

NB: Unofficial translation  
Ministry of Employment and the Economy, Finland  
2012

## **Seamen's Service Act (447/2007)** (as amended by the Act 759/2011)

### **Chapter 1** **General provisions**

#### **1** **Purpose of the Act**

The purpose of this Act is to advance the wellbeing of seamen by organising seamen's service activities.

#### **2** **Definitions**

For the purposes of this Act:

- 1) *seaman* means an employee referred to in chapter 1, section 1 of the Seafarers' Employment Contracts Act (756/2011); (759/2011)
- 2) *Finnish employer* means an employer referred to in chapter 1, section 1 of the Seafarers' Employment Contracts Act the Act; (759/2011)
- 3) *Finnish vessel* means a vessel or a ship referred to in chapter 1, section 1 of the Sea Act (674/1994);
- 4) *income* means salary or other compensation paid by the employer to the seaman for work performed onboard the vessel;
- 5) *services for seamen* means communication, library and information services for seamen as well as training and development and other leisure time activities;
- 6) *Finnish Seamen's Service* means the body organising seamen's service activities;
- 7) *service charge* means a fee collected from the seaman and his employer in order to arrange seamen's service activities.

#### **3** **Finnish Seamen's Service**

The Finnish Seamen's Service operates in conjunction with the Ministry of Employment and the Economy. It operates as a national and international co-operation body as well as for due arrangement and unification of the statutory and voluntary seamen's service activities at sea and in port. (759/2011)

The functions of the Finnish Seamen's Service are to:

- 1) collect the service charge;
- 2) advance the study and training and development for seamen;
- 3) arrange and guide the physical exercise and cultural activities for seamen and other recreational and leisure activities;
- 4) advance the establishment of the seamen's service centres domestically and abroad;
- 5) offer seamen library and information services;
- 6) improve seamen's information activities and communication services; and
- 7) develop seamen's service activities in order to improve seamen's opportunities to take part in community life.

The Finnish Seamen's Service is domiciled in Helsinki.

The Finnish Seamen's Service cannot hold a share majority in a limited company or control within another undertaking without the approval of the Ministry of Employment and the Economy with the exception of a housing association and a real estate company. (759/2011)

## **Chapter 2 Funding seamen's services**

### **4 Service charge**

A seaman working on a commercial vessel used in Finnish foreign traffic, a rescue vessel operating for profit at sea, ice breaker, a shipping lane vessel, a hydrographic survey vessel, research vessel and fishing vessel operating outside the Baltic Sea and his employer are liable to pay service charges to the Finnish Seamen's Service. The seaman's service charge is a thousandth part of his income accrued onboard the vessel. The employer's service charge is a thousandth part of the income paid to the seamen onboard the vessel.

Provisions on the service charge referred to in subsection 1 above shall also apply to a seaman and his employer working on a Finnish ferry or boarding craft operating for profit when the employer has vessels referred to in subsection 1 above besides the ferries or boarding crafts and the seamen working on the said vessels can work on the various vessels depending on the work situation.

### **5 Agreement on seamen' service activities**

The Finnish Seamen's Service is entitled to enter into an agreement on seamen's service activities with a person operating as an employer on a foreign vessel, if the employer is a Finnish citizen or the vessel operates to Finland and if there are Finnish seamen working onboard the vessel. In the agreement the employer's service charge is determined in accordance with the agreed services.

### **6 State contribution (759/2011)**

The Ministry of Employment and the Economy shall pay the Finnish Seamen's Service the State contribution, which is the aggregate amount accrued from the service charges of the seamen and the employer pursuant to section 4 and the service charges determined in accordance with the agreement referred to in section 5.

### **7 Withholding the seamen's service charge**

The employer shall withhold the service charge payable to the Finnish Seamen's Service from the seaman's salary.

If the deduction has been partly or entirely incomplete, the employer is entitled to withhold the missing amount from subsequent salaries. Nevertheless, the provisions on the non-attachable protected portion of the salary shall be followed in the deduction.

If the seaman considers the employer to have made an inaccurate deduction of the service charge from the salary, the seaman can take the matter to the Finnish Seamen's Service for consideration. The Finnish Seamen's Service may order the excess amount to be returned to the seaman.

## **8**

### **Accounting for the service charge**

The employer shall pay the service charges withheld by it and his own corresponding service charge to the Finnish Seamen's Service no later than on the tenth day of the second month following the month when the salary was paid. The accounting is to include information on the aggregate amount of the deductions completed on each vessel and the corresponding employer's service charge.

The employer referred to in section 5 above shall pay the service charge to the Finnish Seamen's Service in accordance with the agreement concluded.

## **9**

### **Accounting error or omission**

If the employer has not performed the accounting referred to in section 8(1) or if the accounting is incomplete, the Finnish Seamen's Service shall request the employer to submit the accounting within a time limit subject to a threat of estimated payment appropriation or to complete incomplete accounting. The time limit cannot be less than a month.

If the accounting or supplement has not been issued regardless of the requests, the Finnish Seamen's Service obligates the employer to pay a service charge estimated in accordance with the grounds for charges provided in section 4. The grounds for the estimate shall be evident from the decision.

## **10**

### **Collection of the service charge**

If the employer has not paid the service charges as provided in section 8(1), they can be collected from the employer without a judgment or decision in the order laid down in the Act for withholding taxes and fees by execution measures (367/1961).

For any overdue amount the employer shall be liable to pay interest on late payment pursuant to section 4 of the Interest Act (633/1982).

## **11**

### **Payment of the State contribution (759/2011)**

For the State contribution provided in section 6 the Finnish Seamen's Service has to deliver the Ministry of Employment and the Economy a report, which contains the aggregate amount of service charges withheld by the employers during the previous quarter and the corresponding employers' service charge and the service charges determined on the basis of the agreements referred to in section 5.

The Ministry of Employment and the Economy shall pay the State contribution to the Finnish Seamen's Service within a month from the delivery of the report referred to in subsection 1. The State contribution shall be paid quarterly.

### **Chapter 3 Administration of the Finnish Seamen's Service**

#### **12 Administration of the Finnish Seamen's Service**

The Finnish Seamen's Service has a delegation and a Board of Directors. The same persons cannot be members in both.

The Finnish Seamen's Service is directed by a managing director appointed by the Board.

The provisions on criminal official liability shall apply to the Board members and the managing director of the Finnish Seamen's Service in discharge of their duties related to collection of the service charge.

#### **13 Delegation of the Finnish Seamen's Service (759/2011)**

The Ministry of Employment and the Economy appoints the delegation of the Finnish Seamen's Service for four calendar years at a time.

The delegation consists of 11 members, who each have a deputy member. One of the members and of the deputy members has to represent the Ministry of Employment and the Economy, one the Ministry of Finance and one the Ministry of Transport and Communications. Four of the other members and deputy members have to represent the employers and four the employees. Two of the employees have to represent the crew, one the deck officers and one the engine-room staff.

The Ministry of Employment and the Economy appoints the members and the deputy members in accordance with the proposals made by the organisations representing the employers and the employees. If the organisations do not submit their proposal within the time-limit specified by the Ministry, the Ministry shall appoint the members and the deputy members without the proposal.

In determining the composition of the delegation the provisions of section 4 a (2) and (3) of the Act on Equality between Women and Men (609/1986) shall be applied.

#### **14 Chairman of the delegation and supplementing the delegation**

The Ministry of Employment and the Economy appoints the chairman and the deputy chairman of the delegation from the members representing the ministries. (759/2011)

A member and deputy member of the delegation can be released from his duty during the term for a particular reason.

When a member or a deputy member resigns or is released from his duty or if a deputy member is appointed as a member during the term, a new member or deputy member shall be appointed to replace him for the remainder of the term.

## **15 Duties of the delegation**

In a delegation meeting:

- 1) the annual report prepared by the Board, the financial statements and the auditor's report have to be discussed;
- 2) the matter of approval of the financial statements for the previous year has to be discussed;
- 3) the required measures following the administration and accounts of the previous year have to be decided upon;
- 4) the operational and financial plans prepared by the Board have to be discussed;
- 5) the remunerations paid to the Board members and the auditors have to be decided upon;
- 6) at least one auditor and deputy auditor has to be selected; and
- 7) the other matters specified in the invitation to negotiation have to be discussed.

The matter of approval of the financial statements and decision-making on a measure required following the administration and accounts of the previous year have to be moved at the latest within two weeks to the follow-up meeting, held without a separate invitation, if a proposal is made thereof which receives at least two-thirds vote by the attending members. The time and place of the follow-up meeting shall be decided upon at the meeting when the vote is held.

The Board members and deputy members and the representative of the Finnish Seamen's Mission have a right of attendance and discussion in the delegation meetings.

## **16 Extraordinary delegation meeting (759/2011)**

An extraordinary delegation meeting has to be held if the Ministry of Employment and the Economy so decides, if the Board considers it necessary or if at least six members of the delegation so request in writing to discuss a specific matter. An extraordinary meeting also has to be held if the auditor requests it on the basis of the audit performed.

## **17 Decisions made in the delegation meeting**

The delegation has quorum when the chairman and at least five members are in attendance.

Decisions are taken in the delegation meetings on a simple majority vote. In the event of a tie the opinion supported by the chairman shall prevail.

The vote is a closed-ballot vote, if a third of those attending so request. In a closed-ballot vote and election the decision is chosen by lot in the event of a tie.

A member of the delegation is not allowed to vote in a matter which concerns him personally.

## **18 Compensation paid to the members of the delegation (759/2011)**

The Ministry of Employment and the Economy confirms the compensation payable to the members of the delegation from the funds of the Finnish Seamen's Service.

## 19

### **Board of the Finnish Seamen's Service**

The Ministry of Employment and the Economy appoints the Board of the Finnish Seamen's Service for four calendar years at a time. (759/2011)

The Board consists of five members, who each have a deputy member. One of the members and one of the deputy members has to represent the State, two the employers and two the employees, one of which represents the crew and one the officers. The member representing the officers and his deputy are appointed so that every alternate calendar year the deck officers are represented on the Board and every alternate year the engine officers. The employers' associations concerned represent the employers as a member and as a deputy member every alternate calendar year at a time. All the aforesaid representatives of the employers and the employees have a right of attendance and discussion in the Board meetings regardless of whether they are Board members or deputy members during the said time.

In the appointment of the members and their deputies representing the employers and the employees the provisions of section 13(3) and (4) are applied.

The representative of the Finnish Seamen's Mission has a right of attendance and discussion in the Board meeting.

## 20

### **Chairman of the Board of Directors and supplementing the Board**

The state representative acts as the chairman of the Board of the Finnish Seamen's Service and his deputy member as the vice-chairman.

A Board member can be released from his duty during the term for a particular reason.

When a member or a deputy member resigns or is released from his duty or if a deputy member is appointed as a member during the term, a new member or deputy member shall be appointed to replace him for the remainder of the term.

## 21

### **Duties of the Board of Directors**

The Board of the Finnish Seamen's Service is responsible for:

- 1) the administration of the Finnish Seamen's Service and the due organisation thereof;
- 2) the preparation of the matters to be presented to the delegation;
- 3) the appointment and dismissal of the managing director and other personnel of the Finnish Seamen's Service and to decide upon their remuneration;
- 4) bringing and responding to a claim on behalf of the Finnish Seamen's Service;
- 5) preparation of the annual report, financial statements and operational and financial plans of the Finnish Seamen's Service;
- 6) deciding upon conclusion of an agreement referred to in section 5, a matter regarding a seaman's service charge referred to in section 7(3) and the service charge based on an estimate laid down in section 9(2);
- 7) granting the statutory family, study and other holidays to the managing director and any holidays for duration of over three months to other personnel;

- 8) taking care of all matters, which are not the responsibility of the delegation; and
- 9) issuing the managing director other tasks besides those referred to in this Act and any legislation adopted hereunder.

## 22

### **Board quorum**

The Board has quorum when the chairman and at least three members are in attendance. The Board also has quorum when the chairman and two members, one representing the employers and one the employees are in attendance and the Board is unanimous in its decision.

The Board decisions are taken on a simple majority vote. In the event of a tie the opinion supported by the chairman shall prevail.

## 23

### **The Managing Director**

The Finnish Seamen's Service's operations are conducted by the managing director who is accountable to the Board of Directors. The managing director decides on the issues of the Finnish Seamen's Service which are not for the delegation or the Board to decide under this Act or any provisions adopted hereunder.

The managing director's duties include to:

- 1) manage the operations of the Finnish Seamen's Service in accordance with this Act and the guidelines laid down by the Board;
- 2) grant the personnel family, study and other holidays of a maximum duration of three months and decide upon hiring temporary personnel;
- 3) be responsible for managing the property of the Finnish Seamen's Service and prepare the proposals for the operational and financial plans and the annual report;
- 4) be in charge of the international operations;
- 5) prepare the statements issued by the Finnish Seamen's Service and be responsible for information activities; and
- 6) decide upon the personnel's tasks and their allocation and the areas of responsibility in accordance with the Board decisions.

## 24

### **Signatories of the Finnish Seamen's Service**

The Finnish Seamen's Service's name can be signed by the chairman of the Board and the managing director together or each of them separately together with a Board member authorised by the Board or a member of the office personnel.

Writ of summons or other notification is deemed delivered to the Finnish Seamen's Service once it has been served on a person, who is entitled to sign for the office.

## 25

### **Accounting and auditing obligation**

The provisions of the Accounting Act (1336/1997) and the Auditing Act (936/1994) shall apply to the Finnish Seamen's Service.

## **26 Auditing**

The auditor or deputy auditor referred to in section 15(1)(6) above has to be a Chartered Accountant or Certified Accountant referred to in the Auditing Act or a firm of Chartered Accountants or a firm of Certified Accountants. If the aforesaid firm has been appointed as the auditor, appointment of deputy auditor is not required.

## **Chapter 4 Miscellaneous provisions**

### **27 Appeals**

The Finnish Seamen's Service's decision referred to in section 7(3) is subject to appeal. In addition the employer can appeal against the decision of the Finnish Seamen's Service referred to in section 9(2).

The appeal shall be lodged with the Helsinki Administrative Court.

The appeal has to be lodged within six months from notification of the decision.

In all other respects the provisions of the Administrative Judicial Procedure Act (586/1996) shall apply to the appeal.

### **28 Further provisions (759/2011)**

Further provisions on the Finnish Seamen's Service's bodies, their functions and operation are issued by a Ministry of Employment and the Economy decree.

### **29 Entry into force**

This Act enters into force on 1 July 2007.

This Act repeals the Act of 8 June 1972 on Seamen's Service and Educational Activities (452/1972), as amended.

The members and deputy members of the delegation and the Board appointed under the Act this Act repeals shall continue in their duties until the bodies selected pursuant to this Act have been appointed.

Measures required for the implementation of this Act may be started before the Act's entry into force.