on the general and special objectives of the public administration, its organisations, structures and sectors, as well as on the number and types of officials to be recruited. These issues, also in the private sector, largely fall within the exclusive competence of the employer.

Issues that may be supported by means of a strike upon the expiry of the collective agreement

The State Civil-Servant Collective Agreements Act contains no detailed lists of terms and conditions of employment on which it is possible to agree, except for providing that the Act only applies to matters on which it is possible to agree. Collective agreements mainly cover issues relating to those financial and social benefits to which officials are entitled on the basis of their employment. Thus, issues concerning the organisation of state administration and the state as employer remain outside the scope of application of collective agreements.

Collective agreements are mainly used to agree on wages and different wage increments, working hours - with the exception of the detailed arrangement of working hours, including starting hours - duration of annual holidays and holiday pay, compensation for the costs of health care, conditions of payment of compensation for accidents at work, non-salary benefits, and compensation for the costs incurred from the performance of official duties.

In respect of (political) collective action, it must be remembered that state officials are in principle under an obligation to follow such a policy as is found appropriate by the Ministry responsible for the sector in which the officials work. Thus, it is not found appropriate that the officials who are under an obligation to perform their public functions participate in collective action with a political objective. The same concerns the prohibition of participation in sympathy strikes. In addition, it should be noted that political collective action often aims at affecting issues other than those covered by a collective agreement, and they may also pursue objectives other than pressuring the other negotiating party in the labour dispute.

In Finland, the state officials were given the right to collective action and their employers were given the corresponding right to lockout in 1970. A board of dispute-settlement consisting of the negotiating parties examines the possible risks that the collective action may entail for society. Despite the right to strike, it was still rare in the 1970s to have strikes in the public sector, but they became more usual in the 1980s and the 1990s when e.g. nurses, doctors, teachers and officials introduced collective action.

Due to national framework agreements leading to collective agreements concluded for several years at the time, strikes introduced by trade unions have become rather rare.

## Who is entitled to take collective action

Under section 8, subsection 1, of the State Civil-Servant Collective Agreements Act (664/1970), a state official may not take collective action other than lockout or strike to the extent that the target of the collective action is to affect the existing conditions of employment. Upon the expiry of the applicable collective agreement, a strike may only be used to support such claims on which it is possible, under the said Act, to agree on through collective agreements. While the collective agreement is in force, no collective action may be taken to affect its terms and conditions. Strikes pursuing objectives other than those covered by the collective agreement are also prohibited. Accordingly, subject to these restrictions, it is possible to pursue objectives covered by the collective agreement by means of a strike, provided that the purpose of the strike is not to achieve a new collective agreement.

According to section 8, subsection 4, of the aforementioned Act, a state official may only participate in a strike on the basis of the decision of a union of officials that has introduced the strike. This does not, however, mean a restriction on the right to strike but the purpose of the provision is to ensure the continuity of the provision of public services.

For the reason that the degree of organisation is high in Finland (approximately 95%), and because negotiating parties may act rather independently and the labour market is almost entirely regulated by means of collective agreements, it is logical that the right to strike is decided by the organisations.

Non-organised personnel groups may introduce a strike by forming a union for the purpose of the strike. The right to organise and not to organise as well as the right to strike have been recognised and protected by law.

## Comments of trade unions

The **Federation of Finnish Enterprises** is concerned about the fact that the conclusion of collective agreements increasingly takes place at workplaces instead of trade unions, although the legislation sets restrictions on the contractual freedom at the level of workplaces. The Federation points out that approximately 20,000 employer companies (17%) of a total of 120,000 are parties to a collective agreement.

Article 6 of the Charter applies to the right to bargain collectively. The draft report of the Government noted in respect of the development of this right, among others, that agreements may increasingly be concluded at the level of workplaces instead of union level. In this respect, the Federation of Finnish Enterprises wishes to submit that the Finnish legislation nevertheless restricts the possibilities to agree on certain issues at the level of workplaces, as described in the foregoing, and only a minority of Finnish employers are bound by normally binding collective agreements and are thereby covered by the possibility of concluding workplace-specific agreements. Of the approximately 120,000 employer enterprises, only some 20,000 are members of such employers' union that has concluded a collective agreement.

**ARTICLE 7: RIGHT OF CHILDREN AND YOUNG PERSONS TO PROTECTION**

In this respect, the Government refers to its previous reports.

## **ARTICLE 12: THE RIGHT TO SOCIAL SECURITY**

### **Article 12, para. 1: Existence of a social security system**

The Government attaches to the present report two publications of the Ministry of Social Affairs and Health giving account of the situation of social security and its recent trends, issued during the period covered by the report (Finnish Social Protection 2002 - Publications 2004:10; Trends in Social Protection in Finland 2003 - Publications 2003:17).

No significant structural changes have taken place in the social security system between 2002 and 2004. The reforms of employment pensions and the Sickness Insurance Act entered into force on 1 January 2005. The changes brought about these reforms are given account of in connection with Article 12, para. 3, below. However, the effects of the reforms are not visible until in the periods of time covered by the following reports.

### **Committee's conclusions XVII-1 concerning Article 12, para. 1**

#### *Level of income-replacement benefits*

The different types of income-replacement benefits include the basic and earnings-related unemployment benefits, sickness allowance under the health insurance system, parental daily allowances, and payments under the accident insurance.

The main guarantee of sufficient income for unemployed persons is the unemployment benefit or the labour market subsidy. The new Unemployment Security Act (1290/2002) entered into force on 1 January 2003.

Unemployment benefits are paid through two different systems. Persons who are not registered with any unemployment fund may be paid basic unemployment benefit by National Pension Institution, whereas those registered with such a fund may be paid earnings-related unemployment benefit by the fund in question.

The basic unemployment benefit may be paid to an unemployed person between 17 and 64 years of age who is available as labour, residing in Finland and fulfilling the criterion of prior employment. In respect of the earnings-related unemployment benefit, it is further required that the person concerned has been a member of an unemployment fund for at least 10 months before the beginning of unemployment.

A person applying for an unemployment benefit must have been in paid work for at least 43 weeks during 28 months immediately prior to unemployment. If the person concerned has been paid unemployment benefit on 1 January 1997 or later, it is required that he or she has been in paid work for at least 34 weeks during 24 months immediately prior to unemployment. In respect of private enterprisers, the condition of employment is fulfilled where the person concerned has carried out private business activities for at least two years during four years immediately prior to unemployment, provided that the business activities have been extensive enough.

The unemployment benefit may be paid for a maximum of 500 days of unemployment, for at most five days a week. In respect of ageing workers, it is also possible to continue the payment of unemployment benefit after 500 days, for so-called additional days. If an unemployed jobseeker born before 1950 turns 57 years before he or she has been paid unemployment benefit for 500 days, the benefit is paid either

until the end of the calendar month during which he or she turns 60 or until the completion of the period of 500 days (so-called additional days), in which case the jobseeker may file an application for retirement on pension. A jobseeker who is born in 1950 or later, who has turned 59 years before the completion of the period of 500 days, may be paid earnings-related or basic unemployment benefit until the end of the month during which he or she reaches the age of 65 years. It is further required that the person concerned has worked, by the day on which the maximum period of 500 days is completed, for at least 5 years during the past 20 years.

The earnings-related unemployment benefit consists of a basic part and an additional part determined on the basis of the wages that the person concerned has earned while in employment. The basic part of the unemployment benefit is equal to the basic unemployment benefit, amounting to 23.24 euro/day. The earnings-related part is 45% of the difference between the daily wages and the basic part. Should the monthly wages of the person concerned have been more than 2,091.60 euro, the earnings-related part is 20% of the said difference. A raised earnings-related part is paid for such persons who have been employed for at least 20 years prior to unemployment, have been members of an unemployment fund for at least 5 years or have been dismissed for reasons relating to the productivity or finances of the company. A raised earnings-related part may be paid for a maximum of 150 days. The raised part is 55% of the difference between the daily wages and the basic part. Should the monthly wages of the person concerned have been more than 2,091.60 euro, the earnings-related part is 32.5% of the said difference. The earnings-related unemployment benefit of persons who have carried out private business activities are determined on the basis of the amount of earnings declared by the person concerned when taking an insurance with the unemployment fund for private enterprisers, which has been in force for at least two years prior to unemployment. The earnings-related unemployment benefit may be added by a child supplement, in the same way as the basic unemployment benefit.

Labour market subsidy may be paid for five days a week for such an unemployed jobseeker between 17 and 64 years of age, residing in Finland, who needs financial support and has not worked at least 10 months during the 28 months preceding unemployment. In case the person concerned has already been paid (basic or earnings-related) unemployment benefit for a maximum of 500 days, he or she may be paid labour market subsidy. If the person applying for labour market subsidy is 17 years old and has no professional education, he or she may only be paid labour market subsidy if he or she has attended labour market training or traineeship. Applicants between 18 and 24 years of age, who have no professional education, may also be paid labour market subsidy, not only on the aforementioned condition, but also where they have not refused employment or training offered by the employment office and have not failed to seek suitable professional training.

In 2005, the maximum amount of labour market subsidy or basic unemployment benefit is 23.24 euro/day, and in addition it is possible to pay a child supplement for children under the age of 18 years. The supplement is 4.40 euro/day in respect of one child, a total of 6.44 euro/day for two children, and a total of 8.34 euro/day for three or more children.

As of January 2005, the system of unemployment security has been extended to also concern persons over the age of 65 years. Upon this reform, unemployment pension no longer exists as a form of pension for persons born after 1950. Persons over the age of 65 have the possibility to unemployment benefits if their work is interrupted due to a layoff, weather conditions or collective action by other employees. In such circumstances, unemployment benefits may be paid until the person concerned turns 68 years. In case the work of an over 65-year-old person is not interrupted, but his or her employment is entirely terminated, his or her income is secured under the employment and national pension schemes.

The unemployment benefit and the labour market subsidy are paid for five days a week, and they are taxable income. The following amounts are gross amounts subject to tax withholding.

Basic unemployment benefit (minimum fixed amount); euro/day:

2002: 22.75  
2003: 23.02  
2004: 23.16

Basic part of earnings-related unemployment benefit (amounting as a minimum to the basic unemployment benefit, added by a possible child supplement); euro/day:

2002: 22.75  
2003: 23.02  
2004: 23.16

Average earnings-related unemployment benefit; euro/day:

2002: 41.3  
2003: 43.8  
2004: 45.2

Sickness allowance (minimum); euro/day:

2002: 10.09  
2003: 11.45  
2004: 11.45

Sickness allowance (average); euro/day:

2002: 41.1  
2003: 42.1  
2004: 43.3

Parental daily allowance (minimum); euro/day:

2002: 10.09  
2003: 11.45  
2004: 11.45

Parental daily allowance (average); euro/day:

2002: 34.7  
2003: 37.3  
2004: 39.0

Compensation for accidents at work:

The official statistics over accidents at work, maintained by the Federation of Accident Insurance Institutions, contain no information on the minimum or average level of the daily compensation for accidents at work.

The daily allowance paid in compensation for an accident at work corresponds, during the first four weeks, to the salary paid by the employer during sickness leaves, and the compensation is paid to the employer. In case no salary is paid during the sickness leave, the amount of daily allowance is

determined on the basis of the provisions of the Employment Accidents Act (608/1948). Even in such a case depends the compensation on the worker's income. After the first four weeks, the amount of daily allowance is 1/360 of the worker's annual income. The payment of accident pension starts one year after the accident. The minimum annual income (in 2005) is 9,470 euro. The daily allowance and the accident pension are mainly paid on the basis of this minimum annual income. The amount is adjusted on the basis of the cost-of-living index in accordance with the provisions of the Employment Accidents Act.

Maternity, paternity and parental leave allowances were paid to 98,404 mothers and 46,947 fathers in 2003. In 2004, maternity benefits were paid to 56,497 mothers.

#### **Article 12, para. 2: Maintenance of a social security system at a satisfactory level**

The Government informs that efforts have been made to develop the level of the social security system during the period covered by the present report, and changes made have resulted in both a higher level of protection and improved functioning.

The Government's assessment of the extent to which the Finnish social security legislation meets the requirements of the European Social Security Code has not been completed yet. However, the level required by ILO Convention No. 102 does not essentially differ from that required by the European Social Security Code.

Level of the social security system in 2003:

The minimum levels of maternity, special maternity, paternity and parental allowances were raised to 11.45 euro/day in 2003 (as of the beginning of 2005, the minimum amount is 15.20 euro/day). A corresponding raise will be made in respect of the minimum amounts of sickness allowance and rehabilitation allowance. The conditions for the payment of parental allowance were changed so that the daily allowance of an unemployed person taking a parental leave is at least the amount of unemployment benefit.

The limit for the compensation of the costs of medicines was raised in 2003, from 8.41 euro to 10 euro/each individual purchase, and compensation may be paid for costs exceeding this limit. In respect of certain difficult and long-term illnesses to be determined separately, the costs must exceed 5 euro. The maximum amount of compensation for the annual costs of medicines was raised, on the basis of the costs of living index, from 594.02 euro to 601.15 euro.

The levels of employment pensions and other benefits based on the index referred to in the legislation on employment pensions were raised as of 1 January 2003 by approximately 2.4%. The levels of old-age pensions were raised by approximately 1.7%. The index figures were 2,103 for persons under the age of 65 and 2,002 for persons over the age of 65 years in 2003. The levels of child benefits, children's home care allowance and private care allowance are not tied to the index.

The basic part of income allowance was raised by 1.2%. The level of compensation paid for the home care of disabled persons was raised by 2.4%.

Level of the social security system in 2004:

The amounts of child benefits were raised. For the first child, the child benefit amounts to 100 euro/month (90 euro in 2003). For the second child, the child benefit is 110.50 euro, for the third one 131 euro and for the fourth one 151.50 euro, and for each following child, the benefit amounts to 172 euro/month. A raised benefit (with an additional payment of 36.60 euro/month) is paid for the child of a single parent.

The partial care allowance referred to in the Act on Children's Home Care Allowance and Private Care Allowance was raised to 70 euro. The right to partial care allowance was extended to concern the parents of a child attending first or second-year basic education. In addition, the parents of a child attending pre-school education have the right to partial care allowance. Partial care leave means that the child's parent's daily or weekly working hours are shorter.

The assessment of need for labour market subsidy was made less strict. In the assessment, the applicant's own income are taken into account in full, and his or her spouse's income are taken into account to the extent it exceeds 536 euro. Thus, the limit in respect of the spouse's income was raised from 236 euro to 536 euro.

#### **Committee's conclusions XVII-1 concerning Article 12, para. 2**

Unfortunately, the information requested by the Committee is not currently available.

#### **Article 12, para. 3: Development of the social security system**

Measures to raise progressively the system of social security to a higher level in 2003

The system of unemployment security has been reformed along with the entry into force of a new Unemployment Security Act (1290/2002) on 1 January 2003. The purpose is to develop unemployment security by supporting wellbeing at work and employment.

Access to earnings-related unemployment benefits was made easier by the revised provisions of law. Instead of the earlier requirement of ten months, it is now required that the person concerned has been employed for 34 weeks prior to unemployment, to be entitled to the earnings-related benefit. In respect of other persons applying for unemployment benefits, the required duration of employment is still 10 months (43 weeks). In respect of them, however, the period of time during which the required duration of employment may accrue is extended to 2 years and 4 months, which is four months longer than earlier.

After the reform, persons born in 1950 or later have the right to unemployment benefits until the age of 65 years, instead of the earlier limit of 60 years (so-called additional days). Furthermore, upon the reform, the system of unemployment pension is no longer applied. Unemployment benefits may be paid for additional days in respect of those unemployed persons who have reached the age of 59 years and have been employed for at least five years in the past twenty years.

The situation of persons carrying out occasional full-time work was improved upon changes made to the system of adjusted unemployment benefit. Adjustment of benefits is possible for persons whose employment lasts no longer than two weeks at a time. Adjusted benefits may be paid for a longer time

than earlier for such persons who have alternately part-time employment and full-time employment of short duration.

The system of severance pay was abolished as of 1 January 2003. This system is replaced with a raised earnings-related part of unemployment benefit. The raised earnings-related unemployment benefit is paid for 150 days for such an unemployed person who has been dismissed because of reasons relating to the finances or productivity of the company. It is required that the person concerned has been employed for at least 20 years and has been a member of an unemployment fund for at least five years.

In respect of entrepreneurs, move from one unemployment fund to another was made easier upon the reform, as it is now easier to take prior periods of employment into account when the person concerned changes funds.

A new form of financial support was introduced for immigrants in October 2003, securing income in cases of old age and unemployment for such immigrants residing in Finland who would otherwise be in need of long-term income allowance paid by the local authorities. The special support is a social welfare benefit the payment of which is based on the assessment of need. The condition for the payment of this benefit is the age of at least 65 years or disability for work. In addition, it is required that the beneficiary has resided in Finland for at least five years before the initial payment of the benefit. The maximum benefit is the same as the amount of national pension.

Measures to raise progressively the system of social security to a higher level in 2004

A reform of employment pensions, prepared in 2004, entered into force on 1 January 2005. The reform entails flexibility in respect of the age of retirement, and is rewarding for those who wish to stay at work longer. The purpose of the reform has been to reduce the costs of pension schemes and to make the provisions of law clearer. A further aim is to adjust the system to the increase in the average age of retirement.

Employment pension accumulates for work performed between the ages of 18 and 68. The earlier age limits were 23 and 65 years. The amount of pension is derived from the wages of each year on the basis of an accumulation percentage corresponding to age. Thus, the amount of pension does not depend on whether the person's career is split into several employment relationships.

Pension mainly accumulates at a rate of 1.5% of income but in respect of the income earned as of the first month following the attainment of the age of 53 years, until the end of the month during which he or she turns 63, it accumulates at a rate of 1.9%. In respect of such income as has been earned from the beginning of the month following the attainment of 63 years, until the end of the month during which the employee attains the age of 68 years, pension accumulates at a rate of 4.5%. For such persons who have reached the age of retirement but who are still at work, pension accumulates at a rate of 1.5% a year irrespective of when the right to pension or the employment has started. In respect of income earned during old-age pension, pension may accumulate until the age of 68 years.

Pension also accumulates during such non-salary periods of during which an earnings-based benefit is paid. Benefits that may be taken into account in the accumulation of pension include sickness allowance, maternity, paternity and parental allowances and earnings-related unemployment benefit. In the calculation of the amount of pension, non-salary periods are taken into account at a rate of 65 to 117% of income, depending on the benefit. Upon the reform, pension also accumulates during child care leave and studies. The basis of accumulation is a monthly income of 523.61 euro (in 2004).

The increased age of retirement has been taken into account in the reform, by the introduction of a multiplier based on life expectancy in 2009. A life expectancy multiplier is calculated for each

generation at the age of 62 years. The multiplier is applied to adjust the pension scheme to correspond to a longer period of payment. The reduction in the amount of pension, resulting from the application of the life expectancy multiplier, may be compensated for by working longer.

#### Old-age pension

Retirement on old-age pension is possible between 63 and 68 years of age, as chosen by the person concerned. Early retirement is possible at the age of 62 at the earliest. In such a case, the amount of pension is reduced by a deduction of 0.6% for each month of early pension. It is also possible to retire later than at the age of 68 years. In such a case, the pension that has accumulated by the age of 68 is raised by 0.4% for each postponed month.

The age of retirement on national old-age pension based on residence remains 65 years. To encourage people to stay at work, the coordination of employment pension and national pension is changed so that employment pension that has accumulated after the attainment of the age of 63 years no longer reduces the amount of national pension.

#### Payment of old-age pension on 31 December 2003

	All	Persons residing in Finland
All	901,931	862,542
Beneficiaries of employment pension	830,609	814,423
Beneficiaries of national pension	496,272	465,222
Beneficiaries of both employment pension and national pension	424,950	417,103
Beneficiaries of employment pension only	405,659	397,320
Beneficiaries of national pension only	71,322	48,119

#### Payment of old-age pension on 31 December 2004

	All	Persons residing in Finland
All	917,276	875,797
Beneficiaries of employment pension	848,681	831,149
Beneficiaries of national pension	489,415	457,282
Beneficiaries of both employment pension and national pension	420,820	412,634
Beneficiaries of employment pension only	427,861	418,515
Beneficiaries of national pension only	68,595	44,648

#### Disability pension

Disability pension may be granted to a person under the age of 63 years who fulfils the conditions for it. Disability pensions received on 1 January 2006 or later will always include a share of future pension in case the insured person has earned income of at least 12,566.70 euro during ten years immediately prior

to the year of retirement on disability pension (level in 2004). The assessment of future income is mainly determined on the basis of earned income during five years immediately prior to the year of retirement on pension.

#### Early retirement on pension

Early retirement on pension has been restricted by an amendment to legislation, which entered into force in 2002. The age limit for part-time pension is raised from 56 to 58 years for persons born in 1947 or later. Those who were born earlier maintain their right to part-time pension on the same conditions as earlier.

Persons who were born in 1943 or earlier, and who have had the right to individual early pension at the age of 58 years, maintain this right on the same conditions as earlier. Persons born in 1944 or later have no right to individual early pension. However, an amendment has been made to legislation, under which such individual professional factors as the length and nature of employment history are taken into account in decisions on disability pension in respect of persons who have reached the age of 60 years.

#### New Sickness Insurance Act

The new Sickness Insurance Act was prepared in 2004 and it entered into force on 1 January 2005. The purpose of the reform is to make the provisions of the Act more precise and clearer. Upon the reform, established practice has been codified at the level of an act of Parliament. The Sickness Insurance Act clarifies the situation in respect of the security of income during disability and parenthood and the structure of legislation applied to the compensation for costs.

The provisions on the determination of the amounts of sickness allowance and parental allowance now contain a wage criterion. The criteria for the determination of the amount of earnings-related allowances have been made more encouraging for the insured, where the person concerned has only short periods of employment or has given birth to two or more children within short time. The minimum amount of allowance has been raised from 11.45 euro to 15.20 euro as of 1 January 2005.

The compensation for the costs of annual holidays, paid to employers, will be raised. The compensation paid to employers is the amount of the employee's benefit multiplied by 1.55. The costs of parental leaves are burdening, in particular, for employers in female-dominated sectors. The aim is to reduce the costs incurred on employers and, at the same time, enhance the possibilities of employers to hire substitutes for employees taking parental leaves and to improve the position of women at the age of having children in the labour market.

A system of responsibility for full compensation of costs was introduced in the compensation for the costs of care of victims of occupational and traffic accidents in January 2005. The new system is meant to accelerate the care and return to work of such patients. Insurance institutions may, under a financial obligation, instruct a patient to find a medical institution that is able to provide care without delay, for the purpose of accelerating the patient's care. The institution providing the care may be either a public or a private health care unit. The insurance institutions have not, however, a right to decide on the nature of the patient's care and have no duty to arrange the care. The reform does not weaken the patient's right to get the necessary care in the public health care sector.

Insofar as the costs of public health care are concerned, the insurance institutions pay the costs of producing health care services, tied to the principles of invoicing applied between municipalities, directly to the municipality or joint municipal board having provided the services. The care provided by private service providers is also compensated for on the basis of real costs.

### **Committee's conclusions VXII-1 concerning Article 12, paragraph 3**

#### **Impact of increased fees in health care on persons with low income**

The provision of public health care is mainly at the responsibility of local authorities. Basic health care is provided by health care centres and special medical care by hospitals. The services provided free of charge include, among others, preventive care, services of maternity and child welfare clinics, vaccinations, psychiatric outpatient care, examination and treatment in respect of certain contagious diseases, and the hospital care of persons under the age of 18 years provided that it lasts longer than 7 days a year.

The fees charged for patients of local health care services in the public sector in a calendar year have been set a ceiling: the maximum amount that may be charged is 590 euro a year since 2000. This amount does not include, however, the costs of dental care. Once the set ceiling has been reached, the services covered by it are free of charge until the end of the calendar year in question. The services covered by the system include, among others, doctor's services for outpatients of health care centres, physiotherapy, appointments with hospital clinics, day surgery, and short-term institutional social welfare and health care services.

The sickness insurance scheme covers part of the costs of medical care. In the public health care sector, the sickness insurance covers part of the costs of medicines, accommodation and travel. There is also a ceiling for payments applied to the costs of medicines and travel. In case the costs of medicines for which no compensation has been paid exceed 604.72 euro (in 2004), the exceeding amount is fully compensated for under the sickness insurance scheme. In respect of travel costs, the limit was 157.26 euro in 2004.

On the one hand, the ceiling for payments has alleviated the financial burden of certain groups of persons but, on the other hand, it has increased bureaucracy. The Ministry of Social Affairs and Health set up a working group in December 2003, to assess the possibilities for changing the system of customer fees. The working group has been expected to submit its report by the end of 2005. On the basis of the report, a decision may be made to change the system.

#### **Amendments (726/2001) to the Family Pension Act**

The Government Bill was submitted to Parliament to enact certain legislative amendments required by the replacement of Finland's national currency with euro. These amendments did not entail any substantive changes to the provisions of law.

#### **Amendments (70/2002) to the National Pension Act and the Disability Allowance Act**

The possibility of suspending the disability pension existed already before the said amendments. It was possible to suspend the disability pension for a period of 24 months for the purpose of a work experiment. During the period of suspension, the beneficiary was paid a special disability allowance. The purpose of this arrangement was to encourage persons without prior work experience to try salaried work. However, the provisions of law on the procedure applied were not sufficiently precise as they did not include, for example, a provision on the maximum amount of income that could be earned during the work experiment without the disability pension being suspended.

As of 1 April 2002, the provisions of law have been amended so that the conditions for the suspension of disability pension and its termination are more clearly set out in the law. The maximum income that may be earned is 588.66 euro, which is the same as applied earlier in practice. The limit on income has

been determined on the basis of an established interpretation given by appeal instances. The maximum income of 588.66 is considered the limit of reasonable income. The limit on income was not tied to the costs of living index. The Ministry of Social Affairs and Health is currently assessing the need to tie the limit on income to the index.

Disability pension may now be suspended for a period of five years instead of the earlier period of 24 months, but the special disability allowance may still not be paid for longer than two years. The system of suspension and the changes made to the system in 2002 have relatively little significance. According to an estimate, there are only a few dozens of beneficiaries of the system. There are no detailed statistics, however.

#### **Article 12, para. 4**

##### *Question A: Bilateral and multilateral agreements*

Finland is bound by Regulation (EEC) No 1408/71<sup>5</sup> of the Council of 14 June 1971 on the application of social security schemes to employed persons and their families moving within the Community. The Regulation is also applied between the EU Member States and Switzerland on the basis of a bilateral agreement. Furthermore, Finland is a party to a social security agreement between the Nordic Countries (FTS<sup>6</sup> 105-106/93), that has been revised in 2004 (FTS 135/2004). Of the EU Member States and EEA countries, Finland has concluded bilateral social security agreements with Germany, the United Kingdom, Austria, Spain, Luxembourg, Greece, Estonia, Latvia, Lithuania and Poland. No amendments have been made to these agreements since the submission of the previous report. However, Finland and Estonia are negotiating on a new agreement to replace the existing social security agreement, due to the need for changes caused by the accession of Estonia to the European Union.

The purpose of the new social security agreement between the Nordic Countries (FTS 135/2004) is to clarify the relationship of its provisions with Community legislation. The agreement takes into account the amendments made to the aforementioned Regulation. The revised agreement entered into force on 1 September 2004.

Employed persons and beneficiaries of pensions as well as their families moving within the Nordic Countries are covered by the provisions of Community legislation. Other persons falling, or having fallen, within the scope of the legislation of any Nordic Country, as well as their family members, are covered by the provisions of the agreement concluded between the Nordic Countries. The agreement is also applied to nationals of third states.

The agreement still contains certain special provisions applied to the social security benefits of persons moving within the Nordic Countries, who fall within the scope of application of Regulation 1408/71.

##### *Question B: Granting of benefits to nationals of other Contracting Parties in the absence of bilateral or multilateral agreements*

In this respect, the Government refers to its previous report.

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<sup>5</sup> Official Journal of the European Communities No L149/2, 5.7.1971

<sup>6</sup> FTS – Finnish Treaty Series

*Question C: Length of the prescribed period of residence required for eligibility for benefits available independently of any contribution*

Most social security benefits are based on residence in Finland. There are only qualifying periods applied to parental allowances, national pensions and unemployment benefits.

The right to maternity, paternity and parental allowances requires that the applicant has resided in Finland for at least 180 days prior to the expected date of birth of the child. Periods of residence in another EU Member State or a country with whom a social security agreement has been concluded, are taken into account in the completion of the required period of residence.

Residents of Finland, other EU Member States and countries with whom a social security agreement has been concluded have the right to national pension if they have resided in Finland, after having reached the age of 16 years, for at least three years without interruptions. Other foreigners have the right to national pension if they have resided in Finland, after having reached the age of 16 years, for at least five years without interruptions. The amount of national pension is adjusted according to the duration of residence in Finland if the applicant for old-age pension has not resided in Finland for at least 40 years. In respect of applicants for other national pension, the amount of pension is adjusted unless he or she has resided in Finland for at least 80% of the period of time between the age of 16 years and retirement on pension. Periods of residence in another EU Member State or a country with whom a social security agreement has been concluded, are taken into account.

The right to unemployment benefits requires that the person concerned works in Finland and is available as labour in Finland. In addition, the aforementioned condition of prior employment must be fulfilled. Periods of insurance completed in another EU Member State or a country with whom a social security agreement has been concluded are taken into account in the completion of the period of employment if the person concerned has worked in Finland for at least four weeks immediately prior to becoming unemployed.

#### **Committee's conclusions XVII-1 concerning Article 12, para. 4**

The conditions for child benefits have not changed since the submission of the previous report. Child benefits are paid for the maintenance of children under the age of 17 years who reside in Finland. The amount of child benefit is the same for all, it is not based on any assessment of need and no contributions are required for its payment. The child benefit is paid to the parent or custodian of the child, who is responsible for the child's maintenance, irrespective of whether he or she is employed. The child benefit is financed with state funds and it is not subject to taxation. In situations not covered by Community legislation or a bilateral social security agreement, the child benefit is not paid unless the child de facto resides in Finland. Because nationals of third countries are also covered by the scope of application of Regulation 1408/71 since 2003, they may also be entitled to family benefits by way of application of the Regulation, when moving within the Community.

The Government reiterates its view expressed in the ninth periodic report, according to which the first and foremost purpose of Article 12, para. 4, is to enhance the creation of a network of social security agreements between the Contracting Parties in order to ensure, to the extent possible, the protection of persons moving from one country to another.

The requirement of residence has been chosen as the basis of the social security system in Finland, for the purpose of its creation and development. This principle is still found to be functioning and justified, and it is taken into account in the implementation of the international obligations of Finland. The

Government wishes to further note that the European Social Charter and the revised Charter places employment-based and residence-based social security systems in an equal position.

The Government notes that the objectives and underlying principles of the Community legislation harmonising the Member States' social security systems and those of the European Social Charter and the revised Charter are different. The objective of the provisions of Council of Europe instruments is to place persons residing in the same country in an equal position irrespective of their nationality, whereas they must not pursue an objective of guaranteeing free movement of labour and related rights.

#### Pension schemes

There are two separate pension schemes in Finland, the employment pension scheme and the national pension scheme. Earnings-related pensions are paid to employees, entrepreneurs and public officials within the framework of the employment pension scheme. As of January 2003, employment pension earned in the private sector is paid to the beneficiary even if he or she resides in a foreign country, irrespective of nationality. The employment pension scheme is the primary scheme applied, and it is supplemented by the national pension scheme based on residence. Its purpose is to guarantee the minimum income, in particular, for such persons who have not been in paid employment or have only been employed for a short time. Accordingly, national pension is only paid to persons who have no pension benefits tied to earned income or whose earnings-related pension is only small. The national pension scheme is financed with state funds, although employers and workers also contribute to the scheme. The beneficiaries of national pension do not contribute to the financing of the scheme.

National pension may be paid to Finnish citizens who have resided in Finland, after having attained the age of 16 years, for at least three years without interruptions. Nationals of other EU Member States and countries with whom a social security agreement has been concluded have the same requirement of residence. In respect of nationals of other countries, a five years' residence as of the age of 16 years is required. Similar qualifying periods apply to other pensions paid under the national pension scheme (disability pension, unemployment pension, surviving spouse's pension and child's pension).

The Government plans to submit a bill to Parliament for the amendment of the National Pension Act, in respect of the qualifying periods, so that the qualifying period would be that of three years for all persons irrespective of nationality. The reform will probably enter into force in 2007.

The amount of pension is also adjusted according to the duration of residence. Beneficiaries who have resided in Finland for at least 40 years have the right to full old-age pension, provided that his or her other pension benefits do not exceed a certain limit.

Where a person enjoying a pension under the national pension scheme moves abroad, the pension will be paid for one following year. If the beneficiary has not resided in Finland for at least one year immediately prior to moving abroad, the payment of pension is interrupted as of the beginning of the month following the date of moving abroad. If the beneficiary has resided in Finland for at least 10 years immediately prior to retirement on pension, or if the residence abroad is necessary because of the beneficiary's or his or her family member's illness, the payment of pension may be continued for a certain period of time or until otherwise decided. Family pension may be paid to a person residing abroad on the same conditions as national pension. However, a period of ten year's residence in Finland is not required in respect of a child if his or her custodian has completed the qualifying period.

The aforementioned restrictions do not apply to a beneficiary moving to another EU Member State or Switzerland, who is covered by the provisions of Regulation 1408/71. Nor do the restrictions apply to a beneficiary who moves to such a country with whom Finland has concluded a social security agreement, providing for the payment of pensions.

The Government wishes to note that the aforementioned restrictions relating to the payment of pensions under the national pension scheme result from the special features of the scheme as described in the foregoing. These features relate to the residence-based scheme and to the nature of the benefit as a guarantee of minimum income.

The Committee has observed that the situation in Finland has not changed and is not in conformity with the Charter on the grounds that Finnish legislation does not provide for aggregation of the periods of insurance or employment. The Government reiterates its views presented in the previous report, concerning the completion of qualifying periods and refers to the information given in the foregoing concerning the Finnish social security system and the provisions of the Council of Europe treaties.

## **ARTICLE 13: THE RIGHT TO SOCIAL AND MEDICAL ASSISTANCE**

### **Article 13, para. 1: Persons without adequate resources**

In this respect, the Government refers to its previous reports.

### **Committee's conclusions XVII-1 concerning Article 13, para. 1**

#### Homeless persons

According to section 14 of the Income Allowance Act (412/1997), income allowance shall be granted by the municipality where the person or family concerned has a permanent residence. If the person or family resides in more than one municipality, and the residence is not occasional, the income allowance shall be granted by the municipality where the expenses of such residence incur. If there is urgent need for income allowance, it is granted by the municipality where the person or family is residing at the moment of filing the application. No permanent residence is required, however, where income allowance is paid on the basis of a need to secure indispensable income. In Helsinki, where the number of residents without permanent residence - who nevertheless reside in Helsinki - is larger than in other municipalities, the issues relating to income allowance and social services have been vested in a specific unit of the Social Welfare Office, which is specialised in these issues.

A handbook published by the Ministry of Social Affairs and Health (*Handbook 2003:10*), concerning income allowance, addresses the basic principles concerning this type of social benefit. Income allowance is granted by the municipality of residence of the person concerned, and membership of or residence in the municipality in question is not a decisive criterion in the granting of necessary income allowance. Persons without a permanent residence but living in the municipality have the right to income allowance on the same grounds as persons having housing. When the application for income allowance is processed, the costs of housing are examined separately from other expenses. Where the applicant has no housing costs because of homelessness, income allowance may nevertheless be granted for the purpose of accommodation.

#### Level of income allowance

According to section 9 of the Income Allowance Act, the basic amount of income allowance for single persons is 378.54 €/month in level I municipalities and 362.25 €/month in level II municipalities. Section 7 of the Act defines the types of expenses that may be covered with the basic amount. In addition, reasonable housing costs, health care costs not included in the basic amount, children's day care costs, and such necessary costs for the securing of living or enhancing of independent living as result from special needs or conditions of the person or family concerned, may be taken into account as factors raising the amount of income allowance. It has been estimated that the aforementioned costs in total amount to an average of 900 euro/month, which means that the basic amount only covers less than half of the said costs.

#### Reduction of the basic part of income allowance

Under section 10 of the Income Allowance Act, the basic part of the income allowance may be reduced by a maximum of 20% if the person concerned has, without a well-founded reason, refused a job or a labour market measure offered to him or her, that would secure his or her income for a reasonable time,

or has refused the preparation of an activating plan. There are no separate statistics indicating the reduction of the basic part of income allowance first by 20% and, where necessary, by further 20%. Under section 10, subsection 4, of the Income Allowance Act, such a reduction may only be made where it does not risk the indispensable income for human life. A reduction of income allowance may be made for a maximum of two months at a time, starting from the refusal or failure, and upon the reduction, a plan must be prepared with the applicant for income allowance and the relevant authorities for the purpose of enhancing the independent living of the applicant.

#### Preventive income allowance

A legislative amendment entered into force in January 2001, entailing changes to the provisions on the purposes and granting of preventive income allowance. The grounds on which state subsidies are allocated to municipalities were also adjusted. The subsidies were slightly raised. In connection with the amendment, no fixed amount of preventive income allowance was defined but the new provisions determine the situations in which preventive income allowance may be granted. Such situations include, according to section 13 of the Act, activating measures, securing of housing, difficulties caused by insolvency or sudden weakening of financial situation, and other purposes for the enhancement of independent living. This amendment has led to increased use of preventive income allowance by municipalities. In 2002, preventive income allowance was granted to 19,245 households (41,301 persons), and in 2003 it was granted to 19,134 households (40,322 persons).

#### Rehabilitative work

The effectiveness of the rehabilitative work experience has varied. The results have been encouraging especially concerning the prevention of exclusion. However, a large number of participants have failed to complete their plans and no information on their situations has been obtained.

The results show that the overall goals of the Rehabilitative Work Act (189/2001) are only partly achieved with the measures used. For 50% of those who completed the activation plan, un-employment ended during the monitoring period, while only 35% of persons included in the reference group managed to find work.

#### **Article 13, para. 2: Non-discrimination in the exercise of social and political rights**

In this respect, the Government refers to its previous reports.

#### **Article 13, para. 3: Prevention, abolition or alleviation of need**

##### Mental health services for children and young persons; specific state subsidies

Due to the deficiencies found in the mental health services for children and young persons, the State has granted specific subsidies to support these services as of the year 2000. Such subsidies have been granted for the payment of the costs incurred by local authorities and joint municipal boards in respect of services supporting the mental development of children and young persons, preventing disturbances and securing psychiatric care. The subsidies are meant for the purposes of the psychiatric care and rehabilitation of persons under the age of 16 years.

The subsidies have made it possible to establish several hundreds of temporary or permanent positions in the public health care sector and to implement projects for the development of services. The State granted a total amount of 5 million euro as state subsidies for hospital districts run by joint municipal boards, to cover the costs of the psychiatric care and rehabilitation of children and young persons. At least one fifth of the subsidies must be used for the activities of local authorities maintaining mental health and preventing problems. The purpose is that the subsidies are used, in particular, to enhance the preventive work carried out by family counselling clinics and school health care authorities. The subsidies may be used to cover a maximum of 80% of the costs of care, rehabilitation or projects, and the hospital districts and local authorities must thus use their own financial resources to cover at least 20% of the costs. Thus, the total amount that may be covered with the subsidies and the contributions of beneficiaries is 6.25 million euro.

#### **Article 13, para. 4: Specific emergency assistance for non-residents**

The basic structure of the Finnish health care system has not been changed since the submission of the Government's previous report. The health care system is based on public health care services available to all. The public services are supplemented by services offered by the private sector and by an extensive system of occupational health care as provided by law. The local authorities bear the responsibility for the provision of public health care for the residents of the municipality. (In 2005, there were 432 municipalities in Finland.)

The Primary Health Care Act (66/1972) and the Act on Specialised Medical Care (1062/1989) provide for the duties relating to basic health care services and specialised medical care services. The local authorities are also responsible for the provision of specialised medical care. For this purpose, each municipality must be part of a hospital district. The hospital districts arrange, within their respective districts, the specialised medical care services based on law.

A universal system based on residence provides all persons residing lawfully in Finland access to the necessary social welfare and health care services. Nationality has no relevance for access to these services, provided that the person concerned has a municipality of residence in Finland in accordance with the Municipality of Residence Act (201/1994). Thus, it has not been found necessary to sort out statistics on the basis of the nationality of service-users.

Persons who are in need of urgent medical care must be immediately provided with such care as is required by their condition - irrespective of their nationality. The decision as to the need for urgent or immediate care is made by the doctor who is treating the patient.

#### **Committee's conclusions XVII-1 concerning Article 13, para. 4**

There are no statistics available on the nationality of persons using health care services. The extent of medical care services used by foreigners and their effects on the finances of local authorities are, however, assessed. This assessment is part of the mandate of a working group set up by the Ministry of Social Affairs and Health on 15 June 2005. The working group is preparing a procedure for the refunds of the costs of medical care on the basis of lump-sum payments, as referred to in Regulation (EEC) No

1408/71<sup>7</sup> in respect of Finland, and is assessing issues relating to the system of reimbursements between institutions under Regulation (EC) No 883/2004<sup>8</sup>.

Nor are there any statistics on the nationality of persons using income allowance due to urgent need, which is the equivalent of "emergency assistance" in the sector of social welfare services. The question of need for having specific statistics on the nationalities of persons applying for income allowance has not been raised in any connection, e.g. in connection with a dispute. The Ministry of Social Affairs and Health is, however, examining the possibility of carrying out a separate inquiry or survey to that effect.

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<sup>7</sup> Regulation (EEC) No 1408/71 of the Council of 14 June 1971 on the application of social security schemes to employed persons and their families moving within the Community

<sup>8</sup> Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security schemes

## **ARTICLE 16: RIGHT OF THE FAMILY TO SOCIAL, LEGAL AND ECONOMIC PROTECTION**

### *Question A to E*

In this respect, the Government refers to its previous reports.

### *Question F: Measures taken to promote the construction of family housing*

The Government still contributes to the production of family apartments by means of state housing loans and interest subsidies. In the production of rental apartments with the support of the State, the share of family apartments (3 rooms and a kitchen or larger) is still large. In 2002 to 2004, their share amounted to one third of all the constructed apartments.

In recent years, the interests on housing loans have remained at a low level. Therefore, people have increasingly purchased apartments, including large family apartments, moving from rental apartments to privately-owned ones. Of the 27,000 to 28,000 apartments constructed in 2002 and 2003, the share of family apartments has been large, more than 57% in both years.

The housing benefits paid, in particular, to families with low income and living in a rental apartment have rendered the costs of housing more reasonable. Approximately 42% of the beneficiaries of housing benefit were families with children in 2002 to 2005. Their share of the total amount of housing benefits paid has been approximately 55%.

### *Question G to H*

In this respect, the Government refers to its previous reports.

## **Committee's conclusions concerning Article 16**

### *Roma families*

The Finnish Roma live in the same areas and in the same types of apartments as the majority population, and there are very few homeless Roma. However, the Roma are dependent on public rental housing for the reason that it is more difficult for them to find an apartment in the private rental market because of their weaker financial position and the prevailing prejudices. Although the supply of rental apartments has improved in the past few years, in respect of both public and private housing sectors, the Roma still face problems in the housing market. In the private housing market, the usually required guarantee deposits and the solvency requirement often make it difficult for Roma to find an apartment. In respect of private housing, it is rather difficult to intervene in possible discrimination because of problems of evidence. In respect of apartments granted on social grounds, the Roma are in an equal position with other applicants. The new Non-Discrimination Act further improves the possibilities of intervening in possible discrimination.

The Ministry of the Environment, which is the authority responsible for housing, has drawn particular attention to the requirement of equality in its handbook for authorities deciding on the selection of tenants of rental apartments supported financially by the state. In cooperation with the Advisory Board

for Roma Affairs, the Ministry of the Environment has also produced a handbook called "The Special Aspects of Housing in Roma Culture"<sup>9</sup>. It is meant for the local housing authorities and other relevant bodies, providing information on the Roma and thereby facilitating the access of the Roma to housing and their possibilities to change apartments. Both handbooks have been widely disseminated. Questions of equal treatment have also been addressed in various training and other sessions of local authorities and other bodies responsible for housing.

In respect of the selection of tenants of rental apartments supported financially by the state, the Roma may lodge a complaint with the Housing Fund of Finland or the Minority Ombudsman. Complaints concerning the housing situation of the Roma have also been made to the Parliamentary Ombudsman. The Ministry of the Environment, the Advisory Board for Roma Affairs and the Minority Ombudsman have recently drawn attention to the importance of resolving the problems at the local level, and have also worked to that effect. In this respect, the training of and the provision of advice for the local housing and social welfare authorities and estate agencies as well as the local Roma contact persons and representatives plays an important role.

### *Legal protection of the family*

#### Domestic violence

##### a. Protection in law and in practice

Recent legislative amendments have contributed to an increasing awareness of the problem of domestic violence. Important legislative acts aimed to prevent violence, to protect its victims and to improve their position include:

- The Constitution of Finland (731/1999)
- The Penal Code of Finland (39/1889)
- The Restraining Orders Act (898/1998)
- The Act on Compensation for Crime Damage (935/1973)
- The Criminal Procedure Act (689/1997)
- The Police Act (493/1995)
- The Tort Liability Act (412/1974)
- The Execution Act (37/1895)
- The Act on the Status and Rights of Patients (785/1992).

In 1995, the penal provisions of law concerning offences of assault were amended so that the public prosecutor may now bring charges not only for aggravated assaults, but also for non-aggravated assaults that have taken place on private premises even if the victim does not request prosecution (the provisions on the elements of aggravated and petty assaults have also been amended). However, under the provisions that entered into force in 1995, it was also possible for the prosecutor to drop charges if the victim requests it on his or her free consent. This provision was criticized for the reason that it constituted an obstacle to bringing to justice perpetrators of domestic violence, and the provision was repealed by an act of Parliament that entered into force in the autumn of 2004. Prosecution in respect of petty assaults are still dependent on the victim's decision (unless the victim is young).

The Restraining Orders Act (898/1998), which entered into force in 1999, represents the new legislation. This Act has been applied fairly frequently, and over 2000 restraining orders are issued annually. The original provisions of the Act could not be applied against a person who shared housing with the person who needed protection. However, the Act has been amended with effect as of the

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<sup>9</sup> Malla Pirttilahti: Romanikulttuurin erityispiirteet asumisessa. Helsinki. Ministry of the Environment 2000.

beginning of 2005, and the Act now provides for a so-called inside-the-family restraining order, meaning that the person can be ordered to leave the shared home and not to return. The criteria for the issue of an inside-the-family restraining order are stricter than for other restraining orders, and its maximum duration (at a time) is shorter, 3 months (while the ordinary restraining order may be issued for 12 months at a time). The inside-the-family order may be only imposed to prevent offences against the life, health or liberty of a person or a threat thereof, but not if the case only involves crime on or harassment of peace. In addition, it is required that the likelihood of a crime referred to above would be greater without the issue of the order

The Criminal Procedure Act (689/1997) gives victims of sexual or domestic violence access to public assistance or support persons has been in force for several years. According to the Criminal Procedure Act (689/1997):

*"Chapter 2 - Counsel (107/1998)*

*Section 1a (107/1998)*

*A court may appoint a counsel for the injured party for criminal investigations and, where the injured party has a claim in a case prosecuted by the public prosecutor, for the trial:*

*(1) in a case relating to a sexual offence referred to in chapter 20 of the Penal Code, unless this is for a special reason deemed unnecessary; and*

*(2) in a criminal case referred to in chapter 21, section 1-6 of the Penal Code, if this is to be deemed necessary in view of the relationship between the injured party and the suspect of the offence.*

*Section 3 (107/1998)*

*On the conditions referred to in section 1a, an adequately qualified support person may be appointed for an injured party in an offence referred to in section 1a who does not make a claim in the trial and who is being heard in person in order to resolve the case, if it is deemed that he/she needs assistance in the criminal investigation or the trial.*

*Section 4 (107/1998)*

*(1) A defence counsel, a counsel for the injured party and a support person are to be appointed by the court where the criminal case is pending or where a charge for the offence may be brought. Subject to the criteria provided in section 13(1) and (2) of the Legal Aid Act, the appointment may be given retroactively to concern the necessary measures already undertaken in the case. If the hearing of the case has been concluded and the appeal period or response period has not yet expired, the appointments mentioned above are to be made by the court which last dealt with the case. (260/2002)"*

The Police Act permits the police to intervene in violent situations before any offence is committed. Currently, assault is an offence subject to public prosecution even if committed in a private place, which makes it possible for the police to intervene in acts of violence that were earlier deemed as internal family affairs.

#### b. The Project of National Research and Development Centre for Welfare and Health

In 1998, the Government launched a four-year-programme "National Programme for the Prevention of Prostitution and Violence against Women" under the guidance of the Ministry of Social Affairs and Health. This programme, which was part of the Gender Equality Action Plan, was implemented by the National Research and Development Centre for Welfare and Health (STAKES) and played a significant

role in the process of recognising violence against women as a social, health and human rights problem. The project was based on the principles and definitions of Beijing Platform of Action and included, among others, public campaigns aiming to change attitudes towards violence against women. They were conducted, among others, through TV programmes, outdoor posters, postcards, and articles in the media.

The measures taken have largely been based on a survey on violence against women that was completed in 1998<sup>10</sup>. According to the results of the survey, approximately 110,000 women faced violence or threats thereof each year.

#### Implementation of the survey

The information given in the foregoing is based on replies given by 5,000 women between 18 and 74 years of age. The survey was the first one of its kind in Finland. The information was compiled by questionnaires sent by mail in the autumn of 1997. Approximately 70% of women who received the questionnaire replied to it.

The purpose of the survey was to find out the extent of violence, by using the victims' age, socio-economic position, family structure, duration of relationship and use of alcohol, as well as the spouse's age, activity, education, use of violence and father's violence, as background indicators. The women were asked about different types of experiences of violence, including prevention of moving, slapping, sexual violence, hitting and kicking, throwing of objects, strangling, hitting the head, use of weapons and other forms of violence.

The cases of violence ranged from threats through minor physical violence to serious forms of sexual and physical violence. The classification of violence as serious was based on the definition/views of the victims participating in the survey.

#### Results of the survey

According to the aforementioned survey on violence against women, 20 % of the most serious violent incidents that the police were notified of went to court, and 73 % did not, and in 7 % of cases no answer was given to this question. In two trials out of three, the assailant was sentenced, in one case out of six he was not sentenced, and the remaining fifth of the cases were still open. Among the cases that were not taken to court, one in six were such that the victim herself did not press charges, and 3 % were dealt with in victim-offender mediation.

According to the survey, 40% of Finnish women have faced physical or sexual violence by a man or threats thereof after having attained the age of 15 years. During the year prior to the survey, 14% of women participating in the survey had faced such violence or threats. Every fifth woman lived in a relationship where the spouse had used physical or sexual violence or threatened with such violence.

More than half of the women told that they had at some point of their lives faced sexual harassment after having attained the age of 15 years, and of them every fifth had faced such harassment during the year prior to the survey. Violence, sexually threatening behaviour or compelling to sexual intercourse had been faced by 29% of the women under the age of 15 years.

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<sup>10</sup> Source: Faith, Hope, Battering: A Survey of Men's Violence against Women in Finland, authors Markku Heiskanen and Minna Piispa, 1998. Statistics Finland, Council for Equality. The publication is also available in English.

Of the women having an intimate partner, 9% had faced physical or sexual violence or threats thereof during the year prior to the survey. Physical violence had been faced by 30% of the women, of whom 7% had faced such violence during the year prior to the survey. Of the women having a common law or married spouse, 50% had faced violence or threats of violence by an ex-husband. The intimate partner violence had resulted in hate, anguish or other negative feelings in 85% of the women.

Of the women who had faced intimate partner violence, 36% had faced such violence by their existing partner for the first time more than 10 years ago. Every fourth of these women had also faced violence during the year prior to the survey. In other words, 27,500 Finnish women had both been victims of violence by the same spouse for the first time more than 10 years ago and still faced such violence during the year prior to the survey. The persons who had faced intimate partner violence during the year prior to the survey had been victims of violence approximately four times, and during their lives, they had been victims of violence approximately seven times. Thus, the estimate concerning the year in question is that there were 462,000 cases of violence against women.

Of the victims of intimate partner violence, 26% had sought help, and 10% had reported the most incidence of violence to the police. Most persons seeking help had only contacted one instance. It was most usual to contact a health care centre, followed by the police and family counselling clinics. It was more usual to seek help after the relationship had ended than during it.

Those 73% of women, who did not seek any help, told that they did not do so because they found the incidence of violence to be of minor importance. The second reason was that they did not want or need help, and the third one was that they felt ashamed.

Of violent male spouses, 6% had sought help for their problem. The survey showed that 41% of men, whose father had previously been violent against his spouse, were later violent against their own spouses.

Every fifth woman had faced violence under the age of 15 years and 16% of all women had faced sexual violence or sexually threatening behaviour under the age of 15 years.

#### Consequences of intimate partner violence

Intimate partner violence resulted in fear, depression, hate, decrease of self-esteem and other negative implications in two thirds of the women who had faced violence. Although every other woman had physical injuries, only one tenth of the victims had sought medical care. One tenth of the cases of violence had been reported to the police. Approximately 27 women die of domestic violence every year.

Women often refrain from telling others about the intimate partner violence they have experienced. Only half of the women who had faced such violence had discussed it with a close friend or other person. Intimate partner violence and harassment continued for a little less than one fifth of the women even after they had moved apart from their partner. The different forms of violence and harassment included threatening phone calls, following, trespassing, and physical violence.

#### *Economic protection of the family*

##### Child and family benefits

The amount of child allowance for one child is 100 euro a month. Depending on the number of children, the amount varies between 100 and 172 euro a month per one child. The amount is increased by 36.60 euro per child for single parents.

The basic amount of child home-care allowance is 294.28 euro a month for one child under the age of 3 years. For other children under the age of 3, an additional amount of 84.09 euro a month is paid for each child, and an additional amount of 50.46 euro a month is paid for each child under school age. The supplement for low-income families is determined on the basis of the family's income. It is only paid for one child, and the maximum amount is 168.19 euro a month.

The basic amount of private child-care allowance is 137.33 euro per one child. The supplement is determined on the basis of the family's income and the maximum amount is 134.55 euro for each child entitled to the allowance.

Maintenance support is paid for such a child whose parent, responsible for his or her maintenance, has failed to pay maintenance or is unable to pay it. Maintenance support may also be paid to a child whose father has not been established. The maximum amount of maintenance support is 118.15 euro a month per each child.

There are no major changes planned to the family benefits system in near future.

## **ARTICLE 19: RIGHT OF MIGRANT WORKERS AND THEIR FAMILIES TO PROTECTION AND ASSISTANCE**

### **Article 19, para. 1: Assistance and information on migration**

#### *Question A: Organisation and operation of free services to assist migrant workers*

The concept of migrant workers is understood as meaning third-country nationals working in Finland, who are not considered to reside in Finland within the meaning of the Municipality of Residence Act (201/1994) and who need a residence permit referred to in the Aliens Act (301/2004).

The legal status of persons falling within the jurisdiction of Finland is largely determined on the same grounds irrespective of nationality. The provisions on fundamental rights in the Constitution of Finland basically apply to all persons. Fundamental rights belonging to all include, among others, the right to equality and non-discriminatory treatment, cultural rights, and the right to indispensable income and care and, as provided by law, to social security.

According to Chapter 3, section 7, of the Act on the Public Employment Service (1295/2002), nationals of (other) foreign states and persons with no nationality may be registered as jobseekers as provided in this Act if they have the right to be gainfully employed under a valid continuous residence permit and the residence permit does not contain any restrictions with regard to the employer. Migrant workers whose residence is considered to be temporary have no right to be registered as jobseekers and they have thus no right to such employment services as require registration, such as finding and presenting vacancies, making job offers and referring clients to work, and introduction of a jobseeker to an employer (Chapter 4, section 4), the preparation of a job-seeking plan (Chapter 5) and employment subsidy for employers (Chapter 7), labour market measures such as work try-out, coaching for working life and practical training (Chapter 8). Also other benefits under the Act, such as training allowance, mobility assistance, maintenance allowance (Chapter 10), require that the person is registered with an employment agency as an unemployed jobseeker.

However, if the immigrant resides in Finland and has a continuous residence permit, he or she is mostly entitled to the same services as Finnish nationals. In addition, such an immigrant has the right to the measures provided for in the Act on the Integration of Immigrants and Reception of Asylum-Seekers (493/1999) ([www.mol.fi](http://www.mol.fi)). The objective of the Act is to enhance the integration, equality and freedom of choice of immigrants with measures supporting the achievement of the relevant knowledge and skills needed in society. The measures based on the Act aim at improving the financial and social capacities of immigrants and enhancing their social participation. The implementation of the Act and the guidance of immigrants to take advantage of the measures provided by the Act, are at the responsibility of the Labour Administration and, at the local level, by the employment agencies. The guidance of immigrants who are not in the labour market is at the responsibility of local authorities. The services are provided either as part of regular services or as separate services targeted at immigrants.

#### *Question B: Laws and regulations for action to combat misleading propaganda relating to emigration and immigration*

In this respect, the Government refers to its previous reports.

*Question C: Information available to immigrants in their own language*

The Ministry of Labour has produced a large amount of materials in different languages, to support work-related immigration into the country. These include, in particular, *"Working in Finland - information about living and working in Finland"* (Finnish, Swedish, Estonian, Russian and English) *"Enter working life"* addressing services provided by the Labour Administration (Finnish, Swedish and English) and the same brochure under a different name in French, Russian, Serbo-Croatian, Albanian, Arabic, Somali, Persian and Kurdish), as well as *"The integration of immigrants in Finland"* giving account of the basic elements of the Integration Act (Finnish, Swedish, English, French, Russian, Albanian, Arabic, Kurdish, Persian, Serbo-Croatian, Somali, Burmese). Immigrants wishing to set up a business of their own may find the brochure *"An enterprise of your own?"* useful (Finnish, Swedish, English, French, Russian, Arabic, Hindi, Somali and Turkish), and particularly immigrant women the brochure *"Equality in Finland - Information for immigrants"* (Finnish, Swedish, English, Russian, Persian, Serbo-Croatian, Albanian, Arabic, Vietnamese, Thai, Tagalog, Kurdish and Somali). In addition, the Advisory Board for Ethnic Relations has produced a brochure concerning working life in Finland, *"Facts for foreigners working in Finland"* (Finnish, Swedish, English, French, Estonian and Russian).

The Ministry of Labour has for several years already participated in the development of an information database for immigrants, by means of financing the web pages hosting the database at [www.infopankki.fi](http://www.infopankki.fi).

**Committee's conclusions XVII-1 concerning Article 19, para. 1**

As of 2001, the Ministry of Labour has been coordinating an information and education campaign against discrimination (SEIS; Stop - Finland Forward without Discrimination). During the last year, six regional seminars, training at workplaces and a national conference in Helsinki have been arranged within the framework of the project.

The SEIS project is implemented by the Ministry of Labour, the Ministry of Education, the Ministry of Social Affairs and Health and the Ministry of the Interior (Police Department) and in close cooperation with governmental bodies and non-governmental organisations working for the prevention and combating of discrimination. The SEIS project is partly financed by the European Union within the framework of the Community Action Programme to combat discrimination. The fourth phase of the project was implemented between 1 September 2004 and 31 August 2005. The SEIS project produces information on the principles of equality and diversity of cultures, including the strengthening of the awareness of minority groups of their rights and the provision of information on their situation in Finland. The project aims at increasing information between the relevant bodies' organisations and providing training for new ones.

Between 2001 and 2004, the Ministry of Labour has also coordinated another project partly financed by the European Union within the framework of the Community Action Programme<sup>11</sup> to combat discrimination (JOIN - Joint Promotion of Anti-discrimination at Local Level). The purpose of this project has been to create and test practical models for the enhancement of equality by the local authorities. The JOIN project addresses various forms of discrimination based on ethnic origin, religion, sex, disability, age or sexual orientation. The project aims at:

- helping identify, prevent and affect discriminatory practices at the local level;

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<sup>11</sup> Decision (EC) No 2000/750 of the Council of 27 November 2000 establishing a Community action programme to combat discrimination (2001 to 2006) [Official Journal of the European Communities No L 303, 02.12.2000]

- developing the dialogue between groups facing discrimination and the local authorities, concerning all the forms of discrimination and its accumulation, as well as establishing/extending, where necessary, mechanisms and structures to identify, prevent and combat discrimination;  
- developing, within the framework of local projects, good practices and examples as well as testing the methods that have been developed. Subordinate projects are implemented jointly by the relevant organisations and local authorities.

The Ministry of Labour also participates in a project to mainstream non-discriminatory practices in the provision of employment services, education and social and health care services, which was introduced in 2004. This project (*Join in*) is coordinated by the Provincial State Office of Southern Finland and it is implemented in cooperation among six EU Member States between 2004 and 2006. Apart from various development projects, efforts are made to suppress prejudices by means of addressing questions of equality in different events and personnel training, and by producing information materials.

The Government has prepared an immigration policy programme. An important part of the programme addresses the prevention of racism and the promotion of good ethnic relations. In the preparation of the programme, attention has been paid not only to the development of structures, but also to concrete projects for the development of good ethnic relations and to the necessary resources, including national and EU financing. The draft immigration policy programme prepared by the working group was submitted to the group of ministers responsible for questions of immigration policy on 15 June 2005. The programme focuses on the enhancement of work-related immigration. Other relevant objectives include the creation of a counselling system, the improvement of the system of integrating immigrants, and the improvement of ethnic relations. The aim is to enhance the development of society based on the diversity of values and cultures and on the principle of non-discrimination, supporting thereby the internationalisation and competitiveness of Finland.

The Advisory Board for Ethnic Relations, operating under the auspices of the Ministry of Labour, is a forum for discussion between the authorities, social partners, non-governmental organisations and immigrants. The Advisory Board is currently undergoing a reform, the aim of which is to increase the effectiveness of its work at the national level and at the local and regional levels. Through the reform, the representation of immigrants in the Board, from different regions, is increased and the political parties represented in Parliament are invited to contribute to the work of the Advisory Board.

#### **Article 19, para. 2: Measures to facilitate the departure, journey and reception of migrant workers and their families**

In this respect, the Government refers to its previous reports.

#### **Article 19, para. 3: Promotion of co-operation between social services in emigration and immigration countries**

In this respect, the Government refers to its previous reports.

#### **Article 19, para. 4: Treatment of migrant workers no less favourable than that of own nationals**

##### *Question A: Laws, regulations and administrative measures*

Section 6, subsection 2, of the aforementioned Constitution of Finland (731/1999) contains a prohibition of discrimination. The provisions of the Constitution are supplemented with prohibitions of discrimination and provisions on the requirement of equal treatment in various Acts of Parliament. For example, section 9 in Chapter 11 of the Penal Code establishes discrimination as a punishable offence. The Employment Contracts Act places employers under an obligation to treat employees equally and without discrimination.

According to Chapter 2, section 2, of the Employment Contracts Act (55/2001), the employer shall not exercise any unjustified discrimination against employees on the basis of, inter alia, national or ethnic origin. Section 17 the repealed Employment Contracts Act (320/1970), which was the corresponding provision, did not explicitly set out ethnic origin or nationality as a prohibited ground of discrimination. Thus, the new provision that entered into force on 1 June 2001 further strengthens the principle according to which no distinction shall be made between migrant workers and Finnish nationals, which was applied already earlier. The Department for Occupational Safety and Health of the Ministry of Social Affairs and Health monitors compliance with the provisions of the Employment Contracts Act.

In this respect, the Government also refers to information given under Article 1, para. 2 above.

##### *Question B: Equal treatment in access to housing*

Under section 19, subsection 4, of the Constitution, the public authorities shall promote the right of everyone to housing and the opportunity to arrange their own housing. The Act on the Development of Housing Conditions (919/1985) provides for the obligation of local authorities to develop the housing conditions in municipalities so that each resident of the municipality is provided with reasonable housing conditions.

The EU directives on equal treatment irrespective of racial or ethnic origin<sup>12</sup> and equal treatment in employment and occupation<sup>13</sup> were issued in 2000. The prohibition of discrimination based on the first-mentioned directive extends, apart from employment, to other sectors of life, including housing.

A Non-Discrimination Act was enacted in 2004 to implement the aforementioned directives. According to section 2 of the Act, the Act applies to ethnic discrimination based on ethnic origin concerning, among others, the supply of or access to housing. According to section 4 of the Act, in all they do, the authorities shall seek purposefully and methodically to foster equality and consolidate administrative and operational practices that will ensure the fostering of equality in preparatory work and decision-making. In particular, the authorities shall alter any circumstances that prevent the realization of equality. Section 6 of the Act contains (a general) prohibition of discrimination.

The Finnish legislation applied to housing does not make any distinction between Finnish nationals and foreigners, provided that they reside in Finland. For example, section 1 of the Housing Allowance Act (154/1987) provides that housing allowance can be granted to a household out of State funds in order to reduce the costs of a rented or owner-occupied dwelling located in Finland and deemed to be the permanent abode of the occupant, as provided in this Act. Only persons living permanently in Finland shall be considered members of the household.

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<sup>12</sup> Council Directive (2000/43/EC) implementing the principle of equal treatment of persons irrespective of racial or ethnic origin

<sup>13</sup> Council Directive (2000/78/EC) establishing a general framework for equal treatment in employment and occupation

The housing authorities follow the development of the housing situation of immigrants both by means of different surveys and reports and by means of individual contacts. The situation of immigrants is affected by the general availability of rental apartments, which has increased in the past few years. Homelessness has reduced in Finland. There is mainly scarcity of rental apartments in the fastest growing places and in respect of such persons as need particular support for housing. It is mainly the number of small apartments of a reasonable price that is not adequate. The waiting periods for rental apartments owned by local authorities have become shorter. There are some problems in individual cases and they are addressed by the local authorities within the limits of their competence.

The Parliamentary Ombudsman and the Chancellor of Justice are, while performing their functions, responsible for monitoring respect for human rights and fundamental rights in the activities of authorities and in the performance of public duties. The Minority Ombudsman enhances the status of ethnic minorities and foreigners, and their equality and protection by law as well as enhances and monitors good ethnic relations. The competence of all these authorities extends over the sector of housing, and they may interfere in deficiencies found on the basis of complaints filed with them.

In addition, the Government refers to information given under Article 1, para. 2, above.

**Article 19, para. 5: Treatment no less favourable with regard to employment taxes, dues or contributions payable in respect of employed persons**

In this respect, the Government refers to its previous reports.

**Article 19, para. 6: Reunion of the family of a foreign worker**

*Question A: Facilitation of the reunion of the family*

In this respect, the Government refers to its previous reports.

*Question B: Family members taken into account*

According to Chapter 4, section 37, of the new Aliens Act (301/2004),

*"When applying this Act, the spouse of a person residing in Finland, and unmarried children under 18 years of age whose parent or guardian the person residing in Finland is, are considered family members. If a person residing in Finland is a minor, his or her parent or guardian is considered a family member. A person of the same sex in a nationally registered partnership is also considered a family member.*

*Persons living continuously in a marriage-like relationship within the same household regardless of their sex are comparable to a married couple. The requirement is that they have lived together for at least two years. This is not required if the persons have a child in their joint custody or if there is some other weighty reason for it."*

According to section 38 of the same Act,

*"Issuing a residence permit on the basis of family ties to an unmarried child requires that the child is minor on the date when the application is filed if the requirements for issuing the residence permit are met on that date."*

*Question C: Refusal of permission to enter the country by reason of physical or mental health*

In this respect, the Government refers to its previous reports.

#### **Committee's conclusions concerning Article 19, para. 6**

According to Chapter 2, section 11, subsection 1, paragraph 5, of the Aliens Act (301/2004), aliens may enter Finland if they are not considered a danger to public order, security or health or Finland's international relations. According to the explanatory part of the relevant Government Bill (HE 28/2003)<sup>14</sup>:

*"Paragraph 5 applies to public order security and health and Finland's international relations. The concepts of public order and security are understood as including all such activities as aim at ensuring members of society safe and enjoyable surroundings, suppressing and investigating crime and violations of rights, and preventing and removing disturbances. Insofar as the more detailed definition of the concept of endangerment of public health is concerned, reference is made to Article 4, paragraph 1, of the EU directive concerning security<sup>15</sup>, under which certain diseases or disabilities may justify refusal of entry into a territory or refusal to issue a first residence permit."*

According to Article 4, paragraph 1, of the aforementioned Directive,

*"The only diseases or disabilities justifying refusal of entry into a territory or refusal to issue a first residence permit shall be those listed in the Annex to this Directive".*

The said Annex reads as follows:

*"A. Diseases which might endanger public health:*

- 1. Diseases subject to quarantine listed in International Health Regulation No 2 of the World Health Organisation of 25 May 1951;*
- 2. Tuberculosis of the respiratory system in an active state or showing a tendency to develop;*
- 3. Syphilis;*
- 4. Other infectious diseases or contagious parasitic diseases if they are the subject of provisions for the protection of nationals of the host country.*

*B. Diseases and disabilities which might threaten public policy or public security:*

- 1. Drug addiction;*
- 2. Profound mental disturbance; manifest conditions of psychotic disturbance with agitation, delirium, hallucinations or confusion."*

<sup>14</sup> Government Bill to enact the Aliens Act and certain related Acts of Parliament

<sup>15</sup> Council Directive 64/221/EEC of 25 February 1964 on the co-ordination of special measures concerning the movement and residence of foreign nationals which are justified on grounds of public policy, public security or public health

**Article 19, para. 7: Treatment no less favourable in respect of legal proceedings**

In this respect, the Government refers to its previous reports.

**Article 19, para. 8: Protection against expulsion**

*Question A: Grounds for expulsion and the procedures observed*

The Government has already earlier noted that a person may only be expelled from Finland where the criteria for expulsion provided for in the Aliens Act are met. Where the person to be expelled is the sole custodian of a child under the age of 18 years, the decision on expulsion usually applies to the child as well. In case where the only reason for the child's residence in Finland is that he or she is a family member of the migrant worker to be expelled, the Government has found that expulsion together with the custodian of the child is in his or her best interests. However, it may not be considered to be in the best interests of the child that he or she be separated from his or her custodian who has been expelled from the country, and left alone in Finland. The fact that the person to be expelled has a child under the age of 18 years cannot be found an adequate reason for not expelling him or her and for granting a residence permit in Finland.

The Government wishes to underline that in the assessment of need for expulsion, all the facts of relevance are taken into account. In respect of minors, the best interests of the child and the related international instruments are paid particular attention to, as well as other facts and conditions affecting the case in their entirety. Such facts include, among others, the length of the child's residence in Finland and other conditions and ties to Finland.

*Question B: Possibilities of appeal against expulsion orders*

In this respect, the Government refers to its previous reports.

**Article 19, para. 9: Permission of the transfer of earnings and savings**

In this respect, the Government refers to its previous reports.

**Article 19, para. 11: Promotion and facilitation of the teaching of the national language to migrant workers and members of their families**

Under sections 5 and 7 of the Basic Education Act (628/1998), the local authorities and other bodies having been given authorised to arrange education may provide instruction preparing for basic education, with the teaching of language among the priorities of the education. Such preparatory instruction is meant for six-year old children and immigrants under obligation to go to school. Once pupils with immigrant background have advanced to normal basic education, they are taught Finnish or Swedish as a second language, instead of teaching it as the mother tongue, where their Finnish or Swedish skills are not at a native-speaker level in all respects. Finnish or Swedish as a second language may be taught either as part of the normal school education or with the support of separate resources. In

2004, there were approximately 5,500 pupils with immigrant background in basic education. More than half of them studied Finnish or Swedish as a second language.

The provision of education is based on the principle of equal treatment. The criteria for admission to vocational education and the system of its financing do not set any obstacles to the admission of foreigners. However, in respect of foreign students and immigrants, it is required that they have sufficient language skills and general preparedness for studies. The students of immigrant or foreign background are subject to the same requirements concerning professional qualifications as Finnish nationals.

The providers of education may, for particular reasons relating to the person concerned, apply flexible criteria for admission to education. Such reasons may include, among others, the student's health, learning difficulties, lack of basic vocational education, difficulties in the comparison of school certificates, free-time activities, social reasons and reasons relating to the need to ensure employment.

In basic vocational education, the language of education may be Finnish, Swedish, Sámi, Roma or the sign language. In addition, part of the education may be given in a language other than one of the said languages, provided that it does not endanger the students' possibilities to follow the education.

The curriculum of basic vocational education must include a plan for the arrangement of education for immigrant students. In respect of immigrant students, the special requirements relating to language skills are taken into account in the admission of students and arrangement of education, as well as in the grading of exams. The national guidelines for the curricula of degrees of basic vocational education also include provisions on the arrangement of education for immigrants and different language and cultural groups.

According to a survey carried out in 2001, there were 85 such students in basic vocational education as performed studies in a native language other than Finnish or Swedish. The most usual language was Russian, and the others included, among others, Arabic, Somali, Estonian, Albanian, Bosnian, Spanish, German and Italian. Such language studies have been supported for example with an allocation distributed annually by the National Board of Education for the purpose of the development of vocational education of immigrants.

According to another survey, carried out in 2004, native language studies were also provided in connection with instruction preparing for vocational education. These languages included Russian, Somali, Arabic, Portuguese, Kurdish and Persian/Farsi. Such language education was attended by 32 students.

Students or their parents do not always find it necessary to have a right to native language studies, but rather focus on Finnish or Swedish studies.

The Ministry of Labour is responsible for the integration and education of adults with immigrant background.

#### **Article 19, para. 12: Promotion and facilitation of the teaching of migrant workers' mother tongues to their children**

State subsidies are paid for the purpose of education aiming at the maintenance of the language skills obtained abroad, in respect of the immigrants' own native language, Sámi and Roma as well as the languages learned by Finnish or Swedish-speaking pupils and students returning to Finland. It is required that there are at least four pupils or students in the group for which such education is arranged,

at the beginning of the school term. The state subsidies are granted within the limits of the State budget. The teaching of the immigrants' native language supplements basic education.

The providers of education have no obligation under the law to arrange such education but at present, slightly less than 80% of immigrant pupils, in approximately 100 municipalities, are taught their own native languages, including some 50 different languages. A problem faced by the local authorities is, however, that there is often no teacher available in the language in question. The most usual languages of immigrants taught at schools are Russian and Somali.

The native language of immigrants also plays an important role in vocational education. Under the national guidelines for the curricula of different sectors of basic vocational education, one of the aims of such education is to strengthen the cultural identity of the immigrant and to develop his or her language skills and knowledge. The students must achieve a working knowledge in two languages and to also command the professional language of his sector in his native language.

In a project carried out to develop local school curricula, one of the aims was to improve the arrangement of education for immigrants, including the teaching of their native languages. Allocations reserved for the purpose of developing basic vocational education have been used by the National Board of Education, among others, for the purpose of supporting the teaching of immigrants' native languages. Students often speak their native language well, but may have inadequate writing skills. In some cases, the students or parents may also have a negative attitude towards their native language studies in a situation where they wish to integrate into the new culture as soon as possible.

The immigrant's own native language may also be used in student counselling and remedial education, and it has been used in the provision of support for students by others having similar experiences. The latter form of support is meant to strengthen the social contacts of immigrants and thereby facilitate their everyday life in Finland. By means of cooperation between providers of education, it is possible to take advantage of shared teacher and other resources, particularly where the groups of students are small or where there are only a few students in respect of a certain language.

## **ARTICLE 20: RIGHT TO EQUAL OPPORTUNITIES AND EQUAL TREATMENT IN MATTERS OF EMPLOYMENT AND OCCUPATION WITHOUT DISCRIMINATION ON THE GROUNDS OF SEX**

### *Question A: Protection of the rights contained in Article 20 in legislation*

#### Reform of the Equality Act

The Act on Equality between Men and Women (609/1986; hereinafter "the Equality Act"), referred to in the Government's previous reports, has been in force since 1987. Various amendments have been made to the Act, of which the most significant were those made in 1992, 1995 and 2005. In 1992, the provisions prohibiting indirect discrimination and discrimination on account of pregnancy or parenthood were made more precise. In 1995, a provision on the use of quotas and an obligation of employers to prepare equality plans were added to the Act.

The latest amendment (232/2005) to the Equality Act entered into force on 1 June 2005. The main purpose of the amendment was to make the preparation of equality plans more effective and to strengthen the effects of the plans, as well as to enhance respect for the principle of equal pay. The purpose of the amendment to the Equality Act was to take account of the obligations under the Constitution and the objectives of equality set out in the Government's political programme and to transpose the amended EU Council Directive on the implementation of the principle of equal treatment for men and women applied to working life<sup>16</sup>.

The purpose of the latest amendment to the Equality Act is to strengthen compliance with the obligation under the law to enhance equality between men and women and with the obligation to remove discrimination on the grounds of sex. The contents of the amended provisions have also been affected by the provision of the Constitution containing an obligation to enhance equality between men and women in social activities and work, particularly in the determination of remuneration and other terms and conditions of employment, as provided in detail by law. It has been necessary, in view of the said provision of the Constitution, to make the obligations to enhance equality more precise and to supplement the provisions of the Equality Act in some respects. The scope of application of the Act was extended, to the extent its provisions are applicable, to forms of work which are close to paid employment. Furthermore, the provisions on the general obligation of authorities to enhance equality were made more precise and the scope of application of the quota provision was extended. The provisions on the equality plans of workplaces were also clarified in order to improve the possibilities of coordinating work and family life and to remove wage differentials. An employer who has failed to make an equality plan may be subjected to sanctions. Sexual harassment and retaliatory measures by the employer were made prohibited forms of discrimination. The law no longer provides for a maximum amount of financial compensation for victims of discrimination.

#### Adjustment of the costs of family leaves

The costs of family leaves are more burdening on female-dominated sectors than others and may weaken the position of women in the labour market. This is due to the fact that men and women are placed in different sectors of working life and the use of family leaves is uneven, as leaves are mostly used by women.

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<sup>16</sup> Directive 2002/73/EC of the European Parliament and of the Council of 23 September 2002 amending Council Directive 76/207/EEC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions (Text with EEA relevance) [Official Journal L 269 , 05/10/2002]

The costs of family leaves for employers have been adjusted so that employers who pay full wages during maternity leave are entitled to a compensation corresponding to the amount of sickness benefit. Employers have also been able to apply for compensation for the costs of annual holidays accumulating during family leaves taken by employees. The procedure of applying for compensation was made simpler as of January 2003, and since then employers have increasingly applied for compensation.

The alternative ways of adjusting the costs of family leaves were considered by a working group in the spring of 2004. A decision was made to significantly raise the amount of compensation paid for the costs of annual holidays, with effect as of January 2005. The work to develop the adjustment possibilities is, however, continued at the Ministry of Social Affairs and Health.

The Ministry of Labour is starting preparations for the development of legislation on family leaves so that both parents could better use their right to family leaves and that the family leaves would be used more by both men and women. The possibility for reduced working hours is planned to be extended to concern the parents of all children under the age of 10 years.

*Question B to E*

In this respect, the Government refers to its previous reports.

*Question F: Support for the coordination of work and family life*

Efforts will be made, by means of family policy and the development of the coordination of family and work, to ensure that financial or work-related reasons will not postpone family plans. A possibility for flexible return from a family leave to work is particularly important for the participation of women in working life.

A project launched by the Ministry of Social Affairs and Health aims at supporting the coordination of work and family by affecting the attitudes of workplaces and society towards family and children. The so-called VETO programme analyses the links between family leaves and position in the labour market.

The possibilities for children's day care, which is of good quality and functioning and corresponds to the needs of the family, is the most relevant means of making it possible for the parents of small children to participate in working life. The Ministry of Social Affairs and Health has undertaken to develop the children's day care system with a view to maintain it as a service creating social equality and supporting families.

*Question G: Occupations reserved exclusively for one or other sex*

The Finnish legislation is gender-neutral and there are no positions reserved exclusively for men. According to section 2 of the Equality Act, its provisions do not, however, apply to the activities of the Church (the Evangelic-Lutheran Church or the Orthodox Church), nor to those of other religious communities.

*Question H: Measures of positive action in favour of one gender aimed at removing de facto inequalities*

The Finnish legislation allows positive different treatment, provided that its purpose is to enhance equality. In general, however, the Government aims at achieving equality by means of both active measures and provisions of law prohibiting discrimination.

*Question I: Employment situation, access to and participation in vocational guidance, training, retraining and rehabilitation, differences in terms of employment and working conditions, and differences in career advancement*

*a) Employment situation of both sexes*

The employment rate did not increase in Finland between 2002 and 2004, which was due to a downward trend in economy. In 2002, the employment rate was 67.7% and in 2004, it was 67.2%. The employment rates of men and women were relatively close to one another. In the past few years, however, the employment rate of women has slightly decreased. In 2002, it was 66.2% and in 2004, it was 65.5%. The employment rate of men has decreased less than that of women, being 69.2% in 2002 and 68.9% in 2004 (including 15 to 64-year-old persons).

In 2002, there were in total 2,372,000 employed persons (between 15 and 74 years of age), of whom 1,144,000 were women and 1,229,000 were men. The corresponding figures in 2004 were 2,365,000 (total), 1,136,000 (women) and 1,229,000 (men).

Despite that the employment rate decreased between 2002 and 2004, the unemployment rate did not increase but also decreased. In 2002, the unemployment rate of both men and women was 9.1%. In 2004, the unemployment rate of women was 8.9% and that of men was 8.7%. The total number of unemployed women was 111,300 in 2004, and that of men was 117,600. (These figures include persons between 15 and 74 years of age.) Considering that the shares of both sexes of employed persons have decreased between 2002 and 2004, however, the slightly lower unemployment rates mean that in the weaker employment situation, people have to some extent moved over to that part of the population which remains outside labour, instead of being registered as unemployed persons. In 2004, men constituted 68.5% and women 63.3% of available labour (15 to 74-year-old persons), whereas the corresponding figures were 69.2% and 64% in 2002.

Although part-time work is not usual in Finland, its share has slightly increased in the past few years, particularly among women. In 2002, 12.5% of all salaried employees, 17.2% of women and 7.7% of men carried out part-time work. The corresponding figures in 2004 were 13.1% (all salaried employees), 18.3% (women) and 8.0% (men). Part-time work has particularly increased in the sector of private services, which is dominated by women. It is mainly performed because of studies or because there is no full-time work available. Unlike in many other countries, childcare is usually not a reason for part-time work in respect of either sex, because the Finnish system of children's day care makes it possible for both parents to perform full-time work.

In most cases, employment is permanent. In 2002, 16.2% of all salaried employees, 19.6% of women and 12.6% of men were in temporary employment. In 2004, the corresponding figures were 16.5% (all salaried employees), 19.6% (women) and 12.7% (men). The total number of temporary salaried employees was 333,700 in 2004, which was slightly less than in 2002 (including 15 to 74-year-old persons). According to the employees themselves, the reason for temporary employment was that there was no permanent work available. Temporary employment is clearly more usual in the public sector than in the private sector.

*b) Access to vocational guidance, training, retraining and rehabilitation*

Vocational guidance is provided by both schools and employment agencies, as part of their regular educational and employment services. The vocational guidance provided by the employment agencies is available to all, but in practice jobseekers constitute their largest group of customers.

The Finnish system of vocational guidance is rather extensive. It is available during studies, employment, unemployment and other periods outside labour. On the average, women and girls use the vocational guidance offered by schools and employment agencies more often than men and boys. The situation has not changed during the period of time covered by the present report.

The vocational guidance provided by the employment agencies is available to all adults and young persons free of charge. The purpose of vocational guidance is to prepare customers a realistic plan of action on the basis of their knowledge, skills, interests and aims. A customer-based and gender-neutral approach is applied to personal vocational guidance, focusing on the customer's own wishes and needs relating to career and taking all the available alternatives into account. In principle, there are no obstacles to women making atypical choices concerning education and employment. In many sectors, however, there is a relatively greater need for women than for men for the reason that teaching, education and employment are largely segregated on the basis of sex.

The labour administration has participated in a few cooperation projects implemented with the support of the European Social Fund, where the different needs of men and women have been acknowledged in the provision of guidance, and efforts have been made to produce women such educational and employment services as correspond to their needs. In 2002, the Ministry of Labour published a handbook for authorities to support atypical choices. The guide was distributed to all the employment agencies and it has also been applied to the provision of staff training. The Ministry of Labour has also produced other materials for staff providing vocational guidance (e.g. a PowerPoint slide show concerning the different needs of men and women).

Numbers of persons using vocational guidance services in 2002 to 2004

	Under 25 years	Over 25 years	In total	Women
2002	12,113	21,037	33,150	22,049
%	36.5	63.5		66.5
2003	11,576	18,920	30,496	19,966
%	38.0	62.0		65.5
2004	10,931	19,031	29,962	19,622
%	36.5	63.5		65.5

Vocational guidance provided by employment agencies

Within the framework of vocational guidance services provided by employment agencies, information is available to all citizens on education, different professions, working life and financing of studies. The services are easily available at the employment agencies, on the Internet and by telephone.

A total of 355,350 consultations were registered at the employment agencies in 2004. Because the vocational guidance services are available to all, there are no accurate data concerning customers and the shares of men and women. In 2004, the employment agencies carried out a survey among their customers, requesting feedback concerning services. In this context, the customers were also requested to provide background information. Of the persons participating in the survey and using free vocational

guidance services (not registered as jobseekers), 75% were women. At the same time, 56% of registered jobseekers were women.

#### Vocational rehabilitation

In 2002, there were in total 15,904 persons using vocational rehabilitation services offered by the labour administration. Of these, 55% were women. In 2003, 56% of a total of 15,774 persons were women, whereas their share of a total of some 19,400 persons was 57% in 2004. All customers have access to the vocational rehabilitation services of the employment agencies free of charge.

In 2002, a total of 6,707 persons participated in vocational rehabilitation based on law and provided by the National Pension Institution. Of these, the share of women was more than 55%. In 2003, the share of women of a total of 9,684 persons was approximately 55%. There is no data available concerning the year 2004.

#### Participation in labour market training

Labour market training is primarily meant for unemployed persons. However, it is also possible to provide this type of training for other groups of persons, such as those outside labour or even those at work. Of the persons entering labour market training in 2002 and 2003, approximately 80% were unemployed, 7% outside labour (usually in the most vulnerable position in the labour market), 5% under the threat of becoming unemployed and 3% subject to lay-offs. Of all the persons who entered labour market training, about one third had only completed comprehensive school and had thus no prior vocational training.

Of the arranged labour market training, approximately 70% was given in the form of vocational training and 30% in the form of preparatory training. Of the preparatory training, 45% was of a guiding nature, increasing preparedness to enter the labour market. The share of immigrants of the persons in preparatory training was a little less than one third in 2002 and 2003. Their share has been increasing since 2000.

Since 2000, the number of women entering labour market training has been slightly larger than that of men, constituting some 52% of all participants. Where the shares of men and women of persons having completed vocational labour market training are examined, it may be noted that the wishes of men and women concerning their professions are still largely based on the traditional job segregation: of the persons participating in labour market training, 90% of participants in the field of social welfare and health care, 80% in the field of services, 78% in the field of administrative and office work, and 72% in the field of trade were women. The share of men was clearly the largest in the sector of industries (77%) and in that of construction and transportation (more than 90%). Thus, the choices made by participants and the training offered are still to a large extent gender-bound, despite the efforts to change the situation. There are, however, certain exceptions in respect of the training arranged, such as entrepreneurship training targeted exclusively at women.

#### *Questions I (c) and (d)*

In this respect, the Government refers to its previous reports.

*Question J: Active policies carried out to achieve equal opportunities and equal treatment in employment*

Government's political programme

According to the political programme of Prime Minister Matti Vanhanen's Government, for the years 2003 to 2007, the enhancement of equality is at the responsibility of the whole Government. Under the programme, the Government undertakes to mainstream equality between men and women throughout the state administration. To this effect, the Government intends to develop methods of assessing the effects of government measures on gender equality and to make this assessment part of the preparation of legislation and the State budget. The knowledge of government officials of equality issues will be increased throughout the state administration. The share of women among those making political and economic decisions is increased and equality policy issues are also assessed from the perspective of men. According to the Government's political programme, the Government undertakes to enhance equal pay and equality at work by means of a long-term programme, in cooperation with trade unions. The Government has set an objective of removing unjustified wage differentials between men and women.

Men are encouraged to take family leaves and the costs incurred upon employers by such leaves are evened out more than earlier. The Government improves the possibilities of men and women to go to work and carry out business activities, by e.g. the provision of good children's day-care services and other functioning public services. For example separate taxation, the employment-based social security of workers and self-employed persons, and loans designed for women wishing to start business encourage women to enter the labour market.

Government's equality programme

On 16 December 2004, the Government gave a resolution on an Equality Programme for the years 2004 to 2007. The programme has been prepared in cooperation among all the ministries, and it is based on the implementation of the various objectives concerning equality in the Government's political programme. The enhancement of equality at work is one of the most relevant objectives of the equality programme.

Mainstreaming

The equality questions faced by the sectors of administration of different Ministries are very different. Therefore, it is important that the experts of each sector of administration are able to identify and take account of the most relevant equality questions in their own sectors. The Ministry of Social Affairs and Health, among others, has been developing methods of mainstreaming since 2002. There are also other projects of mainstreaming in certain other ministries. The experiences gained in the pilot project of the Ministry of Social Affairs and Health will be used to develop a model of mainstreaming that would be applicable to the whole state administration.

Mainstreaming has been implemented, among others, by the following means:

a) Provision of training and the production of information:

The Ministries have jointly arranged training since 2004 concerning the principles of mainstreaming and the assessment of the effects of government measures on equality.

- The internal training programmes of Ministries include a gender equality perspective. The aim is to have it included in all the training programmes by 2007, including introductory training.
- The Ministry of Social Affairs and Health intends to produce a handbook for government officials for the purpose of the assessment of the effects of legislation on equality.
- In order to support mainstreaming, the production of statistics by the Ministries will be reformed so that it is possible to produce, as largely as possible, gender-specific data.
- In order to support mainstreaming, a database producing information on equality and women's studies, the first one of its kind, has been built in Finland.
- The gender barometer, which is carried out every three years, produces information on the attitudes, expectations and opinions of citizens concerning equality (the latest one was published in 2004).
- At the local level, a public database has been opened to offer gender-specific information.

b) Assessment of the effects of legislation on equality between men and women:

The instructions on the preparations of Government bills were reformed in 2004, and provide now guidance for the assessment of the effects of legislation on equality. The aim is that by 2006, the needs for assessment of the effects on equality are established in respect of any legislation and, in case such need is found in respect of individual bills, the assessment is carried out in respect of all such bills.

Equal pay

The principle of equal pay is enhanced by an amendment made to the Act on Equality between Men and Women, which entered into force on 1 June 2005. Under section 6a, subsection 1, of the amended Act, the employers are under an obligation to implement measures enhancing equality in accordance with an annual equality plan, concerning particularly remuneration and other terms and conditions of employment. It was also possible to prepare an independent equality plan under the earlier Act, despite that it was not specifically provided for in the Act.

The possibilities of trade unions and the State to prepare a programme for the enhancement of equal pay have been addressed in a report that was completed in August 2004. It is noted in the report that such a programme is necessary and it is possible to prepare the programme in cooperation with trade unions. On the basis of this report, the Ministry set up a working group on 16 November 2004, consisting of representatives of the Government and trade unions, to prepare a draft programme for enhancing equality of pay. The proposal of the working group, containing the draft programme, was submitted on 18 May 2005.

Gender equality barometer<sup>17</sup>

The Gender barometer has been published in Finland in 1998, 2001 and 2004. The barometer seeks to analyse, by means of men's and women's estimates, attitudes and personal experiences, the division of labour and power between men and women and to assess how acceptable the division is in various situations arising in society.

Despite the fact that employment of women is taken almost for granted even in respect of women with families, both as far as attitudes are concerned and in practice, one female employee in four still felt in

<sup>17</sup> An English summary of the gender barometer is available at [http://www.stm.fi/Resource.phx/publishing/documents/2587/summary\\_en.htx](http://www.stm.fi/Resource.phx/publishing/documents/2587/summary_en.htx).

2004 that their pay was adversely affected by their gender. Even in 2004, workplaces still viewed the use of statutory parental leaves as a women's right rather than as that of men. This was particularly true of the private sector, and of all family leaves except the very shortest ones: only 45 per cent of private-sector employees thought that it would be easy for a man to take a family leave of 1 to 7 months.

Gender barometers have also studied personal sentiments about interaction between the genders. In 1998 and 2001 it was fairly common among women, in particular, to have faced in different circumstances patronising or disparaging attitudes by the opposite sex. By 2004, these kinds of experiences of the opposite sex had become less prevalent.

*Question K: Social security matters considered to be within the scope of this provision*

In this respect, the Government refers to its previous reports.

**Annexes:**

- 1) Finland's National Action Plan of Employment 2004
- 2) Non-Discrimination Act
- [2/3](#)) Information on Equality Act
- 4) Information on labour disputes
- 5) Finnish Social Protection 2003 - Publications 2004:10
- [5/6](#)) Trends in Social Protection in Finland 2003 - Publications 2003:17

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