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EUROPEAN SOCIAL CHARTER

7th National Report on the implementation of the European Social Charter

submitted by

THE GOVERNMENT OF FINLAND

(Articles 1, 9, 10, 15, 18, 20, 24 and 25
for the period 01/01/2007 – 31/12/2010)

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CYCLE 2012

SEVENTH PERIODIC REPORT
ON THE IMPLEMENTATION OF
THE REVISED EUROPEAN SOCIAL CHARTER

SUBMITTED BY THE GOVERNMENT OF FINLAND

JANUARY 2012

SEVENTH PERIODIC REPORT ON THE IMPLEMENTATION OF THE REVISED EUROPEAN SOCIAL CHARTER

for the period 1 January 2007 to 31 December 2010, made by the Government of Finland 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, 9, 10, 15, 18, 20, 24 and 25 of the Revised European Social Charter (Finnish Treaty Series 78–80/2002), the instrument of acceptance 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 Industries (EK); and the Federation of Finnish Enterprises (FFE).

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ARTICLE 1: THE RIGHT TO WORK

Article 1 para. 1: Policy of full employment

Question 1

The Unemployment Security Act (1290/2002) was amended as of 1 January 2010 to the effect that a jobseeker is entitled to the same unemployment benefit when unemployed as when participating in employment-enhancing services. One such employment-enhancing service is coaching for working life, for the duration of which the unemployed person him/herself (those entitled to earnings-related or basic unemployment benefit) used to receive employment subsidies paid out of employment appropriations. Hence, under the working life coaching agreements concluded after 1 January 2010, unemployed persons have received earnings-related or basic unemployment benefit or a labour market subsidy. Furthermore, a tax-exempt maintenance allowance of €9 or €18 is paid for the days when the recipient attends working life coaching.

As a result of the EU state-aid regulations, the Act on the Public Employment Service (1295/2002) was amended as of 10 May 2010 to the effect that pay subsidy is granted to an employer engaged in business either in the form of aid commensurate with the general block exemption regulation (declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty, Commission Regulation (EC) No 800/2008) or in the form of *de minimis* aid (Commission Regulation (EC) No 1998/2006 on the application of Articles 87 and 88 of the Treaty to *de minimis* aid).

Pay subsidy is granted to an employer engaged in business activities in the form of aid commensurate with the general block exemption regulation when the person in pay subsidised employment is 1) a disabled person; 2) a person with reduced employment capacity; 3) a long-term unemployed person; 4) a person who has been continuously unemployed for at least six months before the employment subsidy was granted; 5) without vocational training; 6) over 50 years of age; 7) entitled to an integration plan under the Act on the Promotion of Integration (1386/2010).

The maximum amount of pay subsidy granted to an employer engaged in business for the purpose of employing a person identified in points 2 through 7 above is 50% of the payroll costs, and that for employing a disabled person 75% of the payroll costs.

If the person in pay subsidised employment does not belong to any of the afore-mentioned categories, the subsidy will be granted to an employer engaged in business in the form of *de minimis* aid.

Question 2

In respect of this Question, the Government refers to the information given in reply to Question 3 below as well as to its previous periodic reports.

Question 3

Employment situation during the reporting period

Year	2007	2008	2009	2010
Employment rate, %	69,9	70,6	68,3	67,8
Women's employment rate, %	68,5	68,9	67,9	66,9
Unemployment rate, %	6,9	6,4	8,4	8,5
Women's unemployment rate, %	7,3	6,7	7,6	7,7
Unemployment rate for those aged 15 to 24 years, %	16,5	16,5	21,5	21,4
No. of unemployed jobseekers (MEE)	216 900	203 800	265 800	266 500
No. of long-term unemployed jobseekers	52 000	43 600	41 700	54 500
Share of long-term jobseekers of all unemployed persons, %	24,0	21,4	15,7	20,5
No. of persons participating in labour policy measures	87 293	81 702	79 488	86 448
Activation rate for unemployed jobseekers	28,7	28,6	23,0	24,5

System of employment subsidies

The Government refers to its third periodic report on the implementation of the Revised European Social Charter where it was noted that the labour market and employment subsidy systems were reformed in 2006. Said report stated that the reform of the employment subsidy system had positive effects: in 2006, 50% of those in pay subsidised employment were without work when three months had passed from the end of the subsidised employment, whereas in 2005, the corresponding figure was 53.9%. Of those covered by other employment subsidies (*e.g.*, start-up grants, part-time pay supplement, employment subsidy for working life coaching, subsidised work for the state), 27.7% were unemployed in 2006 when three months had passed from the end of the subsidised period.

The reform of the employment subsidy system succeeded in further improving the position of those in subsidised employment: in 2007, 46.9% were unemployed when three months had passed from the end of the pay subsidised period, whereas in 2008, the corresponding figure was 46.5%. The situation deteriorated in 2009 due to the economic downturn, but the trend was reversed in 2010. Compared to 2005 (53.9%), the number of those unemployed after three months from the end of the pay subsidised period was significantly lower in 2010 (48.8%). The situation of other persons in subsidised employment also improved slightly during 2007–2008; however, the impact of the economic downturn was also evident in 2009 for these people (28.2% unemployed). Of all those employed under subsidy schemes other than pay subsidy, only 23% were still out of work when three months had passed from the end of the pay subsidised period in 2010.

Unemployed after three months:

Year	2007	2008	2009	2010
Pay subsidised employment, %	46.9	46.5	51.8	48.8
Other subsidised employment (incl. State), %	26.6	25.5	28.2	23.0

Source: Employment Service Statistics of the Ministry of Employment and the Economy (TVS 10)

During 2007–2009, employment subsidy for the duration of working life coaching was paid to 6,500–7,800 people annually, but to only 150 people in 2010 (whose working life coaching agreement had been concluded prior to the entry into force of the legislative amendment).

Year	2004	2005	2006	**2007**	**2008**	**2009**	**2010**
All employment subsidies total (excluding start-up grant):	57,901	54,615	55,241	**52,010**	**48,012**	**41,963**	**43,442**
Pay subsidies (incl. apprenticeship training and 500-day subsidy):							
Total pay subsidies for municipalities and municipal federations	21,190	18,861	18,195	**15,770**	**13,778**	**11,344**	**14,582**
		-10.99	*-3.53*	***-13.33***	***-12.63***	***-17.67***	***28.54***
Total pay subsidies for companies	10,982	11,154	10,974	**12,668**	**11,603**	**8,865**	**14,693**
		1.57	*-1.61*	***15.44***	***-8.41***	***-23.6***	***65.74***
For organisations	15,818	14,920	15,569	**14,807**	**14,094**	**12,459**	**12,384**
		-5.68	*4.35*	***-4.89***	***-4.82***	***-11.6***	***-0.6***
For households and private individuals	1,744	1,494	1,365	**1,039**	**750**	**542**	**548**
		-14.33	*-8.63*	***-23.88***	***-27.82***	***-27.73***	***1.11***
Total pay subsidies	49,734	46,429	46,103	**44,284**	**40,225**	**33,210**	**42,207**
Share of apprenticeship training of total pay subsidies:							
-municipalities				**712**	**898**	**749**	**878**
-companies				**3,148**	**2,849**	**2,029**	**2,573**
-organisations				**389**	**423**	**373**	**421**
-private individuals				**17**	**5**	**1**	**1**
Apprenticeship of total pay subsidies				**4,266**	**4,175**	**3,152**	**3,873**
Apprenticeship as % of pay subsidies				*9.6*	*10.4*	*9.5*	*9.2*
Apprenticeship of 500-day subsidies				***275***	***288***	***216***	***212***
%				*6.4*	*6.9*	*6.9*	*5.5*
500-day subsidies of pay subsidies				**24,601**	**22,289**	**17,453**	**17,708**
500-day subsidies as % of pay subsidies				*55.6*	*55.4*	*52.6*	*42*
State:				**2,947**	**2,106**	**2,132**	**2,487**
Other subsidies:							
Start-up grant for employed				4,260	4,862	3,792	4,274
Start-up grant under employment appropriations				4,624	2,591	2,509	3,024
Start-up grant under labour market subsidy				1,138	1,097	894	1,031
Employment subsidy for working life coaching				6,524	6,566	7,858	151
Placement under part-time pay supplement				1,786	1,616	1,173	1,328
Other subsidies total				**18,332**	**16,732**	**16,226**	**9,808**

Source: Employment Service Statistics of the Ministry of Employment and the Economy (TVS15)

The Government refers also to the information given in respect of Article 10, para. 2, Question 3.

Replies to the Committee's questions

Project on cultural diversity in the workplace; Government's immigration policy programme

In respect of the results and follow-up of the MoniQ project launched by the Ministry of Employment and the Economy, the Government refers to its third periodic report.

Due to the economic downturn at the end of 2008, the immigration policy programme did not lead to any radical changes in the Government's immigration policy.

Projects to help Roma, Sámi and other ethnic minorities to enter the labour market

Finland's National Policy on Roma (ROMPO) was finalised in 2009. Its overall objective is to promote the inclusion and equal treatment of the Roma in different spheres of life. The programme comprises five priorities and 147 measures, in respect of which responsibility for implementation rests with several ministries. The priority targets in the programme include measures targeted at Roma children and youth, as well as support for participation in education by the Roma population. Raising the general level of education and enhancing the employability of the Roma population will improve their access to the labour market and further their social inclusion.

Based on the National Policy on Roma, the Government adopted in December 2010 a decision-in-principle defining the guidelines for implementing the policy. Additionally, the Government decided to launch six new cross-sectoral measures by 31 March 2011. Said measures concern the social inclusion and cooperation structures of the Roma population at the local level; revive and strengthen the status of the Romani language; opportunities of participation and leisure activities for Roma children and youth; the housing conditions of the Roma population; further the international policy on Roma; and implement and monitor the National Policy on Roma. The Ministry of Social Affairs and Health will set up a monitoring and steering group for the National Policy on Roma.

The Programme of the current Government states that the implementation of the National Policy on Roma (ROMPO) will be commenced. Special measures will be taken to improve the level of education and employment of Roma, solve their housing problems, and promote the social inclusion of Roma children, young people and families.

No statistics are available on the unemployment of persons of Roma origin and the public employment services specifically targeted at them. This is because Finnish legislation does not allow the registration of people by ethnic background. Consequently, no record is made of the clients' ethnic background by the customer service officials of the employment and economic development administration in its client register.

The Equal Community initiative is no longer on the agenda in the Structural Fund period 2007–2013. A total of 15 projects involving Roma clients have been initiated within the framework of the European Social Fund and national subsidies in the form of employment policy aid with funding provided by the Ministry of Employment and the Economy. The services provided under the projects promote the employment of the Roma in general. In some of the projects, employees of Roma origin were hired as occupational/career coaches, which made it easier for the Roma to avail themselves of the services offered under the project. The Ministry of Employment and the Economy has organised a workshop which provides an opportunity for the afore-mentioned Roma projects to network with one another and the Roma contact persons representing the employment and economic development administration. For the purpose of disseminating good

practices, the proposals of the workshop are available on the Internet on the site presenting Structural Fund operations (www.rakennerahastot.fi).

Article 1 para. 2: The right of the worker to earn a living in an occupation freely entered upon

Questions 1 to 3

In respect of this paragraph, the Government refers to its previous periodic reports, as well as to its replies to the Committee's questions, below.

General Questions from the Committee

Provisions on work to be carried out at the employer's home and the minimum terms and conditions for such work are set out in the Act on the Employment of Household Workers (951/1977). Among other things, the Act contains provisions on the wages payable to the worker and his/her working hours. Additionally, there are specific provisions regarding work performed by young people under 18 years of age set forth in the Young Worker's Act (998/1993). Both Acts include penal provisions. Compliance with the Acts is monitored through inspections carried out at workplaces.

Discrimination at work and usury-like discrimination at work are, in turn, punishable under the provisions of Chapter 47 of the Penal Code (39/1889). If an employee is put at a significant disadvantage by making use of his/her economic or other distress, dependent position, lack of understanding, thoughtlessness or ignorance, the maximum sentence is two years' imprisonment; in other cases the maximum prison sentence is six months.

Replies to the Committee's questions

1. Prohibition of discrimination in employment

Indirect discrimination

A reform of the equality regulations concerning working life is being prepared under the direction of the Ministry of Employment and the Economy. The project is part of a more extensive reform of non-discrimination legislation, the preparation of which was already commenced during the previous electoral period in 2007–2009 by the Equality Committee set up by the Ministry of Justice. The committee was assisted by a sub-committee on working life issues that drafted the legislative proposals related to working life. Aside from the Ministry of Employment and the Economy, all major labour market organisations and the Ministry of Social Affairs and Health, the Ombudsman for Minorities, and the Ombudsman for Equality were represented on the sub-committee. The committee failed to reach a consensus on the content of the Non-Discrimination Act during its term.

According to an entry included in the Programme of the current Government, the preparations for the overall reform of the Non-Discrimination Act will be continued during the current electoral period. The amendments regarding the regulation of working life will be prepared by the Ministry of Employment and the Economy, while the Ministry of Justice will prepare the amendments of other regulations. The working life regulations will be drafted in collaboration with the labour market parties. In addition to labour market organisations, the Finnish League for Human Rights and the Finnish Disability Forum will be represented in the working group.

The objective is to draft new anti-discrimination legislation that takes into account the legislative developments in Europe and effectively guarantees equality regardless of the reason for

discrimination. According to the Committee's proposal, the prohibition of discrimination would, among other things, address direct and indirect discrimination and harassment.

In respect of the reform of the non-discrimination legislation, the Government also refers to the information given in respect of Article 15, para. 3, Question 1

There is no knowledge of any cases of indirect discrimination relating to any employment contract or employment relationship having been brought before the Supreme Court. Nor are any related rulings foreseen in the near future as no such appeals appear to be pending at the Supreme Court.

Compensation awarded in case of unfair dismissal

Under the Finnish legal system, liability for the loss and damage incurred by a party is based on a causal connection between the act or omission of the party liable for the loss and damage and the damage incurred. The idea underlying the prescribed compensation for loss and damage arising out of unjustified termination of employment is that this causal connection is broken when enough time has elapsed from the unjustified termination of employment – in this case two years. If the employee continues to be unemployed after said period of time, this is deemed to be attributable to reasons other than unjustified termination of employment.

In this respect, the Government refers also to the information given in reply to the Committee's questions concerning Article 24.

Entitlement to seek rulings

According to Section 15 of the Non-Discrimination Act (21/2004), a case concerning ethnic discrimination may be brought before the Discrimination Board not only by the Ombudsman for Minorities but also by the party who is the subject of such unlawful conduct.

Associations have the opportunity to request a statement from the Discrimination Board. According to Section 14 of the Non-Discrimination Act, associations may request a statement from the Discrimination Board on the application of the Non-Discrimination Act in cases of ethnic discrimination. The statement is not legally binding, and it is different from filing a petition, which may result in the issuance of a legally binding injunction and imposition of a conditional fine to enforce the injunction and, as the case may be, the payment of such a fine.

The mandate of the Discrimination Board only extends to discrimination based on ethnic origin. Drawing on the interpretation of the European Court of Human Rights, the Discrimination Board has, in its legal practice, applied a broad interpretation of the concept of ethnic origin.

Working life is deemed to be beyond the mandate of the Discrimination Board. However, sole proprietors/entrepreneurs/traders may file a petition with the Discrimination Board insofar as the case pertains to a matter that is related to the preconditions for practising their trade. A municipality, for example, may not award a contract or assignment to a specific partner on discriminatory grounds; nor may a trader act in a discriminatory manner in a similar situation, regardless of whether such trading is carried on in the capacity of a legal or a natural person. In a decision issued by the Discrimination Board on 13 September 2011 concerning Muslim employees praying in the staff facilities at a construction site, the petitioner was a private trader who claimed that his contract had been terminated because he had demanded for his employees the opportunity to hold prayer sessions in the joint staff facilities during breaks.

Compliance with the non-discrimination legislation (Non-Discrimination Act, Employment Contracts Act (55/2001), State Civil Servant's Act (750/1994), and the Act on Municipal Officer Holders (304/2003) is monitored by the occupational health and safety authorities. Additionally, a person subjected to discrimination may always bring action at a court of law.

Shipmaster's nationality

In this respect, the Government refers to its previous periodic reports and wishes to submit also the following.

Provisions on the duties, position, rights and obligations of a shipmaster are set out in the Maritime Act (674/1994), and also widely in other special maritime legislation (such as vessel safety legislation, maritime environmental protection legislation and supervision-related legislation); and in other special legislation such as employment and occupational health and safety legislation.

For example, the Seamen's Act (423/1978) contains provisions on the maintenance of order (Section 74) and the custody of suspects (Section 75). Under Section 74, subsection 1 of the Seamen's Act, the shipmaster may apply such force for the maintenance of order onboard the vessel as may be considered justifiable having regard to the danger constituted by the opposition and to the situation generally. Under the Seamen's Employment Contracts Act (756/2011), the shipmaster is given the authority, among other things, to apply the necessary force to maintain order onboard the vessel, and to prevent an employee from disembarking if this is necessary in order to clear up a crime. On land, these powers are exercised by the police and courts of law, respectively.

In order to harmonise the Finnish legislation with the European Community legislation insofar as the shipmaster's nationality is concerned, Chapter 6, Section 1, subsection 1 of the Maritime Act was amended by Act 310/2008 stipulating that only a citizen of a Member State of the European Union or a state belonging to the European Economic Area may serve as a master of a Finnish merchant ship. The amendment, effective as of 1 June 2008, only applied to merchant ships which are deemed to include fishing vessels engaged in commercial fishing.

Since the master of a Finnish merchant ship is required to be familiar with Finnish maritime legislation – which, in reality, means that the master must have a rather good command of Finnish or Swedish – the number of foreign nationals serving as masters of Finnish merchant ships is not significant.

Similar provisions regarding the nationality of a shipmaster are also included in the legislation of other EU Member States. In 2006, Sweden amended its legislation to stipulate that as of January 2007, the master of a Swedish merchant ship or fishing vessel shall be a citizen of a state belonging to the European Economic Area unless otherwise decreed by the maritime administration. All shipmasters must be familiar with Swedish maritime legislation.

Denmark made a legislative amendment in 2006 to rule that the provisions stating that a master of a Danish merchant ship or fishing vessel shall be a citizen of Denmark shall not apply to individuals governed by the Community regulations regarding freedom of movement. Citizens of countries other than Denmark need a certificate of qualification issued by the Danish authorities. If it is shown that public authority is regularly exercised onboard a passenger ship or a ship carrying troops, defence materiel or nuclear waste, which authority does not form only a limited part of the ship master's duties, the Danish maritime administration may – following consultations with the shipping lines and maritime organisations – require that the master of such a ship be a citizen of Denmark.

The master of a German vessel shall be a citizen of a Member State of the European Union. The master shall have a German or other recognised certificate of competence. If the master has not received his/her education in Germany, they must produce proof of having sufficient knowledge of both German maritime legislation and the German language. Since the required courses on

German maritime legislation are held in German, successful completion of the courses provides sufficient proof of both familiarity with the legislation and sufficient command of the language.

Masters of the ships operated by the Finnish Defence Forces are military personnel and therefore citizens of Finland. According to Section 7 of the State Civil Servants' Act, only a citizen of Finland may be appointed to a permanent position with the Finnish Defence Forces.

2. Prohibition of forced labour

Prison work

According to the Imprisonment Act (767/2005), a prisoner is obligated to participate in work, training or other activity (known as the 'duty to participate'). The activity placement is carried out in accordance with an individual plan covering the entire term of imprisonment. Working is one way of fulfilling the duty to participate. The prison work activity is based on the principle of normality: the work carried out by prisoners should correspond to the work commonly performed in society.

The work performed during imprisonment may be professional or rehabilitative work. The starting point is that the work activity must be arranged and supervised by a public authority, namely the Criminal Sanctions Agency. In open prisons, the work performed may also be commissioned by a public authority other than the Criminal Sanctions Agency. Certain types of work, such as packing and assembly, may also be undertaken at the prison on commission of a private company in the form of subcontracting work; however, this work must also be carried out under the supervision of the prison authorities.

A prisoner may be allowed to work outside the prison under certain conditions as specifically provided by law (civilian work). Such a workplace may also be a private company. A prisoner may also be given permission to carry out work on his or her own account, provided that such work is acceptable and suitable for being carried out in prison (own work). Working in such cases is always based on the prisoner's consent.

Of the 35% of all prisoners who work daily, half of the prisoners' working days are done in domestic care, real estate maintenance or construction work at prisons and the other half in production work. The products are sold to state and municipal institutions, to the business sector, or directly to private consumers by prison shops. Prison work branches include carpentry, metal industry, agriculture, construction work, sign production (traffic sings, vehicle number plates), packing and assembly as subcontract work, and wood construction (*e.g.*, log products, building modules). Some of the products, such as cell furniture and prisoner clothing, are made for prison use.

The maximum regular working hours of prisoners are 38 hours 15 minutes per week in open prisons and 35 hours per week in closed prisons. For rehabilitative work, the prisoners are paid an activity allowance of €0.70–1.20 per hour. The wage paid for skilled work carried out in an open prison is €3.70–7.30 per hour. The prisoner pays withholding tax as well as a meal and maintenance charge to the prison out of his or her wage.

3. Other aspects of the right to ear one's living in an occupation freely entered upon

Service required to replace military service

In the new Non-Military Service Act (1466/2007) that entered into force at the beginning of 2008, the duration of non-military service was shortened by one month from 395 days to 362 days. The regular duration of military service is 12 months, which is undergone by 45% of the conscripts. The average duration of service is 275 days, or slightly more than nine months.

When comparing the strenuousness of different forms of service, due consideration must be given to the differences in the underlying concept and practical implementation. Military service is

performed at an enclosed army garrison and leaving the base is always subject to permission, even during off-duty hours. Non-military service is performed under civilian conditions in its entirety, and those liable for service are entitled to leisure time outside of the regular weekly working hours (maximum 40), during which their freedom of movement or other activities such as working, for example, is not restricted in any way. Conscripts live in garrisons for the entire duration of their service. Leaves are separately granted and there is little freedom of choice as to when they may be taken. Weekend leaves are not granted on a regular basis. In contrast, those completing non-military service can often live at home with their family, if any, and usually have the opportunity to enjoy regular weekend leaves. Compared with conscripts, those performing non-military service have better opportunities to work, study and maintain family relationships and social networks during the service time.

Privacy at work

The Act on the Protection of Privacy in Working Life (759/2004) entered into force on 1 October 2004 to repeal the earlier Act on the Protection of Privacy in Working Life (477/2001). According to the Act, the employer is only allowed to process personal data directly necessary for the employee's employment relationship, which is connected with managing the rights and obligations of the parties to the relationship or with the benefits provided by the employer for the employee or which arises from the special nature of the work concerned. No exceptions can be made to the necessity requirement, even with the employee's consent.

The collection of unnecessary information may lead to discrimination, which is why the prohibition of discrimination bears relevance to the processing of personal data, starting from the consideration of whether or not such data is really necessary. Regulations pertaining to non-discrimination are included, among others, in the Constitution (731/1999); the Employment Contracts Act (155/2001); the Non-Discrimination Act (21/2004); the State Civil Servants' Act (750/1995); the Act on Civil Servants in Local Government (304/2003); the Act on Equality between Women and Men (609/1986); and the Criminal Code (39/1889).

A proper and substantial reason is always required for any termination of employment. This means that the termination of employment may not be based on improper or discriminatory motives. Additionally, any reason for termination must be work-related. Only in highly exceptional circumstances may the employee's conduct during his or her leisure time serve as valid grounds for termination of employment. In such a case, the employee's position or duties in the employer's service must be such that the employer is entitled to expect a certain standard of conduct from the employee.

Restrictions linked to fight against terrorism

Chapter 34a concerning terrorist offences (17/2003) was added to the Criminal Code in 2003. The Chapter contains provisions on offences made with terrorist intent and their preparation; directing a terrorist group; promoting and funding a terrorist activity; definitions; and a provision on corporate criminal liability. Provisions on recruiting or giving training for the purpose of committing a terrorist act (1370/2007) were added in 2007.

The Act on Background Checks (177/2002) sets out the provisions on background checks, which may be carried out on persons seeking an office or position, persons to be admitted to a position or training, or persons who are performing an office or position. There are three levels of background checks: basic, extended and limited. Background checks can be carried out for the purpose of preventing criminal offences that may seriously compromise Finland's internal or external security; Finland's relations with other states or international organisations; public finances; a private business or trade secret of substantial value or other highly significant private financial interest; or data security of significant importance. The reform of the Act on Background Checks is currently underway.

Article 1 para. 3: Free placement services

Questions 1 to 3

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

Replies to the Committee's questions

Number of public employment offices

In 2010, there were a total of 74 administratively independent Employment and Economic Development Offices operating in 186 locations.

The Employment and Economic Development Offices accounted for a total of 3,640 person-years in 2010. Customer service personnel accounted for 2,727 person-years.

The number of personnel working at Employment and Economic Development Offices totalled 4,003 at the end of 2010.

Article 1 para. 4: Provision or promotion of appropriate vocational guidance, vocational training and rehabilitation

In respect of this paragraph, the Government refers to the information given in respect of Articles 9, 10 and 15.

ARTICLE 9: THE RIGHT TO VOCATIONAL GUIDANCE

Question 1

Provisions on the student guidance to be given as part of vocational education are set out in the Act on Vocational Education (630/1998). The upper secondary vocational qualification includes at least 1.5 credits worth of student guidance. The guidelines for vocational qualifications stipulate that the education provider is to prepare a personal study plan based on the student's individual aptitude. This is to be updated throughout the training period in order to ensure individual freedom of choice.

Section 8 of the Act on Vocational Adult Education (631/1998) stipulates that the education provider is to ensure that due consideration is given to the personalisation of applying for and completing training, and for acquiring the professional skills required for competence tests and related preparatory training. According to Section 1 of the regulation (43/011/2006) issued by the National Board of Education under said Section 8, the education provider shall see to it that those wishing to complete a competence test receive guidance and counselling planned and accomplished in a customer-oriented manner, as well as other forms of support and services to be agreed upon on a mutual basis.

Question 2

Guidance to be provided in adult education is being developed within the framework of an action programme on information services, guidance and counselling launched jointly by the Ministry of Education and Culture and the Ministry of Employment and the Economy. The proposals generated in the programme have created a basis for developing information, guidance and counselling services in adult education in the branches of government that the Ministry of Education and Culture and the Ministry of Employment and the Economy are responsible for. Based on said action programme, a joint ESR development programme for information, guidance and counselling services was launched by the ministries in 2007. This is discussed below under the heading "Guidance and counselling services targeting the unemployed and staff training programmes" '(Replies to the Committee's questions').

Question 3

A total of 230 student counsellors are employed in upper secondary vocational education and training on a full-time basis. Of them, 197 (85.7%) are duly qualified for their position (Source: Teachers in Finland 2010, Monitoring report of education 2011:6 (*Opettajat Suomessa 2010, Koulutuksen seurantaraportti 2011:6*)), National Board of Education publications). Guidance and counselling in vocational education are also provided by instructors teaching other subjects. The extent and volume of student guidance varies according to the education provider and field of study.

In this respect, the Government refers also to its replies to the Committee's questions, below.

Replies to the Committee's questions

Vocational guidance in the education system

JOPO (flexible basic education) project for vocational guidance and counselling

JOPO has become a well-established activity whose contents, by and large, remain the same as described in Finland's third periodic report of 2008. However, the pupils targeted by the JOPO project were narrowed down to 7–9 graders (previously 7–10). Additionally, while the standing recommendation is that special education pupils do not participate in the project, this is not excluded by law.

Provisions on JOPO activities are set out in Section 5 (1707/2009) of the Basic Education Act (628/1998), under which flexible basic education is provided at the discretion of the local authority. The core curricula for flexible basic education are approved by the National Board of Education.

As well as regular financing for basic education, the JOPO education provider receives additional government funding based on the unit price defined within the Government’s budget limits.

The number of JOPO students on 20 September 2011 was 1,509. The corresponding figure for 20 September 2010 was 1,217, indicating a change of 24 % year-on-year.

CHANCES Project

The impact of the CHANCES project is primarily felt in closer regional cooperation in the field of guidance and counselling. In the course of the project, networking between comprehensive schools, upper secondary schools and vocational education was intensified. At the same time, progress was made in cross-sectoral and multi-professional cooperation to the extent that a sound basis was created for lifelong guidance and counselling.

According to the core curricula (a National Board of Education regulation binding on education providers), all institutes of education are responsible for providing guidance and counselling. At the same time, multi-professional student services are a key support service in addition to guidance. The core curricula call for cooperation between educational establishments which creates a sound basis for the development of the service network. One of the achievements of the CHANCES project is improved performance in the implementation of cooperation. National legislation, curriculum planning and the extensive network of qualified student counsellors have established an efficient framework for cooperation. At the same time, efforts have been made in the course of the project to improve the level of service offered to clients.

Important challenges in view of further development include improved transfer of knowledge in the context of vocational guidance and the continued provision of the service, in particular when students transfer from basic to vocational education. Another important area is contacts between the branches of government involved.

CHANCES comprised four component projects, each addressing a specific area of responsibility. The Finnish CHANCES project engaged in cooperation with the Danish, Italian and Spanish EQUAL projects (CHOISES Alliance) with the aim of developing methods applicable to the education of young people at the risk of exclusion and facilitation of entry to the labour market and, to promote equality of young women and men in the labour market. In its development efforts, the alliance focused on issues related to multicultural and gender-sensitive vocational guidance and counselling. In more concrete terms, CHOISES cooperation generated a research report, a guide for best practices, newsletters, exchange of experts and a thematic seminar designed to disseminate the results.

Expenditure on vocational guidance in the education system

Student guidance and counselling is not a subject that is studied. Student guidance is provided both in the classroom and individually. Additionally, individual teachers may be specifically tasked to provide guidance and counselling. The vocational guidance given at school in collaboration with the employment authorities may form part of student guidance and counselling. As the cost of student guidance is funded through the general local government grant

system, the expenditure cannot be itemised. Consequently, no detailed data on the expenditure is available.

Vocational guidance in the education system

Action plan on vocational counselling for adults

In respect of this question, the Government refers to the information given in respect of Question 2, above, and wishes to submit also the following information.

The Ministry of Employment and the Economy and the Ministry of Education and Culture are involved in implementing an extensive ESR (European Social Fund) development programme (*Suitability and demand-based approach to adult education by a national development programme on information, guidance and counselling services 2007–2013*) that seeks to improve the information, advice and guidance services intended for adults. The programme includes the following components:

1) The development of electronic and multi-channel services for improving the suitability and orderliness of adult education
2) The development of the counselling capabilities of the guidance, counselling and teaching staff, and the identification and recognition of the skills of adult students so as to promote the responsiveness of adult education and cooperation with business and industry.
3) The development of the assessment and research activities and methodologies in guidance and counselling.

The development programme is steered and its policies are defined by a coordination and monitoring group. The strategy for the development programme was completed in 2009 and the communication plan in 2010. An assessment of programme performance for 2009–2010 was completed in 2010. The key results of the projects relate to the creation of regional networks; the development of local guidance and counselling activities and strategic work; the preparation of preliminary studies and demand surveys; and various types of training. According to the vision underlying the development programme, Finland will have in place by 2014 a comprehensive multi-professional system of information, guidance and counselling services responsive to the needs of adults and the labour market based on lifelong learning and guidance and transcending administrative boundaries.

The principal financiers of the development programme are the Ministry of Employment and the Economy, and the Southeast Finland Centre for Economic Development, Transport and the Environment.

The national projects included in the development programme and the regional ‘Opin ovi’ projects (a total of around 30) have a shared web portal (www.opinovi.fi). The experiences gained from the NUOVE project - which is included in the programme and designed to develop electronic guidance and counselling services, and improve the skills and capabilities of the counsellors - will be utilised in the SADe programme (Ministry of Finance's eServices and eDemocracy Acceleration Programme) in the efforts to develop the Online services available for learners (*Oppijan verkkopalvelukokonaisuus*).

Finland is also actively involved in the European Lifelong Guidance Policy Network (www.elgpn.eu). The strategic objectives for developing Lifelong Guidance were conclusively defined on this basis on 23 March 2011.

Counselling services aimed at unemployed, training programmes for staff

Educational and vocational information services

The counsellors at local Employment and Economic Development Offices support individuals in entry to the labour market and lifelong learning. They do this by providing information on all general, vocational and higher vocational level educational opportunities, fields, professions and work duties, required competence and the labour market, and by giving advice on issues related to training and work life. The objective is to provide clients with sufficient and clear information to enable them to make informed decisions concerning their choice of education or professional development. Aside from personal discussions, information on studying and the labour market can be obtained by participating in group guidance organised by training counsellors and by using the computers available at the offices to access the Internet.

For the first time in over 10 years, the number of client counselling events in the education guidance services provided by the Employment and Economic Development Offices increased year-on-year. In 2010, the number of events reached almost 176,000, up by 4,300 on 2009. The National Education Guidance Service (*Valtakunnallinen koulutusneuvonta*) accounted for 12.3 % of all counselling events. Of all inquiries, 7,560 (4.3 %) were answered by e-mail. The number of instances in which advice was provided by e-mail increased by around two thousand compared with the year before. The total number of group counselling events planned and organised by education counsellors in the whole of Finland was 1,500 and drew an audience of 24,200.

Vocational guidance and career planning services

Vocational guidance and career planning services help clients to address issues related to career choice, vocational and skills development as well as to find work at the various transition points in the course of education and work life. In 2010, some 34,000 clients availed themselves of these services, of whom 15 % were provided with brief, ‘one-off’ on-call counselling. Guidance services targeting those hardest to employ were provided by the employment service centres for a little over 1,000 people.

Over the last few years, the number of clients has declined following cut-backs in staff resources due to the Government Productivity Programme. In 2010, the psychologist resources of the Employment and Economic Development Offices stood at around 200 person-years whereas the corresponding figure for 2008 was around 215. However, the number of clients did not fall in direct proportion to staff reductions because greater focus was placed on personal counselling. In 2010, a total of 19 new fixed-term positions for vocational guidance psychologists were established in Finland. At the same time, however, a number of vacancies were left unfilled, with the result that the person-years available for the provision of services have not increased in the same proportion. Over the past few years, the age structure in personal counselling has increasingly shifted towards adults over 25 (66 % in 2008).

Fewer than half of the clients prepare a personal education plan with the assistance of the counsellor while around one quarter finalise a plan aiming at employment. For another quarter, a plan is prepared to improve their position in the labour market. With about one out of ten clients, it is not possible to draw up what is known as an ‘active plan’; instead, counselling is either suspended, the client applies for a pension or counselling ends for some other reason.

In 2010, the vocational guidance and career planning programme AVO developed to support vocational guidance and career planning services and accessible at www.mol.fi had a total of 45,000 users. More than half were young people under 20 making their first career choices.

Expenditure on vocational counselling in the labour market

Expenditure in guidance and counselling services consists of the payroll cost of Employment and Economic Development Offices and other operational costs. As the Ministry of Employment and the Economy does not monitor the expenditures of Employment and Economic Development

Offices by professional category, detailed data on the expenditure for guidance and counselling services are not available.

ARTICLE 10: THE RIGHT TO VOCATIONAL TRAINING

Article 10 para. 1: Promotion of technical and vocational training

Questions 1 and 2

General

Following amendments to the Universities Act and Polytechnics Act (558/2009 and 564/2009 respectively), the requirements for eligibility for studies leading to a university degree were changed as of 1 January 2010 to the effect that those with an upper secondary vocational qualification, further vocational qualification, specialist vocational qualification or other equivalent qualification are also qualified to apply for admission.

Universities may provide open university instruction (at university or polytechnic level) in ways suitable for working adults; in the form of evening classes or distance learning, for example. Open university instruction consists of study modules taught at universities and is also available in technical fields and natural sciences. The obligation to offer open university instruction is laid down in polytechnic and university legislation. The provision of instruction is government subsidised and the tuition fees payable by students are set by law at a reasonable level, the maximum being €10 per credit. Additionally, universities and polytechnics may offer other supplementary training subject to a charge. Studies completed in the context of open university instruction may also be applied as admission criteria by the polytechnics and universities at their discretion.

In 2010, the National Board of Education published the book “Accessible Higher Education” (Esteetön korkeakouluopiskelu) that gives advice on how to apply for admission to polytechnics and universities. Additionally, polytechnics and universities have, together with student organisations, completed projects funded by the Ministry of Education and Culture to promote accessibility at institutes of higher education. Accessibility means physical, psychological and social accessibility.

The Polytechnics Act (351/2003) has been amended to allow polytechnics to provide free instruction for immigrants in order to provide the necessary language and other skills for the students to pursue their studies at the polytechnic level. The provision of such instruction is included in the public funding received by polytechnics. Training is being provided in several fields, including technology.

The purpose of the reforms to the intake systems for vocational and university instruction is to facilitate access to higher education for all new students. In 2010, decisions were made to renew the national admission systems and unify the currently separate admission procedures for higher education in both polytechnics and universities in Finland. The system will combine the existing admission and information portals into to a single, unified source of educational information, giving better access to better information on studies, degrees, professions and employment to prospective students. A platform for application forms will be an integrated part of the portal. From 2013, a single joint application process will be in place for all first (and second) cycle degrees in higher education.

Following the introduction of the new process, prospective students will be able to apply for admission to a list of university and polytechnic programmes ranked according to the applicant's preferences. If an applicant is not accepted to the programme of their first choice, the points will be checked to see if the applicant qualifies for the second preference, and so on. The order of preference indicated in the application will be binding.

Upper secondary vocational education and preparatory training for such education for immigrants

The increased intakes of students based on vocational education offered for immigrants have improved their access to both preparatory training and education leading to a vocational qualification. Under Section 3, subsection 2 of the Act on Vocational Education (630/1998), training may be organised for immigrants in preparation for upper secondary vocational education. Provisions concerning the objectives and scope of such training are laid down in Section 21 of the Decree on Vocational Education (811/1998). The purpose of the training is to give the students the language and other skills required for vocational studies. The minimum scope of studies is 20 credits and the maximum scope 40.

According to the national core curricula adopted by the National Board of Education for this training, the language module must account for half of the credits. The students admitted to the training must have a proficiency level of A2.2 (developing basic linguistic skills) in the language of instruction. *i.e.*, Finnish or Swedish. An adequate starting skills level in the language of instruction is a necessary prerequisite to ensure that the students achieve the objectives established for preparatory training in order to qualify for upper secondary vocational education. This type of preparatory training specifically tailored for immigrants has been provided since 1999.

New national core curricula were adopted in autumn 2008. The study modules were revised to better reflect the general training needs of immigrants and to serve the purposes of the overall reform of vocational education. The assessment of language studies and the transition to further studies are facilitated by the application of the European proficiency level scale normally used in language instruction. Immigrants may also participate in other training courses preparatory to upper secondary vocational education according to the type of training best suited for their individual needs.

When the core curricula for upper secondary vocational qualifications were revised (2007–2010), due consideration was given to the requirement for a multicultural approach. At the same time, the criteria for Finnish/Swedish as a second language, studies in the immigrant's mother tongue, the organisation of immigrant education and performance assessment were modified. A further objective specified in the common part of the curricula requirements is the preparation of an equality plan. Additionally, key skills of lifelong learning were included in the section "International orientation and other cultures".

A study was completed towards the end of 2009 that examined the main reasons and background variables for the suspension of upper secondary vocational studies by students with immigrant background. Based on the findings, a number of measures were proposed to reduce the dropout rate of immigrant students in vocational education. A survey of the state of the upper secondary vocational education given to immigrant students and related arrangements was completed in spring 2011. At the same time, an assessment was made of the extent to which the education providers had taken account of the measures proposed in the dropout study. Additionally, a comparison was made between the situation in the target year and the image and information given in previous studies and surveys; measures were then proposed for the further development of the upper secondary vocational education provided for immigrants. Based on these studies, the necessary preparations will be initiated for measures to reduce the dropout rate of immigrant students and develop the basic vocation training offered for them.

More detailed information on preparatory training for upper secondary vocational education, in particular in respect of funding, is provided under Article 15, para. 1.

Question 3

Of those completing an upper secondary vocational qualification, some 13 % pursue higher education: roughly 12 % at polytechnics and just under 2 % at universities. These 2008 figures are based on graduates who had completed their vocational qualification in 2005.

In this respect, the Government refers also to its replies given to the Committee's questions, below.

Replies to the Committee's questions

Measures introduced to facilitate the entry into the labour market

Polytechnics and universities are overseen by the Ministry of Education and Culture. During the contract period from 2010 to 2012, the common goals of the higher education system included an intensification of cooperation between polytechnics and universities and the labour market and the production of a qualified workforce. One of the contract indicators applied by the Ministry of Education and Culture in steering the activities of institutes of higher education is the employability of university graduates.

All Finnish polytechnics and universities include a unit offering career and recruitment services catering for students in the various stages of their studies as well as education providers and local employers. Students are given assistance with career planning, internship issues and search for employment. Employers, in turn, are offered intern and job exchange services as well as topics for cooperation regarding theses. Important forms of activity include organising meetings with prospective employers, recruitment fairs and alumni events. A new area is the inclusion of modules in the basic studies that prepare students for working life (knowledge). The courses are available for all students. The recruitment services offered by institutes of higher education create a nationwide network that works in close cooperation with the labour administration and trade unions. One aspect of this cooperation is the monitoring of the career development of university graduates.

Proportion of graduates who find employment

Employment of 2008 graduates with upper secondary vocational qualification at the end of 2009:

	% employed
Total	69.2
Upper secondary vocational qualification, curriculum-based	57.2
Upper secondary vocational qualification, competence-based	78.0
Further vocational qualification	81.8
Special vocational qualification	95.1

Source: Statistics Finland 12/2011.

The data are based on Statistics Finland's registers on individuals.

Follow-up data on graduates with upper secondary vocational qualification are available in the following categories: employed, unemployed, full-time students, conscripts/non-military, emigrants, and other.

No official statistics are available on the employment of university graduates in positions commensurate with their education. To be able to generate such data, it would be necessary to

define the equivalence between degrees and positions in objective, unambiguous and consistent terms.

According to Statistics Finland's Labour Force Survey, the unemployment rate in October 2011 stood at 7 %. Of the 2008 graduates from institutes of higher education, 96 % of university and 95 % of polytechnic graduates were employed at the end of 2009.

In Finland, *e.g.*, universities, trade unions and networks of recruitment services, have conducted studies on the employment of university graduates through surveys, for example. According to a survey carried out by the University of Tampere, 69 % of the graduates held positions commensurate with their education in all respects and 29 % in some respects when the situation was assessed one year after graduation. With 5 %, the work did not match with the qualification at all. The situation varies according to the field of activity.

According to the "Uraseurantaraportti 2010" (Career Tracking Report) concerning the Aalto University of Technology, 74 % of the respondents reported that their first position following graduation was commensurate with their education, or even more demanding. According to the report, masters of engineering, architects and landscape architects graduating from said university had been employed for an average period of five years and had been performing duties commensurate with their education nearly the entire time (average 4.9 years). The respondents were people with a higher university degree who had graduated in 2005.

According to the report of the Academic Career Services of Finland: "Within the five-year follow-up period, the graduates had been employed in a job that corresponded with their degree for 4 years and 3 months." Almost three out of four respondents (72 %) were employed in a job where the requirements matched their degree well. This study examines the employment situation of university graduates with a master's degree within the five-year period after their graduation. The data consist of the nationwide career and employment survey that was aimed at graduates of 2003 and realised in autumn 2008. The data cover 16 Finnish universities.

Expenditure devoted to higher education

In 2007, the expenditure for higher education in Finland as a percentage of GDP was 1.6 %.

Government funding for universities and polytechnics during 2001–2011 (€ million):

Year	**Universities**	**Polytechnics**		
	Government budget	Government budget	Local government funding	Total
2011	1,838.6	409.8	512.3	922.1
2010	**1,678.6**	**403.5**	**503.5**	**907.0**
2009	**1,427.7**	**390.5**	**485.6**	**876.1**
2008	**1,358.4**	**373.6**	**463.3**	**836.9**
2007	**1,289.1**	**362.7**	**395.5**	**758.2**
2006	1,258.0	358.7	387.4	746.1
2005	1,220.3	346.6	375.6	722.2
2004	1,196.4	336.8	337.0	673.8
2003	1,122.8	329.6	330.3	659.9
2002	1,090.1	319.8	348.5	668.3
2001	1,004.7	291.3	320.6	611.9

Source: Government budgets[1].

In the funding of institutes of higher education, no distinction is made between the expenditure for young people and adults. However, the age of students gives some indication of the resources available for training leading to a university degree. In 2008, the total number of new students was 56,642 (in age groups 17-112). Out of new students on bachelor and master-level degree programmes, 18 % were adults (30 or older) and 81 % young people (19–29).

Total number of students on programmes not leading to a university degree:

- Open university: 70,00 (some young people)
- University continuing education (non-formal): 86,000 (usually working-age participants)
- Polytechnic professional specialist training: 5,200 (only those with a university or polytechnic or equivalent degree)
- Open polytechnic: 12,800 (some young people)

Article 10 para. 2: Promotion of apprenticeship

Question 1

No amendments were made to the legislation on apprenticeship training during 2007–2010 as far as implementation was concerned.

Apprenticeship training is governed by the Act on Vocational Education (630/1998) and the Act on Vocational Adult Education (631/1998) and the Decree on Vocational Education (811/1998). According to Section 17 of the Act on Vocational Training, apprenticeship is a form of training mostly provided at the workplace based on a fixed-term written contract between the apprentice and employer known as the 'apprenticeship contract'. Additionally, the law requires that the employer and the training provider entitled under law to provide such training have agreed on the organisation of the training in a manner prescribed in a decree.

According to the laws regulating vocational and upper secondary vocational training, more detailed provisions on vocational, further and special vocational qualifications are given in Government decrees. Under Section 6 of the Decree on Vocational Education, the apprenticeship contract must be accompanied by the apprentice's personal study plan indicating: 1) the qualification to be completed, the criteria for the curriculum or a competence test to be followed in the training, and the scope of the qualification; 2) main work duties; 3) theoretical education included in the training; 4) the phasing of theoretical studies over the training period; 5) responsible instructors; and 6) other circumstances relevant to the provision of training. The apprentice's previous training and work history must be taken into account and duly credited in the personal study plan. The plan is to be prepared jointly by the apprentice, employer and training provider, and must be finalised to the extent that it can be attached to the apprenticeship contract upon signing.

If the upper secondary, further or special vocational qualification is to be completed in the form of a competence-based qualification, regulation 43/011/2006 of the National Board of Education concerning personalisation must also be complied with. According to Section 8 of the Act on Vocational Adult Education, the training is to be personalised at the stage when the application

[1] The figures in the table have not been adjusted for the 2011 price level. Additional spending plans or development appropriations have not been taken into account. University funding includes financing for teacher training schools and the National Library of Finland. Additionally, part of the government funding for universities is used to cover research costs. University funding does not include the recapitalisation of public and foundation-funded universities foreseen in the university reform. Additionally, university funding comprises technical and non-recurring items to strengthen liquidity necessitated by the university reform. Universities and polytechnics also receive research funding from the government based on competitive tendering.

for the training programme is filed; when the qualification is taken; and when the necessary professional skills are acquired. Personalisation means that the skills previously acquired and subsequently demonstrated by the apprentice are duly recognised. This is to be taken into account in the determination of the amount and content of the theoretical training to be given and the amount of compensation to be paid to the employer.

Provisions on the compensation payable for training are set out in Section 6, subsection 4 of the Decree on Vocational Education. Under said Section, compensation is payable to the employer for the provision of on-the-job training according to the estimated cost of such training incurred by the employer. When the costs are estimated, due consideration is to be given to the field of training, the qualification to be attained, the apprentice's work history, and the current phase of the studies. The training provider and employer are to agree on the amount of compensation payable for each individual apprenticeship contract before signing, with due regard to the instructions issued by the competent ministry under Section 46 of the Act on Vocational Education.

According to Section 7 of the Act on Vocational Training, the training provider is responsible for the supervision of the apprenticeship training and the control of contracts. While the law (Section 10) permits the purchase of training services, the apprenticeship training provider is not allowed to assign its official responsibility and duties to a third party. Under Sections 8 and 9 of the Act on Vocational Education and Sections 4 and 5 of the Act on Vocational Adult Education, the licence to provide training may be granted to a local authority, municipal federation, registered association, foundation or state enterprise.

Provisions on the funding system for apprenticeship training are set out in the Act on the Funding of Educational and Cultural Services (1705/2009) and the Decree on the Funding of Educational and Cultural Services (1766/2009). With regard to the funding act, the unit price for preparatory training for an upper secondary vocational qualification was lowered as of the beginning of 2009 to better reflect true costs. At the same time, the unit prices for advanced vocational education were raised.

Pay subsidies for apprenticeship training may also be granted to employers for the entire duration of such training. Provisions concerning such subsidies are set out in the Act on the Public Employment Service (1295/2002). No amendments have been made to the law since its enactment (1 January 2003) - even before the Act it was possible to grant employment subsidies for the duration of an apprenticeship. The amendments to the provisions concerning pay subsidies granted to entrepreneurs enacted in May 2010 do not affect apprenticeship contracts: when subsidies are granted for apprenticeship training, the general block exemption regulation is not applied, nor are subsidies given in the form of *de minimis* aid.

In this respect, the Government refers also to the information given in respect of Article 15, para. 1, Questions 1 to 3 and Article 15, para. 2, Question 2.

Question 2

A range of measures were taken during 2007–2010 to develop the provision and financing of apprenticeship training. Based on the proposals of the working party on apprenticeship training (OPM 25:2007) appointed by the Ministry of Education and Culture given in 2007, a reform was carried out at the beginning of 2008 to clarify the student benefits of apprentices and enable apprenticeship contracts for civil servants.

The funding system for apprenticeship training was amended as of 2009 by lowering the unit prices for apprenticeship training provided as upper secondary vocational training by approximately 18 %, and by raising the unit prices for apprenticeship training provided as

advanced vocational training by approximately 7 %. The objective was to make the unit prices reflect actual costs more accurately.

The Ministry of Education and Culture has increased guidance of apprenticeship training in response to the findings of the inspections of apprenticeship training and the increase in the number of contracts. On 19 June 2006, the Ministry issued a detailed circular on apprenticeship training to all training providers to clarify and underline the importance of full compliance with the guidelines of applicable regulations and orders. The purpose of the circular was to improve the compliance with the official obligations connected to apprenticeship training, harmonise the practices and promote the provision of high-quality training.

At the same time, the Ministry of Education and Culture enhanced the acquisition of information on the provision and financing of apprenticeship training, and improved its efficiency by developing the questionnaires used by the National Board of Education for gathering the data.

In order to enhance the quality of apprenticeship training and further the adoption of standardised procedures, the Ministry of Education and Culture has launched a quality project. Its final report is due for completion in March 2011 (OKM 2011:8). Preparations were made for proposals for a set of quality criteria for the official duties regarding the provision of apprenticeship training. Proposals were also drafted to clarify and simplify the control system to harmonise administrative procedures; facilitate due fulfilment of the on-the-job training responsibilities and obligations by the training provider, employer and apprentice; and to expand demand-driven apprenticeship training.

In the spring of 2009, the Ministry of Education and Culture, the Ministry of Employment and the Economy and the labour market organisations worked out rules in view of a situation in which the apprenticeship contract cannot be duly fulfilled because of lay-offs, redundancies or business failures. Instructions and guidelines based on the efforts of said parties have been issued by the Ministry of Education and Employment to address such situations.

A new criterion for the central government transfers adopted as of 2010 is performance assessed in terms of the number of qualifications completed. Its impact on funding is 3 % of the total. During 2008–2009, the Ministry of Education and Culture initiated a total of 17 projects to pilot the Subsidised Apprenticeship scheme with the aim of identifying and developing new empirical approaches to reaching and including socially excluded and other under-represented groups in the education system.

Question 3

Apprenticeship training accounts for approximately 15 % of the total volume of vocational education.

In 2009, the number of apprenticeship contracts eligible for funding in the branch of government the Ministry of Culture and Education is responsible for was approximately 48,000. The number of apprenticeship training providers was 91.

Apprenticeship contracts in 2007–2010:

Year	**2007**	**2008**	**2009**	**2010**
Upper secondary vocational education	19,733	22,831	18,784	15,472
Further vocational education	26,225	28,277	27,210	27,239
Total	27,958	51,108	45,994	42,711

Number of those completing their entire qualification in apprenticeship training:

Year	**2007**	**2008**	**2009**	**2010**
Upper secondary vocational qualification	3,462	4,067	5,598	6,006
Further vocational qualification	4,426	4,893	5,339	4,576
Special vocational qualification	3,092	3,233	3,383	3,718
Total	10,980	12,193	14,320	14,300

Of all the decisions to grant pay subsidies, 9–10 % consists of subsidies given to apprenticeship training. The number of those starting apprenticeship training with pay subsidies was approximately 4,200 in 2007 and 2008; 3,150 in 2009; and nearly 3,900 in 2010.

The pay subsidies statistics presented in Article 1, para. 1 above also include statistical data on the amounts of pay subsidies granted to apprenticeship training.

Replies to the Committee's questions

Number of apprentices and number of available places

From 2004 to 2008, the number of apprentices increased by one third from 36,000 to 49,000.

While the supply of upper secondary vocational education provided in the form of apprenticeship training is not regulated as such, it is driven by the demand in the labour market. Since 2009, demand for apprenticeships has declined as the resources of employers to take on apprenticeship trainees were diminished in many industries due to the economic downturn.

In contrast, the number of apprenticeships in further vocational education is regulated. Following the proposals of the working group preparing the comprehensive reform of adult education, the maximum number of apprenticeships was increased during 2008–2010 by a total of 2,300 per year (from 27,100 to 29,400), or 8 %. In 2011, approximately 28,200 full-year students attended further vocational education provided in the form of apprenticeship training at a time when the maximum number of apprenticeships was approximately 29,400. Consequently, supply meets demand quite well at the present time. Demand for apprenticeships has declined as a result of the economic downturn.

In this respect, the Government refers also to the information given in respect of Question 2 above.

Average length of apprenticeship; division time between practical and theoretical training

The duration of apprenticeship training aiming at an upper secondary vocational qualification varies according to the skills acquired by the apprentice earlier. The estimated average duration of training required for an upper secondary vocational qualification is 2.5 to 3 years. In further vocational education, the duration of apprenticeships varies considerably according to the qualification to be attained and the skills acquired by the apprentice earlier. The average duration of further education apprenticeship is 0.5 to 2 years.

Most of the apprenticeship training takes place at the workplace through the performance of practical work duties. On average, on-the-job training accounts for around 80 % of the total. However, the percentages of studies completed at the workplace and in other learning environments vary individually because a personal study plan is drawn up for each apprentice. The plan, prepared jointly by the apprentice, employer and the training provider, determines how studies in the various learning environments are to be implemented and how the apprentice can, in practice, attain the objectives defined for the training.

As a rule, the percentage of theoretical studies is greater in the early part of the training for an upper secondary vocational qualification.

Duration of apprenticeship training, %							
	Less than 1 year	**1 to 1.5 years**	**1.5 to 2 years**	**2 to 2.5 years**	**2.5 to 3 years**	**3 to 4 years**	**More than 4 years**
Upper secondary vocational qualification	5.0	9.8	22.7	28.2	23.2	10.6	0.5
Further vocational qualification	6.4	34.3	35.0	21.5	1.8	0.8	0.1
Specialist vocational qualification	5.6	27.5	39.6	23.8	2.7	0.7	0.0

Selection and training of trainers

The on-the-job instructors for apprenticeship training are chosen when the apprenticeship contract is signed. Under the legislation governing vocational education, the training workplace must offer sufficiently extensive production and service activities in accordance with the requirements for curriculum and competence-based qualifications, the necessary tools, and competent staff with adequate qualifications in terms of professional skills, education and work experience to be assigned as instructors responsible for the apprentice. The training provider is responsible for ensuring the compliance of the aforesaid.

Rules for termination of contracts for apprentices

An apprenticeship contract is a fixed-term employment contract subject to approval by the provider of apprenticeship training. Apprenticeship contracts are governed by the Employment Contracts Act (55/2001) excluding Chapter 1, Sections 3 and 8; Chapter 2, Sections 4 and 5; Chapter 4, Sections 4 and 5; Chapter 6; Chapter 7, Sections 1 through 5 and 7 through 11; Chapters 9 and 10; and Chapter 13, Sections 3 and 4.

An apprenticeship contract may be cancelled with immediate effect by mutual agreement between the apprentice and employer. An apprenticeship contract may also be cancelled unilaterally in the event that that the employer winds up the business, is placed in bankruptcy or dies. The contract may also be cancelled with the training provider's permission in circumstances that would constitute valid reasons for termination of employment under the Employment Contracts Act. Additionally, the apprenticeship contract may be terminated by the training provider following consultations with the apprentice and the employer if the training organised at the workplace fails to meet the requirements specified in the Act on Vocational Education; or the Decree issued under said Act; or the provisions of the agreement made between the training provider and the employer referred to in Section 17 of said Act. Apprenticeship training may also be temporarily suspended. The most common reasons for such suspension are an extended sick leave or a family leave.

Article 10 para. 3: Vocational training and retraining of adult workers

Questions 1 to 3

In respect of this paragraph, the Government refers to its previous periodic reports and notes that no changes to the relevant legislation have taken place during the reporting period.

Additionally, the Government wishes to state the following in reply to the Committee's questions.

Replies to the Committee's questions

Legislation authorising individual leave

Under the Study Leave Act, an employee whose full-time employment has lasted for at least one year, whether in one or several periods, is entitled to take a study leave of up to two years over a period of five years. If employment has lasted for at least three months, the employee is entitled to a maximum study leave of five days. A study leave can be taken in one or several periods. The days during the study leave may also be divided into two - the employee works for part of the day and studies for the rest. The employer is not required to pay any wages or other compensation for the time taken off for such studies, unless otherwise provided for in collective agreements or between the employer and the employee.

State and local civil servants have the same right to a study leave as other workers.

A study leave may be used for studies under official supervision and – subject to certain conditions – for trade union training and training arranged for agricultural entrepreneurs. Studies abroad are also permitted during a study leave.

Total spending on continuing training both for employed and unemployed persons; sharing of costs between public bodies

Both unemployed and employed can freely apply for vocational education, university and polytechnics education and free education work. Some of the educated people use education leading to qualification as means to acquire continuing training. The possibilities of the unemployed to obtain education flexibly have been eased by enabling, on certain grounds, spontaneous studying leading to qualification by using employment benefits. Training is organised also to the employed as a labour policy related training, for example, to support recruiting. The mode of instruction, the position of the training in the qualification structure and division of the financing share between, for example different ministries (*e.g.*, Ministry of Employment and the Economy and Ministry of Education and Culture) does not lead to any conclusions on the exact division of funding between the employed and unemployed.

In apprenticeship training, the costs of on-the-job training consist of the training compensation paid to the employer and the performance of the training provider’s official duties related to the on-the-job training. The training compensation accounts for approximately one fifth of the total cost of the training.

The total annual cost of apprenticeship training for an upper secondary vocational qualification is approximately €5,500 and the cost for a further vocational or specialist vocational qualification €3,400 per apprentice.

When training is provided primarily at educational institutions, the costs are treated as a whole inclusive of the cost of on-the-job learning. The annual costs of upper secondary vocational education provided primarily at educational institutions are approximately €10,300 per student.

Article 10 para. 4: Special measures to promote retraining and reintegration of the long-term unemployed

Questions 1 to 3

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

Article 10 para. 5: Full utilisation of the facilities provided by various measures

Questions 1 to 3

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

Replies to the Committee's questions

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

Under Finnish legislation, student financial aid is not granted to persons who move to Finland for study purposes, irrespective of the form of residence permit. If a person moves to Finland with the purpose of studying, he/she is granted a temporary residence permit (B). If the studies take more than one year, the permit is usually granted for one year at a time. The permit is conditional on the student being admitted to a Finnish educational institution and that the studies lead to a degree or other qualification. It is only in exceptional cases that a permit is granted for other, non-qualifying studies. In addition, as the overriding principle is that a person coming to Finland to study must be able to cover his/her living expenses, he/she must demonstrate that he/she has sufficient financial means to study in Finland (in practice, €500/month or €6,000/year) and has a valid insurance policy that covers healthcare services.

Efficiency of training (Article 10 § 5 d)

The efficiency and effectiveness of vocational education is primarily monitored as part of the performance-based funding system. A key indicator in the performance-based funding system for upper secondary vocational education is effectiveness measured in terms of graduation rates, employment and the pursuit of further studies. Performance-based funding for further vocational education is determined by the number of qualifications taken.

ARTICLE 15: THE RIGHT OF PERSONS WITH DISABILITIES TO INDEPENDENCE, SOCIAL INTEGRATION AND PARTICIPATION IN THE LIFE OF THE COMMUNITY

Article 15 para. 1: Measures to provide persons with disabilities with guidance, education and vocational training

Question 1

In respect of this Question, the Government refers to its previous periodic reports and wishes to submit also the following.

Under Section 20 of the Act on Vocational Education (630/1998), instruction to students who need special education or student care services because of a disability, illness, retarded development, emotional disorders or other such reason is to be provided in the form of special education. Under Section 9 of said Act, the Ministry of Education and Culture may order that a education provider's special educational task is to assume responsibility for the organisation of special education, preparatory and rehabilitative instruction and guidance to be provided as part of special education, as well as a range of education-related development, guidance and support services. In special education, exception can be made to the provisions of the Act on Vocational Education and the related Decree (811/1998) as specified in the core curriculum or qualification requirements. Instruction in special education is to be adjusted so as enable the students, where possible, to attain the same level of competence as in other vocational education. Remedial teaching given to those temporarily falling behind in studies or to students with minor learning or adaptation disorders is not deemed to constitute special education.

As stated in the Government's previous periodic reports, preparatory or rehabilitative instruction and guidance may be organised for students with disabilities. The minimum scope of such preparatory or rehabilitative instruction and guidance is 20 credits and the maximum 40 credits; however, for special reasons, the scope may be extended up to 80 credits. If the student is unable to move on to training leading to an upper secondary vocational qualification because of a disability or illness, the minimum scope of preparatory and rehabilitative training is 40 credits and the maximum 120 credits. In such a case, the objective of the training is to train and rehabilitate the student to prepare him or her for work and independent life. All preparatory and rehabilitative training and guidance is to be provided in accordance with the core curricula adopted by the National Board of Education.

Financing for the training is provided subject to the decision of the Ministry of Education and Culture. The amount of financing, which also includes the funding to be provided by the local government, is based on the number students and unit prices. All decisions regarding the use and allocation of the financing granted for the training will be made by the providers of vocational education. Financing is based on performance (such as the number of students) and equivalent unit prices.

The unit prices applicable to upper secondary vocational education are determined according to the average unit prices determined by the Government on an annual basis. The unit prices are calculated and determined specifically to each individual field of study. For those education providers whose licence imposes a special educational task in special education, the unit price is the price determined per student for each field of vocational education multiplied by 1.31. Financing for preparatory and rehabilitative training and guidance to be organised for students with disabilities, as well as financing for training preparatory to upper secondary vocational training to be provided for immigrants is based on the average unit price specified in accordance

with Section 23 of the Act on the Funding of Educational and Cultural Services (1705/2009) multiplied by 1.65.

With regard to students with serious disabilities, the unit price payable to education providers in accordance with sub-sections 2 and 3 is the average unit price determined for vocational training multiplied by 1.12. If a classroom assistant is required for a student in order to ensure due provision of instruction, the unit price for such students is the average unit price multiplied by 2.72. These regulations will be applied for the first time when the unit prices for 2011 are determined.

A range of preparatory training is provided for upper secondary vocational education: preparatory training and guidance for an upper secondary vocational qualification ('Profession Start'; for more details, see Question 2); preparatory training for immigrants for an upper secondary vocational qualification (see Article 10, para. 1, Question 1); preparatory and rehabilitative instruction and guidance for the disabled; and home economics instruction. The individuals taking part in any of the foregoing preparatory training may be special education students.

Question 2

Vocational special education

The strategy and action programme for vocational special education was adopted in 2002 and 2004. In spring 2010, the Ministry of Culture and Education launched a project to update the strategy for vocational special education. The proposals for guidelines to develop vocational special education were completed in spring 2011.

As of 1 January 2009, state-owned vocational special education institutes were transferred to the same system of providers of vocational special education as other such institutions. The transfer was connected to the objective to promote vocational education as a whole and accelerate the establishment of a provider network. The increase in the volume of special education and a growing need for a range of services and support has posed new challenges to activities and finances. As a result of the transfer, it was possible to create sufficiently strong and functional education provider organisations necessary for securing the standard of quality and availability of special education including long-term financing.

A majority, currently three quarter, of the special education students in upper secondary vocational education study at the institutes of education operated by the education providers. Less than one quarter study at the institutes operated by the special education providers responsible for the vocational training of the most seriously disabled.

Since the beginning of 2008, the intake of students for upper secondary vocational education has increased by nearly 11,700. Among the reasons for the increase was the concern for the adequacy and availability of vocational special education in the various parts of the country; the adequacy of preparatory training and guidance for upper secondary vocational education; and improved access to training for immigrants.

According to the 2008 statistics released by Statistics Finland, the number of students transferred from regular to special education has been growing for over ten years. By 2007, it had already reached about 46,000. Most of the pressures resulting from this development on upper secondary education affect vocational training. The adequacy of vocational education and its availability throughout the country have been improved. The planned increases in intakes have substantially improved access to special education.

By increasing the intakes by vocational special education providers, it was possible to strengthen the capabilities and service capacity of special education institutes and respond to the training

needs of people with the most serious disabilities in the various regions more effectively. Additionally, four vocational education providers – mainly operating outside the area of vocational special education institutes – were granted a special task to provide special education for the most seriously disabled. The intake of students by these providers was also increased based on this new task.

To ensure access to education by those needing special education services and, in particular, by those in the most disadvantaged position, intakes by other vocational special education providers were also raised.

Preparatory training and guidance for upper secondary vocational education

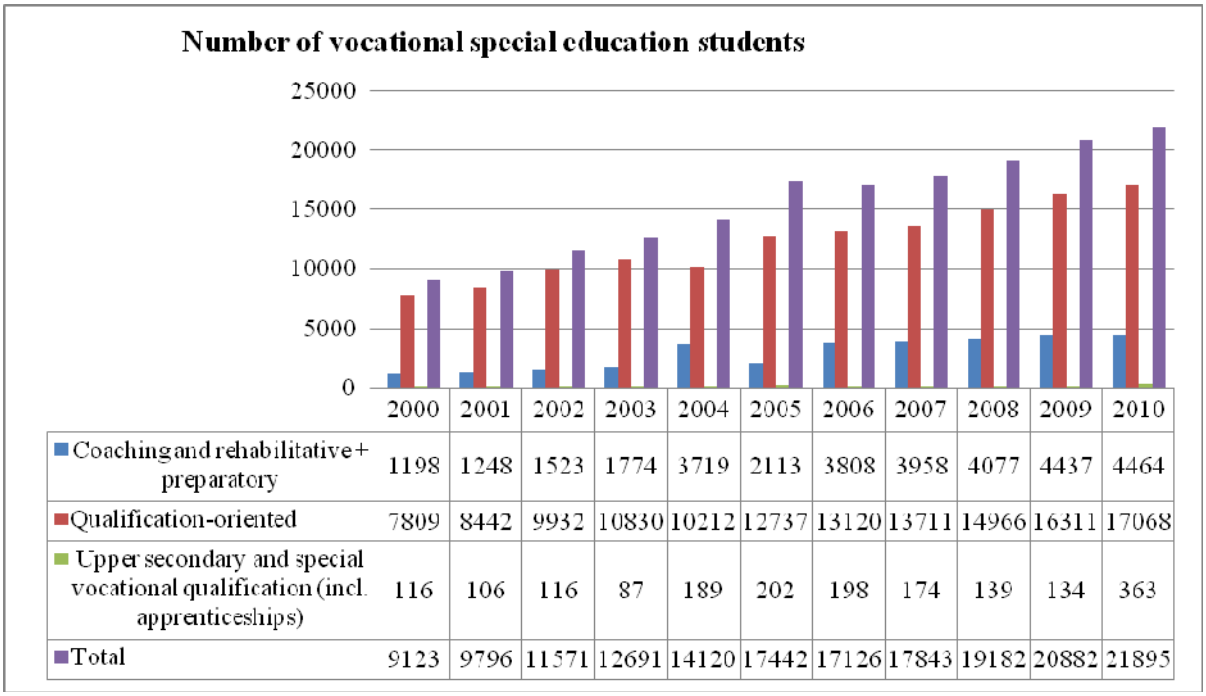
To facilitate access to further studies following the completion of basic education, an experiment concerning a training guiding and preparing for upper secondary vocational training called 'Profession Start' (ammattistartti) was launched in autumn 2006. Approximately one-third of all upper secondary education providers from various parts of the country participated in the experiment. This preparatory training was established on a permanent basis in 2010 when licences were issued for new training providers. According to the follow-up study on the experiment, approximately 70 % of the Profession Start students had continued their studies either within a programme aiming at an upper secondary vocational qualification, at senior secondary school or in some other training, or had found employment. The increases in student intakes by education providers decided on the basis of the Profession Start programme have facilitated access to vocational education for young people who have completed their basic education.

Question 3

Persons receiving stepped-up and special support and number of the most severely mentally disabled and other students with disabilities in Finland during 2005–2010:

	2005	2006	**2007**	**2008**	**2009**	**2010**
Number of special education students at schools	42,778	44,699	46,085	47,257	47,168	information not available
of whom						
Most severely disabled	1,267	1,335	1,357	1,368	1,491	1,430
Other mentally disabled	9,836	10,333	10,521	10,737	10,574	10,655

Source: National Board of Education (Reports of the Financing System of the Cultural and Educational Services) and Statistics Finland.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Coaching and rehabilitative + preparatory	1198	1248	1523	1774	3719	2113	3808	3958	4077	4437	4464
Qualification-oriented	7809	8442	9932	10830	10212	12737	13120	13711	14966	16311	17068
Upper secondary and special vocational qualification (incl. apprenticeships)	116	106	116	87	189	202	198	174	139	134	363
Total	9123	9796	11571	12691	14120	17442	17126	17843	19182	20882	21895

Source: Financial databases and Wera.

Number of students in vocational upper secondary special education and preparatory training during 2007–2010:

Upper secondary vocational special education	**2007**	**2008**	**2009**	**2010**
Vocational education providers	13,181	14,080	15,286	16,409
Vocational special education providers	3,852	4,023	4,253	4,183
Providers with limited licence to provide special education **)	0	0	150	267
Upper secondary vocational special education, total	17,033	18,103	19,686	20,859
Preparatory training *)				
Preparatory and rehabilitative education and guidance for the disabled	2,383	2,533	2,835	2,903
Preparatory training and guidance for upper secondary vocational education	702	969	1,227	1,466
Preparatory immigrant training for upper secondary vocational education	1,153	1,194	1,402	1, 570
Home economics instruction	580	581	595	550
Preparatory training, total	4,818	5,277	6,059	6,489

Source: Statistics on central government transfers 2007, 2008, 20009 and 2010.
*) The number of students in upper secondary vocational education includes special education students on preparatory training programmes.
**) Licence granted since 1 January 2009.

Replies to the Committee's questions

Non-discrimination legislation

The Basic Education Act (628/1998) contains no provision explicitly prohibiting discrimination.

The general law to be followed, also applying to education, is the Non-Discrimination Act (21/2004). Under Section 6 of the Act, nobody may be discriminated against on the basis of age, ethnic or national origin, nationality, language, religion, belief, opinion, health, disability, sexual orientation or other personal characteristics.

Under said Act, discrimination means 1) the treatment of a person less favourably than the way another person is treated, has been treated or would be treated in a comparable situation (direct discrimination); 2) that an apparently neutral provision, criterion or practice puts a person at a particular disadvantage compared with other persons, unless said provision, criterion or practice has an acceptable aim and the means used are appropriate and necessary for achieving this aim (indirect discrimination); 3) the deliberate or de facto infringement of the dignity and integrity of a person or group of people by the creation of a intimidating, hostile, degrading, humiliating or offensive environment (harassment); and 4) an instruction or order to discriminate.

Under Section 8 of the Act, no one may be placed in an unfavourable position or treated in such a way that they suffer adverse consequences because of having complained or taken action to safeguard equality.

According to Section 4, the authorities shall, in all they do, 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 realisation of equality.

The Act is applied to both public and private activities with regard to access to education, including advanced education and retraining, or vocational guidance.

The contents of the Non-Discrimination Act are also discussed under Article 15, para. 2, below.

Education

<u>Compensation</u>

According to the Basic Education Act, guardians may appeal a decision made by the education provider. Such an appeal is filed following the procedure stipulated in the Administrative Procedure Act (586/1996).

The Basic Education Act does not recognise any compensation in this regard. To claim compensation, a special action for damages must be brought to the District Court. For such an action to be successful, the claimant must be able to show that the education provider has, in the exercise of public authority, acted in violation of what is known as the standard provision. Under Chapter 3, Section 2, subsection 2 of the Tort Liability Act (412/1974), liability in damages for injury or damage caused through an error or negligence in the exercise of public authority arises if the performance of the activity or task, in view of its nature and purpose, fails to meet the reasonable requirements set for such an activity or task.

As far as education is concerned, legal proceedings have mostly been related to whether a student in need of support has received sufficient assistant service and other assistance from the education provider. Decision on the provision of an assistant is deemed to constitute exercise of public authority in Finland.

According to Section 9 of the Non-Discrimination Act, a supplier of work, movable or immovable property, or services, education or benefits who has infringed the provisions prohibiting discrimination or victimisation 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 victimisation. Compensation shall not exceed €15,000, depending on the severity of the infringement.

In determining the level of compensation, due consideration shall be given to the type and extent of the discrimination and its duration; the attitude to his/her actions on the part of the person who has infringed the provisions; any reconciliation reached between the parties; the restoration of a legal position of equality; the financial position of the offender; and other circumstances, including any financial compensation imposed or ordered to be paid under other legislation for the same act of infringement against the person. Imposition of compensation is not mandatory if not imposing it would be a reasonable decision in the circumstances. Where special cause exists, the maximum level of compensation may be exceeded if this is justified by the duration and severity of the discrimination and other circumstances of the case.

Payment of compensation does not preclude an injured party claiming damages under the Tort Liability Act or other legislation.

Additionally, under Chapter 11, Section 11, of the Penal Code (39/1889), discrimination is punishable by a fine or imprisonment. At the same time, the victim may, under Chapter 5, Section 6, of the Tort Liability Act, claim damages for emotional suffering.

Compliance with the provisions regarding non-discrimination of the disabled is also based on complaints that may be filed with the Parliamentary Ombudsman, Chancellor of Justice and regional administrative authorities. According to the report of the Ministry of Justice (59/2010), only little legal praxis exists to date as to the conditions under which a party exercising public authority is liable to pay monetary compensation for a violation of basic or human rights resulting from his or her act or omission.

Figures on mainstreaming in general upper secondary education

The current legal provisions (Act on General Upper Secondary Schools 629/1998; Decree on General Upper Secondary Schools 810/1998) do not recognise the concept of special education. No systematic, comprehensive or regularly gathered data are available on the need for support or special education required by general upper secondary students, the form of any such support or the numbers of students in special education (2010 memorandum of the working party preparing proposals for developing general upper secondary education).

Module on special education needs in general teacher education

The learning process, the various phases in the growth and development of children and youth, as well as student awareness issues are among the key subjects studied by class teachers. Modules focusing on special education are common in the early part of the education, mainly when students take their bachelor's degrees. Individual universities offer several options in their class and subject teacher programmes to provide instruction and induction for students.

Vocational education

In respect of the Committee's questions concerning vocational education, the Government refers to the information give in respect of this paragraph, as well as to the information given in respect of Article 10. para. 1, and Article 15, para. 2, Question 2, and wishes to submit also the following.

In 2010, vocational and career planning services were provided to 5,716 persons with disabilities, representing 20.8 % of the total number of persons benefiting from such services (in 2009: 5,692 persons with disabilities, representing 20.7 %).

No statistical information concerning rehabilitative instruction and guidance intended to prepare students with disabilities for work and independent life, in particular concerning the percentage of those entering some kind of work relationship, is compiled.

In respect of the access of persons with disabilities to higher education, the Government refers to the information given in respect of Article 10, para. 1, and Article 15, para. 2.

Article 15 para. 2: Promotion of employment of persons with disabilities

Question 1

The Act on the Public Employment Service (1295/2002) was amended on 1 May 2007 through the addition of a provision, under which a social enterprise may be granted an increased pay subsidy for the employment of a disabled person to the extent that the subsidy accounts for 50 % of the pay costs, the maximum, however, being €1,300 per month.

In others respects, the changes to the pay subsidy are discussed above under Article 1, para 1.

Question 2

The Ministry of Employment and the Economy set up a working group on 9 March 2009 to outline the bases for the ministry's private client relationship strategy and client segmentation. The working group's final report, submitted on 30 June 2009, was subsequently adopted as the Ministry of Employment and the Economy Group's private client relationship strategy. Said strategy document gives a description of the criteria for segmenting the private clients of the public employment service at Employment and Economic Development Offices. According to the strategy, the needs of the various special groups are addressed by developing a range of services and service models without separately assigning them to any dedicated main segment or sub-segment. Groups such as young people, immigrants or clients with disabilities, for example, may fall under any of the three main segments depending on their present circumstances. The three client segments are:

1) Those entering the labour market directly, *i.e.*, persons whose professional skills, competence and/or work experience permit direct access to the open labour market.
2) Those entering the labour market through competence development, *i.e.*, persons whose employment in the open labour market or as self-employed entrepreneurs call for the assessment of their competence and capacity for work, enhancement of their professional skills, career planning, training, or vocational rehabilitation.
3) Those entering the labour market through rehabilitation, *i.e.*, persons whose employment must also be supported by means of cross-sectoral services in addition to the solutions provided by public employment services. Examples of such persons include those who need health care or medical rehabilitation services either primarily or in addition to the employment services. The objective of the services provided to clients in this segment is to facilitate their access to the open labour market just like in other segments.

This is in line with the principle that services for disabled clients are handled in employment offices mainly according to the so-called normality principles. In serving clients with disabilities, every effort is made to utilise first and foremost the employment services intended for all

citizens: job placement services; vocational guidance and career planning; labour market training and vocational information; and employment training.

Based on the client relationship strategy, the Ministry of Employment and the Economy prepared guidelines for the jobseeker's service process in the autumn of 2010. The guidelines entered into force on 3 January 2011. Said guidelines describe the provision of services to clients with reduced capacity at an Employment and Economic Development Office following the afore-mentioned approach.

To raise the employers' awareness of the support measures available for the employment of persons with reduced capacity for work and persons with disabilities, the Ministry of Employment and the Economy published a handbook to that effect in 2010. Labour market organisations and disability NGOs also contributed to its preparation. The handbook contains information on how work try-outs or work experience placement periods may also benefit the employer (contact with a potential recruit) and what kind of support is available for lowering the threshold for employment (examples include a pay subsidy, preparatory training for working life, and a subsidy for creating suitable working conditions).

Question 3

Jobseekers with disabilities in the public employment service and the active labour market measures arranged by the labour administration:

Year	**2007**	**2008**	**2009**	**2010**
Jobseekers with disabilities	92,500	93,700	96,000	97,600
Of them unemployed	66,100	66,600	66,700	69,200
Job placements on the open labour market	44,400	43,500	38,600	41,600
Started labour market training	8,000	6,300	5,800	6,500
Started other vocational education	1,100	1,000	1,300	1,900
Were placed in a business through pay subsidy x)	6,700	7,100	5,900	6,100
Were placed in the public sector through pay subsidy xx)	4,200	4,000	3,200	3,700
Placements in work try-out, practical training or preparative training for working life at a working place	12,100	13,000	12,900	11,100
Active measures, total	76,500	74,900	67,700	70,900

x) and xx) A pay subsidy granted to employers to compensate for the payroll costs of jobseekers with disabilities.

To improve the capacity of disabled jobseekers for work and training and to support their employment, the labour administration arranges supportive measures such as examinations of health and working capacity, rehabilitation examinations, expert consultations and work coaching).

Support measures for jobseekers with disabilities arranged by the labour administration:

Year	Support measures x)
2007	10,269
2008	10,725
2009	8,910
2010	8,580

x) Examinations of health and working capacity, rehabilitation examinations, expert consultations, work coaching.

The placement of a disabled person in a workplace or the retention of the job may require changes to machines, tools, methods or the external working conditions at the workplace, or arrangements that are essential in order to compensate for or reduce the inconvenience caused by the disability or disease.

The resulting costs can be reimbursed to the employer in response to an application for a subsidy for the arrangement of working conditions. A total of 7 applications were rejected in 2007; 17 in 2008; and 5 in 2009.

The use of the subsidy for accommodation measures during 2007–2009:

Year	Total expenditure, €	No. of approved applications	Average cost of accommodation measures
2007	105,200	69	1,525
2008	176,000	129	1,364
2009	131,600	121	1,088

Subsidies for the reimbursement of costs arising from the assistance provided by another employee were granted during 2007–2009 as follows:

Year	Total expenditure, €	No. of approved applications
2007	14,000	12
2008	15,000	17
2009	25,000	12

Replies to the Committee's questions

Non-discrimination legislation

There are no court cases concerning reasonable accommodation referred to in the Non-Discrimination Act (21/2004) to report during the period 1.1.2007 to 31.10.2010.

The (new) Constitution of Finland (731/1999) entered into force on 1 March 2000. According to Chapter 2, Section 6 of the Constitution, everyone is equal before the law and no one shall, without an acceptable reason, be treated differently from other persons on the ground of sex, age,

origin, language, religion, conviction, opinion, health, disability or other reason that concerns his or her person.

Discrimination is also prohibited and equality guaranteed by several other acts, such as the Non-discrimination Act, Equality Act, Penal Code, Employment Contracts Act (55/2001), and the Act on the Public Employment Services (1295/2002).

The Non-Discrimination Act came into force on 1 February 2004, implementing European Union Council Directive 2000/43/EC on the principle of equal treatment between persons irrespective of racial or ethnic origin; and Council Directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation. The purpose of the Act is to foster and safeguard equality and enhance the protection provided by law to those who have been subjected to discrimination in cases that fall under the scope of application of the Act.

In accordance with Section 4 of the Non-Discrimination Act, the authorities shall purposefully and methodically foster equality in all their activities and consolidate such administrative and operational practices as will ensure the promotion of non-discrimination in preparatory work and decision making. The authorities shall, in particular, alter circumstances that prevent the materialisation of equality. Section 6 of the Act provides a list of the grounds under which discrimination is prohibited, of which disability is one. According to the law, discrimination is prohibited in matters related to work, education and trade union activities.

Section 5 of the Act contains provisions for improving access to employment and training by persons with disabilities. According to Section 5 of the Act, to foster equality in the contexts referred to in Section 2, subsection 1, a person who commissions work or arranges training shall, where necessary, take reasonable steps to help a person with disabilities to gain access to work or training, to cope at work and to advance in his or her career. Under said provision, a jobseeker with disabilities meeting the requirements of the job in terms of knowledge, skills and experience may not be by-passed on the grounds that recruiting such a person would require measures on the part of the employer which, in view of the costs incurred as a result of such measures and the standing of the employer, may be deemed reasonable.

The wording ‘where necessary’ of the Section means that the need for reasonable accommodation is to be determined on a case-by-case basis. The provision aims to promote the employment of disabled people, help them cope and retain their work, and promote their training and lifelong learning. Appropriate accommodation measures in the workplace may relate, *e.g.*, to work conditions; work organisation; working time arrangements; working methods; facilities; training and the arrangement of the work; and work guidance considering the individual needs of disabled persons. Such accommodation measures may relate to the work environment; tools including personal aids; and work arrangements (Employment and Equality Committee Report 7/2003).

The provision does not require the realisation of unreasonable arrangements. When assessing the reasonableness of arrangements from the perspective of the employer, issues that could be considered include: the financial costs caused by the arrangements; the size and financial situation of the organisation or enterprise; and the availability of public funds or other support, *e.g.*, support for the arrangement of working conditions. Furthermore, there are situations that could lead to unreasonableness, *e.g.*, arrangements that would change the workplace activities too much and where they could, at the same time, endanger compliance with occupational safety provisions, for example.

The assumption would be that the arrangements would make it possible for a disabled person to cope in working life.

In contractual and public-service employment relationships, compliance with the Act is supervised by the occupational health and safety authorities.

The provision supplements and reinforces the obligation of the employer, laid down in the Act on Occupational Safety and Health, to consider disability in the working environment, work arrangements and work dimensioning. The provision also supplements the general obligation of the employer, stated in Chapter 2, Section 1 of the Employment Contracts Act, to ensure that all workers have the possibility to receive training and to improve themselves in order to advance in their careers.

Provisions in the Non-Discrimination Act are improving the access of persons with disabilities to employment and vocational training. This reform is significant in many respects: it brings our system of fundamental rights into line with international human rights conventions. It makes these rights directly applicable so that people with disabilities may base a claim directly on them. While it is difficult to estimate all the effects, it clearly provides for disabled people and their organisations better constitutional grounds to demand that their rights and status shall be considered in new legislative projects. The prohibition of discrimination against people with disabilities may also have direct influence on the courts and authorities.

As a part of the Ministry of Employment and the Economy's regular duties, a study on the use of a special form of support for accommodating working conditions and working environment was made in 2010.

The Public Employment Services Act stipulates that public employment services shall be offered with a view to promoting the equal treatment of people with disabilities on the labour market by improving their employment and job retention. In case public employment services required by a client cannot be provided by the employment office, the employment office is responsible for ensuring that the person in question is given information about other services and rehabilitation opportunities; and that the client is advised to seek help, as appropriate, from the social, health care or education authorities; or the Social Insurance Institution of Finland (SII); or other service providers. In addition, the provisions of the Act on Cooperation with Rehabilitation Clients (497/2003) are to be complied with when services are provided to persons with disabilities.

According to Chapter 11, Section 9 of the Penal Code (39/1889), a person can be sentenced to a fine or imprisonment up to six months for discrimination in a trade or profession, service of the general public, exercise of official authority or other public function, or in the arrangement of a public event or meeting without a justified reason. The grounds for discrimination are race; national or ethnic origin; skin colour; language; sex; age; family ties; sexual preference; state of health; religion; political orientation; political or industrial activity or another comparable circumstance.

The Employment Contracts Act contains a provision including the prohibition of discrimination and equal treatment in Chapter 2, Section 2: the employer shall not exercise any unjustified discrimination against employees on the basis of health and disability, etc.

Recruitment is subject to the legal provisions on the prohibition of discrimination. The prohibition is also significant when decisions are made on the distribution of employees' duties; the arrangement of training; granting benefits based on the employment relationship; and the termination of an employment relationship. Discrimination as defined in the Employment Contracts Act occurs when an employer, in making a decision concerning employees, knowingly puts an employee in a different position from other employees on prohibited discriminatory grounds.

Employees can be treated differently for a justified reason. The justification of a reason is assessed on the basis of 'a real requirement arising from the work. The nature of the employer's operations can also be taken into account in the assessment. If certain employees or employee groups receive positive special treatment because they are considered to be in need of special protection, because of their age, work disability, family responsibilities or social status, for

example, this cannot be deemed prohibited discrimination. The purpose of positive special treatment is to ensure the factual equality of a particular group.

The requirement of equal treatment complements the prohibition of discrimination. It obliges the employer to give equal treatment to employees who are in the same position or in a similar situation, and to ignore other differences between them. The requirement of equal treatment becomes significant when employees are granted benefits based on the employment relationship, and are assigned duties. The requirement obliges the employer to take actions which are logical and to make logical decisions as regards employees.

An employer may deviate from the requirement of equal treatment only for a justified reason, having taken into consideration the duties and positions of the employees. The requirement of equal treatment does not inhibit the use of incentive pay systems, as long as no discriminating or unequal factors affect their determination.

According to the employer's general obligation, the employer must make sure that the employees perform their work also when the operations, the work to be carried out or the work methods of the enterprise are changed or developed. In order to maintain and improve the employee's qualifications, the employer is expected to make sure that a disabled employee is also provided with all the guidance necessary in order for him/her to perform his/her duties. In addition, the employer has an obligation to strive to further the employee's development opportunities so that the employee can advance in his/her career according to his/her abilities. In order to do so, the employer must, on the one hand, seek to ensure that the employee has the skills required for the work, and on the other hand, try to provide the employee with opportunities to advance in his/her career in accordance with his/her skills and abilities so that the employee will also be able to perform more demanding work with more responsibility.

Measures to promote employment for persons with disabilities

General legal framework

Activities supporting the access of people with disabilities to employment

According to the Social Welfare Act (710/1982)**,** municipalities are responsible for organising activities supporting the access to employment and specific work for people with disabilities.

In the Social Welfare Act, activities supporting the access of people with disabilities to employment refer to the organisation of specific rehabilitation and other supportive measures promoting their placement in employment.

Activities supporting the access of people with disabilities to employment are organised for persons who have, due to their disability or illness or for comparable reasons, particular long-term difficulties in managing ordinary functions in everyday life, and who are in need of supportive measures - in addition to the services and measures of the labour administration - in order to find employment on the open labour market.

As a part of the activities to support the access of people with disabilities to employment, it is possible to organise work in which the employee is in an employment relationship with the service provider under the Employment Contracts Act (55/2001). The pay for the work can be agreed upon by a collective agreement referred to in the Collective Agreements Act (436/1946).

A person taking part in the specific work for people with disabilities is not in a contractual employment relationship referred to in the Employment Contracts Act with the organiser of the activity or the service provider. The same applies to rehabilitative work provided under the Act on Rehabilitative Work. According to the legislation, both of these are social services and thus the clients receive the social or employment benefits that they are entitled to during the service.

Specific work for people with disabilities

In the Social Welfare Act, specific work for people with disabilities refers to the maintenance of their functional capacity and activities promoting it. Such work is organised for persons incapacitated for work who, due to their disability, are not able to take part in the activities supporting the access to employment, and whose income is mainly based on benefits granted on the basis of illness or incapacity for work.

A person taking part in the specific work for people with disabilities is not in a contractual employment relationship with the organiser of the activity or the service provider.

The provisions on employees' safety at work are applied to the work for people with disabilities also when the person concerned is not in an employment relationship with his/her employer. The organiser of work for people with disabilities shall take out an insurance policy referred to in the Employment Accidents Insurance Act (608/1948) for the person engaged in the provided work. As the annual earnings under the insurance, the minimum annual earnings referred to in Employment Accidents Insurance Act are used.

According to the Act on Special Care for People with Intellectual Disabilities (519/1977), special care districts consisting of municipalities must organise work activity, housing and other such activities that support the integration of the people with intellectual disabilities into the society.

Municipalities are also responsible for organising the duties laid down in the Act on Rehabilitative Work (189/2001). The aim of the law is to improve the employment possibilities, or possibilities for education, or activities supporting the access to employment provided by the employment administration of the long-term unemployed who receive a labour market subsidy or subsistence subsidy (social assistance). The Act requires both employment and municipal authorities jointly, including the client, to make individual activation plans and to arrange rehabilitative work activities.

Measures taken

The Government submitted a Report on Disability Policy in 2006, which was based on the Government Programme of Prime Minister Matti Vanhanen. In the report, the Government evaluated the strengths and challenges of the Finnish disability policy and suggested solutions to both develop and reform it. Suggested measures included improving access and eliminating barriers to employment for people with disabilities, and promoting their employment in a way that is encouraging to both employees and employers. The report also suggested the preparation of a national disability policy programme to guide disability policy actions. The responsibility for disability policy is vested in all the sectors of administration and all societal actors. The disability policy programme following the Government's Disability Policy Report is discussed below under Article 15, para 3 ('Replies to the Committee's questions').

Figures, statistics and other relevant information

According to statistics (STAKES 2008), there were 12,005 clients in day and sheltered work centres for people with intellectual disabilities and 2,993 clients in sheltered work centres for disabled people in 2005. In activities supporting employment of disabled people there were 4,049 clients in 2006. There were 11,903 clients in day and sheltered work centres for people with various disabilities in 2006. Day centres do not provide work activities but are aimed at people with more severe disabilities.

The report 'Special employment units for people who are not readily employable – a statistical review on employment services' by the Ministry of Social Affairs and Health focuses on sheltered productive work centres; multi-service centres for employment; sheltered work centres for mentally disabled persons and mental health rehabilitees; clubhouses for mental health rehabilitees (transitional workplace programmes); and supported employment services in 2003. The study was carried out by a questionnaire targeted at the entire social employment sector and

thus also included clients without disabilities. The response rates in relation to the estimated total number of the units for special employment of each type varied between 57 and 100 %. The picture obtained based on the replies can thus be generalised fairly reliably to concern the whole range of each unit type. The results are shown in the table below.

	Units	Clients	Reason for weak employability	Services
Productive work centres	53	2,490	Employment under employment contract: weak labour-market position* 28%, mental health problem 21% In special work activity: intellectual disability 61%, mental health problem 32%	Employment under employment contract 58 % Special work activity 25% Training and rehabilitative activities 17%
Multi-service centres for employment	11	2,060	Employment under employment contract: weak labour-market position 89% In special work activity: weak labour-market position 43%, intellectual disability 24%, mental health problem 20%	Employment under employment contract 30% Special work activity 22% Training and rehabilitative activities 48%
Sheltered work centres for people with intellectual disabilities	150	5,220	Special work activity 91%	Employment under employment contract 2% Special work activity 87 % Training and rehabilitative activities 11%
Clubhouses for mental health rehabilitees	19	2,100	Mental health problem 100% (assumption)	
Work units for people with mental health problems	18	610	Special work activity: mental health problem 96%	
The process of supported employment	39	630 210 (those employed by supported employment)	Intellectual disability 66%, mental health problem 22%	

Total	290	13,110		

* Weak labour market position means those clients who are not disabled or chronically ill, but who have difficulties finding work without special support. The problems usually relate to such things as the lack of (relevant) education and/or (relevant) work experience, debts, substance abuse, social behavioural problems and a lack of skills in Finnish or Swedish (immigrants).

No information exists on the level of the trade union activity in those work centres that provide work under an employment contract; however, the same rules apply to them as to all other work places in Finland (freedom to be a member of a trade union, having a trade union representative at the work place, etc).

Article 15 para. 3: Full social integration and participation in the life of the community

Questions 1 to 3

Non-discrimination legislation

Non-discrimination legislation is discussed above, in particular under Article 15, para. 2.

The Ministry of Justice set up a committee to reform the Finnish non-discrimination legislation in 2007 (Equality Committee). Its purpose was to reform the non-discrimination legislation to better meet the requirements imposed by the consistent and extensive prohibition of discrimination set out in Section 6 of the Constitution (731/1999). The objective was to promulgate legislation that would strengthen the protection of equality by extending it to address all grounds of discrimination more explicitly; by making it more consistently applicable to all spheres of life; and by harmonising the legal remedies and sanctions applicable to individual cases of discrimination as effectively as possible. The Equality Committee's report, finalised in December 2009, contains proposals for a new Equal Treatment Act, the Act on the Ombudsman for Equal Treatment and the Act on the Equality Tribunal. The proposal is drafted in the form of a Government bill.

It is proposed that the scope of application of the Equal Treatment Act be extended to apply to all public and private activities. More specific provisions on exceptions to the scope of application would be laid down in the Act. The proposal would extend legal protection to all discriminatory grounds, including disability.

Similarly, the obligation to promote non-discrimination would be extended to address all grounds of discrimination and obligate central and local government authorities, educational institutes and employers. Additionally, the Act would require that reasonable accommodations and adaptations be provided to ensure the non-discriminatory treatment of people with disabilities.

The prohibition of discrimination would encompass direct and indirect discrimination as well as harassment. Failure to provide reasonable accommodation would also constitute discrimination under the Act. Provisions would also be laid down prohibiting multiple discrimination, discrimination by association and discrimination by presumption.

Compliance with the Act in working life would be supervised by the occupational health and safety authorities. Compliance with the Act in other spheres of life would be supervised by the non-discrimination authorities – the Ombudsman for Equal Treatment and the Equality Tribunal. Insofar as compliance with the Equal Treatment Act in contract-based employment is not monitored by the occupational health and safety authorities, the responsibility for this would rest with the Ombudsman. The Ombudsman for Equal Treatment would replace the current Ombudsman for Minorities, and the Equality Tribunal the current Discrimination Board and (Gender) Equality Board.

According to the proposal, the cap on the compensation payable to a person injured through discrimination would be eliminated and compensation could be claimed for all forms of discrimination prohibited under the Act. Both action and inaction could constitute an injury entitling the injured party to claim compensation.

Provisions governing the powers of the Ombudsman for Equal Treatment and Equality Tribunal in supervising compliance with the Equal Treatment Act would be laid down in the Equal Treatment Act. Provisions governing the organisation of the Ombudsman and the Tribunal as well as their other duties and powers would be laid down in separate Acts and Decrees.

The Committee's report, drafted in the form of a Government bill, was circulated for comment in the spring of 2010, and its preparation was subsequently continued at the Ministry of Justice and in the Ministry of Employment and the Economy. The possible finalised Government bill will probably be given during the electoral period 2011–2015.

See also the Government's replies to the Committee's questions concerning Article 1, para. 2.

Amendment concerning personal assistance

The legislative amendment concerning personal assistance (918/2008) entered into force on 1 September 2009. It is of great importance to people with disabilities in contributing to independent living and community-based housing. The legislative proposal concerning personal assistance is part of a broader reform agreed upon in the Government Programme where the present Act on Services and Assistance for the Disabled (380/1987) and the Act on Special Care of Mentally Disabled Persons (519/1977) will be gradually combined.

Under said Act, persons with severe disabilities who are in need of necessary and frequent assistance in their daily life at or outside the home are entitled to personal assistance. According to the Act, personal assistance is a social service to be provided by the local authorities free of charge to persons with severe disabilities. A municipality cannot refuse to provide the service with reference to the scarcity of appropriations if the applicant fulfils the criteria for access to the service as provided by law. Personal assistance is thus a subjective right for persons with severe disabilities. Personal assistance must be provided for daily activities as well as for work and studies to the extent the person with severe disabilities urgently needs. Initially, assistance for other purposes is to be given for a minimum of ten hours per month and, as of the beginning of 2011, a minimum of 30 hours per month.

The municipalities may provide the service in one of several optional ways. The first option is that the municipality reimburses a person with severe disability for the costs of employing an assistant in the same way as under the present system, where the assistant is employed by the person being assisted. A second option for the municipality is to issue a service voucher to purchase assistance services. A third option is to provide the service through a purchased service, the municipal service system or through contract-based cooperation with one or several municipalities. Hence, the legislative amendment will allow persons with disabilities to receive personal assistance in the form of a service without the obligation to employ an assistant.

Other amendments to the Act on Services and Assistance for the Disabled

The abovementioned amendment to the Act on Services and Assistance for the Disabled also includes provisions to reinforce the right of disabled persons to an individual assessment of their service needs, a service plan, and timely decision making. Services for persons with disabilities must be carefully planned within a reasonable period of time. To guarantee this, the Act contains provisions on the assessment of the person's need for services, the preparation of a service plan, and the processing of the case without delay. The assessment of service needs must begin within seven workdays of the date when the contact for that purpose is first made. The decisions

concerning services and supportive measures must be made within three months of the date of submission of the respective application.

Amendment concerning interpreter services for the disabled

The amended Act on Interpreter Services for Hearing and Visually Impaired, Hearing Impaired and Speech-Impaired persons entered into force on 1 September 2010. With the amendment, the provision and funding of interpreter services for the hearing and visually impaired, hearing impaired and speech-impaired was reassigned from municipalities to the Social Insurance Institution of Finland. The State thus assumes full responsibility for financing the interpreter service.

The right to interpreter services remains unchanged; the only change brought about by the new law is the reassignment of administrative and financial responsibility for the services. The hearing and visually impaired are entitled to a minimum of 360 hours of interpreter services per year and those with a hearing and speech impairment to a minimum of 180 hours. The extent of interpreter service may vary according to personal needs.

In 2009, interpreter services were used by a total of 4,088 disabled persons (74.6 clients per 100,000 inhabitants; in 2010, the corresponding figure was 4,500).

Replies to the Committee's questions

Anti-discrimination legislation and integrated approach

Non-discrimination legislation

In this respect, the Government refers to the information given in reply to Question 1.

Disability Policy Programme 2010–2015

The main principles of Finnish disability policy established in the Government Report on Disability Policy 2006 steering the reforms of disability legislation are the equality of people with disabilities, the right to social inclusion, and the right to necessary services and supportive measures. As well as the afore-mentioned principles, the legal reforms and disability policy are guided by the provisions of the Constitution on securing the rights of an individual, and by the obligations imposed by the United Nations Convention on the Rights of Persons with Disabilities. The same guidelines for developing the disability policy and legislation are also underlined in Finland’s Disability Policy Programme (VAMPO).

Published in August 2010, Finland’s Disability Policy Programme 2010–2015 contains concrete proposals for promoting and implementing the UN Convention on the Rights of Persons with Disabilities in different sectors. The programme addresses the following areas: independent living; social inclusion and participation; the built environment; transportation services; education; work; social security; health and rehabilitation; security; culture; international cooperation; and statistics.

In the core of the Disability Policy Programme are measures to ensure the attainment of the following objectives:

1) The preparation and implementation of the legislative amendments necessitated by the ratification of the UN Convention on the Rights of Persons with Disabilities.
2) Improving the socioeconomic status of persons with disabilities and combating poverty.

3) The availability and quality of special services and support measures will be ensured across the country.
4) Widely recognised accessibility in society will be strengthened and increased.
5) Disability research will be reinforced, the information base improved, and diversified high-quality methods developed in support of disability policy and monitoring.

The measures foreseen in the programme are ambitious and aim at developing all the relevant policy sectors from the perspective of the rights, freedoms and equal opportunities of persons with disabilities. For each of these areas, the branch of government responsible for implementation, timetables, financial needs, obligations and the indicator used for monitoring implementation have been identified. Some of the measures require amendments to the relevant legislation and guidance for implementation. What is additionally needed is education; information; extensive development; the development of financing and structures; updating concepts; and strengthening the knowledge base in support of the implementation and monitoring of the disability policy.

The body responsible for coordinating the follow-up on the implementation of Finland's Disability Policy Programme is the National Council on Disability.

Measures to overcome barriers

Design for All network

The Design for All (DfA) network and its partners seek to raise the general awareness of accessibility and the 'Design for All' concept. The network also disseminates international information Finland while striving to strengthen cooperation between national operators and advance accessibility through its membership in Finland by participating in working groups and legislation, and in the context of higher education.

In 2009, the network, together with the National Institute for Health and Welfare, published a book entitled 'Tulevaisuus on saavutettava' (The Future to be Attained) (ed. Päivi Tahkokallio) based on lectures held by the network addressing, among other things, DfA strategies and competencies within companies. The theme of accessibility is also discussed in a monograph published in 2008 entitled 'Kohti esteetöntä yhteiskuntaa' (Towards an Accessible Society) by Erkki Kemppainen: http://www.stakes.fi/FI/Julkaisut/verkkojulkaisut/raportteja08/VR33-2008.htm.

Technical aids

Background information on the services for the disabled in Finland

Finland has 336 municipalities which, among other things, are responsible for providing social and health care services to their residents, including services for the disabled. The services are funded by state aid to local government, municipal tax revenues and service charges. The services for the disabled are usually free of charge.

The policy is to provide the services to all citizens on equal terms. Additionally, there is a range of special services provided for the disabled under the Act on Services and Assistance for the Disabled and the Act on Special Care of Mentally Disabled Persons. According to the Acts, persons with severe disabilities have a subjective right to transportation services, sheltered housing, day activities, personal assistance, home conversion services, and the right to have assistive devices installed in the apartment. In this context, 'subjective right' means that the municipality is obligated to provide the service as soon as the criteria prescribed by law are met, regardless of the municipality's financial standing.

Programme for providing housing for the mentally disabled

In January 2010, the Government adopted a decision-in-principle on a programme to provide housing and related services for mentally disabled persons in 2010–2015. The purpose of the housing programme is to promote independent living by mentally disabled persons in a normal living environment, and hence to strengthen their inclusion and equal treatment in the community and society. The development targets for the revision of disability legislation defined in the Government Programme, the policies adopted in Finland's Disability Policy Programme, and the UN Convention on the Rights of Persons with Disabilities identify proper housing conditions as one of the key prerequisites for independent living and inclusion.

The purpose of the housing programme is to give the mentally disabled persons moving away from institutional care and adult mentally disabled persons moving away from their childhood homes an opportunity to live independently in accessible and functional apartments in a normal living environment. At the same time, the number of places in institutional care for the mentally disabled will be reduced in a systematic and controlled manner.

The objective is to create around 1,500 apartments for mentally disabled persons moving away from institutional care, and around 2,100 apartments for mentally disabled persons moving away from their childhood homes during 2010–2015. When implemented, the programme will reduce the number of institutional care places to around 500 from the current 2,000 long-term care places. The housing programme is implemented in close collaboration between the Ministry of Social Affairs and Health and the Ministry of the Environment.

In respect of technical aids, the Government also refers to the comments given in response to Question 1 above.

Mobility and transport

During 2003–2006, the Ministry of Transport and Communications implemented a Research and Development Programme for Accessibility named 'ELSA'. It involved several government ministries and non-governmental organisations. It was launched to support the implementation of the accessibility strategy of the Ministry of Transport and Communications. The objective of the strategy published in 2003 is to ensure that the traffic infrastructure and public transportation services operated by the State are accessible and safe for all. Central government agencies will work in collaboration with municipalities and the private sector to improve the parts of the traffic system they are responsible for.

The aim of the ELSA programme was to increase awareness in the municipal sector and among transport service providers, authorities and the public about the importance of accessibility; to activate research in general; to launch and monitor R&D projects; to organise seminars and educational events; and to report on project results.

The ELSA programme funded 30 R&D projects, three academic master's theses and educational material for the personnel and planners of public transport. The programme also included coordinating a network of Accessible Municipalities as well as organising several educational events and seminars. Project workers, members of the guidance group and the ELSA coordinator also wrote articles about R&D project results. The programme has a dedicated website that presents, among other things, all the projects included in the programme at: (http://www.transportal.fi/Hankkeet/elsa/index.htm).

An external post-evaluation report for the programme was published in 2007 at http://www.lvm.fi/fileserver/LVM07_2007.pdf . It noted that the ELSA programme had many kinds of effects of various sizes. The programme contributed on both the strategic and programme levels, and produced new guidelines, planning methods, services and products for practical planning, construction and customer service. In light of the results of the evaluation, the

aims of the programme have matched both the needs of the target groups as well as the general needs of an accessible transport system well.

ARTICLE 18: THE RIGHT TO ENGAGE IN A GAINFUL OCCUPATION IN THE TERRITORY OF OTHER PARTIES

Article 18 para. 1: Application of existing regulations in a spirit of liberality

Questions 1 to 3

Nationals of the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Slovenia or Slovakia are no longer required to register in the employment services (ended April 2009).

In other respects, the Government refers to its replies to the Committee's questions, below, and the information provided in its previous periodic reports and wishes to submit the following.

Replies to the Committee's questions

Statistics on applications

In this respect, the Government refers to statistics on the processing of the applications filed by employees and self-employed persons attached hereto as Annex 1. In this connection, the Government notes that nationals of the member states of the European Economic Area (EEA) are not required a residence permit for an employed person.

Article 18 para. 2: Simplification of formalities and reduction of charges payable by foreign workers or their employers

Questions 1 to 3

A fee is charged for the processing of applications. The fee for the first residence permit for an employed person was €200 during the period of 2007 to 2009. In 2010, the said fee was €250. The fee for the renewal of the residence permit for an employed person was €120 during 2007 to 2010.

The fees are still lower thant the actual costs incurred by the authorities when processing applications. However, according to the Act on Criteria for Charges Payable to the State (150/1992), the fees collected to the state for goods or services produced should, in general, correspond to the cost price. Accordingly, the objective, thus, is that the fees would, in future, correspond to the actual processing costs. This will be achieved by enhancing the cost-effectiveness and, if necessary, raising the level of fees to be collected.

In other respects, the Government refers to its previous periodic reports.

Replies to the Committee's questions

Formalities to be completed to obtain an employee’s or self-employed worker’s residence permit

Provisions on residence permits for employed and self-employed persons are laid down in Chapter 5 of the Aliens Act (301/2004). Residence of citizens of the European Union or comparable (EEA, Switzerland) persons is covered by Chapter 10 (no residence permits) of the Act.

An alien (third country national) who intends to take up paid employment in Finland usually needs a residence permit for an employed person. A person engaged in an independent business or profession in Finland must have a residence permit for a self-employed person.

According to the Aliens Act, the purpose of the system of residence permits for employed persons is to support the availability of labour in a systematic, prompt and flexible manner, with consideration for the legal protection of employers and foreign employees, and the employment opportunities for the labour already in the labour market. There are no geographical restrictions regarding residence permits.

All refusals are based on the Aliens Act. For example, a labour market test is applied more frequently if the national labour market situation is weak or getting weaker. Thus, as regards the first residence permits for employed persons, the negative decisions are affected by the labour market situation since, according to the Aliens Act, the consideration connected to the granting of the permit shall take into account the availability of labour. The current economical situation and, thus, the amount of unemployed in the labour market correlate directly with the amount of negative decisions.

It should also be noted that most of the residence permit categories in Finland include the right to work, in which case the person concerned is not required to apply for a residence permit for an employed person ("work permit").

Sections 72 - 76 of the Aliens Act cover basic requirements to obtain an employee's or a self-employed worker's residence permit.

Section 72

Elements of consideration as regards residence permits for employed and self-employed persons

(1) Issuing residence permits for employed persons is based on consideration in order to:
1) establish whether there is labour suitable for the work available in the labour market within a reasonable time;
2) ensure that issuing a residence permit for an employed person will not prevent a person referred to in subsection 1(1) from finding employment; and
3) ensure that a residence permit for an employed person is only issued to persons who meet the requirements, if the work requires specific qualifications or an accepted state of health.
(2) When considering the issue of residence permits for employed persons, account shall be taken of the guidelines referred to in Section 71.
(3) Issuing residence permits for self-employed persons is based on consideration to ensure that the intended business operations meet the requirements for profitable business.
(4) When considering the issue of residence permits for employed or self-employed persons, the authorities shall ensure that the alien's means of support are secured by gainful employment, pursuit of a trade or in some other way.

Section 73

Employer's obligations

An employer shall attach to an application for a residence permit for an employed person:
1) written information on principal terms of work referred to in Chapter 2, Section 4 of the Employment Contracts Act (55/2001);
2) an assurance that the terms comply with the provisions in force and the relevant collective agreement or, if a collective agreement is not applied, that the terms correspond to those applied to employees in the labour market doing similar work; and
3) upon request by an employment office, a statement confirming that the employer has met and will meet his or her obligations as an employer.

An employer shall ensure that an alien entering his or her service and working in his or her employment has the required residence permit for an employed person or that the alien does not need a residence permit.

An employer who employs a person other than an EU citizen or comparable person or his or her family member, or an alien residing in the country under a permanent residence permit shall submit a statement referred to in subsection 1 to the employment office without delay, and inform the shop steward, the elected representative and the occupational safety and health representative of the alien's name and the applicable collective agreement.

An employer shall keep the information on the aliens in his or her employment and on the grounds for their right to work easily available at the workplace for inspection by occupational safety and health authorities, if necessary. The employer shall store the information on the termination of the alien's employment for four years.

Section 74

Contractor's obligations

If employees are working for a foreign contractor or subcontractor or as agency employees of a foreign employer, the employer's obligations referred to in Section 73(1)–(3) apply to the main contractor or client operating in Finland. In the case of employees referred to in the Posted Workers Act (1146/1999), the provisions of the Act apply to their employment contract terms.

Section 75

Issuing residence permits for employed persons to persons abroad

The requirements for issuing a residence permit for an employed person are:
1) Consideration under Section 72 has been given to issuing a residence permit, and the requirements mentioned in the section are met, and the requirements for the employer's statements and assurance laid down in Section 73(1) are met.
2) The general requirements for issuing a residence permit laid down inSsection 36 are met, and the alien has not been prohibited from entering the country.

Section 76

Issuing persons abroad with residence permits for self-employed persons

The requirements for issuing a residence permit for a self-employed person are:
1) Consideration under Section 72 has been given to issuing a residence permit, and the requirements mentioned in the section are met.
2) The general requirements for issuing a residence permit laid down in Section 36 are met, and the alien has not been prohibited from entering the country.

An unofficial translation of the Aliens Act (amendments up to 1152/2010 included) is attached hereto as Annex 2.

As a rule, it is recommended that an alien submits the application for a first residence permit to a Finnish diplomatic mission in the home country before entering Finland. If, however, he/she has found a job while visiting Finland, he/she may apply for a residence permit by submitting an application (forms OLE_TY1 and TEM054 including appendices) to the local police or employment and economic development office of his place of residence; alternatively, the employer may start the process without separate authorisation. The Finnish Immigration Service will process and consider the application. To an alien who has entered the country, a residence permit is issued with a temporary or continuous residence permit in Finland if the requirements for issuing such a residence permit at a Finnish diplomatic or consular mission abroad are met,

and if refusing a residence permit for an employed or self-employed person applied for in Finland would be unfounded from the alien's or employer's point of view.

Conditions for renewal

The employee, or the employer on behalf of the employee, can apply for an extension of the permit. The application is submitted to the local employment and economic development office or the police. The permit is granted by the local police. In this connection, the Government refers also to its reply to the Committee's questions concerning Article 18, para. 3 ('*Consequences of loss of job),* below.

Section 54 of the Aliens Act on the issuance of extended permits reads as follows:

> *A new fixed-term residence permit is issued if the requirements under which the alien was issued with his or her previous fixed-term residence permit are still met.*
>
> *If an alien has been issued with a residence permit on the basis of international protection, a new fixed-term residence permit is issued, unless it is likely on the basis of facts that have emerged that the requirements under which the alien was issued with the previous fixed-term residence permit are no longer met.*
>
> *An alien who has been issued with a temporary residence permit for employment or pursuing a trade under Section 45(1) is issued with a continuous residence permit after two years of continuous residence in the country, if the requirements for issuing the permit are still met.*
>
> *An alien who has been issued with a temporary residence permit for studying under Section 45(1)(3) is issued with a new temporary residence permit for seeking work after he or she has received a degree or other qualification.*
>
> *An alien who has been issued with a temporary residence permit under Section 51 because he or she cannot be removed from the country and a victim of trafficking in human beings who has been issued with a temporary residence permit are issued with a continuous residence permit after a continuous residence of two years in the country if the circumstances on the basis of which the alien was issued with the previous fixed-term permit are still valid. (21.7.2006/619)*
>
> *A new fixed-term residence permit is issued on new grounds if such grounds would qualify the alien for the first residence permit An alien who has been issued with a temporary or continuous residence permit on the basis of family ties may be issued with a residence permit on the basis of close ties to Finland after these family ties are broken.*

Estimated waiting times

In this respect, the Government refers to the statistics on the processing of the applications filed by employees and self-employed persons attached hereto as Annex 2 (see Article 18, para. 1, 'Replies to the Committee's questions', above).

The Government notes also that when the processing times are studied, consideration should be given to the fact that the processing time of individual applications may vary considerably depending on the profile of the applicant and the application. The processing time is affected also by the possible necessity to ask for additional clarifications; clear and simple cases are processed faster. In this connection, it should be noted that the applications are ever more often unclear and require, thus, more examination and additional clarifications. Additionally, interviews conducted in the diplomatic missions extend the duration of the proceedings. At the same time, the interviews and additional clarifications are pursued to prevent any possible evasion the

immigration regulations. Moreover, though the amount of self-employed person's residence permit applications is fairly low, these applications require also examinations, and the examinations are often accompanied by hearings of applicants in diplomatic missions (interview) in order to clarify the true purpose of entry to the country.

Article 18 para. 3: Liberalisation of regulations

Questions 1 to 3

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

Replies to the Committee's questions

Exercise of the right to employment

A residence permit for an employed person entitles the holder to work in one or several professional fields (Section 77 of the Aliens Act). For special reasons (*e.g.*, a very special project related to the certain employer), a residence permit for an employed person may be restricted to work for a certain employer. According to the Government bill concerning the Aliens Act and certain related acts, HE 28/2003, a special reason would exist, for example, if the work performed was connected to a delivery contract or a short-term contract agreement. Moreover, limiting a residence permit to a certain employer should be connected to the purpose of the empoyee's residence permit system. According to Section 70 of the Aliens Act defining the purpose of the system, such purpose is, *e.g.*, support of the availability of labour.

Consequently, the unambiguous main rule of the Aliens Act is that a residence permit for an employed person is granted as a permit for one or several professional fields. Only in exceptional cases the residence permit can be limited to a certain employer. In practice, a residence permit for a certain employer concerns a short-term project, delivery contract or sent employees. In these cases, specialised workforce is required for the supplier of the products and/or machines. Practical examples of residence permits for certain employers are sent employees, ship musicians, circus artists and -employees.

The holders of residence permits for self-employed persons must not, in practice, apply for a new permit if their sector of self-employed activity has changed. The situation as a whole will be checked when an extension of the permit is applied for. In the commencement phase, in particular, a self-employed person is allowed small-scale paid work for another party if the commercial activity does not generate sufficient livelyhood yet. The prerequisite is, however, that the paid work is not the main reason for residing in the country and the main source of income. The residence permits for self-employed persons are regulated mainly in Sections 72, 76, 82 and 84 of the Aliens Act.

Consequences of loss of job

When processing an application for an extended permit, an overall consideration is made of the situation and circumstances of the applicant's stay in the country. A permit cannot, however, be granted to an employee under law on the grounds that he or she is looking for employment. No plans are ongoing to amend the employee's residence permit system in relation to the said rule. Public authorities give instructions to make sure that the decisions are as consistent as possible, and that full account is taken of all relevant circumstances.

A residence permit can be granted for court proceedings if the attendance of the applicant in the proceedings is indispensable and of importance to the observance of the applicant's rights and interests. It usually suffices that a counsel/representative observes the applicant's rights in the proceedings. Such a residence permit is short-term. There have, for example, been situations

where a first employment relationship has been terminated from the side of the employer and the applicant has brought action against the employer as well as submitted a report of an offence. Usually, the applicant has also found new employment and applied for a residence permit on those grounds.

Article 18 para. 4: The right of nationals to leave the country

Questions 1 to 3

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

Replies to the Committee's questions

Practical circumstances in which Finnish citizens may be prevented from leaving the country and the relevant legislation

Citizens of Finland may be prevented from leaving the country in the following situations: detention, apprehension, a travel ban and seizure of a passport in connection with the imposition of a travel ban. Provisions on these measures are set out in the Coercive Measures Act (450/1987). Additional provisions on the impediments to the issuance of a passport are set out in the Passports Act (671/2006).

Detention

> ***Chapter 1, Section 8 of the Coercive Measures Act,***
>
> *Prerequisites for detention*
>
> *The suspect of an offence may be detained, in accordance with the provisions in Section 3(1), if it is probable that he or she has committed the offence.*
>
> *Where there is reason to suspect a person of an offence, the person may be detained even if it is not probable that he/she has committed the offence, but the other prerequisites for detention provided in Section 3(1) are fulfilled and the detention is of utmost importance in view of anticipated additional evidence. Where the suspect has been detained in accordance with this paragraph, the issue of detention shall be reviewed by the court as provided in Section 18 a. Upon the request of the party submitting the detention request, the court may transfer the review of the detention issue to the court having jurisdiction in the eventual criminal case. The court shall immediately notify said court of its decision.*
>
> *The suspect of an offence whose extradition to Finland will be requested may be detained if the maximum penalty prescribed by law for the offence involved is at least one year, and if – based on the suspect's personal circumstances, the number of type of offences to be included in the extradition request or other similar circumstances – there is reason to believe that the suspect will not voluntarily return to Finland to face charges.*

Apprehension

> ***Chapter 1, Section 3 of the Coercive Measures Act***
>
> *Prerequisites for apprehension*
>
> *The suspect of an offence may be arrested if it is probable that he/she has committed the offence:*

1) where a less severe penalty than imprisonment for two years has not been provided for the offence;
2) where a less severe penalty than imprisonment for two years has been provided for the offence, but the most severe penalty exceeds imprisonment for one year and, having regard to the circumstances of the suspect or otherwise, it is probable that:
a) the suspect will abscond or otherwise avoid criminal investigation, trial or enforcement of punishment;
b) the suspect will hinder the clearing up of the offence by destroying, defacing, altering or concealing evidence or by influencing a witness, a complainant, an expert or an accomplice; or
c) the suspect will continue his/her criminal activity;
3) where the identity of the suspect is not known and the suspect refuses to divulge his/her name or address, or gives evidently false information; or
4) where the suspect does not have a permanent residence in Finland and it is probable that the suspect will avoid criminal investigation, trial or enforcement of punishment by leaving the country.

Where there is reason to suspect a person of an offence, the person may be arrested even if it is not probable that he/she has committed the offence, but the other prerequisites for arrest provided in paragraph (1) are fulfilled and the taking of the suspect into custody is of utmost importance in view of anticipated additional evidence.

No one shall be arrested where it would be unreasonable having regard to the particulars of the case or the age or other personal circumstances of the suspect.

Travel ban

Chapter 2, Section 1 of the Coercive Measures Act

Prerequisites for a travel ban

If it is probable that he/she has committed it, a person suspected of an offence may be subjected to a travel ban instead of arrest or detention, provided that the most severe penalty provided for the offence is imprisonment for at least one year and, in view of the personal circumstances or otherwise, it is probable that he/she will:
1) abscond or otherwise avoid criminal investigation, trial or enforcement of punishment; or;
2) continue his/her criminal activity.

Chapter 2, Section 2 of the Coercive Measures Act

Contents of a travel ban

The person subjected to a travel ban shall not leave the locality or area referred to in the decision. He/she may also be prohibited to be in or visit a given area referred to in the decision. However, in the decision, permission may be granted to leave said locality or area in order to go to work or for another comparable reason. The authority deciding on the travel ban may, for important reasons, grant a temporary permission to leave.

The person subjected to a travel ban may also be obliged to:
1) remain available at his/her residence or place of work at certain times;
2) present him/herself to the police at certain times; or
3) remain in an institution or hospital in which he/she already is or into which he/she will be admitted.

The person subjected to a travel ban shall not be issued a passport. If he/she has been issued a passport, he/she shall hand it over to the police for the duration of the travel ban.

Chapter 2, Section 3 of the Coercive Measures Act

Authority deciding on a travel ban

During the criminal investigation, an official with the power of arrest may decide on a travel ban. Before the decision is made, it shall be notified to the prosecutor, who may take it upon himself to decide on the travel ban. When the case has been sent to the prosecutor after the conclusion of the criminal investigation, the prosecutor may decide on the travel ban. The provision of this sub-section shall apply even if the court rejects the request referred to in Section 6(3) of the Act.

After the bringing of charges, the court shall decide on a travel ban. The court may subject the defendant to a travel ban only upon the request of the prosecutor.

Where a request for the detention of the defendant has been submitted, the court may also on its own initiative subject him/her to a travel ban instead of detention. If so, the powers to decide on any travel ban shall rest with the court even before any charges are brought. However, the powers to decide on any complaint filed in respect of a travel ban imposed shall rest with the court issuing the detention order.

Impediments to the issuance of passport

Section 15 of the Passport Act

Impediments to the issuance of passport

A passport may be denied to a person
1) when there is probable cause to suspect such a person of committing an offence carrying a minimum sentence of one year's imprisonment in respect of which the pre-trial investigation or consideration of charges is still pending, or charges brought or a warrant for arrest is issued;
2) who has been given an unconditional prison sentence not yet served;
3) who is 28 yeas of age and liable to complete military service up until the end of the year when he turns 30, unless he is able to show that the liability to serve does not constitute an impediment to the issuance of the passport.

No passport shall be issued to a person in respect of whom a travel ban referred to in Chapter 2, Section 1 of the Coercive Measures Act (450/1987) or an injunction to leave the country referred to in Chapter 4, Sections 8 or 9 of the Bankruptcy Act has been imposed.

Section 16 of the Passport Act

Consideration of the impediments and limitations to the issuance of a passport

When the issuance of a passport to a person referred to in Section 15(1) is considered, due account shall be taken of the importance of travel in terms of his/her family relations, state of health, income, occupation and other such circumstances. Additionally, when the issuance of a passport is considered, an assessment shall be made whether there is reason to believe that the person concerned intends to leave to country in order to avoid pre-trial investigation, punishment or its enforcement.

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

Question 1

The Act (1023/2008) amending the Act on Equality between Women and Men ('Equality Act'), which entered into force on 1 January 2009, included changes to Section 10 of the Equality Act regarding the employer's obligation to provide a report explaining his/her conduct. Accordingly, Section 10 of the Equality Act was amended to include the provision obligating the employer to provide the employee with a written report on the procedure applied when the employee suspects that he/she has been discriminated against by the employer within the meaning of Section 8, subsection 1, subparagraph 3 of the Equality Act with regard to terms of employment other than pay; when the employee suspects that he/she has been discriminated against by the employer within the meaning of Section 8, subsection 1, subparagraph 4 of the Equality Act with regard to management of work; when the employee suspects that he/she has been discriminated against by the employer within the meaning of Section 8, subsection 1, subparagraph 5 of the Equality Act with regard to termination of employment; and when the employee suspects the employer of having violated the prohibition against reactions to complaints as provided in Section 8a or the prohibition of harassment as provided in Section 8d of the Equality Act.

Section 8 Discrimination in working life

The action of an employer shall be deemed to constitute discrimination prohibited under the Act, if the employer:
1) upon engaging a person or selecting a person for a particular job or training, bypasses a more qualified person of the opposite sex, unless the employer can prove that the action was based on weighty and acceptable grounds related to the type of the work or job, or that the action was due to an acceptable reason other than sex;
2) upon engaging a person or selecting a person for a particular job or deciding on the duration of employment or its extension or on pay or other terms of employment, takes action so as to place a person in a disadvantaged position because of pregnancy, childbirth or for other gender-related reasons;
3) applies to an employee or employees, on the basis of sex, terms of payment or employment less favourable than those applied to one or several employees performing the same work or work of equal value;
4) manages the work, distributes tasks or otherwise organises the working conditions so that one or several employees is/are assigned to a disadvantaged position relative to others on the basis of sex;
5) terminates, cancels or otherwise ends employment or transfers or lays off one or several employees on the basis of sex.

However, an employer shall not be deemed to have violated the prohibition against discrimination set out in subsection 1(2–5) if it is a question of a situation referred to in Section 7(4) and grounds acceptable under the provision.

Section 8a Prohibition of reactions to complaints

The action of an employer shall be deemed to constitute discrimination prohibited under the Act if a person is dismissed or otherwise put at an disadvantage after having invoked the rights or obligations provided under this Act, or participated in efforts to investigate a case of discrimination related to the sex of a person.

Similarly, discrimination within the meaning of this Act is deemed to have taken place if a person is put at a disadvantage by a supplier of goods or services or subjected to negative repercussions after having invoked the rights or obligations provided under this Act, or participated in efforts to investigate a case of discrimination related to the sex of a person.

Section 8d Harassment at work

The action of an employer shall be deemed to constitute discrimination prohibited under the Act if he/she, after learning that an employee has been subjected to sexual or other harassment related to the sex of a person at work, fails to take all measures available to end such harassment.

Following the amendment, Section 10, subsection 2 of the Act reads as follows:

"Similarly, the employer shall, upon request, promptly provide a job seeker or an employee perceiving that they have been subject to discrimination as defined in Section 8, subsection 1, subparagraphs 2 to 5 or Section 8a or 8d with a written report on the procedure applied."

The report required of the employer is likely to eliminate unnecessary administrative and legal action. Additionally, it may help the employer to avoid official proceedings in situations where they may not be called for. Knowledge of the circumstances that the employer's actions are based upon help the employee to decide whether the perception of discrimination is justified or not, and whether it is advisable to contact the trade union or equality authorities or bring action in a court of law.

The Act (369/2009) amending Sections 7 and 11 of the Equality Act, which entered into force on 15 June 2009, amended the provisions on prohibition of discrimination (Section 7) and compensation (Section 11) included in the Equality Act to harmonise them with the Equal Treatment Amendment Directive 2002/73/EC.

The following definitions of sexual harassment and harassment related to the sex of a person were added to Section 7 of the Equality Act:

"For the purposes of this Act, sexual harassment means any form of unwanted verbal, non-verbal or physical conduct of a sexual nature with the purpose or effect of violating the dignity of a person, in particular when creating an intimidating, hostile, degrading, humiliating or offensive environment."

"For the purposes of this Act, harassment means unwanted conduct of other than a sexual nature related to the sex of a person occurring with the purpose or effect of violating the dignity of a person, and of creating an intimidating, hostile, degrading, humiliating or offensive environment."

One of the amendments to Section 11 of the Equality Act consisted of the removal of the upper limit for compensation related to hiring. Now the upper limit for compensation only applies to applicants other than merited applicants in accordance with Directive 2002/73/EC. Following the amendment, Section 11, subsection 2 of the Act reads as follows:

"The minimum amount of compensation payable is € 3,240. The maximum amount of compensation of € 16,210 in connection with hiring is payable to an applicant in respect of which the employer is able show that he/she would not have been appointed to the vacancy even if the selection had been made by non-discriminatory criteria. When the amount of compensation is determined, due consideration shall be given to the type and extent of

discrimination and the financial sanctions awarded under any other law for a violation of dignity."

Question 2

In its programme for 2007–2011, the Government made a commitment to promote gender equality in all decision making. As a tool for its equality policy, the Government drafted an equality programme for 2008–2011 to coordinate and collect the actions. The equality programme cuts across all branches of government and provides for measures to be taken by all ministries. Among the equality themes included in the programme are equal pay and the promotion of women's career development. In this respect, the Government refers also to the replies given below to the Committee's questions.

In 2010, the Government gave the Finnish Parliament a report on gender equality outlining the objectives for gender equality policy in all spheres of policy well into the future.

Question 3

In respect of this Question, the Government refers to its replies to the Committee's questions, below.

Replies to the Committee's questions

Equal rights – legal framework

Pay comparison and pay survey

According to the reasoning and established interpretation of the Equality Act, a relevant comparison can be made between the wages and salaries paid to the employees of the same employer. However, such comparison is not limited to a single working or functional unit. Comparison of wages and salaries between employees serving in separate units can also be compared; due consideration must then also be given, *e.g.*, to the impact of different pay levels in different parts of the country.

Under the provision concerning pay surveys included in the Equality Act, the incomes of men and women must be compared and surveys carried out to determine the underlying causes of any pay differentials. The purpose of these surveys is to determine whether the compensation plans applied at the workplace afford equal treatment for men and women, and whether positions requiring the same level of competence are treated on an equal basis. When pay surveys are carried out, steps should be taken to determine whether the compensation plans and pay criteria are inherently non-discriminatory, and whether they are applied in a non-discriminatory manner.

Position of women in employment and training

Gender pay differentials

The difference in pay between men and women has remained more or less unchanged for a relatively long time. To narrow the gap, the Government has driven an equal pay programme in collaboration with the central labour market organisations since 2006. The Government has continued to pursue the programme and increased the resources substantially during the reporting period. The programme's main objective is to reduce the gender pay differential by at least five percentage points by 2015. A self-assessment of the first programme period (2006–2007) has

been completed. The second programme period from 2007 to 2010 and its achievements were evaluated by an independent expert at the end of 2010.

Statistics on gender pay differential

The indicator for gender pay differential selected for the purposes of the equal pay programme is average monthly earnings by men and women for regular working hours. More precisely, the indicator to depict the differential is the level-of-earnings index applied by Statistics Finland covering all sectors of the labour market. The index includes basic salary, regularly recurring bonuses and incentive rewards. As the level-of-earnings index measures movement in standardised work input, it excludes the impact of overtime and extra work. The level-of-earnings index reflects the current trends in the average income of full-time wage earners for regular working hours by sector and field of activity. Part-time work is not included. The gender pay differential was described in the same way even before the launch of the equal pay programme.

The average difference in pay between men and women is partly due to the fact that the Finnish labour market is strongly divided by gender. With men and women holding equivalent positions in the same sector, the gender pay differential is 18 % lower than the average. Monitoring the average earnings of men and women highlights the gender pay differentials in equal positions or positions of equal rank.

Gender pay differential by sector and the total of all sectors

Women’s earnings as a percentage of men's (%):

Sector	2005	2006	**2007**	**2008**	**2009**	**2010**
Private	82.17	82.31	82.24	82.44	84.3	84.7
State	81.90	82.04	83.14	83.76	83.7	84.1
Local authorities	83.45	83.24	83.24	83.43	84.1	84.1
All wage earners	**80.71**	**80.85**	**81.02**	**81.17**	**81.8**	**81.8**

Source: Level-of-earnings index, Statistics Finland.

The indicator for all wage earners is not computed from the figures for the individual sectors because the overall pay differential (including all wage earners) is impacted by the number of male and female wage earners in the individual sectors. In other words, the large number of low-paid women also increases the average pay differential.

Measures to reduce the gender pay differential

A new way of promoting equal pay noted in the Government programme (2007–2011) was the commitment to increase the central government transfers in support of a collective agreement for the municipal sector, insofar it improved competitive pay in sectors predominated by women. The percentage of the increased government grant depended on how effectively it addressed sectors predominated by educated women where pay was not commensurate with the requirements posed by the position. Accordingly, the 2007 collective agreements for the municipal sector include an equal pay provision, under which the pay increases to female-dominated groups were slightly higher than those paid to others. Over a period of four years, the Government allocated a total of € 150 million per year to raise income levels in female-dominated fields in the municipal sector. The 2010 collective agreement for the municipal sector offers slightly higher increases to predominantly female groups of relatively low incomes.

Because the gender pay differential is affected by numerous factors, the equal pay programme provides for a range of measures addressing most of the circumstances and remedies for

differences in pay. Some of the objectives and measures foreseen in the programme relate directly to pay or pay criteria while others are designed to improve particularly the position of women in the labour market. Among other things, the programme seeks to promote the adoption of fair and incentive compensation plans, and an evaluation of the challenges posed by the position; cause a change in the traditional gender-based division of duties in the labour market; increase the percentage of women in executive positions; endorse collective agreements that improve equality; reduce the number of short-term employment contracts; improve the quality and increase the number of workplace equality plans; and promote more equal distribution of family leaves between the parents.

Extensive research and development projects on the gender pay differential have been launched under the equal pay programme, which serves as a basis for long-term efforts to develop the system. Among the subjects studied are the cost of family leaves and the compilation of statistics on professional segregation. Two extensive compensation plan projects were also commenced during the reporting period. One produced comprehensive statistical analyses of the effects of new compensation plans on men's and women's wages and the gender pay differential. The second project focused on developing compensation plans geared to promote equal pay in consultation with the organisations participating in the effort.

Additionally, the equal pay programme has looked into the number and quality of workplace equality plans and pay surveys by initiating a multi-stage research project. Efficient use of the project findings has been made in the equal pay programme and the 2010 Government report to the Parliament on the operation of the Equality Act. At the same time, all the labour market organisations have conducted their own inquiries concerning the number and quality of equality plans. An extensive body of training material has been produced in the course of the equal pay programme in support of equality planning at workplaces.

Efforts have been made to improve work-life balance. The latest amendments to the family leave legislation entered into force at the beginning of 2007. One of the objectives of the legal reform was to encourage fathers to take family leaves. During 2007-2008, an information campaign was carried out under the equal pay programme to promote a more even-handed distribution of the leaves. As of the beginning of 2010, the paternity leave was extended by two weeks.

Another objective of the programme is to increase the number of occupations in which men and women are equally represented. In this, the programme has been instrumental in mitigating segregation. During 2009–2010, the programme implemented, together with the Ministry of Education and Culture and the Ombudsman for Equality, an education project called 'Steps to reduce segregation'. The project established a network of equality contact persons at general and upper secondary vocational schools, and measures were taken to ensure that a functional equality plan was put in place for these institutes of education. In response to a proposal made in the programme, the Ministry of Culture and Education appointed a working group in 2009 with the mission to mitigate segregation. It looked into ways of diminishing the traditional division of labour at schools and in the labour market. The working group released its report containing 25 proposals for action at the end of 2010.

A number of research and training projects to promote women's career development were implemented during the reporting period. The percentage of women in executive positions has increased significantly, particularly with the State. According to a study carried out by Statistics Finland, the share of women in executive positions increased by five percentage points to 33 % from 2004 to 2009. In central government administration, the percentage of female directors in top management increased by 3.1 percentage points from 2006 to 2010. During 2006–2009, women's share of all executive positions grew by 4.7 percentage points. A working group report on women's career development in central government administration was released in spring 2009. The report proposed 16 measures related to recruitment, training, career paths and

monitoring. The percentage of women among applicants and appointees is monitored and compiled for statistics.

A thematic seminar has been organised under the equal pay programme for the public at large every year. The themes have focused on collective bargaining except for one seminar devoted to mitigating segregation. A range of other thematic events have also been held. The programme maintains a website called 'samapalkka.fi' (Equal Pay), which provides information on the key elements of the programme, project outcomes and the latest developments.

Developments in the gender pay differential are closely monitored under the programme. As part of the programme, the programme officials received a report from the Ministry of Finance Information Committee on Costs and Income Developments on the attainment of the main programme objective and the impact of collective bargaining agreements on men's and women's wages and the gender pay differential. The analysis is based on Statistics Finland's level-of-earnings index for 2007–2009 suggesting that the difference in incomes earned by men and women was reduced by one percentage point during reporting period. The collective agreements for central and local government employees contain a special equal pay provision. The labour market organisations have also carried out their own evaluations of the impact of collective agreements on differences in pay between men and women at necessary intervals.

In 2007, a summary was prepared by the central labour market organisations of the gender impacts of the collective agreements for civil servants and employees. The document was subsequently updated in 2009. A new recommendation for the evaluation of gender impacts was completed by the central organisations in early 2011.

The impartial evaluation of the equal pay programme for 2007–2010 carried out by an external expert showed that the average gender pay differential had not been reduced sufficiently as foreseen when the programme objective was established. According to the evaluation, the differences in pay between men and women had decreased as a result of the collective agreements for civil servants and government employees, adoption of new analytical compensation plans, preparation of equality plans and conduct of pay surveys, and women's career advancement. The overall evaluation of the programme provides additional tools to assess performance and improve efficiency.

Measures to promote equal opportunities

Equality project in the fields of employment and the economy

YES – Equality is Priority is a national information campaign on non-discrimination, co-financed by the EU Progress Programme. The campaign is implemented by the partnership of different ministries, Defence Command, the Advisory Board for Ethnic Relations, the Advisory Board for Roma Affairs, Sámi Parliament, and NGOs representing different minority groups. The campaign tackles the following grounds of discrimination: ethnic origin, age, religion or belief, disability, sexual orientation and multiple discrimination (covers sex). The YES project is co-ordinated by the Ministry of the Interior.

The objectives of the project are awareness-raising and capacity building on equal treatment and non-discrimination, as well as the promotion of diversity within Finnish society. The Ministry of Employment and the Economy participates in the project by implementing activities promoting equality and diversity in the Ministry's sphere of authority.

Objectives of the YES 4 Project in 2011 include awareness-raising on discrimination in recruitment and promoting diversity management in the public and private sectors.

In the framework of the YES 2 and YES 3 Projects in 2009-2010, tools for tackling equality, discrimination and diversity issues at workplaces were developed for different actors in the fields of employment and the economy. These tools included materials, training and information

dissemination. The publications present equality legislation, good practices on diversity management, as well as solutions and forms of support for employing people with a disability or people with a partial capacity to work.

The Gender Mainstreaming Development Programme Valtava (2008-2013)

The Gender Mainstreaming Development Programme Valtava (2008-2013, http://www.tem.fi/valtava) is a nationwide programme in Finland. It is implemented by the Ministry of Employment and the Economy and co-financed by the European Social Fund (ESF). The programme supports gender mainstreaming and gender equality in employment, economy and education policies, and customer services. The aim is to decrease the horizontal and vertical segregation of labour market and education careers, develop structures that support women's entrepreneurship and innovation potential, and increase the networking of the actors in the field.

The Gender Mainstreaming Development Programme Valtava develops methods for gender mainstreaming and gender equality planning in different kinds of organisations (SMEs, education institutions, labour administration, etc.). The Valtava Programme will produce a manual for gender mainstreaming in employment and economy administration, a gender impact evaluation of project funding decisions, as well as an education and training package for gender mainstreaming in labour, economy and adult education fields.

The Development Programme Valtava consists of more than ten local and regional projects in Finland. The projects arrange, for example training for young women to become interested in entrepreneurship as a career opportunity, for women and men to be a substitute for private entrepreneurs, and for women in superior positions to improve their leadership skills and career. The projects supply education and training for women to improve their knowledge of male-dominated fields like science technology, and training for men to get them become interested in women dominated fields, for example social and health care. In addition, projects supply education and training for work organisations and schools on how to write up a gender equality plan.

ARTICLE 24: THE RIGHT TO PROTECTION IN CASES OF TERMINATION OF EMPLOYMENT

Questions 1 and 2

In respect of this Question, the Government refers to its previous periodic reports and wishes to submit the following.

Provisions on employment security are set out in Chapter 7 of the Employment Contracts Act (55/2001), which specifies the legal grounds for termination and lists a number of examples where such grounds are not deemed to exist. Provisions on the employee's right to damages for illegal termination of employment are set out in Chapter 12, Section 2 of the Act. No amendments have been made to the provisions during the reporting period.

Question 3

The Ministry of Employment and the Economy does not keep statistics on the termination of employment and the disputes arising out of termination.

General Questions from the Committee

An employment contract is binding on both the employer and employee as it stands. The terms of employment may be changed by agreement with the employee, by a unilateral decision of the employer (non-essential terms) or through termination of employment (essential terms). Consequently, valid grounds for termination of employment must exist for any unilateral amendment to the essential terms of employment by the employer. It should be mentioned, however, that a significant percentage of the terms of employment are based on legislation or the provisions of collective agreements, in respect of which exceptions can only be made to a very limited extent.

Replies to the Committee's questions

Case law showing how grounds for termination of employment are assessed

It appears that the number of cases concerning dismissal based on financial or production-related grounds is not very high.

In case of dismissals based on financial and production-related grounds, courts are often called upon to consider whether the employer has failed to determine whether other employment would be available for the employee to be dismissed, and whether the employer has failed to offer such employment. In such cases, the necessary preconditions for valid grounds for termination are not deemed to have been satisfied and compensation is awarded. In general, the criterion for the amount of compensation is the actual loss or damage incurred by the employee that has been dismissed. It is seldom that the amount of compensation awarded is anywhere near the maximum of 24 months' pay.

Chapter 6, Section 1 a of the Employment Contracts Act

Provisions on the employee's retirement when reaching the age of 68 are laid down in Chapter 6, Section 1a of the Employment Contracts Act. Underlying the provision is the 2005 reform of the employee pension legislation stipulating that an employee may retire on an old age pension at the

age of 63 to 68 at his/her option. The employee may continue to work up to the age of 68 if the necessary prerequisites for continued employment exist. Consequently, the employee enjoys regular security of employment until he/she turns 68 and thus the termination of employment because of age is not allowed. Hence, employment may only be terminated for proper and weighty reasons related to the employee's imprudent conduct, the cessation of the necessary preconditions for working or a material change in the employer's operating conditions.

The provision on retirement age means that employment is terminated automatically at the end of the month when the employee turns 68. Working beyond the age of 68 requires a special contract between the employer and employee. Such a contract may be made for a fixed term irrespective of whether the necessary preconditions for the conclusion of a fixed-term contract as defined in the Employment Contracts Act are met. If the contract is made for an indefinite term, the employment relationship is governed by the provisions on the termination of employment set out in the Employment Contracts Act, among others.

According to the Employment Pension Act (395/2006), employees are to retire when reaching the age of 68. This is a natural reason for terminating employment. If, however, the employee wishes to continue working and this is acceptable to the employer, the parties may sign a contract on continued employment for a fixed or indefinite period of time.

Damages awarded for unjustified termination of employment

According to Chapter 12, Section 2, subsection 1 of the Employment Contracts Act, the maximum and minimum liability incurred by the employer for unjustified termination of employment is determined by the scale specifying the amount of such compensation (3 to 24 months' pay). The provision on the determination of minimum compensation includes elements designed to make the law more effective: compensation equivalent to three months' pay shall be awarded even if the employee had not incurred any material loss as a result of the premature termination of his/her employment. The employer's maximum liability is indicated by the upper limit for compensation specified in the Act. The causal relationship between unjustified termination of employment and the loss incurred by the employee is deemed to have been broken when two years has elapsed from the termination, if not earlier. However, the maximum compensation to be awarded for the unjustified termination of the employment of a shop steward elected on the basis of a collective agreement is an amount equivalent to 30 months' pay.

The amount of compensation is always determined individually based on consideration of all the circumstances pertaining to the case. The amount of compensation is determined with due regard to:

- the estimated duration of unemployment and loss of earnings;
- the remaining duration of a fixed-term employment contract;
- the duration of employment;
- the employee's age and ability to find work commensurate with his/her occupation or education;
- the employer's actions on the termination of employment;
- any reason given by the employee for the termination of the employment contract;
- the employee's and employer's overall circumstances; and
- other similar circumstances.

Most of the damages to be awarded for termination of employment – both for individual and for financial and production-related reasons – consist of compensation for material loss. The most important criterion for measuring material loss is the loss of earnings by the employee due to termination of employment. If the employee is still without work at the time of court proceedings, the foreseen financial loss due to the (estimated) continuance of unemployment may be taken into

account in addition to the actual loss accumulated by the time the amount of the total loss is determined.

In the case of termination of employment due to other than production-related and financial reasons, compensation is also awarded for immaterial loss. The amount of immaterial loss is determined by the extent the termination has infringed on the employee's person. The more the illegal termination has infringed on the employee's person, the greater the amount of immaterial loss.

The duration of the employment contract is of decisive importance when the amount of compensation is assessed. The longer the period of employment prior to unjustified termination, the greater the infringement on the employee by the illegal termination is deemed.

Hence, the compensation to be awarded is in correct proportion to the loss incurred by the employee as a result of unjustified termination on the one hand, and the seriousness of the employer's negligence on the other.

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

Burden of proof

In disputes over termination of employment, the employer is required to prove that termination is based on a proper and substantial reason. Consequently, the burden or proof is reversed unlike in regular civil actions where the burden of proof rests with the plaintiff.

ARTICLE 25: THE RIGHT OF WORKERS TO THE PROTECTION OF THEIR CLAIMS IN THE EVENT OF THE INSOVENCY OF THEIR EMPLOYER

Question 1

In respect of this Question, the Government refers to its previous periodic reports and wishes to submit the following.

The pay security system ensures the payment of an employee's claims arising from an employment relationship in the event of the employer's insolvency. Pay security is based on the Pay Security Act (866/1998) and the Pay Security Decree (1276/2009). For seamen, pay security is based on the Seamen's Pay Security Act (1108/2000) and the Council of State's Decree on seamen's pay security (1295/2000).

A definition of the term 'employment relationship' is defined in the Employment Contracts Act (55/2001) that applies to contracts (employment contract) entered into by an employee, or jointly by several employees as a team, agreeing personally to perform work for an employer under the employer's direction and supervision in return for pay or some other remuneration.

The maximum amount of pay security for one employee for work done for one employer is € 15,200. However, there is no maximum pay security for seamen with the exception of claims pertaining to indemnification. Pay security for working time account claims is, at maximum, the equivalent of six months' salary for work done for the same employer by the employee. This pertains to seamen as well.

For the purpose of preventing abuses, the restrictions have been set to the employee's right to pay security. This concerns situations where an employee's claim is based on a contract or arrangement which was clearly made in order to obtain pay security. The claim applied for as pay security is obviously disproportionate to what could be considered reasonable in view of the work done and other circumstances, or the employee is repeatedly applying for pay security for claims from the same employer.

Through amendment 1633/2009 that came into force on 1 January 2010, the following relevant amendments were introduced to the Pay Security Act and the Seamen's Pay Security Act:

- The employee's right to receive travel and other expenses as a pay security was clarified (for example, train tickets and accommodation expenses arising from the employment relationship). Travel and other expenses are paid as pay security if they are habitual in nature and the amount is reasonable.
- The established case-law practice concerning abuses where an employee knowingly continues in the employment relationship although it is clear that the insolvent employer is unable of fulfilling his/her duty to pay any salary was amended to the legislation. According to the new Section 8, subsection 1, subparagraph 4, the pay security authorities may, for a justifiable reason, refuse an application for pay security or re-evaluate the amount of pay security if the employee has continued in an employment relationship even after he/she had known that the employer is unable to fulfil the salary payments.

Question 2

The Ministry of Employment and the Economy oversees the enforcement of the Pay Security Act and the Seamen's Pay Security Act, and is responsible for the development of the pay security

system. The Centres for Economic Development, Transport and the Environment (ELY centres) shall make decisions on matters of pay security and handle other functions connected with the enforcement of the Acts.

Question 3

The need for pay security increased sharply due to the recession; from 2007 to 2010, it increased from € 16.45 million to € 35.02 million (113%).

Year	Amount of pay security (€ million)	Number of recipients	Number of employers	number of recipients
2007	16.45	5,021	2,098	5,021
2008	24.14	7,369	2,243	7,369
2009	35.40	9,146	2,966	9,146
2010	35.02	8,301	2,504	8,301

Duration of the Pay Security proceedings (time taken from application to decision):

Duration	**2010**	**2009**	**2008**	**2007**
< 1 month	50%	53%	64%	51
1-2 months	13%	16%	16%	19
2-3 months	10%	11%	8%	11
3-4 months	8%	9%	6%	8
4-5 months	7%	5%	3%	4
5-6 months	5%	3%	1%	2
> 6 months	8%	3%	3%	5

Replies to the Committee's questions

Protection period in respect of each type of protected claim; periodical adjustment of the ceiling

An application for payment of the claim in the form of pay security shall be submitted within three months of its falling due date. Every claim has its own due date; for example, if the monthly salary falls due on 15 March 2011, pay security must be applied for no later than 15 June 2011.

In the case of an indemnity or compensation based on the law or a contract, but without a specific due date, the application for payment in the form of pay security shall be submitted within three months of the date when the court ruling acquired legal force or the making of a contract according to the established labour market practice.

A fixed ceiling of € 15,200 has been set in the Pay Security Act, which is not adjusted periodically. The Ministry of Employment and the Economy frequently monitors the number of those applications where pay security is limited by the ceiling. In 2010, the ceiling was reached in 82 cases.

*Arrangements for financing the Unemployment Insurance Fund; estimate of the overall proportion of employees' claims met by the fund; average length of time between the submission of claims and the payments of the sums due to employee*s

The State guarantees and operates the pay security system, and pays the pay security. Each year, the Unemployment Insurance Fund shall retroactively reimburse the State - by way of an invoice sent by the Ministry of Employment and the Economy - the difference between the amounts paid to employees as pay security and the sum collected from employers. The Fund's assets derive from unemployment insurance contributions collected from employers and wage earners. Pay Security is specifically funded from employers' contributions.

Statistics are not compiled in Finland on the percentage of monies claimed and paid in the form of pay security. During 2007–2010, decisions were made on a total of 38,604 pay security applications. Of these, 6,220 were rejected in their entirety. Additionally, some of the applications were rejected in part. The most common grounds for rejection were disputes or lack of valid grounds and the late submission of the application.

The average number of days between the submission of claims and payments (decisions) to employees in 2007-2010:

2010	60 days
2009	47 days
2008	37 days
2007	53 days

Part-time employees, employees on fixed-term contracts and persons on temporary contracts

Pay Security also covers part-time employees as well as those on fixed-term and temporary contracts.

ANNEXES

Annex 1: Processing of applications filed by employees and self-employed persons

Annex 2: Unofficial translation of the Aliens Act