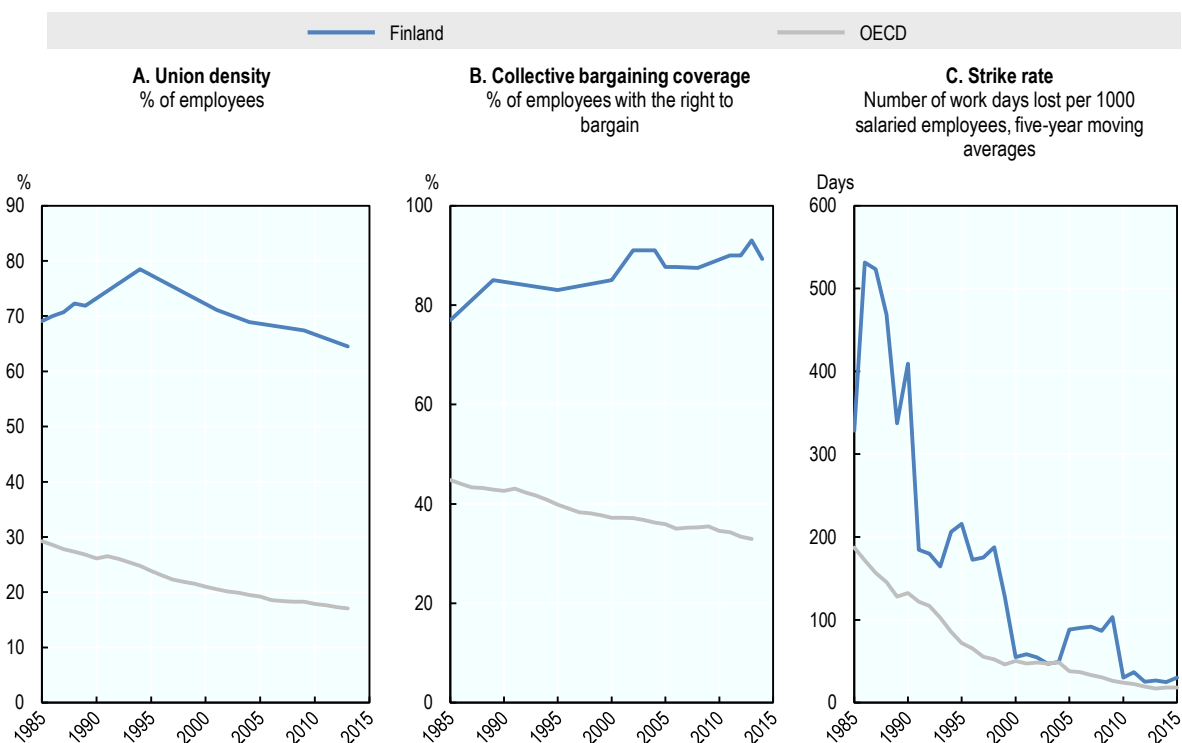


## Finland

### KEY FEATURES OF THE COLLECTIVE BARGAINING SYSTEM IN 2015

Predominant level	Sectoral/National
Degree of centralisation/decentralisation	Centralised
Co-ordination	High
Trade union density in the private sector	50-60%
Employer's organisation density	70-80%
Collective bargaining coverage rate	80-90%
Quality of labour relations	High

### TRENDS IN INDUSTRIAL RELATIONS IN FINLAND, 1985-2015



## BUILDING BLOCKS OF COLLECTIVE BARGAINING

The detailed description of the building blocks of collective bargaining mainly relies on information provided by the responses to the policy questionnaires that were sent to Labour Ministries, employer organisations and trade unions in 2016. The information reported in the questionnaires represents the situation in **December 2015**.

### Use of *erga omnes* clauses

Legal application of a sector level agreement in the absence of administrative extensions *Erga omnes*

Legal application of a firm-level agreement All workers (unless otherwise defined in the contract).

### Use and coverage of extensions

Use of extensions of sectoral collective agreements Yes

Procedure The extension can be issued without request by a special body in the Ministry of Social Affairs and health.

Representativeness criteria The collective agreement must be nationwide and representative for the sector concerned (>50% employees covered).

Public interest criteria No

Exemptions or possibility of appeal There are no exemptions but the decision can be appealed.

### Duration of collective agreements

Average duration 24 months

Maximum duration of collective agreements No

Can contracting parties terminate an agreement before its expiry date?

- Cross-sectoral level: No, *pacta sunt servanda*.
- Firm and sectoral levels: Yes and the agreement comes to an end after the notice period.

### Ultra-activity of collective agreements

Is maximum duration of after-life/ultra-activity of agreements fixed by law? No rule.

### Retroactivity of agreements

Do firms have to pay arrears in case of late renewal? No

Does retroactivity apply only to members of signatory parties or does it cover all parties? All firms and workers.

### Use of the favourability principle

Application of the favourability principle is entirely a matter for the bargainers.

### Use and scope of derogations and opt-out

Derogations from the law

Possible at sectoral level to favour agreements between SP for example on working time and re-employment law upon bilateral request.

Derogations from collective agreements

Scope

Not in the law and not usually foreseen by sector-level agreement (but there are opening clauses in the metal sector).

Topics

e.g. Temporary employment, working time.

Rationale

Not relevant

Criteria

If the sector-level agreement grants the possibility to derogate, an agreement with workers' representative (shop stewards) is requested.

Other

Not relevant

### Forms of co-ordination

Mode of co-ordination

State imposed/induced or inter/intra-associational

Degree of co-ordination

Strong

### Enforcement of collective agreements

Sector-level agreements

Firm-level agreements

Do agreements typically include a peace clause?

Yes

Yes, common.

Do agreements typically include a mediation/arbitration procedure?

No

Information not available

Is it compulsory?

Not relevant

Not relevant

### Worker representation at the workplace

Work council and union or union representatives but union predominant. Non-union worker representatives can be present.

### Board-level employee representation

Public sector

Yes

Private sector

Yes

Scope

>150 and request by two personnel groups together representing a majority of employees.

Proportion/number of workers' representatives

Agreement between employer and at least two personnel groups representing a majority with regard to: number of representatives (unlimited) and the body on which they will sit. If no agreement: min. 1/5 - max four.

Nomination of candidates

By personnel groups.

Appointment mechanism

Election if no agreement between personnel groups.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT  
PARIS, SEPTEMBER 2017