

**FINLAND**

Items	Regulations in force on 1 January 2019
<b>1:</b> Notification procedures in the case of individual dismissal of a worker with a regular contract	<p>Personal reasons: Statement of reasons and information on appeals procedures given to the employee upon request (Chapter 9, Sec. 5 of the Employment Contracts Act). Before the employment relationship can be ended, the employer is required by the law to give an opportunity to the employee to be heard concerning the grounds of dismissal. 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 employer's duty to explain to the employee the grounds for termination of employment and the alternatives (see Chapter 9, Sec. 3 of the Employment Contracts Act).</p> <p>Grounds for dismissal/termination of the employment relationship can be complemented/supplemented for example in the event of a dispute (during court proceeding) if the employer has not been aware of these grounds when giving grounds for termination to the employee in writing.</p> <p>Value (for EPL indicators): 2.25</p> <ul style="list-style-type: none"> <li>- Personal reason: 1.5 = average of 2 cases with (3: consultation with trade unions)/without(0: no consultation, no reason stated) consent of the employee</li> <li>- Lack of work: 3</li> </ul> <p>As of a certain number of dismissals (see Item 18): see Item 19</p>
<b>2:</b> Delay involved before notice can start	<p>Personal reasons: Notice orally or in writing. If notice sent by letter, it is then deemed to have been received by the recipient at the latest on the seventh day after the notice was sent (Chapter 9, Sec. 4, Employment Contract Act, Työsopimuslaki). Before the employment relationship can be ended, the employer is required by the law to give an opportunity to the employee to be heard concerning the grounds of dismissal. 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> <p>Calculation (for EPL indicators): average of personal reasons <math>(6+(1+7)/2=10</math> days) and lack of work <math>(1+5+14+1 = 21</math> days) <math>= (10+21)/2 = 15.5</math></p> <p>As of a certain number of dismissals (see Item 18): see Item 20</p>
<b>3:</b> Length of notice period at different tenure durations (a)	<p>All workers: 14d<math>\leq</math>1y, 1m<math>\leq</math>4y, 2m<math>\leq</math>8y, 4m<math>\leq</math>12y, 6m<math>&gt;</math>12y.</p> <p>Calculation (for EPL indicators): 9 months tenure: 14 days, 4 years tenure: 1 months, 20 years tenure: 6 months.</p>
<b>4:</b> Severance pay at different tenure durations (a)	<p>All workers: None.</p>

<p><b>5: Definition of unfair dismissal (b)</b></p>	<p>Fair: Dismissals are justified for “specific serious reasons”, including personal characteristics and urgent business needs.          Unfair: Dismissals for an employee’s illness, participation in a strike, union activities and political or religious views+ resort to means of legal protection available to employee (Chapter 7, Sec. 2, subsection 2, paragraph 4 of the Employment Contracts Act)..          Dismissals for economic and personal reasons are valid only if employees cannot be reasonably, in view of their skills and abilities, transferred or retrained.          Economic reasons is not a ground for dismissal if the employer, either before giving notice or soon after the employment contract has been terminated, hires a new employee for tasks similar to those performed by the dismissed employee (Chapter 7, Sec. 3, employment Contracts Act).</p> <p>In the event of dispute, the court will consider:</p> <ul style="list-style-type: none"> <li>• if the employer has had a proper and weighty reason to terminate an employment contract;</li> <li>• if the work to be offered has diminished substantially and permanently and</li> <li>• if the employee can be placed in or trained for other duties.</li> </ul> <p>The court will not consider if the management decision of the employer has been reasonable or rational (Employment Contracts Act, Chapter 7, Sec. 1, 3 and 4).</p> <p>Alternatives that need to be considered before dismissal (Employment Contracts Act Chapter 6, Sec. 6 and Chapter 7, Sec. 4, 12 and 13.):</p> <ul style="list-style-type: none"> <li>• Employer’s obligation to offer work and provide training: see Chapter 7, Sec. 4 of the Employment Contracts Act.</li> <li>• Many collective agreements include provisions on selection criteria.</li> <li>• Regarding employee’s right to employment leave and employer’s duty to offer employee coaching and training at the end of the employment relationship, please see Chapter 7, Sec. 12 and 13 of the Employment Contracts Act.</li> <li>• Provisions on re-employment of an employee are laid down in Chapter 6, Sec. 6 of the Employment Contracts Act.</li> </ul> <p>Selection criteria in collective agreements (CA) often have both a social and operational basis.          Ex: CA between Technology Industries of Finland and Industrial Union (8.11.2017-31.10.2020.):          “35.2 Order of workforce reductions          The employees last dismissed or laid off by the employer shall be those whose vocational skills and other abilities are important for enterprise operations and those working for the same employer who have lost part of their working capacity. The employer shall also take not of the employee’s length of service and number of dependants.”          Provisions like this are rather common in other collective agreements as well.</p>
<p><b>6: Length of trial period (c)</b></p>	<p>6 months (all workers) (Employment Contracts Act, Chapter 1, Sec. 4)</p>
<p><b>7: Compensation following unfair dismissal (d)</b></p>	<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 (Employment Contracts Act Chapter 12, sec. 2.).          Calculation (for EPL indicators): Typical compensation at 20 years tenure (all workers): 14 months.</p>
<p><b>8: Reinstatement option for the employee following unfair dismissal (b)</b></p>	<p>No reinstatement.</p>
<p><b>9: Maximum time period after dismissal up to which an unfair dismissal claim can be made (e)</b></p>	<p>After the termination of employment the claim for compensation based on unfairness of the dismissal must be filed within 2 years (Employment Contracts Act Chapter 13, Sec. 9.)</p>
<p><b>10: Valid cases for use of standard fixed term contracts</b></p>	<p>Permitted for temporary replacements, traineeship, and special business needs (unstable nature of service activity, etc.). At the request of the employee, the employment contract can always be concluded for a fixed term, and the contract is binding upon the employer and the employee.          An employer may hire a long-term unemployed (12 months) for a fixed term contract valid for maximum one year without giving a justified reason for the fixed term.          (Employment Contracts Act Chapter 1 Sections 3 and 3 a)</p>

<b>11:</b> Maximum number of successive standard FTCs (initial contract plus renewals and/or prolongations)	In the case of successive contracts, justification of limitation of contract subject to court examination (Employment Contracts Act Chapter 1 Section 3).
<b>12:</b> Maximum cumulated duration of successive standard FTCs	No limit
<b>13:</b> Types of work for which temporary work agency (TWA) employment is legal	General, but there are restrictions in several collective agreements as far as the use of TWA employment by the user company. The type of restrictions and their substance vary from one collective agreement to another. The most common ones restrict the use TWA employees for a limited time and for limited tasks.
<b>14:</b> Are there restrictions on the number of renewals and/or prolongations of TWA assignments? (f)	No for assignments. For contracts: same restrictions as for fixed-term contracts if the contract between the agency and the worker is fixed-term. It is not possible to use fixed-term TWA contracts when the agency has a permanent need of labour (Employment Contracts Act Chapter 1 Section 3).
<b>15:</b> Maximum cumulated duration of TWA assignments (f)	Restrictions on the length of assignments in certain collective agreements. No limit for contracts, if the latter are open-ended.
<b>16:</b> Does the set-up of a TWA require authorisation or reporting obligations?	No
<b>17:</b> Do regulations ensure equal treatment of regular workers and agency workers at the user firm?	Some temporary agencies have their own collective agreement. In the absence of such an agreement, the minimum terms and conditions of the work performed by the agency's employees are determined on the basis of the collective agreement followed by the company that hires the workers (Employment Contracts Act Chapter 2 Sections 9 and 9 a).. If no collective agreement is applicable to an agency worker's employment relationship, their wages, working hours and annual holiday allowance must, at a minimum, be consistent with any agreements or policies that the user company is legally bound to observe or that are otherwise observed in the sector in question. Any terms and conditions of employment that are not laid down in a collective agreement are agreed between the worker and their employer, i.e. the temporary agency. This means that the terms and conditions applicable to agency workers can be different from those applied to the user company's other employees (in respect of, for example, lunch breaks and the right to a telephone). Agency workers accrue holiday and pension benefits just like other employees. Agency workers can also take family leave. Hired workers (temporary agency workers) have the right to access the services and common facilities provided by the user enterprise for its employees on the same terms and conditions under which the enterprise offers these to its own employees, unless different treatment is justified for objective reasons. However, the user enterprise is not obliged to provide financial support for the hired workers' (temporary agency workers) use of such services and facilities.
<b>18:</b> Definition of collective dismissal (b)	>9 workers in firms >20 employees, in case of dismissal for financial or production-related reasons. (Act on Co-Operation within Undertakings Chapter 1, Sec. 2.and Chapter 8.)
<b>19:</b> Additional notification requirements in cases of collective dismissal (g)	Notification of employee representatives: Consultation with trade union or personnel representatives. Notification of public authorities: Notification to local employment office.
<b>20:</b> Additional delays involved in cases of collective dismissal (h)	Undertakings/firms who fall within the scope of application of the Act on Co-Operation within Undertakings: When an employer with more than 20 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. (Act on Co-Operation within Undertakings, Chapter 8.) Employers (undertakings/firms) falling out of the scope of application of the Act on Co-Operation within Undertakings, Sec. 2 and 3 of Chapter 7 of the Employment Contracts Act apply. In addition provision of the Employment Contracts Act concerning notice periods (Chapter 6, Sec. 3) as well as provision concerning delivery of notice on the termination of an employment contract (Chapter 9, Sec. 4) and provision concerning notifying the employee of the grounds for termination (if the employee requests this, Chapter 9, Sec. 5) apply to all employees regardless of the size of the firm (see also answers given to items 2 and 3).
<b>21:</b> Other special costs to employers in case of collective dismissals (i)	Type of negotiation required: Consultation on alternatives to redundancy and ways to mitigate the effects. Selection criteria: As laid down in collective agreements, selection procedure usually takes account of seniority, family circumstances and the retention of skilled personnel. Severance pay: No legal requirements.

<b>22:</b> The worker alone has the burden of proof when filing a complaint for unfair dismissal	No
<b>23:</b> Ex-ante validation of the dismissal limiting the scope of unfair dismissal complaints	No
<b>24:</b> Pre-termination resolution mechanisms granting unemployment benefits	If an unemployed person quits a job without good cause, he/she loses entitlement to unemployment benefit usually for 90 days after the termination of employment. If the remaining duration of employment would have been 5 days at a maximum, unemployment benefit will be lost for 30 days (Chapter 5, section 13, and Chapter 7, section 10 of the Unemployment Security Act.).

Legend: d: days; w: weeks; m: months; y: years. For example "1m < 3y" means "1 month of notice (or severance) pay is required when length of service is below 3 years".

Notes:

- a) Three tenure durations (9 months, 4 years, 20 years). Case of a regular employee with tenure beyond any trial period, dismissed on personal grounds or economic redundancy, but without fault (where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment). Averages are taken where different situations apply – e.g. blue collar and white collar; dismissals for personal reasons and for redundancy.
- b) Based also on case law, if court practice tends to be more (or less) restrictive than what specified in legislation.
- c) Initial period within which regular contracts are not fully covered by employment protection provisions and unfair dismissal claims cannot usually be made.
- d) Typical compensation at 20 years of tenure, including back pay and other compensation (e.g. for future lost earnings in lieu of reinstatement or psychological injury), but excluding ordinary severance pay and pay in lieu of notice. Where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment and that a court case takes 6 months on average. Description based also on case law.
- e) Maximum time period after dismissal up to which an unfair dismissal claim can be made.
- f) Description based on both regulations on number and duration of the contract(s) between the temporary work agency and the employee and regulations on the number and duration of the assignment(s) with the same user firm.
- g) Notification requirements to works councils (or employee representatives), and to government authorities such as public employment offices. Only requirements on top of those requirements applying to individual redundancy dismissal count for the OECD EPL indicators Versions 1 to 3 (cf. Item 1).
- h) Additional delays and notice periods in the case of collective dismissal (only delays on top of those required for individual dismissals – as reported in Items 2 and 3 – count for the OECD EPL indicators).
- i) This refers to whether there are additional severance pay requirements and whether social compensation plans (detailing measures of reemployment, retraining, outplacement, etc.) are obligatory or common practice.