



Setting the course towards the Nordic Countries

The Industrial Union's Goals for
Working Life in 2027–2031



Looking to the future – not in the rearview mirror

- We are not presenting an extensive list of cancellations: we are looking to the future.
- The goal is a stable labour market, fair competition and safeguarding the position of workers.
- We propose targeted, effective legislative changes that are, in many respects, similar to those already in place in other Nordic countries.
- Most of the proposals are cost-neutral with regard to public finances.



The three challenges we are addressing

What we are reforming – and why

1. Employment security and income security have been eroded to an exceptional degree – Corrective action is needed.
2. The problems of the grey economy and labour exploitation have become widespread – We need fair competition, compliance with labour standards and stricter criminal liability.
3. The balance in the labour market has been disrupted and labour disputes are on the rise – The scales must be tipped in favour of the worker.





Employment security and livelihood

Parliamentary election targets for
2027–2031



Collective protection against dismissal must be strengthened

Dismissal on the grounds of financial or production-related reasons is too easy – and inexpensive

- The legislation must be amended so that, in the future, a compelling reason will be required for dismissal on financial or production-related grounds:
 - The employer must demonstrate that termination is a last resort and that it is genuinely necessary to ensure the continuity or profitability of the business
 - Before terminating an employee's employment, the employer must determine and document that the employee cannot reasonably be assigned to other duties or trained for new duties within the company
 - Companies that pay out substantial dividends or bonuses cannot cite financial or production-related grounds for dismissal without particularly compelling reasons.
- The minimum compensation under the Employment Contracts Act for unjustified termination of employment must be increased to six months' salary. At the same time, the statutory cap on compensation must be removed from the law.



Putting an end to unjustified fixed-term contracts

The quality of working life will decline and discrimination will increase when there is no requirement to justify fixed-term employment contracts. The obligations associated with indefinite employment contracts are being circumvented through the systematic chaining of fixed-term contracts. The Industrial Union believes that permanent employment should be the foundation of the Finnish labour market.

- The practice of continuously renewing fixed-term contracts must be subject to stricter regulation.
 - An employer-initiated fixed-term employment contract may be entered into only for a valid reason.
- See Akava: The legislative amendment will lead to more unjustified fixed-term contracts instead of permanent ones and will increase the risk of discrimination related to maternity and family leave – Akavamultisite
 - See HE 199/2025, p. 40: “Based on the research literature, this legislative change can be seen to have the effect of delaying families in having children —”



Improving the status of part-time workers

Income security for part-time workers is exceptionally weak – Cuts to housing allowance and earnings-related benefits are a contributing factor

- Employers must be required to provide a justification for part-time work in the same way as for fixed-term employment contracts.
- The employer's obligation to offer full-time work to employees who currently work part-time must be amplified.
- Regulations governing the establishment of working hours must be made clearer than they are now and they should place greater obligations on employers.
- The prohibition on competing activities must be lifted in situations where an employee is working part-time against their will and the employer does not offer or is unable to offer additional hours.



Mitigating the financial risk of layoffs

The scaling of earnings-related unemployment allowances reduces the income of laid-off workers even during the layoff period, even though there is often no real possibility of finding employment. Layoffs continue to provide employers with the flexibility they need, but employees do not receive a corresponding level of security. Therefore, the financial risk associated with layoffs should be shared more evenly between the employer and the employee.

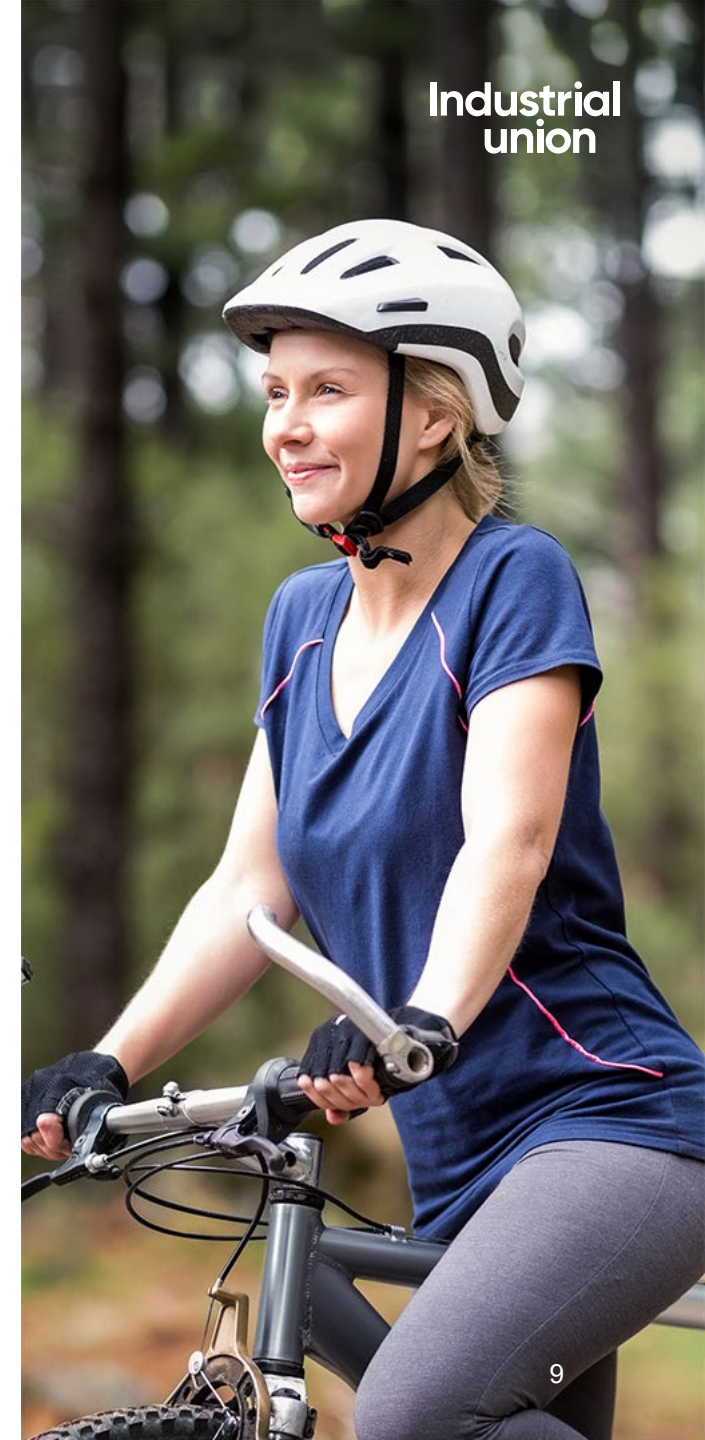
- Section 7 of Chapter 5 of the Employment Contracts Act must be amended so that an employee on layoff may resign from their employment as early as when the earnings-related unemployment allowance is scaled down the first time, instead of the current 200 days.
- This solution would increase labour mobility, as employees would have a financial incentive to change jobs during longer layoff periods.



Improving unemployment benefits

Rapid reductions in earnings-related unemployment benefits reduce income before it is realistic to expect re-employment and diminish the incentive to join an unemployment fund. The lack of child increments has increased child poverty and left families relying on an inadequate safety net. The removal of the protection component, in turn, has reduced the incentive to accept work and increased long-term unemployment.

- The scaling of the earnings-related unemployment allowance must be adjusted: the first scaling stage currently set at two months, must be moved to the six-month point, and the second stage must be eliminated.
- A child increment must be added to unemployment benefits.
- A protection component must be restored to the arbitrated unemployment security.





Combating labour exploitation

Parliamentary election targets for
2027–2031



Wage theft to be considered as a crime

Underpayment gives employers who break the rules an unfair competitive advantage. This phenomenon leaves vulnerable groups particularly susceptible to exploitation. Criminalising underpayment would be an effective way to combat labour exploitation. In Finland, underpayment is not a crime – in Norway, it is.

- Wage theft must be criminalised in the Criminal Code of Finland so that failure to pay wages or parts thereof shall constitute a crime.
- The penalty for wage theft is a fine or imprisonment for up to two years; in aggravated cases, up to six years.
- This would lower the threshold for intervention, clarify the conditions for criminal liability and strengthen workers' rights.



Right of action for labour unions

Victims of labour exploitation are in a vulnerable position and lack the means to defend their rights. The barrier to initiating legal action is often too high, either for financial reasons or out of fear of losing one's job. At the same time, there are typically several victims whose rights and working conditions are being violated employed by the same employer.

- Trade unions must be granted the right to take legal action, and the right to file class-action lawsuits should be extended to cases involving labour law, so that a union can, if necessary, represent the interests of multiple employees in a single lawsuit.
- A class-action lawsuit would have a preventive effect, as the possibility of filing such a lawsuit would encourage employers to address the issues.



Strengthening contractor liability

On large construction sites, main contractors have the majority of the work carried out by splitting the work between subcontractors. Long subcontracting chains enable widespread violations of employer obligations to go unchecked. It is impossible to address these issues because the main contractor is not liable for misconduct within the subcontracting chains. The authorities, for their part, lack the resources to monitor and investigate subcontracting chains.

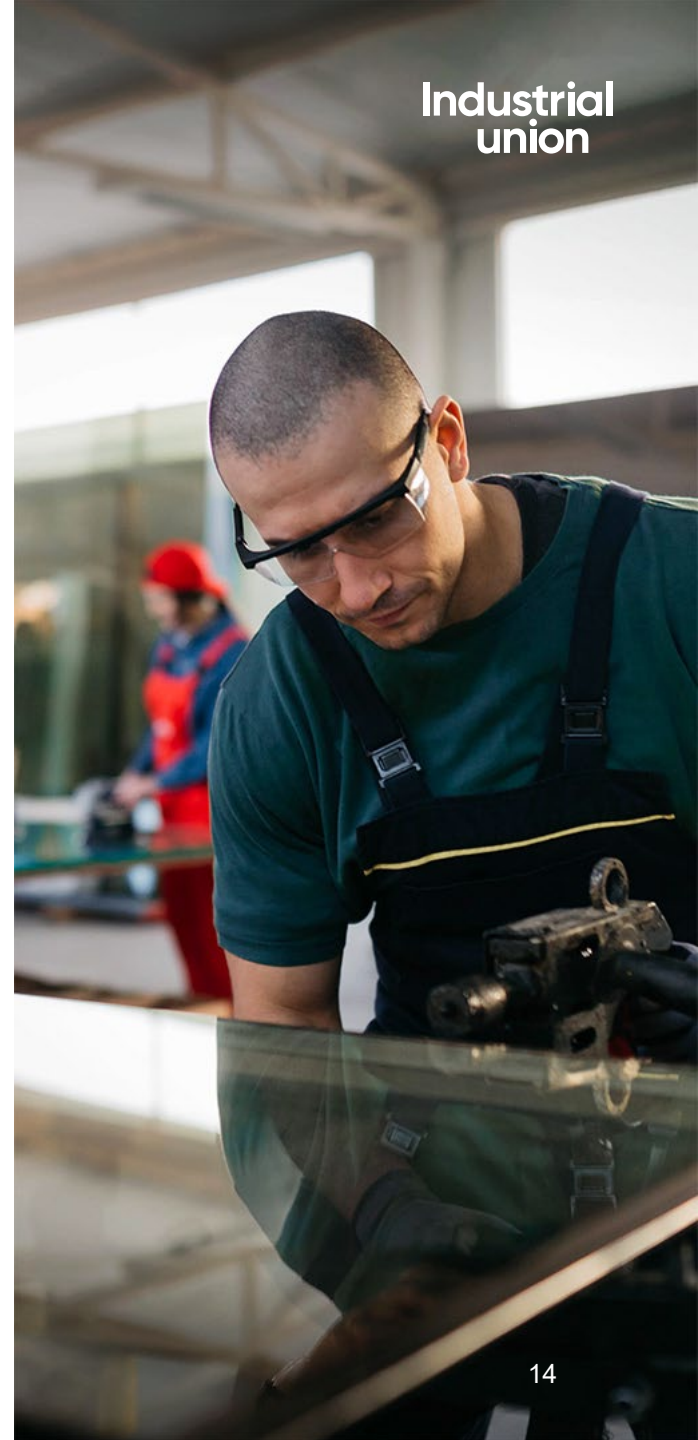
- The length of subcontracting chains must be limited and the principal's liability to cover the entire chain extended, including the responsibility for wage payment and working conditions.
- The client must be required to verify that the work permits of foreign employees working for the contracting party are in order.
- The maximum and minimum compensation amounts for penalties under the Contractor's Liability Act must be significantly increased.
- These changes will make it significantly easier to address instances of non-compliance with employer obligations and exploitation, as the client will be held responsible for any failure to supervise the construction site.



Ensuring that authorities have sufficient resources and competence

Government oversight of labour conditions does not reflect the scale, complexity or organised nature of the phenomenon of labour exploitation. Limited resources, restrictions on access to information, inadequate penalties and insufficient cooperation among authorities mean that the risk of being caught remains low and fair competition is distorted.

- The resources of the Tax Administration, occupational safety and health authorities, and the police must be increased by dozens of millions of euros annually.
- The rights of occupational safety and health authorities to obtain reports from employers must be strengthened, and enforcement must be made more effective through administrative sanctions.
- Criminal penalties for companies, such as corporate fines and disqualification from engaging in business activities, should be tightened. The occupational safety and health authorities must have the right to impose disqualifications.
- The investigation of labour-related crimes must be centralised in the police unit specialising in human trafficking.



Expanding the use of tax identification numbers to new industries

The introduction of tax numbers has proven to be an effective means of preventing labour exploitation and tax evasion in the construction and shipbuilding industries. Extending it to high-risk sectors would make it easier to monitor and address problems.

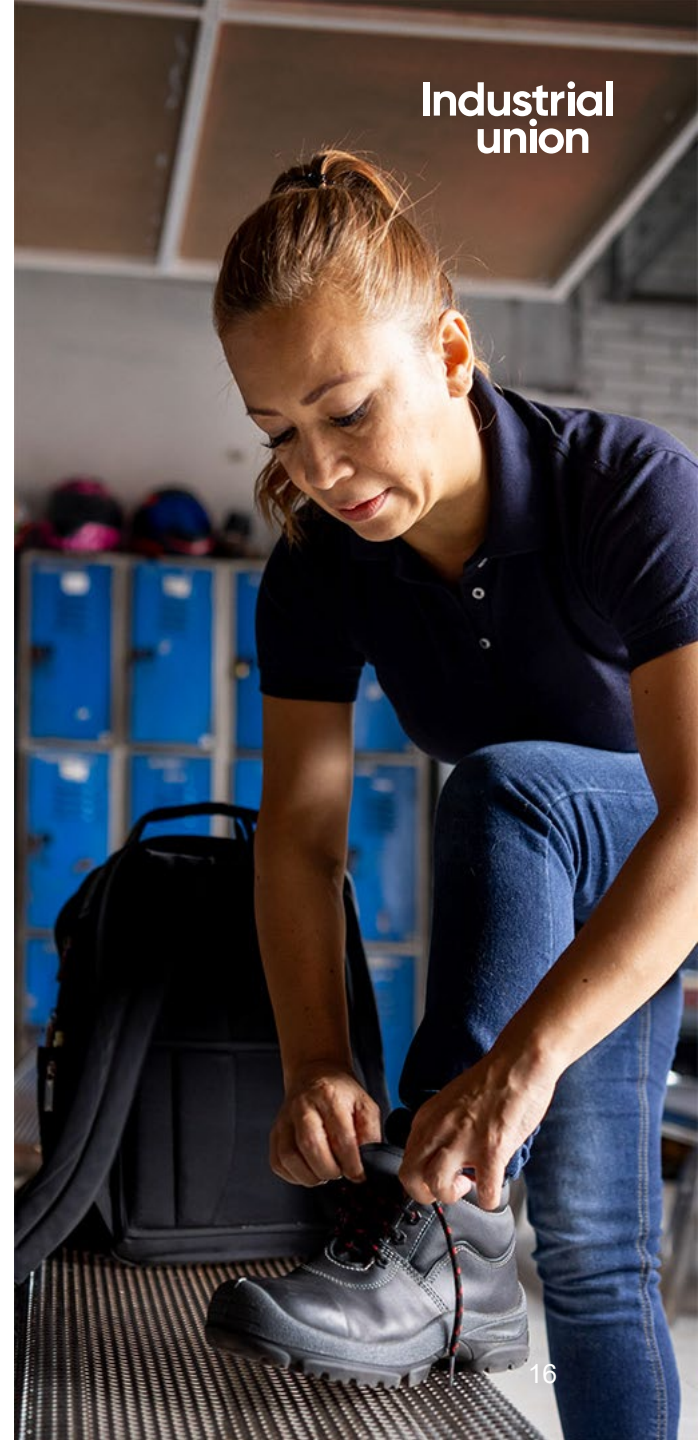
- The use of tax identification numbers must be expanded to sectors where labour exploitation, non-compliance with employer obligations and tax evasion occur.
- Examples of such sectors include: facility services, the restaurant industry, the taxi industry, the cleaning and maintenance sector, food delivery services and industrial subcontracting chains.



Justice for victims of labour exploitation

The rising cost of legal proceedings and the higher threshold for bringing a case to court pose a significant barrier, particularly for victims of labour exploitation with a foreign background, to seeking and obtaining justice. The victim's ability to exercise their rights may also be hindered by work permits and related procedures.

- Legal and interpretation assistance must be ensured for victims of labour exploitation.
- The UHKE permit system must be streamlined so that victims of labour exploitation can obtain their permits more quickly and for longer periods, and so that a supported job search process is provided for them.



Maintaining the labour availability consideration

The purpose of the labour availability consideration is to ensure that workers already in Finland have the opportunity to find employment before recruiting from outside the EU. The purpose of the labour availability consideration is also to help ensure compliance with Finnish terms of employment.

- The labour availability consideration must be maintained.
 - The assessment of labour supply and demand must be based on transparent methods
 - Uniform regional criteria are needed to define regional work permit policies and sectors facing labour shortages.
- The permit and processing fees for negative work permit decisions resulting from the employer's actions or the labour availability consideration rules must be transferred from the employee applying for the permit to the employer's responsibility.



A hiring ban should be imposed on employers found guilty of exploitation

Employers found guilty of exploiting foreign workers must be prevented from recruiting new workers from third countries by applying the recruitment ban under Section 187 of the Aliens Act.

- Bans on recruiting new workers from abroad must be imposed for even minor violations and failures to comply.
- The minimum and maximum durations of hiring freezes must be significantly extended.
- The Ministry's guidelines ensure the widespread application of hiring freezes.
- A decision to impose a hiring ban may be made even if the employer has also been sentenced to a penalty for the offense.



Making more effective use of the Incomes Register

Excluding trade unions from the user group of the Incomes Register is not justified. This makes it harder to address underpayment and other forms of abuse. Making broader use of the Incomes Register will give unions the tools to detect exploitation early on and to address it in a more systematic manner. In addition, employers often report wage data to the Incomes Register late or inaccurately, which prevents the detection of underpayment and complicates enforcement efforts. Repeated reporting of false information to the Incomes Register has gone without sufficient penalties.

- Employers must be required to report additional information to the Incomes Register, such as breakdowns of salary and absence data.
- Access to the Incomes Register must be extended to labour unions.
- The Act on the Income Information System must be amended to allow income earners to disclose their income data in the Incomes Register to third parties.
- Penalties will be imposed on employers who repeatedly submit incorrect information to the Incomes Register.





Labour-market balance

Parliamentary election targets for
2027–2031



Reforming mediation to prevent labour disputes

The statutory export model has led to a situation in which the mediator is forced to rely on the employer's views. This undermines the impartiality of mediation, makes negotiations more tense and, ultimately, will increase the number of labour disputes. We are proposing reforms aimed at improving the chances of successful mediation and reducing the risk of protracted labour disputes.

- The administrative independence of the National Conciliator must be strengthened, the impartiality of the conciliation process must be ensured and information regarding the negotiations must be better protected than at present.
- A unit responsible for providing an overview of the economic situation shall be established within the Office of the National Conciliator. The unit is provided with adequate resources, and its access to data and calculation methods must be ensured.
- The provision governing mediation under the Act on Mediation in Labour Disputes must be reviewed: the conciliator cannot be bound by pre-established criteria when proposing a settlement.



Correcting the overreach excesses in restricting the right to strike

The right to industrial action has been restricted in a way that calls for reparatory measures. The Industrial Union does not seek to overturn all the restrictions that have been imposed, but rather to correct the excesses that have arisen from them. The goal is to ensure a strong and effective right to industrial action that also takes into account society's need to protect essential services.

- The regulations governing solidarity strikes will be clarified. Restrictions should only apply to industrial actions that are clearly excessive in relation to the objective sought.
- The penalty fines must be amended so that the fines imposed for employers' violations of collective agreements and for employees' breaches of industrial peace are equivalent. The maximum amount of the penalty fine should be lowered to the Nordic level.
- The personal fine of 200 euros for participating in an illegal labour dispute is to be revoked.
- Regulations governing protective work must be limited to activities that are essential to society, namely the protection of the legal rights to life and health.



Restoring the tax deduction for labour market organisation membership subscriptions

The tax deduction for membership subscriptions paid to labour market organisations supports the functioning of the organised labour market. In Norway, labour productivity increased when tax deductions for union membership were introduced. For employees, membership subscriptions are expenses incurred in earning or maintaining income. Their deductibility is an integral part of the functional taxation of earned income.

- Restoring the tax deduction for labour market organisation membership subscriptions in full (180 million euros).

Source: [Union Density Effects on Productivity and Wages](#) | The Economic Journal | Oxford Academic

Industrial
union



Strengthening the universality of collective agreements

Changes in employer associations and employer organisation have resulted in collective bargaining agreements and industries falling outside the scope of universal applicability. To strengthen the minimum protection provided by terms of employment, universal applicability must be improved. The proposed changes promote fair competition among businesses and support the requirements of the Directive on adequate minimum wages in the European Union regarding the coverage of collective bargaining agreements.

- The criteria for declaring collective bargaining agreements universally binding will be amended so that the most representative collective bargaining agreement in the sector can always be declared universally binding.
- The scope of universal applicability will be extended to cover sectors that do not have an employers' association.



Improving the quality of local agreements

The reform of local agreements has not achieved its stated goals of boosting employment or increasing productivity. On the contrary, this has led to a decline in employee confidence in local bargaining. This is also evident at the collective bargaining tables: there is less willingness to expand local bargaining. To restore trust, the Industrial Union is proposing specific measures to address employees' concerns.

- The ability of occupational safety and health authorities to address shortcomings in local agreements must be strengthened by increasing resources and tightening penalties for failure to submit a local agreement.
- A local agreement can only take effect once it has been submitted to the authorities.
- Local agreements must follow the negotiation procedures set forth in collective agreements.
- Shop stewards must have the right to represent all employees in local bargaining at the workplace.



Transferring the right to interpret collective agreements to the employees

The employer has the prerogative to interpret the collective agreement. In the event of a dispute, the employer's interpretation shall prevail until the matter is resolved by a court decision. Shifting the prerogative of interpretation from employers to employees boosts productivity by strengthening trust between the parties and improving the quality of local bargaining. The shifting of the right of interpretation can begin with the agreements and terms of employment in the non-unionised sector.

- The right to interpret terms of employment is granted to employees in cases involving the interpretation of agreements and terms of employment in non-unionised sectors.



Recognising the role of the shop steward at all workplaces

The role of a shop steward is based primarily on collective bargaining agreements, not on the law. This has led to some employers refusing to recognise the shop steward's position. To ensure employee representation, the role of the shop steward must be enshrined in law. We can learn from Sweden's example, as they have protected these rights by a separate law on shop stewards.

- The role of the shop steward must be strengthened in legislation by recognising the right to elect a shop steward at the workplace, by requiring the employer to cooperate with the shop steward and facilitate the shop steward's activities, and by ensuring the conditions necessary for the performance of the role under threat of criminal prosecution (violation of the freedom of association).
- The provisions of the collective bargaining agreement take precedence over the law.





Thank you!



020 774 001



www.teollisuusliitto.fi



firstname.lastname@teollisuusliitto.fi



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Teollisuusliitto-kanava



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