

# Foreign forest workers in Finland

Guide for foreign workers employed in the forestry,  
forestry machinery or plant nursery sectors in Finland





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# Foreign forest workers in Finland

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**This guide provides information for foreign workers who are employed in Finland in the forestry, forestry machinery or plant nursery businesses. The guide includes a description of the most important rights and obligations of foreign workers. For the most part, the rights and obligations of foreign workers are the same as those of Finnish workers. In addition to legislation, requirements and rights are set for forestry employers and workers in the collective agreement valid in the sector and in forest certification requirements.**

# Rights and obligations of the worker and the employer

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The same pay and working terms as well as occupational safety requirements apply to both Finnish and foreign workers. The employer must ensure that the working conditions are safe. The worker must follow instructions from supervisors and carry out all tasks carefully. However, the worker has the right to refuse to perform work when deficient

safety arrangements result in a risk to the worker's own health or life, or that of other workers.

Each worker has the following rights: a minimum wage in accordance with the collective agreement and the applicable requirement category, appropriate terms of employment, membership of a trade union, a safe working environment and equal treatment.



# The key terms and conditions of employment and the collective agreements

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## Key terms and conditions of employment

According to the Employment Contracts Act, the employer and employee must agree on at least the following key terms and conditions of employment:

- the domicile or business location of the employer and the employee
- the date when the employment relationship begins
- the grounds for concluding a fixed-term contract and the date of termination of the contract
- the trial period
- the place where the work is to be performed or, if the employee has no primary fixed workplace, an explanation of the principles according to which the employee will work at various work locations
- the employee's most important duties
- the collective agreement applicable to the work
- the pay
- the grounds for the determination of pay and other remuneration, and the pay period
- the regular working hours
- the manner of determining annual holiday
- the period of notice.

## Collective agreements in the forestry and nursery work

A collective agreement is an agreement between a trade union and an employers' association on the terms and conditions of employment, including wages. The minimum level of terms and conditions is established in law. The collective agreement includes terms and conditions that can be better for the worker than this minimum level. Collective agreements are negotiated separately in each sector.

The collective agreements in the forestry, forestry machinery and plant nursery sectors are universally binding. As stated in the Employment Contracts Act, all employers in these sectors, including foreign employers and employers that do not belong to an employers' association, must comply with the terms and conditions defined in the collective agreement.

Collective agreements can be found at [www.finlex.fi/fi/viranomaiset/tyoehto/](http://www.finlex.fi/fi/viranomaiset/tyoehto/) (in Finnish).

## Working hours and annual holiday

Regular working hours in Finland must not exceed eight hours per day and 40 hours per week. Exceptions are agreed on in collective agreements between trade unions and employers' associa-

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tions. The employer must confirm whether the worker is included in the scope of the Working Hours Act. The Working Hours Act is not applied to loggers, for example.

Overtime arrangements are always voluntary and always require the worker's consent. A higher rate of pay is applicable to overtime work.

There are five working days in a week. The length of the annual holiday is determined based on how many months the employee has been working for the company. A full-time employee gets approximately one month of annual holiday. For each full month of work, the employee receives a minimum of two days of holiday. If the employment relationship has lasted more than a year by the end of the annual holiday credit period (1 April – 31 March), the employee receives 2.5 days of holiday per each month.

### **Working time averaging leave**

Working time averaging leave is a practice agreed on in collective agreements. It means the accumulation for a worker of time off in lieu of pay to balance the hours worked. Working time averaging leave usually accumulates for employees who work 40 hours per week. In the collective agreement

for forestry, working time averaging leave is calculated based on completed working days. The time accumulated by the employee is granted as days off in lieu of pay.



# Before you start working

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## Permits and registration

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**If you are a citizen of a country that is a member of the EU or the EEA**, you don't need to apply for a residence permit for an employed person. If the duration of your employment in Finland exceeds three months, you will need to register your right to reside in Finland at the police station.

**If you are a citizen of a country that is not a member of the EU or the EEA** (i.e. not a citizen of the EU, Liechtenstein, Switzerland or the Nordic countries), you need to apply for a residence permit for an employed person while still residing in your home country. You must have the permit before you come to Finland. Submit your application to a Finnish embassy.

If you already have a residence permit, see your permit card or the decision delivered to you to find out whether you have the right to work.

## Extension of the validity of a residence permit

The application for an extension of the residence permit's period of validity must be submitted while the residence permit is valid. If the extension application has been submitted in time, the foreign worker may continue working in

accordance with the previous permit until the new residence permit is approved or a negative decision has become legally valid.

Submit the extension application at the police station of your municipality in Finland. Inform your employer immediately if any changes take place in your right to reside or another precondition of your right to work. Provide your employer with a copy of the certificate for a pending application. When you receive a new residence permit, provide your employer with a copy of the permit with no delay.

## Further information

- Finnish missions abroad [www.formin.finland.fi](http://www.formin.finland.fi) (Finnish, Swedish, English)
- The Finnish Immigration Service [www.migri.fi](http://www.migri.fi) (Finnish, Swedish, English)
- The Police [www.poliisi.fi](http://www.poliisi.fi) (Finnish, Swedish, English)

## Opening a bank account

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In Finland, the employer pays the wages into the employee's bank account. There are several banks in Finland. You are free to choose which one you want to use. To open a bank account, you need to have a passport or other official proof of identity.

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## Employment contract

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In Finland, the employment contract between an employer and an employee is usually made in writing. A written employment contract is compulsory when working in PEFC-certified forests.

Keep your employment contract safe. In case of a dispute, you will be able to prove what was agreed when the employment relationship began.

## Social security and insurance

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The employer must arrange the appropriate social security insurance for the employee. This applies to both Finnish and foreign employers.

The following statutory social insurance contributions apply in Finland:

- pension insurance contribution
- accident insurance contribution
- employee group life insurance contribution
- unemployment insurance contribution
- social security and health insurance contribution.

The employer's social security contribution and the insured person's health insurance contribution are obligatory payments if the Health Insurance Act applies to the employee. The decision on this

is made by Kela (the Social Insurance Institution of Finland).

Employees of a Finnish company pay part of their pension and unemployment insurance contributions. In addition to taxes, your employer will withhold social security and insurance payments from your wages (a total of 7% of your pay), unless you have an A1 or E101 certificate that proves that you are covered by appropriate insurance policies in another country. A foreign employer may be covered by insurance policies in his or her home country.

### Workers from the EU or the EEA

If you come from within the EU/EEA, you are covered by the social security system of your own country, and you will receive no Finnish social insurance policy. Provide your employer with your A1 (previously E101) certificate that indicates that you are covered by the social security system (accident and pension insurance) of your home country.

It is fairly common that authorities, for various reasons, do not accept a posted worker's A1/E101 certificate. The employer must then arrange the employee's accident and pension insurance with a Finnish insurance company.

## Workers from outside the EU or the EEA

If you come from outside the EU/EEA (and from a country that does not have a social security agreement with Finland), the Finnish social security legislation will apply to you, and you must pay the statutory social security contributions from the beginning of your employment relationship.

If you come from Switzerland or from certain countries that have a social security agreement with Finland (Australia, Chile, Canada and the USA), you will be included in the social security system of your home country and will receive no Finnish social security insurance policy. Workers coming from countries that have a social security agreement with Finland must have a posted worker certificate in accordance with the social security agreement.

If the duration of the employment in Finland does not exceed two years, the Employees Pensions Act recognises cases where a foreign employer is free of the obligation to take out an employee's pension insurance policy. If the duration of employment does not exceed five years, the employer may apply for an exemption from the insurance obligation with the Finnish Centre for Pensions. Kela, on the other hand, decides which

residence-based social security benefits the employee will receive in Finland.

### Further information

- Finnish Centre for Pensions  
[www.etk.fi](http://www.etk.fi) (Finnish, English)

# During employment

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## Occupational safety and health

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**Request induction training and ask questions.** An employer's statutory obligations include the induction of employees in appropriate working methods and safety regulations. The employee must ask for more information when in doubt about anything.

**Maintain safety.** An employee must follow the safety guidelines used at the workplace, take into account any risk factors and report all deficiencies observed in the working environment to the supervisor or occupational health and safety representative.

According to the Occupational Safety and Health Act, the employer carries the primary responsibility for safety at work. The employer must provide the employee with appropriate safety and protective equipment and acquire new equipment to replace any damaged equipment.

Finnish law requires that at workplaces where at least ten employees work regularly, the employees shall choose from among themselves an occupational safety and health representative and two deputy representatives. This requirement does not apply to foreign workers employed by a foreign employer.

**Maintain your health.** Employers are required by law to arrange for occupational health care for all employees. This requirement also applies to foreign employers that send an employee to Finland for a limited period of time. The purpose of occupational health care is to prevent any detrimental health impacts of the work and the working conditions, and to promote health and the employee's continued ability to work. You may use the services of an occupational health care doctor or nurse at no cost. The occupational health care contract and action plan define the content of the occupational health care services. Some services are not available in all cases (e.g. hospital care).

## Wages and other compensation

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Wages and other compensation must follow the terms and conditions agreed for the sector, that is, the forestry, forestry machinery or plant nursery sector. The employer may, however, offer wages that exceed the minimum terms defined in the collective agreement. The collective agreements also apply to employees who work for a foreign employer in Finland and to posted workers.

In connection with the pay, the employer must provide the employee with a payslip or other document that contains an account of the hours worked, the base pay, any extra pay, other remuneration and the contributions withheld from the pay.

Tax-free remuneration may include per diem allowances and expense allowances for any travel or the use of a clearing saw, for example. The bases for the wage and other remuneration are defined in the collective agreement.

Pension is accrued from all work, from long and short periods of employment. The pension contributions paid by the employer are shown in the payslip.

Keep track of your working hours and compare them to your payslip. Notify your employer of any errors without delay.

If the payment of wages is delayed or your employer is unable to pay your wages, you may apply for compensation via the pay security system. The pay security system cannot, however, be applied in situations where an employee of a foreign company has been working in Finland temporarily.

### **Further information**

- Occupational safety and health: Työsuojeluhallinto (the occupational safety and health administration), [www.tyosuojelu.fi](http://www.tyosuojelu.fi)
- Pension: the Tyoelake.fi service, [www.tyoelake.fi](http://www.tyoelake.fi) (Finnish, English, Estonian, Russian)
- Pay security: Centre for Economic Development, Transport and the Environment [www.ely-keskus.fi](http://www.ely-keskus.fi)

### **Taxation**

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Your taxation in Finland is determined based on how long you work in Finland. The employer will withhold taxes when paying your wages.

#### **Period of employment under six months**

If you will be working in Finland for less than six months, you will pay 35% withholding tax. This is the final amount. You will normally not need to submit a tax return in Finland.

If your income in Finland amounts to 75% or more of your earned income for the year and you live in a country that is a member of the EEA, you may afterwards apply for progressive taxation instead of the fixed 35% tax rate.

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Get a Finnish identity number and a tax-at-source card from the tax office. Give the tax-at-source card to your employer. When the employment ends, the employer must provide the employee with a payslip that indicates the income paid and the tax withheld. Keep the payslip so that you can show it to the tax authority in your home country if required.

If you work for less than six months in Finland and receive wages from a non-Finnish employer, you will not have to pay taxes in Finland. You will submit a tax return and pay taxes in your home country. If your non-Finnish employer has permanent establishment in Finland, it will be considered equal to a Finnish employer, and you will pay taxes in Finland.

### **Period of employment over six months**

If your period of employment lasts for more than six months, you will pay regular taxes in Finland, regardless of whether your employer is Finnish or non-Finnish. You will have to submit a tax return in Finland once a year.

Get a Finnish identity number and a tax card from the tax office. Give the tax card to your employer. If you work in Finland only temporarily, you may apply for a Finnish identity number at

the tax office when you get your tax card. If you will be working in Finland for longer than a year, you will need to apply for an identity number at the local register office.

If your employer is non-Finnish and has no facilities in Finland, it does not have to withhold taxes for the Finnish tax authorities. In such cases, it is important that you ask the tax office to set prepayment tax. If no prepayment tax is determined, you will have to pay an increased tax rate.

### **Further information**

➤ Finnish tax administration  
[www.vero.fi](http://www.vero.fi) (Finnish, Swedish, English, Estonian, Polish, Russian)

### **Applying for a Finnish identity number**

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A worker who will be temporarily employed in Finland can get a Finnish identity number from the tax office. If the applicant for an identity number will be residing in Finland for at least one year, the identity number is granted by the local register office. To get an identity number, the applicant must visit the tax office in person. You must have with you your passport, the documents that prove that you have the right to reside and work in Finland, and

an employment contract that shows the key terms and conditions of employment.

### **Further information**

- A joint service of Kela and the tax administration for foreign workers in Finland (Finnish, Swedish, English, Russian) <http://www.intofinland.fi/fi>
- Finnish tax administration [www.vero.fi](http://www.vero.fi) (Finnish, Swedish, English, Estonian, Polish, Russian)
- Register offices [www.maistraatti.fi](http://www.maistraatti.fi) (Finnish, Swedish, English)

## **Employee representation**

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Most Finnish employees are members of trade unions and unemployment funds. Joining is voluntary. A member of a trade union will pay a membership fee. In return, the trade union will help supervise his or her interests. A member of a trade union is also a member of its unemployment fund. An employee who is a member of an unemployment fund will receive higher unemployment compensation. An employee may join a non-union unemployment fund. There are several unemployment funds in Finland that are not connected to trade unions.

The employees of a workplace have the right to elect a shop steward to represent the employees in matters that concern the application of the collective agreement.

## **Sickness**

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Immediately notify your employer if you fall ill. Get a medical certificate from the statutory occupational health service arranged by your employer. Deliver the certificate to the employer without delay.

Employees are entitled to paid sick leave in accordance with the applicable collective agreement. The conditions vary based on the length of your employment. Paid sick leave is also determined by the law.

## **Accidents at work**

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Immediately notify your supervisor of any accidents at work. The statutory accident insurance policy taken out by the employer will compensate for any necessary medical treatment.

If you have an accident during work or en route to or from work, you are entitled to paid sick leave in accordance with the applicable collective agreement.

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## Temporary lay-offs

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Temporary lay-offs mean that the employer temporarily interrupts work and the paying of wages that have been agreed on in an employment contract. The employment relationship continues during a temporary lay-off.

The employer has the right to temporarily lay off an employee based on two different conditions:

- The employer has a financial or production-related reason for terminating the employment. The work to be offered has diminished substantially and permanently and the employer cannot provide the employee with other suitable work or training.
- The employer's potential for offering work has diminished temporarily (for a maximum of 90 days). The employer cannot reasonably provide the employee with other suitable work or training corresponding to its needs.

The employer must provide written notice of the lay-off no later than 14 days before the lay-off period begins. In other words, the employer cannot order the employee to immediately begin unpaid leave. The terms and conditions included in the collective agreement may contradict this

rule. For example, in the forestry machine sector, an employer is entitled to temporarily lay off an employee without the 14-day period of notice when the work is prevented by cold weather. The temperature limit must be defined in advance.

The employee has the right to take other work during the lay-off period and terminate such an employment contract with a five-day period of notice, regardless of whether the contract is permanent or fixed-term.



# Termination of employment

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## Termination by the employee

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When the employment relationship is terminated by the employee, the period of notice is determined based on the length of the employment relationship, and can be two weeks or one month. After handing in the termination notice, the employment relationship continues until the period of notice ends, and is then terminated. The employer pays wages for the period of notice.

A fixed-term employment contract cannot, in principle, be terminated before the fixed term ends. A period of notice may also be included in a fixed-term employment contract.

The employee may terminate the employment contract without a period of notice if the employer commits a breach against or neglects its duties in a serious manner.

## Termination by the employer

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The employer can only terminate an employment relationship based on a weighty reason. A fixed-term employment contract can only be terminated if the practice has been explicitly agreed on in the employment contract. The employer must follow the periods of notice

defined in the law, unless otherwise agreed.

The employment may be terminated because of deteriorated financial conditions or a rearrangement of production operations. The employer does, however, have the obligation to try to arrange other work or training in new duties for the employee. If the employer is unable to offer other work or training required by new work duties, it can terminate the employee's employment contract.

The employer may terminate an employment contract with immediate effect based on a very serious reason. A grave breach of obligations or neglect related to the employment relationship or the law may be such a reason. For example, the employee may have stolen the employer's property or put the safety of other people at risk. Unless the breach is exceptionally serious, the employee must first give the employee a warning.

## The final pay – money owed at the end of the employment relationship

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Holiday compensation must be paid for all employment relationships, even when the duration of the employment relationship is

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only a few hours. The amount of the holiday compensation will be at least two day's pay per month of work. When the employment relationship has lasted at least a year by the end of the annual holiday credit period, the employee receives 2.5 days of holiday per each month.

Days of absence days due to acceptable reasons, such as sick days, are included in the days that are used as the basis for calculating holiday compensation. Holiday compensation is paid at the end of the employment relationship if the employee has not taken annual holiday during the period of employment.

In addition to holiday compensation or the holiday pay for the annual holiday, the employee is also entitled to a holiday bonus that amounts to 50% of the pay.

## **Certificate of employment**

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An employee has a statutory right to receive a certificate of employment at the end of an employment relationship. The duties and the duration of employment must be indicated in the certificate of employment. If the employee so requests, the certificate must also indicate the reason for the termination of employment and include an assessment of the employee's

skills and conduct. You can use the certificate of employment to prove your previous work experience when applying for new work.

# Further information

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- Work in Finland guide, TE Services (Finnish, Swedish, English, Estonian, Russian, Spanish, Polish): [www.te-palvelut.fi/te/fi/tyonhakijalle/loyda\\_toita/tyohon\\_suomeen/index.html](http://www.te-palvelut.fi/te/fi/tyonhakijalle/loyda_toita/tyohon_suomeen/index.html)
- Working in Finland guide, Finnish Institute of Occupational Health [www.ttl.fi/fi/muuttuva\\_tyoelama/toissa\\_suomessa/Sivut/suomi.aspx](http://www.ttl.fi/fi/muuttuva_tyoelama/toissa_suomessa/Sivut/suomi.aspx) (Finnish, Swedish, English, Russian, Estonian, French, Somali, Chinese, Arabic, Kurdish, German, Thai, Vietnamese)
- A joint service of Kela and the tax administration for foreign workers in Finland (Finnish, Swedish, English, Russian): [www.intofinland.fi](http://www.intofinland.fi)
- Legislation concerning foreign workers, Occupational safety and health administration (Finnish, Swedish)  
[www.tyosuojelu.fi/tyosuhde/ulkomainen-tyontekija](http://www.tyosuojelu.fi/tyosuhde/ulkomainen-tyontekija)
- Guide to working in Finland, national labour market confederations of Finland (Finnish, Swedish, English), [www.tyomarkkina-avain.fi](http://www.tyomarkkina-avain.fi)
- Finland in your language [www.infopankki.fi](http://www.infopankki.fi) (Finnish, Swedish, English, Russian, Estonian, French, Somali, Spanish, Turkish, Chinese, Persian, Arabic)

# Terminology

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## **Foreign worker**

A worker who is not a citizen of Finland.

## **Posted worker**

A worker who normally works in another country and who is posted in Finland for a limited period of time by an employer company that is located outside of Finland.

## **Non-Finnish/foreign company**

A company that has no business location in Finland. A company that is owned by non-Finnish operators but has a business location in Finland is not considered a non-Finnish company.

## **Collective agreement**

A collective agreement is an agreement between a trade union and an employers' association on the terms and conditions of employment, including wages. The minimum level of terms and conditions is established in law. The collective agreement includes terms and conditions that are better for the worker than this minimum level. Collective agreements are negotiated separately in each sector.

## **Forest certification**

Certification of a forest proves that the forest is managed in an ecologically, economically and socially

sustainable manner. Two forest certification systems, FSC and PEFC are applied in Finland, both with their own criteria. An independent operator supervises the fulfilment of the criteria. Forest certification requirements must be complied with in the certified forests.

## **PEFC**

The Programme for the Endorsement of Forest Certification (PEFC) is an international forest certification system that promotes ecologically, economically and socially sustainable management of forests all around the world. In Finland, 90% of forests are certified in accordance with PEFC.

## **FSC**

The Forest Stewardship Council (FSC) is an international non-profit organisation with open membership that is committed to promoting responsible management of forests. In Finland, 4% of forests are certified in accordance with FSC.

# Checklist

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## Checklist for foreign workers who work or intend to work in Finland

### BEFORE YOU START WORKING

- If you are a citizen of a country that is a member of the EU or EEA and you will work in Finland for longer than three months, register your right to reside in Finland at the police station.
- If you are not a citizen of a country that is a member of the EU or the EEA, apply to a Finnish embassy for a permit to work. If you already have a residence permit, see your permit card or the decision delivered to you to find out whether you have the right to work.
- Sign a written employment contract and keep it safe.
- If your employer has a business location in Finland, open a bank account for the payment of wages.
- If you come from the EU/EEA, Switzerland or certain countries that have a social security agreement with Finland (Australia, Chile, Canada and the USA) or you work regularly outside Finland, submit the A1 certificate or posted worker certificate that you received from the authorities of your home country in accordance with the social security agreement to your employer

to determine the applicable social security system.

- If you have to pay taxes in Finland, get a Finnish identity number, tax-at-source card or tax card from the tax office, and deliver it to your employer.

### DURING EMPLOYMENT

- Request induction training and ask questions.
- Take care of your own safety and that of others.
- Prevent any occupational health impacts by taking care of your health and ability to work.
- Based on the payslip you receive in connection with the payment of wages, make sure that the pay and other remuneration comply with the collective agreement and Finnish legislation.

### AT THE END OF EMPLOYMENT

- The appropriate periods of notice must be complied with when the employment relationship is terminated by you or your employer.
- Make sure that you get any money that is owed to you at the end of your relationship (pay, expense allowances and holiday compensation).
- Request a certificate of employment to prove your previous work experience when applying for new work.



Työturvallisuuskeskus, p. 09 616 261, [www.ttk.fi](http://www.ttk.fi)

## Foreign forest workers in Finland

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This guide provides information for foreign workers who are employed in Finland in the forestry, forestry machinery or plant nursery businesses. The guide includes a description of the most important rights and obligations of foreign workers. For the most part, the rights and obligations of foreign workers are the same as those of Finnish workers. In addition to legislation, requirements and rights are set for forestry employers and workers in the collective agreement valid in the sector and in forest certification requirements.



METSÄMIESTEN SÄÄTIÖ

*Ihminen ja metsä*

