

Employment protection in Finland – 2008

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| Item 1 Notification procedures in the case of individual dismissal of a workers with a regular contract | <p>Personal reasons: Statement of reasons and information on appeals procedures given to the employee upon request. Advance discussion with employee and trade union if requested by employee.</p> <p>Lack of work: In companies with 20 or more employees, notification to employment office and trade union representatives and consultation on reasons and ways to avoid lay-off; in companies with less than 20 employees, only notification to the employment office.</p> |
| Item 2 Delay involved before notice can start | <p>Personal reasons: Notice orally or in writing. Advance discussion with the employee and trade union if requested by the employee.</p> <p>Lack of work: In companies with 20 or more employees: prior to notice, invitation to consultation, 5 day delay, then consultation for 14 days, then notice orally or in writing. In companies with less than 20 employees: notice orally or in writing.</p> |
| Item 3 Length of notice period at different tenure durations | All workers: 14d≤1y, 1m≤4y, 2m≤8y, 4m≤12y, 6m>12y. |
| Item 4 Severance pay at different tenure durations | All workers: None. |
| Item 5 Definition of unfair dismissal | <p>Fair: Dismissals are justified for “specific serious reasons”, including personal characteristics and urgent business needs. Dismissals for economic and personal reasons are valid only if employees cannot be reasonably, in view of their skills and abilities, transferred or retrained.</p> <p>Unfair: Dismissals for an employee’s illness, participation in a strike, union activities and political or religious views.</p> |
| Item 6 Length of trial period | 4 months. |
| Item 7 Compensation following unfair dismissal | <p>Compensation between 3 and 24 months. The following factors must be taken into account when determining the amount of compensation: estimated time without employment, estimated loss of earnings, duration of the employment relationship, and degree of guilt found on the side of employer. The highest compensations are used only in cases of gross injustice.</p> <p>Typical compensation at 20 years tenure: 14 months.</p> |
| Item 8 Reinstatement option for the employee following unfair dismissal | No reinstatement. |
| Item 9 Maximum time period after dismissal notification up to which an unfair dismissal claim can be made | After the termination of employment the claim for compensation based on unfairness of the dismissal must be filed within 2 years. |
| Item 10 Valid cases for use of fixed term contracts | Permitted for temporary replacements, traineeship, and special business needs (unstable nature of service activity, etc.). |
| Item 11 Maximum number of successive FTCs (initial contract plus renewals and/or prolongations) | In case of successive contracts, justification of limitation of contract subject to court examination. |
| Item 12 Maximum cumulated duration of successive FTCs | No limit. |
| Item 13 Types of work for which temporary work agency (TWA) employment is legal | General. |
| Item 14 Are there restrictions on the number of renewals and/or prolongations of TWA contracts? | No. |
| Item 15 Maximum cumulated duration of TWA contracts | No limit. |
| Item 16 Does the set-up of a TWA require authorisation or reporting obligations? | No. |
| Item 17 Do regulations ensure equal treatment of regular workers and agency workers at the user firm? | Yes, equal treatment regarding pay and working conditions. |
| Item 18 Definition of collective dismissal | >9 workers in firms >20 employees, in case of dismissal for financial or production-related reasons. |
| Item 19 Additional notification requirements (compared to Item 1) in cases of collective dismissal | <p>Notification of employee representatives: Consultation with trade union or personnel representatives.</p> <p>Notification of public authorities: Notification of local employment office.</p> |

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| Item 20 Additional delays involved (compared to Item 2) | When an employer with more than 30 employees is considering laying off at least 10 employees, the mandatory period for negotiating with employees or their representatives is extended from 14 days to six weeks. |
| Item 21 Other special costs to employers in case of collective dismissals | <p>Type of negotiation required: Consultation on alternatives to redundancy and ways to mitigate the effects.</p> <p>Selection criteria: As laid down in collective agreements, selection procedure usually takes account of seniority, family circumstances and the retention of skilled personnel.</p> <p>Severance pay: No legal requirements.</p> |

This summary was produced by the OECD based on responses to a questionnaire submitted by authorities in OECD member countries. It describes the situation current as at 1 January 2008 and is the basis for calculating the OECD employment protection indicators. To find out more about the methodology used to calculate the OECD employment protection indicators, see www.oecd.org/employment/protection.