



Finland

Country facts Finland	
Population	5 231 000
GDP per capita (2006, US Dollar)	32 736
Employees in Agricultural Machinery	4 802*
Trade unions in the EU Agri-Tech Network	Finnish Metalworkers' Union (Metalli)
Proportion of employees in unions (general)	74%
Workplace representation	Union
Main level of collective bargaining	Industry
Collective bargaining coverage	90%

Source: OECD, Eurostat, and ETUI-REHS (www.workers-participation.eu).
Employee figures from national trade unions; *including forestry machinery according NACE 29.3

Sectoral data: Size and structure of agricultural engineering industry

Employment: In 2006, 4,802 people were employed in the manufacture of agricultural and forestry machinery in Finland. This indicates an increase of 12% since the year 2000. Between 2000 and 2006, employment in this sector has increased steadily with the exception of a slight decrease in the years 2004 (-106 employees) and 2005 (-6). Split according to the NACE classification 29.31 (agricultural tractors) and 29.32 (agricultural machinery), it can be concluded that employment in the manufacture of agricultural machinery, accounting for around $\frac{3}{4}$ of jobs in this sector, has grown steadily in the last six years while employment in the manufacture of agricultural tractors, representing a share of around $\frac{1}{4}$ of jobs, has seen a slight decline in the years 2004 and 2006 and a peak in the year 2005.

Sales and production volume:

In the same time, from 2000 to 2006, total turnover in the manufacture of agricultural tractors and other agricultural machinery has doubled from 700.4 million Euros in 2000 to almost 1.4 billion Euros in 2006. The production value changed in a similar way, whereas agricultural machinery represents almost two thirds of total turnover and production value in 2006 and agricultural tractors one third.

Export:

Export turnovers for agricultural machinery have more than doubled from 226,8 million Euros in 2000 to 577.2 million Euros in 2006 whereas export turnovers for agricultural tractors have increased as well – but in a more moderate way from 213.1 million Euros in 2000 to 356.6 million Euros in 2006.

In agricultural machinery, the 2006 export turnover accounted for almost 65% of total turnover, whereas the export turnovers for agricultural tractors represented almost 75% of total turnover in this area.

The main export destinations lie in the EU-25 area, accounting for almost 75% of total exports in agricultural machinery and tractors in 2006.



Main Product groups and companies

Tractors	Valtra	930 employees
Forest machineries	John Deere Ponsse	740 employees 900 employees
Diesel engines	Sisu Diesel	700 employees
Combine harvesters	Sampo Rosenlew	500 employees

Restructuring of the agricultural engineering sector

As in other countries, it can be noted that big multinational corporations dominate the sector. In Finland, the ownership of Valtra, Sisu-Diesel and John Deere (ex Timberjack) has changed during the last 5 years. About 80% of all employees in the manufacture of agricultural tractors and machinery work in one of the five large companies listed in the table above.

Mergers and Acquisitions: In 2004, Agco acquired Valtra and Sisu Diesel. Deere & Company (John Deere) had acquired the Timberjack group in 2000.

Main challenges and problems from the trade unions' and works councils' point of view:

In the agricultural machinery sector:

- Continuing restructuring: bigger but fewer farms
- M&As in the agricultural machinery sector
- Declining trend for agricultural tractor sales in the medium term in the EU

In the forest machinery sector:

- New market areas, e.g. investments in Russia, Asia and Latin America
- Special importance of Russia for the Finnish forest machinery enterprises
- R&D investments due to new requirements / environmental issues and changing climate conditions

Trade Unions, labour conditions and labour relations

Trade union membership in the main companies of the industry is very high with around 80% of employees in unions. Individual unions are members of three main national confederations: SAK, STTK and AKAVA.

Collective bargaining in Finland largely takes place on a national level through national level agreements covering pay and working conditions. The agricultural and forest machinery sector is included in the metal industry and the present metal workers' union agreement for the years 2007-2008 has a one year option. In recent years, additional possibilities for local bargaining have been included into collective agreements, e.g. concerning the flexibilisation of working hours or the development of pay systems.

On a company level, apart from union representatives, job stewards and health and safety representatives represent employees' interests in all main companies. In companies with 150 or more workers, employees have the right to board level representation.

The main challenges for Finnish trade unions concern labour conditions and labour relations.

General demands of the Finnish metal workers' union on industrial policy:

- Investments for training of personnel
- Improving production and productivity
- R&D investments

The Finnish Metal Workers' Union is a partner of the TRIO-programme which was launched in 2004 in order to improve the production network in the Finnish technology industry.

Trade Unions

- [Metalli](#)

Project partners in the European Agri-Tech Network:



Additional materials and information:

- [Report on agricultural machinery prepared by Metalli](#)
- Information on workers' participation and collective bargaining in Finland of ETUI-REHS:

