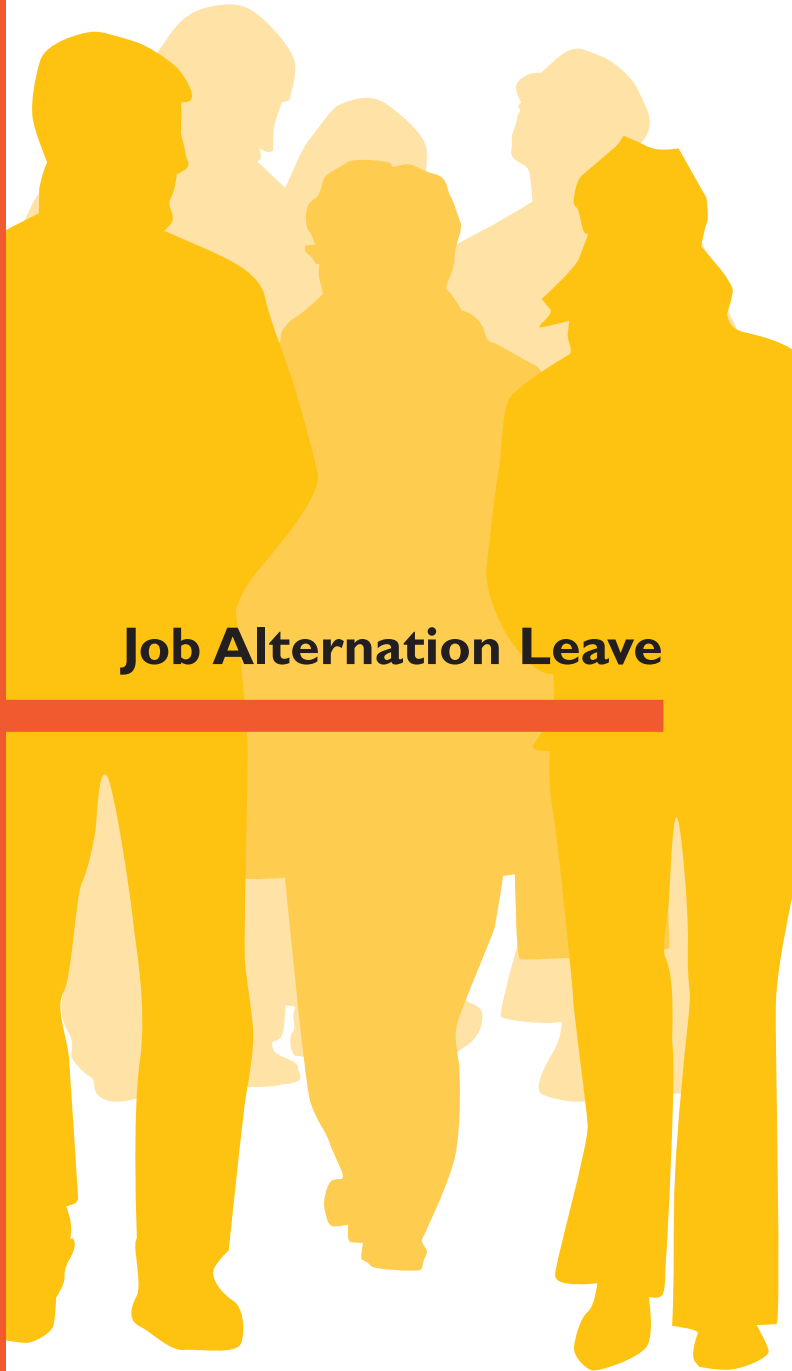


**FOR JOBSEEKERS  
& EMPLOYERS**



## **Job Alternation Leave**

**[www.mol.fi](http://www.mol.fi)**



**Employment and Economic  
Development Office**

*Job alternation leave is an arrangement which, for a fixed period, exempts the employee (the alternator) from performing the duties under his or her employment relationship. This is done in accordance with a job alternation agreement made with the employer. The employer binds itself to employ an unemployed jobseeker (a substitute), for the duration of the job alternation leave, recruited from the local Employment and Economic Development Office (TE Office).*

## Job alternation leave offers

- the **employee** the possibility of longer leave, to be used as he or she wishes e.g. for training, childcare or care of relatives, hobbies or rest;
- the **unemployed jobseeker** (the substitute) the opportunity to develop and top up his or her skills, through a fixed-term employment relationship – this will also enhance the jobseeker's chances of placement in the labour market;
- the **employer** a recruitment channel for new employees, as well as an opportunity to introduce flexibility and new skills to the working community.

## Preconditions for job alternation leave

The Act on Job Alternation Leave applies to people in private-sector employment relationships, civil service posts or comparable employment relationships. Alternation leave can be taken by a full-time employee, or by a person working more than 75% of full-time working hours in the industry in question. Alternation leave cannot be taken by people deemed full-time entrepreneurs.

In good time, before job alternation leave begins, the applicant must contact his



**Remember to get in touch with your TE Office before your leave begins!**

or her TE Office for clarification of the prerequisites applying to such leave.

## Work history requirement

Candidates for alternation leave must have a 10-year work history before the leave begins.

When estimating the work history until 31 December 2006, consideration is taken of the employment and civil service relationships listed in section 8, subsection 4 of the Employee's Pension Act (395/1961) on the provisions in force on 31 December 2004. Work required for a pension based on entrepreneurship is also taken into account. Work history accrued after the beginning of 2007 is calculated on the basis of earnings subject to employment pension legislation, as referred to in section 3 of the Employee's Pension Act (395/2006). Pension-insured employment after the alternator has turned 18 is included in the calculated work history.

A maximum of a quarter of the work history period can be considered time not spent in work, but nevertheless comparable to time spent in work. This refers to periods during which maternity, special maternity, paternity or special childcare allowance is paid to the alternator. Childcare leave and time spent in military or non-military service are also considered time comparable to work.

If the alternator wishes to have a new job alternation leave, a new work history is required, amounting to five years since the end of the previous alternation leave.

A prospective alternator can order an extract from the employment register kept by the Central Pension Security Institute [www.etk.fi](http://www.etk.fi). This extract will show the periods of service under private employers and work done as an entrepreneur. Register extracts concerning public service relationships can be ordered from the Local Government Pensions Institution [www.keva.fi](http://www.keva.fi).

**In good time,  
check that your work  
history is sufficient,  
from the relevant  
unemployment  
fund or the  
Social Insurance  
Institution.**

In good time, prior to the beginning of job alternation leave, the prospective alternator should check whether his or her work history is sufficient, from the relevant unemployment fund or the Social Insurance Institution.

## **Working requirement**

For job alternation leave, the following condition must be satisfied: that the employee has worked full-time (over 75% of full-time hours) and has been in an employment relationship with the same employer for a consecutive period of at least 13 months immediately prior to the alternation leave. During this period, the alternator must genuinely have been engaged in full-time work. This 13-month period can include a maximum 30 calendar days of unpaid absences – only absences due to illness or accident are considered equivalent to work attendance.

## **Job alternation agreement and agreement on employing a substitute**

Job alternation leave is voluntary. The employer and employee agree on the leave through a written alternation agreement. Agreement forms in Finnish (and Swedish) are available from TE Offices or as PDF documents from: [www.mol.fi](http://www.mol.fi) and [www.suomi.fi](http://www.suomi.fi)

The agreement should mention when the alternation leave begins and ends. In the case of split alternation periods, the precise end and start date of each leave period should be mentioned – each period and its timing cannot be renegotiated later. The alternation agreement must be issued in three copies, with identical contents, signed by the employer and employee. Each contractual party must have their own copy, while one copy is for the TE Office.

The alternation agreement, the employment contract, a letter of appointment or some other reliable confirmation of the employment of a substitute for the period of alternation leave must be submitted to the TE Office,

in good time before the leave begins. Corresponding confirmation must be submitted to the TE Office if the originally agreed period of alternation leave is to be lengthened at a later stage. In the case of split alternation leave, the TE Office must be provided with confirmation that a substitute has been employed at the beginning of each new period of leave.

## **Duration, division into periods and lengthening of job alternation leave**

The minimum duration of alternation leave is 90 consecutive calendar days, totalling a maximum of 359 calendar days.

Alternation leave can also be taken in several periods; this should be agreed in the alternation agreement before the first period of leave begins. For example, it may be agreed that the alternation leave period lasts eight months to be held in two periods, one of three months and the other of five months. In order to claim alternation allowance, each period must be at least 90 calendar days long.

If the alternation leave is to be lengthened, agreement must be reached on this no later than two months before the end of the agreed leave. For example, it can be agreed that three months of leave will be lengthened to five months without any intervening days.

Alternation leave must be taken in its entirety within two years of its initial start date. Its total duration cannot exceed 359 calendar days.

## **Interrupting job alternation leave and temporary return to work**

Agreement on the premature termination of job alternation leave or a temporary return to work must be reached between the employer and alternator. During a temporary return to work, the alternation leave period will elapse in the normal fashion.

Under law, alternation leave terminates if the alternator is entitled to maternity, special maternity, paternity or parental allowance, or has been granted leave due to pregnancy, a birth or childcare during the period of alternation leave, or if he or she starts to draw special childcare allowance. If the allowance entitlement or granting of special leave last for no more than 18 workdays, the alternation leave (payment of allowance) is only interrupted and will continue afterwards in accordance with the original agreement.

## **Right of an alternator to return to previous job**

The alternator is primarily entitled to return to his or her previous job once the alternation leave has ended. If this is not possible, he or she must be offered work corresponding to his or her earlier work and complying with the employment contract or employment relationship. In turn, if this is not possible, he or she must be offered other work complying with the contract. Terms of employment may not be changed due to alternation leave, nor may the employment relationship be terminated. However, this does not provide special protection against unilateral termination – notice can be served on the alternator if there are legal grounds for doing so.

## EMPLOYER

### Employing a substitute

In the job alternation agreement, the employer binds itself to employ an unemployed jobseeker from a TE Office for the period of alternation leave. There is no obligation to employ the substitute for the same tasks as the alternator, yet he or she must be employed by the same employer. For example, in a group of companies the substitute must be employed by the subsidiary employing the alternator. A person whose main occupation is regarded as 'student' under the Unemployment Security Act cannot be employed as a substitute.

When employing the substitute, the following persons should be prioritised; unemployed persons under 25, long-term unemployed persons, or unemployed persons who have recently passed a university or vocational examination. However, the skills of the person in question must be regarded as adequate for the task in question. This is assessed jointly by the employer or employment authorities. Secondly, an unemployed jobseeker deemed to be in the greatest need of finding work, and whose employment opportunities would improve by being a substitute, should be hired. If no suitable unemployed jobseeker can be found among the group of prioritised candidates, attention should be paid to the duration of potential candidates' unemployment and their need for a livelihood and to maintain their skills.

The substitute has to be employed in full-time work at least equal to the working hours of the alternator. Job alternation leave can also be based on the employer transferring a part-time

employee who wishes to work full-time and who is registered at the TE Office as an unemployed person seeking full-time work. In such a case, the employer must employ an unemployed jobseeker from the TE Office for the vacant, part-time post. The additional total working time of the two employees must be equal to the alternator's regular working hours. On the other hand, two unemployed persons cannot be employed as part-time employees to cover for a single alternator.

The legal provisions concerning fixed-term employment or civil service relationships apply to the job alternation leave substitute: a fixed-term employment or civil service relationship can be terminated without notice after a given time limit. It is in the interests of both the employer and substitute to draw up a written employment contract.

If the employment relationship of the substitute terminates before the expiry of the alternation leave, the leave will continue in the normal manner. However, substantial changes in the employment relationship of the alternation leave substitute (e.g. termination of the employment relationship before the expiry of the leave) must be reported to the TE Office immediately. However, without delay and within two months at the latest, the employer must employ a new unemployed person for the remaining job alternation leave.

A company employing a long-term unemployed person as an alternation substitute may be eligible for a pay subsidy.

## EMPLOYEE

### Alternation allowance

#### Amount and payer of allowance

The alternator is entitled to job alternation allowance during the leave, at 70% of the daily unemployment allowance to which the alternator would be entitled upon becoming unemployed. In calculating such allowance, neither child increments nor increased earnings-related allowance are considered. If the alternator has a work history of at least 25 years before the alternation leave begins, the allowance rate rises to 80%. This allowance forms taxable income. The right to alternation allowance will continue even if the substitute's employment relationship terminates before the end of the alternation leave.

Exceptionally, the daily unemployment allowance forming the basis for the job alternation allowance is calculated on the basis of earned income received for the 52 weeks preceding the alternation leave.

If, based on membership of an employment fund, the employee has the right to earnings-related benefit immediately prior to the beginning of the job alternation leave, such compensation is calculated on the basis of the benefit and is paid by the unemployment fund. In other cases, the allowance is calculated on the basis of the basic daily allowance and is paid by the Social Insurance Institution.

#### Work and other income during job alternation leave

The purpose of job alternation leave is to support well-being at work and offer the temporary vacancy to an unemployed person. Other work during such leave is

therefore at odds with the purpose of the system. However, work during the leave is not prohibited, but the alternation allowance is reduced in relation to earned and other income from work paid during the leave. This makes the so-called adjusted daily allowance the basis for allowance. The alternator is entitled to no allowance during periods of full-time employment lasting more than two weeks.

However, the amount of allowance is not affected by pay earned prior to alternation leave and paid during the leave, against which the alternator was not granted the equivalent in leisure time. On this basis, the amount of allowance is not affected by holiday and profit-related pay issued during the alternation leave, for example.

Statutory benefits reducing unemployment security (e.g. children's home care allowance) also reduce job alternation allowance. On the other hand, such allowance is not affected by e.g. family pensions, housing allowance, child increments, income support or allowance for the care of relatives.

#### Limitations on the right to allowance

The alternator is not entitled to job alternation allowance for periods during which he/she

- receives pay, holiday pay or other compensation and remuneration from their employer; against which the alternator gains corresponding leisure time (training paid for by the employer is not regarded as pay, if the benefit is not considered taxable income for the employee, nor are fringe benefits that continue during job alternation leave.)

- performs military or non-military service, or voluntary military service for women
- serves a prison sentence
- is in full-time work lasting over two weeks, in the employment of someone other than the normal employer
- is engaged in full-time entrepreneurship
- is paid a benefit (such as daily sickness allowance, maternity, special maternity, paternity or parental allowance, special childcare allowance, training allowance) referred to in chapter 3, section 3, subsection 1 or section 4, subsection 2, paragraphs 1–3, 5 or 6 of the Unemployment Security Act.

A person drawing alternation allowance is not entitled to a study grant.

## Applying for allowance

The job alternation agreement, signed by the employer and employee, as well as reliable confirmation that an unemployed person has been hired during the period of leave (copy of employment contract or letter of appointment) must be submitted before leave begins, to the TE Office applicable to the alternator's place of work. In addition, prior to the period of leave, the alternator must submit confirmation to the TE Office that he/she meets the prerequisites for leave (of attendance of full-time work during the preceding 13 months).

Applications for alternation allowance must be submitted to the alternator's own unemployment fund or the Social Insurance Institution. A retroactive period of three months applies to allowance applications. Application forms are available at the Internet address [www.tyj.fi](http://www.tyj.fi), or from TE Offices. A pay certificate for the full pay periods covering at least the 52 weeks preceding the leave should be appended to the application, as well as a copy of the job alternation agreement.

The TE Office will issue a statement on the labour-policy requirements for allowance, to the unemployment fund or the Social Insurance Institution, which will then take a decision on the allowance and ensure its payment. Allowance will be paid at least once a month, in retrospect.

## Duty to report

Without delay, the alternator must inform the payer about any work, entrepreneurship and other matters affecting the payment of allowance. Overpayments, or allowance paid for which the alternator is ineligible, will be recovered.

## Effect of job alternation leave on pension

Account is taken of alternation leave in the alternator's pension, such that 55 % of earnings based on the alternation allowance accumulate as pension.

## Appeal

The alternator can appeal against the decision of the unemployment fund or the Social Insurance Institution, to the Unemployment Appeal Board. In turn, the decision of the Board is subject to further appeal to the Insurance Court. In each case, the appeal period is 30 days from the day on which notification of the decision was issued.

## National Help Line Työlinja contact numbers

### Individual customers

Register as job applicant, vacancies, revised information for job applications, TE Office services, guidance on web services

**+358 10 19 4904**  
(from Finland 010 19 4904)  
[tyolinja@te-toimisto.fi](mailto:tyolinja@te-toimisto.fi)

### Corporate customers, organisations and employers

Announcement of vacancies, TE Office services, guidance on web services, advice on residence permits

**+358 10 19 4907**  
(from Finland 010 19 4907)  
[tyolinja@te-toimisto.fi](mailto:tyolinja@te-toimisto.fi)

### Educational advice

**+358 10 19 4901**  
(from Finland 010 19 4901)  
[koulutusneuvonta@te-toimisto.fi](mailto:koulutusneuvonta@te-toimisto.fi)

### Advice on change security

**+358 10 19 4910**  
(from Finland 010 19 4910)  
[tyolinja@te-toimisto.fi](mailto:tyolinja@te-toimisto.fi)

### Advice on unemployment security

**+358 10 19 4911**  
(from Finland 010 19 4911)

### Telephone charges

To numbers beginning '010 19', local network charge from landline subscriptions, mobile phone charge from mobile phones

[www.mol.fi](http://www.mol.fi)

Social Insurance Institution of Finland  
The Federation of Unemployment  
Insurance Funds in Finland

[www.kela.fi](http://www.kela.fi)

[www.tyj.fi](http://www.tyj.fi)

The Finnish Centre for Pensions  
Local Government Pensions Institution

[www.etk.fi](http://www.etk.fi)

[www.keva.fi](http://www.keva.fi)

Ministry of Employment and the Economy  
Ministry of Social Affairs and Health

[www.tem.fi](http://www.tem.fi)

[www.stm.fi](http://www.stm.fi)