

REPORT

made by the Government of Finland on Unratified Conventions and Recommendations (Article 19 of the Constitution of the International Labour Organisation) concerning the following instruments of the ILO:

VOCATIONAL REHABILITATION AND EMPLOYMENT (DISABLED PERSONS) RECOMMENDATION, 1983 (No. 168)

EMPLOYMENT POLICY (SUPPLEMENTARY PROVISIONS) RECOMMENDATION, 1984 (No. 169)

HOME WORK RECOMMENDATION, 1996 (No. 184)

EMPLOYMENT RELATIONSHIP RECOMMENDATION, 2006 (No. 198)

TRANSITION FROM THE INFORMAL TO THE FORMAL ECONOMY RECOMMENDATION, 2015 (No. 204)

Supplementary information to the report provided in February 2019 on the application of the employment-related instruments

General

Since the submission of its most recent report, Finland has held parliamentary elections, in spring 2019, and there is a new Government in place. Therefore, inasmuch as reference is made in the previous report to the Programme of the Government of Prime Minister Sipilä, the references are outdated. The full Programme of the Government of Prime Minister Sanna Marin is available [here](#).

National policy for the promoting of full, productive and freely chosen employment

Changes to the report regarding questions 1 – 7:

Highlights of the Government Programme's employment policies:

A strategic theme of the Prime Minister Sanna Marin's Government is a Finland built on trust and labour market equality. One objective in the Government programme is seeking high employment through active measures. The Government's employment rate target requires an increase in the labour market participation of people with partial work capacity, those with poor employment prospects, the young and older people and those with an immigrant background. Effective measures are needed to promote the employment of these people. Working careers will be prolonged at the beginning, middle and end. The aim is to change the course of labour market policy from passive to active, as in other Nordic countries, and to target services more efficiently than at present.

Another objective in the Government programme is stability and trust in the labour market through collective bargaining. The Government supports the Finnish contract society and strengthens the atmosphere of trust on the labour market. The policy of the Government is to prepare reforms in the working life on the tripartite principle and thus seek to develop the working life equally and to reform it effectively. The Government takes steps to protect the weaker parties in the labour market, in other words employees, paying attention to the competitiveness of the country and enterprises and thus securing the requirements for employment. This will enable stability and predictability in the labour market and minimise disruptions, which are key requirements for a stable business

environment and new investment. The Government promotes wellbeing in the working life, ensures equality, increases employees' participation opportunities, promotes company-level agreement and improves the position of the weaker parties in the labour market. The Government supports the generally binding collective agreement system.

Skills provide protection in the transformation of work. Digitalisation and the transformation of work will cause the disappearance of certain jobs but will also mean the creation of new, more productive industries, businesses and jobs. These new opportunities must be supported in all ways by promoting skills, reforms, deployment of new technologies and the dissemination of new ideas. A higher level of skills and competence will be required in most occupations. A new kind of joint effort for training and continuous learning will be needed in the world of work. The downside of the transformation of work is increasing uncertainty in working life. There are shortcomings particularly in meeting the minimum terms of employment for employees in a weaker position.

According to the Government programme, the employment rate will be raised to 75% and the number of people in employment will increase by a minimum of 60,000 by the end of 2023.

The Ministerial Working Group on Promoting Employment guides and directs the implementation of the Government Programme in the areas of employment promotion, labour market issues, and employment legislation. Several tripartite subgroups work under the Ministerial Working Group and their task is to prepare proposals for measures implementing the Government Programme, and to present them to the Ministerial Working Group.

The implementation of the Talent Boost programme continues. The aim is to shorten the processing time of work permits stepwise down to one month in accordance with the entry in the Government Programme. Implementing this entry will require changes in legislation, procedural streamlining and more and better-utilised automation

An international recruiting model inclusive of an ethical code of conduct will be created. The aim is to take determined action to attract and retain international talent, and help their families settle in Finland; to promote the integration into Finland and employment of international students and researchers; to increase the receptiveness and diversity of the world of work; and to benefit from international talent in supporting the growth and internationalisation of companies and R&D activities, and in attracting investment.

The administration of labour, student and researcher immigration transferred from the Ministry of the Interior to the Ministry of Economic Affairs and Employment at the start of 2020.

An action programme on the needs for integration reform will be prepared and submitted to Parliament in the form of a Government report by the end of February 2021. The report will put forward proposals for the holistic development of the integration period. The aim is to clarify the targets, services, responsibilities and monitoring of integration periods. The structures of society have a significant impact on the integration and employment of immigrants, and integration promotion measures alone cannot effectively promote integration. Overall decisions in the areas of employment and business policy, education and training policy and social and healthcare policy all play a role in the integration and employment of immigrants. Likewise, it is important to immigrant families that the development of child and family policy supports integration into Finnish society. The report will present the key structural reforms and development projects for the Government term in which more effective immigrant integration is an element.

Under its Programme, the Government will launch a reform of the social security system aiming at a clearer and more streamlined system, where people can balance work and social security in changing life situations. Social security must respond to people's need for a meaningful life and sense of inclusion and help create opportunities for employment, entrepreneurship, active individual initiative, participation and lifelong learning in all situations. The aim is to make work pay and to ensure that people can clearly anticipate their take-home pay. Social security must guarantee people dependable security in different life stages and life situations without unnecessary breaks and administrative obstacles.

According to the Government Programme, the reform will be carried out without jeopardising the level of basic social security and with the aim of diminishing the need for long-term social assistance. Linguistic rights and accessibility will also be ensured.

In addition to the extensive social security reform, under the Government Programme a reform of the unemployment benefit system and services for the unemployed will also be prepared with a view to shortening periods of unemployment, making short-term employment more attractive, encouraging job seeking, and adjusting unemployment benefit sanctions (qualifying periods) to establish a more reasonable balance of rights and duties. The intention is for a personal job search obligation and services such as training and rehabilitation to be agreed in the jobseeker's personal employment plan prepared jointly by the employment authority and the jobseeker.

Measures in the area of employment and business support in response to the COVID-19 pandemic

NB! The situation is fluid and what is stated below is subject to change.

General

The Government's hybrid strategy in the COVID-19 situation is not an either-or but a both-and strategy. The strategy will help Finland move from extensive restrictions on society towards a testing, tracing, isolation and treatment approach. At the same time, certain restrictions will remain in place and the Government will closely monitor the effects of their gradual dismantling on the progress of the epidemic.

The number of new coronavirus infections has remained relatively small and stable at national level. The aim is to carefully track the transmission chains of all new cases in order to prevent new infections as effectively as possible.

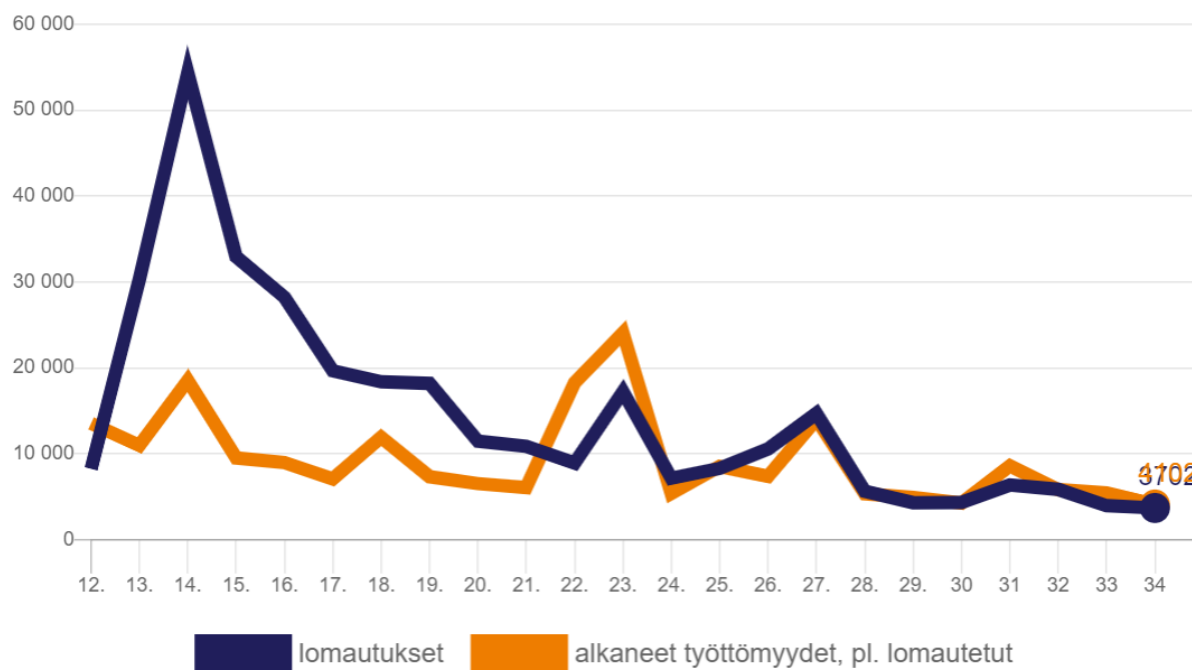
The Ministry of Economic Affairs and Employment, together with other organisations in the MEAE Group, monitors the effects of the coronavirus on business activities, employment and security of supply, and takes the necessary measures to alleviate the negative impacts.

The coronavirus situation has been reflected in the number of statutory employer-employee negotiation notices received by the Employment and Economic Development Offices and the numbers of persons signing up as jobseekers due to layoff or other reasons.

The number of newly started periods of layoff and unemployment are monitored on a weekly basis. The increase in the numbers of jobseekers who have been laid off full-time and other jobseekers relative to the data in the Employment Service Statistics as well as the number of laid-off jobseekers by occupational group are also monitored weekly. The figure below inclusive of data shows the situation as at 23 August 2020. The figure shows weekly numbers of newly started periods of layoff

and unemployment at TE Offices as from 16 March 2020 (blue line=layoffs, orange line=newly unemployed, exc. layoffs):

Alkaneiden lomautus- ja työttömyysiaksojen lukumäärät viikottain TE-toimistoissa alk. 16.3.2020



23.8.2020 kokoaikaisesti lomautettuja työttöminä työnhakijoina yht. **65 000**

23.8.2020 muut työttömät työnhakijat yht. **272 211**

At 23 August 2020, a total of 65,000 jobseekers had been laid off full-time. At 23 August 2020, other jobseekers totalled 272,211.

Muutos suhteessa työnvälitystilaston helmikuun lopun tietoihin

kokoaikaisesti lomautetut
+46 224

muut työttömät työnhakijat
+42 840

Change relative to Employment Service Statistics data at the end of February:

- laid off full-time: +46,224
- other jobseekers: +42,840

Source: Ministry of Economic Affairs and Employment website.

More information on the impacts of the coronavirus in multiple languages, English included, is available on the website of the Ministry of Economic Affairs and Employment at:

<https://tem.fi/en/information-on-coronavirus>

Temporary amendments to employment and unemployment security legislation

On 20 March, the Government decided on first-hand measures to be taken to secure people's livelihood and liquidity of companies in the difficult situation caused by the coronavirus. On 26 March, the Government submitted its proposal to Parliament on amendments to the Employment Contracts Act, the Seafarers' Employment Contracts Act and the Act on Cooperation within Undertakings. At first, the amendments were intended to be in force until 30 June 2020 but were then extended until 31 December 2020. The amendments are based on proposals from the central organisations of the Finnish social partners.

The amendments aim to help businesses adjust to changes in demand for labour caused by the coronavirus epidemic.

As per the temporary amendments, the period of notice before layoff¹ and the duration of cooperation negotiations regarding layoffs have been shortened to five days. In addition, it has become possible for employers to lay off a fixed-term employee and to terminate an employee's contract during the trial period on financial or production-related grounds. On the other hand, the period during which the employer is obligated to re-employ an employee dismissed for financial or production-related reasons has been temporarily extended to nine months.

The temporary amendments do not apply to the public sector.

Some collective agreements contain provisions on matters such as the duration of negotiations. If a collective agreement binding on the employer contains such a provision, it is applied instead of the provisions of law. Due to the coronavirus epidemic, exceptional solutions have been adopted in many sectors.

The temporary amendments to unemployment security legislation are integrally linked to the temporary amendments to employment and maritime labour legislation. More information on these and the aforementioned employment legislation amendments is available in the enclosed table (Annex 1).

Please also consult the following links for additional information:

https://tem.fi/-/lomautusten-ilmoitusaika-ja-yhteistoimintaneuvotteluiden-kesto-aika-lyhenevat-valiaikaises-1?languageId=en_US

<https://tem.fi/en/-/measures-that-have-brought-security-and-flexibility-to-labour-markets-during-coronavirus-epidemic-will-be-extended>

¹ In Finland, the term 'layoff' means that the employer temporarily terminates work and the payment of wages and salaries, while the employment relationship remains in effect in other respects. Hence, the term 'layoff' does not mean termination of an employment relationship (dismissal). An employee can be laid off as a result of a reduction in the work available or a deterioration in the prerequisites for offering work. The layoff may be implemented for financial or production-related reasons. A layoff can be implemented for an indefinite or a fixed period and it may mean termination of all work or shortening of working hours.

Government resolution on remote work recommendation

On Thursday, 13 August 2020, the Government decided to issue a resolution on remote work.

In a situation where the health authorities state that the COVID-19 epidemic is growing regionally, the Government recommends that workplaces in the region shift to remote work when possible. Employers should also promote work arrangements that reduce close contacts and other risk factors at the workplace. Correspondingly, in a situation where the health authorities state that, despite preventive measures, the epidemic is increasing on the level of population as a whole, public sector workers, whose duties so allow, should shift to remote work as extensively as possible. The Government recommends that extensive remote work practices be adopted by the private sector employers, too.

Supplementary budgets and the draft budget for 2020 to support employment and business (of the Ministry of Economic Affairs and Employment)

The Government allocated in its budget session for 2020 significant investments to promote employment. A comprehensive employment package will boost employment and offer services that meet the individual needs of jobseekers. With the employment package, a greater number of persons with impaired capacity for work or long-term unemployment will be able participate in society through work, education and training or personalised services.

To improve employment services, the funding for Employment and Economic Development Offices will be increased with an additional appropriation amounting to EUR 51 million over a four-year period. It will be mainly used to recruit more staff. In 2020, an additional appropriation of EUR 10 million will be reserved for digital services to strengthen the use of digital services in vocational and career guidance services that are based on the labour market situation, among other purposes. A comprehensive digital job marketplace platform is being designed to support the digital services.

The appropriations for the Ministry's administrative branch total EUR 2,866 million in 2020, which is 4.3% of the state budget. The Ministry's operating appropriations total EUR 35.4 million. The administrative branch is authorised to grant a total of EUR 1,696 million.

Since spring 2020, the Ministry of Economic Affairs and Employment has allocated coronavirus support to companies. Crisis support has been allocated to sectors most affected by the epidemic.

A total of 28,715 projects applied for Business Finland's development support and funding by the deadline. At the end of August 2020, 93% of the applications have been processed and 68% of them have been accepted. Around 1,300 applications are still pending.

A total of approximately EUR 912 million has been allocated to 18,770 projects. Of the aid reserved for supporting businesses in disruptive situations, approximately EUR 79 million was allocated to preliminary analyses and around EUR 832 million to development funding.

The most support from Business Finland has been granted to commerce, construction, software and gaming, tourism and restaurant industries as well as creative industries.

Several supplementary budgets have been approved since the start of the COVID-19 pandemic. For example in June 2020, the Government reached an agreement on the fourth supplementary budget for 2020. The measures agreed on will support jobseekers and prevent the growth of unemployment during and after the coronavirus crisis. Additional financing was given to support young people and a better match between jobs and workforce.

An increase of EUR 60 million is proposed in the employment appropriations. The additional appropriation will be allocated to purchases of labour market training and services for young people, and for upskilling through joint purchases of training and coaching.

The appropriations for TE Offices will be increased by EUR 20 million to make sure services will be available for those in need. In addition, EUR 1.5 million is proposed for the implementation of the ONNI project, which involves providing psychosocial support for young people. The additional financing enables fast-tracking a digital service through which support will be available to young people quickly and easily.

Additional financing of EUR 1 million is proposed for the Digital Employment follow-up project. The project will enable a better match between jobs and workforce in the real estate and construction sectors.

Local government trials on boosting employment involve transferring certain tasks of the employment and economic development offices (TE Offices) to local governments. An additional appropriation of EUR 2.8 million is proposed in the supplementary budget for the implementation of these trials.

In the first phase, 20 regions would participate in the trials. During the trial, the participating regions would be responsible for providing advice on employment promoting services for customers, and for various guidance and service tasks. The target group includes unemployed jobseekers, persons in employment and persons participating in employment-promoting services who are not entitled to earnings-related unemployment allowance, as well as all those aged under 30, and all immigrants and foreign-language speakers.

The supplementary budget proposal includes additional financing of EUR 20 million to support the recovery of the regional business life and employment, and to strengthen the regional economy. It also includes separate additional investments in tourism promotion, such as financing for tourism infrastructure maintenance in the north.

Additional capitalisation of EUR 250 million is proposed for Finnish Industry Investment Ltd Tesi. The additional financing will be used to expand the stability programme that was launched earlier this spring, to ensure adequate financing for early and growth-stage companies and midcaps, and to maintain the performance capacity of private equity funds.

With the additional funding of EUR 150 million granted in the second supplementary budget for 2020, Tesi launched a stability programme to support medium-sized enterprises in sudden and

temporary difficulties caused by the coronavirus epidemic with share investments and convertible bonds. So far, applications for programme financing amounting to more than EUR 130 million have been submitted. With the additional capitalisation proposed, the programme can be expanded and the adequacy of financing ensured.

An additional EUR 25 million is proposed to the financing provided by the ELY Centres for business development projects. This additional financing will bolster the competitiveness of SMEs and activate their ability and willingness to invest.

Regarding Q. 7 and the use of European Globalisation Fund (EGF), COVID-19 might cause new EGF cases, dealing e.g. with tourism and restaurant business, forest industry and airline business.

National policy and protection for workers in an employment relationship

Questions no. 8(12)

Since the submission of the last report, there have been no changes in the concept of employment contract as defined in the Employment Contracts Act, i.e. the essential elements of the employment relationship.

According to the Government Programme, the status of individuals working in irregular casual employment and on zero-hours contracts will be improved. Stabilisation of working time for persons with variable working hours will be confirmed in legislation.

Regarding new forms of working the need for changes in legislation will be studied from the perspective of the transformation of work (entrepreneurs and self-employed persons, the sharing and platform economy, new forms of commissioning work and cooperatives). To reduce the uncertainty of working life, the concept of an employment contract in the Employment Contracts Act will be clarified to prevent employment from arising under the guise of other contractual relationships.

Both of the abovementioned questions will be addressed by the regulatory subgroup of the Ministerial Working Group on Promoting Employment.

Determination of the existence of an employment relationship

Questions no. 13 – 19.

See above.

Persons with disabilities

Questions no. 20 – 25.

As outlined in the Government Programme, a working capacity programme for people with partial work capacity will be implemented to ease access to employment. The programme will be implemented jointly by the Ministry of Economic Affairs and Employment and the Ministry of Social Affairs and Health throughout the Government term as from 2019. The working capacity programme will entail a shift in focus, from examining incapacity to work to strengthening existing working and functional capacity and promoting access to employment. The aim of the programme is to harness the existing working capacity of individuals by supporting their working and

functional capacity and access to employment and by preventing incapacity to work. The services in the various administrative sectors will be integrated into a cohesive service process. Measures of the Ministry of Social Affairs and Health include integrating the support for working and functional capacity with the current and future social and healthcare service system.

Further information on the 'Career opportunities for people with partial work ability' project also mentioned in the previous report:

'Career opportunities for people with partial work ability', also known as the OTE key project, was one of the key projects of Prime Minister Juha Sipilä's Government. The project was carried out in 2015–2018. The objective of the OTE project was to improve the labour market opportunities of people with partial work ability by supporting them in continuing their work or finding new employment more easily than before. In addition, the project aimed to foster more positive and open attitudes towards greater diversity in working life. The OTE key project was based on the 'Persons with partial work ability at work' programme. The OTE key project was carried out as a collaborative effort of the Ministry of Social Affairs and Health and the Ministry of Economic Affairs and Employment.

During the OTE key project, the number of unemployed persons with partial work ability decreased by 30.2%. The number of long-term unemployed people with partial work ability decreased as well. Persons with partial work ability found employment mostly in the open labour market and all sectors. The demand for labour genuinely applied also to persons with partial work ability. After the OTE key project there were 12,000 fewer unemployed jobseekers with partial work ability than at the start of the key project. This alone generated direct savings of EUR 100 million per year as unemployment costs are reduced.

Based on the study made during the OTE key project majority of employers had a positive attitude towards recruiting persons with partial work ability. Employers thought that the essential qualities are skills, attitude and motivation. The perspective shifted away from thinking along the lines of illnesses, defects or handicaps.

During the OTE key project legislation was passed to improve the position of persons with partial work ability in the labour market and society: both the Ministry of Social Affairs and Health and the Ministry of Economic Affairs and Employment made several changes to legislation during the key project. The service system was made more efficient and customer-oriented: 700 work ability coordinators were trained and they work in a wide range of services and workplaces, offering personal support for their clients and acting as coordinators for services and collaboration networks. The Tie työelämään (Road to employment) online service was launched. It attracted 11,000 users per month. Rehabilitation paths were also made clearer. Easily accessible centres for functional ability were set up.

Homeworkers

Questions no. 26 – 36.

Nothing to report.

Transitioning from the informal to the formal economy

Questions no. 37 – 42.

On 11 June 2020, the Government adopted a strategy and an action plan for tackling the grey economy and economic crime for 2020–2023. The tackling of the grey economy will focus on prevention, more effective access to information and cooperation between authorities.

To implement the strategy, an action plan has been drawn up that includes more than 20 projects and more than 50 concrete measures. These projects and measures will be carried out in cooperation between different ministries, agencies and stakeholders.

The Government has reserved approximately EUR 15 million in funding for the implementation of the action plan for the period 2020–2023. The funding will help ensure that the work of the authorities will be improved and that they have the ability to act in combating the grey economy, while enhancing their mutual cooperation and exchange of information.

Measures of the action plan:

- Enhancing the tax authority's right to obtain information from third parties
- Creating an information system to identify cartels that secures extensive access to information on tenders submitted in public tender competitions
- Developing a risk-profiling model for preventing environmental crime
- Using artificial intelligence in the processing of criminal investigation and evidence material
- Introducing more effective measures to combat grey economy activities in the transport sector
- Examining how to ensure public access to nominee-registered shares and how the tax authorities will receive information on trading in them
- Amending the legislation on the disclosure of tax information to ensure that any changes to tax information made after the close of the tax year will be made public

In addition to national measures, grey economy activities that occur across borders will be combated by enhancing cooperation between EU Member States. This work is also supported by the European Labour Authority.

The objectives of the Strategy for Tackling the Grey Economy and Economic Crime are to:

- promote healthy competition between companies and a fair labour market
- prevent the grey economy and economic crime
- ensure the ability of authorities to combat the grey economy and economic crime
- develop measures to combat the grey economy and economic crime and improve cooperation between authorities

Further information can be found [here](#).

Regarding Q. 41 and 42: In spring 2020, the Ministry of Economic Affairs and Employment launched a working group to prepare actions to combat labour exploitation. The working group's actions consist of 14 proposed measures concerning both legislative action and measures to enhance the guidelines to and cooperation of the authorities.

The working group proposes specification of the consequences of exploitation to better direct those consequences against the exploitative employer rather than the victim of the exploitation. The working group also proposes increasing the resources of the authorities and strengthening the authorities' scope for cooperation by improving information-sharing and the use of surveillance data and other observational data.

Some of the proposals can be implemented during autumn 2020. The working group is currently preparing additional measures and will continue its work until the end of 2021.

In relation to the proposals of the working group and also in the wider perspective, the regulatory subgroup of the Ministerial Working Group on Promoting Employment is preparing proposals to address underpayment.

With regard to the Government Programme entries concerning new forms of work, please see above under Questions No. 8 – 12.

Occupational safety and health authority resources relating to foreign labour surveillance:

Foreign labour surveillance duties in the occupational safety and health divisions of the Regional State Administrative Agencies are organised as a specific task. This is mainly due to the breadth of expertise required for their performance. Some of the inspectors work full time in foreign labour surveillance while others also perform other surveillance duties such as surveillance of compliance with the Act on the Contractor's Obligations and Liability when Work is Contracted Out and surveillance of employment relationships and working conditions. A significant number of occupational safety and health inspectors engage in foreign labour surveillance only as a part of their overall surveillance duties (this is the case in e.g. the Regional State Administrative Agencies of Eastern, Southwestern and Northern Finland). At present, around 20 person-years are dedicated to foreign labour surveillance. The surveillance resources have been allocated as follows based on the regional volume of foreign labour:

Division of occupational safety and health	No. of inspectors	Person-years (estimate)
Regional State Administrative Agency for Southern Finland	13	11
Regional State Administrative Agency for Southwestern Finland	5	2.0
Regional State Administrative Agency for Western and Inland Finland	4	3.0
Regional State Administrative Agency for Eastern Finland	13	2.5
Regional State Administrative Agency for Northern Finland	17	1.8
Total	52	20.3

Equality of opportunity and treatment Special categories of workers

Questions no. 43 – 46.

See previous.

Dialogue and the role of employers' and workers' organizations

Questions no. 47 – 53.

Nothing new to report. The organisations of employers and employees are widely included in the work of the subgroups of the Ministerial Working Group on Promoting Employment as well as

other working groups addressing topics in the world of work and social security (including the work of the divisions under the Social Security Committee working on social security reform).

Depending on the nature of the matter in hand, organisations representing also other groups and similar stakeholders are either consulted during the preparatory efforts or included in the work.

Statistical data

Questions no. 54 – 56.

Nothing new to report.

Monitoring and implementation

Q. 57. Nothing new to report.

Impact of ILO instruments/prospects of ratification

Q. 58 – 59. Nothing to report.

Q. 60. The following labour market organisations have been consulted before finalising this report:

1. The Confederation of Finnish Industries (EK)
2. The Central Organisation of Finnish Trade Unions (SAK)
3. The Finnish Confederation of Salaried Employees (STTK)
4. The Confederation of Unions for Academic Professionals in Finland (Akava)
5. The Commission for Local Authority Employers (KT)
6. The State Employer's Office (VTML)
7. The Federation of Finnish Enterprises (SY)

Statements of the labour market organisations:

Statement of SAK:

Recommendation 204 concerning the Transition from the Informal to the Formal Economy, 2015

Although the widespread informal economy in its many forms does not pose any significant challenge to workers' rights, a rising number of cases involving foreign labour exploitation have come to light in Finland. Exploitation is particularly prevalent in sectors where the labour market standing of workers is poor to begin with. Such sectors include hospitality, construction, agriculture and cleaning. The same elements are largely present in most cases of labour exploitation: poor working conditions, excessive working hours, no overtime pay or Sunday increments, pay not in keeping with the collective agreement, deficient occupational safety and health, and inhuman living conditions in lodgings provided by the employer.² Labour exploitation is a wide spectrum of practices ranging from lawful policies that put workers in a weak position to the most extreme manifestation of forced labour that may be classified as human trafficking. Several instances of labour exploitation came to light in Finland in 2020.

Foreign labour exploitation is often driven by financial gain, which makes it a manifestation of the grey economy. Foreign workers in particular are vulnerable because of their poor knowledge of the ground rules of the world of work. Lack of language skills further hampers their chances to seek

² The European Institute for Crime Prevention and Control (HEUNI) has conducted research into the topic in Finland.

help. The essential problem with the current situation is that it penalises the victim, i.e. the foreign worker, who stands at risk of losing their residence permit, whereas the offending employer is at little risk of being held to account. This reduces the willingness of exploited workers to speak up and seek out legal remedies to enforce their rights.

The Government of Finland has taken action in response to the problems coming to light. Minister of Employment Tuula Haatainen announced in August 2020 a set of actions to combat labour exploitation. The 14 measures announced seek to better protect the victim and to introduce additional consequences to the employer. In addition, the current action plan tackling the grey economy and economic crime, the eighth of its kind, draws attention to factors such as promoting a fair labour market.

According to paragraph 27 of Recommendation 204 concerning the Transition from the Informal to the Formal Economy, “Members should have an adequate and appropriate system of inspection, extend coverage of labour inspection to all workplaces in the informal economy in order to protect workers, and provide guidance for enforcement bodies, including on how to address working conditions in the informal economy.”

At present, there are only ten foreign labour surveillance inspectors in all of Finland.³ The aforementioned action plan states that it should be possible to intensify the surveillance of the minimum terms of employment of foreign labour. In order for the protection of workers to be effectively accomplished, interpreters should be made available during inspections and inspectors should speak with workers without the employer being present.

IV Possible needs for standard-related action and for technical cooperation

Q. 61 – 62.

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³ The information is based on data reported by the Ministry of Economic Affairs and Employment.