

Statements of the labour market organisations

SAK, Akava and STTK

Recommendation No. 25 concerning Equality of Treatment for National and Foreign Workers as regards Workmen's Compensation for Accidents.

Employee confederations SAK (Central Organisation of Finnish Trade Unions), Akava (Confederation of Unions for Professional and Managerial Staff in Finland) and STTK (Finnish Confederation of Professionals) note that employees with a foreign background carry out work in Finland based on various partnerships and commissions, instead of an employment relationship, in which case they do not have the security entailed in an employment relationship. This also applies to insurance coverage for occupational accidents and diseases. Employers circumvent their employer obligations by increasingly commissioning work on the basis of different partnership and commission relationships, even though in reality the work is carried out in conditions that meet the criteria of an employment relationship. This is a situation described in ILO Recommendation No. 198 (2006), in which an employment relationship is disguised as another contractual relationship. This phenomenon is particularly common in platform-based food courier work, but such forms of commissioning work appear to be increasing in other sectors too.

Recommendation No. 121 concerning Benefits in the Case of Employment Injury

Personal scope of application of the statutory Occupational Accidents, Injuries and Diseases Act

In Finland, the employer's obligation to insure persons working at the workplace is limited to employees in an employment relationship. However, Article 3 of the Recommendation requires a broader scope of application. Employee confederations also note that employers in Finland are increasingly commissioning work on the basis of different partnership and commission relationships, even though in reality the work is commissioned in conditions that meet the criteria of an employment relationship. This is a situation described in ILO Recommendation No. 198 (2006), in which an employment relationship is disguised as another contractual relationship. These employees are left without statutory insurance against accidents at work and occupational diseases.

Compensation for accidents occurring in the workplace

According to Article 5(a) of the Recommendation, accidents, regardless of their cause, sustained during working hours at the place of work must be treated as industrial accidents. In Finland, the compensability of accidents at work is limited to so-called ordinary activity. The ordinary nature of the activity is assessed, on the one hand, from the point of view of the workplace in question and, on the other hand, from the point of view of the general ordinary activity. In the application practice, ordinary activities limit compensability based on the Recommendation's expression "regardless of their cause".

Compensability of accidents sustained during journeys to and from work

According to Article 5(c) of the Recommendation, a journey from work to the employee's permanent or temporary residence is considered a journey to and from work. In Finland, the permanent nature of a residence is limited to the residence in which the employee is registered according to the population information system. This limitation does not take into account the fact that family relationships and life situations are very diverse, and that employees can actually live and travel to work from more than one address, which cannot all be official addresses. However, according to the

Occupational Accidents, Injuries and Diseases Act, only the residence in which the person is registered is considered a journey to and from work in Finland.

Accidents at remote work

Remote work has become more common, but the regulation on statutory insurance coverage has not kept up with this development. According to the Occupational Accidents and Diseases Act, only accidents and injuries sustained in connection with work are compensated for in remote work, and the interpretation of the concept of work is narrow. Insurance coverage is therefore considerably weaker in remote work than at workplaces.

The deficiencies in the insurance coverage of remote work are highlighted by the fact that a special act provides employees and public officials employed by the State a more extensive and comprehensive insurance coverage than for private sector employees and municipal employees and officials. The employee confederations note that the insurance coverage of employees and public officials employed by the private sector, municipalities and the State should be equal as regards accidents and injuries sustained at work.

Medical causality in cases of occupational disease

According to Article 6(2) of the Recommendation, under the conditions laid down in the Article, there should be a presumption of the occupational origin of a disease unless proof to the contrary is brought. In the Finnish system, the criteria for an occupational disease are stricter than in the Recommendation. In order to be diagnosed as an occupational disease in Finland, exposure at work must have been the main and most probable cause of the disease.

Compensability of mental illnesses

In the system of the Occupational Accidents, Injuries and Diseases Act, compensation for psychiatric diseases can only be provided in exceptional cases in Finland.

Security of employees exposed to moisture damage microbes at their work is inadequate

The reformed Occupational Accidents, Injuries and Diseases Act entered into force at the beginning of 2016. Employee confederations SAK, Akava and STTK refer to the joint statements of the employee confederations in 2017 and 2022 regarding health hazards and income security problems caused by moisture damage microbes.

Serious shortcomings persist in Finland regarding the social security of workers exposed to moisture damage microbes or their toxins in buildings (known as sick building syndrome). Many workers presenting symptoms due to moisture damage microbes are not properly protected and fail to qualify for social security coverage if they only show symptoms in the moisture-damaged workplace.

Monitoring the health of workers exposed to asbestos at work

With regard to the examination and treatment of asbestos and its associated health hazards, the employee confederations note that measures for screening, monitoring and appropriately treating workers with a history of exposure at work have deteriorated due to reduced resources. Legislation should be made more precise, with resources increased to ensure an adequate standard of examination and treatment measures for people exposed in this way.

Convention No. 102 concerning Minimum Standards of Social Security (1952)

With regard to the Convention concerning Minimum Standards of Social Security, SAK, Akava and STTK would like to draw attention to the latest statement of the European Committee of Social Rights in February 2023, according to which the level of basic social security is too low in Finland. At the same time, the Finnish Government is preparing a number of significant cuts to Finnish social security.

No index adjustment will be made to the national pension index for most benefits in 2024–2027. This may mean a reduction of up to 10.2% in the real level of benefits. After eight weeks of unemployment, earnings-related unemployment security will be cut by 20% and after 34 weeks by another 5%, prior employment requirement for unemployment security will be significantly tightened, waiting period will be extended, exempt amount and child increments to unemployment security will be abolished, holiday compensation will be phased and age-related exceptions to unemployment security will be abolished. In addition, significant savings measures will be targeted at housing allowance.

According to a study by the Finnish Institute for Health and Welfare, the combined effects of the cuts in social security proposed by the Government will be felt most severely by households with the lowest incomes and will accumulate strongly among those in a weaker position, which increases inequality. In summer 2023, the UN Committee on the Rights of the Child issued recommendations, urging Finland to ensure children a sufficient subsistence by avoiding cuts in social security that affect children at risk of poverty and social exclusion. According to estimates by the Social Insurance Institution (Kela), the cuts proposed by the Government will also increase poverty specifically among families with children.

SAK, Akava and STTK are concerned that the changes will increase poverty and inequality in Finland. Not everyone has the opportunity to be employed full time. It is also disconcerting that due to the cuts in social security, beneficiaries will increasingly become recipients of social assistance. Social assistance is intended as a last-resort support. Social security benefits should provide a sufficient income for people and prevent the need to resort to social assistance.

SAK, Akava and STTK also state that the manner in which the Government has prepared its proposals for social security is not in line with good legislative drafting. The preparation process has been too hurried and the impact assessments of proposals have therefore been incomplete. The preparation also has not followed the tradition of genuine tripartite preparation.

Federation of Finnish Enterprises SY

The Federation of Finnish Enterprises notes as a general observation that Finland's social security system is comprehensive and that there is no need to ratify Convention No. 102. The Finnish social security system has a long tradition and it covers the social risks caused by different life situations quite well. Social security in Finland is largely insurance-based. While the conditions and levels for receiving benefits are relatively high also by international standards, attention should be drawn to the sustainability of the system, particularly from the perspective of funding. High quality social security is only possible if it is built on a sustainable foundation. The ageing of the population and changes in employment pose challenges to the sustainability of the system.

As another general observation, the Federation of Finnish Enterprises notes that Convention No. 102 also applies to persons carrying out work in an entrepreneurial position (*self-employed*, according to the terminology used by the ILO). In Finland, work is carried out either in an employment relationship or as an entrepreneur, even though different expressions are often used of persons in an entrepreneurial position. This statement therefore uses only the term "entrepreneur".

The Federation of Finnish Enterprises also notes that the determination of social security and the level of benefits for persons working as employees or entrepreneurs differ because of the different ways to carry out the work. The differences are caused by the structure of the social insurance system, in which the insurance of an employee is based on an existing employment relationship and the pay for it. A person in an entrepreneurial position does not have a similar situation in which the level of benefits could be linked to unambiguous "pay". In the case of entrepreneurs, the benefits are based on the person's confirmed income under the Self-Employed Persons Pensions Act. If the confirmed income has been determined correctly, the level of benefits received by the entrepreneur is similar to that of an employee in a similar position.

The Federation of Finnish Enterprises makes the following observations on the questions in the reporting form:

Question 5: Entrepreneurs are not covered by compulsory occupational accident insurance. However, under the Occupational Accidents, Injuries and Diseases Act, entrepreneurs may voluntarily insure themselves against occupational accidents. The option of insurance is linked to the existence of insurance under the Self-Employed Persons Pensions Act (YEL insurance). Without the YEL insurance, voluntary insurance is not possible. If an entrepreneur's confirmed income falls below the lower limit of the obligation to insure under the Self-Employed Persons Pensions Act, it is not possible to take out a statutory occupational accident insurance. In these cases, however, entrepreneurs can take out a voluntary YEL insurance, which gives them the possibility to also take out a voluntary accident insurance.

Question 18: The option of entrepreneurs to insure themselves has been discussed above in the answer to question 5 of the reporting form. A voluntary accident insurance of an entrepreneur differs from that of an employee as regards the determination of the amount of the benefit. As entrepreneurs do not receive a "pay", the determination of the benefit is based on the confirmed income determined in accordance with the Self-Employed Persons Pensions Act and confirmed when the YEL insurance is taken out.

Question 47 and 48: The Federation of Finnish Enterprises considers that there is no need to ratify Convention No. 102. The Federation similarly sees no necessity for any measures by the ILO in relation to the recommendations, or for their reinforcement with new conventions. We refer to the aforementioned general observations.

Local Government and County Employers KT

KT submits a general comment on Convention No. 102 concerning Minimum Standards of Social Security that social security should be developed in a way that it provides more incentives for work. This means both the determination of benefits and the implementation of the benefit system.

Office for the Government as Employer

The Office for the Government as Employer notes the following:

The general collective agreement for government contains provisions on sickness absences, including contractual provisions on pay for the period of incapacity for work due to occupational accident, occupational disease and violence (questions 1 and 5 of the reporting form).

The collective agreement on benefits equivalent to employees' group life insurance includes contractual provisions on the benefit to be paid following the death of a person employed by the State (questions 1 and 5 of the reporting form).

The Act on Compensation for Damage on State Official Journeys contains provisions on compensation for damages incurred during State official journeys (question 2 of the reporting form).

The Act on Compensation for Accidents to State Personnel in Circumstances Caused by Remote Work (1012/2022) contains provisions on compensation for accidents to state personnel in circumstances caused by remote work (question 2 of the reporting form).

The Act on Compensation for Military Accidents and Service-Related Illnesses (1521/2016) and the Act on Compensation for Accidents and Service-Related Illnesses in Crisis Management Duties (1522/2016) also contain provisions on compensation for accidents in certain situations (question 5 of the reporting form).