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# ANNUAL REPORT OF THE PARLIAMENTARY OFFICE

PARLIAMENT OF FINLAND

# ANNUAL REPORT OF THE PARLIAMENTARY OFFICE

2006



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# REVIEW BY THE SECRETARY GENERAL

ast year was historic and unique as the result of several factors. To begin with the 2006 session was the final session of the 2003-2006 electoral period and extended into 2007. Additional spice was added by the Finnish Presidency of the EU in the second half of the year. The various measures and events that were arranged to celebrate the decision a century ago, in 1906, to establish the unicameral Parliament and introduce equal and universal suffrage gave the year its own unique special features.

The 2003-2006 electoral period, which was concluded by the 2006 session, can be described as a normal legislative period in conditions of established democracy and positive general development. The Government submitted a total of 975 bills, which was slightly more than the 937 bills submitted in the 1999-2002 electoral period. Parliament also handled 281 European Union matters falling within its scope (U matters) and 572 other European Union matters concerning which Parliament has the right to receive information (E matters). The Government answered 19 interpellations, including 7 during the 2006 session, leading up to the centennial parliamentary elections in 2007.

The first centennial session was held on Thursday, 1 June 2006, which marked the 100th anniversary of the approval of the Parliament Act and Election Act by the Diet. This session approved the establishment of an independent research institute focusing on international relations and EU affairs (the Finnish Institute of International Affairs) in connection with Parliament on 1 January 2007. The 2006 centennial session was internationally oriented and in addition to Finns, numerous guests from abroad were invited to attend, including Speakers from members of the Council of Europe and numerous countries in other parts of the world. The second centennial session, more national in character, will take place on Wednesday, 23 May 2007, which will mark the 100th anniversary of the first plenary session of Finland's unicameral Parliament. Former MPs and war veterans will be among the special guests invited to this session. The intention is to approve a resolution establishing funds for women's organizations at this time.

The Finnish Presidency of the EU in the second half of 2006 particularly affected the activities of the committees. The Grand Committee hosted two COSAC meetings during the presidency. Four special committees hosted joint meetings of the relevant committees of the European Parliament and the parliaments in the member states and applicant countries. The Parliament of Finland also arranged two joint parliamentary meetings in Brussels, one on the future of Europe and the other on strengthening freedom, security and justice.

Legislative matters handled by the 2006 session of Parliament are discussed elsewhere in the annual report, but among key legislative projects I would like to mention the Act on Military Crisis Management and the reform of the Companies Act, which were approved in the spring term. In the spring term Parliament approved a project to restructure municipalities and services, an Act that will allow class action lawsuits in Finland and a new Act on Cooperation within Undertakings.

The development of parliamentary work also continued in many ways last year. To increase its foreign policy effectiveness Parliament has strived to improve coordination among Parliament's own bodies and delegations dealing with international matters and between Parliament and other organs. For this purpose the Speaker's Council decided to establish a forum to develop cooperation among Parliament's international delegations and generally coordinate Parliament's international activities. The forum held its first meeting in June 2006.

Since the 1960s MPs' absences and related statistics have constantly drawn the attention of the media. Last year Parliament decided to reform and simplify practices regarding the recording and handling of this information so that at the beginning of the next electoral period MPs would no longer be required to have absences approved. From now on MPs only need to report absences if the reason is illness, maternity, paternity or parental leave or some task associated with parliamentary work. Roll calls will still be made at the beginning of each plenary session.

The Committee Secretariat did a good job handling the large work load in the final session of the electoral period. At the beginning of the 2006 session a change in Parliament's Rules of Procedure came into force bringing provisions concerning the handling of reports and statements by the special committees in line with procedures that were already generally in use. During the 2006 session Parliament also approved an amendment to the Constitution whose main purpose is to establish an Audit Committee. If the amendment is given final approval by the newly elected Parliament, this means that in future the Audit Committee will handle the control tasks that are presently the responsibility of the Parliamentary State Auditors and the Finance Committee's Subcommittee for Administration and Control.

The international emphasis of Parliament's centennial last year and the Finnish Presidency of the EU added their own colour to Parliament's lively international cooperation. In addition to the COSAC meetings and the centennial session, the biggest international event last year

was the Fourth Asia-Europe Parliamentary Partnership Meeting (ASEP IV) in May. The purpose of ASEP meetings is to promote cooperation between Asian and European parliaments and offer parliamentarians possibilities to influence the ASEM process. At the Helsinki meeting the main themes were climate change and economic implications, cultural cooperation and cultural exchange.

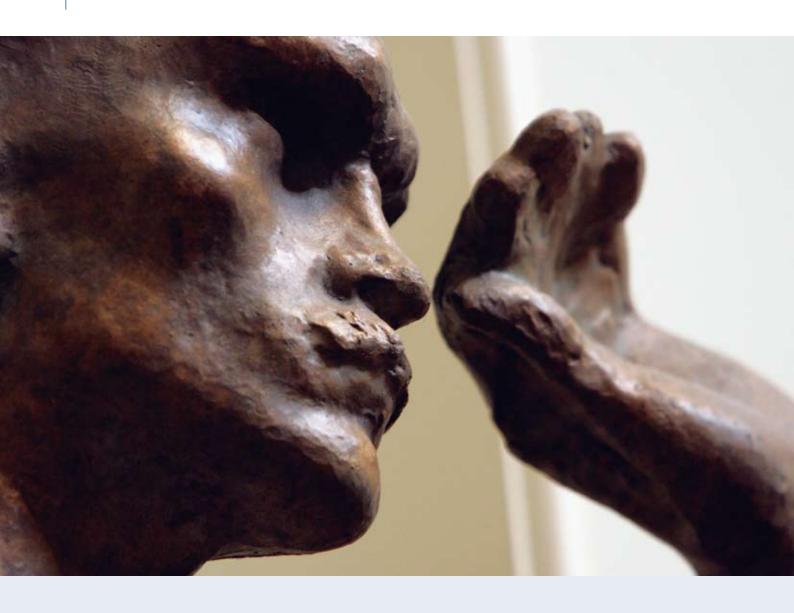
Efforts to improve information services throughout the electoral period have been productive. Parliament now has efficient and effective procedures to produce media, online and direct communications. At the beginning of November 2006 Parliament opened new web pages. Information concerning parliamentary work and MPs can now be obtained more easily and more broadly, which significantly improves transparency. Parliament's website also includes news on important parliamentary matters. The new website has received good feedback from experts, journalists and citizens. The next step will be the start of live webcasts of plenary sessions in autumn 2007.

The Security Department, which was established at the beginning of 2005, prepared numerous development projects in its second year of operation. These are intended to correct structural shortcomings and create a proper basis for security work in all circumstances. From the viewpoint of parliamentary personnel, last year was significant in that personnel organizations and the Chancellery Commission signed the first collective agreement in Parliament'history. Agreement was also reached on preparations to shift to a new pay system beginning on 1 October 2007.

With the exception of the new annex that was completed in 2004, all of the Parliament Buildings need to be renovated. The planning of renovation work began last year, along with a survey of different units' development needs well into the future.

Seppo Tiitinen





#### ANNUAL REPORT AND FINANCIAL STATEMENTS 2006

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 47 of the accounting regulations prescribes the notes that must be appended to financial statements. These have not been included in this report.

# CHANCELLERY COMMISSION

he 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 2006 was as follows: Speaker Paavo Lipponen, First Deputy

Speaker Sirkka-Liisa Anttila, 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, Pehr Löv 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 meets every other week. From left to right: MP Jaana Ylä-Mononen, Assistant Chief Information Officer Rainer Hindsberg, MPs Pehr Löv, Jukka Vihriälä, Matti Ahde and Jyri Häkämies, Administrative Director Kari T. Ahonen and Head of Office Martti K. Korhonen. Seated: Secretary General Seppo Tiitinen, First Deputy Speaker Sirkka-Liisa Anttila, Speaker Paavo Lipponen, Second Deputy Speaker Ilkka Kanerva and MP Janina Andersson.

# LEGISLATIVE WORK IN THE 2006 SESSION OF PARLIAMENT

#### General

The 2006 session of Parliament was the final session of the electoral period and Parliament continued work in January-February 2007. The final stage of the electoral period was busy and many key legislative projects had to be handled in the closing weeks of the session. Parliament failed to handle only 7 Government bills, which showed that it can effectively manage a large work load.

Matters initiated in the 2003-2006 electoral period are presented in the accompanying table. (Further information on European Union matters and their role in parliamentary work is presented in the section "Work in committees".)

Parliament held its first centennial session and gala on 1 June 2006, which marked the 100th anniversary of the approval of the Parliament Act and Election Act by the Diet. This session approved the establishment of the Finnish Institute of International Affairs in connection with Parliament on 1 January 2007 (544/2006).

The fifth Youth Parliament was arranged on 17 March 2006. The Youth Parliament, which is held every other year, was one of the main events in Parliament's centennial.

# Parliament's composition and activities

The 2006 session of Parliament was opened on 3 February 2006. The opening opera was Kaija Saariaho's L'amour de loin. The last plenary session was held on 16 February 2007 and the closing of the electoral period on 13 March 2007, in connection with which MPs and parliamentary personnel went to the Helsinki City Theatre to see the Finnish version of Master Class.

Paavo Lipponen served as Speaker of Parliament, Sirkka-Liisa Anttila as First Deputy Speaker and Ilkka Kanerva as Second Deputy Speaker.

The following changes took place in Parliament's composition during the session: MPs Sinikka Mönkäre (Social Democratic Party), Olavi Ala-Nissilä (Centre Party), Irina Krohn (Greens) and Eva Biaudet (Swedish People's Party) were released from duties and were replaced by Sirpa Paatero, Mauri Salo, Johanna Sumuvuori and Jörn Donner respectively.

Parliament held 76 plenary sessions during the spring term from 3 February to 21 June and 85 plenary sessions during the autumn term from 5 September 2006 to 16 February 2007. Plenary sessions lasted a total of 630 hours, and session days totalled 159.

Type of matter/Year	2003	2004	2005	2006	Total
Government bills	181	282	232	280	975
Government white papers	5	8	6	8	27
Government statements	2	0	0	0	2
Interpellations	3	4	5	7	19
Statements by the Prime Minister	3	3	3	4	13
Union matters	70	79	53	79	281
Legislative initiatives	166	152	161	186	665
Measure initiatives	97	118	118	167	500
Budget initiatives	908	1069	1269	1580	4826
Supplementary budget initiatives	65	58	69	126	318
Written questions	723	1068	1101	1206	4098



The Speakers on the dais in the Session Hall: Second Deputy Speaker Ilkka Kanerva, Speaker Paavo Lipponen and First Deputy Speaker Sirkka-Liisa Anttila.

# 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.

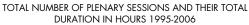
Last year Parliament approved a proposal by the Speaker's Council to change provisions in Parliament's Rules of Procedure concerning the organization of work after parliamentary elections. The new provisions allow Parliament to elect only the Speakers, the Chancellery Commission and the special committees immediately after elections. Parliament's final organization and the election of other organs only takes place after the Government has been formed.

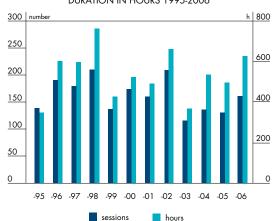
Parliament also approved a proposal by the Speaker's Council to reform practices regarding the recording and handling of information concerning MPs' absences. The key content of this reform is that from the beginning of the next electoral period MPs are no longer required to have absences approved. From now on MPs only need to report absences if they are due to a task associated with parliamentary work, illness or maternity, paternity or parental leave.

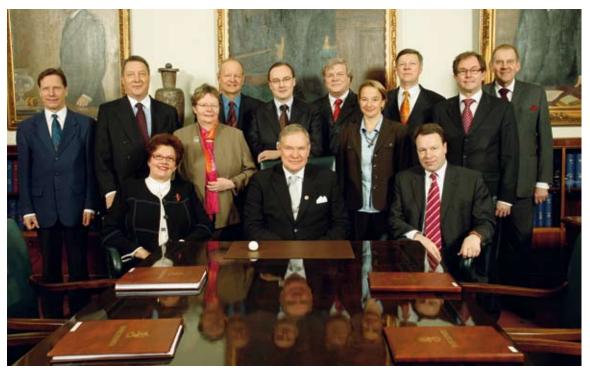
This means the Speaker's Council no longer has to deal with absences. Roll calls will still be made at the beginning of each plenary session. Statistics on MPs' absences will continued to be published on Parliament's website, as before.

The Speaker's Council also decided to require MPs (or their assistants if they are absent) to submit legislative, budget and measure initiatives as well as written questions online to the Documents Office. This new practice is intended to speed up the publishing of documents on Parliament's information network and reduce the need for retyping.

The Speaker's Council met 155 times during the 2006 session. The composition of the Speaker's Council at the end of the session was as follows: Speaker Paavo Lipponen, Deputy Speakers Sirkka-Liisa Anttila and Ilkka Kanerva and







The Speaker's Council includes the Speaker, the Deputy Speakers and the committee chairs. Shown here (from left to right) are MPs Valto Koski, Liisa Jaakonsaari, Markku Laukkanen, Jari Vilén, Jouko Skinnari, Tuija Brax, Matti Väistö and Pentti Tiusanen and Secretary General Seppo Tiitinen standing behind First Deputy Speaker Sirkka-Liisa Anttila, Speaker Paavo Lipponen and Second Deputy Speaker Ilkka Kanerva.

committee chairs Jari Vilén (Grand Committee), Kimmo Sasi (Constitutional Law Committee), Liisa Jaakonsaari (Foreign Affairs Committee), Markku Koski (Finance Committee), Matti Väistö (Administration Committee), Tuija Brax (Legal Affairs Committee), Markku Laukkanen (Transport and Communications Committee), Eero Lämsä (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).

# Matters handled by Parliament

# GOVERNMENT BILLS AND OTHER SUBMISSIONS

The Government submitted 280 bills and Parliament continued handling 59 bills held over from

the previous year. All in all Parliament finished handling 327 bills, of which 324 were approved, two were rejected and one was approved and left in abeyance. Five bills were withdrawn by the Government. Five bills were allowed to lapse at the end of the electoral period. Discussion will continue in the next session on two bills concerning international matters.

As is normal in the final session of the electoral period, Parliament handled several large and significant legislative projects last year. Lively discussion was stimulated in plenary sessions and public forums by the Act on Fertility Treatment and reforms of the Act on Cooperation within Undertakings and the Child Welfare Act, for instance. The Act on Restructuring Local Government and Services also produced a lot of discussion on the goals of restructuring local government and services as well as local authorities' planning responsibilities. The Class Action Act that was approved by Parliament paves the way for an entirely new tool in the Finnish legal system. Parliament also approved the fourth and final stage of the reform of the

Enforcement Act last year, replacing the old Enforcement Act dating from 1895. Legislative work is also described in the section "Work in committees".

The 2007 budget proposal was submitted on 12 September and the preliminary debate was conducted on 12-15 September. The final debate was conducted on 13-20 December. The budget included 49 Government bills. A total of 1,580 initiatives were presented in connection with the budget, of which 9 were approved and 1,571 were rejected.

A new practice was adopted in the final debate on the budget: a time was set for discussion regarding each main division. This made it possible to ensure that interested MPs and the appropriate ministers were on hand for debate.

The Government submitted three supplementary budgets along with two supplementary bills. In connection with these 126 initiatives were submitted; all were rejected.

The Government submitted eight white papers to Parliament. The first concerned the mobility of labour and services and their effect on the labour market situation. In the spring term Parliament also discussed a white paper on the state budget framework for 2007-2011. During the autumn term the Government submitted

GOVERNMENT BILLS 1995–2006

400

350

250

200

150

100

50

95 96 97 98 99 00 01 02 03 04 05 06

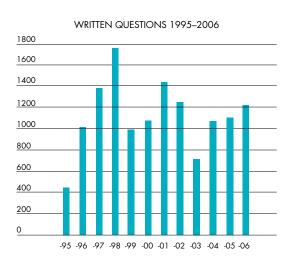
white papers on retail trade, food safety, education policy, disability policy, Finland's participation in military crisis management operations and the placing of a Finnish detachment on high readiness as part of an EU battle group's readiness period.

Four statements by the Prime Minister were submitted to Parliament in the 2006 session. The opening debate was conducted on 9 February concerning a statement by the Prime Minister on the Government's policies in 2006 and key bills. The three other statements by the Prime Minister were closely connected to the Finnish Presidency of the EU. On 21 June Parliament discussed a statement on Finland's objectives for the presidency. On 26 October the subject was timely EU matters. On 11 January 2007 Parliament discussed a statement summarizing the results of the presidency.

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

#### MEMBERS' INITIATIVES

The Government answered seven interpellations. The first was on ensuring municipal welfare services (Jyrki Katainen/National Coalition Party and others, 24 February 2006). The second



concerned the quality of care for the elderly and ensuring resources (Päivi Räsänen/Christian Democratic Party and others, 21 April 2006). The third was on improving pensioners' financial situation (Annikka Lapintie/Left Alliance and others, 8 September 2006) and the fourth on improving the position of families with children (Tarja Cronberg/Greens and others, 28 September 2006). The fifth concerned reducing alcohol consumption by raising alcohol tax (Päivi Räsänen/Christian Democratic Party and others, 9 November 2006). The sixth was on improving women's position in working life (Sari Sarkomaa/National Coalition Party and others, 24 November 2006). The seventh and final interpellation of the electoral period concerned climate change and ensuring the supply of energy (Jyrki Katainen/National Coalition Party and others, 12 January 2007).

A total of 1,206 written questions were submitted to members of the Government. A total of 213 issues were discussed during question hours.

MPs made 7 debate proposals during the 2006 session. Only one topical discussion was held, on the outlook for health care in the future (19 April 2006).

Members presented 186 legislative initiatives and 316 were held over from the previous year. Three legislative initiatives were approved, two were approved with changes and 98 were rejected. One initiative was withdrawn. At the end of the electoral period 398 initiatives were allowed to lapse.

Members presented 167 measure initiatives and 302 were held over from the previous year. No measure initiatives were approved; 32 were rejected. At the end of the electoral period 437 measure initiatives were allowed to lapse.





# **WORK IN COMMITTEES**

#### General

The committees remained busy during the final session of the electoral period, as is normal. The Government submitted 280 bills in the 2006 session, which was nearly 50 more than in the 2005 session (232) and about the same as in the final session of the previous electoral period (273). Eight Government white papers and 16 reports were submitted to Parliament during the session.

At the beginning of the 2006 session, the special committees were still in the process of handling 43 Government bills, four Government white papers and five reports. While Parliament was in recess an additional 15 Government bills were submitted. The total number of matters handled by the committees during the 2006 session was thus 338 Government bills, 12 Government white papers and 21 reports, or a total of 371 matters.

The special committees prepared a total of 360 reports during the session. Since two reports concerned the same matter<sup>1</sup> the number of matters in which the committees did not prepare reports was 12. The Government withdrew four bills during the session, leaving eight bills that the committees did not finish handling. At the end of the previous electoral period the corresponding number was 12.

The Finance Committee and the Committee for Agriculture and Forestry received new chairs during the session. Eero Lämsä was elected to chair the Committee for Agriculture and Forestry after Sirkka-Liisa Anttila was elected First Deputy Speaker. Markku Koski was elected to chair the Finance Committee after Olavi Ala-Nissilä was appointed to the European Court of Auditors.

At the beginning of the 2006 session a change in Parliament's Rules of Procedure came into force bringing provisions concerning the handling of reports and statements by the special committees in line with procedures that were already generally in use. The reform also included other changes mainly of a technical nature.

Parliament approved an amendment to the Constitution whose main purpose is to establish an Audit Committee and abolish the Parliamentary State Auditors and their office. If the amendment is given final approval by the newly elected Parliament, the new committee will take care of the control tasks that are presently the responsibility of the Parliamentary State Auditors and the Finance Committee's Subcommittee for Administration and Control. The Audit Committee should start operating by the beginning of the autumn session in 2007.

The Finnish Presidency of the EU in the second half of 2006 also influenced the committees' activities. The Grand Committee hosted two meetings in Helsinki during the presidency: the COSAC chairpersons' meeting on 11 September in Parliament's new annex and the actual COSAC meeting at Finlandia Hall on 20-21 November. A total of 350 parliamentarians and officials from the EU member states and applicant countries attended these meetings. Themes included energy policy, justice and home affairs, and Russia and the Northern Dimension.

Four special committees hosted meetings for committees of the European Parliament, the EU member states and applicant countries. The Foreign Affairs Committee hosted the meeting of Foreign Affairs and Development Committees, the Committee for Agriculture and Forestry hosted the meeting of Agriculture Committees, the Defence Committee hosted the meeting of Defence Committees and the Employment and Equality Committee hosted the meeting of Equality Committees. In cooperation with the

<sup>&</sup>lt;sup>1</sup>The Government's annual report is handled by the Constitutional Law Committee and the Foreign Affairs Committee, according to section 32:4 of the Procedure of Parliament.



Parliament's first centennial session, on 1 June 2006, was internationally oriented and numerous guests from abroad were on hand. Pictured here are Speakers from members of the Council of Europe and numerous countries in other parts of the world.

European Parliament's Committee on Budgets, the Finance Committee also arranged a meeting in Brussels - the first of its kind - on improving budget control.

Parliament arranged two joint parliamentary meetings in Brussels, one on the future of Europe and the other on strengthening freedom, security and justice. Delegations were headed by Speaker Paavo Lipponen and First Deputy Speaker Sirkka-Liisa Anttila and included members of the Legal Affairs Committee and the Administration Committee as well as the Grand Committee.

# Meetings

The total number of committee meetings (1,502) was somewhat lower than in the final session of the previous electoral period (1,549) but considerably higher than in the 2005 session (1,231). Eleven of the 15 committees held at least 100 meetings.

### Reports

Government bills, initiatives and reports as other matters are prepared in committee before decisions are made in plenary session, according to section 40 of the Constitution. The committees prepared 360 reports for the plenary session. Detailed discussion of one additional matter (the proposed Act on Fertility Treatment and the amendment of the Paternity Act) continued in plenary session on the basis of a report submitted by the Grand Committee after the plenary session amended the special committee's proposal, according to section 53:3 of the Rules of Procedure. The number of reports was about the same as in the final session of the previous electoral period (352) but considerably higher than the year before (259).

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



Meeting of the Grand Committee.

#### **Statements**

The special committees issue statements to one another (Rules of Procedure, sections 32:3 and 38) and to the Grand Committee. Statements to other committees are generally based on a decision by the plenary session. A special committee can also ask another committee for a statement. The special committees issue statements to the Grand Committee or the Foreign Affairs 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 special committees can also take the initiative and ask the Government or a ministry for information on matters within their competence ("O matters") and issue statements to the Government or a ministry on the basis of information received from them (Constitution, section 47:2).<sup>2</sup> The Foreign Affairs Committee has the right to be kept informed and to issue

statements with regard to the foreign and security policy of the EU and Finland (Constitution, section 97). The Foreign Affairs Committee handled 38 foreign and security policy matters, including 22 that concerned Finland's general foreign and security policy. The committee issued one statement on the Government report on Finland's international treaty policy and development trends.

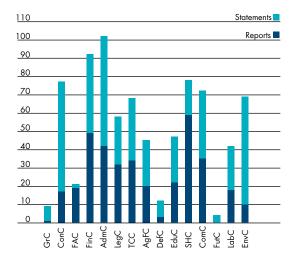
The committees issued 435 statements during the 2006 session.<sup>3</sup> The largest category consisted of statements made by the special committees to the Grand Committee (or the Foreign Affairs Committee) on European Union matters (244), which made up about 55% of the total. The share of statements relating to European Union matters was roughly the same in previ-

<sup>&</sup>lt;sup>2</sup>The special committees handled several matters based on requests for information, but this seldom led to the issuing of a statement. Such matters concern different timely questions. In many special committees, a ministry representative attends a committee meeting in advance to explain matters that will be discussed at the next meeting of the Council of the European Union.

<sup>&</sup>lt;sup>3</sup>The special committees can also express opinions on Union matters or matters based on requests for information to the Grand Committee or a ministry by submitting an extract from their minutes.

ous years and climbed to 60% in the 2005 session. The total number of statements was clearly higher than the year before (340) and was also higher than in the final session of the previous electoral period (386).

The Constitutional Law Committee, which is responsible for monitoring compliance with the Constitution in the parliamentary handling of matters (Constitution, section 74), the Administration Committee and the Environment Committee issued the largest number of state-



ments. Among the special committees, in addition to the Constitutional Law Committee, only the Defence Committee, the Social Affairs and Health Committee, the Committee for the Future 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. <sup>4</sup>

The committees held the following number of meetings<sup>5</sup> and drafted the following numbers of reports and statements in the 2006 session:

<sup>&</sup>lt;sup>5</sup> The Finance Committee prepares matters in nine subcommittees. These held the following number of meetings: Subcommittee for Administration and Control 56, Subcommittee for Security and Defence 25, Subcommittee for Tax Affairs 59, Subcommittee for Education and Science 27, Agriculture Subcommittee 39, Communications Subcommittee 33, Subcommittee for Trade and Industry 26, Subcommittee for Social and Labour Affairs 3, Housing and Environment Subcommittee 24. The subcommittees held a total of 322 meetings.

	Meetings	Reports	Statements	To other committees	To Gov/Min	
		_	total	RP 32 and 38	EU matters	Con 47, 96 and 97
Grand Committee (GrC)	70	1	8	4	0	4
Constitutional Law Committee (ConC)	123	17	60	55	5	0
Foreign Affairs Committee (FAC)	100	19	2	0	1	1
Finance Committee (FinC)	65	49	43	8	35	0
Administration Committee (AdmC)	131	42	60	13	41	6
Legal Affairs Committee (LegC)	117	32	26	8	17	1
Transport and Communications Committee (TC	C) 101	34	34	8	26	0
Agriculture and Forestry Committee (AgFC)	111	20	25	7	18	0
Defence Committee (DefC)	64	3	9	7	0	2
Education and Culture Committee (EduC)	100	22	25	10	15	0
Social Affairs and Health Committee (SHC)	123	59	19	10	9	0
Commerce Committee (ComC)	130	35	37	7	30	0
Committee for the Future (FutC)	51	0	4	3	1	0
Employment and Equality Committee (EmpC	2) 114	18	24	14	9	1
Environment Committee (EnvC)	102	10	59	21	37	1
Total	1502	361	435	175	244	16

<sup>&</sup>lt;sup>4</sup> The Environment Committee prepared nearly four times as many statements for the Grand Committee in Union matters as it prepared for the plenary session. The Administration Committee and the Committee for Agriculture and Forestry prepared roughly equal numbers of statements for the Grand Committee and the plenary session.

### European Union matters

During the 2006 session (up to 20 February 2007) the Grand Committee handled 75 new U matters, which fall within Parliament's scope under section 96 of the Constitution, and 171 E matters, concerning which Parliament has the right to receive information under section 97 of the Constitution. The corresponding figures were 53 and 140 the year before. The Grand Committee received reports from the Government on 124 meetings of the Council of the European Union. The corresponding figure in 2005 was 113.

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 has remained about the same for several years.

The Grand Committee issued four statements to the Government on European Union matters, compared with three in the 2005 session. These concerned Finland's national programme to implement the Lisbon Strategy, the draft Directive on Services in the Internal Market, transparency in the Finnish Presidency of the EU and the Prüm Treaty relating to police and judicial cooperation in criminal matters. The Grand Committee also issued four statements to the Foreign Affairs Committee concerning national matters regarding the Union: the Government's report and a Government bill regarding the constitutional treaty, a Government bill regarding the accession treaty for Bulgaria and Romania, and an initiative for the establishment of a research institute focusing on international relations and EU affairs.

The special committees issued 244 statements to the Grand Committee, 131 on U mat-



The Foreign Affairs Committee with committee chair Liisa Iaakonsaari at the bottom.

ters and 113 on E matters. The total was clearly higher than the year before (202).

Of the 37 foreign and security policy matters handled by the Foreign Affairs Committee, 16 concerned the EU's common foreign and security policy.

# Changes in committee work

The special committees prepared a total of 787 reports and statements. These required 1.82 committee meetings on average. The corresponding figures for the year before were 596 and 1.97 and for the final session of the previous electoral period 738 and 2.00. The amount of time required to prepared reports and statements appears to be declining. This trend is clearly visible in the ratio

<sup>&</sup>lt;sup>6</sup> Half of the special committees held more meetings than the average figure: the Foreign Affairs Committee, the Legal Affairs Committee, the Committee for Agriculture and Forestry, the Defence Committee, the Committee for Education and Culture, the Committee for the Future and the Employment and Equality Committee.

of meetings to reports and statements in the last four electoral periods:

1991–1994	2,27	
1995-1998	2,13	
1999-2002	2,07	
2003-2006	1,98	

During the same period the number of meetings held by the special committees rose from slightly over 4,100 in 1991-1994 to nearly 4,600 in 2003–2006. The number of reports remained roughly the same (about 1,000-1,100) with the exception of the electoral period preceding Finland's accession to the European Union, when it climbed to about 1,450. The number of statements has risen sharply. In 1991-1994 the committees issued about 360 statements, but as a result of EU membership the figure rose to nearly 850 in 1995-1998, about 1,150 in 1999-2002 and over 1,250 in 2003-2006. The increase is of course due to the need to issue statements in EU matters, but even in national matters about 100 more statements were issued in the last electoral period than in the electoral period before Finland joined the EU.

During the last electoral period only the Foreign Affairs Committee, the Finance Committee and the Social Affairs and Health Committee prepared significantly more reports than statements. In the electoral period before Finland joined the EU, the situation was such that only the Constitutional Law Committee prepared significantly more statements than reports.

# Travel

During the 2006 session the committees made numerous study tours abroad. These were made in delegations, in addition to which individual committee members attended seminars and conferences abroad. (The figures in brackets indicate the number of MPs plus the number of officials). Several committees made study tours in Finland particularly during the summer break.

#### 1. Grand Committee trips abroad

- Brussels (3+0)
- Vienna, Sarajevo, Tirana (6+1)
- Brussels, MEP meeting (14+3)
- Warsaw (5+1)
- Vienna, COSAC meeting (5+8)
- Tallinn (5+1)
- Brussels (8+3)
- Kiev (6+1)
- Geneva (3+1)

#### 2. Special committee trips abroad

- ConC / London, Edinburgh (8+1)
- FAC / Kazakhstan, Uzbekistan, Turkmenistan (5+2)
- FAC / Lithuania, Belarus (3+2)
- FAC / Tallinn (5+4)
- FAC / Ottawa, Montreal (6+1)
- FAC / New York, Lancaster County, Washington D.C. (6+1)
- FAC / India, Pakistan (6+2)
- FinC chairs / Paris, Luxembourg (7+3)
- FinC Subcommittee for Security and Defence / Thailand, Vietnam (9+1)
- FinC Subcommittee for Security and Defence / Tallinn (9+1)
- FinC Subcommittee for Trade and Industry / China, Singapore (6+1)
- FinC Subcommittee for Social and Labour Affairs / Tunisia, Morocco (6+1)
- AdmC / USA, Canada (10+2)
- AdmC / Paris, OECD seminar (3+1)
- LegC / Estonia (6+1)
- LegC / Canada (8+2)
- TCC / Stockholm (6+4)
- TCC / Tallinn (8+3)
- TCC / Germany, Poland (9+1)
- AgFC / Mexico, Cuba (10+2)
- DefC / Brussels (8+1)
- SHC / China, Vietnam (9+2)
- ComC / Dublin (8+2)
- FutC / Stockholm (7+3)
- FutC / Moscow (4+1)
- EmpC / Norway (8+2)
- EnvC / Brussels, Paris (8+2)EnvC / St. Petersburg, Baltic Sea Day (3+0)
- EnvC / New York, 14th Session on Sustainable Development (5+1)
- EnvC / Vienna, EU Environment Committees (3+1)
- EnvC / Nairobi, Climate Change Conference, COP-12 (3+1)

# PARLIAMENT'S INTERNATIONAL ACTIVITIES

# Speakers' conferences

Speaker Paavo Lipponen attended the European Conference of Presidents of Parliaments in Tallinn on 30-31 May 2006. The theme was bridge-building through parliamentary diplomacy.

The Conference of the Speakers of European Union Parliaments was held on 30 June - 2 July in Copenhagen. The main topics were the future of Europe and the fate of the constitutional treaty and coordinating parliaments' international cooperation.

The Speakers of the Nordic countries met in Helsinki on 25 August to discuss priorities in Nordic Council work, the agenda for the Finnish Presidency of the EU and parliaments' international cooperation.

# Bilateral cooperation

Delegations headed by the Speaker visited Latvia, Lithuania, Luxembourg, Turkey and Japan last year. The Speaker also attended a seminar on the Nordic Dimension that was arranged in Moscow in connection with Parliament's centennial. A delegation headed by Deputy Speaker Ilkka Kanerva visited Romania and Bulgaria. Parliament received bilateral visits from 19 delegations headed by Speakers. The centennial session on 1 June was attended by 50 foreign delegations, most of which were headed by Speakers.

# International organizations

#### NORDIC COUNCIL

The 58th session of the Nordic Council was held at the Danish Parliament in Copenhagen

on 31 October - 2 November. Around a hundred Nordic parliamentarians and numerous Government representatives from all the Nordic countries and autonomous territories took part in the session. Many guests were also on hand from the Baltic countries, Russia and other parts of the world.

The Nordic Summit on the first day of the session discussed how the Nordic countries can develop their welfare models and maintain their leading position in international competition. In the opinion of the Nordic Council, the Nordic countries have good starting points and a strong basis for meeting international competition. Close cooperation is beneficial for everyone and gives considerably better results than if each country acts alone. The Nordic Summit was attended by the prime ministers of all five Nordic countries and the leaders of three autonomous territories plus opposition leaders from all the Nordic countries. Finland presented its programme for the Finnish Presidency of the Nordic Council of Ministers in 2007, which is designed to improve the capacity of the Nordic region to meet global challenges and to build confidence in Nordic civil society.

Climate change also had an important place on the agenda. The session drew particular attention to alarming changes in arctic areas. Other key matters included proposals on human trafficking, climate issues, research, psychiatric care, improving health and the quality of life, and Nordic alcohol policy.

Also worth mentioning is a dialogue between cultures and religions in which His Royal Highness Prince Hassan of Jordan took part. Prince Hassan is patron of the "Coexistence of Civilizations" project, and on 1 November he accepted the Nordic Council's proposals for solutions to the challenges identified by the project.

One of the Nordic Council's focuses last year was cooperation with other regional bodies.



Turkish Speaker Bulent Arinç signing the guest book.

Baltic Sea cooperation was in a special position and the Nordic Council actively participated in arranging the Baltic Sea Parliamentary Conference in Reykjavik and in the work of its Standing Committee. MP Arja Alho served as chair of the Standing Committee last year. In addition to Baltic Sea cooperation and other cooperation with neighbouring countries, the Nordic Council took part in parliamentary cooperation in the Arctic and Barents regions. A round table was arranged on the Northern Dimension. The Nordic Council also engaged in cooperation with the parliamentary assemblies of the Russian Federation, the Benelux Parliamentary Assembly and the British Irish Inter-Parliamentary Body (BIIP).

The Nordic Speakers and the Nordic Council Presidium met three times last year. Discussion will continue at annual follow-up meetings as part of the national anchoring of Nordic cooperation.

# PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE

The Council of Europe adopted guidelines for the coming years at its summit in Warsaw in June 2005. Last April the Parliamentary Assembly adopted guidelines for 2006 and urged members to place emphasis on the organization's basic values, increasing citizens' security and developing social cohesion and a humane society.

The Parliamentary Assembly monitored the state of democracy in seven member countries where the situation is not satisfactory (Azerbaijan, Bosnia and Herzegovina, Georgia, Montenegro, Ukraine, Russia and Belarus). Also on the committee's work list were Albania, Armenia, Moldova, Monaco and Serbia. In addition to country-by-country reports the Parliamentary Assembly has also started preparing thematic reports. The Monitoring Committee's first report on the state of democracy in Europe was approved in June. The report describes the state of democracy in Finland and ten other European countries (Andorra, Belgium, Cyprus, Denmark, Estonia, France, Croatia, the Czech Republic, Germany and Austria). In several reports the Parliamentary Assembly also addressed new challenges for democracy facing the members of the Council of Europe, including the rights of conscripts and prisoners, the position of stateless persons, the death penalty, problems in respecting freedom of expression and religions, and political extremist movements.

Relations with the European Union have always been important for the Council of Europe. Work to achieve a cooperation agreement between the Council of Europe and the EU was nearly on the final stretch in spring 2006, based mainly on a report by former Prime Minister Jean-Claude Juncker of Luxembourg. In the latter part of the year the project ran into difficulties, however, after Russia assumed the chairmanship and presented a new draft agreement in summer 2006. No agreement had been achieved by the end of 2006. During the Finnish Presidency of the EU (July-December 2006) Finland directed EU coordination in the Council of Europe. In recent years the Council of Europe has strived to achieve constructive cooperation with the OSCE in election monitoring, minority issues and other matters.



The Nordic Speakers meet several times a year. Here they are standing on the stairs in the atrium of Parliament's new annex on 25 August 2006.

After Serbia and Montenegro split, Serbia took over the defunct union's seat in the Council of Europe. Montenegro is expected to join the Council of Europe in 2007.

#### OSCE PARLIAMENTARY ASSEMBLY

The OSCE Parliamentary Assembly continued its regular activities and main operational functions (election monitoring, working groups) in 2006, but other activities have been reduced. Visits to the OSCE's field offices have stopped. Three working groups are concentrating on regional problems (Moldova, Abkhazia, Belarus), but in spite of all efforts no significant change

has taken place in these political crises. The crises are broad and complex, so it is not realistic to expect results from the work of the OSCE Parliamentary Assembly alone. Unless progress takes place on other fronts, the OSCE Parliamentary Assembly does not have the political force to resolve them.

The theme of the Parliamentary Assembly's Annual Session was again broad (Strengthening Human Security in the OSCE Region) and covered practically every aspect of security. The only regional crisis that was discussed in Brussels was the conflict in Moldova. The declaration that was adopted by the Annual Session is expansive and fragmented, which will no doubt influence its effectiveness and its reception in the Ministerial Council, for instance. At its February meeting the Standing Committee held a special discussion on freedom of expression and respect for religions. A conference in November dealt with immigration, mainly from the viewpoint of southern European countries.

The OSCE's election monitoring has become an effective way to demonstrate short-comings in democracy in individual countries and has drawn the international community's attention. This has been resented by some members of the OSCE, who have argued that the OSCE is biased and have called for it to be reformed. Discussion concerning cooperation between the OSCE Parliamentary Assembly and the ODIHR in election monitoring will no doubt continue.

In June 2006 Montenegro became the OSCE's 57th member country. The Rules of Procedure were amended to make the Mediterranean Forum a permanent institution. This is the only regional forum in the area covered by the OSCE, which stretches from Vancouver to Vladivostok.

#### INTER-PARLIAMENTARY UNION

The Finnish Group to the Inter-Parliamentary Union attended both IPU Assemblies in 2006. The larger spring Assembly took place in Nairobi, where the agenda included violence against women and children, gun control, and poverty and hunger in Africa. The autumn Assembly in Geneva focused on cooperation among the UN, the IPU and national parliaments in the fight against terrorism and the achievement of greater energy security. The autumn Assembly also discussed and adopted a resolution on the achievement of the UN's Millennium Development Goals and deplored the conducting of a nuclear test by North Korea.

In 2006 the IPU drew attention to HIV/AIDS and arranged a special meeting on this subject in Geneva in September. Finland served as the IPU's Nordic chair in 2006 and Parliament hosted two meetings in this capacity. The first meeting was held in Helsinki in the spring and the second, larger meeting at the Valamo Monastery in Heinävesi in the early autumn. The Finnish IPU Group was also represented at a meeting of Finno-Ugric colleagues in Hungary in the autumn. In October the Group's chairman attended a hearing that was arranged at the Joint UN-IPU Parliamentary Hearing in connection with the UN General Assembly in New York.

MP Katri Komi took part in the work of the IPU Executive Committee. In 2006 under the Executive Committee's leadership the IPU continued to reform its structures and focuses by developing cooperation with the UN and other international organizations such as the WTO.

#### BALTIC SEA PARLIAMENTARY CONFERENCE

The Baltic Sea Parliamentary Conference includes representatives from all the Baltic Sea states as well as Norway and Iceland, autonomous territories in the Nordic region, regional

parliaments in northern Germany and the St. Petersburg Legislative Assembly. The European Parliament, the Council of Europe and the OSCE also have the right to participate. The Baltic Sea Parliamentary Conference promotes the development of cooperation among its members and keeps parliamentarians informed of measures taken by governments and NGOs regarding the Baltic Sea. In addition to annual conferences the Expanded Standing Committee, which includes representatives from each participating parliament, meets once a year.

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

# 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. A total of 39 European countries participate in the WEU.

#### ASIA-EUROPE PARLIAMENTARY PARTNERSHIP MEETING (ASEP IV)

Parliament hosted the Asia-Europe Parliamentary Partnership Meeting on 4-5 May 2006. The purpose of ASEP meetings is to promote cooperation between Asian and European parliaments and offer parliamentarians possibilities to influence the ASEM process. The ASEM Summit was arranged in Helsinki in September as part of the Finnish Presidency of the EU. The EU's member states, the European Commission and 13 Asian countries take part in the ASEM process. Their parliaments participate in ASEP meetings.

Speaker Paavo Lipponen served as chairman at ASEP IV, which was attended by around 150 parliamentarians and officials from nearly all the participating parliaments. The main themes were climate change and economic implications, cultural cooperation and cultural exchange. Two important documents were approved at the meeting: ASEP's Rules of Procedure and the ASEP Declaration. The Rules of Procedure are intended to strengthen ASEP's position and make activities more effective.

The ASEP Declaration set the ASEM governments clear objectives concerning the development of cooperation. In other ways as well Finland worked to improve the dialogue between ASEM and ASEP. The chairman of ASEM, Prime Minister Matti Vanhanen, spoke at the ASEP meeting, and Speaker Paavo Lipponen presented the ASEP Declaration at the ASEM Summit.

# Other international cooperation

Parliament continued its close cooperation with the World Bank. The Parliamentary Network on the World Bank arranged three field visits (Laos, Yemen and Kenya) in 2006 and Finland was represented on these. Within the framework of



a programme orientation is arranged for parliamentarians in the developing countries and aid recipients concerning the World Bank's activities. The Finnish Ministry for Foreign Affairs supports this work.

Parliament also participates in training sessions arranged by the World Bank and cooperating parliaments and organizations abroad and hosts occasions in Finland. In October 2006 Parliament held a training session in Helsinki on the themes of equality and Parliament's centennial. Around 30 women parliamentarians and officials from ten developing countries took part in this event.

# INFORMATION ACTIVITIES

he Parliament Information Office focuses on public information services including media and web services. At the beginning of the electoral period the Chancellery Commission approved development lines to update Parliament's information activities. Now that the electoral period has ended we can note that objectives were achieved. Entirely new operating procedures were created as a result of development work.

In 2006 development centred around web services and improving services for visitors. The Parliament Information Office was also responsible for designing the visual look of Parliament's centennial, arranging a travelling exhibition and many public events and providing information on all occasions connected with the centennial.

### Parliament's centennial

A special visual look was created for Parliament's centennial. It was designed by Anssi Kähärä of the Luxus advertising agency. The theme of the centennial, "The right to vote - trust in law. One hundred years of Finnish democracy", was the result of an in-house idea contest.

The centennial emblem appeared on envelopes, stationery and other materials beginning in January 2006. Centennial pens, keybands, bags, folders and brochures were handed out at special events and to people visiting Parliament.

Web pages on the centennial were produced in Finnish, Swedish and English (www. eduskunta.fi/100). In addition to special events the web pages provide information on the introduction of universal and equal suffrage, Parliament's history and Members of Parliament through the years.

A book entitled"The Breakthrough of Representative Democracy In Finland"was published

in six languages. The 36-page book with colour photos tells about the historic events that led to universal and equal suffrage and Finland's first parliamentary elections.

The centennial exhibition toured the country and the world, providing information on the right to vote, Finland's history and the Finnish character. It was on display at nearly 30 regional libraries. Versions in nine languages were sent to nearly 50 countries. Political leaders and parliamentary representatives attended the opening of the exhibition around the world.

In August the Parliament Information Office arranged Open House in Parliament's main building and new annex, together with a dance performance by Jorma Uotinen outside Parliament. Around 6,500 people attended these events.

In cooperation with MTV3 and the City of Pori, Parliament arranged a new summer event called FinlandArena in Pori on 19-20 July 2006. This included a discussion among party leaders and an EU seminar that was attended by the President of the European Commission, Mr José Manuel Barroso. All in all over 30 occasions were open to the public in Pori.

The centennial session, worship service and concert on 1 June 2006 were televised live by the Finnish Broadcasting Company. The Radio Symphony Orchestra's Sibelius concert series was aired on the radio. The media produced a large number of programmes and articles in connection with the centennial.

# Website renewed

Parliament opened new web pages on 8 November 2006 at www.eduskunta.fi. The most important goal of this project, which took about two years to complete, was to improve the availability of information on Parliament, MPs and legislation.

The pages have a new structure, search services and visual look. The way the site is updated and maintained has also been improved.

The new website has corresponding Finnish and Swedish pages. Service in Swedish is now considerably better than before, although materials in Swedish are sometimes in more compact form than in Finnish. The website also presents parliamentary work in English and French.

In addition to the front page the main headings in the website are labelled organization, parliamentary work and news. There are direct

links to Parliament's key activities: plenary sessions, committees, EU affairs and parliamentary matters.

The new search services cover MPs, parliamentary matters and personnel. Thanks to development it is now easier to find information on MPs and legislative work.

Attention has been paid to making the site easy to use and understand and ensuring the availability and timeliness of materials. Accessibility has also been taken into consideration in technical and content solutions.



The fifth Youth Parliament was held in the Session Hall on 17 March 2007.

The Library of Parliament's web pages were also updated in connection with the renewal of Parliament's website. Page design and technical solutions were coordinated as far as possible. The Library of Parliament opened new pages in Finnish on 20 December 2006 and new pages in Swedish and English at the end of January 2007. Service was improved by adding electronic forms and placing a link to the Selma database on the front page.

The following major reform of online services will take place in autumn 2007, when live webcasts of plenary sessions will start. Webcasts will be produced by the Finnish Broadcasting Company, with which Parliament has signed a new cooperation agreement. According to this agreement the Finnish Broadcasting Company will renew its camera systems in Parliament. Crisis readiness will improve significantly with the construction of a broadcast control room near emergency facilities.

# Information during the Finnish Presidency of the EU

During the Finnish Presidency of the EU Parliament arranged six international meetings in Finland, including two COSAC meetings for European Affairs Committees. The Defence Committee, the Ministry of Agriculture and Forestry and the Employment and Equality Committee also hosted meetings in their own fields. In addition to meetings arranged by committees, the Parliament Information Office assisted in providing information on joint parliamentary meetings that were held in Brussels.



Parliament's new web pages were opened on 8 November 2006 at www.eduskunta.fi.

Separate web pages (www.eduskunta.fi/eu2006) were set up to provide information on Parliament and the EU Presidency.

Meeting documents, speeches and registration forms were placed on the web pages. Electronic registration and online hotel reservations received good feedback. The pages were in Finnish, Swedish, English and French.

Before meetings were held, briefings on future themes were arranged for journalists in Finland. Close contacts were maintained throughout the Presidency with the help of different occasions. Particularly the meeting of Agriculture Committees and the COSAC meeting at Finlandia Hall received a lot of attention in the media.

An information package on the handling of EU matters in Parliament that is intended for an international audience was revised during the year.

# Visitor's Centre strengthens its position

The Visitor's Centre's second full year in Parliament's new annex was a success. Over 20,000

people dropped by and 150 occasions were arranged for the public. New types of event were also staged, including an exhibition related to Parliament's centennial, models from the art and medal competitions, the franking of first day covers and a memorial book for journalist Anna Politkovskaya.

Around 25,000 people took guided tours of Parliament in 1,200 groups. In addition to booked tours, open houses were arranged on Saturdays and Sundays and in the summer, with guides speaking Finnish, Swedish and English.

A working group that studied ways to improve services for visitors completed its recommendations. From the beginning of the new electoral period MPs or parliamentary staff can still host tours of Parliament, but each group must also have an official guide. In addition to basic tours, groups can also ask for tours on special themes, such as programmes for school children and students and tours focusing on architecture or art. During the renovation of Parliament House, better reception facilities will be built for visiting groups.

Another working group presented recommendations concerning accessibility. Parliament wants to set a good example in this regard and the goal is to improve both physical accessibility and access to information. Requirements concerning physical accessibility will be taken into consideration in renovating the Parliament Buildings. Access to information will be improved through various projects in cooperation with organizations representing special groups.

The 100th anniversary of the right to vote received special attention in tours as well as events at the Visitor's Centre. In cooperation with the Ministry of Justice, Parliament prepared the Centennial Election 2007 campaign, which was aimed at increasing voter turnout.

#### Active media

The media actively followed Parliament's work. In addition to the state budget, subjects that stimulated a lot of discussion included the EU's constitutional treaty, the Act on Military Crisis Management, the Act on Cooperation within Undertakings, the restructuring of municipalities and services, the Class Action Act, the Child Welfare Act, the Act on Fertility Treatment, the criminalization of buying sex, Parliament's centennial and the coming parliamentary elections. The Parliament Information Office particularly developed international activities and web news. Committee information was also improved and speeded up.

A total of 135 political journalists and 70 photographers from the national news media and regional newspapers were accredited to Parliament. The Speakers' meetings with journalists, committee briefings and journalists' visits to Parliament have become an established part of information activities. Contacts between Parliament and the media worked well and interaction was constructive and lively.

At the beginning of February the second training programme for journalists was conducted. Around fifty journalists from the national news media as well as regional newspapers and radio stations took part in the programme. Most of these were young.

# Publications and brochures

Parliament's in-house newsletter appeared once a week. A publication entitled "Parliament in the 2006 session" and the traditional MP calendar were produced along with "Committees' Week" and "Parliament's Week". Brochures were updated and web materials were expanded considerably. New brochures in plain language were produced. The Library of Parliament revised its brochures.

# **SECURITY**

n 2006 the Security Department concentrated on preparing various development projects. Numerous personnel changes were made and constant attention had to be paid to ensuring know-how and services to meet Parliament's needs. The competence of the Security Department's personnel has been increased through training based on Parliament's own needs. The objective is for every member of the Department to complete a basic examination.

# Security development projects

The purpose of security development projects is to correct structural deficiencies and to create a proper foundation for security work in all situations.

An environmental programme is being prepared as part of security development on the basis of the recommendations made by a working group. The Parliament of Finland is the first national parliament to such a step.

The Security Department has also participated in work aimed at improving accessibility.

One key aspect of development projects has been to prepare for the renovation of the Parliament Buildings, in which security arrangements will play a major role. According to studies and proposals, emphasis will be placed on improving access control and on technical and security solutions that respect architectural values. This also applies to Parliament's emergency facilities. The first project that was approved is the renewal of the gates at the rear of the building.

### Security cooperation

The Security Department takes care of security arrangements for numerous occasions in Parliament's facilities as well as international visits in cooperation with public authorities and different actors.

Around 120,000 persons visit Parliament annually.

Ensuring an adequate service level for visitors has been problematic. On the basis of the recommendations made in a special project, the intention is to renew structural and functional solutions for receiving visitors so as to improve the service level and security.

Cooperation with other authorities has continued according to priorities in different areas in order to obtain a correct picture of the development of security.

# PARLIAMENT'S CENTENNIAL

n 2006 Parliament celebrated the 100th anniversary of Finland's parliamentary reform. The theme of the centennial is "The right to vote - trust in law. One hundred years of Finn-

ish democracy." Celebrations will continue in 2007.

During the year the following events were arranged:

#### 2.2.-9.3. Studia Generalia lecture series at the University of Helsinki

The series included six lectures. Lecturers included Speaker Paavo Lipponen, Parliamentary Counsellor Elsi Hetemäki-Olander and Speaker Björn von Sydow of Sweden.

#### 3.2. Issuing of centennial postage stamp

The centennial postage stamp was designed by Timo Berry.

#### 17.3. Youth Parliament

#### 21-22.3. Seminar in Joensuu celebrating full political rights for women

The seminar was arranged by the Employment and Equality Committee together with local officials and organizations.

#### 25.4. Publication of opening speeches

The book, which contains all the opening speeches in the history of the unicameral Parliament, was edited by the Library of Parliament.

#### 4.5. Radio Symphony Orchestra's Sibelius concert

The Finnish Broadcasting Company aired the concert live. The EBU aired the concert later in many European countries and elsewhere.

#### 11.5. Opening of the centennial exhibition

The exhibition toured the country. The text was also translated into various languages and the Ministry for Foreign Affairs sent versions to many other countries.

#### 18.5. Seminar on constitutional law

The seminar was arranged by the Constitutional Law Committee.

#### 23.5. Unveiling of a sculpture dedicated to universal and equal suffrage

The sculpture was made by Professor Eila Hiltunen.

#### 24.5. Minting of centennial coin

The Speaker struck the first centennial coin at the Mint of Finland, which made 30,000 of the silver €10 coins.

#### 29.5. Publication of first three volumes in book series

In cooperation with the University of Turku, Parliament is preparing a 12-volume series of books dealing with the development of Finnish society in the past 100 years.

#### 30.5. Publication of centennial book

The illustrated book was produced by photographer Jorma Komulainen and edited by Unto Hämäläinen. The photos tell about Finland's history and development during the past 100 years.

#### 1.6. Unveiling of centennial medal

The centennial medal, "Synthesis", was presented in the Hall of State at Parliament House. It was designed by Hannu Siren. The Speaker unveiled a relief of the medal on the wall.

Medals were presented to the President of the Republic, former Presidents, the Speaker and Deputy Speakers, former Speakers, the widows of former Speakers and the Secretary General of Parliament.



# 1.6. Ecumenical worship service marking the 100th anniversary of Finland's parliamentary reform.

#### 1.6. First centennial session

This session approved an Act establishing the Finnish Institute of International Affairs in connection with Parliament. The Act was approved on the basis of an initiative made by the parliamentary group chairs.

#### 1.6. Centennial concert and banquet

This occasion, which was held at the Finnish National Opera, was attended by the President of the Republic and a large number of Speakers and other guests from abroad.



#### 7.6. Opening of an exhibition on buildings used by the unicameral Parliament

The exhibition, which was in the Visitor's Centre, presented all the buildings where Parliament has met throughout its history.

#### 19-20.7. FinlandArena summer event in connection with Pori Jazz

FinlandArena was arranged in cooperation with MTV3 and the City of Pori. It included a discussion among party leaders, an open meeting of the Committee for the Future and a seminar arranged by the Grand Committee on the future of the EU that was attended by the President of the European Commission, Mr José Manuel Barroso.



#### 16-17.8. Open House

#### 17.8. Dance performance by Jorma Uotinen outside Parliament

#### 14-16.9. IACL Seminar

The seminar dealt particularly with issues related to gender equality.

#### 28-29.9. Meeting of the chairs of EU Foreign Affairs Committees

# 2.10. Seminar on the connection between democracy and legislation policy

The Ministry of Justice was responsible for arranging the seminar.

# 12.10. Publication of a book on election legislation by Lauri Tarasti

# 18.11. Parliament in Kajaani: Seminar on European regional policy and play, Punainen viiva ("The Red Line")

The seminar was addressed by Commissioner for Regional Policy Danuta Hübner, Speaker Paavo Lipponen, a representative from the Kostamuksha region, representatives of Kainuu and Kajaani and members of the parliamentary groups.

# 24.11. Delegation headed by the Speaker in Moscow: Seminar on the EU's Northern Dimension and opera, Ratsumies ("The Horseman") at the Bolshoi Theatre

The Speaker and Deputy Speaker, the Deputy Speaker of the Duma, and representatives of the Finnish and Russian business communities addressed the seminar, among others. Parliament provided financial support for the presentation of the opera at the Bolshoi Theatre.

#### 1-2.12. Parliament in Kauhajoki: Seminar on entrepreneurship and festivities

Parliament met in the town of Kauhajoki during the Winter War and this visit was a reminder of that fact. The programme included a worship service as well as festivities. The Speaker, the Chairman of Nokia Corporation, a representative of the board of the Bank of Finland and members of the local business community addressed the seminar, among others.

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

session on 1 June 2006 approved an Act establishing an independent research institute focusing on international relations and EU affairs (the Finnish Institute of International Affairs) in connection with Parliament. Activities started on 1 January 2007.

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 discussed by the committees and the arrangement of related supporting activities. The

#### Τ R L Т Α M Ε Ν CHANCELLERY COMMISSION PARLIAMENTARY OFFICE Information and International **Communication Department Department** HEAD OF DEPARTMENT HEAD OF DEPARTMENT Library of Parliament SECRETARY GENERAL Research Service **Security Department HEAD OF SECURITY** Parliament Information Office **Committee Secretariat Central Office Administrative Department** DEPUTY SECRETARY GENERAL **DIRECTOR OF LEGISLATION** ADMINISTRATIVE DIRECTOR Grand 14 special Swedish Administrative Real Estate Secretariat committees Committee Office Office Office Information **Documents** Registry Accounts **EU Secretariat** Management Office Office Office Office MPs' personal assistants



The Grand Committee's meeting room is lighted by sculptor Pekka Jylhä's "Window to the Sky". This is one of six works that were procured for Parliament's new annex on the basis of an open art competition.

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 Management 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, the Research Service and the Parliament Information Office.

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.

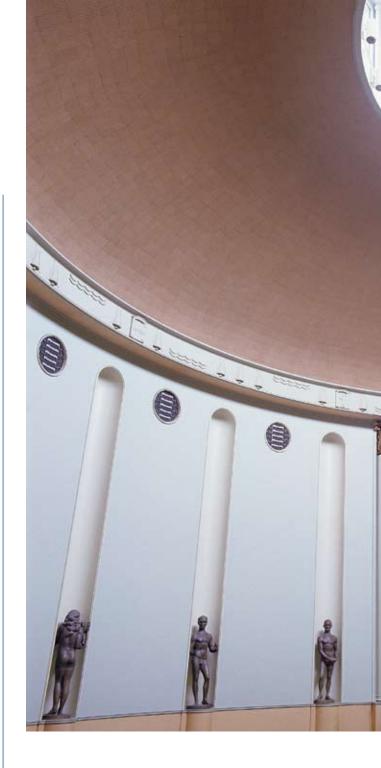
# Management of Parliament's finances

In the state budget Parliament's expenses in 2006 included MPs, the Parliamentary Office, the Parliamentary State Auditors, the Parliamentary Ombudsman, the National Audit Office and Parliament's other expenses, including group office funds for the parliamentary groups. The Annual Report of the Parliamentary Office does not cover the National Audit Office, which is a separate agency that prepares its own annual report and financial statements. Its costs are not included in Parliament's financial statements. On the other hand funds spent by the Office of the Parliamentary State Auditors and the Office of the Parliamentary Ombudsman are included, because they are part of Parliament's accounts. These operate in connection with Parliament and prepare their own annual reports.

Parliament's expenses totalled €87.4 million in 2006. This was 7% more than in 2005. Expenditure was €4.6 million less than budgeted. The budget implementation rate was 95% or the same as the year before. The 7% increase in expenses was due to growth in the Parliamentary Office's operational expenditure, as explained below.

As a legislative body Parliament cost €15.50 per citizen in 2006. The figure in 2005 was €14.50. Parliament accounted for about 0.25% of the Finnish state's total costs in 2006, as in previous years.

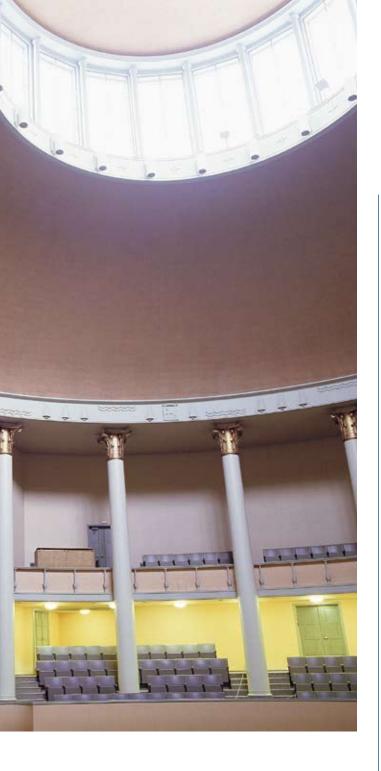
MPs' pay together with compensation for expenses and travel in Finland totalled €19.1 million in 2006, which was €1.7 million less than budgeted. Expenditure was 0.2% less than in 2005, due to lower expenses for travel in Finland.



The direct costs of MPs' personal assistants in 2006 totalled €6.3 million, which was the same as the year before. The number of personal assistants at the end of the year was 188.

The direct costs of MPs and their personal assistants together amounted to €25.4 million, which was 29% of Parliament's total expenditure. This was 2 percentage points less than in 2005.

The biggest expenditure item was the Parliamentary Office's operational expenditure, which amounted to €56.0 million. This was



10.3% more than the year before. The figure was €1.6 million less than budgeted. The growth in expenditure was due to Parliament's centennial (over €2 million), the purchase of rights related to civil defence facilities from the City of Helsinki (€1.6 million) and meeting costs related to the Finnish Presidency of the EU (€0.6 million).

The Parliamentary Office's largest expenditure items were pay and personnel costs (€28.1 million), IT operating and investment costs (€5.8 million), real estate operating and maintenance

costs (€3.6 million), foreign travel (€2.9 million) and printing costs (€1.0 million).

The parliamentary group offices spent €3.6 million, up 4.5% over the year before. The average monthly subsidy for the parliamentary groups was €1,501 per MP, compared with €1,436 in 2005.

The Office of the Parliamentary State Auditors spent €1.5 million in 2006. Spending was 0.6% higher than the year before. The budget implementation rate was 84%. Last year was the last full year of operation for the Office of the Parliamentary State Auditors. It had 16 permanent posts, 14 of which were filled.

The Office of the Parliamentary Ombudsman spent over €4.1 million in 2006, up 8.1% 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 91%. The Office of the Parliamentary Ombudsman had 54 permanent posts plus four fixed-term posts on average.

### **Personnel**

Last year 8 new permanent posts were established in the Parliamentary Office: one special expert in the Committee Secretariat, one planner in the Administrative Office, one secretary in the Accounts Office, one engineer in the Real Estate Office, one support person in the Information Management Office, one information officer in the Parliament Information Office, one researcher in the Research Service and one secretary in the Security Department.

One operating manager's post was abolished in the Real Estate Office in 2006.

Permanent and fixed-term posts were filled in the different units of the Parliamentary Office as follows at the end of 2002–2006:

	06	05	04	03	02
Central Office	70	69	67	67	66
Committees	63	62	57	56	55
Administrative Department	176	181	216	195	191
International Department	21	20	21	19	21
Information and					
Communication Department	* 75	74	76	79	78
Security Department**	44	42			
Other***	8	7	7	6	6
Total	456	457	442	420	418

<sup>\*</sup>The Information and Communication Department went into operation at the beginning of 2001. It includes the Library of Parliament, the Research Service and the Parliament Information Office, which were formerly part of the Central Office.

MPs' personal assistants, who totalled 188 at the end of 2006, are not included in the above table.

# Real estate and facilities

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

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 Au-

dit Office occupy rented premises in the state office building at Annankatu 44.

The biggest renovation and alteration project in 2006 involved the new service point in Building E. Personnel moved into the new facilities in the autumn. Sports facilities were improved and the sauna at Palolampi was repaired. For technical reasons the lift for stenographers in the main building and the lift on the Ainonkatu side of Building D were renewed, the construction of a new back-up power plant was started and cable route and other work was done to prepare the renewal of the Session Hall system in summer 2007. The roof on Building E was repainted and gutters were replaced. Guarantee work was conducted in the new annex and minor additional purchases were made. Automation systems in the older buildings were renewed to make them compatible with the system in the new annex.

The renovation of Buildings A-E got under way. The goal is to renovate all the Parliament Buildings with the exception of the new annex in the next five years and bring them up to date technically and operationally, respecting cultural values. A commission chaired by Deputy Speaker Sirkka-Liisa Anttila was appointed to determine objectives for the project. It heard experts' views on different aspects of renovation and conducted a survey regarding users' wishes. A building consultant (Indepro Oy) was selected for the project.

The Real Estate Office started another project aimed at procuring technical tools for planning maintenance, managing facilities and drawings, and receiving and monitoring work orders. Steps were taken to update cleaning to bring it in line with new working methods and changes in facilities and materials. A steering and monitoring group was appointed for this purpose, with representatives of personnel and management.

<sup>\*\*</sup>The Security Department went into operation at the beginning of 2005, bringing together personnel mainly from the Administrative Office and the Real Estate Office.

<sup>\*\*\*</sup> Personnel working directly under the Secretary General, which up to 2001 included information staff.



Sculptor Aimo Katajamäki in front of a series of wood carvings that was selected in the art competition for the lobby of Parliament's new annex.

# Information management

Implementation of the information management strategy "Towards Electronic Services" continued with the specification of an electronic desktop. Key new matters were the profiling of online services according to users' needs, for example in searching for and supplying information and in handling processes. Decisions were made regarding IT architecture and the development of registers required for profiling began. Parliament opened new web pages in autumn 2006.

The RASKE2 project, which is aimed at developing information management in Finnish legislative work, was completed. The project continued with the specification of a pilot intended to search for information on legislative processes, in cooperation with the Ministry of Justice and the Ministry of Finance. In the area

of information management different solutions were studied and piloted by participating in the FinnOnto project, among other things. Information management services are a key part of electronic desktop services.

Parliament took part in the ITG Audit project with 27 Finnish organizations, whose purpose is to create an IT Governance framework model and then evaluate information management in the participating organizations and decide on the necessary development measures. Parliament's information management was evaluated with the help of a questionnaire that was sent to managers. After answers were analysed, the results were compared with those for other organizations in the database. On the basis of the questionnaire, Parliament's information management is good and even excellent, and it was among the best in the comparison. The objectives that have been set for Parliament's information management are also very high.

# STATEMENT OF INCOME AND EXPENSES

	1.131.12.2006		1.131.12.2005	
Operational income				
Income from paid activities	130 676,00		118 695,43	
Rents and user charges	70 183,15		72 965,30	
Other operational income	20 759,58	221 618,73	44 861,00	236 521,73
Operational expenses				
Materials, supplies and goods				
Purchases during the year	-3 507 390,75		-2 838 913,74	
Personnel expenses	-50 945 697,61		-48 907 363,74	
Rents	-350 300,41		-221 677,16	
Purchased services	-13 320 490,92		-12 446 729,66	
Other expenses	-6 522 464,79		-6 219 815,94	
Depreciation	-3 501 900,54	-78 148 245,02	-3 206 898,67	-73 841 398,91
Deficit I		-77 926 626,29		-73 604 877,18
Financial income and expenses				
Financial income	109,57		77,03	
	-371,32	-261,75	-210,39	122.26
Financial expenses	-3/1,32	-201,73	-210,39	-133,36
Extraordinary income and expenses				
Extraordinary income	833,99			
Extraordinary expenses	-1 021,00	-187,01		
Deficit II		-77 927 075,05		-73 605 010,54
Transferred income and expenses				
Transferred expenses	-3 602 880,00		-3 447 360,00	
Transferred expenses abroad	-705 262,90		-738 249,27	
Other expenses	-124 200,00	-4 432 342,90	-191 800,00	-4 377 409,27
Deficit III		-82 359 417,95		-77 982 419,81
Income and expenses from taxes				
and other compulsory charges				
VAT collected			12 738,00	
VAT paid	4 188 750,80		-3 692 835,68	-3 680 097,68
DEFICIT FOR THE YEAR		-86 548 168,75		-81 662 517,49
		50 0 10 100/10		31 002 017/17

### BALANCE SHEET

	31.12.2006		31.12.2005	
ASSETS				
NATIONAL ASSETS				
Building land and water areas	11 691 953,55		11 691 953,55	
Buildings	28 689 209,05		27 050 217,05	
Other national assets	755 805,32	41 136 967,92	309 439,50	39 051 610,10
FIXED ASSETS AND OTHER LONG-TERM EXPENDITURE				
Immaterial assets				
Immaterial rights	426 351,40		656 302,14	
Other long-term expenditure Advance payments and	212 848,49		79 824,56	
ongoing procurements	2 024 600,69	2 663 800,58	568 390,19	1 304 516,89
Material assets				
Building land and water areas	8 952 374,94		8 952 374,94	
Buildings	38 905 991,59		39 937 677,79	
Machinery and equipment	4 365 089,14		5 032 697,72	
Furnishings	4 160 361,68		4 554 357,12	
Other material assets	125 741,93		114 297,49	
Advance payments and				
ongoing procurements	429 958,57	56 939 517,85		58 591 405,06
INVENTORIES AND FINANCIAL ASSET	rs .			
Current receivables				
Accounts receivable	2 435,42		51 588,43	
Receivables carried forward	43 689,43		6 169,00	
Other current receivables	105,11	FF 040 04	4 614,83	(F. 202.25
Advance payments	29 020,00	75 249,96	5 019,99	67 392,25
Cash, bank receivables and other financial		17 02E 0E	E0 E27 7E	E0 E27 7E
Cash accounts	17 035,95	17 035,95	59 536,75	59 536,75
TOTAL ASSETS		100 832 572,26		99 074 461,05
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	52 922 235,12		53 161 134,59	
Equity transfers	85 177 600,53		81 423 618,02	
Deficit for the year	-86 548 168,75	89 150 353,13	-81 662 517,49	90 520 921,35
LIABILITIES				
Current liabilities				
Accounts payable	3 987 909,37		2 181 094,94	
Inter-office payments	1 255 857,81		1 268 865,28	
Items to be forwarded	924 103,58	44 (00 040 45	846 910,89	0.550.50
Accrued expenses	5 514 348,37	11 682 219,13	4 256 668,59	8 553 539,70
TOTAL EQUITY AND LIABILITIES		100 832 572,26		99 074 461,05

# BUDGET IMPLEMENTATION STATEMENT 1.1.-31.12.2006

	Budget 2006	Actual 2006	Actual - budget Larger (+) Smaller (-)	Actual 2005
INCOME ACCOUNTS				
11.04.01 VAT income	0,00	0,00	0,00	12 738,00
12.39.10 Miscellaneous income	321 624,97	321 624,97	0,00	311 442,84
TOTAL INCOME ACCOUNTS	321 624,97	321 624,97	0,00	324 180,84
EXPENDITURE ACCOUNTS				
Members of Parliament				
21.01.21 Operational expenditure	20 820 000,00	19 072 974,51	-1 747 025,49	19 117 273,51
Parliamentary Office				
21.02.19 VAT expenditure	4 700 000,00	4 185 880,87	-514 119,13	3 692 835,68
21.02.21 Operational expenditure	56 554 000,00	54 959 459,73	-1 594 540,27	49 836 355,62
State Auditors				
21.09.21 Operational expenditure	1 737 000,00	1 458 719,79	-278 280,21	1 449 219,34
Parliamentary Ombudsman				
21.14.21 Operational expenditure	4 545 000,00	4 115 643,79	-429 356,21	3 807 081,67
Other expenditure by Parliament				
21.99.21 Operating funds for parl. groups	3 603 000,00	3 602 880,00	-120,00	3 447 360,00
TOTAL EXPENDITURE ACCOUNTS	91 959 000,00	87 395 558,69	-4 563 441,31	81 350 125,82
TOTAL EXPENDITURE ACCOUNTS		-87 073 933,72		-81 025 944,98
FUNDS CARRIED FORWARD  Additional facilities for Parliament 2004				16 385,76
Tarian Laurine Lourine				
				16 385,76

#### ACCOUNTING PRINCIPLES AND COMPARABILITY

The financial statements have been prepared in the manner prescribed in sections 44-48 of Parliament's accounting regulations and according to the State Treasury's guidelines for 2006.

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. Buildings' balance sheet value has risen by €1,638,992 since 2005, since the Chancellery Commission decided on 14 December 2006 to purchase other properties' rights related to civil defence facilities (shelter 2) from the City of Helsinki. Depreciation has not been calculated on national property, since this constitutes long-term state assets 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, 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 €1,467,532.19 in expenditure on the Session Hall 2007 project, which is scheduled for completion by summer 2007. This item also includes €494,268.66 in development costs for online services, which was another major project. New web pages went into operation in January-February 2007.

Depreciation has been booked according to plan. Depreciation according to plan has been calculated on a straight-line basis. The depreciation period is three years for computer software and hardware, five years for office machinery and equipment, and 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. Rents and user charges include rent and other charges from nine dwellings and a civil defence shelter. Other operational income includes the sale of assets no longer in use and income related to the Presidency of the EU.

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 2007

Kari T. Ahonen Administrative Director Pertti J. Rosila Head of Office

#### AUDITORS' REPORT TO PARLIAMENT

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 2006. The financial statements include the year-end accounts and the notes 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.

We have given the Chancellery Commission a separate memorandum concerning observations that we made during the audit.

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 2006 financial statements, annual review of activities, accounts or administration.

Helsinki, 11 April 2007

Matti Saarinen

Chairman

Petri Salo

Tuomo Hänninen

Eero Suomela



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