



# Collective bargaining in Finland

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# 1. Legislation

- Collective Agreements Act (1946)\* → Employment contracts act
  - The first collective agreement 1890
- The municipal collective agreement law (1970)\*
- State collective agreement law (1970)\*
- Enactment of the Constitution\*
  - Changing needs 5/6 majority in parliament
- Act on Mediation in Labour Disputes (1962)
- Acts of co-operation
- Act of equality





## 2. Settlement by arbitration

- The arbitration system is based on Finland's Act on Mediation in Labour Disputes.
- The National Conciliator assists the negotiating partners if a collective agreement cannot be reached without outside help.
- The central labour market organisations can also be assisted by the National Conciliator when drawing up comprehensive incomes policy agreements.
- It is compulsory to participate in the mediation of labour disputes, but the different sides do not have to accept the Conciliator's proposal.



# 3. Negotiations in three levels



## **National level**

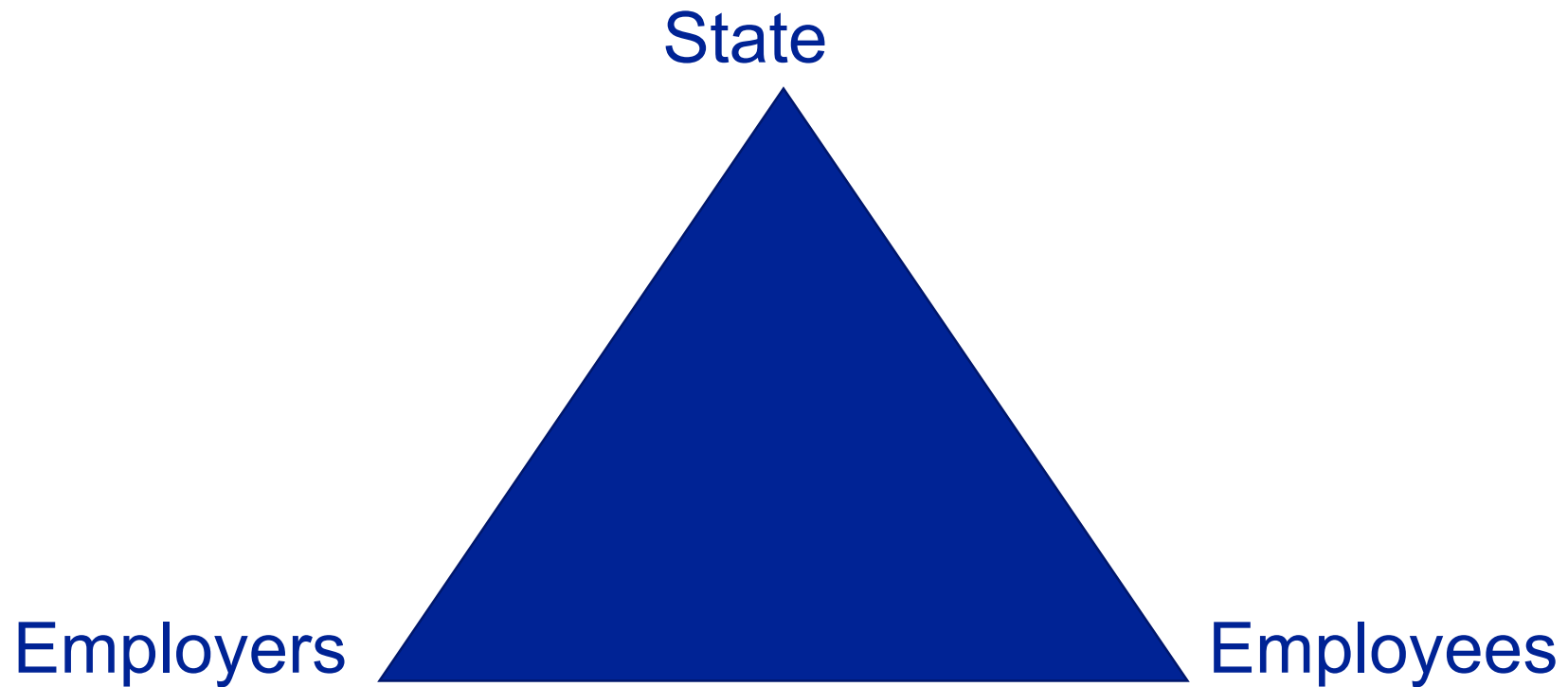
- Tripartite/sectoral

## **Regional and local level**

- The teacher associations and local union representatives agree on locally negotiable matters concerning salaries and other aspects of the teachers' situation and working conditions and ensure that agreements are upheld.
- Local shop stewards endeavour to resolve disputes concerning teachers' terms of employment.



# Tripartite/sectoral level





# The Power Relationship between Employee and Employer



- the question is not, however, about the constant fight → agreed procedures to resolve disputes
- requires the organization of the parties and the recognition of each other → "regulated conflict"





# Industrial relations in Finland

1. Local unions 1905 – 1917
  2. Enterprise 1918 – 1939
  3. State 1940 – 1955
  4. Union 1956 – 1967
  5. Society 1968 – 1994
- 1995 "silent revolution"
  - EU - EMU - ESSDE
  - privatisation



# Collective bargaining parties in education sector



- Municipal
  - Biggest sector
- AFIEE with all levels
  - Including higher education
- AVAINTA
  - Multi industry
  - Polytechnic
  - VET
- State
  - Smallest sector