



**SAK**

**Regional Seminar on Free Movement of Workers with the Focus on  
Estonia and Finland**

**16.9.2011, Tallinn, hotel Viru**

**Labour Movement Between Finland and  
Estonia**

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16.9.2011



*At work with you*

## Foreigners in Finland

- Finland became an country of immigration in the early 1990s
- 3% of Finnish population are foreign citizens (168 000)
- **Estonians** (29 080) and Russians (28 426) are the two biggest group of foreign national living permanently in Finland
- By native language - 54 566 Russian speakers and 28 500 **Estonian speakers**
- Special interrelationship between Finland and Estonia - similarities in culture and language; good cooperation in culture, science, business

## Estonians working in Finland

- The employment rate of Estonians doesn't remarkably differ from Finnish nationals (unemployment rate 8,4%)
- the average unemployment rate of all immigrants is three times the national average
- The main areas of occupation: service sector, transport and logistics, construction and warehousing work
- Also highly trained experts - scientists, teachers and medical practitioners

## Cross Border Movement

- Tallinn and Helsinki make a common labour market area
- Since Estonia joined EU, labour movement has changed - more posted workers, hired out workers, commuters
- No precise figures exist on the number of foreigners working on temporary basis from EU countries
- According to estimations ca 40 000 -50 000 persons from EU countries working per year temporarily - the majority comes from Estonia
- Most of the foreign workers in the construction industry comes from Estonia (Finnish construction workers were a minority of the building facade renovation workforce in Helsinki)

## Trade Unions and labour movement

- Trade union movement supports free movement, increased cultural interaction, exchange of knowledge and international mobility
- Against human exploitation (misuse of working conditions, discrimination, human trafficking) and social dumping
- Two labour markets situation is unacceptable - foreign workers should not be disadvantaged
- Trade union movement is engaged in a struggle to achieve equitable treatment of employees and to oppose the exploitation of immigrants (on national and EU level)

## Problems and concerns

- Related mostly to temporary workers - especially hired out workers; the work is distributed through subcontracting chains
- Grey economy and discrimination
  - Salaries are not paid according to collective agreements
  - Benefits as overtime and weekend work bonuses, holiday compensations are often not paid
  - Hired out workers don't always pay taxes
  - Estonians have often paid agency fees when seeking work in Finland (fees illegal)

## Challenges

- Posted and hired out workers are problematic in respect to collective agreements
- It is cheaper to employ posted workers (social security)...
- Employers must be liable for ensure that all work done in Finland complies with Finnish laws and agreements
- Rights for trade unions to supervise terms and conditions for employment should be improved
- Trade unions should have independent standing in civil actions
- Collaboration between labour market organisations and labour market authorities should be improved



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# Towards decent work and fair labour market ...

**Thank you for you attention!**

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