

FOR JOB APPLICANTS &
EMPLOYERS



Change security

www.mol.fi

Employment and change security in Finland

Employment and change security is aimed at improving the position of employees under threat of dismissal, or those who have been dismissed for economic or production-related reasons.

It has been expanded to better cater for the needs of employees on fixed-term employment contracts, those laid off for a period of 180 days, or those temporarily laid off.

Employment and change security also intensifies cooperation between employees, employers and Employment and Economic Development Office (TE Offices).

Change security includes

- For a dismissed employee, time off with pay, for seeking a new job
- During participation in services which help the jobseeker find work, increased unemployment allowance. As part of the earnings-related allowance, this involves the earnings-related component of change

security, and as part of the basic daily allowance it refers to a change security supplement

- An employment plan

The employer's obligation to inform and negotiate has also been enhanced. TE Offices implement change security through these improved services.

Change security is implemented in cooperation between the employer, employee and TE Office.

**Change security contact number +358 10 19 4910
(from Finland 010 19 4910)**

JOB APPLICANT

Change security supports employees during dismissals

Employment and change security increases the security of employees during dismissals and long-term lay offs, supports them in their job-seeking efforts and helps them gain new employment as soon as possible. It also improves their possibilities for participating in measures helping them to find work, while improving and maintaining their professional skills.

To be eligible for change security, employees whose employment has been terminated for economic or production-related reasons, must

- Register at a TE Office as a jobseeker
- Have worked for at least three years, under one or several employers

To be eligible for change security, employees on a fixed-term contract must

- Register at a TE Office as a jobseeker
- Have one or several fixed-term employment contracts with the same employer and without interruption for at least three years, or fixed-term employment contracts for at least 36 months during the previous 42 months, or
- Have been employed by the same employer or different employers for at least five years out of the seven years preceding the termination of employment. In the case of this condition, the reasons for the termination

of previous employment contracts do not matter.

To be eligible for change security, laid-off employees must

- Register at a TE Office as a jobseeker
- Be laid off for a period of at least 180 days and have a service history of at least three years, or
- Be laid off for an uninterrupted period of at least 180 days and have a service history of at least three years.

An employee is regarded as laid off for at least 180 days, even when the lay off notice indicates the duration of lay off as 'until further notice', unless it is thought that the lay off will continue for less than 180 days.

Employees who resign from their jobs after being laid off for at least 200 days without interruption, and who have completed at least three years of service, are also eligible for change security.

Employment plan for an employee entitled to change security

An employment plan improves a job-seeker's chances of finding employment, for instance through training and on-the-job-training. An employment plan is drawn up together with a con-

sultant from a TE Office. It includes mapping out the jobseeker's situation, a plan for independent job seeking and supporting the job-seeking process, plus the use of services by the employment and economic administration to help the jobseeker find lasting employment quickly.

During the notice period, you are entitled to paid time off for job seeking

All employees dismissed for economic or production-related reasons are entitled to paid leave during their notice period. The length of such leave is 5-20 working days, determined by the duration of the employment relationship as well as the length of the notice period.

An employee entitled to change security can use this leave for drawing up, or undertaking measures agreed in, an employment plan. Such measures might include participation in labour market training.

A dismissed employee is also entitled to paid time off when he or she is seeking work independently, or with help from the TE Office, has a job interview or participates in counselling for an outplacement.

The employer must be informed of the leave as soon as possible and should not be unduly inconvenienced by it.

Paid leave does not apply to laid-off employees or employees on fixed-term employment contracts. The employee is not entitled to employment leave

if the employment contract ends as a consequence of the employer's bankruptcy or death.

Unemployment allowance is raised by an addition to the increased earnings-related component of change security, or the change security supplement within the daily allowance

Employees entitled to change security receive an increased earnings-related component for change security, or a higher change security supplement to their daily allowance. This is paid as an increase in unemployment allowance for the period during which the jobseeker participates in a service promoting employment, if the service is agreed in the personal employment plan.

Further information is available from unemployment insurance funds and the Social Insurance Institution of Finland (KELA).

EMPLOYER

The employer's obligation to notify and inform

The employer is obliged to inform employees dismissed, for financial and production-related reasons, of the services provided by TE Offices in such situations. The employer must ensure that employees gain sufficient and correct information on change security and how it works.

The employer must inform the dismissed employee of his or her entitlement to

- An employment plan compliant with the Act on the Public Employment Service, **and**
- Increased unemployment allowance, as provided for by the Act on Unemployment Security, during participation in services promoting employment. This is based on a higher earnings-related change security component in earnings-related allowance, or a raised change security supplement in basic daily allowance.

Before starting a cooperation procedure, the employer must present

- The employee representative with a negotiation proposal in writing, **and**
- An evaluation of the scale of the dismissals, **as well as**
- A schedule for the measures involved.

This information will also be submitted to the TE Office.

The employer must inform the TE Office of any lay offs, if the number of employees to be laid off is 10 at a minimum.

The employer has a duty to inform the TE Office without delay of the dismissal of any employees who are covered by change security, or of their ending a fixed-term employment contract. With the consent of the employee, the employer must also provide the TE Office with information on the employee's education, duties and work experience. This will expedite the drawing up of an employment plan and the planning of measures to help the dismissed person find a job.

The employer must prepare an action plan to help the jobseeker find employment

Under change security, the employer has a greater obligation to negotiate when reducing workforce. At the outset of the cooperation procedure, the employer must present the employee representative with a proposal for an action plan, helping those affected to find work.

Such an action plan is drawn up whenever at least ten employees are threatened with dismissal.

The employer must ensure that sufficient information is given on change security.

In addition to the negotiation schedule and procedures, such a plan should include details on using planned employment services. It should also give an account of how the employer intends to assist the employee in his or her training and job-seeking efforts. The final action plan is prepared together with staff, as part of the cooperation procedure.

If the dismissal concerns fewer than ten employees, during the cooperation procedure the employer must present the principles behind any action to be taken to help affected employees find work or training on their own. Such action should also help them find work through public employment services

during the notice period. During the cooperation procedure concerning dismissals, the staff and training plan should be updated with any changes required by the Act on Co-operation within Undertakings. The aim of this is to identify whether the dismissals and possible restructuring will cause changes in the duties and training needs of those employees who remain in post.

An employer which is not under an obligation to negotiate in accordance with the Act on Co-operation within Undertakings must still inform the employee of the TE Office's services, in addition to the grounds for dismissal and the employee's options.

TE OFFICE

Change security is implemented by an Employment and Economic Development Office

TE Offices provide information on employment and change security, as well as advising and assisting employers and employees in putting the scheme into practice. TE Offices have change security specialists who are responsible for employment and economic development administration services in change security situations.

Once the employer has informed the TE Office that a co-operation procedure is beginning, the TE Office will immediately contact the employer.

The TE Office


- Together with the employer and employee representatives, charts the opportunities offered by public employment and economic development administration services in dismissal situations;
- If necessary, provides assistance in preparing the employer's action plan or corresponding operational principles, **and**
- Agrees on the provision of services and the required arrangements.

Change security measures also cover staff reductions, for economic and production-related reasons, which involve a small number of dismissals. Furthermore,

they cover employees on a fixed-term employment contract as defined above, as well as laid-off employees.

In connection with change security, TE Offices offer a variety of services, such as

- Briefings for employees
- Job-seeking services
- Employment services
- Labour-market training
- Work trials
- Advice related to entrepreneurship, and support for entrepreneurs starting out
- Other services for the development of vocational skills.



An employment plan is drawn up at the TE Office.

TE Offices may use mobility assistance for unemployed jobseekers, or jobseekers under the threat of unemployment, in support of their search for new jobs. Benefits paid in the form of mobility assistance constitute a travel expenses and a

removal expenses allowance. These are available by application from TE Offices.

Allowance for travel expenses may be paid to unemployed jobseekers, or jobseekers under the threat of unemployment, for the purpose of job-seeking outside their commuting area. The allowance may cover travel expenses related to job interviews, employment contract negotiations and cases in which the job-seeker starts a new job.

Allowance for moving expenses may be paid to jobseekers entitled to change security, when they begin a new job outside their commuting area. Allowance for moving expenses may be paid to cover expenses due to moving household goods etc to the locality of a new job.

Jobseekers entitled to change security may receive a moving expenses allowance, if

- The new job is in Finland, outside their commuting area
- The working hours of the new job are at least 18 hours per week
- The duration of the job is at least 6 months
- The jobseeker has applied for the allowance at a TE Office prior to the beginning of employment.

Key Acts concerning change security

- Employment Contracts Act (55/2001)
- Act on Co-operation within Undertakings (334/2007)
- Act on the Public Employment Service (1295/2002)
- Act on Unemployment Security (1290/2002)

These Acts are available at Finlex, the Internet-database of Finnish legislation, at www.finlex.fi.

National Help Line Työlinja contact numbers

Individual customers

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

+358 10 19 4904
(from Finland 010 19 4904)
tyolinja@te-toimisto.fi

Corporate customers, organisations and employers

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

+358 10 19 4907
(from Finland 010 19 4907)
tyolinja@te-toimisto.fi

Educational advice

+358 10 19 4901
(from Finland 010 19 4901)
koulutusneuvonta@te-toimisto.fi

Advice on change security

+358 10 19 4910
(from Finland 010 19 4910)
tyolinja@te-toimisto.fi

Advice on unemployment security

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

Advice on non-military service

+358 10 19 4903
(from Finland 010 19 4903)

Telephone charges

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

www.mol.fi

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

www.kela.fi

www.tyj.fi

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

www.tem.fi

www.stm.fi

AKAVA – Confederation of Unions for
Academic Professionals in Finland

www.akava.fi

EK – Confederation of Finnish Industries

www.ek.fi

KiSV – Commission for Church Employer

www.kisv.fi

KT – Commission for

Local Authority Employers

www.kuntatyonantajat.fi

SAK – Central Organisation of

Finnish Trade Unions

www.sak.fi

STTK – Finnish Confederation of

Salaried Employees

www.sttk.fi

VTML – State Employer's Office

www.vm.fi