

Employment relationships in the Central Government sector in Finland

A. General information

Civil servants

Central government employees are primarily hired as civil servants. The civil service relationship is the only type of employment relationship for duties involving the exercise of public power. The legal status of civil servants is laid down in the State Civil Servants Act and the related decree.

The public service posts are established in a formal way and the employment relationship starts when a person is appointed to a public office either indefinitely or for a fixed period.

Contract employees

Central government may also hire personnel as contract employees. The legal status of personnel on an employment contract is covered by the Employment Contracts Act.

The employment relationship with a contract employee is created with an employment contract. The contract may be for a specified or an indefinite period of time.

B. Basic duties and rights

Following are the basic duties and rights of civil servants. They are similar to those of contract employees, although the legal basis may differ, being more explicit concerning the civil servants.

The main obligation is to carry out duties competently and without delay in line with the supervision and regulatory requirements. A superior is responsible for management and supervision of work through allocating tasks and monitoring their progress. Regulatory requirements consist of rules that are common to all (on working hours, annual holidays and official journeys) and other separately defined rules.

A civil servant shall conduct him- or herself in a manner commensurate with his or her position and duties and shall not demand, accept or receive financial or other benefit, if it might weaken trust in the civil servant or the authority he or she represents. The position of a civil servant may place specific demands on behaviour also in leisure time. A benefit jeopardising trust in official functions may manifest in a way that the benefit may cause an outsider to cast doubt on the impartiality of the action. The ways of preventing jeopardising the trust and procedures in unclear situations should be discussed in the government operational unit to avoid unclear situations.

A civil servant can't act in a civil personnel organisation or union in such a position that the activity is in conflict with official duties, if the duties include representing the government as employer. The civil servants representing the employer have been laid down in a decree.

According to the State Civil Servants Act a civil servant shall notify the employer if he or she wishes to engage in a secondary occupation in his or her free time and seek the employer's permission for the secondary occupation if it would require using working time. A secondary occupation is either a remunerated job or position unrelated to the official duties that the civil servant has the right to refuse or practising a profession or trade or running a business. A secondary occupation must not cause disqualification in customary official duties and it must not adversely affect discharge of official duties. In their activities, civil servants must avoid everything that conflicts with the actions reasonably required of personnel in their position. The obligation has significance already when the contract is made, and it extends in some degree also to the free time.

A civil servant shall on request provide the employer with information regarding health issues associated with the discharge of his or her duties. The aim is that personnel in government administration workplaces are fit for work and that fitness for work is maintained. It is the superior's responsibility to ensure that problem situations related to fitness for work are addressed and that assessment of fitness for work is initiated as quickly as possible.

At the employer's request, the civil servants have to consent to checks and examinations for assessment of his or her state of health, when it is necessary in order to ascertain fitness for discharging his or her duties. Assessment of fitness for work is facilitated by its initiation at an early stage and by the person in question, his superior and the occupational healthcare doctor together discussing the matter.

A civil servant shall not disclose the content of a document subject to secrecy or any matter subject to confidentiality as stipulated by law that has come into his or her knowledge during his or her employment with the authority. The duty of confidentiality continues even after the individual has left the employment with the authority. If the individual moves from state administration to private employment, he or she is bound by the duty of confidentiality that also ensures impartiality.

The employer's duty is to treat all personnel equally and not to unjustifiably place anyone in a different position from others for reasons of his/her origin, nationality, religion, gender, age or political or trade union activity or any other comparable reason.

The employer shall also allow everyone the freedom to join or not to join an union or to part with one. The constitutional right of citizens is also applied in workplaces of the government administration. If a membership of a union may cause disqualification in official duties, the matter is discussed and the necessary decisions made.

Furthermore, the employer's duty is to ensure that everyone receives the benefits and rights resulting from the position in such a form as he or she is rightfully entitled to them. As a general rule, the remuneration is determined by how demanding the tasks are and on the basis of personal performance. Other benefits and rights are granted to everyone in such ways as the law prescribes or as is set out in collective agreements or other contracts.

The employer shall also ensure that occupational health and safety issues are adequately covered. Occupational safety particularly means that the work environment is safe and tools and equipment suitable for their purpose. Labour protection also means immediate intervention in cases of bullying, harassment or other inappropriate behaviour.

C. Terms and conditions of employment

Most of the general labour legislation applies either partially or in full also to the employment relationships of Government personnel. Such legislation is for example acts on working time, annual leave, study leave, occupational safety, equality at work and health insurance. In addition, there are collective agreements on pay systems, working time, annual leave and compensation of travel expenses. The collective agreements either substitute or add to the terms and conditions regulated in the legislation.

The Act on Collective Agreements for State Civil Servants covers collective agreements on terms and conditions of service for civil servants, while the Collective Agreements Act does the same for personnel on an employment contract.

The Office for the Government as Employer concludes collective agreements with the main trade unions in the government sector, namely JUKO r.y., Pardia r.y. and JHL r.y.. The agreement comes into force once the Government has approved it. If the agreement involves additional expenditure, it has to be forwarded for approval to the Parliamentary Finance Committee. This central agreement sets the overall cost framework and contains provisions on terms of service for central government as a whole and any negotiation and review clauses.

Agency-specific (local) collective agreements are handled by the agencies and the unions at agency level. There are around a hundred agency-specific collective agreements for civil servants, and around seventy for contract employees. Typically salary systems and in some cases working time is agreed in agency-specific collective agreements.

In addition to this, negotiation procedures in respect of civil servants have been agreed in the main collective agreement for civil servants. Under the system of negotiation and collective agreement for central government, the terms and conditions of employment relationships for civil servants and employees under contract are agreed in the Collective Agreement for State Civil Servants and Employees Under Contract at central level and in separate collective agreements for civil servants and employees under contract at agency level.

Collective agreements for state civil servants and contract employees

1. Determination of wages

The amount of salary in the government pay schemes is determined mainly on the basis of the complexity of the job and individual job performance.

The government pay systems are specific to each government agency but have been designed on uniform common principles. Each pay scheme builds on sector-specific agreements contracted for government employees. In the schemes, pay consists of a job-specific pay component based on the complexity of the job and an individual pay component based on the performance and competence of the employee. The job-specific pay component can range between 10 and 20 scales depending on the pay system applied in each government agency while the individual pay component can account for a maximum of 50 % of the job-specific pay component depending on the system and it is classified into around 5 to 15 performance levels.

Each government agency applies its own appraisal system to evaluate job complexity and personal performance. Job complexity is typically determined on the basis of the required level of occupational knowledge and skills, the degree of interaction and amount of responsibility.

Job performance is generally assessed according to professional competence, degree of target orientation and profitability and collaboration skills. Each employee's job complexity and personal job performance is reviewed in performance and development meetings between employee and supervisor at least once a year.

Separate performance bonuses that are settled and disbursed on an annual basis may also be used in the government organisations.

A handful of government organisations use different agency-specific pay schemes. A few government pay systems include a pay component based on years of experience in government service. In some cases individually tailored euro-denominated remuneration is applied. Furthermore, guidelines for emoluments for senior management in the ministries and government agencies are separately set out at government level, with salaries including components for special conditions and premium pay.

2. Working time

In the government sector there are three main forms of working time that have been agreed on the Collective Agreement on working time. The agencies may also have other agency-specific arrangements for working time. The Working Hours Act usually applies to the government civil servants and employees as well. However, some of the personnel, for example the judges in the judicial system, are totally excluded from the working time regulation.

A system of working hours bank may be used in all forms of working time. In the system the hours worked by an employee or civil servant in excess of his or her regular working hours based on a particular order by the employer may be saved up for later use in the form of compensatory free time. The introduction and the details of the system are agreed in the Ministry or Agency in question. The use of the bank is optional and further agreed between the individual and the employer.

The Collective Agreement on working time along with the Working Hours Act offers possibilities to balance working hours and resting time and hence to make working hours more flexible taking into consideration of the needs of both the employer and the civil servant or employee in question.

2.1 Office work

Office work is the working time form applied in the Ministries as well as for expert and administrative duties in the Agencies. The regular working hours are 7 hours and 15 minutes per day and 36 hours and 15 minutes per week. Working time corresponds usually the office hours, which is from 8 to 16.15 from Monday to Friday. Systems for flexible working hours are also in use in the Government workplaces. In the system the personnel may in certain limits decide for themselves on the beginning and ending of a working day.

2.2 Weekly work

Weekly work form is used for the other professional duties in the Agencies. The regular daily working time varies from 6 hours 15 minutes to 8 hours in a way that sums up to 38 hours 15 minutes per week.

2.3 Period-based work

Period-based work form is used for the tasks that require round-the-clock work on all days of the week, for example in the police forces. The regular working time for the period-based work is agreed to be 114 hours 45 minutes in three weeks. Daily and weekly working times are defined more accurately in the shift rosters of the workplace.

3. Absences

3.1 Sick leave

Civil servants and contract employees are granted sick leave if they are prevented from carrying out their duties due to verifiable illness, defect of injury.

Civil servants can be paid their full salary for a maximum of 60 days sick leave in each calendar year. After this their salary will decrease to 75 %. After 180 days of consequent sick leave, the salary will decrease to 60 %. Payment of the salary of a civil servant is not restricted to any maximum period.

Contract employees are paid their full salary in general for at least 21 days for each case of illness. The salary may be paid for a longer time if the employment contract has lasted at least one year.

Full salary is paid for 90 days for each case of absence from work due to an industrial accident of occupational disease.

3.2 Family leaves

The key forms of family leave are maternity, special maternity, paternity, parental, child care, partial child care and temporary child care leaves.

3.2.1 Maternity leave

A civil servant or employee shall be entitled to release from work for the period of maternity benefit referred to in the Sickness Insurance Act (Sairausvakuutuslaki). The maximum period of eligibility for maternity benefit under the Sickness Insurance Act is 105 ordinary weekdays. Entitlement to maternity benefit begins no sooner than 50 and no later than 30 ordinary weekdays immediately before the estimated date of confinement. If pregnancy ends sooner than 30 ordinary weekdays before the estimated date of confinement, then entitlement to maternity benefit begins on the first day following the end of pregnancy and ends when benefit has been paid for 105 ordinary weekdays. The mother is entitled to salary during the first 72 ordinary weekdays of the leave. For the rest of the leave the mother is entitled to an allowance regulated in the Sickness Insurance Act.

3.2.2 Parental, paternity and special maternity leave

A civil servant or employee shall also be entitled to release from work for the periods of parental and paternity leave and special maternity leave. No salary shall be paid for these periods, except for the first six ordinary weekdays of the paternity leave. Instead, the civil servant or employee is entitled to specific allowances according to the Sickness Insurance Act.

Parental allowance is paid for 158 ordinary weekdays beginning immediately after the eligibility period for maternity benefit ends, unless some factor such as a change in the “paternity month” or premature confinement makes other arrangements necessary. Parents may share the period of eligibility for parental allowance so that each parent takes up to two periods of parental allowance, each of not less than 12 ordinary weekdays.

According to the Sickness Insurance Act, the paternity allowance is payable for no more than a total of 18 ordinary weekdays during the period of eligibility for maternity and parental allowance. Paternity leave may be divided into no more than four continuous periods.

A father who has received parental allowance or partial parental allowance continuously for not less than the last 12 ordinary weekdays of the period of eligibility for parental allowance is also entitled to one continuous period of paternity allowance of 1-24 ordinary weekdays (known as the “paternity month”).

Special maternity leave may be granted in cases when the work or working conditions are considered to involve an irremovable risk to foetal development or pregnancy due to some chemical substance, radiation or infectious disease.

3.2.3 Child care leave

A civil servant or employee shall be entitled to unpaid leave to care for his or her own child, or for another child living permanently in the same household, until the child is three years old. The right of an adoptive parent to child care leave shall nevertheless continue until two years have elapsed from the time of adoption, but not beyond the date on which the child begins attending school.

Child care leave may be taken in no more than two periods of not less than one month unless the employer and the civil servant or employee agree on a larger number or shorter duration of child care leave periods. Only one parent or guardian may take child care leave on any given occasion. The other parent or guardian may nevertheless take one period of child care leave during maternity or parental leave.

3.2.4 Partial child care leave

A civil servant or an employee may be granted partial child care leave to care for his or her child or for another child living permanently in his or her household until the end of the second school year of a

child in basic education. Both parents or guardians of a child may take partial child care leave during the same period, but not at the same time. Working time during the partial child care leave is usually shortened to six hours per working day, but other working time arrangements may also be used. The employer and the civil servant or employee shall agree on child care leave and on the associated detailed arrangements in the manner that they deem fit.

3.2.5 Temporary child care leave

A civil servant or employee is entitled to temporary child care leave for not more than four days at a time in the event of any sudden illness of his or her child who is under ten years of age, or who is handicapped or chronically ill, or of another such child living permanently in his or her home, in order to care for the child or to arrange such care. The parents or guardians entitled to temporary child care leave may take such leave during the same period, but not at the same time. The salary is paid for maximum four days of absence on the condition that the absence was essential in order to care for the child or to arrange such care and that both parents are gainfully employed or that the person concerned is a single parent, and that the child's illness is certified in a manner corresponding to the certification required for illness of the public servant or employee.

4. Annual holiday

The provisions concerning annual leave of the central government civil servants and employees are in the Collective Agreement on the Annual Holidays for Government. The agreement covers permanent and fixed-term as well as full- and part-time employment relationships.

The provisions concerning the annual leave are mainly structured around the principle of holiday entitlement: holiday entitlement accrues by working a holiday credit year, that is, a period of time which starts on April 1 and ends on March 31. In principle, the civil servants and employees who according to their appointments or contracts work more than 35 hours every month are entitled to holidays. The length of the annual leave is determined on the basis of the number of full holiday credit months accumulated in the holiday credit year as well as the length of the employment relationship in question.

In general the annual holiday may be given during the period that starts January 1st of the calendar year when the holiday credit year ends and ends on the 30th of April the following year. Within certain limits it is in the authorities of the employer to define the time of the holiday, but it may also be agreed on.

The civil servants and employees are entitled to their normal pay during the holidays. An additional holiday bonus is also paid, the amount of which depends on the holidays earned.

5. Travelling expenses

The provisions for compensating travelling expenses for civil servants and State employees for official journeys are in the Collective Agreement concerning compensation for travelling expenses.

An official journey is a journey which is ordered by a superior and which a civil servant or an employee makes for carrying his or her official duties or tasks outside the workplace.

According to the Agreement travelling expenses that may be compensated are those extra expenses that the person concerned has paid because of the journey. The expenses shall be paid for actual transportation expenses, per diem, meal allowance, accommodation or hotel allowance or night travel allowance and training day allowance.