### Change Negotiations

What happens in and after change negotiations? Q & A



#### Why Change Negotiations?

- Before deciding to reduce workforce, employer is required to negotiate the options with the employees. The negotiating process is called Change negotiations (former Co-operation negotiations)
- Reducing the workforce means terminations, temporary lay-offs and shifts to part-time work due to economic or production-related reasons.
  - Termination/dismissal = Employment contract ends.
  - Temporary layoff = Temporary suspension of employment and pay.
  - Part-time work = Less work and less pay.



#### What is the duration of the negotiations?

- If the reductions are targeted to 9 or less employees or concern temporary lay-offs, the negotiation period is two weeks.
- If the reductions are targeted to more than 9 employees
- -> The minimum negotiation period is **six weeks** (counted from the first negotiation).

The time is calculated from first negotiation.



#### Who is represeting me in the negotiations?

- Shop Steward / employee representative represents all the employees
- Ad hoc representatives can be elected
- Employee can represent oneself (if no personnel representatives elected)



### Who is representing employer?

• Employer decides who is representing company

(The employer can, for example, hire a law firm to handle negotiations.)



### When will the measures be implemented?

- The Co-operation Act dosn't dictate when the measures should be implemented.
- However, the measures cannot be initiated until the obligation to negotiate has been fulfilled.
- Upon fulfillment of the obligation to negotiate, the employer must present within a reasonable time when the employer intends implement its decision to reduce labour.
  - The criteria must continue to apply when terminations and layoffs are implemented.
- The negotiation proposal usually includes the estimation of the time when the measures are taken place.



#### Who can be terminated?

- An employee whose work has ceased or substantially reduced.
- An employee who is on study leave.
- Fixed-term employees can not be terminated if there is an exact date when the fixed term expires.
- During family leave the employee may be terminated only if the company's activities (in Finland) altogether will end.
- An employee may be dismissed while on sick leave, but not because of illness, unless the illness affects the employee's ability to work.



#### How do I get the notice of termination?

- Notice of termination is given in person (by Teams etc. is ok, if agreed)
  - You can get the notice verbally or on paper.
- If you are invited to a discuss termination, you can ask the employee representative or your co-worker to be present as your support.
- Signing the notice paper does not mean that you agree the termination.
  - Signature should only confirm that you have received the notice.



#### What should be in the notice of termination?

- Clearly show that the employer has terminated the employment for economic or production related reasons.
- What is the date till the employment relationship is valid?
- Do you have to work during the notice period?
- Can you accept another job (for example in a competing company) if you do not have obligation to work during the notice period?
- Returning the equipment: laptop, ID-card, keys, etc.
- Employee fringe benefits and validity of them during the notice period\*
- Payment of last salary, holiday pay, compensation for fringe benefits (if you are not able to use them during the notice period)

<sup>\*)</sup> If you have to work during notice period, the fringe benefits should remain until the end of employment.



#### Do I have a right to employment leave?

- A dismissed shall be entitled to paid leave when applying for jobs, takes part in the employment plan or the measures agreed with the employment office:
  - Notice period max 1 month -> max 5 working days
  - Notice period > 1 month but < 4 months -> 10 working days
  - Notice period > 4 months -> max 20 working days
  - Employees over 55 yrs -> 5, 15 or 25 days
- The leave should not cause significant harm to the company.
- If the employee is not required to work during the notice period, no employment leave is usually granted.



#### What happens to my holidays and holiday bonus?

- Employer can order you to take your winter holiday (max. 6 days) during notice period.
  - If you are on holiday, the holiday bonus will be paid.
- The unkept old holidays and holidays accumulated after 1st April 2025 will be compensated as holiday compensation.
  - No holiday bonus will be paid for those days.



### Should I remember something else?

- The so-called duty of loyalty towards the employer.
  - Social media behavior/comments etc.
- The employer's readmission obligation is valid for 4\* months after the end of employment.
  - The open positions\*\* **must be offered** to the job seekers made redundant.
- \*) If the employee has at least 12 years in the company, the readmission obligation is 6 months.
- \*\*) Open position can be corresponding to employee's previous duties or corresponding to employee's training, professional skills, or experience.



## Temporary layoff



### What does (temporary) layoff mean?

- The employer suspends payment of wages and the employee discontinue work, but the employment relationship is not terminated.
- There must be financial or production related termination cause, or employer's ability to offer work is temporarily reduced.



#### Who can be laid off?

- Layoffs principally concern permanent employees (who's work has reduced)
- The employer is entitled to layoff an employee in a fixed-term employment relationship only if the employee is working as a substitute for a permanent employee and if the employer would be entitled to lay off the permanent employee if the permanent employee were working.



### When and how is the notice of layoff given?

- As soon as the need for layoffs becomes known, the employer must present employees or their representative with an advance explanation of the layoff. This may be given verbally or in writing.
- The advance explanation must indicate:
  - the grounds for the layoff,
  - the estimated extent,
  - how it will be implemented,
  - when it will begin, and
  - its duration or estimated duration.
- A layoff must be announced at least 14 days in advance.



#### Can layoff be postoponed?

- Layoffs may be postponed if the employer can offer temporary work during layoff notice period.
- Postponing can be done only once, the next move will require a new 14 day layoff notice is issued.
- The layoff may also be suspended if the employee and the employer have so agreed.
  - It is worth agreeing to the suspension, because it may even mean the end of the layoff completely. After the suspension, the calculation of the 30 accrued vacation days also starts from the beginning!



#### What happens to my holidays?

- Full-time layoff: 30 working days from the start of the layoff are taken into account.
  - E.g. Layoff starts on Nov 4, 2024 -> leave is accrued normally in November. Vacation accrual ends on 16<sup>th</sup> Dec (4<sup>th</sup> Nov 16<sup>th</sup> Dec. = 30 days equal to working days.)
- Part-time layoff (reduction of working weeks or a comparable arrangement): days
  equivalent to working days are accumulated for a maximum of 6 months at a time.
  If the shortened working week continues into the new vacation year, the 6-month
  annual vacation earning period starts again. Likewise, if an employee works a whole
  week between layoff periods, the 6-month period starts counting from the
  beginning!
- In case of temporary layoff:
  - Employer and employee can agree that the holidays are used before layoff, between the layoff periods or after the layoff (if during holiday season).
  - Salary is paid normally during annual holiday.
  - Holiday bonus is paid for the used holidays.



#### Can I accept another job during layoff?

- The employee has the right to do similar work as in their profession during the layoff, a clear competitive activities should however be avoided.
  - If you go work in the employer's competitor, this may result in harm to the employer. -> Employer must tell you which companies are not acceptable.
- If you sign an employment contract with another employer while you are laid off, you are entitled to terminate that contract with five days' notice regardless of the duration of the contract.



### Can I resign during layoff?

- The employee can resign while the layoff lasts without a notice period, if there are more than 7 days until the end of the layoff.
  - Also applies to part-time layoffs, but termination must be done on the day of layoff.
- The so-called 200-day rule: An employee can resign and receive compensation from the employer equal to the salary for the period of notice, if the layoff has continued without interruption for more than 200 calendar days.
  - NOTE: Annual leave taken as laidoff does not interrupt the accumulation of 200 days, even if a salary is paid for the leave period.



#### Can employer sack me during layoff?

- If the employer dismisses the employee while the layoff lasts, the employee has the right to receive one's salary for the period of notice.
- No work obligation, because there is no work!



# How soon should I come back to work if the layoff is cancelled?

- If the employer wants to cancel the layoff, the employee must be notified 7 days in advance.
- The employee can come to work right away, if so agreed.



# Do I have some responsibilities to the employer during the layoff?

- During the layoff, you must not:
  - disclose any commercial or professional secrets of your employer,
  - establish a competing enterprise, or
  - cause harm to your employer.



#### I lost my job — What should I do?

- Start job seeking rather sooner than later.
  - Analyze your main skills and your main achievements
    - LinkedIn to top level
    - Portfolio to top level
    - Use your networks, participate events (f.e. local IGDA hub meetings, other industry events) and Games Job Fair Autumn <a href="https://gamesjobfair.com">https://gamesjobfair.com</a> and check gamesjobs.fi
  - Register as job seeker
     Henkilöasiakkaat Job Market Finland
- Inform unemployment fund and union
  - Several unions grant discount on fees for the unemployed



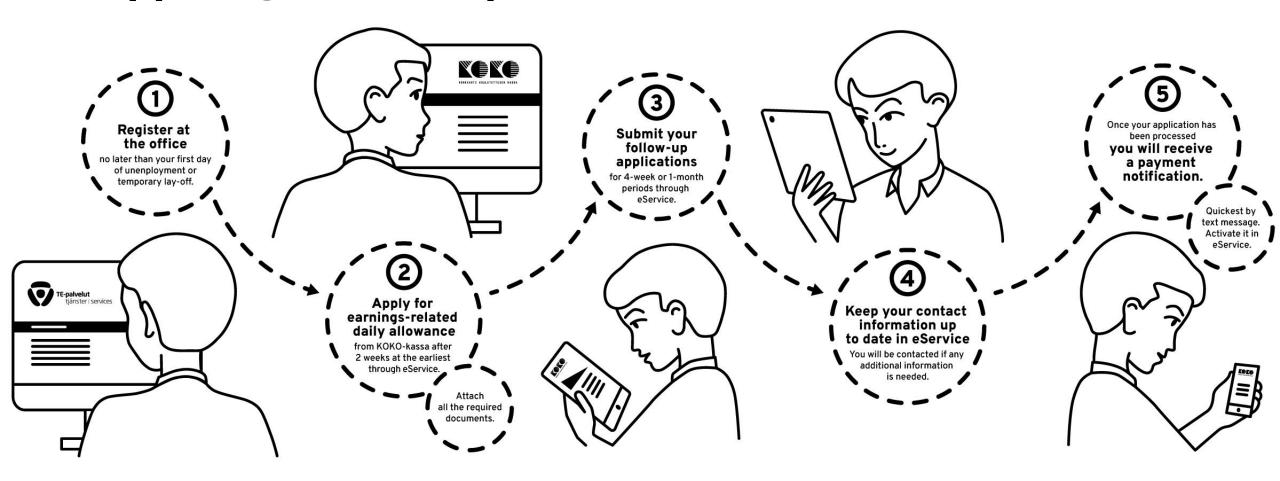


#### Where do I get money from?

- If you are a member of an unemployment fund you may be entitled to earnigs related allowance.
  - If you become unemployed TYJ
- If you are not a member of any unemployment fund or have not been a member long enough, you can apply Kela's unemployment benefit.
  - Basic unemployment allowance kela.fi



### Applying for unemployment allowance





# How much unemployment benefit do I get?

Kela's calculator for basic unemployment allowance

Peruspäivärahan laskuri (kela.fi)

Unemployment fund's calculator

How to apply - TYJ



Arvio peruspäivärahan määrästä kuukaudessa (21.5 arkipäivää)

800,01 e/kk



Arvio peruspäivärahan määrästä päivässä

42,50 e/pv

Arvio peruspäivärahan määrästä kuukaudessa (21.5 arkipäivää)

913,75 e/kk

#### **Estimated amount of allowance**

Day

97.38 €/Day

Month

2093.67 €/Month

#### **Estimated amount of allowance**

Day

Month

**110.83** €/Day

2382.89 €/Month



### How can Unions help?

- Legal support and employment counseling Lawyers and union advisors are available to you for a union membership fee (no extra payments)
- Career counseling The union's career services help with questions related to job search, career planning and training options.
- You will also receive personal guidance from a career advisor to help you move forward.
- Salary Counseling You can get expert and personal salary counseling from your own union when thinking about a suitable salary aspiration for the job you are applying for.
- Trainings Follow and register for upcoming trainings on union's website.
- **Network** Join your group on LinkedIn or like the Facebook page. Meet other like-minded people at union events.

#### I'm already a member of YTK, isn't that enough?

- Good, that you have insured your unemployment, but you should also insure your employment!
- YTK is not a trade union, it is an uneployment fund.

"The fund is like an insurance policy that compensates if things go badly, but the union is a body that tries to anticipate that it wouldn't even go badly."

- Björn Wiemers, advisor, YTN IT service sector

"Kassa on kuin vakuutus joka korvaa jos käy huonosti, mutta liitto on taho joka pyrkii ennakoimaan, ettei edes kävisi huonosti."

Björn Wiemers, sopimusalavastaava, YTN tietoala



#### **Game Makers of Finland**

- Founded 2017
  - The first union in the world dedicated solely for the people who work in game industry
- Member of Association of IT sector Employees (Tietoala) and part of the Union of the Professional Engineers in Finland (Insinööriliitto)
- Mission is to develop, support and assist everyone in the game industry and to promote the general well-being, stability and healthy growth
- Vision is to add transparency, equality and diversity to the industry
- All employees in game industry are welcome to join us.
  - GMOF Join to create the best practices for the game industry



## Thank you!

