1333/2021

Helsinki, 30.12.2021

Law on cooperation

In accordance with a decision of Parliament, it is hereby decreed:

1 Read more
General provisions
1 §
Purpose of the law

The purpose of this Act is to promote a workplace culture in which employers and staff work together in a spirit of cooperation, respecting each other's rights and obligations, while taking into account.
each other's interests. The law also aims to ensure that the company's activities and the work community are developed on an ongoing basis and that performance and well-being at work are improved.

The purpose of the Act is also to ensure an adequate and timely flow of information between the employer and employees, and to ensure that employees have a say in company decision-making when it concerns their work, working conditions or position in the company. It is also intended to intensify cooperation between employers, employees and the employment services in order to improve the position of employees and support their employment in the event of changes in activities.

2 § Scope of application

This Act applies to undertakings and entities engaged in economic activities where the number of employees is regularly at least 20.The Act also applies to a branch within the meaning of Section 2 of the Act on the Right to Conduct Business (122/1919), Chapter 1, Section 13 of the Act on Credit Institutions (610/2014) and Chapter 3, Section 1 of the Insurance Companies Act (521/2008) where the number of employees is regularly at least 20.

However, Chapter 5 of this Act applies only to a Finnish limited liability company, cooperative or other economic association, insurance company, commercial bank, cooperative bank or savings bank whose regular number of employees in Finland is at least 150.

3 §
Exceptions to the scope

This Act shall not apply to agencies or institutions referred to in Section 2 of the Act on Cooperation in State Agencies and Institutions (1233/2013), unless otherwise provided in Section 2(1) of the said Act. The Act shall not
does not apply to the offices and institutions of municipalities, joint municipal authorities, the Evangelical Lutheran Church, the Orthodox Church, the Province of Åland and its municipalities and joint municipal authorities.

If an undertaking or body is non-profit-making, artistic, scientific, religious or otherwise religious or if its purpose is primarily of a commercial, labour market, public policy or humanitarian nature, the provisions of this Act shall not apply to decisions concerning the purpose of the undertaking or body and its non-profit or similar objectives, nor to the preparation of such decisions.

Chapter 2 of the Act does not apply to a bankruptcy estate.

4 §

Other legislation on employee participation rights

Cooperation between employer and employees in groups of companies is regulated by the Act on Cooperation in Finnish and Community-scale Groups of Companies (335/2007).

on the organisation of the administrative representation of employees in the SE and the SCE and on the cross-border
in the case of cross-border mergers or divisions of companies provides for employee involvement in the European Company (SE) and the European Cooperative Society (SCE) and in the case of cross-border mergers or divisions of companies
law (758/2004).

The Act on Occupational Safety and Health Supervision and Co-operation in the Workplace (44/2006) regulates co-operation in occupational safety and health.

The Occupational Health Care Act (1383/2001) regulates cooperation between employers and employees in matters concerning the organisation of occupational health care.

The obligation of the contractor to inform the representatives of the employees of its agreement to use the rental or
subcontracted work is regulated by the Act on the Contractor's Duty of Explanation and Liability for the Use of Outside Labour (1233/2006).

Information and consultation of employees in the context of takeover bids is governed by the Securities Markets Act (746/2012).

5 §
Representation of staff

A staff representative is either a shop steward elected on the basis of a collective agreement or a shop steward within the meaning of Chapter 13, Section 3 of the Employment Contracts Act (55/2001). If the matter in question concerns
including the safety and health of workers, and the matter has not been or is not being dealt with in accordance with the Act on Labour Inspection and Co-operation in Occupational Safety and Health at Work, the term "employee representative" also includes the health and safety representative.

If a majority of the employees in a group in an undertaking are not entitled to participate in the election of a shop steward as referred to in paragraph 1, the employees belonging to that majority may elect a shop steward from among their number for a maximum period of two years, if the majority of them so decide. The election or other selection procedure shall be organised by the employees belonging to the majority referred to above in such a way that all members of that majority must have the opportunity to participate in the election of the concertation representative.

Employees in a group of employees shall have the right to elect a representative of the group for the term of office referred to in paragraph 2 even if they have not elected a shop steward or a shop representative referred to in paragraph 1, even if they are entitled to do so under paragraph 1. The election or other selection procedure shall be organised in such a way that all employees belonging to the category of staff have the opportunity to participate in the election of the representative.

If the employees in a category of employees have not elected or, in an individual case, do not elect from among themselves a representative within the meaning of this Article, the employer may fulfil its obligations of dialogue and consultation with all the employees in that category jointly.

The staff representative is provided for in Chapter 5.

2 Read more
Dialogue for the development of the company or community and the workplace
6 §
The duty to engage in dialogue

The employer must maintain a regular dialogue with the employee representative in order to develop the activities of the company or community and the work community in matters covered by the law.

Dialogue means a process between the employer and the employee's representative which promotes adequate and timely communication between the employer and the employee, and between the employee and the employer.
influence on matters concerning their work, working conditions or status.

7 §
Implementing the dialogue

The dialogue takes place in a meeting between the employer and the staff representative, organised by the employer. The meeting shall be held at least once every quarter or twice a year if the employer employs fewer than 30 employees, unless the employer and the staff representative agree otherwise. If the subject of the dialogue concerns more than one
a staff group, it must be discussed at a meeting with representatives of all the staff groups concerned.

To the extent that the employees do not have a representative, the employer may implement the obligation to engage in dialogue by addressing the issues referred to in Articles 8 and 9 at a joint meeting at least once a year.

The dialogue must be constructive and take account of each other's interests, needs and position.

8 §
The subject of the dialogue

There must be a regular dialogue between the employer and the employee representative:

1) the development prospects and financial situation of the company or community;

2) the rules, practices and policies that apply in the workplace;

3) the use of the workforce and the structure of the workforce;

4) staff skills needs and skills development;

5) maintaining and promoting well-being at work, to the extent that this is not covered by other legislation;

6) matters arising from other legislation provided for in Article 12.

9 §
Work Community Development Plan

The employer, in cooperation with the staff representative, must draw up and maintain a workplace development plan for the systematic and long-term development of the workplace. Work community
the development plan is established and maintained as part of the dialogue referred to in Article 8(3) to (5). Where an employer makes workers redundant for economic or production reasons, the development plan shall include
make the necessary changes in the context of the dialogue after the end of the negotiations. The

workplace development plan must include:

1) the current situation and foreseeable developments that may have an impact on staff skills needs or well-being at work;

2) goals and measures to develop and maintain staff skills and promote staff well-being at work;

3) responsibilities and timetable for the measures;

4) monitoring procedures.

The workplace development plan must also include a policy on the use of external labour.

When drawing up and maintaining the workplace development plan, attention should be paid to:

1) the impact of technological developments, investments and other changes in the activities of the company or community on the workplace;

2) the specific needs of workers in different life situations, in particular the need to maintain the capacity to work of workers at risk of incapacity for work and older workers, and the employability of workers at risk of unemployment;

3) managing the work community.

The plans referred to in Section 6a of the Act on Equality between Women and Men (609/1986) and Section 7(2) of the Non-Discrimination Act (1325/2014) can be implemented as part of a workplace development plan.

10 §
Information to be provided for the dialogue

The employer shall provide the employee's representative in writing with all relevant information which is reasonably available and which the employer is entitled to provide for the effective conduct of the dialogue. Unless otherwise agreed, the information shall be provided at least one week before the dialogue takes place. On receipt of the information, the employee's representative shall be entitled, on request, to obtain further information relevant to the dialogue
a relevant fact.

11 §
Information to be provided on a regular basis

Twice a year, the employer must provide the staff representative with:

1) information on the number of employees by business unit or other similar breakdown;

2) information on the number of employees working on temporary or part-time contracts;

3) a coherent report on the economic situation of the undertaking or entity, showing the prospects for changes in production, services or other activities, employment, profitability and cost structure.

Unless otherwise agreed, the employer must annually provide the staff representative with:

1) information on the wages paid to the employees represented by the staff representative in such a way that it does not reveal the wages of any individual employee; if requested, the information shall be broken down by occupational group;

2) as regards the use of external labour, information on the sites and tasks to be carried out and the periods during which external labour has been used, if this has been part of the contracting entity's obligation and responsibility to report.
the law on the use of outside labour;

3) the annual accounts and annual report, if the employer is required to prepare them.

In the event of substantial changes to the information referred to in paragraph 1, the employer shall inform the staff representative.

If no representative has been elected for the staff member or group of staff members, the employer may fulfil the obligation referred to in this Article by presenting only the information referred to in paragraph 1(3) at a joint meeting for the whole staff member or group of staff members.

12 §
Issues arising from other legislation to be discussed in the dialogue

The matters to be discussed in the dialogue under Article 8(6) arising from other legislation are:

1) the collection of personal data referred to in Section 4(3) of the Act on the Protection of Privacy in Working Life (759/2004) during recruitment and employment;

2) jobs referred to in Sections 7 and 8 of the Act on the Protection of Privacy in Working Life, where the job applicant or employee is either obliged to provide or may provide a drug test certificate to the employer on the basis of his or her consent in accordance with Section 11(4) of the Occupational Health Care Act;

3) the purpose, introduction and methods of surveillance of employees by cameras, access control and other technical means, as well as the use of e-mail and data networks and the processing of data concerning the employee's e-mail and other electronic communications, as provided for in Article 21(1) of the Act on the Protection of Privacy in Working Life;

4) the criteria and practices for the procedures to be followed in the processing of communications data referred to in Articles 146-156 of the Act on Electronic Communications Services (917/2014), as referred to in Article 148(2)(1) of the Act;

5) the establishment of a personnel fund pursuant to Section 9 of the Personnel Fund Act (934/2010); and the performance or profit-sharing bonus scheme and the criteria for determining it, as well as the waiver of the said scheme and the dissolution of the staff fund referred to in Article 55;

6) matters referred to in Section 70(4) of the Employees' Pension Act (395/2006), Section 85(4) of the Public Sector Pension Act (81/2016), Section 78(4) of the Seafarers' Pension Act (1290/2006), Chapter 11, Section 3(4) of the Health Insurance Act (1224/2004), Section 81(4) of the Accident at Work and Occupational Diseases Act (459/2015) and Section 19(3) of the Unemployment Benefits Financing Act (555/1998).

13 §
Initiative for dialogue

The initiative for a dialogue on the matter referred to in § 8 may be taken by the employer or the employee's representative.

The employer must take up the initiative of the staff representative at the next meeting, unless otherwise agreed or due to the large number of initiatives. If the initiative of the staff representative is submitted less than two weeks before the meeting, the employer shall be entitled to defer the matter to the next meeting. The staff representative who took the initiative shall be informed of the postponement.

14 §
Recording the dialogue

At the request of the employee's representative, the employer must ensure that minutes are kept of the dialogue, indicating at least the date of the meeting, the persons who took part, the main content of the dialogue and any outcome or differences of opinion reached. The request for the recording of the dialogue shall be made at the latest at the beginning of the meeting. The minutes shall be examined and signed by the parties, unless otherwise agreed.

15 § Information

The employer must inform the staff, to the extent necessary, of the issues discussed in the dialogue and of the measures which the dialogue has shown to be justified. The employer and the staff representative shall endeavour to agree on the principles of information. Such information shall take into account the nature and scope of the matter under discussion and its importance for the staff.

3 Chapter 16 Negotiation of changes 16 §

Matters covered by the obligation to negotiate changes

The obligation to negotiate changes includes dismissals, lay-offs, part-time work and unilateral changes to an essential term of an employment contract, which the employer considers necessary for economic or production reasons.

The obligation to bargain about changes also applies to substantial changes in the work tasks and working

methods of one or more employees that are considered by the employer and which affect the position of one or more employees and which fall within the scope of the employer's supervisory authority,

in the organisation of work, work premises or regular working hours resulting from:

1) the winding-up, transfer, extension or reduction of the activities of an undertaking or a body or part of an undertaking or body;

2) the purchase of machinery or equipment or the introduction of new technology;

3) changes to the organisation or arrangements of work;

4) changes in service production or product range;

5) the introduction of or changes to the external workforce;

6) other changes equivalent to those referred to in paragraphs 1 to 5.

The obligation to negotiate changes in the matters referred to in subsection 1 does not apply to an employer who has been declared bankrupt or is being wound up, or to members of an estate of an employer who was a natural person, when they are considering terminating an employment contract in accordance with Chapter 7, Section 8, subsection 2 of the Employment Contracts Act.

17 §
Timing of change negotiations

Change negotiations on the basis of § 16(1) shall be initiated when the employer is considering measures that may lead to the dismissal, lay-off, part-time work or unilateral modification of an essential term of the employment contract of one or more employees for economic or other reasons.
on productive grounds.

Negotiations on changes in the basis of § 16(2) shall be initiated when the employer is considering a substantial change affecting the employee's position in his or her work duties, working methods, work in the organisation of working hours and regular working hours, where the change referred to in Article 16(2)(1) to (6) gives rise to such a change.

The employer may settle the case without prior negotiations if the company's production or particularly serious reasons, which could not have been known in advance, which are detrimental to the operation of the service or the financial situation of the undertaking, prevent the negotiation of changes. The employer must initiate negotiations without delay when there are no longer grounds for derogating from the obligation to negotiate. The employer must then explain the reasons for the exceptional procedure.

18 §
Parties to the change negotiations

Change negotiations are conducted between the employer and the employee representative who represents the employer in the negotiations.
targeted workers. If the employees are not represented, the change negotiations are conducted jointly with the employees who are the subject of the negotiations.

If the measure considered by the employer concerns an individual worker or workers, negotiations may take place between the employer and the worker or workers concerned. In this case, the worker or However, employees have the right to request that the matter be discussed in the presence of a staff representative or between the employer and a staff representative.

In the case of a transfer, merger or division of a business, the transferee or acquiring company may also be involved in the change negotiations.

19 §
Proposal for consultation and provision of information

Before the start of the negotiations, the employer must submit a written proposal for the negotiations, which must at least indicate the time and place of the start of the negotiations and the main points of the proposal. the issues to be discussed in the negotiations.

If the negotiations on changes concern the dismissal, lay-off, part-time work or unilateral amendment of an essential term of an employment contract of one or more employees within the meaning of Section 16(1), the proposal for negotiations must be submitted at least five days before the start of the negotiations. In addition to the information referred to in paragraph 1, the negotiating proposal shall contain the following information:

1) the measures envisaged and their justification;

2) a preliminary estimate of the number of workers targeted by the measures, broken down by category of staff and by measure;

3) an explanation of the principles according to which the workers subject to the measure will be determined;

4) an estimate of the time needed to implement the measures.

If any of the information referred to in paragraph 2 is not yet available at the time of the submission of the negotiating proposal, it must be provided at the latest at the start of the negotiations on the amendment. If the missing information is essential for the first
the matter to be discussed at the meeting, the proceedings shall, at the request of the employee or the employee's representative, be postponed to allow them to prepare for the proceedings.

The draft negotiating proposal on the matters referred to in subsection 2 must also be submitted to the Employment and Economic Development Office at the latest at the start of the amendment negotiations.

If the negotiations on changes concern a substantial change affecting the status of an employee within the meaning of Section 16(2), the employer shall, before the start of the negotiations on changes, provide the employees or staff representatives concerned with the information necessary for dealing with the matter.

20 §
Content of the change negotiations

At the very least, the change negotiations must address the rationale, impact and options for measures affecting staff.

If the negotiations concern the dismissal, lay-off, part-time work or unilateral amendment of an essential term of an employment contract of one or more employees within the meaning of Section 16(1),
negotiations must also address:

1) options to limit the circle of persons affected by the measure and to mitigate the negative consequences of the measure for workers;

2) proposals and alternative solutions made by a staff representative or an employee within the meaning of Article 22.

Change negotiations must be conducted in a spirit of cooperation to reach a consensus. The parties must act constructively and seek to contribute to the progress of the negotiations.

21 §
Action plan and policies

After submitting a negotiating proposal concerning its plan to dismiss at least ten employees on production and economic grounds, the employer must, at the beginning of the change negotiations, submit a proposal for an action plan for the planned implementation of the change negotiations and any possible
to mitigate the consequences of redundancies. The action plan must be discussed as part of the negotiations on the changes.

The action plan, supplemented if necessary during the negotiations, should indicate:

1) the planned timetable for the negotiations;

2) the procedures to be followed in the negotiations;

3) the principles for promoting access to public employment services, job search and training during and after the notice period.

When preparing the action plan, the employer must, as early as possible, together with the employment and economic development authority, identify the public employment services referred to in the Act on Public Employment and Business Services (916/2012) that will support the employment of the dismissed workers.

If the employer is considering making fewer than ten workers redundant, the employer must, at the start of the change negotiations, set out a policy to support the workers during the period of redundancy. spontaneously seeking other employment or training, and participation in employment-promoting services referred to in the Act on Public Employment and Business Services.

22 §
Proposals and alternative solutions to be presented in the consultation

The staff representative or employee participating in the negotiations has the right to submit proposals and alternative solutions in writing for consideration in the negotiations. The proposal or alternative solution must be
be made well in advance of the meeting at which the matter is to be discussed.

If the employer does not consider the proposal or alternative solution to be appropriate or feasible, it must, in the course of the negotiations, make clear in writing to the extent necessary how it views the proposal or alternative solution.
the underlying causes.

23 §
Fulfilment of the obligation to negotiate

The employer shall be deemed to have fulfilled its obligation to negotiate when the negotiations on the matters referred to in Section 16 have been conducted in accordance with the procedural provisions laid down in this Chapter.

Unless otherwise agreed in the negotiations on the amendment, however, in the case of negotiations on matters provided for in Article 16(1), the obligation to negotiate cannot be deemed to have been fulfilled before six weeks have elapsed since the start of the negotiations. Unless otherwise agreed in the negotiations on the amendment, this period of negotiation shall, however, be 14 days if:

1) the negotiations concern the dismissal, lay-off, part-time work or unilateral modification of an essential term of an employment contract of less than ten employees;

2) the negotiations concern a lay-off of up to 90 days;

3) the number of employees regularly employed by the employer is less than 30;

4) the employer is the subject of reorganisation proceedings under the Act on the Reorganisation of Undertakings (47/1993).

24 §
Recording of negotiations

Upon request, the employer must ensure that minutes are kept of the discussions during the negotiations, indicating at least the time of the negotiations, the persons involved, the results of the negotiations and any dissenting opinions. Unless otherwise agreed, the minutes must be examined and signed by the parties.

25 §
Employer's statement

An employer shall not dismiss, lay off, partially dismiss or suspend employees referred to in § 16(1). following negotiations on changes to the contract of employment, whether early or unilaterally modifying an essential term, present within a reasonable period of time to the parties to the negotiations an assessment of the following issues:

1) the content of the decision at the discretion of the employer;

2) the number of employees, by category or function, affected by dismissal, lay-off, part-time work or unilateral modification of an essential element of the employment contract;

3) the duration of any redundancies;

4) the period of time within which the employer intends to implement its decision.

At the request of the employee's representative, the employer shall present the matters referred to in paragraphs 1 to 4 jointly to all the employees in the category of staff as far as they concern them.

Following negotiations on changes in the matters referred to in Section 16(2), the employer shall, within a reasonable period of time, provide an explanation of the decision and the estimated date of the change to the party to the negotiations or, depending on the scope of the matter, to all employees affected by the change.

4 Read more
Transfer of business, merger and division
26 §
Information to staff representatives

The transferor and transferee must inform the staff representatives of the employees affected by the transfer:

1) the date or planned date of the transfer;

2) the reasons for the transfer;

3) the legal, economic and social consequences of the transfer for workers; and

4) planned measures concerning workers.

The transferor shall provide the information referred to in paragraph 1 in his possession to the staff representatives in good time before the transfer takes place.

The transferee shall provide the information referred to in paragraph 1 to the staff representatives no later than one week after the transfer takes place. The transferor and the transferee may carry out also jointly fulfil their information obligations.

If the transfer of the business gives rise to matters covered by the obligation to negotiate provided for in § 16, they shall be the subject of amendment negotiations in accordance with Chapter 3.

27 §
The transferee's obligation to answer clarifying questions

After providing the information referred to in Article 26(1) to the staff representatives, the transferee shall provide them with an opportunity to ask clarifying questions and provide answers to the questions asked.

At the request of the staff representatives, the employer shall provide the information referred to in paragraph 1 to all staff.

28 §
Mergers and divisions

The provisions of this Chapter on the transfer of a business also apply to mergers and divisions of undertakings.

5 Read more
Staff representation in the employer's administration
29 §
Staff representation

In order to develop the employer's activities, to improve cooperation between the employer and the staff and to increase the influence of the staff, the staff have the right to participate in the employer's.

the consideration of important business, financial and personnel matters by the employer's decision-making, executive, supervisory or advisory management bodies (*employee representation*) in accordance with this Chapter.

The administrative representation of staff must be agreed in the first instance between the employer and the staff. If no agreement can be reached, staff representation shall be carried out at the request of the staff in accordance with Article 31. On request, the Cooperation Ombudsman may authorise a derogation from the method of implementing staff representation.

The organisation of employee representation in the event of a cross-border merger or division of companies is governed by the provisions on employee representation in the European Company (SE) and the European Cooperative Society (SCE) and cross-border mergers and divisions.
in the case of mergers or divisions of companies exceeding the thresholds set out in the Act.

30 §
Contractual representation of staff

Employee representation may be implemented in the same way as the representatives of the employer and the staff groups.
a joint meeting agreed between the employer and at least two groups of staff members who together represent a majority of the staff.

The agreement referred to in paragraph 1 may not, however, derogate from the provisions of Articles 32, 37, 40 and 46 or from the separate provisions on the liability of the member of the institution concerned. In addition, staff
administrative representation must be in a body that deals with important business, financial and staff status issues.

The contract for staff management representation must be in writing. The contract may be of limited or indefinite duration. A contract for an indefinite period may be terminated by the employer and the categories of staff mentioned above.

Where there is a group of undertakings and the parties referred to in paragraph 1 of each undertaking so agree, employee representation may be organised on a group basis. The provisions of this Chapter relating to the employer and the undertaking shall also apply to the group.

31 §
Staff representation by law

If at least two groups of staff members representing a majority of the staff together so request, the staff shall have the right to appoint their representatives and, at the employer's option, their personal substitutes on the supervisory board, the board of management or such management or equivalent bodies as together cover the employer's business units. Staff representation shall take place in the body which deals with important business, economic and staff matters.

Staff representatives are appointed in addition to the members of the relevant body elected by the employer. The number of staff representatives may not exceed one quarter of the number of other members of the institution concerned, subject to a minimum of one and a maximum of four. Staff members
administrative representatives have the same term of office as the other members of the institution concerned. Where no maximum term of office is laid down, it shall be three years.

Unless otherwise agreed, the administrative representation of staff shall be carried out within one year of the date on which the conditions laid down in Article 2(2) are fulfilled and the request for representation is made. If the administrative structure is changed, the representation shall be changed at the same time to reflect the new structure. If the change is due to the transfer of a business
or a merger or division of undertakings, the change may be made later by the staff committee, but not later than one year after the date on which the staff committee
a request for modification has been made.

Notwithstanding the provisions of this Article, the administrative representation of staff may be agreed to be converted into a contractual representation under the conditions laid down in Article 30.

32 §
Eligibility and resignation of the staff representative

The employee representative must be a full member of staff employed by the company who is not bankrupt or under a business ban. Where the qualifications of the member of the institution concerned are specifically provided for, these qualifications shall also apply to the staff representative.

If a staff member ceases to be eligible under paragraph 1, resigns or is prevented from exercising his functions, he shall be replaced by a personal substitute until a new full member is elected or until the staff member ceases to be prevented from exercising his functions.

33 §
Elections of staff representatives

If the election of the staff representatives cannot be agreed between the staff groups, the representatives shall be elected in accordance with the procedure for the election of a health and safety representative laid down in Article 30 of the Act on Labour Inspection and Co-operation in Occupational Safety and Health at Work, mutatis mutandis.

The staff groups shall nominate candidates in the election referred to in paragraph 1.

34 §
Rights, duties and responsibilities of the staff representative

Employee representatives and members of the relevant body elected by the company have the same rights, obligations and responsibilities. However, the employee representative shall not have the right to take part in the selection, dismissal, terms and conditions of employment of the management of the undertaking, or in the appointment or termination of employment of the employees.
dealing with cases of industrial action. The voting rights of the staff representative may be limited by an agreement as referred to in Article 30. The staff representative shall be entitled to receive training to the extent necessary for the performance of his/her duties as staff representative in the company body.

Staff representatives and their alternates shall have the same right of access to the file on the matter under consideration as the other members of the institution.

If only one employee representative is appointed to the board, the alternate representative is also entitled to attend and speak at meetings.

6 Read more
Miscellaneous provisions
35 §
Exemption from work and compensation

The staff representative shall be entitled to sufficient time off from work to carry out the duties provided for in this Act and to undergo training in collective bargaining. The staff representative shall be entitled to time off from work also for the preparation of staff representatives directly linked to the task. The employer and the staff representative shall agree on the timing of the training. The employer shall compensate the loss of earnings resulting from the time off work. Other time off and compensation for loss of earnings shall be agreed in each case between the staff member concerned and the employer.

If a staff representative takes part in a dialogue or a negotiation on changes outside working hours or performs any other task agreed with the employer, the employer shall pay him/her compensation for the time spent on the task, which shall be equal to the representative's regular working hours.

The provisions of paragraph 1 shall also apply to the staff representative. However, instead of training for cooperation, the right to exemption shall apply to the training referred to in Article 34. If the staff member an administrator attends a meeting of a company body outside working hours, the company is obliged to pay him/her the appropriate expenses and meeting fees for attending the meeting.

36 §
Right to use experts

Employee representatives have the right to consult and receive information from experts in the relevant operational unit and, as far as possible, from other experts in the undertaking, in preparation for the

undertaking's activities and

in the context of the dialogue or negotiations on the development of the workplace and in the negotiations themselves, when this is necessary for the matter under discussion. Such experts shall be granted time off work and reimbursed for loss of earnings in accordance with Article 35.

The provisions of this Article shall not apply to the representation of employees in an undertaking's governing body under Chapter 5.

37 § Right of termination

The protection against dismissal of a shop steward, a shop steward's representative or a collective bargaining representative referred to in section 5(1-3) of the Act shall be governed by the provisions on protection against dismissal of shop stewards and shop stewards in Chapter 7, section 10 of the Employment Contracts Act. The same shall apply to the protection of employees under Article 5
the staff representative and alternate staff representative in the employer's administration within the meaning of Chapter 3.

38 § Contract law

National associations of employers and employees may, by agreement, derogate from the provisions of 2 and 3.
provided for in Chapter. However, agreements may not derogate from the provisions of section 19(2) and (4) concerning the information to be included in the negotiating proposal or the obligation to notify the Office of Employment and the Economy in so far as the provisions concern the dismissal of at least ten employees.

The parties referred to in Section 11(2) of the Act on the Social Insurance Institution of Finland (731/2001) may conclude the agreement referred to in this section.

The agreements referred to in paragraphs 1 and 2 shall have the same legal effects as a collective agreement under the Collective Agreements Act (436/1946). The provisions of an agreement may be applied by the employer bound by it to workers who are not bound by it but belong to the category of staff covered by it.

39 §
Relationship with the negotiating provisions of the collective agreement

If the matter to be dealt with in the dialogue or negotiations on changes referred to in this Act should also be dealt with in accordance with the bargaining order of the collective agreement binding the employer under the Collective Agreements Act,
dialogue or negotiations on changes are not initiated or must be suspended if the employer or the shop steward representing the employees covered by the collective agreement requests that the matter be dealt with in the collective bargaining procedure.

40 §
Confidentiality

The employee, the employee representative and the expert referred to in Article 36, as well as the employees referred to in paragraph 2 of this Article and their representatives shall keep confidential the information obtained in the course of the dialogue or negotiations on changes:

1) information concerning business secrets;

2) information about the employer's financial position which is not public under other legislation and the disclosure of which would be likely to damage the employer or its business and contractual partners;

3) information relating to business security and similar security arrangements, the disclosure of which would be likely to cause damage to the employer or its business and contractual partners; and

4) information concerning the health, financial situation and other personal data of an individual, unless the person whose protection is covered by the obligation of professional secrecy has given his or her consent to disclosure.

Paragraph 1 shall not preclude an employee or a staff member's representative from disclosing information from disclosing the information referred to in paragraphs 1 to 3 of that paragraph to other persons. to the employees or their representatives to the extent necessary for the purpose of achieving the objectives of the concerted action.

The obligation of confidentiality is subject to the following conditions:

1) the employer has indicated to the employee and the employee's representative and the expert referred to in Section 36 which information is covered by the obligation of professional secrecy;

2) the employer has informed the employee and the employee's representative and the expert referred to in Section 36 that the information referred to in paragraphs 2 and 3 of subsection 1 is confidential; and

3) the employee and the staff representative have informed the employees or their representatives referred to in paragraph 2 of the obligation of professional secrecy.

The obligation of professional secrecy shall continue throughout the period of employment of the persons referred to in paragraph 1.

The provisions of paragraphs 1 and 3 of this Article concerning the confidentiality obligation of the employee representative shall also apply to the position of the employee representative in an institution of an undertaking in accordance with Chapter 5, unless the confidentiality obligation of the members or alternate members of the institution concerned is provided otherwise.

41 §
Exceptions to the employer's obligation to provide information

The employer is not obliged to provide employees or staff representatives with information the disclosure of which, if it were to be objectively assessed, would cause significant harm or damage to the undertaking or its activities.

The provisions of this Article shall not apply to the representation of employees in an undertaking's governing body under Chapter 5.

42 §
Opinion of the Labour Council

The Labour Council's opinion on the application of this Act to an undertaking or association is provided for in the Act on the Labour Council and certain derogations in the field of occupational safety and health (400/2004).

43 §
Supervisi
on

The enforcement of this Act is regulated by the Act on Collective Bargaining Ombudsman (216/2010) and by the employers' and employees' associations whose national collective agreements must be observed in the employment relations of the undertaking under the Collective Agreements Act.

44 §
Compensation for the employee

An employer who has dismissed, laid off or partially temporarily suspended an employee or unilaterally altered an essential term of an employee's contract of employment by intentionally or negligently failing to comply with Articles 17 to 23 shall be ordered to pay to the dismissed, laid off or partially suspended employee or to the employee who is the subject of the alteration of an essential term of the contract of employment compensation of up to EUR 35 000.

In determining the amount of compensation, account must be taken of the nature and extent of the breach of the obligation and its reprehensibility, the employer's efforts to remedy its conduct, the nature of the action taken against the employee, the employer's circumstances in general and other comparable factors.

If the employer's negligence can be considered minor in all the circumstances of the case, no compensation may be awarded.

If the controlled company has dismissed at least ten employees as an employer, the compensation is the fact that the employer has not obtained from the undertaking controlling the group sufficient information necessary for the collective agreement procedure shall not be regarded as a factor reducing the amount of the fine.

The employee's right to compensation lapses if the action is not brought within two years of the end of the calendar year in which the right to compensation arose. Once the employment relationship has ended, the right to compensation lapses if no action is brought within two years of the end of the employment relationship.

45 §
Review of the amount of the refund

The maximum amount of the compensation provided for in § 44(1) shall be adjusted every three years by Government decree in line with the change in monetary value.

46 § Penal provisions

An employer or his representative who, despite being requested to do so by the Ombudsman, intentionally or negligently

1) fails to organise the minimum number of dialogue meetings provided for in Article 7(1),

2) fails to engage in dialogue on the matters referred to in Article 8,

3) fails to draw up or fails to maintain a workplace development plan as referred to in Article 9,

4) failing to provide the information necessary for the dialogue referred to in Article 10,

5) fails to comply with the information obligations referred to in Article 11(1) to (3); or

6) not to take the initiative referred to in section 13(2),

shall be fined, unless the offence is considered minor, *for breach of the obligation to cooperate.*

A breach of the obligation to cooperate also includes an employer or its representative who, intentionally or negligently.

1) fails to comply with or breaches the duty to inform laid down in section 26 or 28 or the obligations laid down in section 35 or 36, except where section 35 or 36 provides that the employer shall from the obligation to pay, or

2) otherwise than in accordance with section 44, fails to comply with his obligations under sections 17 to 20, 22 or 23.

The punishment for violating the rights of a staff representative within the meaning of Section 5 and of a staff representative within the meaning of Chapter 5 is provided for in Chapter 47, Section 4 of the Penal Code (39/1889). The apportionment of liability between the employer and the employer's representative is governed by Chapter 47, Section 7 of the Penal Code.

The penalty for breach of the obligation of secrecy provided for in section 40 shall be imposed in accordance with Chapter 38, Section 2, subsection 2 of the Penal Code, unless a more severe penalty is provided for the offence elsewhere than in section 1 of that Chapter.

7 Read more
Entry into force and transitional provisions
47 § Entry into force

This Act shall enter into force on 1 January 2022.

This Act repeals the Act on Cooperation in Enterprises (334/2007) and the Act on Employee Representation in the Administration of Enterprises (725/1990).

Where any other law or regulation refers to the law in force at the time of the entry into force of this Act, the the Act on Cooperation in Enterprises or Articles 1 to 9 of the Act on Employee Representation in the Administration of Enterprises, this Act shall apply instead. Where any other Act or Regulation refers to the provisions of the Act on the Representation of Employees in the Administration of Undertakings No. 9a-9f in force at the time of the entry into force of this Act, the provisions of the Act shall apply.
§instead of the Act on the involvement of employees in the European Company (SE) and the European Cooperative Society (SCE) and in the case of cross-border mergers or divisions of companies.

48 § Transitional provision

A matter under section 12 that is being dealt with or used by an enterprise or a community at the time this Act comes into force need not be dealt with in a dialogue to the extent that it was dealt with or prepared before the Act came into force, unless.
the initiative referred to in section 13 or otherwise provided by law.

If an initiative within the meaning of section 21 of the Act on Cooperation in Enterprises, a consultation initiative within the meaning of section 27, an employer's initiative within the meaning of section 35 or a consultation proposal within the meaning of section 45 has been submitted before the entry into force of this Act, the procedures concerned shall be governed by the Act in force at the time of the entry into force of this Act.

The period of notice for an agreement of indefinite duration on a matter referred to in section 27(1) of the Act on Cooperation in Enterprises in force when this Act entered into force shall be six months, unless another period of notice has been agreed.

The personnel and training plans referred to in section 16 of the Act on Cooperation in Enterprises shall be brought into conformity with the requirements of section 9 of this Act within 12 months of the entry into force of this Act.

The employee representation arrangements referred to in sections 1 to 9 of the Act on Employee Representation in Corporate Governance shall be brought into conformity with the requirements of Chapter 5 of this Act within 18 months of the entry into force of this Act.

Notwithstanding this Act, an agreement referred to in section 61 of the Act on Cooperation in Enterprises in force at the time of the entry into force of this Act may be applied until the expiry of the agreement, unless. the agreement is not amended before then.

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TyVM 18/2021
EV 219/2021

Directive 2002/14/EC of the European Parliament and of the Council (32002L0014); OJ L 80, 23.3.2002, p. 29-34 Council Directive 98/59/EC (31998L0059); OJ L 225, 12.8.1998, p. 16-21

Helsinki, 30.12.2021 The

President of the Republic of

Finland
Sauli Niinistö

Minister for Employment
Tuula Haatainen

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