

**Handbook**  
**for Small Employers**  
**in the Creative**  
**Industries**



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Further information: <https://www.creve.fi/en/>

# Introduction

**AN ESSENTIAL PART OF ENTREPRENEURSHIP** is taking on responsibility and meeting your obligations. As your business grows, you'll encounter an increasing number of obligations. The most important among these are the responsibilities and obligations that come with being an employer. An employer's responsibilities are based in the law and apply to everyone who employs others. In the first two parts of this publication, you'll find the most important employer obligations under the Employment Contracts Act along with other important topics such as the transfer of copyright.

In part three, you'll find guidelines and recommendations that have been developed specifically for the creative industries, covering topics such as salaries, pricing and occupational health and safety. This guide will help you get the ball rolling as a new employer. Be aware, however, that employer obligations are not limited to those outlined here. Make sure you are familiar with the relevant laws, such as the Employment Contracts Act, the Working Time Act, the Occupational Safety and Health Act and the Annual Holidays Act. You can read the Employment Contracts Act in full in English here: [https://www.finlex.fi/en/laki/kaannokset/2001/en20010055\\_20180597.pdf](https://www.finlex.fi/en/laki/kaannokset/2001/en20010055_20180597.pdf) Employer obligations are covered in chapter 2 of the Act.

You'll also find links to other important employment laws in the "Further information" section of each chapter below.

# 1. Establishing an employment relationship

## Types of employment relationship

### The key elements of an employment relationship

- **An agreement:** a contract can be written, verbal or electronic. A work contract can also be a tacit understanding that an individual will carry out work for the employer.
- **Work:** in an employment relationship an individual works for the benefit of the employer.
- **Remuneration:** in an employment relationship the work is compensated with money or with goods or benefits of financial value to the individual. The work is carried out for economic gain.
- **Supervision:** the employer has the right to direct and supervise the employee's work and can specify when, where and how the work is to be done. An employee does not work autonomously or independently of the employer.

#### Sources and further information:

- Recruiting an employee: compare the options: <https://www.suomi.fi/guides/recruiting-an-employee/plan-the-recruitment/compare-the-options#when-is-hiring-an-employee-a-good-option>
- Am I an employee or an entrepreneur? <https://www.vero.fi/en/businesses-and-corporations/business-operations/employee-or-selfemployed/>
- Ministry of Economic Affairs and Employment of Finland: <https://tem.fi/en/employment-contract-and-employment-relationship>

## Staff leasing

One alternative to directly employing staff is staff leasing (or “labour hire”). There are three parties involved in staff leasing.

- **the worker** carries out the work.
- **the staffing agency (or “temp agency”)** pays the worker.
- **the host business** supervises and manages the work and pays a fee to the labour hire agency. Staff leasing is subject to the same labour laws as other employment relationships. For instance, a firm must have a valid reason for offering a fixed-term contract.

The work contract is between the worker and the staffing agency. The responsibilities of the host business include providing training and ensuring a safe working environment.

→ <https://tem.fi/documents/1410877/2918935/Employment+Contracts+Act/b0fca473-f224-46b9-974c-acd153587680>

→ <https://ttk.fi/en/publication/staff-leasing-and-occupational-safety>

→ <https://tyosuojelu.fi/en/employment-relationship/temporary-agency-work>

## Direct hiring vs. subcontracting

Another alternative to direct hiring is *subcontracting*. This is often a smarter and less risky option in situations where you don’t have enough time to do the work, but there’s not enough work to justify hiring a permanent employee.

In addition to salaries, the employer is responsible for paying *non-wage labour costs* (usually at least a further 20% on top of the salary cost). Other costs of employing staff include facilities, equipment and clothing. There are also risks associated with hiring staff: whether the employee is suitable for the role, possible illnesses, whether there’s enough work for the new employee and so on. Subcontracting is usually appropriate when you only need workers for a certain period of time. For others, a subcontracting network may be a permanent solution. One benefit of subcontracting is that the network can serve as an effective marketing channel for the company and can spread the word about potential work opportunities.

→ <https://tuki.ukko.fi/hc/en-us/articles/360004986858-Is-it-an-assignment-or-an-employment-relationship>

→ **The Gig Work Guidebook:**  
<https://sites.tuni.fi/gigwork/about/>

# 2. What employers need to remember: a checklist of employer responsibilities

**In this section, the employer's responsibilities and obligations are summarised in four main points:**

- Registering as an employer
- Operating as an employer
- The employer's statutory insurances
- Employer contributions and reporting contributions.

- For more information, guidance and links to services (including Finnish Tax Administration services), visit Suomi.fi: *Employer's responsibilities and obligations*: <https://www.suomi.fi/company/being-an-employer/employers-responsibilities/guide/employers-responsibilities-and-obligations>
- Resources for employers in Finland (including information on onboarding international employees) can be found on *Info Finland*, a website maintained by local and national government: <https://www.infofinland.fi/work-and-enterprise/starting-a-business-in-finland/obligations-of-the-entrepreneur>

## Registering as an employer

The Employer Register is the Finnish Tax Administration's register of *regular employers*, companies that pay wages or salaries to two or more employees on a regular basis or pay wages to six or more employees at the same time, even if their employment is temporary and intended to be short-term. A company that is a regular employer must always register with the Employer Register. A *casual employer* paying wages on an occasional basis is not required to register as an employer. A business qualifies as *casual employer* if it employs only one permanent employee or if it employs between one and five employees for less than one calendar year. You can register as an employer by filing a start-up notification or change of business details with the Finnish Patent and Registration Office (PRH). You can also register via the My/Tax service (OmaVero).

### Source and links to online services:

→ <https://www.suomi.fi/company/being-an-employer/employers-responsibilities/guide/employers-responsibilities-and-obligations>

## Operating as an employer

The employer is bound by Employment Contracts Act, which sets out the terms of the employment relationship.

### → The Employment Contracts Act:

<https://www.finlex.fi/en/laki/kaannokset/2001/en20010055.pdf>

The current section focuses on the statutory obligations of employers. For guidance on issues such as employment contracts, pay and obligations in the creative industries, see Part 3 of this publication: "Fulfilling your responsibilities as an employer".

Employers are responsible for the following:

### Employment contracts

Put together a written employment contract with the employee so that both parties have the agreed terms in writing. Ensure the contract includes the following: job title, duties, duration of employment, working hours, salary, pay date, and applicable collective agreement (TES). Universally binding collective agreements apply to everyone, so an employment contract cannot be in breach of the collective agreement. A contract can, however, include more favourable terms than the minimum conditions set out in the collective agreement.

### For more on universally binding collective agreements:

→ <https://stm.fi/en/generally-applicable-collective-agreements>

## Occupational healthcare

The employer is responsible for arranging occupational healthcare for employees, through either private or public health care, even if the company has only one employee.

Employers are legally required to provide preventive occupational healthcare. Some employers may also choose to offer general medical care.

→ <https://tyosuojelu.fi/en/occupational-health/occupational-health-care>

## Workplace health and safety

Employers are also responsible for work health and safety. This includes providing workplace induction to ensure employees are familiar with working conditions and practices as well as workplace safety guidance and training, accountability, equality, harassment prevention and conflict resolution practices.

### Further information:

For practical information about workplace health and safety, visit the website of the Occupational Safety and Health Administration in Finland:

→ <https://tyosuojelu.fi/en/employment-relationship>

→ <https://tyosuojelu.fi/en/occupational-health/occupational-health-care/providing-occupational-health-care>

## Equality and non-discrimination

Businesses employing more than 30 staff are required by law to develop an equality action plan. Although smaller companies are not legally required to establish an equality action plan, they are still required to uphold non-discrimination and anti-harassment practices.

The Equality Act requires employers to prevent discrimination based on gender, gender identity and gender expression. The Ombudsman for Equality is responsible for monitoring and promoting equality.

→ **The Ombudsman for Equality:**

<https://tasa-arvo.fi/en/front-page>

→ **The Equality Act:** <https://www.finlex.fi/en/laki/kaannokset/1986/en19860609>

We have put together guidance for those working in the creative industries covering issues such as work health and safety, harassment prevention, equality and diversity. This creative industries guidance can be found in part three of this publication.



## Protecting employee privacy

The protection of employee privacy in employment relationships is based on laws such as the Data Protection Act, the Act on the Protection of Privacy in Working Life and the EU General Data Protection Regulation (GDPR). An employee's private affairs only concern the employer in so far as necessary for the performance of the work.

The employer must not violate the employee's right to privacy. The Office of the Data Protection Ombudsman is responsible for ensuring that personal data is handled in accordance with the law and ensuring that individual's data protection rights are upheld.

→ **The Office of the Data Protection Ombudsman:**

<https://tietosuoja.fi/en/home>

→ **Data protection and privacy at work:**

<https://www.suomi.fi/citizen/working-life-and-unemployment/rules-of-working-life/guide/data-protection-and-privacy-at-work>

## Copyright at work

The Copyright Act provides for the transfer of copyright within employment. The act clearly specifies that copyright for computer software or databases passes to the employer, but the transfer of copyright of creative works more broadly is open to interpretation. Copyright and usage rights to works that exceed the threshold of originality should be included when the work contract is drawn up.

**Further information:**

→ **The ABC of Copyright for New Entrepreneurs:**

[https://www.yrittajat.fi/wp-content/uploads/2021/10/SY\\_Copyright\\_ABC.pdf](https://www.yrittajat.fi/wp-content/uploads/2021/10/SY_Copyright_ABC.pdf)

→ **Kolster IP law firm blog:**

<https://www.kolster.fi/en/blog/the-author-is-entitled-to-a-copyright-unless-otherwise-agreed>

## Termination of employment

Employment may end when an employee is dismissed, when a fixed-term contract comes to an end, when the contract is terminated during the trial period or when the employment contract is cancelled. An employer's right to terminate employment is restricted by the Employment Contracts Act. Under the act, employers must have a justifiable reason to dismiss an employee.

**Further information:**

→ **The Employment Contracts Act:**

[https://www.finlex.fi/en/laki/kaannokset/2001/en20010055\\_20180597.pdf](https://www.finlex.fi/en/laki/kaannokset/2001/en20010055_20180597.pdf)

→ **Fair play at Work – Termination of Employment:**

<https://tyoelamanpelisaannot.fi/en/termination-of-employment/>

## Certificate of Employment

The employer must provide a written certificate of employment on request. The Employment Contracts Act specifies what information can be included in the certificate. The employee may request a more concise or more detailed certificate and may choose whether the certificate includes the reason for termination and/or whether the certificate includes a personal evaluation.

→ **See the Occupational Health and Safety Administration website for more on certificates of employment (what information to include and a template):**

<https://tyosuojelu.fi/en/employment-relationship/certificate-of-employment>

## Compulsory insurance

### Pension insurance (TyEI)

An employer must arrange pension insurance (TyEI) for employees. The pension contribution amount is set annually. The employee's co-contribution is withheld by the employer from wages and the whole pension contribution is then paid into the pension fund chosen by the employer.

A *contract employer* (an employer who employs staff on continuous basis) must take out separate TyEI insurance. A *temporary employer* is not required to take out separate TyEI insurance, but pays pension contributions to the chosen pension fund.

→ **Employer's obligations:**  
<https://www.tyoelake.fi/en/employers-obligations/>

### Occupational accident insurance

The employer must insure employees against workplace accidents and occupational injury or illness. Insurance premiums are paid by the employer. The premiums are determined both by the employee's salary and sector-specific level of risk.

→ **The Finnish Workers' Compensation Centre:**  
<https://www.tvk.fi/en/insurance/taking-out-an-insurance-policy/>

### Unemployment insurance

Both employer and employee are responsible for making unemployment insurance contributions. The contributions go towards financing unemployment benefits and so on. The employer withholds the contribution from the employee's pay. The contribution amount is set annually, and service is maintained by the Employment Fund.

→ **The Employment Fund:** <https://www.employmentfund.fi/Unemploymentinsurancecontribution/>

## Employer contributions and reporting

### Salaries and withholding

Employers must withhold tax and tax-like contributions from the employee's salary when the salary is paid. These prepaid taxes include: state tax, municipal income tax, church tax, the health insurance contribution (health care contribution and daily allowance contribution), the public broadcasting tax and the Åland Islands media fee.

These items are included in the withholding percentage shown on the employee's tax card. If employees are remunerated in a form other than wages (*non-wage compensation*), you must check whether the recipient is registered in the *pre-payment register*. If the recipient is not registered, the payment is subject to withholding tax. The total amount of the withholding tax is paid to the Tax Administration on the 12th day of the calendar month following the month in which the salary is paid. Employees are paid once or twice a month in accordance with the Employment Contracts Act.

→ <https://insights.fondia.com/fi/en/articles/personnel/employer-payments/tax-withholding>

→ **The Tax Administration: prepayment register:**  
<https://www.vero.fi/en/businesses-and-corporations/business-operations/tax-administrations-registers--business/prepayment-register/>

→ **The Employment Contracts Act:**  
[https://www.finlex.fi/en/laki/kaannokset/2001/en20010055\\_20180597.pdf](https://www.finlex.fi/en/laki/kaannokset/2001/en20010055_20180597.pdf)  
(Chapter 2, Section 13)

## Reporting data to the Incomes Register

Employers must report salary and wage payments to the Incomes Register within five days of the payment date. The Incomes Register is a database of earnings information for various authorities including pension funds. Instead of notifying each of these organisations separately, the employer makes a single report to the Incomes Register and the information will be provided to the various authorities.

→ <https://www.vero.fi/en/incomes-register/>

## Reporting and paying compulsory insurance

The Incomes Register report serves as a joint notification to the various authorities. You do not need to file a separate report with the pension insurance company, occupational accident, illness and injury insurance company or the Employment Fund (unemployment insurance contribution).

The insurance companies and the Employment Fund then invoice the employer for the contributions based on the wages declared in the Incomes Register.

## Payslips

Under the Employment Contracts Act, employees must be provided with a written payslip detailing the payment of wages. The payslip should include a statement of the amount paid and how this was determined as well as a list of the deductions for prepayment taxes and insurance contributions.

→ **Fair Play at Work:**

<https://tyoelamanpelisaannot.fi/en/payslip/>

## The Palkka.fi service

Currently only available in Finnish and Swedish, the Palkka.fi service is a payroll application for households and small businesses, jointly developed by various government authorities. The software can be used to calculate wages and salary-related expenses, to generate pay slips and send them electronically to the employee, and to manage Incomes Register reporting.

The software can create payment templates for both employees and for the Tax Administration. The employer only has to take care of payment. The programme helps employers meet their various obligations and is free for users.

→ <https://www.palkka.fi/> (in Finnish)

# 3. Fulfilling your responsibilities as an employer: guidelines and recommendations for the creative industries

Across all sectors, employers are subject to the same laws and obligations in their responsibilities towards employees.

In this guide, we have sought to highlight the guidelines, examples and practices that are particularly relevant for businesses operating in the creative industries. This section brings together handbooks and guidelines from

various sources to support employers in the creative sector. New information is published through creative industry associations, trade unions and service providers. As an employer, following these key channels in your sector is an important part of keeping your skills and knowledge up-to-date.

## Trade Union for Art and Culture Professionals (TAKU) – Guides to employment and pay in the art and culture sector

- Employment terms and conditions in the arts and culture sector: [https://taku.fi/wp/wp-content/uploads/2023/06/arts\\_and\\_cultural\\_sector\\_2022\\_2024.pdf](https://taku.fi/wp/wp-content/uploads/2023/06/arts_and_cultural_sector_2022_2024.pdf)
- Minimum salary recommendations: [https://taku.fi/wp/wp-content/uploads/2023/06/holders\\_of\\_master\\_and\\_bachelor\\_degrees\\_in\\_arts\\_history\\_literature\\_and\\_cultural\\_subjects\\_2022\\_2024.pdf](https://taku.fi/wp/wp-content/uploads/2023/06/holders_of_master_and_bachelor_degrees_in_arts_history_literature_and_cultural_subjects_2022_2024.pdf)
- Pricing your skills: <https://taku.fi/pricing-your-skills-in-the-art-and-culture-sectors/>
- Employment contract guidelines (including sample contract for arts services): <https://taku.fi/en/services/employment-contract-checklist/>
- The ABC of a Good Internship: [https://taku.fi/wp/wp-content/uploads/2023/05/WEB\\_tyoharjoitteluopas\\_kulttuurituottajille\\_2020\\_sivut\\_ENG.pdf](https://taku.fi/wp/wp-content/uploads/2023/05/WEB_tyoharjoitteluopas_kulttuurituottajille_2020_sivut_ENG.pdf)

## The Finnish Film Foundation publishes guidance on its website

- <https://www.ses.fi/en/accountability/>

### Accessible film culture

- Accessibility guide for cinemas: <https://www.ses.fi/wp-content/uploads/2021/01/Accessibility-guide-for-cinemas-2021.pdf>
- The Culture for All service provides information and tools for promoting the accessibility of cultural services. The website contains guides for improving the accessibility of cultural services, communication, facilities, theatres and circuses, museums, libraries, festivals, cinema. Culture for All accessibility guides: [https://www.kulttuuriakaikille.fi/accessibility\\_guides](https://www.kulttuuriakaikille.fi/accessibility_guides)

### Equality, equity and diversity in the film industry

- The Finnish Film Foundation website contains statistics, publications and information on equality activities and production funding.
- Article series: diversity and equality in the film industry (2021): Diversity in the film industry Archives – Suomen elokuväsäätiö (ses.fi): <https://www.ses.fi/en/category/diversity-in-the-film-industry/>

## Occupational health and safety, wellbeing at work and harassment prevention

- The Centre for Occupational Safety publication on occupational health and safety in the film and TV production industry: [https://ttk.fi/wp-content/uploads/2022/08/Occupational\\_health\\_and\\_safety\\_in\\_the\\_film\\_and\\_tv\\_production\\_industry\\_-\\_Brief\\_guidelines.pdf](https://ttk.fi/wp-content/uploads/2022/08/Occupational_health_and_safety_in_the_film_and_tv_production_industry_-_Brief_guidelines.pdf)
- Guide for preventing inappropriate treatment, harassment and sexual harassment in the FILM AND TV INDUSTRY: <https://apfi.fi/wp-content/uploads/Guide-for-preventing-inappropriate-treatment-harassment-and-sexual-harassment-in-the-film-and-TV-industry-2024.pdf>
- Guidelines for intimate scenes: <https://www.ses.fi/wp-content/uploads/2020/10/Guidelines-for-intimate-scenes.pdf>
- Working with an intimacy coordinator: <https://www.ses.fi/wp-content/uploads/2021/09/Laheisyyskoreografian-kanssa-tyoskentely-ENGL.pdf>

## Ecological sustainability

- Ekosetti – sustainable production handbook: <https://ekosetti.fi/>
- Film Lapland Code of Conduct and Film Production guide: <https://www.lapland.fi/film/plan-your-production/code-conduct-production-guide/>
- Green Screens – future in Finland? <https://www.linkedin.com/pulse/green-screens-future-finland-mervi-kemppainen>

## Further resources on employment in the creative industries

- Artists' Association of Finland  
*Tax guide for Professional Artists:* <https://www.artists.fi/en/tax-guide-professional-artists>
- APFI Code of Conduct: <https://apfi.fi/wp-content/uploads/APFI-Code-of-Conduct-for-Members.pdf>
- <https://ttk.fi/en/publication/preventing-and-handling-inappropriate-treatment-in-the-workplace/>