

Finland

1. Julkinen osakeyhtiö/publikt aktiebolag = OYJ

2. Osakeyhtiö/aktiebolag = OY¹

Brief overview: Establishment and structure of the company

Statutory basis:

Law No. 145/97, also called OYL-reform law

Requirements for establishment

- Company agreement (=statutes); dispensable in case of OY
- Establishment certificate
- Registration with Commercial Register and financial authorities

Minimum capital

OYJ: 80,000 euro

OY: 8,000 euro

Other points of interest: Only an OYJ can gain admission to listing on the stock exchange; it is subject to stricter information and publicity requirements than the OY

Organisation

1) General Meeting = highest organ

Responsibilities include:

- Appointment and deselection of the Board, unless there is a Supervisory Board, in which case the Supervisory Board elects the Board
- Election of the Supervisory Board, if there is one (see below)
- Appointment and deselection of the managing director
- Amendments to statutes
- Approval of year-end financial statements
- Decisions on disposal of company profits
- Decisions on Extraordinary General Meeting

2) Board of Management

Responsibilities include

- Performance/management organ
- Representation of the company in and out of court
- Empowered to instruct managing director
- Ensuring appropriate organisation
- Guarantee adequate and orderly accounting procedures

Period of office: maximum 4 years; re-election possible

¹ The authors of the article on Finland (Collan, Wasserstein and Uusitalo) in the EU handbook on trades union law point out that in Finland shareholder companies are divided into “public” (OYJ – julkinen osakeyhtiö) and “private” (Oy – yksityinen osakeyhtiö). There is no equivalent to a German GmbH.

3) Managing director

Only mandatory in the case of the OYJ, otherwise discretionary

Responsibilities include: On-going management

4) Supervisory Board – discretionary and only possible in the case of OYJ –

Responsibilities include

- Control of administration and management
- Submission of comments on year-end financial statement and audit report
- Empowered to instruct the Board in certain matters

5) Auditor – mandatory –

Inspects the year-end financial statement and comments on it.

Brief overview: Employee participation at board level

Yes, HenkEdL (Law on employee representation on company bodies)

Conditions:

- 1) Mandatory: when number of regular employees is 150 (discretionary set-up also possible)
- 2) Employee representatives must have an employment relationship with the company and be fully competent to transact legal business

Election of employee representatives: In addition to number of employer representatives; election of alternate members

Maximum proportion: 1 employee representative : 4 employer representatives; but maximum of 4 employee representatives per body. **Employers' side determines on which executive body the employee representation takes place** (also possible in department-related management groups)

Rights and duties of the employee representative: The same rights and duties as the employer representatives, but more far-reaching possibilities for joint creation of regulations by company partners. Exception: no power of participation or decision-making for the election or deselection of body members, the drawing up of employment contracts with employees, or decisions relating to industrial action.

Protection of employment: Yes

Confidentiality regulations: Yes

Source: Büggel, A. (2003) *Company law and existing legislative provision for employee participation in the EU Member States*, in R. Köstler and A. Büggel, *The European Company and Company law and existing legislative provision for employee participation in the EU member states*, Brussels: ETUI. Report 79 (to order the whole report, please send an e-mail to etui@etuc.org; price: €20).