

► Fillable form for the reports on Convention No. 158 and Recommendation No. 166 to be submitted under article 19 of the ILO Constitution

COUNTRY: Finland

I. Methods of implementation and definitions

1. Please indicate whether provisions concerning termination of employment are established by one or more of the following methods:

(a) legislation (laws or regulations)

yes

(b) collective agreements

yes

(c) work rules

(d) arbitral awards

(e) court decisions

yes

(f) other methods of implementation.

If so, please provide copies of the said legislation and the texts of relevant sample agreements or awards and of leading court decisions.

Finland has ratified Convention nro 158, please see our previous reports.

2. Please provide information on whether and how "termination of employment" is defined at the national level. Please indicate whether this definition covers the termination of the employment relationship at the initiative of the employer.

According to the Employment Contracts Act (55/2001), a permanent employment relationship may be terminated by cancellation during the trial period, by lay-offs or by cancellation. Any of these termination methods may be used either by the employer or the employee. The conditions for terminating an employment relationship differ depending on whether the termination is initiated by the employee or by the employer.

II. Scope and exclusions

Scope

3. Please provide information on whether and how it is ensured, under national legislation or practice, that provisions concerning termination of employment extend to:

(a) all areas of economic activity and

The Employment Contract Act applies to contracts (employment contracts) 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.

In situations open to interpretation, the existence of an employment relationship is assessed based on an overall consideration, taking into account the terms of employment, the circumstances in which the work is performed, the intention of the parties concerning the nature of the legal relationship, and other factors affecting the actual status of the parties in the legal relationship.

The Act applies regardless of the absence of any agreement on remuneration, if the facts indicate that the work was not intended to be performed without remuneration.

Application of the Act is not prevented merely by the fact that the work is performed at the employee's home or in a place chosen by the employee, or by the fact that the work is performed using the employee's implements or machinery.

(b) all employed persons.

See answer to a).

Exclusions based on the nature of the contract of employment and on the categories of workers

4. Please specify whether the following categories of employed persons are excluded fully or partially from all or some of the provisions established in national legislation or practice as regards termination of employment:

(a) workers engaged under a contract of employment for a specified period of time or a specified task. Please clarify, where applicable, how "contracts of employment for a specific period of time" and "contracts of employment for a specified task" are defined.

According to Chapter 1, Section 3 of the Employment Contracts Act, an employment contract is valid indefinitely unless it has, for a justified reason, been made for a specific fixed term. There is no single statutory definition of a fixed-term employment contract, but its legal meaning can be derived from the Employment Contracts Act and established case law: A fixed-term employment contract is an employment contract that is valid for a predetermined period of time or until a specific task or assignment has been completed. Its duration is tied either to a clearly defined calendar period or to the completion of a particular piece of work, such as a substitution or project.

As a general rule, a fixed-term employment contract cannot be terminated before the end of the agreed contract period, as it binds both parties until its expiry. Termination is possible only if it has been expressly agreed upon in the employment contract (a termination clause), or if both parties mutually agree to end the employment relationship.

- (b) workers serving a period of probation or a qualifying period of employment, determined in advance and of reasonable duration. If applicable, please indicate the duration of such periods and whether they are determined in advance.

According to Chapter 1, Section 4 of the Employment Contracts Act, the employer and the employee may agree on a trial period of a maximum of six months starting from the beginning of the work. If, during the trial period, the employee has been absent due to incapacity for work or family leave, the employer is entitled to extend the trial period by one month for every 30 calendar days included in the periods of incapacity for work or family leave. The employer shall notify the employee of the trial period extension before the end of the trial period.

In a fixed-term employment relationship, the trial period together with any extensions to it may comprise no more than half of the duration of the employment contract, and in any event may not exceed six months. If a person is hired by the user enterprise referred to in section 7, subsection 3 after the temporary agency work ends to perform the same or similar duties, the time, which the employee was assigned for use by the user enterprise, will be deducted from the maximum trial period, in accordance with subsection 1 of this section.

If a collective agreement applicable to the employer contains a provision on a trial period, the employer must inform the employee of the application of this provision at the time the contract is concluded.

During the trial period, the employment contract may be cancelled by either party. The employment contract may not, however, be cancelled on discriminatory or otherwise inappropriate grounds with regard to the purpose of the trial period. The employer may not cancel an employment contract when it has neglected the obligation to inform laid down in subsection 3 of this section.

- (c) workers engaged on a casual basis for a short period. Where relevant, please provide the definition of "workers engaged on a casual basis", as per national legislation or practice.

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- 5. Please indicate whether other categories of employed persons are excluded fully or partially from the provisions concerning termination of employment.**

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If so, please specify:

(a) whether categories of employed persons whose terms and conditions of employment are governed by special arrangements are excluded from these provisions. If so, please indicate the nature of the exclusion, and whether these special arrangements provide protection at least equivalent to that afforded by national legislation or practice.

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(b) whether any other limited categories of employed persons have been excluded due to special problems of a substantial nature arising in the light of their specific employment conditions or the size or nature of the undertaking.

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(c) whether organizations of employers or workers concerned - where such exist- were consulted.

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Safeguards against the use of fixed-term contracts the aim of which is to avoid protection

6. Please indicate whether adequate safeguards exist against the use of contracts of employment for a specified period of time (fixed-term contracts) as a means to avoid protections concerning termination of employment provided under the national legislation or practice.

Please see our report regarding Convention 158 (2021). Provisions on the conclusion of a fixed-term employment contract are laid down in chapter 1, sections 3 and 3a of the Employment Contracts Act (55/2001).

On 15 January 2026, the Government submitted to Parliament a proposal to amend the regulation on the conclusion of fixed-term employment contracts. It is proposed that fixed-term contracts could be concluded on the employer's initiative without a justified reason for up to one year. Use of consecutive fixed-term contracts would be restricted. Finland reports on legislative amendments in more detail during the next reporting period.

If such safeguards are in place, please provide details on:

(a) the maximum allowed duration of fixed-term contracts;

A fixed-term employment contract may be concluded with a long-term unemployed person for a maximum period of one year without a justified reason. Please see our report regarding Convention 158 (2021), p. 7. (Chapter 1, Section 3 a of the Employment Contracts Act).

(b) restrictions on the use of fixed-term contracts, including whether these restrictions limit their use to situations where the employment relationship cannot be of indeterminate duration due to:

(i) the nature of the work to be performed,

Concluding a fixed-term employment contract on the employer's initiative requires, as a rule, a justified reason. This can mean, for example seasonal or temporary nature of work.

(ii) the circumstances under which the work is carried out, or

Fixed-term employment contracts may not be used if the employer is deemed to have a permanent need for labour. Please see our report regarding Convention No 158 for further information.

(iii) the interests of the worker;

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(c) the conditions under which fixed-term contracts may be considered as contracts of employment of indeterminate duration;

An employment contract is valid indefinitely unless it has, for a justified reason, been made for a specific fixed term. Contracts made for a fixed term on the employer's initiative without a justified reason shall be considered valid indefinitely. It is prohibited to use consecutive fixed-term contracts when the amount or total duration of fixed-term contracts or the totality of such contracts indicates a permanent need of labour. (Chapter 1, Section 3, paras 2 and 3 of the Employment Contracts Act).

(d) the maximum number of renewals allowed before fixed-term contracts are deemed contracts of employment of indeterminate duration;

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(e) any additional guarantees or measures in place to limit the use of fixed-term contracts.

III. Obligation for termination of employment to be justified by a valid reason

The need for a valid reason

7. Please indicate whether there is a principle of general application regarding the need to base termination of employment on a valid reason in the national methods of application.

Yes: Employment Contracts Act: Chapter 7, Section 2; Chapter 7, Section 3; Chapter 1, Section 4 and Chapter 8, Section 1.

Finland has ratified Convention nro 158, please see our previous reports for further information.

The regulation concerning the threshold for termination grounds related to the employee's person was amended as of 1 January 2026. Following the legislative amendments, dismissal no longer requires a proper and weighty reason; instead, it will be sufficient that the employer is able to demonstrate the existence of a proper reason. The dismissal threshold introduced by the new legislation satisfies the minimum protection standard under ILO Convention No. 158, which Finland has ratified. A more detailed report on the aforementioned amendment will be provided in connection with the reporting under Convention No. 158.

If applicable, please provide details on:

- (a) whether the national legislation explicitly prohibits termination of employment without a valid reason,

Termination grounds related to the employee's person: The employer may terminate an indefinitely valid employment contract for a proper reason related to the employee's person. Discriminatory grounds may not influence the decision to terminate. (Chapter 7, Section 2, para 1 of the Employment Contracts Act)

Financial and production-related grounds for termination: The employer may terminate the employment contract if the work to be offered has diminished substantially and permanently for financial or production-related reasons or for reasons arising from reorganisation of the employer's operations. The reason for the dismissal must be proper and weighty. The employment contract shall not be terminated, however, if the employee can be placed in or trained for other duties. (Chapter 7, Section 3, para 1 of the Employment Contracts Act)

Cancellation of employment contract: The employer is only upon an extremely weighty cause entitled to cancel an employment contract with an immediate effect regardless of the applicable period of notice or the duration of the employment contract. (Chapter 8, Section 1, para 1 of the Employment Contracts Act)

Termination during trial period: During the trial period, the employment contract may be cancelled by either party. The employment contract may not, however, be cancelled on discriminatory or otherwise inappropriate grounds with regard to the purpose of the trial period. (Chapter 1, Section 4, para 4 of the Employment Contracts Act)

Finland has ratified Convention nro 158, please see our previous reports for further information.

- (b) which are the valid reasons for termination and how they are defined, indicating whether these definitions relate to:

- (i) the capacity of the worker (e.g., lack of necessary skills or qualities or poor performance not caused by intentional

misconduct or incapacity to perform work as a result of illness or injury);

Finland has ratified Convention nro 158, please see our previous reports for further information.

- (ii) the conduct of the worker (e.g., inadequate performance of duties or improper behaviour);

Finland has ratified Convention nro 158, please see our previous reports) for further information.

- (iii) the operational requirements of the undertaking, establishment or service (e.g., economic, technological, structural or similar reasons).

Finland has ratified Convention nro 158, please see our previous reports for further information.

Invalid reasons for termination of employment

8. Please indicate whether the national legislation or other methods of implementation consider the following criteria as not constituting valid reason for termination of employment:

- (a) union membership or participation in union activities outside working hours or, with the employer's consent, within working hours;

yes

- (b) seeking office as, or acting or having acted in the capacity of, a workers' representative;

yes

- (c) filing a complaint or participating in proceedings against an employer involving alleged violations of laws or regulations, or recourse to competent administrative authorities;

yes

- (d) race,

yes

- (e) colour

yes

- (f) sex,

yes

- (g) marital status,

yes

- (h) family responsibilities,

yes

(i) pregnancy,

yes

(j) religion,

yes

(k) political opinion,

yes

(l) national extraction,

yes

(m) social origin,

yes

(n) absence from work during maternity leave;

yes

(o) age, subject to national law and practice regarding retirement;

yes

(p) absence from work due to compulsory military service or other civic obligations, in accordance with national law and practice.

yes

9. Please indicate whether national methods of implementation specify that temporary absence from work due to illness or accident is not a valid reason for termination.

yes

If so, please provide details on:

(a) how "temporary absence from work" is defined.

The Employment Contracts Act does not provide a single statutory definition of the concept in question. However, it expressly stipulates that illness, disability, or an accident affecting the employee constitutes a prohibited ground for termination, unless the worker's working capacity is substantially reduced thereby for such a long term as to render it unreasonable to require that the employer continue the contractual relationship. (Chapter 7, Section 2 a)

(b) the extent to which medical certification is required.

On request, employees shall present the employer with a reliable account of their incapacity for work. (Chapter 2, Section 11, para 3 of the Employment Contracts Act)

Presenting a medical certificate is the general rule. However, many collective agreements provide that incapacity for work may also be

demonstrated in another reliable manner, or that short absences may be justified on the basis of the supervisor's approval.

(c) any limitations placed on the application of the above.

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IV. Procedures relating to termination of employment

Procedure prior or at the time of termination

10. Please indicate whether national legislation or practice provide workers the opportunity to defend themselves when their employment is terminated for reasons related to

(i) their conduct or

Before the employer terminates an employment contract or cancels it, the employer shall provide the employee with an opportunity to be heard concerning the grounds for termination. The employee is entitled to resort to an assistant when being heard.

(ii) their performance, unless the employer cannot reasonably be expected to provide this opportunity. If such a opportunity exists, please provide details on situations in which the employer cannot be reasonably expected to provide it.

See answer to (i).

11. Please provide information on how termination of employment for misconduct of a worker is regulated under national law or practice.

Employer may dismiss an employee only for proper reasons. Proper reasons for terminating employment can at least be deemed to exist in situations where

- the employee breaches or neglects obligations affecting the employment relationship or

- the employee's capacity to perform work has changed so significantly that they can no longer manage their duties.

In practice, the neglect of obligations can include failure to comply with the employer's instructions, neglecting work, absences for no valid reason, inappropriate conduct or carelessness in performing work.

However, the existence of sufficient grounds must always be determined on the basis of a comprehensive consideration. This comprehensive consideration will always take into account the severity of the change in the employee's conduct or capacity to perform work.

The employer is obliged to reassign the employee in cases where the employee's capacity to work has changed during the employment relationship.

(Chapter 7, Section 2, paras 1-3 of the Employment Contracts Act)

If applicable, please specify whether:

- (a) misconduct must be repeated on one or more occasions to justify dismissal, unless the employer provides the worker appropriate written warning;

An employee may not be dismissed without first being given a warning and the opportunity to amend their conduct. Exceptions will apply in cases of serious misconduct where the employer could not reasonably be expected to continue the employment relationship. These would include cases where the employee should have understood the reproachable nature of their conduct even without a warning. (Employment Contracts Act Chapter 7 Section 2 para 4)

- (b) employers are considered to have waived their right to terminate the employment of a worker for misconduct if they fail to act within a reasonable period after becoming aware of the misconduct.

The employer must effect termination of the employment contract within a reasonable period after being informed of the existence of the grounds related to the person of the employee. (Chapter 9, Section 1 of the Employment Contracts Act)

12. Please provide information on how termination of employment for unsatisfactory performance of the worker is regulated under national law or practice.

Finland has ratified Convention no. 158. The conditions for terminating an employment contract during the trial period are laid down in Chapter 1, Section 4, para 4 of the Employment Contracts Act.

The conditions concerning the termination of an employment contract are set out in Chapter 7, Section 2 of the Act. Prohibited grounds for termination are regulated in Section 2a.

The provisions concerning cancellation are contained in Chapter 8 of the Act.

An employee who has neglected or violated their employment obligations may not be dismissed before they have been given a warning and an opportunity to correct their conduct. However, if the grounds for dismissal are a violation related to the employment relationship that is so serious that the employer cannot reasonably be expected to continue the contractual relationship, a warning does not need to be issued. (Chapter 7, Section 2, para 4 of the Employment Contracts Act)

Please specify whether employers are obligated to:

- (a) provide appropriate instructions to the worker.

yes

- (b) issue a written warning outlining the unsatisfactory performance and set a deadline for improvement

A warning is generally required. However, there is no obligation for it to be in written form, nor is there any legally defined deadline for the employee to remedy their conduct.

13. Please indicate whether, under national legislation or practice, workers are entitled to be assisted by another person when defending themselves against allegations regarding their own conduct or performance that may lead to termination of employment.

Yes

If so, please provide information on how this right is regulated.

Before the employer terminates an employment contract on the grounds referred to in chapter 7, section 2, or cancels it for a reason referred to in chapter 1, section 4, or chapter 8, section 1, the employer shall provide the employee with an opportunity to be heard concerning the grounds for termination. The employee is entitled to resort to an assistant when being heard.

Before the employee cancels an employment contract on the grounds referred to in chapter 8, section 1, the employee must provide the employer with an opportunity to be heard concerning the grounds for cancellation.

(Chapter 9, Section 2 of the Employment Contracts Act)

14. Please indicate whether, under national legislation or practice, employers are required to:

- (a) consult workers' representatives before a final decision is taken on individual cases of termination of employment,

The employer has an obligation to consult with the employees or their representatives on the grounds for dismissal when the dismissals are based on financial or production-related reasons, or due to the employer's restructuring proceedings.

- (b) notify workers in writing of a decision to terminate their employment.

Prior to terminating the employment contract on the grounds referred to in a), the employer must explain to the employee to be dismissed the grounds for termination of employment and the alternatives. (Chapter 9, Section 3, para 1 of the Employment Contracts Act)

At the employee's request, the employer shall notify the employee without delay in writing of the date of termination of the employment contract and of the grounds for termination or cancellation known by the employer to have caused the termination. (Chapter 9, Section 5 of the Employment Contracts Act)

Procedure of appeal against termination

15. Please indicate whether, under national legislation or practice, workers who consider that their employment has been unjustifiably terminated

have the right to appeal against that termination to a court, labour tribunal, arbitration committee, arbitrator or other impartial body.

Finland has ratified Convention nro 158, please see our previous reports for further information.

If so, please provide information on:

- (a) whether the right to appeal is limited when termination has been authorized by a competent authority,

No such limitation/regulation.

- (b) any applicable time limits within which workers must exercise their right to appeal after termination,

Finland has ratified Convention nro 158, please see our previous reports for further information.

- (c) efforts by public authorities, workers' representatives and organisations of workers to ensure that workers are fully informed of the possibilities of appeal at their disposal. If so, please provide information on the nature and the impact of such measures

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16. Please indicate whether the body or bodies mentioned in Question 15 are empowered to:

- (a) examine the reasons provided for the termination,

yes

- (b) examine other circumstances related to the case,

yes

- (c) render a decision on whether the termination was justified,

yes

- (d) determine, in cases where termination is stated as due to operational requirements, whether the termination was indeed for these reasons. If so, please specify whether the body or bodies can also assess whether these reasons are sufficient to justify the termination.

yes

17. Please indicate whether the body or bodies referred to in Question 15, are empowered to order the payment of adequate compensation or other appropriate relief when they find termination unjustified and are not empowered or do not find it practicable per national law and practice to declare it invalid and/or order or propose reinstatement.

Finland has ratified Convention nro 158, please see our previous reports for further information.

If so, please specify how such compensation is determined or what such relief consists of.

Please see the above.

18. Please indicate whether, under the national legislation or practice, it is ensured that the worker does not bear alone the burden of proving that the termination was unjustified by one or the other or both of the following possibilities:

(a) the burden of proving the existence of a valid reason for the termination rests on the employer

Yes - the employer bears the burden of proof.

(b) the conclusion by the body or bodies referred to in Question 15 regarding the reason for termination is reached based on evidence provided by the parties and according to procedures outlined in national law and practice.

Yes.

19. Please indicate whether there is a conciliation procedure under national legislation or practice before or during appeal proceedings against termination of employment.

No

If so, please provide information on how this procedure functions.

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V. Period of notice and certificate of employment

20. Please indicate whether, under national legislation or practice a worker whose employment is to be terminated is entitled to a reasonable period of notice or compensation in lieu thereof, unless guilty of serious misconduct.

"Re-employment leave was incorporated into the Employment Contracts Act on 1 July 2013. This amendment was introduced as part of the so-called re-employment programme reform, through which employees dismissed on collective grounds (for economic or production-related reasons) were granted a statutory right to paid re-employment leave.

The Employment Contract Act, Chapter 7 in its Section 12 (456/2005) stipulates an employee's right to employment leave. Unless it has been otherwise agreed, employees given notice on production related and financial grounds are entitled to paid leave (re-employment leave) during the period of notice in order to find a new job or to participate in measures promoting re-employment. Finding a new job involves independent jobseeking or jobseeking initiated by the authorities, as well as job interviews and outplacement counselling. Actions promoting re-employment include drawing up an employment programme, relevant labour education, practical training and learning on the job.

The duration of the employment leave is determined in accordance with the duration of the period of notice as follows:

1) a maximum of five working days in total, if the period of notice does not exceed one month;

2) a maximum of 10 working days in total, if the period of notice is longer than one month but does not exceed four months;

3) a maximum of 20 working days in total, if the period of notice is more than four months.

Before taking employment leave or part thereof, the employee shall inform the employer regarding the leave and the grounds therefore as early as possible, and shall, upon request, present a reliable account on the grounds for each leave.

Taking employment leave shall not substantially inconvenience the employer."Re-employment leave was incorporated into the Employment Contracts Act on 1 July 2013.

This amendment was introduced as part of the so called re-employment programme reform, through which employees dismissed on collective grounds (for economic or production-related reasons) were granted a statutory right to paid re-employment leave.

In addition in Section 13 a was introduced extension for re-employment leave for 55 year. As of the beginning of 2023, re-employment leave was extended for employees who have reached the age of 55 and have worked for the same employer for at least five years. The length of re-employment leave is 5, 15, or 25 days depending on the duration of employment. Re-employment leave may be used for conducting skills and work ability assessments and for starting transition-training (muutosturvakoulutus).

If so, please provide details on:

(a) how "period of notice" is defined, its duration, and the content of the compensation in lieu of notice.

Finland has ratified Convention nro 158, please see our previous reports for further information.

(b) how "serious misconduct" is defined for this purpose.

Finland has ratified Convention nro 158, please see our previous reports for further information.

(c) whether, during the period of notice, workers are entitled to a reasonable time off without loss of pay for the purpose of seeking other employment, taken at times convenient to both parties.

Finland has ratified Convention nro 158, please see our previous reports for further information.

21. Please indicate whether workers whose employment has been terminated are entitled to:

(a) receive, upon request, a certificate from the employer specifying only the dates of their own engagement and termination, as well as the type or types of work performed;

Yes: On termination of the employment relationship, the employee is entitled to receive, on request, a written certificate of the duration of the employment relationship and the nature of the work duties. At the specific request of the employee, the certificate shall include the

reason for the termination of the employment relationship and an assessment of the employee's working skills and behaviour. The certificate shall not provide any information other than that obtainable from normal perusal. (Chapter 6, Section 7 of the Employment Contracts Act)

- (b) receive, at their request, an evaluation of their own conduct and performance included in the certificate of employment or provided in a separate certificate.

Yes, please see the above.

VI. Severance allowance and other income protection

22. Please provide information on the content of the benefits a worker whose employment has been terminated is entitled to.

Please indicate whether such benefits include:

- (a) a severance allowance or other separation benefits.

Please indicate also if :

- (i) the amount is based on the length of service, wage level, or other criteria, and whether
 - (ii) they are paid directly by the employer or through a fund constituted by employers' contributions.
- (b) benefits from unemployment insurance or assistance or other forms of social security (such as old age or invalidity benefits).

In Finland, the income security of a dismissed employee is ensured through unemployment benefits, which are regulated in the Unemployment Security Act (1290/2002). An unemployed jobseeker may receive either the basic unemployment allowance paid by Kela or the earnings-related allowance paid by an unemployment fund to its members. Both benefits are paid on the same grounds, but the earnings-related allowance requires membership in an unemployment fund. Labour market subsidy may be paid to a person who does not meet the conditions for receiving unemployment allowance.

The purpose of the earnings-related allowance is to secure an employee's livelihood during unemployment on the basis of their previous earned income. The benefit is paid to a person who is a member of an unemployment fund and who, before becoming unemployed, meets the employment condition laid down in the Act. The employment condition for wage earners is met when, during a 28-month review period, the person has accrued at least 12 months that count toward the employment condition. A month satisfying the

employment condition is a calendar month in which the paid, insurance-covered work-based income is at least EUR 930. The employment condition may also accumulate in half-months. The income threshold for the employment condition is adjusted annually according to the National Pensions Index.

The amount of the earnings-related allowance is determined on the basis of the person's previous income. The daily allowance consists of a basic component and an earnings-related component. The allowance is paid for unemployment for no longer than the maximum period laid down in the Act, which depends on the person's age and length of employment history. If the employment history is three years or less, the earnings-related allowance is paid for 300 days. If the employment history exceeds three years, the benefit is paid for 400 days. If the person is over 58 years old and has more than five years of employment history during the previous 20 years, the earnings-related allowance is paid for 500 days.

The benefit is paid by the unemployment fund of which the person was a member before becoming unemployed. If the person has not been a member of an unemployment fund, the unemployment allowance is paid by Kela. The basic unemployment allowance paid by Kela amounts to EUR 37.21 per day.

When a person becomes unemployed, there is a waiting period of seven days during which no unemployment benefit is paid. In addition, when a full-time employment relationship lasting more than two weeks ends, any holiday compensation paid prevents the payment of unemployment benefits for the period to which the holiday compensation is allocated. Holiday compensation is paid when accrued annual leave has not been taken during the employment relationship. Allocation of holiday compensation means that the amount of the compensation is divided by the employee's daily wage to determine the number of days covered; unemployment benefit is not paid for this period.

If a person has caused the termination of the employment relationship through blameworthy conduct, a qualifying period (a period without benefit) is imposed. Depending on the duration of the employment relationship, this qualifying period is either 30 or 45 days from the date of termination.

At the beginning of 2023, an enhanced employment transition security scheme for employees over the age of 55 was introduced.

In addition to the general transition security provided for in the Employment Contracts Act, an enhanced transition security was established for all employees aged over 55 who are dismissed on financial or production-related grounds and who have been employed by the same employer for at least five years.

This enhanced transition security consists of a transition security allowance and transition security training. The transition security allowance is paid by the unemployment fund or Kela and corresponds to one month's salary of the dismissed employee. The allowance does not reduce the amount of unemployment benefit nor postpone the start date of benefit payments. The conditions for receiving the transition security allowance are laid down in the Unemployment Security Act (1290/2002).

The transition security scheme is financed through the Employment Fund by means of a transition security contribution, which consists of an employer-specific component payable by the dismissing employer and a shared component. The shared component is financed through the unemployment insurance contributions collected from all employers.

(c) a combination of such allowance and benefits.

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23. Please indicate whether national legislation and practice provide for the loss of entitlement to the allowances or benefits referred to in Question 22 in the event of termination for serious misconduct.

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VII. Termination of employment for economic, technological, structural or similar reasons

24. Please provide information on the legislation, collective agreements, arbitral awards, court decisions or other methods of implementation relevant to termination of employment for economic, technological, structural or similar reasons. If available, please provide relevant legislation, agreements, or court decisions illustrating how these provisions are applied in practice.

Main provision are in the Co-operation Act whichs was applied to companies, corporations and branches that regularly employ at least 20 people. From 1 July 2025, the Co-operation Act will primarily apply to companies, corporations and branches that regularly employ at least 50 employees. However, the Act will lay down certain obligations for employers that regularly employ 20–49 people (see questions on continuous dialogue and the obligation to hold change negotiations).

See the answer to the question 25, where the legal base for financial and production-related grounds for termination is regulated (Employment Contract Act 55/2001).

See also previous reports on conventiion 158.

25. Please provide information on how termination of employment for reasons of an economic, technological, structural or similar nature is defined in national methods of implementation, where applicable.

In the Employment Contract Act Chapter 7 stipulates grounds for termination of the employment contract by means of notice

Section 3 is the legal base for financial and production-related grounds for termination

The employer may terminate the employment contract if the work to be offered has diminished substantially and permanently for financial or production-related reasons or for reasons arising from reorganisation of the employer's operations. The employment contract shall not be terminated, however, if the employee can be placed in or trained for other duties as provided in section 4.

At least the following shall not constitute grounds for termination:

- 1) either before termination or thereafter the employer has employed a new employee for similar duties even though the employer's operating conditions have not changed during the equivalent period; or
- 2) no actual reduction of work has taken place as a result of work reorganisation.

Section 4

Obligation to offer work and provide training

Employees shall primarily be offered work that is equivalent to that defined in their employment contract. If no such work is available, they shall be offered other work equivalent to their training, professional skill or experience.

Information and consultation of workers' representatives

26. Please indicate whether, in cases of termination of employment for economic, technological, structural or similar reasons, the employer has the obligation to provide the workers' representatives recognised as such by national law or practice, in good time with relevant information. In particular, please indicate:

(a) whether such information must include:

- (i) the reasons for the contemplated terminations,

The Cooperation Act

Section 16

Matters Covered by the Obligation to Conduct Change Negotiations

The obligation to conduct change negotiations covers the employer's consideration, on financial or production-related

grounds, of the dismissal, lay-off, reduction of working hours (part-time), or unilateral modification of an essential term of the employment contract of one or more employees.

The obligation to conduct change negotiations also covers essential changes considered by the employer—falling within managerial prerogative—that affect the position of one or more employees with respect to work tasks, working methods, work organisation, workplace arrangements, or arrangements of regular working hours, where such changes result from:

- 1) the closure of the company or organisation or any part thereof, relocation to another locality, or the expansion or reduction of its operations;
- 2) acquisition of machinery or equipment or the introduction of new technology;
- 3) changes made to work organisation or arrangements;
- 4) changes in service production or product range;
- 5) the introduction of or changes in the use of external labour;
- 6) other changes comparable to those referred to in points 1–5.

Section 19

Negotiation Proposal and Provision of Information

Before commencing change negotiations, the employer must provide a written negotiation proposal, which must indicate at least the starting time and place of the change negotiations and an outline of the matters to be discussed.

If the change negotiations concern the dismissal, lay-off, reduction of working hours, or unilateral modification of an essential term of the employment contract of one or more employees as referred to in section 16(1), the negotiation proposal must be provided no later than five days before the negotiations begin. In addition to the information referred to in subsection 1, the proposal must indicate:

- 1) the planned measures and the grounds for them;
- 2) a preliminary estimate of the number of employees affected by the measures, broken down by personnel groups and by type of measure;
- 3) an explanation of the principles according to which the employees to be affected by the measures will be determined;
- 4) an estimate of the time within which the measures will be implemented.

If any of the information referred to in subsection 2 is not available at the time the negotiation proposal is given, it must be provided no later than at the start of the change negotiations. If the missing information is essential for the matter to be discussed at the first meeting, the handling of the matter must be postponed at the request of an employee or personnel representative to allow them time to prepare.

A negotiation proposal concerning the matters referred to in subsection 2 must also be submitted to the employment authority no later than at the start of the change negotiations. (23.3.2023/407)

If the change negotiations concern an essential change affecting the position of an employee as referred to in section 16(2), the employer must provide the necessary information for the handling of the matter to the employees concerned or to the personnel representatives before commencing the change negotiations.

- (ii) [the number and categories of workers likely to be affected, and](#)

Yes, see the answer to the question above 26. a) (i).

- (iii) [the period over which the terminations are intended to be carried out.](#)

Yes, see the answer to the question above 26. a) (i).

Amendments to the Cooperation Act entering into force on 1 July 2025

With the amendments, the obligations concerning dialogue and change negotiations will largely depend on whether the employer has at least 50 employees or 20–49 employees. The Cooperation Act will still not apply to companies and organisations with fewer than 20 employees.

Amendments applicable to companies and organisations with at least 50 employees:

The negotiation period for change negotiations has been halved, meaning it is now either seven days or three weeks.

If change negotiations concern the dismissal of at least ten employees, the employer must ensure that none of the employment contracts of the employees to be dismissed end before 30 days have passed from the submission of the negotiation proposal to the employment authority.

The new requirement aims to ensure that both the employer and the employment authority have sufficient time to identify labour market services that support the re-employment of the affected employees.

Amendments applicable to companies and organisations with 20–49 employees:

Going forward, the employer must establish workplace-specific practices for dialogue, record them, and inform employees of them.

The subjects and methods of dialogue may be defined in a manner considered appropriate, regardless of the dialogue provisions in sections 8–11 and 13–15 of the Cooperation Act.

However, dialogue must still be carried out on the matters listed in section 12 of the Act, also in companies and organisations with 20–49 employees.

The obligation to conduct change negotiations will arise only when the employer is considering, within a 90-day period, measures affecting at least 20 employees, specifically:

- a) dismissal,
- b) reduction of working hours (part-time),
- c) unilateral modification of an essential term of the employment contract, or
- d) lay-off on financial and production-related grounds.

There is no need to hold change negotiations for fixed-term lay-offs lasting no more than 90 days, nor for changes affecting employees' positions that the employer may implement under its managerial authority.

If change negotiations are required (see point 2), the negotiation period is seven days in all cases.

If change negotiations are required (see point 2) and they concern the dismissal of at least ten employees, the employer must ensure that none of the employment contracts of the dismissed employees end before 30 days have passed from the submission of the negotiation proposal to the employment authority.

The purpose of this new requirement is to ensure that both the employer and the employment authority have sufficient time to identify labour market services that support the re-employment of the affected employees.

- (b) whether the obligation is limited to a specific number or percentage of the workforce and, if so, please indicate the specific number or percentage.

-

27. Please indicate whether in accordance with national law and practice, in cases of terminations of employment for reasons of an economic, technological, structural or similar nature, the employer has the obligation to provide the workers' representatives concerned, as early as possible, with an opportunity for consultation, on:

(a) measures to be taken to avert or to minimise the terminations and
See the answer to the question 26.

(b) measures to mitigate the adverse effects of any terminations on the workers concerned such as finding alternative employment.

See the answer to the question 20.

If so, please indicate:

(i) how the opportunity for consultation is provided, how far in advance of the contemplated terminations it must be given, and the objects of such consultation.

See the answer to the question 26.

(ii) whether the obligation is limited to a specific number or percentage of the workforce and, if so, please specify the number or percentage.

See the answer to the question 26.

28. Please indicate whether, in cases where the employer contemplates the introduction of major changes in production, programme, organisation, structure or technology likely to result in terminations, if employer has to consult, as early as possible, the workers' representatives recognised as such by national law or practice, on:

(i) the introduction of such changes,

See the answers to the question 26.

(ii) their likely effects and

See the answers to the question 26.

(iii) the measures to avert or mitigate the adverse effects of such changes. If so, please specify when employers need to provide the relevant Information.

See the answers to the question 26.

Measures to avert or minimise termination and mitigate its impact

29. Please provide information, where applicable, on the nature and impact of measures taken in the context of such terminations:

(a) To avert or minimise terminations. Please indicate whether such measures include any of the following: restriction of hiring, spreading workforce reduction over time to allow natural attrition, internal transfers, training and retraining, voluntary early retirement with appropriate income protection, restriction of overtime and reduction of normal hours of work.

-

(b) To mitigate the impact of the terminations. Please indicate whether such measures include:

- (i) measures by the competent authority, in collaboration with the employer and the workers' representatives concerned, to place the workers affected in suitable alternative employment as soon as possible, with training or retraining; and

See the answer to the question 20 and 26.

Employment authorities support employees covered by transition security by offering:

A personal employment plan already during the notice period.

Guidance and counselling from transition security specialists.

Training opportunities, including labour market and transition security training (especially for 55+).

Work trials and other employment-promoting activities agreed in the plan

- (ii) income protection during training or retraining and reimbursement (partial or total) of expenses related to - training or retraining and finding and taking up employment requiring a change of residence.

See the answer to the question 20.

When applicable, please indicate whether the competent authority provides financial resources to support in full or part the measures referred in (ii).

See the answer to the question 20.

Notification to the competent authority

30. Please indicate whether, in cases of terminations for reasons of an economic, technological, structural or similar nature, the employer has the obligation, under national legislation or practice, to notify the competent authority as early as possible, providing relevant information.

An employer is required to notify the TE Office (since 2025 new agency, municipality??), if it dismisses at least ten employees for economic or production related reasons. This notification obligation was reintroduced into the Employment Contracts Act in 2020.

The employer's notification to the TE Office must include at least the following details:

- The number of employees being dismissed
- Their occupations or job duties
- The dates on which the employment relationships will end

The act requires that the employer must notify the TE Office: "without delay" — meaning in practise as soon as the employer has decided to carry out the dismissals and the situation is confirmed.

The employer must also inform the dismissed employees of their right to receive an employment plan (työllistymissuunnitelma) prepared together with the TE Office once they register as jobseekers.

The aim of this obligation is to:

- Support faster re employment of dismissed workers
- Strengthen cooperation between employers and TE Offices
- Reduce unemployment benefit costs

If so, please indicate:

(a) the competent authority or authorities for the purpose of notification.

See the answer above

(b) the information required, including whether it must cover:

(i) the reasons for the terminations,

See the answer above.

(ii) the number and categories of workers likely to be affected and

See the answer above.

(iii) the period over which the terminations are intended to be carried out.

See the answer above.

(c) whether the obligation applies only to terminations of a specified number or percentage of the workforce and, if so, please specify.

See the answer above

(d) the minimum period of advance notification required under national laws or regulations.

Without delays - see the answer above.

Criteria for selection for termination and priority of rehiring

31. Please indicate whether, under national legislation or practice, the selection of workers whose employment is to be terminated for economic, technological, structural or similar reasons is based on established criteria.

See the answer to the question 26 and our previous reports on convention 158 which we have ratified.

The Finnish Act on Co-operation within Undertakings does not regulate the selection on persons in these situations. It only regulates the procedure.

The rules on how employees are selected for termination on collective (economic or production-related) grounds come from:

The Employment Contracts Act (Työsopimuslaki) – requires that the employer use objective, non-discriminatory criteria when choosing employees.

Collective Agreements (TES) – may contain specific selection rules, such as protections for shop stewards or “last in, first out” principles.

Equality and non-discrimination legislation – prohibits discriminatory selection criteria (e.g., age, gender, health).

If so, please provide information on how these criteria give due weight to:

- (i) the interests of the undertaking, establishment or service and
-
- (ii) to the interests of the workers.
-

32. Please indicate whether measures exist under national legislation and practice to ensure that workers terminated for economic, technological, structural or similar reasons are given a certain priority for rehiring if the employer hires workers with comparable qualifications.

The Employment Contract Act Chapter 6 and Section 6 on Re-employment of an employee impose this obligation

The employer has a statutory re-employment obligation only when the employer has dismissed the employee for economic, production-related or restructuring reasons. If the employer later needs new employees for the same or similar tasks within 4 months after termination, or 6 months if the employment lasted at least 12 years, they must offer the job first to the dismissed employee.

The employee must be registered as a jobseeker (E-services at Job Market since 2025, previously TE Office); being unemployed is not required. The dismissed employee has priority over external applicants, but not over part-time employees seeking more hours or employees who are currently laid off.

The employer must act proactively, either contacting the former employee directly or checking through the municipalities (previously TE Office) whether the person is still registered.

The legislative proposal (HE 199/2025 vp.) is in Parliament which includes a proposal to amend law on this obligation to cover only employers who have at least 50 employees.

If so, please indicate:

- (a) whether such priority is subject to the workers expressing a desire to be rehired within a given period after termination.

See the answer above, worker has to be registered as a job seeker.

- (b) whether the priority in rehiring is limited in time.

See the answer above (4 or 6 months).

- (c) whether national methods of implementation provide for:

- (i) the criteria for the priority in rehiring;

See the answer above.

- (ii) the retention of rights (particularly seniority rights) in the event of rehiring; and

See the answer above.

- (iii) the terms governing the wages of rehired workers.

See the answer above.

Statistical information

33. Please provide information on the manner in which the Convention is applied in practice, including, for example, available statistics on the activities of the bodies of appeal (such as the number of appeals against termination of employment, the outcome of such appeals, the nature of the remedy awarded and the average time taken for an appeal to be decided) and on the number of terminations for economic or similar reasons.

See our previous art 22 report on convention 158.

Impact of the instruments and prospects for ratification of Convention No. 158

34. Please indicate whether any modifications have been made or are envisaged to national laws, regulations or practice, with a view to giving effect to all or some of the provisions of the Convention No. 158 and Recommendation No. 166. If so, please provide copies of the relevant texts.

The regulation concerning the threshold for termination grounds related to the employee's person was amended as of 1 January 2026; please see the answer to the question 7. A more detailed report on the aforementioned amendment and the translation of the legislation will be provided in connection with the reporting under Convention No. 158.

On 15 January 2026, the Government submitted to Parliament a proposal to amend the regulation on the conclusion of fixed-term employment contracts; please see the answer to the question 6.

35. Please provide information regarding any prospects of ratification and identify any challenges or obstacles with regard to the possible ratification of Convention No. 158, where these exist.

Article 23(2) of the Constitution

36. Please indicate the representative employers' and workers' organizations to which copies of the present questionnaire have been communicated in accordance with article 23(2) of the ILO Constitution and indicate whether you have received observations from such organizations concerning the effect given, or to be given, to Convention No. 158 and Recommendation No. 166. If so, please communicate a copy of the observations received together with any comments that you may consider useful.

The report has been made by consulting the following labour market organisations:

1. Confederation of Finnish industries (EK)
2. Central Organisation of Finnish Trade Unions (SAK)
3. Finnish Confederation of Professionals (STTK)
4. Confederation of Unions for Professional and Managerial Staff in Finland (Akava)
6. Federation of Finnish Enterprises (SY)
7. Local Government and County Employers (KT)
8. Office for the Government as Employer (VTML).

Statements of the labour market organisations are attached to the report.