

## Guidelines on framework agreements, fixed-term employment and part-time employment

These guidelines are meant to assist in the use of framework agreements and short fixed-term employment contracts and to promote proper agreement on the terms and conditions of employment in accordance with the legislation and collective agreement in force at any given time. In addition, due regard must be paid to established case law at any given time.

The aim is also to help clarify different types of agreements and the terms and conditions of employment contracts:

- *agreeing on the terms and conditions of employment contracts (framework agreement: a written agreement on the terms to be followed if, for example, a fixed-term employment contract is concluded separately)*
- *a clause on the length of the employment contract (fixed term)*
- *a clause in the employment contract on working time (part time)*

and to take into consideration the related rights and obligations established in legislation and the collective agreement.

### A) What is a framework agreement and how does it differ from an employment contract?

A framework agreement is not an employment contract and does not in itself constitute an employment relationship. A framework agreement does not oblige the employer to offer work or the employee to accept work. When using a framework agreement, each fixed-term employment relationship must be agreed separately with the employee, and the employee has the right to refuse fixed-term employment offered by the employer.

There is no definition of a framework agreement in legislation or in the collective agreement for the private social services sector (SOSTES). In practice, it refers to an agreement on the terms that will be applied if the employer and the employee separately agree on, typically, a fixed-term employment relationship. Thus, a framework agreement typically sets out the terms for future individual fixed-term assignments.

The purpose of a framework agreement is to assist in defining the terms of employment so that it can be referred to whenever a new fixed-term employment contract is concluded, instead of having to agree all terms separately on each occasion.

### B) In what situations is a framework agreement suitable, and when is it not?

A framework agreement is typically suitable for situations where the work is temporary and short-term or unpredictable, such as for covering individual short-term substitute needs.

It is not suitable for situations where the need for labour is permanent in the sense defined by the Employment Contracts Act.

The employer assesses, on a case-by-case basis, the need for labour and, based on that, determines the most appropriate type of contract in each situation. For example, if the need for labour is continuous but variable, a permanent employment contract with variable working hours may be appropriate.

## C) Fixed-term employment and its justification

Under the Employment Contracts Act, an employment contract should in principle be concluded for an indefinite period.

According to the Employment Contracts Act in force at the beginning of 2026, an employment contract is valid for an indefinite period unless there are justified grounds for a fixed-term contract. An employment contract that has been drawn up for a fixed term on the employer's initiative without a justified reason must be considered as being valid indefinitely. At the employee's request or initiative, an employment contract may be drawn up for a fixed term without a specific justification.

A justified reason for a fixed-term employment contract initiated by the employer may be for example

- the nature of the work (e.g. seasonal work or a one-off task)
- substituting for another employee
- fixed-term project
- work placement period of an educational institution
- fixed-term apprenticeship.

Each fixed-term contract is, in principle, considered separately. Consecutive fixed-term employment contracts are, in principle, permitted provided that there is a justified reason for each individual contract, like for instance several consecutive periods of substitute work.

Under the Employment Contracts Act, the use of consecutive fixed-term contracts is prohibited when the number or total duration of fixed-term contracts or the totality of such contracts indicates a permanent need for labour. When the need for labour has become permanent, the employer no longer has the right to continue the employment relationship on a fixed-term basis. However, the Employment Contracts Act does not specify a maximum duration or number of contracts on the basis of which it could automatically be determined whether successive fixed-term employment contracts have been concluded unlawfully. The assessment must be carried out on a case-by-case basis. In other words, the overall conditions for concluding a fixed-term employment contract must be evaluated, taking into account the total number and cumulative duration of the fixed-term contracts used by the employer.

Under section 3.3.1 of the collective agreement for the private social services sector, the term of a fixed-term employment contract may not, without a justified reason, be made for a shorter period of time than what the fixed-term need for workforce known to the employer is with regard to the work in question.

*There may be forthcoming changes to the legislation which have not been taken into account in these guidelines. Therefore, it is important to keep up to date with current legislation and, where necessary, update practices in line with new provisions. This helps ensure that practices comply with the current regulations and terms and conditions of employment.*

## D) Recurrent fixed-term employment relationships and assessment of continuation with regard to earned benefits (Employment Contracts Act, chapter 1, section 5)

Chapter 1, section 5 of the Employment Contracts Act stipulates that if the employer and the employee have concluded a number of consecutive fixed-term employment contracts under which the employment relationship has continued without interruption or with only short interruptions, the employment relationship shall be regarded as having been valid continuously when benefits based on the employment relationship are determined.

Thus, it must be taken into account that under chapter 1, section 5 of the Employment Contracts Act, an employee's employment-related benefits also accrue when there are short interruptions between successive fixed-term contracts and periods of work.

### **What constitutes several consecutive employment contracts?**

The act does not specify how many fixed-term employment contracts are needed to constitute "a number of consecutive" contracts.

Legal literature has suggested that the provision applies when two or more successive employment contracts have been concluded with only short interruptions between them. The length of any interruptions must be assessed on a case-by-case basis whenever an employee benefit tied to the duration of employment becomes relevant. Ultimately, the decisive factor would be whether the employee has been continuously working for the employer under fixed-term employment contracts, which in themselves comply with the provisions of chapter 1, section 3, subsection 2 of the Employment Contracts Act. Legal literature has also suggested that the length of the benefit accrual period (so-called situational proportionality) and the reasons behind a short interruption could be relevant when assessing the short interruption.

### **What is considered a short interruption?**

The act does not define a specific calendar period for how long the "short interruptions" can be. The purpose of this approach has been to prevent circumvention of the provision.

The application of the provision in an individual case requires comprehensive assessment on a case-by-case basis. The employer must determine whether the provision applies to an employee working under fixed-term contracts whenever an employee benefit tied to the duration of employment becomes relevant. The assessment applies to employee benefits that are determined

based on the length of the employment relationship, for example, in connection with the following employee benefits:

- the right to public holiday reduction compensation when the work schedule includes a public holiday (SOSTES § 7)
- sick pay in connection with incapacity for work (SOSTES § 20)
- right to salary during parental leave (SOSTES § 23)
- earning of annual holidays and the right to take leave equivalent to holiday, and the calculation percentage of the holiday compensation (SOSTES § 18, Annual Holidays Act, chapter 2, section 8 and chapter 4, sections 16 and 17)
- obligation to pay holiday bonus (SOSTES § 19)
- any employer-provided employee benefits that depend on the length of the employment relationship.

In connection with this assessment under the Employment Contracts Act, the new application instructions in the collective agreement for the private social services sector also state that, in practice, the employer must monitor whether the continuity requirement of employment is met for employees working under fixed-term contracts as regards different employment-related benefits. This is important to ensure that the assessment required under the Employment Contracts Act is correctly carried out in practice as well.

## E) Obligation to offer additional work to a part-time employee

Under chapter 2, section 5 of the Employment Contracts Act, the employer is obliged to offer work to a part-time employee. In practice, if the employer requires new employees, the employer must offer such additional work to part-time employees in their employ (Employment Contracts Act, chapter 2, section 5). The duties must be suitable for the part-time employee in question. If the new work requires training that the employer can reasonably provide in view of the employee's suitability, the employer must provide the employee with such training.

However, if the employment contract has been concluded as part time at the employee's initiative and in accordance with their wishes, or if the employee has otherwise made it bindingly known to the employer that they are not interested in increasing their working time, the employer is not obligated to offer additional work as provided for in the above-mentioned section of the Employment Contracts Act. The employee may at any time inform the employer that they are willing to accept additional work. Thereafter, the employer must offer them additional work whenever it becomes available.

A part-time employee may be offered full-time work in place of part-time work, additional hours as a part-time employee or the opportunity to work entire additional shifts. The situation must be assessed on a case-by-case basis. One possible way to offer additional work is that the employer offers a part-time employee newly available full-time work and the part-time duties of the employee are either offered to another part-time employee, or a new employee is hired for that work. Available additional work may also be divided by allocating the new work either among the employer's existing part-time employees or between them and a newly hired employee.

The employer must also follow the order of priority in offering work. For example, part-time employees have priority for additional work over employees covered by the re-employment obligation and over fixed-term employees whose contracts are due to be renewed. Concluding a fixed-term employment contract is regarded as hiring a new employee. This also applies in situations where a fixed-term employment contract is concluded with a person working under a framework agreement.

Legal literature has, however, noted that there is no obligation to offer additional work if the timing of the additional work is such that a part-time employee already in the employer's service would not be able to meet the labour need. According to legal literature, factors related to geographical distance may also give rise to a similar assessment, particularly in cases where the employer has only other similar work available to supplement part-time work. The obligation to offer additional work does not, however, prevent an employer from hiring an employee for apprenticeship training.

To be released from the obligation to offer additional work, the employer must be able to demonstrate that the nature of the available work is not suitable for a part-time employee or that offering the work would be impossible, or at least sufficiently impractical, due to the employer's financial, production-related, or operational reasons. Likewise, if a dispute arises, the employer must also be able to demonstrate that the employee has not been interested in accepting additional work. These factors must be examined separately for each item of available work. The obligation to offer additional work does not apply if the employer can demonstrate that offering the additional work is not possible or that the employee is not willing to accept it.

## F) Increasing a part-time employee's working hours

Under chapter 2, section 6 of the Employment Contracts Act, at the request of a part-time employee, an employer must provide a justified response concerning the possibility of increasing the regular working hours agreed in an employment contract.

For a variable working hours contract, the collective agreement for the private social services sector states that if the actual working hours over the preceding 12 months indicate that the agreed minimum working hours do not correspond to the employer's actual need for labour, the employer must, at the employee's request, negotiate an amendment to the working hours clause to correspond to the actual need.

## G) Agreeing on the terms and conditions of the employment relationship

The terms and conditions of the employment relationship must be agreed with sufficient clarity so that both parties to the contract are aware of them.

Even if an employment contract lasting no more than one week is agreed orally, SOSTES requires that the employee be informed in writing or electronically of the duration, regular working hours and grounds for fixed-term employment for each employment relationship.

**In co-operation:**

The Finnish Association of Private Care Providers

Sosiaali- ja terveystalouden neuvottelujärjestö Sote ry

The Trade Union for the Public and Welfare Sectors JHL

Talentia Union of Professional Social Workers

Sosiaalipalvelualan allianssi Salli ry