



Comité européen de droit rural – European Council for Rural Law – Europäische Gesellschaft für Agrarrecht und das Recht des ländlichen Raums

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**Congrès européen de droit rural – 11–14 septembre 2013
Lucerne (Suisse)**

**European Congress on Rural Law – 11–14 September 2013
Lucerne (Switzerland)**

**Europäischer Agrarrechtskongress – 11.-14. September 2013
Luzern (Schweiz)**

organisé sous la direction du C.E.D.R. par la Société Suisse de Droit Agraire et l'Université de Lucerne – organised under the direction of the C.E.D.R. by the Swiss Society for Rural Law and the University of Lucerne – organisiert unter der Leitung des C.E.D.R. durch die Schweizerische Gesellschaft für Agrarrecht und die Universität Luzern

Commission I

Statut juridique des conjoints et de leurs enfants dans l'entreprise agricole – **Legal status of cohabitants and their children in the agricultural enterprise** – Rechtliche Stellung der Partner und deren Kinder im landwirtschaftlichen Unternehmen

National report for Finland

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SUMMARY

Agriculture in Finland is based on family farms. Farms are owned by private persons, most typically by spouses practising farming on joint account. Any special regulations concerning the legal status of a countrywoman do not exist. The whole legislation is based on the general principle of equality: the status of an entrepreneur is not depending on the gender.

The promotion of gender equality is a societal task that has been written into the Constitution of Finland. Gender equality in matters concerning working and family life and leisure time is governed by the Act on Equality between Women and Men. In rural development program of Finland for 2007-2013 equality issues have been taken into account by ensuring equal opportunities between men and women to take part in the planning process. Separate SWOT analyses has been made in order to find the strengths, weaknesses, opportunities and threats experienced by women and men in rural areas, and the results have been taken into account in the strategy and measures of the program.

One of the basic measures to ensure equality in agriculture is the social security system which provides social protection for each person working on the farm. The Finnish social security system in agriculture is based on the principle that both spouses have separate rights to social benefits even if only one of them owns the farm. Thus, a spouse working on the farm, is not only an assisting spouse but she (or he) is earning her own social security according to her work input. The pension right of a spouse is not dependent of the owners' pension right. Social protection in agriculture for farm owners, spouses, life partners and their children has been implemented in the legislation by mandatory basis.

Integrating work and family life has been improved by a special Farmers' substitute and holiday scheme. This scheme provides a farmer with annual holiday if he/she has livestock. In addition, a farmer is entitled to get a substitute worker to the farm for example in case of maternity or paternity leave. By the help of the holiday and substitute scheme also a female farmer has better opportunities to take a break from the hard and binding work in order to take care of her small children, to contribute to the activities of the farmers' trade organizations, or to develop her occupational skills by studies.

Questionnaire

Commission I – Kommission I

LEGAL STATUS OF COHABITEES AND THEIR CHILDREN IN THE AGRICULTURAL ENTERPRISE

A. – Stocktaking –

1. Which are the characteristics distinguishing the legal status of partners, specifically countrywomen, and their children in the agricultural enterprise *in general*? Is the status of countrywomen regulated by law?

The status of countrywomen is not regulated by law in Finland. The legislation concerning rural activities is based on the general principle of equality - in other words the status of an entrepreneur in agriculture is not depending on the gender of the person practising farming.

Equality means equality between men and women as well as between different age groups.

In Finland, the promotion of gender equality is a societal task that has been written into the Constitution of

Finland. In Finland, mainstreaming gender equality in matters concerning working and family life, and leisure time is governed by the Act on Equality between Women and Men (609/1986), which came into force in 1987. Finland is also obliged to promote equality through many international treaties and EU legislation.

The aim of the Equality Act in Finland is to promote the attainment of equality and to prevent direct and indirect discrimination based on sex in all areas of the society. The Equality Act has attempted in particular to improve the position of women in working life. Compliance with the Equality Act is monitored by the Equality Ombudsman and the Equality Board, which has been functioning since 1972.

One of the most important measures to ensure the equality in practise in agriculture is the social security system based on the principle of separate rights to social benefits for both spouses. In Finland we have roughly 50 000 active farms and 72 000 persons insured as a farmer in our social security scheme. The statistics show that both spouses are regarded as a farmer if they practise farming together - nevertheless if only one of the spouses is owning the farm. In addition, nearly 5 000 persons are insured as family members in agriculture. Most of them are farmers' children working on the farm.

Approximately 40 % of the insured farmers are female. The role of the female farmers is not just to be assisting spouses but to be a farmer herself as well as her husband.

Equality issues have been taken into account in the preparation of the rural development programme for mainland Finland 2007-2013 by ensuring equal opportunities between men and women to take part in it. According to the Equality Act, official working bodies of the programme must have a minimum of 40% of both women and men. The chair and secretarial duties of the working groups were also split evenly between both genders. Likewise, an equal number of men and women have taken part in the unofficial working groups concerned with preparing the programme and in other measures linked with drafting it.

There has been extensive debate on equality in preparing the programme. Separate SWOT analyses were constructed in the preparation of the programme for women and men in rural areas, but also for young people. This SWOT method was applied primarily in brainstorming sessions and in wide-ranging

discussions via email taking account of the different target groups. These SWOT analyses studied each grouping by gender and age group in terms of the strengths, weaknesses, opportunities and threats experienced by women and men as well as the young in rural areas, and which the programme should consider in its strategy and measures.

A separate equality impact assessment has been incorporated into the programme's ex-ante evaluation, in which not only gender equality but also equality between different age groups must be taken into account.

The equality impact assessment linked to the ex-ante evaluation is included in the ex-ante evaluation annexed to the programme and its recommendations have been taken into account in the relevant sections in the text of the programme.

Working groups that bring together the local, regional and national authorities involved with implementing the programme and the various stakeholders must be put together in accordance with the Equality Act.

Equality is taken into account through the principle of mainstreaming, but the different axes emphasise different perspectives of equality. Equality in axes 1 and 2 is stressed through equal opportunities, i.e. both women and men have equal opportunities to take part in the measures and payments schemes of these axes.

Equal opportunities for both genders are also taken into account in axes 3 and 4, promoting equal opportunities for participation and entrepreneurship for them and different population groups in a balanced way in the implementation of the measures. In addition to this, project activity in particular must observe "modelled equal opportunities" in practical project planning and implementation, which means that projects can be put together based on the objectives of the target group by implementing gender-specific projects. In this instance, gender-specific questions can be taken into account and development measures can be focused on them according to the need at a regional and local

level. The rural policy justifications are strong in projects aimed especially at women, since one of the weaknesses of rural areas is the migration of women from rural areas as business opportunities decline; for example, cuts in the public sector reduce jobs that traditionally employ women in rural areas.

On the other hand, there are rural areas in Finland where the exclusion of men is a particular threat. This kind of project activity that supports the development of business and leisure activities based on the different needs of men and women could involve, for example, the promotion of female employment and female entrepreneurship through advice and other support measures, training for female forest owners, new business opportunities for those abandoning farming, or the prevention of exclusion and loneliness of men in rural areas, and the implementation of development measures concerned with coping with daily life in general. ¹

2. Which are the characteristics distinguishing the legal status of partners, specifically countrywomen, and their children in the agricultural enterprise *in particular*, namely

2.2. in the following branches of law and area fields?

2.2.1. Subsidy law

An application for a subsidy shall be signed by each and all of the partners or by a person authorized by them. This is also applicable to spouses as co-owners of a farm. In the case of a corporation or legal entity, the application can also be signed by the person with the authority to sign. The authorizations, an extract from the trade register showing the authority to sign or a similar document shall be attached to the application.

¹ Rural development programme for mainland Finland 2007-2013 p. 286

Many of the agricultural subsidy systems funded, either entirely or partly, by the EU (e.g., the LFA scheme), as well as the national support systems have restrictions concerning the applicant's age. If the spouses practise agriculture jointly, it is sufficient that one of them meets the required age limit.

Within the LFA scheme for natural handicap payments and when applying for support for animal welfare and non-productional investments, the undertaking or contract can be issued by an applicant or his/her spouse who is of the age of 18–65 years on the 31st of December of the year preceding the issuance of the undertaking or contract.

When the natural handicap payment or environmental subsidy is applied for by a group of several farmers or a corporation practising agriculture or horticulture, the granting of the subsidy requires that, as a minimum, one farmer or one member, shareholder or partner of the corporation meets the age requirement.

National subsidies can be paid out provided that the applicant or his/her spouse was at least 18 but not over 68 years of age on the last day of the calendar year preceding the subsidy year, and that the applicant and his/her spouse are not receiving an old-age pension specified in the legislation concerning farmers' pensions.

A minor persons under 18 years of age is eligible to receive a natural handicap payment, an environmental subsidy or a national subsidy if he/she is married or practises agriculture as a co-owner, jointly with both or one of his/her parents, or if there are other particular reasons for making an exception from the age requirement. When a minor person applies for a subsidy, the stipulations of the Guardianship Services Act (Laki holhoustoimesta 442/1999) shall be considered as regards to, for example, the necessity of appointing a public guardian for legal acts between the parents and their minor children.

2.2.2 Land law and tenancy

In Finland, farms are owned by agricultural entrepreneurs. Moreover, it is typical for agricultural entrepreneurs to obtain additional land by leasing from other local farmers who have given up farming. On average, Finnish farms comprise approx. 40 hectares of field and 60 hectares of forest land.

There are certain restrictions applicable to the transfer of a real property owned by one of the spouses alone. According to Section 38 of the Marriage Act (Avoliittolaki 234/1929), a married person is not allowed to transfer real property without the written consent from his/her spouse if the property in question is intended for use as the shared home of the spouses. However, no consent is required if the property to be transferred is intended for use primarily for other purposes and if the home and the adjoining land area cannot be excluded from the transfer without significantly lowering the value of the real property.

In other words, if the transfer of real property concerns, for example, a detached house with a land area that only covers the immediate environment of the building, the main rule is applicable and consent is always required. In contrast, no consent is required for a transfer of real property that does not include a shared home. A forest real property is an example of this type of real property. Similarly, if the real property subject to transfer only includes field areas that are in agricultural use, no consent is required.

According to Section 3 of the Land Lease Act (Maanvuokralaki 258/1966), a lease agreement shall be made in writing and signed by the contracting parties. However, when the lease agreement concerns agricultural land referred to in Section 71, or if a contract is made concerning other type of land, as referred to in Section 72, it is possible to make an oral lease agreement if the lease period is no more than two years.

Section 20 (c) of the Land Lease Act stipulates that, in the case of a natural person or a decedent's estate as the tenant, a court of law may, upon an application, authorize the tenant to terminate a fixed-term lease agreement or to transfer it to another party. The conditions for granting permission for termination or transfer may exist, for example, if the lease agreement concerns the lease of a constructed plantation or agricultural land and the agricultural entrepreneur as tenant is incapacitated for work due to an illness or injury, either permanently or for a longer period of time. Members of family intended by this provision include, for example, the spouse or cohabitee, children or parents of the tenant.²

2.2.3. Law of succession

Distribution of an estate is gender-neutral.

There are some special rules concerning the distribution of an estate comprising agricultural property in Chapter 25 of the Code of Inheritance (Perintökaari 40/1965). The purpose of these provisions is to promote and safeguard the transfer of a farm in an undivided and viable form to a successor (equally a daughter or a son) when the estate is being distributed. The provisions in this chapter apply to the distribution of an estate comprising a farm, other real property or a part of real property in agricultural use, unless it is otherwise stipulated in a testament or unless the shareholders in the estate agree otherwise. The provisions in this chapter do not apply, if the farm, the real property or the part of real property is fully or mainly located in an area where a town plan is in effect or which is subject to a building moratorium pending the completion or amendment of a town plan or which has been designated for some other purpose than agriculture and forestry in a building plan or confirmed master plan.

² [Government proposal 145/2010 vp](#)

Where a plan referred to in paragraph (2) has effect only on a part of the farm, real property or part of real property, the provisions in this chapter apply to the remainder, provided that the requirements laid down in section 1b are met.

For the purposes of this chapter:

(1) *farm* is defined as an agricultural entity consisting of one or more pieces of real property or parts thereof;

(2) *viable farm* is defined as a farm which suffices as the main livelihood of the farmer and his or her family;

(3) *part of real property* is defined as a share in, or a parcel of, real property;

and

(4) *suitable agricultural successor* is defined as an heir or a universal beneficiary under a testament who has this status at the time of distribution and who has the necessary professional competence to pursue an agricultural business.

A suitable agricultural successor has the right to demand that a viable farm belonging to the decedent's estate, or such real property or parts of real property belonging to the decedent's estate which by themselves or together with other real property or parts of real property owned by the successor or his or her spouse constitute a viable farm, be allotted undivided, and with any agricultural movables, into his or her share of the estate.

A suitable agricultural successor has the same right also in the event that the estate comprises only a part of a viable farm or only a part of such a farm or real property which together with other real property or parts of real property owned by the successor or his or her spouse constitute a viable farm, provided that the remainder is owned by the surviving spouse and that the suitable agricultural successor is an heir of also that spouse. However, it is a prerequisite for this that the surviving spouse and the suitable agricultural successor agree on the farming arrangements, no later than in the distribution of the estate and for a

period of no less than ten years, to the effect that they will work the farm or real property as a common concern or that the suitable agricultural successor is entitled to work the surviving spouse's part of the farm or real property. The surviving spouse and the suitable agricultural successor may also agree that they will work the farm as a common concern for a part of the period of validity of the agreement and that, for the remainder of the period, the successor is entitled to work the farm as referred to above.

If several suitable agricultural successors demand that a farm, real property or part of real property be allotted into their share in accordance with the provisions in this chapter, preference shall be given to the person with the highest professional competence to pursue an agricultural business. (612/1989)

However, a suitable agricultural successor who has clearly better chances to engage in another occupation or otherwise to earn his or her and his or her family's livelihood off the farm shall not be preferred over a person who does not have corresponding abilities and earning potential if the latter has sufficient professional competence to pursue an agricultural business.

2.2.4. Family law

Finnish matrimonial legislation has assumed the principle of separate ownership and, therefore, each of the spouses is a sole owner of their respective property. If the principle of separate ownership were strictly followed, each spouse would have the right to manage their own property at their discretion during the course of the marriage. Also, in case of a divorce or dissolution of marriage, each spouse would be entitled to keep their own property.

For these reasons, the matrimonial legislation has introduced the concept of matrimonial right to joint property. It is intended to alleviate the extreme consequences of separate ownership. According to Section 35 of the Marriage Act (Avoliittolaki 234/1929), each spouse has, unless otherwise stipulated or

agreed upon, a matrimonial right to the other spouse's property. This right is applicable to, for example, a farm owned by the spouse.

Upon dissolution of marriage, each spouse is entitled to receive, through partition, one half of the total savings of the spouses' property that is subject to the matrimonial right. The spouses can, however, possess property that falls outside the scope of the matrimonial right. This type of property is primarily not included in the property that is divided through partition.

The matrimonial right is established at the time of marriage from where on a relationship based on matrimonial right prevails between the spouses. This relationship is terminated either upon the death of a spouse or the dissolution of marriage through divorce.

2.2.5. Social security law

The Finnish social security system in agriculture is based on the principle that both spouses - as well as any other person - have separate pension rights. Thus, every person working on the farm is earning his/her own pension security according to his/her earnings. The pension right of a spouse, for example, is not dependent of the owners' pension right.

Farmers' social security is based on the Farmers' Pensions Act (Maatalousyrittäjän eläkelaki, MYEL 1280/2006). According to the Farmers' Pensions Act, a person who is practising agriculture, either on his/her own account or joint account, is insured by the scheme. In other words, an owner of the farm as well as his/her spouse are insured by the Act as entrepreneurs. If the farm is leased, the tenant and his/her spouse are insured by the Act as entrepreneurs. The main condition for insurance coverage is the fact that the person in question participates in the work on the farm.

In addition, some family members working on the farm are also insured according to the scheme. Such family members include, for example, a cohabitee or a child of a farmer or his/her spouse/cohabitee.

If the farm is possessed by a family-owned company, the owners and their spouses (as well as children) are insured by the Farmers' Pension scheme and earning their own social security.

Not only the pension security but also the level of all other social security benefits, such as sickness allowances, maternity/paternity leave allowances and accident insurance compensation, are based on the income level determined in the individual pension policy. The income from the farm is dependent of the size and profitability of the farm, and is divided between the spouses on the basis of their work input. Until the year 1983, the proportion of the income in the farmers' pension scheme allocated to a wife was restricted to a certain maximum level. Consequently, the pension level of a female farmer remained very modest. Today, both spouses have equal rights and if they are not able to reach agreement on how to divide the income of the farm in the pension insurance scheme, the income is divided half and half between the spouses equally working on the farm.

Upon the death of a farmer, the widow or widower is entitled to a survivor's pension. Its amount depends on two things: The bigger the pension of the deceased, the bigger the survivor's pension. On the other hand, the bigger the widow's or widower's own pension, the smaller the survivor's pension. Thus, the survivor's pension security is individually adjusted according to the need.

In Finland, entrepreneurs, including farmers, have similar rights to maternity/paternity leaves as employees have. This means that a female farmer is entitled to a maternity leave of approximately one year. The amount of the family allowances is also based on the above mentioned income level determined in the farmer's pension policy.

There is one particular feature in the Finnish social security that is extremely significant especially for female farmers, namely the farmers' substitute and holiday scheme. A farmer is entitled to have 26 days of annual holiday if he/she has livestock. Together with the local authorities, the Farmers' Social Insurance Institution MELA is obliged to organize substitute help to the farm so that the farmer can take a holiday. In addition, the farmer is entitled to have a substitute worker to the farm in case of sickness, rehabilitation, maternity/paternity leave, studies and other similar situations. By the help of this scheme, female farmers also have a genuine opportunity to take a break from the hard and binding work in order to, for example, develop her occupational skills, to promote her health, to take care of her small children, or to contribute to the activities of farmers' trade organisations.

2.2.6. Tax law

As regards the transfer of a farm to the next generation, the most important protective regulation is, in practice, Section 55 of the Act on Inheritance and Gift Taxes (Perintö- ja lahjaverolaki, 378/1940), which contains a relief of inheritance and gift tax. Upon the request by the taxpayer, the tax authority may decide not to impose a part of the inheritance and gift tax if the taxable inheritance or gift includes a farm, other enterprise or a part thereof. To be entitled to the inheritance or gift tax relief, the taxpayer shall continue, using the funds received as an inheritance or a gift, to practise agriculture, or agriculture and forestry, or other business on the farm or in the enterprise received through inheritance or donation. Personal participation in the practice of business activities is considered as continued business. The relief concerns the agricultural land, forests, buildings, structures, machinery and equipment of the farm. For other business activities, the relief is provided for "assets belonging to

an enterprise other than a farm". Section 55 of the Act on Inheritance and Gift Taxes is applicable to both farms and other enterprises.³

In income taxation farm income can be divided between spouses according to their work input.

2.2.7. Corporate law

There is no separate legislation concerning agricultural enterprises functioning in the form of a limited company. In Finland, it has not been very usual to convert farms into limited companies, but the trend is rising along with the increased size of enterprises. Limited companies and private businesses practising agriculture are governed by the general regulations of corporate law. Limited companies practising agriculture are typically family-owned companies, with the spouses and children as shareholders, or companies established jointly by neighbouring farmers.

2.2.8. Transfer of business

In Finland, the transfer of farms to younger generations is advanced by means of two methods. The early retirement pension scheme for ageing farmers is intended to safeguard the subsistence of the older generation giving up the farm from the date of transfer until the start of their normal old-age pension. Subsidies provided for young farmers, on the other hand, are intended to encourage young people to take on occupations in agriculture and make it easier for them to start farming.

Farmers' early retirement scheme has existed since 1974 in Finland. Nowadays farmers' early retirement scheme is based on EU-regulation and it is organized by Mela. The main target for the scheme is agricultural. The target is to improve the structure of agriculture by encouraging to start and enlarge farming. The

³ Niskakangas, Tikka, Honkavaara et al. Verouudistus 2005 [Tax reform 2005]

social target is to secure elderly farmers income after change of generation. Early retirement aid is closely linked with pension system by same compensation level and monthly payments from transfer up to old-age pension.

On the other hand setting up of young farmers on an agricultural holding has been encouraged by special aid to ensure continuity in agriculture and to improve the age structure of farmers. Farmers who set up on a holding must acquire a significant amount of production assets using borrowed capital and need financial support to make this expenditure equitable. The objective of this measure is to promote transfers of farms to next generations and, thus, to improve the economic conditions of farmers setting up on a holding and the viability and competitiveness of agriculture and reindeer herding in general.

The objective of above mentioned measures is that the number of new young farmers who take up farming or reindeer management remains the same. The age structure of farmers improves and acquiring capital becomes easier for farmers who take up farming.⁴

2.3. by comparison

2.3.1. to partners and their children in the non-agricultural enterprise?

There are some special rules in the legislation concerning only agricultural enterprises.

Special regulations have been provisioned to secure the transfer of farms as undivided entities in connection with the distribution of estate (see above Law of succession). There is no similar regulation for other companies. According to law of inheritance a suitable agricultural successor has the right to demand that

⁴ Rural development programme for mainland Finland 2007-2013 p. 92-95

a viable farm belonging to the decedent's estate, or such real property or parts of real property belonging to the decedent's estate which by themselves or together with other real property or parts of real property owned by the successor or his or her spouse constitute a viable farm, be allotted undivided, and with any agricultural movables, into his or her share of the estate. The successor can be either male or female.

Transfer of business is supported by an early retirement scheme in agricultural enterprises. This system doesn't exist for non-agricultural enterprises.

Holiday and substitute scheme exist for agricultural enterprises but not for non-agricultural enterprises. Animal husbandry farmers have annual holiday 26 days. Substitute scheme is available for all farmers. Substitute help is available eg in case of sickness, maternity leave, paternity leave and studies.

2.3.2. between female and male partners in the agricultural enterprise?

Treating men and women is mainly gender-neutral. Some rural development programmes are gender orientated eg training for female forest owners or the prevention of exclusion and loneliness of men in rural areas.

According to the Equality Barometer (2004), women are increasingly respected in society's top jobs.

Likewise, unequal attitudes towards the sexes have decreased in all the environments studied by the Barometer. On the other hand, single men in rural areas living on their own or with their parents are a group that should be focused on in the future to prevent exclusion. The loss in agricultural and forestry jobs also affects men more than women. Equality concerns all population groups, including different ethnic groups, although it is still rare to find residents in rural areas who have a foreign background.

B. -Legal Developments-

3. Has the legal status of partners, specifically countrywomen, and their children in the agricultural enterprise in the jurisdiction of your country changed with regard to the following branches of law and area fields? If yes, how and to which extent? The legal status of countrywomen is not regulated by law in Finland.

3.1. Subsidy law

Finland joined the European Union in 1995. Rural development programmes for mainland Finland started to have some gender-orientated activities.

3.2. Land law and tenancy: No essential amendments during the last few decades.

3.3. Law of succession: No essential amendments during the last few decades.

3.4. Family law: No essential amendments during the last few decades.

3.5. Social security law

During the last few decades the farmers' holiday and substitute scheme has been developed gradually in order to promote farmers' well-being. The scheme is an essential measure in helping farmers to continue in their hard and binding work. The special needs for substitute help of female farmers has been taken into account when developing this scheme.

The number of annual holidays has increased from 15 days up to the current 26 days. The possibility to receive substitute help for family reasons has been widened significantly in 2002. From the same time,

substitute help has been allowed also for a farmer for studies or for participating meetings of farmers' trade union.

The basis of farmers' social security (see point 2.2.5) in Farmers' Pension Act was amended in 1983 into a gender-equal form.

3.6. Tax law: No essential amendments during the last few decades.

3.7. Corporate law No essential amendments during the last few decades.

3.8. Transfer of business No essential amendments during the last few decades.

4. Are the legal developments concerning the legal status of partners, specifically countrywomen, and their children in the agricultural enterprise, as established in your country, traceable to trends

4.1. in *national* law, and to which in particular?

The aim of the Equality Act in Finland is to promote the attainment of equality and to prevent direct and indirect discrimination based on sex in all areas of the society. The Equality Act has attempted in particular to improve the position of women in working life. Compliance with the Equality Act is monitored by the Equality Ombudsman and the Equality Board, which has been functioning since 1972. Finland's Government has adopted its own equality programme for 2004–2007, which is being actively implemented and monitored at different administrative levels and in cooperation with various actors. The Government's equality programme requires the mainstreaming of gender equality in the whole state administration. Mainstreaming must also go beyond administration and be seen in terms of developing all activities, such as education and

training, working life and administration, so that the points of view of women and men are equally taken into account.

4.2. in European law, and to which in particular? Which role are playing the advancement of the CAP, the subsidy law of the EU and the EU programmes EAFRD⁵ and LEADER⁺?⁶

Equality between women and men is one of the EU's founding principles. It goes back to 1957 when the principle of equal pay for equal work became part of the Treaty of Rome.

Finland is also obliged to promote equality through many international treaties and EU legislation.

The subsidy law based on CAP is gender-neutral. Through EAFRD there are programmes which are gender orientated.

The Council Directive on the application of the principle of equal treatment between men and women engaged in an activity, including agriculture, in a self-employed capacity, and on the protection of self-employed women during pregnancy and motherhood (Gender Equality Directive 2010/41/EU) is intended to advance gender equality in matters concerning independent self-employed individuals, including those in the field of agriculture. The directive pays attention to the fact that in view of their participation in the activities of the family business, the spouses, or the life partners of self-employed workers who have access to a system of social protection, should also be entitled to benefit from social protection.

⁵ European Agricultural Fund for Rural Development.

4.3. in *international* law, and to which in particular? Are the country reports of the UN-Committee on the Elimination of Discrimination against Women (CEDAW) of relevance in this respect?

In 1986, Finland ratified the UN Convention on the Elimination of All Forms of Discrimination against Women (Finnish Treaty Series 68/1986). According to the Convention, the participating states condemn all forms of discrimination against women and commit themselves to undertake all appropriate measures to immediately end discrimination against women. The Convention not only prohibits discrimination but also obligates to take active positive measures in order to improve the status of women.

The Convention defines discrimination against women as “any distinction, exclusion or restriction made on the basis of sex which has the effect or purpose of impairing or nullifying the recognition, enjoyment or exercise by women, irrespective of their marital status, on the basis of human rights and fundamental freedoms in the political, social, cultural, civil or any other field.”⁶

C. – Prospects –

5. In your country, are there measures identifiable aiming at improving the legal status of partners, specifically countrywomen, and their children in the agricultural enterprise, *in general*?

⁶ The term ‘Leader’ is a French acronym meaning “*Liaison entre actions de développement de l'économie rurale*” (in English: 'Links between actions for the development of the rural economy').

Direct cooperation based on trust and the division of tasks between the public and private sector has proved very important for the rural development in the local action group work method. These can be achieved by having rules that emphasise equality, clear responsibilities and immediate personal contacts and knowledge. The approach calls for new practices between authorities and actors, and the experiences gained have been positive. At the local level, Leader activities bring together municipalities, State administration, local associations, enterprises and active citizens in cooperation. Decisions are made by the boards of the local action groups based on the principle of tripartition. The principle of tripartition guarantees equal voting rights for local administration, associations and organisations, as well as local residents.⁷

6. In your country, are there measures identifiable aiming at improving the legal status of partners, specifically countrywomen, and their children in the agricultural enterprise, *particularly* with regard to the following problematic issues

6.1. Demographic ageing and rural depopulation, with due regard to the exodus of women?

In Finland, during the programming period 2000–2006, the rural development measures that were carried out in projects co-financed by the European Agricultural Guidance and Guarantee Fund (EAGGF) were agrienvironmental support and compensatory allowances in the Horizontal Rural Development Programme and measures for developing rural areas, such as diversifying business activity, developing villages and improving basic services in rural areas, contained in the Objective 1 programmes for North and East Finland and the Regional Rural Development Programme (RRDP). Structural

⁷ Rural development programme for mainland Finland p. 61

development measures in agriculture were also supported, which included, for example, aid for investment and aid for young farmers. Local rural development projects have been funded by the Leader+ Community Initiative Programme and implemented by local action groups, comprising inhabitants of rural areas, local associations and representatives from municipalities. The Leader approach was mainstreamed in Finland during the programming period 2000–2006 in the RRDP, Objective 1 and nationally funded POMO+ programme. On the basis of evaluations of the first (1995–1999) and second programming period (2000–2006), the key strategic areas and selected measures have been judged to be successful.

The Community agricultural and rural development policies are complemented by national agricultural aid schemes, which aim to safeguard the operating conditions of Finnish agriculture in different production sectors and regions, develop the structure of agricultural production and promote the preservation of a viable countryside and good living environments. The most important national schemes are the national aid for agriculture and horticulture, structural aid and early retirement schemes.

About 40% of Finnish enterprises are located in rural areas. Rural enterprises are often small and frequently operate on farms. 35% of farms engage in a secondary business activity alongside agriculture (Information Centre of the Ministry of Agriculture and Forestry, 2006). Services are the largest, and still growing, sector in rural areas (40% of rural enterprises), which provide opportunities especially for women and the young. The tradition of unpaid voluntary work by women is well established, especially in rural areas. Women living in rural areas are the most active in different kinds of work in the so-called third sector, such as voluntary work in organisations and associations as well

as caring for other households in the rural community. The need for welfare and care services will increase in the future as the population gets older. Women living in rural areas also have a great deal of potential in production for household use, small-scale food processing, tourism and handicraft, and information work. Different cultural and business services and increased teleworking also create new employment opportunities. The operational requirements of many of the new and developing services in rural areas characteristically depend on the varied know-how and knowledge of entrepreneurs, which highlights the role of training and networking.⁸

6.2. Multifunctionality of agriculture and diversification of production, with due regard to the situation of women in part-time farming operations?

The impact on equality of the rural development programmes has also been examined separately in the evaluations. The programmes' measures have been found in the main to be gender neutral, i.e. they have not been observed to contain any gender-specific aspects. In spite of the equal opportunities for taking part in project activity, there are differences, however, in each programme. The Leader+ programme spent most funding on measures aimed at women. The RRDP programme did not contain these types of specific measures aimed at women at all and funding directed at women in the Objective 1 programmes has been very limited.

According to information from the monitoring system, projects for women have, nevertheless, been implemented in practice and improvements in the position and employment of women have been

⁸ Rural development programme for mainland Finland p. 13

achieved. The Leader+ programme has been strongest in this regard, but other programmes have succeeded relatively well in focusing their activities on women.⁹

6.3. Training and development and access to information and to information technology, with due regard to the requirements of women with multiple responsibilities?

Many evaluations have observed that, in relation to strengthening skills in rural areas and improving innovation, action groups have some valuable characteristics: people trust them and they are considered to be equal development partners, i.e. they are a central part of the social capital in their territory. Leader activities have clearly improved the identity of regions, people's commitment to the region and their confidence in its future. The Leader+ programme can be said to have created social capital at different levels within local rural communities (e.g. the village level) and between development parties (action groups, other associations and different authorities). The latter is evident in particular in smoother cooperation, increased trust and pulling together, both locally and regionally. Socially and culturally sustainable development is an important sustainability dimension of the Leader+ programme. Numerous Leader+ projects promoting ecological sustainability have also been implemented by action groups, for example those relating to recycling and environmental education. There are only a few projects in the Leader+ programme in which environmental sustainability is a critical factor. As a whole, the Leader programme clearly has a positive impact on sustainable development,

⁹ Rural development programme for mainland Finland p. 61

especially as a result of measures promoting socially and culturally sustainable development.¹⁰

6.4. Participation in organisations and in politics, with focus on the participation of women?

Holiday and substitute scheme gives possibilities for womens' participation in organisations and politics. It's possible to get substitute help for participation of regional, national or international meetings for farmers' trade organisation.

7. On the basis of experiences made in your country, are there measures identifiable which improved the legal status of partners, specifically countrywomen, and their children in the agricultural enterprise in a sustained manner and which may be borrowed by other countries?

The characteristics best implemented in Finland are the bottom-up principle, networking and local partnership in decision-making, in line with the principle of tripartition.

The impact on equality of the programmes has also been examined separately in the evaluations. The programmes' measures have been found in the main to be gender neutral, i.e. they have not been observed to contain any gender-specific aspects. In spite of the equal opportunities for taking part in project activity, there are differences, however, in each programme. The Leader+ programme spent most funding on measures aimed at women. The RRDP programme did not contain these types of specific measures aimed at women at all and funding directed at women in the Objective 1 programmes has been very limited.

¹⁰ Rural development programme for mainland Finland 2007-2013 p. 61

According to information from the monitoring system, projects for women have, nevertheless, been implemented in practice and improvements in the position and employment of women have been achieved.

The Leader+ programme has been strongest in this regard, but other programmes have succeeded relatively well in focusing their activities on women.¹¹

¹¹ Rural development programme for mainland Finland 2007-2013 p. 61-63