

(English version)

**Priority question for written answer P-002311/24
to the Commission
Maria Ohisalo (Verts/ALE)
(30 October 2024)**

Subject: Promoting equal pay and the freedom to conclude contracts in the Finnish Government's proposal for an Act on Mediation in Labour Disputes

The Parliament of Finland is debating a proposal for an Act on Mediation in Labour Disputes, ⁽¹⁾ which in future would prevent the National Conciliator from issuing a proposal for a settlement that is higher than a pay agreement for export industries in labour disputes. From the perspective of the Constitution of Finland and international agreements (including ILO Conventions 87 and 98), the Act will restrict the freedom to conclude contracts and compromise the National Conciliator's independence and impartiality. The Act will restrict pay adjustments in the public sector and female-dominated industries, which have lagged behind other sectors in terms of pay. This is incompatible with Article 28 of the Charter of Fundamental Rights of the European Union and Article 11 of the European Convention on Human Rights.

It is the view of Finland's supreme guardian of the law, the Chancellor of Justice, that the proposal would impinge on the National Conciliator's independence and impartiality, at least indirectly, thereby also having an indirect impact on the freedom to conclude agreements between parties. Finland's Ombudsman for Equality is of the opinion that the Government's proposal is at odds with the objectives of the Constitution and the Finnish Equality Act and predicts that it will increase the gender pay gap even more.

Is the Commission aware of Finland's intentions, and has the proposal for an Act been evaluated from the point of view of equal pay and transparency, and, if not, does the Commission intend to carry out such an evaluation? Does the Commission think that the Finnish Government has carried out an adequate assessment of its proposal, from the perspective of the freedom to conclude contracts and the freedom of association, for example? If the Finnish Government's proposal violates these principles, the EU Charter and the European Convention on Human Rights, what will the Commission do about it?

Submitted: 30.10.2024

**Answer given by Ms Lahbib on behalf of the European Commission
(8 January 2025)**

The Commission acknowledges the concerns raised regarding the Finnish Government's proposal for an Act on Mediation in Labour Disputes.

Article 157 of the Treaty on the Functioning of the EU prohibits discrimination on the ground of sex in matters of pay for the same work or work of equal value.

This principle also applies to job classification systems used for determining pay. Directive 2006/54/EC ⁽¹⁾ further sketches out the prohibition of direct or indirect discrimination between men and women among others in terms of pay.

Prohibited indirect discrimination refers to any provision, criterion or practice which would put persons of one sex at a particular disadvantage compared with persons of the other sex, unless that provision, criterion or practice is objectively justified by a legitimate aim, and the means of achieving that aim are appropriate and necessary.

The current state of the draft law does not allow to assess whether the EU rules on equal pay between women and men for equal work or work of equal value would apply in the current case. Nor does the draft law allow to assess, in case EU law would apply, whether the prohibition of discrimination would be breached.

The Commission will closely monitor the developments on this draft law.

¹ https://www.eduskunta.fi/FI/vaski/HallituksenEsitys/Sivut/HE_146+2024.aspx.

⁽¹⁾ Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast), OJ L 204, 26.7.2006, p. 23.