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ANNUAL REPORT
OF THE PARLIAMENTARY
OFFICE

PARLIAMENT OF FINLAND

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REVIEW BY THE SECRETARY GENERAL

Parliament continued to work in an efficient and unfaltering manner in 2005. It held a total of 143 plenary sessions on 134 days and handled over 200 Government bills. Work in plenary session was planned more systematically and measures were taken to avoid late-night sessions as far as possible.

The opening debate, following the same procedure as in 2004, concerned a statement by the Prime Minister on the Government's policies in 2005 and key bills. The opening debate has thus established its position as an important form of parliamentary interaction between the Government and Parliament.

Preparation for the 100th anniversary of Finland's parliamentary reform, which will be celebrated extensively in 2006 and 2007, continued last year. Parliament approved as the theme of the centennial "The right to vote - trust in law. One hundred years of Finnish democracy."

In 2003 the Speaker's Council appointed a commission to study procedural rules concerning the handling of EU matters, particularly if the European Union's constitutional treaty is approved. The commission submitted its report in late winter 2005. The negative outcome of the referendums that were held on the constitutional treaty in France and the Netherlands brought the ratification process to a halt quite widely and caused Parliament to postpone handling the matter, which it had planned to do in autumn 2005. On the basis of preparatory work Parliament is prepared to adapt its procedures to take full advantage of the new possibilities offered by the constitutional treaty.

In 2003 the Speaker's Council also appointed a commission to prepare a proposal for the reorganization of parliamentary control of the state economy. This commission submitted its report in winter 2005 and proposed the establishment of a new Audit Committee to replace the Parliamentary State Auditors from the beginning of



the 2007 session of Parliament. A Government bill to amend the Constitution for this purpose is expected in spring 2006.

The committees also operated quite normally in 2005 on the whole. Reports were prepared at a steady pace in response to Government bills. The number of matters that were carried over to the next year declined. Committees' tasks and available capacity thus appear to be in balance.

The Visitor's Centre that opened in autumn 2004 significantly improved Parliament's information services. Parliament now has a place where citizens can freely come to obtain information and where the parliamentary groups can arrange occasions for the public. In 2005 the Visitor's Centre attracted over 25,000 people. The Visitor's Centre added the Legislators game for school pupils to its services. Parliament also began producing materials for special groups such as the blind, the deaf and the mentally retarded. In December 2005 Parliament and the Finnish Broadcasting Company concluded a cooperation agreement according to which the Finnish Broadcasting Company will take care of production when Parliament begins direct webcasts of plenary sessions in autumn 2007.

Parliament's international activities remained lively. In addition to Nordic, European and world Speakers' conferences, Parliament participated regularly in the work of ten international parliamentary assemblies or networks. In 2005 a total of 74 MPs were involved in this work as members or deputy members of delegations, with 17 participating in more than one delegation. Parliament needs to coordinate its international activities better. Last year a working group under the Second Deputy Speaker considered ways to improve the coordination of issues discussed in international parliamentary organizations and conferences at the national level. The working group submitted its proposals to the Speaker's Council at the beginning of the 2006 session of Parliament.

The Parliamentary Office was reorganized at the beginning of 2005 by establishing a Security Department directly under the Speaker and the Secretary General. To streamline and clarify the management of security matters, security personnel were brought together from the Parliamentary Office's different units. The Security Department is responsible for the proper working and development of Parliament's security system in all circumstances as well as rescue activities and civil defence. Security has been made

an integral part of Parliament's operating culture. The department's values, attitudes and activities are thus part of Parliament's management culture. Parliament's security activities are based on the principle of open Nordic democracy. The Security Department's work began with a number of development projects. These are intended to correct structural deficiencies and to develop environmental and quality systems, occupational safety and arrangements for visitors.

The completion of Parliament's new annex in 2004 also created possibilities to develop activities in older facilities. Parliament's occupational health clinic moved into renovated facilities in Building C, which was completed in 1978, and sports facilities were added to the civil defence shelter. The art competition for the new annex developed into the biggest art competition ever arranged in Finland. Works based on 1,719 proposals will be ready in 2006 and 2007.

As in other areas of public administration, possibilities to adopt a new pay system based on the difficulty of tasks and personal performance were studied during the year. The goal is for parliamentary officials to shift to the new pay system in 2007.

Seppo Tiitinen



ANNUAL REPORT AND FINANCIAL STATEMENTS 2005

The annual report contains the necessary information concerning the organization of the Parliamentary Office, legislative work, work in committees, international activities, information activities, security, personnel, real estate and facilities, information management and Parliament's finances together with an analysis of the financial statements.

The financial statements include the Statement of Income and Expenses, Balance Sheet and Budget Implementation Statement. The financial statements and accounting principles are at the end of the annual report. Section 48 of the accounting regulations prescribes the notes that must be appended to financial statements. These have not been included in this report.

CHANCELLERY COMMISSION

The Chancellery Commission directs, supervises and develops Parliament's administration and financial management. With the exception of the Secretary General it appoints the staff of the Parliamentary Office and resolves significant matters regarding Parliament's administration and financial management.

The Chancellery Commission includes the Speaker and Deputy Speakers as well as four MPs who are elected at the beginning of the electoral period with deputies. The Chancellery Commission's composition in 2005 was as

follows: Speaker Paavo Lipponen, First Deputy Speaker Markku Koski, Second Deputy Speaker Ilkka Kanerva and MPs Matti Ahde, Jukka Vihriälä, Jyri Häkämies and Janina Andersson. Deputy members were MPs Anne Huotari, Jaana Ylä-Mononen, Per Löf and Kari Kärkkäinen.

The Chancellery Commission generally meets on alternate Thursdays during sessions. The Secretary General serves as presenter in the most important appointment matters and the Administrative Director in other matters. The head of the Administrative Office serves as secretary.



The Chancellery Commission on 31 March 2005 (from left to right): MPs Kari Kärkkäinen, Janina Andersson, Matti Ahde and Jukka Vihriälä standing behind First Deputy Speaker Markku Koski, Speaker Paavo Lipponen and Second Deputy Speaker Ilkka Kanerva.

LEGISLATIVE WORK IN THE 2005 SESSION OF PARLIAMENT



General

The 2005 session of Parliament was the third session in the electoral period and as such was quite normal in terms of Government bills and sittings. The number of Government bills and other matters as well as session hours were similar to the level in previous years.

With regard to practices and schedules, two trends are worth noting. In 2005 work in plenary session was planned over a longer period and with greater precision. Measures were also taken to avoid late-night sessions as far as possible. Furthermore information concerning schedules was improved and supplemented. A new information channel was text messages. MPs were sent text messages concerning schedules for discussing matters and unexpected votes. Feedback indicated that MPs regard text messages as a positive new information channel.

A new practice for the preliminary debate on the budget proposal was created last year. MPs were informed well in advance when the main divisions of the budget would be discussed. This ensured that ministers would be on hand during discussions concerning their own administra-

tive sector. More days were also reserved for the preliminary debate on the budget proposal than in previous years.

Cooperation with the Government in planning parliamentary work functioned well and timetables were followed without noteworthy surprises.

Parliament's composition and activities

The 2005 session of Parliament was opened on 1 February 2005. The last plenary session was held on 21 December 2005. The opening opera was Pyotr Tchaikovsky's *The Queen of Spades*.

Parliament held 81 plenary sessions during the spring term from 1 February to 22 June and 62 plenary sessions during the autumn term from 6 September to 21 December. Plenary sessions lasted a total of 492 hours, and session days totalled 134.

Paavo Lipponen served as Speaker of Parliament, Markku Koski as First Deputy Speaker and Ilkka Kanerva as Second Deputy Speaker

The Speaker's Council

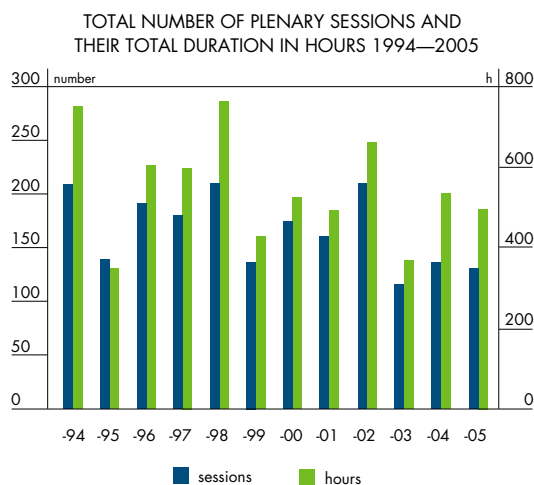
The Speaker's Council, which directs and plans legislative work, includes the committee chairs as well as the Speaker and Deputy Speakers. The Speaker's Council meets before each plenary session to discuss the agenda for the day and approve proposals concerning the referral of matters to committees and the tabling of reports. It also decides on the procedures to be followed in debates and approves the plenary session plans that are the basis of parliamentary work.

In February 2005 a commission that was appointed by the Speaker's Council to study

the parliamentary control of the state economy completed its work. The Secretary General presented the commission's report to the Speaker's Council on 4 March 2005. The report proposed the establishment of a new Audit Committee by combining the Parliamentary State Auditors and the control function of the Finance Committee's Subcommittee for Administration and Control. This would mean the abolition of the Parliamentary State Auditors. The Office of the Parliamentary State Auditors would also be abolished.

The Speaker's Council requested statements on the report from the parliamentary groups, all of which supported the establishment of the proposed Audit Committee. After the report's positive reception, the Speaker's Council decided on 15 April 2005 to send documents concerning the matter to the Ministry of Justice so that it could prepare bills to amend sections 35 and 90 of the Constitution as well as certain related Acts. The Speaker's Council considered it important for the Audit Committee to go into operation at the beginning of the next electoral period.

At the beginning of the next electoral period the information systems in the Session Hall will be updated and direct webcasts of plenary ses-



The Speakers on the dais in the Session Hall: First Deputy Speaker Markku Koski, Speaker Paavo Lipponen and Second Deputy Speaker Ilkka Kanerva.

sions will begin. In 2005 the Speaker's Council and the Chancellery Commission approved the basic solutions in the Session Hall 2007 project.

Another commission that was appointed by the Speaker's Council studied the organization of Parliament at the beginning of the electoral period and practices regarding MPs' absences. Decisions concerning these matters will most likely be made in spring 2006. The Speaker's Council also supervised preparations for Parliament's centennial in 2006-2007.

The Speaker's Council met 136 times during the 2005 session. The composition of the Speaker's Council at the end of the session was as follows: Speaker Paavo Lipponen, Deputy Speakers Markku Koski and Ilkka Kanerva and committee chairs Jari Vilén Itälä (Grand Committee), Kimmo Sasi (Constitutional Law Committee), Liisa Jaakonsaari (Foreign Affairs Committee), Olavi Ala-Nissilä (Finance Committee), Matti Väistö (Administration Committee), Tuija Brax

(Legal Affairs Committee), Markku Laukkanen (Transport and Communications Committee), Sirkka-Liisa Anttila (Committee for Agriculture and Forestry), Kauko Juhantalo (Defence Committee), Kaarina Dromberg (Committee for Education and Culture), Valto Koski (Social Affairs and Health Committee), Jouko Skinnari (Commerce Committee), Jyrki Katainen (Committee for the Future), Jukka Gustafsson (Employment and Equality Committee) and Pentti Tiusanen (Environment Committee).

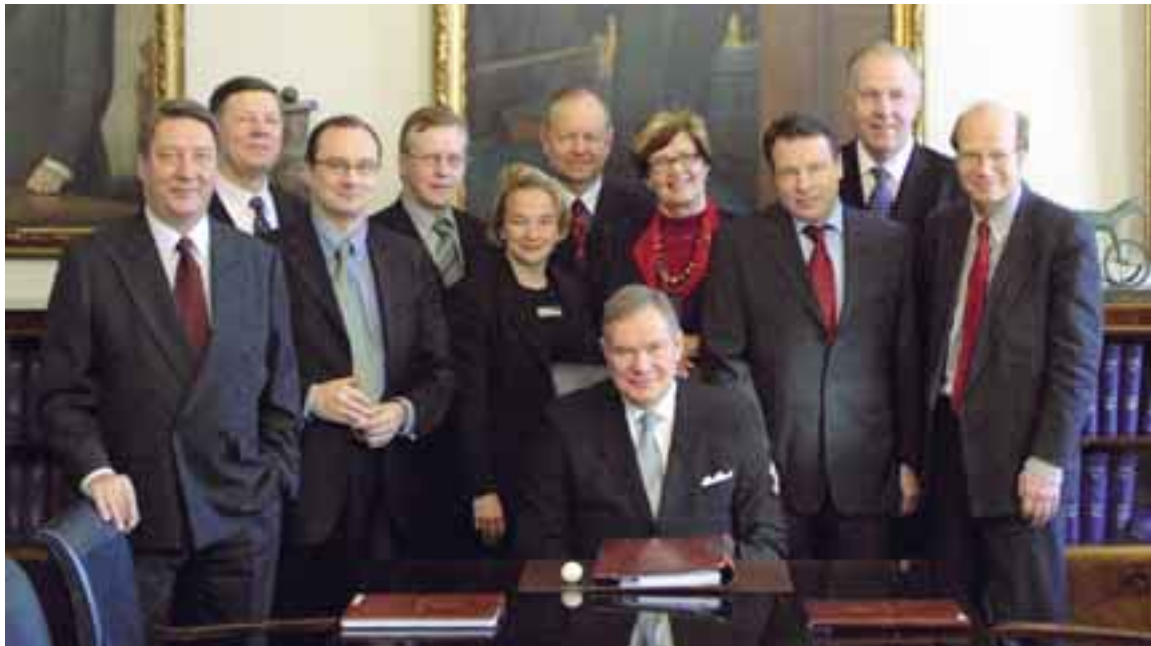
The Central Office

The Central Office takes care of preparatory, execution and service tasks related to plenary sessions of Parliament as well as the keeping of minutes. It is also responsible for preparing

and publishing parliamentary documents and registers, translating key documents into Swedish, and distributing and storing documents. In addition to these tasks the Central Office assists, advises and serves MPs and different cooperation parties in matters regarding work in plenary session. The Central Office employees about 70 persons.

Updating technology in the Session Hall in 2007 required the attention of the Central Office's different units last year. Several person-years went into specification and planning work. Changes will have the greatest effect on the Registry Office. The Central Office began preparing for the project with extensive trials and development work.

The Documents Office and the Information Management Office revised procedures for preparing answers to written questions as



The Speaker's Council includes the Speaker, the Deputy Speakers and the committee chairs. Shown here (from left to right) are MPs Kauko Juhantalo, Matti Väistö and Jari Vilén, First Deputy Speaker Markku Koski, MPs Tuija Brax, Markku Laukkanen and Sirkka-Liisa Anttila, Second Deputy Speaker Ilkka Kanerva and MPs Olavi Ala-Nissilä and Kimmo Sasi standing behind Speaker Paavo Lipponen.

part of cooperation between Parliament and ministries last year. As a result answers to written questions that are received from ministries can be published immediately on Parliament's website.

The Swedish Office placed increased emphasis on translation cooperation with the Prime Minister's Office, the Bureau of Legislative Inspection at the Ministry of Justice, Nordic colleagues and the EU's language service last year.

Matters handled by Parliament

GOVERNMENT BILLS AND OTHER SUBMISSIONS

The Government submitted 232 bills and Parliament continued handling 60 bills held over from the previous year. All in all Parliament finished handling 231 bills, of which 229 were approved, one was rejected and one was approved and left in abeyance. Two bills were withdrawn by the Government.

Parliament approved several bills that had to do with the position of students. The University Act was amended to set time limits on studies. Now students are expected to complete a

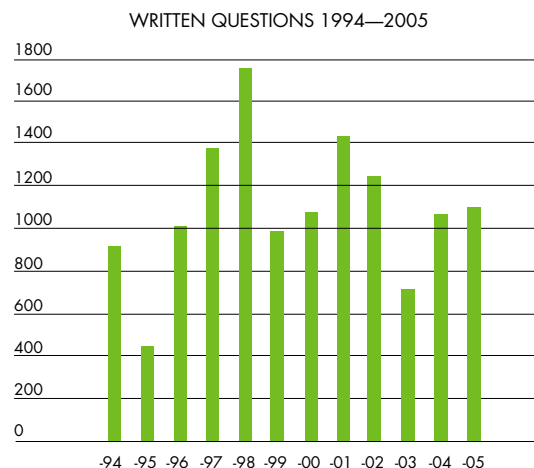
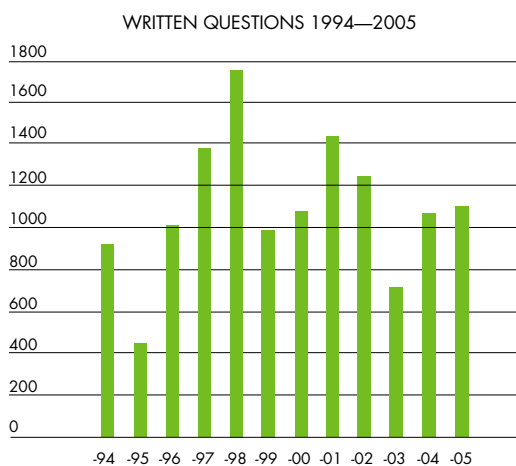
degree within two years of the target time. A new student loan deduction also encourages students to complete degrees faster. In addition the maximum amount of housing support for students was increased. The degree system at polytechnics was developed so that students can complete a master's degree. The Aliens Act was amended to make it easier for foreign students to become involved in Finnish working life.

Parliament also approved legislative amendments designed to help workers find new jobs when employment has ended and it is not their fault. Special attention is paid to encouraging workers to start looking for a job as soon as they have received notice, through redundancy protection.

The amendment of the Copyright Act stimulated a great deal of public discussion last year. The Act was amended to comply with the Information Society Directive that was adopted by the EU in 2001.

The amendment of the Act on Central Government Transfers to Local Government and the elimination of net wealth tax according to the latest incomes policy settlement also caused lively debate in Parliament and the media.

Parliament approved amendments to the Annual Holidays Act to allow employees to





take a fifth week of holidays on a part-day basis. For example, employees can work half-time for two weeks. The choice must always be up to the employee.

The Act on Equality between Women and Men was amended so that companies with over 30 employees must prepare an equality plan. This includes a report on men's and women's assignment to different tasks and pay. A conditional fine can be imposed if an employer fails to prepare an equality plan.

The 2006 budget proposal was submitted on 16 September and the preliminary debate was conducted on 16-22 September. One supplementary bill was submitted along with the budget. The final debate was conducted on 13-21 December. The budget included 42 Government

bills. A total of 1,269 initiatives were presented in connection with the budget, of which 13 were approved and 1,256 were rejected.

The Government submitted three supplementary budgets along with two supplementary bills. In connection with these 69 initiatives were submitted; all were rejected.

In the spring term Parliament debated the Government's white paper on the budget framework for 2006-2009. The Government also submitted five other white papers to Parliament. These concerned the effectiveness of administration and development needs, the Finnish Road Enterprise reform, agricultural policy, energy and climate policy, and the European Union's constitutional treaty. Parliament finished discussing the white paper on

the Finnish Road Enterprise reform in 2005. Discussion of the other white papers continued in 2006.

Three statements by the Prime Minister were submitted to Parliament in 2005. The first of these (3 February 2005) regarded the earthquake and tsunami that took place in Asia on 26 December 2004. The opening debate was conducted on 10 February concerning a statement by the Prime Minister on the Government's policies in 2005 and key bills. The third statement by the Prime Minister dealt with the Northern Dimension and timely EU matters. It was discussed on 8 June 2005.

A total of 16 reports were submitted to Parliament by the Government and Parliament's own organs.

MEMBERS' INITIATIVES

The Government answered five interpellations. The first was on eliminating inequality and poverty (Martti Korhonen/Left Alliance and others, 25 February). The second concerned the achievement of the development aid commitment in the Government programme (Päivi Räsänen/Christian Democratic Party and others, 19 April) and the third ensuring the quality of basic education (Jyrki Katainen/National Coalition Party and others, 1 June). The fourth was on developing public transport (Janina Andersson/Green Party and others, 11 October). The fifth concerned Fortum's incentive programmes (Martti Korhonen/Left Alliance and others, 11 November).

A total of 1,101 written questions were submitted to members of the Government. This was

slightly more than the year before. A total of 180 issues were discussed during question hours.

MPs made 14 debate proposals. One topical discussion was held, on improving traffic safety in Finland (30 March).

Members presented 161 legislative initiatives and 222 were held over from the previous year. Eight legislative initiatives were approved and 58 were rejected. One initiative was withdrawn. Members presented 118 measure initiatives and 199 were held over from the previous year. No measure initiatives were approved; 15 were rejected.

Here is a summary of matters initiated in the 2005 session of Parliament. (Further information on European Union matters and their role in parliamentary work is presented in the section "Work in committees".)

• Government bills	232	(282)
• Government statements	-	-
• Government White Papers	6	(8)
• Statements by the Prime Minister	3	(3)
• Legislative initiatives	161	(152)
• Measure initiatives	118	(118)
• Budget initiatives	1269	(1069)
• Supplementary budget initiatives	69	(58)
• Interpellations	5	(4)
• Written questions	1101	(1068)
• Union matters	53	(79)

* The corresponding figures in the 2004 session of Parliament are in parentheses.

WORK IN COMMITTEES

General

The committees' activities during the third session of the electoral period were quite normal. The Government submitted 232 bills, which was 50 less than the year before and about 20 more than in the third session of the previous electoral period. The committees prepared slightly more reports than the number of bills received.

The special committees prepared a total of 596 reports and statements. These required 1.97 committee meetings on average. The corresponding figures for the year before were 603 and 2.02 and for the third session of the previous electoral period 554 and 2.14.

At the end of the 2005 session, the special committees were still in the process of handling 43 Government bills, four Government white papers and five reports. Among this unfinished business, eight Government bills

and two reports had been introduced in 2004. The committees had less unfinished business at the end of the session than the year before. For example, the number of pending Government bills fell by nearly 20. On the other hand 15 Government bills had not been referred to committees at the end of the session.

Committee chairs did not change during the year.

Meetings

The total number of committee meetings (1,231) was almost exactly the same as in the third session of the previous electoral period (1,233). The number of meetings was somewhat lower than the year before (1,289). The Grand Committee met twice while Parliament was in recess.

The Administration Committee, the Constitutional Law Committee and the Commerce Committee each held over one hundred meetings.



The Grand Committee in its new meeting room.

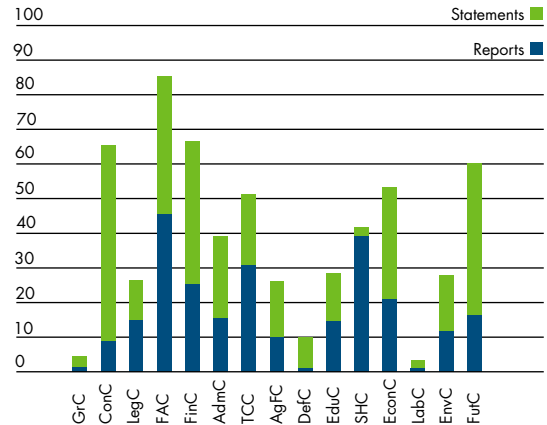
Reports

Government bills, initiatives and reports submitted to Parliament as well as other matters are prepared in committee before decisions are made in plenary session, according to section 40 of the Constitution. The committees prepared 259 matters and drafted reports on these for the plenary session. Detailed discussion of one additional matter continued in plenary session on the basis of a report submitted by the Grand Committee. The number of reports was slightly higher than in the third session of the previous electoral period (242) but lower than the year before (284).

The Finance Committee and the Social Affairs and Health Committee again drafted the largest numbers of reports.

Statements

The special committees issue statements to one another (Rules of Procedure, sections 32:3 and 38) and to the Grand Committee. They can also issue statements to the Government or a ministry on the basis of information received



from them (Constitution, section 47:2). The special committees issue statements to the Grand Committee on European Union matters (Constitution, sections 96 and 97; Rules of Procedure, section 38:1). The Grand Committee (and the Foreign Affairs Committee) can then issue statements to the Government on these matters (Constitution, sections 96 and 97).

The committees issued 340 statements during the year. The largest category consisted of statements made by the special committees to the Grand Committee on European Union matters (204), which made up about 60% of the total. The special committees issued 121 statements to each other. The share of statements

	Meetings	Reports	Statements total	Statements to other committees	Statements to GrC/FAC	Statements to Gov/Min
Grand Committee (GrC)	59	1	3	0	0	3
Constitutional Law Committee (ConC)	103	9	57	54	3	0
Foreign Affairs Committee (FAC)	89	15	12	3	4	5
Finance Committee (FinC)	53	46	40	5	35	0
Administration Committee (AdmC)	116	26	41	6	34	1
Legal Affairs Committee (LegC)	96	16	23	9	13	1
Transport and Communications Committee (TCC)	82	31	20	5	14	1
Agriculture and Forestry Committee (AgFC)	87	10	16	2	14	0
Defence Committee (DefC)	45	1	9	6	2	1
Education and Culture Committee (EduC)	88	15	13	3	10	0
Social Affairs and Health Committee (SHC)	96	39	13	4	8	1
Commerce Committee (ComC)	101	21	32	3	28	1
Committee for the Future (FutC)	42	1	2	1	1	0
Employment and Equality Committee (EmpC)	97	12	16	10	6	0
Environment Committee (EnvC)	77	17	43	10	32	1
Total	1231	260	340	121	204	15



The Legal Affairs Committee in one of the marble staircases, with committee chair Tuija Brax in the middle of the front row.

relating to European Union matters was about the same as the year before and the third session of the previous electoral period. The total number of statements was slightly higher than the year before (327) and was also higher than in the third session of the previous electoral period (317).

The Constitutional Law Committee issued the largest number of statements. Nearly all of these were based on the committee's task of ensuring legality (Constitution, section 74). Among the other committees only the Defence Committee and the Employment and Equality Committee issued more statements in national matters than in European Union matters. The Finance Committee, the Administration Committee and the Environment Committee issued the largest number of statements in European Union matters.

European Union matters

The Grand Committee handled 53 new U matters, which fall within Parliament's scope under section 96 of the Constitution, and 140 E matters, concerning which Parliament has the right to receive information under section 97 of the

Constitution. The corresponding figures were 79 and 145 the year before and 92 and 145 in the third session of the previous electoral period. The Grand Committee also received reports from the Government on 113 meetings of the Council of the European Union. The corresponding figure in 2004 was 111. The Grand Committee heard a report from Commissioner Olli Rehn on the enlargement of the Union. Ambassador Matthew Kirk of Britain spoke to the Grand Committee on the objectives and programme for the British Presidency of the EU.

The handling of matters in the European Union typically takes longer than one session, and around 700 U and E matters were under consideration in the Grand Committee, which handled them on the basis of further information supplied by the Government or reports on Council meetings. The figure was the same as the year before.

The Grand Committee issued three statements to the Government on European Union matters, the same number as the year before. These concerned the agenda for the Finnish Presidency of the EU, the implementation of the Lisbon Strategy and the EU's Northern Dimension. The special committees issued 93 statements on U matters and 109 statements

on E matters to the Grand Committee. The total (202) was slightly higher than the year before (196). The Foreign Affairs Committee also sent two statements on E matters to the Grand Committee as well as the Government.

The Foreign Affairs Committee handled 57 CFSP matters with reference to reports received by the committee under section 97 of the Constitution. The committee received statements it had requested on two CFSP matters, one from the Commerce Committee and the other from the Environment Committee. The Foreign Affairs Committee issued statements to the Government on three CFSP matters. These concerned Finland's trade policy programme, managing globalization and the EU's Northern Dimension. One of the statements, which was also based on an E matter, was sent to the Grand Committee as well as the Government. In 2004 the Foreign Affairs Committee handled 45 CFSP matters, on which it did not issue statements.

The process of ratifying the European Union's constitutional treaty was interrupted when referendums in France and the Netherlands rejected the treaty. After the European Council decided on a period of reflection, on 25 November 2005 the Government submitted a white paper to Parliament on the constitutional treaty. Discussion of this white paper will continue in spring 2006.

Travel

In 2005 the committees made numerous study tours abroad, mainly in delegations (with the figures in brackets indicating the number of MPs plus the number of officials). Individual committee members also attended seminars and conferences abroad. Several committees made study tours in Finland particularly during the summer break.

1. Grand Committee trips abroad

- Turkey, Romania, Bulgaria (7+1)
- Brussels, meeting with MEPs (11+1)
- London (5+1)
- Luxembourg, COSAC meeting (4+3)
- London, COSAC meeting (6+4)
- London (3+1)
- Hong Kong, WTO ministerial conference (3+1)
- Beijing, Shanghai, Guangzhou, Hong Kong (8+1)

2. Special committee trips abroad

- ConC / Washington, Ottawa, New York (9+1)
- FAC / Berlin (5+1)
- FAC / Paris (7+1)
- FAC / New York, Washington (7+2)
- FinC - Agriculture Subcommittee / Mexico, Brazil (9+1)
- FinC - Subcommittee for Tax Affairs / Brussels, Luxembourg (9+1)
- FinC - Subcommittee for Administration and Control / Prague, Warsaw (7+1)
- FinC - Subcommittee for Social and Labour Affairs / Denmark (9+1)
- FinC - Communications Subcommittee / Turkey, Kuwait (9+1)
- FinC - Housing and Environment Subcommittee / Britain (9+1)
- AdmC / Moscow, St Petersburg (8+2)
- LegC / Beijing, Shanghai (together with AgFC 4+4+3)
- TCC / Cyprus, Greece (9+1)
- TCC / Stockholm, seminar (11+3)
- TCC / St Petersburg (8+1)
- TCC / Tallinn, seminar (5)
- AgFC / Beijing, Shanghai (together with LegC 4+4+3)
- AgFC / Estonia (10+1)
- AgFC / Denmark, Sweden (9+1)
- DefC / Warsaw, Berlin (8+1)
- DefC / Tallinn (8+1)
- EduC / Kyoto, Nagoya, Tokyo (10+2)
- EduC / Paris (9+1)
- SHC / Geneva, World Health Assembly (3+1)
- SHC / London, Dublin (8+2)
- SHC / Denmark (7+2)
- ComC / Riga, Vilnius (5+1)
- ComC / Berlin, Frankfurt (8+1)
- FutC / Prague, Government Leaders Forum (3+1)
- FutC / Bangalore, Delhi (7+1)
- FutC / Kostomuksha (4+1)
- FutC / Moscow, St Petersburg (8+2)
- EmpC / Bulgaria, Romania (9+1)
- EmpC / Geneva, International Labour Conference (4+1)
- EnvC / Canada, USA, Mexico (10+1)
- EnvC / St Petersburg, seminar (5+1)
- EnvC / Montreal, Climate Change Conference (5)

PARLIAMENT'S INTERNATIONAL ACTIVITIES

Parliament's international activities have steadily expanded from year to year. In addition to Nordic, European and world Speakers' conferences, MPs have participated regularly in the work of ten international parliamentary assemblies or networks. In 2005 a total of 74 MPs were involved in this work as members or deputy members of delegations, with 17 participating in more than one delegation. Bilateral cooperation with other parliaments has also continued to grow.

Speakers' conferences

Finland's Speaker attended the Conference of Speakers of the Parliaments of the EU in Budapest in May, where discussion centred around coordinating the Union's interparliamentary relations and ratifying the EU's constitutional treaty.

The Second World Conference of Speakers of Parliaments was held in New York in September. Topics included parliaments' role in inter-



Numerous heads of state visit Parliament each year. Here First Deputy Speaker Markku Koski shows President Benjamin Mkapa of Tanzania the Hall of State.

national affairs, the parliamentary dimension of democracy, and parliaments and multilateral cooperation. Nearly 150 Speakers attended the world conference.

The Speakers of the Nordic and Baltic countries made a joint visit to Ukraine at the end of September to attend a seminar on democratic development and political reforms at the Ukrainian Parliament.

Parliamentary delegations

Visitors to Finland included the Speakers of the Italian Chamber of Deputies, the Russian Council of Federation, the Georgian Parliament, the Estonian Parliament, the National Assembly of the Republic of Korea, the Transitional Federal Parliament of Somalia and the Hong Kong Legislative Council as well as Deputy Speakers from the Russian Council of Federation and the House of Representatives of Japan.

Speaker Paavo Lipponen headed parliamentary delegations on official visits to Poland, Australia, France, Rome, Austria, Ukraine, Canada and South Africa. Deputy Speaker Markku Koski visited Serbia and Montenegro and Armenia.

International organizations

NORDIC COUNCIL

The 57th session of the Nordic Council in Reykjavik reached decisions concerning structural reforms. Parliamentary cooperation was lightened by abolishing the theme session in the spring. Anchoring Nordic cooperation to national parliaments has also been discussed with the Nordic Speakers.

Debate on the new Arctic Cooperation Programme drafted by the Council of Ministers centred around research, the Arctic University,

environmental pollutants and the situation of indigenous peoples. Debate on the draft action plan for Nordic Energy Policy focused on three areas: the expected shortage of energy in the Nordic countries, insufficient transmission capacity and the development of consumer prices. The session also approved an industrial policy cooperation programme, a new action plan for equality cooperation, a Nordic accessibility programme and a proposal concerning measures to protect victims of human trafficking.

The goal in reforming the structure of cultural cooperation is to shift financing directly to activities. Most of the Nordic cultural institutions and committees will be abolished and resources will be channelled to long-term cooperation programmes and projects. The Culture and Education and Training Committee said that the content of cultural policy should have been defined first, however, before changing structures. The establishment of a Nordic Cultural Forum was proposed.

Poul Schlüter, former prime minister of Denmark, submitted a report on freedom of movement between the Nordic countries. Discussion concerned early retirement pensions, bank charges, the position of citizens of third countries, the double taxation of pensions, student travel discounts and call charges. A virtual tax office, a business portal and an electronic labour exchange for the Öresund area were established as a result of this work.

In 2005 a new cooperation programme with Russia was concluded for the years 2006-2008 and an agreement was signed for the Council of Ministers to open an office in Kaliningrad. Cooperation with Northwest Russia will now concentrate on four areas: developing expertise and networks, participation in Northern Dimension partnership, cooperation with voluntary organizations in Northwest Russia and cooperation in the Barents region.



President Vaclav Klaus of the Czech Republic shakes hands with members of the Speaker's Council and representatives of the parliamentary groups in the Hall of State.

The second Barents Parliamentary Conference in Bodø dealt with three main subjects: cooperation in northern Europe, sustainable economic development in the Barents region and the living conditions and position of indigenous peoples in the Barents region.

The Nordic countries have cooperated closely with the Baltic countries since 1990. The Nordic Council and the Baltic Assembly held their last joint conference in Pärnu in May 2005. Nordic and Baltic parliamentarians agreed to focus on cooperation between committees to achieve concrete results. Politicians want to place priority on education policy, the Baltic Sea environment, labour market matters, anti-corruption activities and alcohol policy.

The Finnish delegation to the Nordic Council arranged a 50th anniversary seminar on Finland as a Nordic Country in October. Finland joined the Nordic Council in 1955.

COUNCIL OF EUROPE

The Council of Europe has discussed enlargement and integrating new members into the organization's work for over 15 years. Now the enlargement process is nearing completion and the time has come to discuss priorities. The Third Summit of the Council of Europe, which was held in Warsaw in May 2005, noted that the

Council of Europe should continue to emphasize issues concerning human rights, democracy and social cohesion.

The Parliamentary Assembly approved 41 recommendations, 61 resolutions and 5 statements in 2005. Most of the reports dealt with the state of democracy in newer members of the Council of Europe. Some countries still have not received satisfactory marks on democracy even after ten years of membership. The observing of elections is part of monitoring activities and reports on this subject have certain repeated features. The Parliamentary Assembly has approved reports concerning different types of human rights violations, such as the disappearance of children and women, children's forced marriages and women's rights in various religious groups, and also new challenges for democracy, which concern generally approved rights and freedoms such as freedom of expression and the right to vote as well as the greatest threat to global security at the moment, terrorism.

OSCE PARLIAMENTARY ASSEMBLY

The OSCE discusses issues related to democracy and human rights from a broad security policy perspective. For several years there has been talk of an internal crisis in the OSCE. In summer 2005 two reports that contained simi-

lar proposals to develop the OSCE's activities were completed. The crisis has concerned the Parliamentary Assembly only indirectly and has mainly been reflected in speeches, proposals concerning additional topics and the activities of working groups. The Parliamentary Assembly arranged its normal events: the annual session in Washington DC in July, the winter session, three thematic conferences, two of which dealt with the situation in neighbouring areas (the Arctic region in the north and the Mediterranean region in the south), election monitoring (Kirghizia, Kazakstan, Moldova, Albania, Azerbaijan) and working groups' and special representatives' activities. Special attention was paid to election monitoring throughout the OSCE because of events in Georgia and Ukraine.

INTER-PARLIAMENTARY UNION

The Finnish Group to the Inter-Parliamentary Union attended both IPU Assemblies in 2005. The larger spring Assembly took place in Manila, where the agenda included war crimes, HIV/AIDS and natural disasters. The autumn Assembly in Geneva focused on relations between parliaments and the media, migration and international cooperation in promoting democracy.

The Finnish Group was represented at two meetings of Nordic colleagues in Denmark and a meeting of Finno-Ugric colleagues in Estonia. MP Katri Komi also took part in the work of the IPU Executive Committee. The IPU has continued reform work by developing cooperation with the UN and its agencies.

CONFERENCE OF PARLIAMENTARIANS OF THE ARCTIC REGION

A permanent delegation appointed by the Speaker's Council represents Finland at the Conference of Parliamentarians of the Arctic Region, which is held every other year. It in-

cludes the Nordic countries, Canada, Russia, the United States and the European Parliament. Indigenous peoples are also permanent participants. The next conference will be held in Kiruna on 2-4 August 2006. Finland also has a seat on the Standing Committee of Parliamentarians of the Arctic Region.

BALTIC SEA PARLIAMENTARY CONFERENCE

Parliamentary cooperation in the Baltic Sea region takes place in the Baltic Sea Parliamentary Conference, which met in Vilnius in 2005. The main themes were cooperation between governments and parliaments, the significance of the EU's Northern Dimension and the European Neighbourhood Policy for the region, and protecting the Baltic Sea from eutrophication and pollution. Other topics were developing transport and other infrastructure in the region, harmonizing maritime policy and improving maritime safety. The conference also decided to develop the structure of parliamentary cooperation by expanding the Standing Committee so that it includes representatives of all the parliaments in the region and also allowing it to meet between conferences.

MP Arja Alho, representing the Nordic Council, took over as chair of the Standing Committee up to the next conference.

ASSEMBLY OF THE WESTERN EUROPEAN UNION

Finland participates in the Assembly of the Western European Union (WEU) as an observer. In addition to the two regular sessions, Parliament sent representatives to conferences on security and defence policy as well as a joint meeting of the Assembly, the WEU Council and NATO. Activities focused on monitoring decisions regarding the EU's security and defence policy and strengthening the parliamentary dimension of European security and defence policy.



The overseers of legality of the Baltic Sea region met in the auditorium of Parliament's new annex on 6-7 June 2005. The seminar was convened by Parliamentary Ombudsman Riitta-Leena Paunio and Chancellor of Justice Paavo Nikula. It was opened by Speaker Paavo Lipponen.

Other international cooperation

Parliament continued to strengthen its cooperation with the World Bank. It hosted the annual conference of the Parliamentary Network on the World Bank in October. Around 300 people attended this conference, including about 200 MPs from 96 countries. MP Kimmo Kiljunen is vice-chairman of the Board of the Parliamentary Network on the World Bank. Parliament also participates in training sessions arranged by the World Bank and cooperating parliaments and organizations abroad and hosts occasions in Finland. In 2006 Parliament is planning a train-

ing session in Helsinki on the themes of equality and Parliament's centennial.

Friendship groups and other forums

In addition to official international activities, international links are maintained by around 70 friendship and cooperation groups established by MPs. In 2005 new groups were established for the South Caucasus, Qatar, India and Serbia and Montenegro.

The most active forum was the Human Rights Group, which has operated since 1991 and is a network of around 50 MPs. It arranged over 70 events in 2005, including a seminar on Afghanistan at which the main speaker was the European Union's special representative. Nearly 100 Afghans who live in Finland attended this seminar.

Members of the group conducted hearings on the human rights situation in Afghanistan, Sri Lanka, Western Sahara, Sudan, China, Russia and Kurdish areas. Petitions were sent to the presidents of Afghanistan, Iran and Russia, the prime minister of Morocco and the Speaker of the Russian Duma as well as Finnish ministers.

Members of the group also asked representatives of foreigners' and refugees' organizations in Finland for opinions concerning the Aliens Act and other legislation pertaining to foreigners. They also discussed the position of asylum seekers with representatives of the Directorate of Immigration. A public discussion and information occasion was arranged at the Visitor's Centre on the situation in Sudan and Darfur together with the Ministry for Foreign Affairs.

INFORMATION ACTIVITIES

The Parliament Information Office focuses on public information services including media and web services. Last year Parliament began a training programme for journalists. Information concerning committees' activities and international media services were expanded.

The updating of web services continued. Parliament concluded a cooperation agreement with the Finnish Broadcasting Company to start webcasts of plenary sessions. The Legislators game for school pupils was introduced at the Visitor's Centre and a web version was also produced. New guidelines concerning visitors were approved. A key part of activities was preparing for Parliament's centennial.

First training programme for journalists

During the first week of the session Parliament conducted a four-day training programme for journalists. The objective is to keep journalists interested in parliamentary matters and politics and to provide background information for stories regarding Parliament. Fifty-five journalists from the national news media as well as regional newspapers and radio stations took part in the programme.

In addition to timely themes the programme dealt with the Constitution, plenary sessions, the committees, EU matters, the state budget, international activities and matters related to MPs' work. Discussions were led by the Speakers, committee chairs, other MPs and parliamentary officials. Accredited journalists talked about media work in Parliament. The programme was arranged in cooperation with the Association of Political Journalists.

Participants were quite pleased with the programme, and Parliament conducted a second training programme for journalists in February 2006.

Over 200 journalists and photographers

A total of 135 political journalists and 70 photographers from the national news media and regional newspapers were accredited to Parliament. In addition numerous journalists visited Parliament to do stories and interviews on different subjects.

A seminar was arranged for international journalists and embassy press attaches in Helsinki. Visits to Parliament were arranged for foreign journalists in cooperation with the Ministry for Foreign Affairs' Press Section. The annual conference of the Parliamentary Network on the World Bank attracted particular interest from the international media. Finnish journalists covered the Speaker's visits and meetings of international parliamentary assemblies.

Parliament and MPs were again a key subject in the news media. The greatest attention was given to the budget framework and the budget for 2006, EU matters, social welfare, health and education services, the Crisis Management Act, Fortum's incentive programmes and Parliament's centennial. Contacts between Parliament and the media worked well and interaction was constructive and lively.

Information themes revolve around plenary sessions, the committees, the Speaker's Council, the Speakers' activities and developing parliamentary work. Media services concerning the committees were improved last year. Information is provided in the form of weekly and special bulletins, briefings and news tips. A new information channel was text messages.

The Speakers continued to hold morning coffees for the editors-in-chief of news media and magazines. The Speakers and the committees arranged background sessions for journalists. Groups of journalists from the Helsinki



Materials concerning Parliament at the Visitor's Centre.

region and other parts of the country visited Parliament. Cooperation with the Association of Political Journalists was intensified.

Updating web services and direct webcasts

Parliament continued to provide timely information on its news site. The site focuses on plenary sessions, committee work, EU matters and international activities.

The updating of web services proceeded to the planning and pilot stage. The objective is to clarify information on parliamentary work, create new services for citizens and improve search tools. Web pages should serve both the general public and experts.

In future citizens will be able to obtain information concerning Parliament through five channels: legislation, the state budget, overseeing the Government and administration, EU matters and international activities. Citizens will also be given better possibilities to monitor the work of MPs and parliamentary groups. Events during

the week and day will be on the front page.

As part of the Session Hall 2007 project Parliament began preparing for direct webcasts of plenary sessions. Parliament's partner is the Finnish Broadcasting Company, with which a cooperation agreement was concluded in December 2005. The Finnish Broadcasting Company will produce the video signal and develop technical capabilities in Parliament. A control room will be built to direct webcasts and this will also improve Parliament's crisis preparedness.

Beginning in September 2007 citizens will be able to view plenary sessions online. In addition to the person speaking the screen will show the matter under discussion and provide direct access to documents. Webcasts will be archived so that they can also be viewed later.

Visitor's Centre attracts 25,000

The Visitor's Centre that opened in autumn 2004 stayed busy. Around 25,000 people dropped by



The updating of Parliament's web services proceeded to the planning and pilot stage. A new home page will be launched in autumn 2006.

during the year. Visitors were particularly interested in the state budget, the EU's constitutional treaty and crisis management. The parliamentary groups arranged public occasions at the Visitor's Centre practically every weeknight. The number of participants varied from thirty to a hundred. The most interesting themes were social welfare and health services and environmental policy.

The Legislators game supplemented services at the Visitor's Centre. This educational game, which lasts about half an hour, allows school pupils to play the role of a first-term MP. Players choose a Government bill to work on and then go through the procedure for enacting legislation. Points are also scored for work outside Parliament, such as contacts with voters, media interviews and EU matters.

Parliament House remained a popular attraction and over 25,000 people took guided tours. The Chancellery Commission approved new guidelines concerning visitors with the aim of clarifying procedures and ensuring a pleasant visit.

The Visitor working group, which consists of MPs and officials, went into operation. Its goal is to develop services so that visits can be tailored to groups' interests, to make it easier for groups to book visits and move about and to ensure a high level of security in all situations.

Materials were produced for special groups such as the blind, the deaf and the mentally retarded in cooperation with various organizations. A working group made up of MPs and officials surveyed accessibility issues in Parliament.

In the spring new materials concerning Parliament, including a 6-part video, were sent to all schools and libraries in Finland. In addition to the Legislators game and visits, activities for schools include the Edusnet service, the History of Parliament multimedia, brochures, the Youth Parliament and Parliament clubs.

Centennial under way

Parliament actively prepared for its centennial. The centennial emblem was designed by Anssi Kähärä. It began appearing on envelopes, stationery and presentation materials in January 2006. The theme of the centennial is "The right to vote - trust in law. A hundred years of Finnish democracy".

Web pages on the centennial were produced in Finnish, Swedish and English. Centennial events began in February 2006 with the issuing of a centennial stamp and a Studia Generalia lecture series at the University of Helsinki.

Parliament's in-house newsletter appeared once a week. The traditional MP calendar was produced along with a calendar that provides information on MPs and parliamentary organs. Reviews were prepared for the spring and autumn terms.

SECURITY

The Security Department was established at the beginning of 2005 on the basis of proposals made by a special working group. Parliament decided in autumn 2004 to modernize its security system. This meant re-organizing the Parliamentary Office by establishing a Security Department directly under the Speaker and the Secretary General. Security personnel who were previously employed by the Parliamentary Office's other units now work under the Security Department, which is directed by the Head of Security, thus streamlining and clarifying the management of security matters in Parliament.

The Security Department is responsible for the proper working and development of Parliament's security system in all circumstances as well as rescue activities and civil defence. It takes care of admitting visitors, monitoring security around the clock and arranging transport for the Speakers.

Security culture

According to the working group, a good security culture requires commitment and adequate expertise. Consequently security has been made an integral part of Parliament's operating, management and educational culture.

Parliament's security activities are based on the principle of open Nordic democracy. Parliament should be as open as possible to allow interaction between MPs and citizens.

Each year about 60,000 people visit Parliament in groups or sit in the gallery. The Security Department takes care of admitting visitors.

Security development projects

The Chancellery Commission has decided on a number of projects that are intended to improve Parliament's security. These broad projects are intended to correct structural deficiencies and to develop environmental and quality systems, occupational safety and arrangements for visitors. Projects are still being planned and measures will be taken in connection with the renewal of premises.

The Security Department's personnel will be given training to improve their expertise.

The Security Department's task is to cooperate with officials and ensure adequate information regarding the security situation.



Representatives of key organizations in the security field with their hosts on 25 April 2005.

ORGANIZATION, FINANCES AND PERSONNEL

Organization and tasks of the Parliamentary Office

The Parliamentary Office, which is subordinate to the Chancellery Commission, is responsible for creating the proper conditions for Parliament to carry out its tasks as an organ of state. The Parliamentary Office is divided into the Central Office and the Administrative Department. It also includes the Committee Secretariat, the International Department, the Information and Communication Department and the Security Department. The Parliamentary Office is headed by the Secretary General of Parliament.

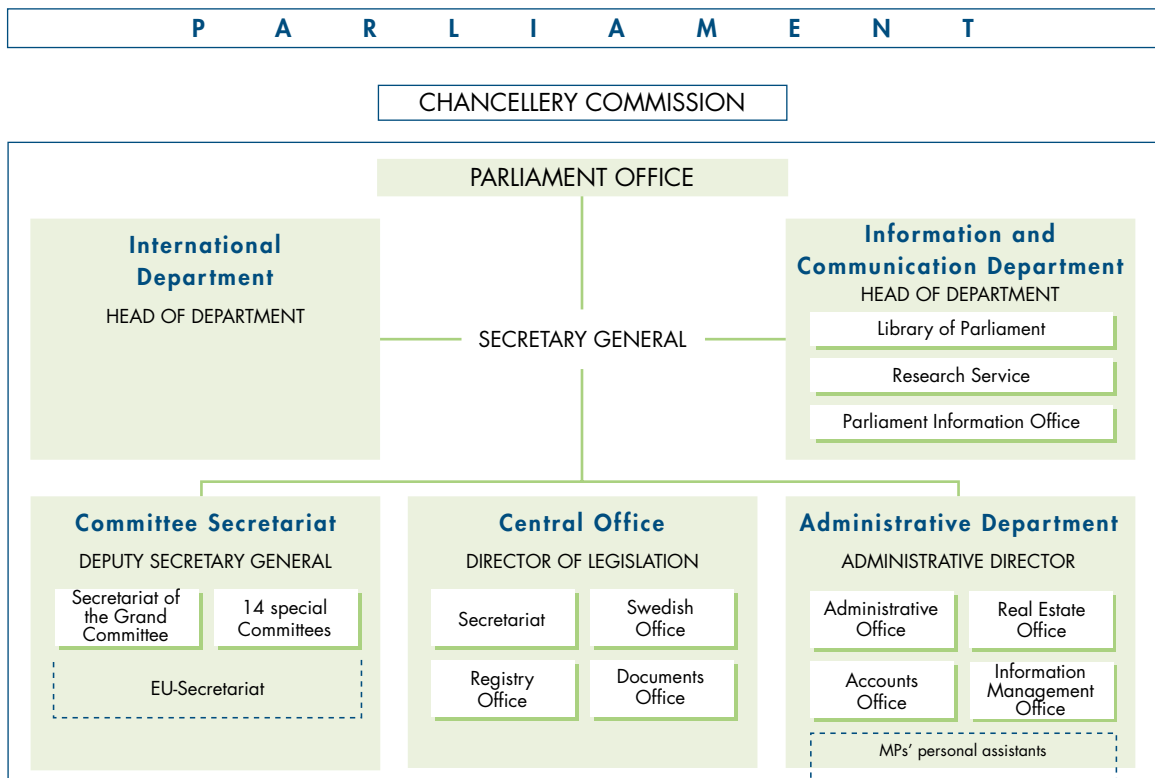
The Parliamentary Office was reorganized at the beginning of 2005 by establishing a Security Department directly under the Speaker and the Secretary General. To streamline and clarify the

management of security matters, security personnel were brought together from the Parliamentary Office's different units.

The Office of the Parliamentary Ombudsman, the Office of the Parliamentary State Auditors and the State Audit Office also operate in connection with Parliament.

The Central Office takes care of preparatory, execution and service tasks related to plenary sessions of Parliament, the preparation and publication of parliamentary documents and registers and the distribution and storing of documents. The Central Office includes the Registry Office, the Swedish Office and the Documents Office. The Central Office is headed by the Director of Legislation.

The task of *the Committee Secretariat* is to take care of secretarial services required by the committees, the preparation of matters to be dis-





The Parliamentary State Auditors handing the Auditors' Report for 2005 to the Speaker on 10 April 2006. From right to left: Speaker Paavo Lipponen, Chairman Matti Saarinen, MPs Tuomo Hänninen and Petri Salo, Auditor Eero Suomela, Auditor General Tapio Leskinen, Head of Office Pertti J. Rosila and Administrative Director Kari T. Ahonen.

cussed by the committees and the arrangement of related supporting activities. The Committee Secretariat is headed by the Deputy Secretary General of Parliament.

The EU Secretariat's main task is to coordinate Parliament's links with the EU. The EU Secretariat includes the secretariats of the Grand Committee and the Foreign Affairs Committee, the Grand Committee's information officer and a special expert in Brussels, who reports regularly on EU decision-making that affects Parliament.

The Administrative Department takes care of preparing meetings of the Chancellery Commission and implementing the decisions made at these meetings. It handles matters involving Parliament's budget and financial management as well as the planning of activities and finances, facilities, information management and personnel. It also handles other administrative matters that are not taken care of by other units. The Administrative Department comprises the Administrative Office, the Accounts Office, the Real Estate Office and the Information Manage-

ment Office. The department is headed by the Administrative Director.

The Parliamentary Office also includes *the International Department, the Information and Communication Department* and *the Security Department*. The Information and Communication Department includes the Library of Parliament as well as internal and external communications.

Organizationally *MPs' personal assistants* come mainly under the Administrative Department. Personal assistants are employed by the Parliamentary Office and employment contracts are signed by the Administrative Director.

Management of Parliament's finances

Parliament's expenses totalled €81.4 million in 2005. This was 3% less than in 2004. The decrease was due to the fact that Parliament finished purchasing equipment and furniture for the new annex in 2004. Excluding investments in

the new annex, Parliament's operating expenses rose 2.2% compared with the year before.

The State Audit Office, which has operated under Parliament since the beginning of 2001, is a separate agency that prepares its own annual report and financial statements. Its figures are not included in Parliament's financial statements.

Expenditure was €4.7 million less than budgeted. The budget implementation rate was 95%. In 2004 the figure was 92%. The biggest reason for savings was that expenditure on computer hardware, printing and the development of security systems was lower than budgeted.

As a legislative body Parliament cost €14.50 per citizen in 2005. The figure in 2004 was €14.35. Parliament accounted for about 0.25% of the Finnish state's total costs in 2005, as in previous years.

MPs' pay together with compensation for expenses and travel in Finland totalled €19.1 million in 2005, up 1.4% over the year before.

The direct costs of MPs' personal assistants in 2005 totalled €6.3 million, up nearly 6.3% over the year before. The number of personal assistants at the end of the year was 185.

The direct costs of MPs and their personal assistants together amounted to €25.4 million, which was 31% of Parliament's total expenditure.

Other large budget items included pay for parliamentary personnel (€26.6 million), IT operating and investment costs (€6.4 million), real estate operating and maintenance costs (€3.8 million), foreign travel (€2.7 million) and printing costs (€1.0 million).

The parliamentary group offices spent €3.4 million, up 2.3% over the year before. The average monthly subsidy for the parliamentary groups was €1,436 per MP, compared with €1,404 in 2004.

In addition to MPs and the Parliamentary Office, Parliament's financial statements also



include funds spent by the Office of the Parliamentary State Auditors and the Office of the Parliamentary Ombudsman.

The Office of the Parliamentary State Auditors spent €1.4 million in 2005. Spending was 8.8% lower than the year before. The budget implementation rate was 81%. Spending on pay and expert services was lower than budgeted. The Office of the Parliamentary State Auditors had 16 permanent posts, 15 of which were filled.

The Office of the Parliamentary Ombudsman spent over €3.8 million in 2005, up 4.9% compared with the year before. As in previous



years fixed-term, temporary personnel were hired to handle the backlog of complaints. The budget implementation rate was 94%. The Office of the Parliamentary Ombudsman had 54 permanent posts plus five fixed-term posts. In 2005 six permanent posts were established: two senior ombudsmen, two ombudsmen and two office secretaries.

Personnel

Last year 14 new permanent posts were established in the Parliamentary Office: one per-

sonnel secretary, one office secretary and one assistant in the Administrative Office; one assistant office manager in the Real Estate Office; one development manager in the Information Management Office; one office secretary in the International Department; one assistant in the Library of Parliament; one information officer and one information secretary in the Parliament Information Office and one head of security and four assistants in the Security Department, which went into operation at the beginning of 2005.

Six posts were abolished in 2005: two full-time cleaners and three part-time cleaners in the Real Estate Office and one security manager in the Security Department.

Permanent and fixed-term posts were filled in the different units of the Parliamentary Office as follows at the end of 2001-2005:

	05	04	03	02	01
Central Office	69	67	67	66	64
Committees	62	57	56	55	53
Administrative Department	181	216	195	191	178
International Department	20	21	19	21	21
Information and					
Communication Department*	75	74	76	79	78
Security Department**	42				
Other***	8	7	7	6	6
Total	457	442	420	418	400

* tieto- ja viestintäyksikkö perustettiin vuoden 2001 alusta lukien ja se muodostuu eduskunnan kirjastosta, keskuskansliasta liitetystä sisäisestä tietopalvelusta ja eduskuntatiedotuksesta

** turvallisuusyksikkö perustettiin vuoden 2005 alusta lukien; henkilökunta siirrettiin yksikköön pääasiassa hallinto- ja kiinteistötoimistoista

*** sisältää pääsihteerin välittömässä alaisuudessa työskentelevän henkilöstön, johon vuoteen 2001 asti kuului myös tiedotus.

MPs' personal assistants, who totalled 185 at the end of 2005, are not included in the above table



Speaker Paavo Lipponen, who chaired the jury of the art competition for Parliament's new annex, toasts the winners at the opening of an exhibition of entries at the Innogallery on 6 April 2005. From left to right: Aimo Katajamäki, Pekka Jylhä, Tuula Närhinen, Pertti Kekarainen, Jukka Lehtinen and Markku Arantila.

Real estate and facilities

Parliament takes care of its own cleaning, maintenance, repair and development tasks. Renovation and alteration projects are also put out to tender.

The Parliament Buildings consist of Parliament House (1931), a three-part expansion that was completed in 1978, an office building that dates from the 1950s and was acquired in the 1980s, and a new annex that was completed in 2004. These buildings have a total volume of 289,500 cubic metres and a gross floor space of 72,820 square metres on lots covering 18,400

square metres. Cleaners must attend to 43,520 square metres of floor space. The Office of the Parliamentary State Auditors and the State Audit Office occupy rented premises in the state office building at Annankatu 44.

The biggest renovation and alteration project in 2005 involved facilities for the occupational health clinic on the second floor of Building C. The clinic moved to these facilities in the autumn. Improvements were also made in the EU information service, office assistants' facilities and postal facilities. For technical reasons it was necessary to renew Parliament's main transformer, the lift for the press in Parliament House, heat exchangers and outdoor lighting in

the Speaker's Square. Wall-to-wall carpets were removed from two committee rooms and several offices and were replaced by other materials to improve air quality.

Adjustment work and guarantee work were performed in the new annex and minor additional purchases were made. The renewal of real estate automation in older buildings began, to make it compatible with the new annex.

Information management

An information management strategy for 2005-2007 was prepared last year. It was titled "Towards Electronic Services". The most significant development projects in 2005-2007 concern renewing information systems in the Session Hall 2007 project, personalizing services in Parliament's intranet (the Fakta system), updating web services and developing the entire legislative process and information systems in cooperation with the Government. In 2005 work focused particularly on information systems in the Session Hall and designing web services.

Parliament's voice services were put out to tender in 2005. The winning bid was submitted by TeliaSonera Finland, with which Parliament concluded a contract for fixed and mobile telephone services. A pocket office solution was also adopted, making it easier for MPs to take care of mobile communications and manage their time.

Parliament shifted to paperless accounting and the electronic handling and archiving of invoices by adopting the Rondo system.

Cooperation continued with the Ministry of Justice and the Ministry of Finance in the RASKE2 project, which is aimed at finding ways to improve information management in Finnish legislative work as well as related services, particularly web services for citizens.

STATEMENT OF INCOME AND EXPENSES

	1.1.-31.12.2005		1.1.-31.12.2004	
<i>Operational income:</i>				
Income from paid activities	118 695,43		310 225,38	
Rents and user charges	72 965,30		74 136,57	
Other operational income	<u>44 861,00</u>	236 521,73	<u>32 573,48</u>	416 935,43
<i>Operational expenses:</i>				
Materials, supplies and goods				
Purchases during the year	-2 838 913,74		-2 692 331,85	
Personnel expenses	-48 907 363,74		-46 096 141,55	
Rents	-221 677,16		-375 090,93	
Purchased services	-12 446 729,66		-23 658 562,25	
Other expenses	-6 219 815,94		-5 777 308,37	
Production for own use	0,00		11 871 551,87	
Depreciation	<u>-3 206 898,71</u>	<u>-73 841 398,95</u>	<u>-2 235 444,37</u>	<u>-68 963 327,45</u>
Deficit I		-73 604 877,22		-68 546 392,02
<i>Financial income and expenses</i>				
Financial income	77,03			
Financial expenses	<u>-210,39</u>	<u>-133,36</u>	<u>-142,52</u>	<u>-142,52</u>
Deficit II		-73 605 010,58		-68 546 534,54
<i>Transferred income and expenses</i>				
Transferred expenses	-3 447 360,00		-3 369 600,00	
Transferred expenses abroad	-738 249,27		-726 254,72	
Other expenses	<u>-191 800,00</u>	<u>-4 377 409,27</u>	<u>-131 297,92</u>	<u>-4 227 152,64</u>
Deficit III		-77 982 419,85		-72 773 687,18
<i>Income and expenses from taxes and other compulsory charges</i>				
VAT collected	12 738,00		136 432,68	
VAT paid	-3 692 835,68	<u>-3 680 097,68</u>	-6 783 394,74	<u>-6 646 962,06</u>
DEFICIT FOR THE YEAR		<u>-81 662 517,53</u>		<u>-79 420 649,24</u>

BALANCE SHEET

	31.12.2005		31.12.2004	
ASSETS				
NATIONAL ASSETS				
Building land and water areas	11 691 953,55		11 691 953,55	
Buildings	27 050 217,05		27 050 217,05	
Other national assets	<u>309 439,50</u>	39 051 610,10	<u>195 327,98</u>	38 937 498,58
FIXED ASSETS AND OTHER LONG-TERM EXPENDITURE				
Immaterial assets				
Immaterial rights	656 302,14		809 155,34	
Other long-term expenditure	79 824,56		86 220,26	
Ongoing procurements	<u>568 390,19</u>	1 304 516,89	<u>58 729,08</u>	954 104,68
Material assets				
Building land	8 952 374,94		8 952 374,94	
Buildings	39 937 677,79		40 969 363,99	
Machinery and equipment	5 032 697,68		4 573 766,74	
Furnishings	4 554 357,12		4 900 503,44	
Other material assets	<u>114 297,49</u>	58 591 405,02	<u>28 324,43</u>	59 424 333,54
INVENTORIES AND FINANCIAL ASSETS				
Current receivables				
Accounts receivable	51 588,43		12 877,67	
Receivables carried forward	6 169,00		12 396,48	
Other current receivables	4 614,83		36 025,69	
Advance payments	<u>5 019,99</u>	67 392,25	<u>13 873,39</u>	75 173,23
Cash, bank receivables and other financial assets				
Cash accounts	<u>59 536,75</u>	<u>59 536,75</u>	<u>47 961,85</u>	<u>47 961,85</u>
TOTAL ASSETS		<u>99 074 461,01</u>		<u>99 439 071,88</u>
EQUITY AND LIABILITIES				
EQUITY				
State's equity at 1.1.1998	37 598 686,23		37 598 686,23	
Change in equity in previous years	53 161 134,59		37 259 742,47	
Equity transfers	81 423 618,02		95 322 041,36	
Deficit for the year	<u>-81 662 517,53</u>	90 520 921,31	<u>-79 420 649,24</u>	90 759 820,82
LIABILITIES				
Current liabilities				
Accounts payable	2 181 094,94		2 615 553,68	
Inter-office payments	1 268 865,28		1 238 779,87	
Items to be forwarded	846 910,89		725 155,23	
Accrued expenses	<u>4 256 668,59</u>	<u>8 553 539,70</u>	<u>4 099 762,28</u>	<u>8 679 251,06</u>
TOTAL EQUITY AND LIABILITIES		<u>99 074 461,01</u>		<u>99 439 071,88</u>

BUDGET IMPLEMENTATION STATEMENT 1.1.-31.12.2005

	Budget 2005	Actual 2005	Actual - budget Larger (+) Smaller (-)	Actual 2004
INCOME ACCOUNTS				
11.04.01 VAT income	12 738,00	12 738,00	0,00	136 432,68
12.39.10 Miscellaneous income	<u>311 442,84</u>	<u>311 442,84</u>	<u>0,00</u>	<u>385 966,95</u>
TOTAL INCOME ACCOUNTS	324 180,84	324 180,84	0,00	522 399,63
EXPENDITURE ACCOUNTS				
<i>Members of Parliament</i>				
21.01.21 Operational expenditure	20 291 000,00	19 117 273,51	-1 173 726,49	18 850 546,31
<i>Parliamentary Office</i>				
21.02.19 VAT expenditure	4 200 000,00	3 692 835,68	-507 164,32	6 783 394,74
21.02.21 Operational expenditure	52 280 000,00	49 836 355,62	-2 443 644,38	48 568 367,35
21.02.74 Additional facilities for Parliament	0,00	0,00		1 200 000,00
<i>State Auditors</i>				
21.09.21 Operational expenditure	1 779 000,00	1 449 219,34	-329 780,66	1 590 454,37
<i>Parliamentary Ombudsman</i>				
21.14.21 Operational expenditure	4 039 000,00	3 807 081,67	-231 918,33	3 629 079,73
<i>Other expenditure by Parliament</i>				
21.99.21 Operating funds for parl. groups	<u>3 448 000,00</u>	<u>3 447 360,00</u>	<u>-640,00</u>	<u>3 369 600,00</u>
TOTAL EXPENDITURE ACCOUNTS SEC. 21	86 037 000,00	81 350 125,82	-4 686 874,18	83 991 442,50
TOTAL EXPENDITURE ACCOUNTS	86 037 000,00	81 350 125,82	-4 686 874,18	83 991 442,50
DEFICIT FOR THE YEAR		<u>-81 025 944,98</u>		<u>-83 469 042,87</u>
FUNDS CARRIED FORWARD				
Additional facilities for Parliament 2003				10 806 857,98
Additional facilities for Parliament 2004	<u>16 385,76</u>	<u>16 385,76</u>		
TOTAL FUNDS CARRIED FORWARD	16 385,76	16 385,76		10 806 857,98

ACCOUNTING PRINCIPLES AND COMPARABILITY

The financial statements have been prepared in the manner prescribed in sections 44-48 of Parliament's accounting regulations. On 15 December 2005 the Chancellery Commission decided to change sections 47 and 48, which regard the notes to the financial statements and the content of the annual report. These changes have been taken into consideration in the financial statements, which have been prepared according to the State Treasury's guidelines for 2005.

Real estate has been evaluated according to tax values used in the levying of 1997 real estate tax. National property includes Parliament's land areas, Parliament House, Buildings A and B, Building C together with storage, civil defence and parking facilities, and Building D. Depreciation has not been calculated on these, since they constitute long-term state property in which the emphasis is on preserving and protecting assets. The Balance Sheet does not include art works classifiable as national property which were purchased before 1 January 1998. Their value according to an evaluation at 31 December 1997 is €3,073,634.

In the Balance Sheet, Buildings include the value of Parliament's new annex (Building F), which was completed in 2004. Depreciation is calculated on a straight-line basis over a period of 40 years. Buildings also include the value of a sauna at Palolampi, which was completed in 2002. For this building depreciation is calculated on a straight-line basis over a period of 20 years.

In the Balance Sheet, building land includes the lot acquired from the City of Helsinki for Parliament's new annex. Its value is €8,952,374.94. This is the same as in the Balance Sheet for 2004 and is based on estimates for corresponding lots in the area plus connection charges.

In the Balance Sheet, advance payments and ongoing procurements include €568,390.19 in expenditure on the Session Hall 2007 project. This project is scheduled for completion by spring 2007.

Depreciation has been booked according to plan. Depreciation according to plan has been calculated on a straight-line basis. As of 1 January 2005 the depreciation period has been changed to three years instead of five years for computer software and hardware as well as office machinery and equipment. The depreciation period is seven years for other machinery and equipment.

Under operational income, income from paid activities includes income from the Library of Parliament's remote lending and other activities, postal services, printing services and card sales, and the sale of assets no longer in use. Rents and user charges include rent and other charges from nine dwellings and a civil defence shelter.

Under operational expenses, personnel expenses include MPs' pay together with compensation for expenses, parliamentary employees' salaries, holiday pay, experts' fees, fringe benefits, pension costs and side costs. Other expenses include travel expenses, Finnish and international membership fees and real estate taxes.

Transferred expenses include subsidies for parliamentary group offices, membership fees paid to the Nordic Council and subsidies for clubs and activity groups.

Under current liabilities, accrued expenses include holiday pay liabilities.

Accounting in Parliament is on an accrual basis. The annual accounts have been corrected on a payment basis.

Helsinki, 28 February 2006

Kari T. Ahonen
Administrative Director

Pertti J. Rosila
Head of Office

AUDITORS' REPORT

In the manner prescribed by section 19 paragraph 1 of Parliament's accounting regulations we have audited the financial statements, accounts and administration of Parliament during the financial period 1 January - 31 December 2005. The financial statements include the year-end accounts and the appendices stipulated in section 47 of the accounting regulations. On the basis of our audit we issue our opinion on the financial statements, the annual review of activities and administration.

The audit has been conducted in accordance with Finnish auditing standards. The accounts and the annual review of activities, accounting principles and the content and presentation of the financial statements have been examined to the extent required to determine that the financial statements and the annual review of activities do not contain essential mistakes or deficiencies. In the auditing of administration we have determined that the actions of the Chancellery Commission and the Parliamentary Office have been in conformance with the law.

In our opinion the financial statements and the annual review of activities have been prepared in accordance with the rules and regulations regarding the preparation of Parliament's accounts and annual review of activities. The financial statements and the annual review of activities give a true and adequate view of Parliament's finances and their development during the financial period as prescribed in the accounting regulations. We do not have any comments on Parliament's 2005 financial statements, annual review of activities, accounts or administration.

Helsinki, 5 April 2006



Matti Saarinen



Tuomo Hänninen



Petri Salo



Eero Suomela
KHT



Annual Report of the Parliamentary Office 2005

Editor: Martti K. Korhonen

Graphic design: Petteri Kivekäs

Photos: Parliament's photo archives/

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Foto Mannelin s. 3

Joanna Moorhouse s. 5, 29

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Printed by: Edita Prima Ltd

