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**ANNUAL REPORT  
OF THE PARLIAMENTARY  
OFFICE**

**PARLIAMENT OF FINLAND**

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## REVIEW BY THE SECRETARY GENERAL

The most significant change in the new Constitution which came into force in 2000 was, in many people's opinion, the complete reform of provisions concerning the formation of the Government and the election of the Prime Minister. The Parliament which was elected in March 2003 showed that the procedure for forming the Government and electing the Prime Minister under the new Constitution and according to the recommendations approved by the parliamentary groups works both immediately after a general election and in the course of the electoral period. Positive experience concerning the effectiveness of the new Constitution was thus supplemented in this significant respect.

The Government which was formed in June 2003 started its legislative work in addition to the other tasks facing a new Government. The number of Government proposals in 2003 was smaller than average, as is common during the first year of an electoral period. The spring term following the general election focused on debating timely subjects and especially the Government programme.

During the autumn term Parliament concentrated on the state budget and related legislation. It also discussed a Government White Paper concerning the results of the Convention on the Future of Europe and preparations for the following Intergovernmental Conference. Additional information on major legislative projects, together with numerical data, is provided in the section on legislative work.

The committees functioned according to established practice during the first year of the electoral period. Organizing in the spring took place twice, as usual, first after Parliament was convened and then again after the Government was formed. The parliamentary groups were able to agree on selections according to good Finnish traditions. Preparing the budget and re-

lated legislation kept the committees busy in the autumn. This work went according to schedule.

Last year attention was focused on the committees' ability to fulfil their role in the formation of national opinion concerning the preparation of European Union legislation. It had become clear that parliamentary influence in some Council decision-making processes had been delayed to such a late stage that it was doubtful that it had much of an effect. The Treaty Establishing a Constitution for Europe which was proposed by the Convention on the Future of Europe also presented an occasion to consider the committees' ability to respond in a new situation. The Speaker's Council appointed a commission composed of members representing Parliament and the Government to study this matter.



The reform of procedural rules continued in 2003 and the Speaker's Council appointed a commission to prepare a proposal for the reorganization of parliamentary control of the state economy along the lines of a special committee in charge of monitoring and control.

The Parliament Information Office reorganized its activities in 2003. Parliament's website was improved by adding a news site. A new Edusnet package was prepared for school pupils and a new MP database was introduced. Brochures were revised and an information desk for Parliament's new annex was opened.

Media service was improved with more active daily briefings, infos and background sessions as well as information guidelines for the

committees. Access to outside information was developed by improving Internet management. The goal is to sort out key materials for Parliament's work from the flood of information which is available. Work processes and the use of resources were evaluated with the help of a process and resource survey and work processes were improved.

Parliament's international activities remained brisk in 2003. Delegations were exchanged at the Speaker and committee level and MPs actively participated in numerous interparliamentary organizations as well as election monitoring.

Parliament continued intensifying its cooperation with the World Bank. A seminar on good governance and parliaments' role was held in September for parliamentarians from Central and South America. The main themes concerned the World Bank's activities to strengthen democracy and parliamentarism and to reduce poverty in developing countries and transition economies. Participants received information on parliamentary methods and parliaments' activities to develop administration. In September Parliament hosted the 12th Baltic Parliamentary Conference in Oulu, which discussed the development of the information society and ways to improve navigation in the Baltic Sea.

The Act on MPs' Pay was amended during

the spring term to give the Pay Commission final decision-making power in setting pay for MPs. The Pay Commission established a new pay schedule at the beginning of September. The revision of pay corresponded to previous pay increases in the labour market.

The Chancellery Commission issued permanent guidelines which allow MPs' personal assistants to enter employment contracts for the entire electoral period. The Chancellery Commission also established a working group to study the development of personal assistants' working conditions and terms of employment.

The Act on Parliamentary Officials was completely reformed last year. The most significant new provisions concern the application of collective bargaining in Parliament. In order to ensure the functioning of Parliament's organs in all circumstances, the Act clearly notes that officials employed by the Parliamentary Office's Central Office, Committee Secretariat and Administrative Department do not have the right to take industrial action. Officials' legal security was improved by providing for appeals to the Supreme Administrative Court in certain matters.

Construction of Parliament's new annex went according to plan. The annex should be ready according to schedule by the end of May 2004.

*Seppo Tiitinen*



## FINANCIAL STATEMENTS FOR 2003

*Parliament's financial statements include this annual review of activities plus the year-end accounts comprising the Statement of Income and Expenses, Balance Sheet and Budget Implementation Statement. The year-end accounts and accounting principles are at the end of the annual review. The appendices prescribed in section 48 of the accounting regulations have not been included in this report.*



## CHANCELLERY COMMISSION

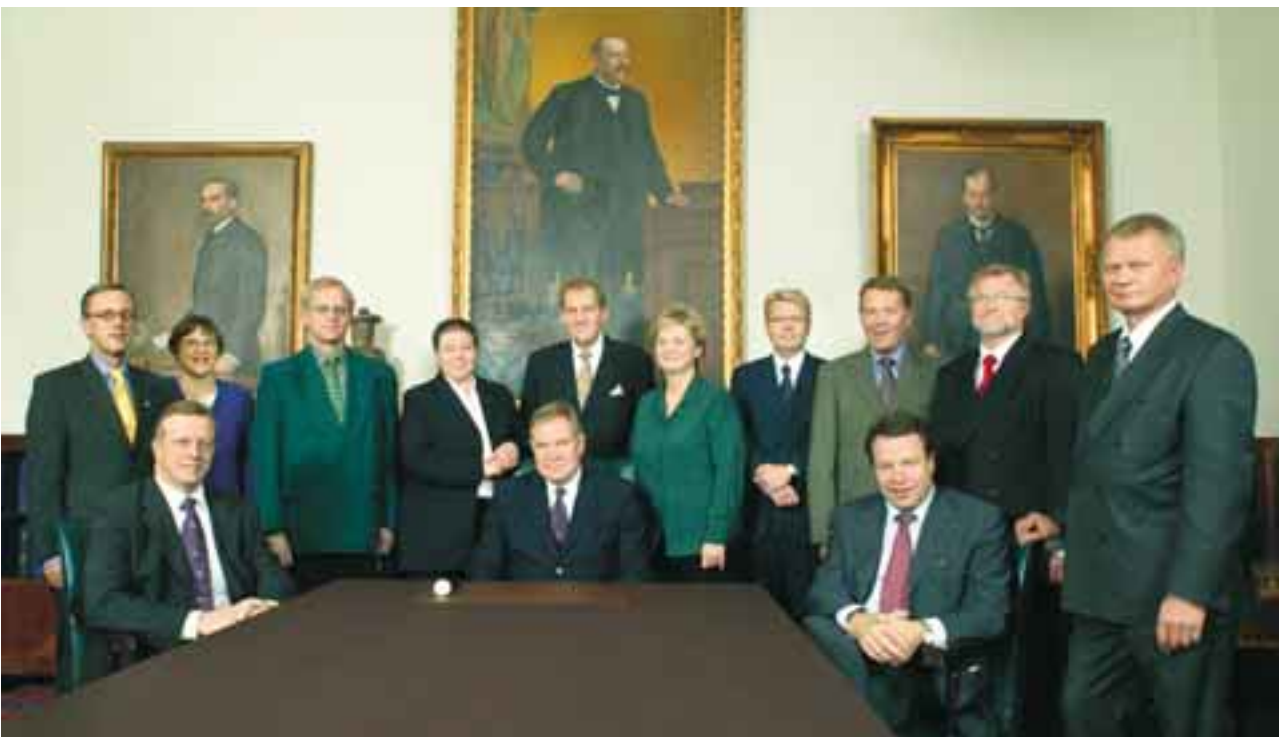
The Chancellery Commission directs, supervises and develops Parliament's administration and financial management. With the exception of the Secretary General it appoints the staff of the Parliamentary Office and resolves significant matters regarding Parliament's administration and financial management.

The Chancellery Commission includes the Speaker and Deputy Speakers as well as four MPs who are elected at the beginning of the electoral period with deputies. The new Parliament which convened on 25 March 2003 elected Anneli Jäätteenmäki as Speaker, Liisa Jaakonsaari as First Deputy Speaker and Ilkka Kanerva as Second Deputy Speaker. After the Government was appointed on 17 April 2003, Paavo Lipponen was elected as Speaker and Seppo Kääriäinen as First

Deputy Speaker. After Seppo Kääriäinen was appointed to a Cabinet post, on 25 June 2003 Markku Koski was elected to take his place as First Deputy Speaker. The Chancellery Commission's final composition in 2003 was as follows: Speaker Paavo Lipponen, First Deputy Speaker Markku Koski, Second Deputy Speaker Ilkka Kanerva and MPs Matti Ahde, Jukka Vihriälä, Jyri Häkämies and Janina Andersson. Deputy members were MPs Anne Huotari, Jaana Ylä-Mononen, Per Löf and Kari Kärkkäinen.

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

*The Chancellery Commission on 16 October 2003 (from left to right). Seated: First Deputy Speaker Markku Koski, Speaker Paavo Lipponen and Second Deputy Speaker Ilkka Kanerva. Standing: MP Per Löf, Chief Information Officer Marjo Timonen, MPs Jukka Vihriälä and Jaana Ylä-Mononen, Secretary General Seppo Tiitinen, MPs Anne Huotari, Jyri Häkämies and Matti Ahde, Administrative Director Kari T. Ahonen and Head of Office Martti K. Korhonen.*





## LEGISLATIVE WORK IN THE 2003 SESSION OF PARLIAMENT

### General

The 2003 session of Parliament was the first in the electoral period. Actual legislative work did not start until the autumn term because of the need to form the Government twice. The number of Government proposals and other parliamentary matters was smaller than average. As a result of the large amount of legislative work which was handled at the end of the previous electoral period, in January and February, the last parliamentary responses were not completed until the latter part of June.

Special attention was focused on orientation for new MPs. No less than 49 of the MPs had not served in Parliament before.

Orientation sessions were coordinated more carefully with the start of the electoral period, from the viewpoint of parliamentary work, and results were generally good. In September MPs attended a two-day seminar concerning the handling of the state budget and the economic outlook. A new orientation package was published in written form and online. New MPs actively participated in training and positive feedback was received on orientation arrangements.

With regard to the development of parliamentary working methods, a reform of question hours is worth mentioning. In the autumn term Thursday question hours were made part of plenary sessions. This means that announcements can be handled at the beginning of question hours and the Speaker's Council always meets on Thursdays as well. A role call is conducted at the



*Before the first session of the electoral period the Chancellor of Justice examines MPs' credentials. Chancellor of Justice Paavo Nikula is shown here with MP Esko Ahonen. In the foreground on the left is Mr Nils Wirtanen, the Secretary General of the Office of the Chancellor of Justice.*

beginning of each question hour, and after question hour is over Parliament, can move on to other business. This reform has been applauded.

Last year preparations began for the renewal of the technical systems in the Session Hall. Plans call for the present system, which dates from 1992, to be replaced in 2007. A special working group specified information technology requirements and surveyed the functions and services which MPs need in the Session Hall. The idea was to keep the general nature of plenary sessions unchanged. The goal is also to improve transparency so that citizens can follow plenary sessions on the Internet or a digital TV channel.

## Parliament's composition and activities

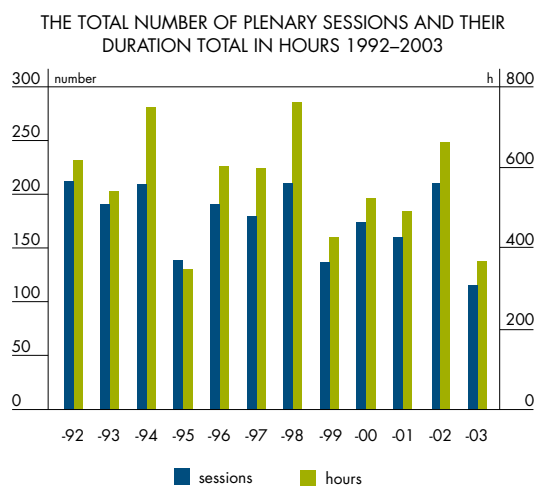
After the general election on 16 March, the first parliamentary session of the electoral period was opened on 26 March 2003. The last plenary session was held on 19 December 2003.

The parliamentary groups were organized as follows:

- Centre Party's Parliamentary Group 55 MPs
- Social Democratic Parliamentary Group 53 MPs
- National Coalition Party's Parliamentary Group 41 MPs
- Left Alliance's Parliamentary Group 19 MPs
- Green Parliamentary Group 14 MPs
- Swedish Parliamentary Group 10 MPs
- Christian Democratic Parliamentary Group 7 MPs and
- True Finns' Parliamentary Group 3 MPs.

During the year Lyly Rajala left the Christian Democratic Parliamentary Group and joined the National Coalition Party's Parliamentary Group.

The following changes took place in the composition of Parliament during the session: MPs Marjo Matikainen-Kallström (National



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

Coalition Party) and Astrid Thors (Swedish People's Party) announced that they would continue to serve as members of the European Parliament and deputies Tapani Mäkinen and Christina Gestrin took their place.

The new Parliament which convened on 25 March 2003 elected Anneli Jäätteenmäki as Speaker, Liisa Jaakonsaari as First Deputy Speaker and Ilkka Kanerva as Second Deputy Speaker. After the Government was appointed on 17 April 2003, Paavo Lipponen was elected as Speaker and Seppo Kääriäinen as First Deputy Speaker. After Seppo Kääriäinen was appointed to a Cabinet post, on 25 June 2003 Markku Koski was elected to take his place as First Deputy Speaker.

Parliament held 46 plenary sessions during the spring term from 25 March to 25 June and 71 plenary sessions during the autumn term from 2 September to 19 December 2003. Separate question hours were held 12 times before a reform in October, after which question hours were made part of plenary sessions. Plenary sessions lasted a total of 367 hours. Session days totalled 101.

## Speaker's Council

The Speaker's Council, which directs and plans parliamentary 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, approve proposals concerning the referral of matters to committees and the tabling of reports, and decide on the procedures to be followed in debates. The Speaker's Council also approves the plenary session plans which are the basis of parliamentary work.

Major development projects initiated by the Speaker's Council included the appointment of a commission to review procedures for the handling of European Union matters, with Secretary General Seppo Tiitinen as chair. It also appointed a commission to reorganize parliamentary control of the state economy, with MP Matti Ahde as chair.

The Speaker's Council met 95 times during the 2003 session. The composition of the Speaker's Council at the end of the session was as follows: Speaker Paavo Lipponen, Deputy Speakers

*The Speaker's Council directs legislative work and meets before each plenary session. From left to right: MPs Markku Laukkanen, Pentti Tiusanen, Kauko Juhantalo and Matti Väistö, First Deputy Speaker Markku Koski, Speaker Paavo Lipponen, Deputy Secretary General Jouni Vainio, Second Deputy Speaker Ilkka Kanerva and MPs Kimmo Sasi, Kaarina Dromberg and Jouko Skinnari.*



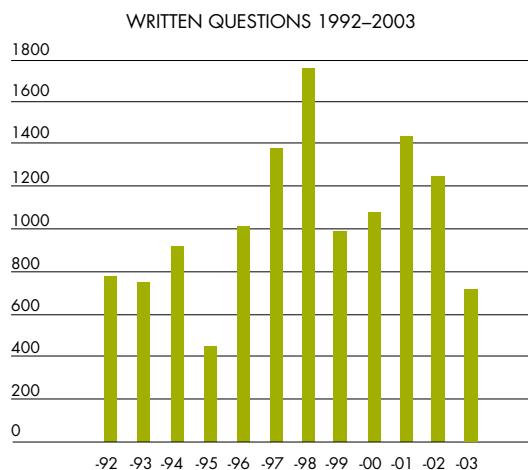
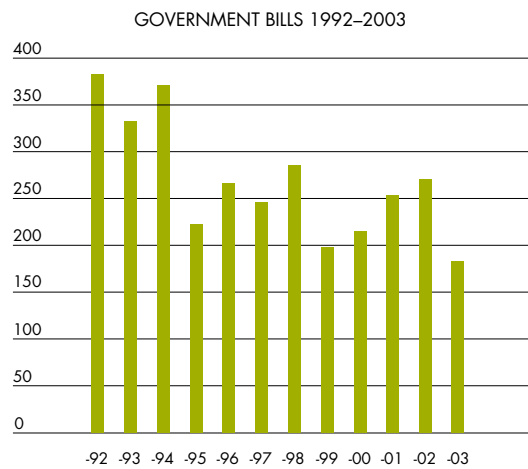
Markku Koski and Ilkka Kanerva and committee chairs Ville Itälä (Grand Committee), Kimmo Sasi (Committee for Constitutional Law), Liisa Jaakonsaari (Foreign Affairs Committee), Olavi Ala-Nissilä (Finance Committee), Matti Väistö (Administration Committee), Tuija Brax (Legal Affairs Committee), Markku Laukkanen (Transport and Communications Committee), Sirkka-Liisa Anttila (Committee for Agriculture and Forestry), Kauko Juhantalo (Defence Committee), Kaarina Dromberg (Committee for Education and Culture), Valto Koski (Social Affairs and Health Committee), Jouko Skinnari (Economic Affairs Committee), Jyrki Katainen (Committee for the Future), Jukka Gustafsson (Committee of Labour and Equality) and Pentti Tiusanen (Environment Committee).

## Matters handled by Parliament

### GOVERNMENT BILLS AND OTHER SUBMISSIONS

The Government submitted 181 bills and Parliament finished handling 140 of these. Parliament approved 138 bills and rejected one bill. One bill was withdrawn by the Government. Parliament also approved two bills which had been left in abeyance.

Major legislative projects during the session included a reform of the Act on the Autonomy of Åland which ensures that Åland will retain authority in the matters which are covered by the Act. The Employment Contracts Act and the Seamen's Act were reformed to improve employees' possibilities to take parental leave. The Act on the State Shipping Enterprise and the State Pilotage Enterprise set up parts of the Finnish Maritime Administration as business enterprises. Two new Acts allowed local authorities to experiment with democratically elected regional councils and re-







gional cooperation. The Equality Act transposed the EU directives on racial equality and equal treatment in employment. The Excise Duty Act and the Alcohol Tax Act were amended to abolish restrictions on imports of alcohol and tobacco products from other EU countries and to lower alcohol tax, and the Value Added Tax Act was amended to provide tax relief at the threshold level. In the autumn Parliament approved legislation allowing the state to relinquish its majority holding in Fortum Corporation.

The 2004 budget proposal was submitted on 16 September and the preliminary debate was conducted on 16-18 September. One supplementary bill was presented along with the budget. The final debate was conducted on 15-19 December. The budget included 39 Government bills. A total of 908 initiatives were presented in connection with the budget, of which 11 were approved and 897 were rejected. The Government also submitted two supplementary budgets and one of these included a supplementary bill. In connection with these supplementary budgets 65 initiatives were submitted. All of these were rejected.

#### *Question hour on 2 October 2003.*

At the end of the spring term Parliament debated the Government's budget framework for 2004-2007. The Government also submitted four White Papers to Parliament: "The results of the Convention and preparations for the Intergovernmental Conference", "Provisions concerning the use of force in the Concordia operation in Macedonia and Nato's rules on the use of force in an evacuation situation", "The effects and application of the Postal Service Act" and "Implementing the reform of openness legislation". The last two were held over to 2004.

The Government issued two statements, concerning the programme of Anneli Jäätteenmäki's Government (17 April) and the programme of Matti Vanhanen's Government (24 June).

Three statements by the Prime Minister were submitted to Parliament in 2003. The first was discussed on 14 May and concerned Finland's positions on institutional and foreign and security policy proposals in the Convention on the Future of Europe. A statement concerning the debate on Iraq was discussed on 18 June and a statement on the Intergovernmental Conference was discussed on 18 December.

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

#### MEMBERS' INITIATIVES

The Government answered three interpellations. The first concerned the failure to publish a document on the Government negotiations (6 May), the second ensuring local finances (24 October) and the third agricultural aid solutions (12 December).

A total of 723 written questions were submitted to members of the Government. This was clearly less than in previous years. A total of 151 issues were discussed during question

hours. Members made 8 debate proposals, on the basis of which one topical discussion was held on 13 November. The subject was developing education and research.

Members presented 166 legislative initiatives. Twelve were approved and 24 were rejected by the end of the session. Members presented 97 measure initiatives, of which 6 were rejected.

Here is a summary of matters initiated in the 2003 session of Parliament. Further information on European Union matters and their role in parliamentary work is presented in the section "Work in committees".

• Government bills	181	(273)*
• Government statements	2	(1)
• Government White Papers	5	(5)
• Statements by the Prime Minister	3	(4)
• Legislative initiatives	166	(187)
• Measure initiatives	97	(209)
• Budget initiatives	908	(1,523)
• Supplementary budget initiatives	65	(31)
• Interpellations	3	(4)
• Written questions	723	(1,254)
• Union matters	70	(85)

\* The corresponding figures in the 2002 session of Parliament are in parentheses.

## Work in committees

The committees focused on organizing themselves during the spring term of the first session of the electoral period. The composition of the committees which were established at the beginning of the session changed considerably after the new Government was formed. Both elections were conducted in a spirit of cooperation. No fewer than twelve committees received new

chairs. On the other hand Matti Väistö was elected to chair the Administration Committee for the fourth electoral period, Pentti Tiusanen to chair the Environment Committee for the third electoral period and Liisa Jaakonsaari to chair the Foreign Affairs Committee for the second electoral period. Jouko Skinnari's service as a committee chair, which since 1987 has only been interrupted by ministerial posts, continued, this time as chair of the Commerce Committee.

As is usual after a general election, the spring term revolved around familiarizing members with committee activities. In the autumn term the committees got down to work on the budget for 2004 and related legislation. The committees did a good job handling these and other Government bills within the agreed timetable. In addition to the budget, considerable interest was aroused by a bill to change ownership arrangements in Fortum Corporation as well as an amendment to the Road Traffic Act requiring doctors to report health problems observed in check-ups for drivers over the age of 65.

## Union matters

Parliament handled 70 U matters, which fall within Parliament's scope under section 96 of the Constitution, as well as 103 E matters and 33 matters regarding the Union's common foreign and security policy, concerning which Parliament has the right to receive information under section 97 of the Constitution. The Grand Committee also received reports from the Government on 101 meetings of the Council of the European Union. The handling of matters in the European Union typically takes longer than one session, and around 800 U and E matters were under consideration in the Grand Committee, which handled them on the basis of further in-

formation supplied by the Government or reports on Council meetings.

The special committees submitted 80 statements on U matters and 35 statements on E matters to the Grand Committee.

## Convention on the Future of Europe

The Convention on the Future of Europe, which was established by the Laeken summit in December 2001, continued drafting a new Constitution for Europe up to June 2003. National parliaments and governments in the present and future member states as well as the European Parliament were represented at the Convention. Various observers also monitored the Convention's progress. Until the 2003 session of Parlia-

ment was organized, the Finnish Parliament was represented at the Convention by MPs Kimmo Kiljunen (Social Democrats) and Matti Vanhanen (Centre Party), with Riitta Korhonen (National Coalition Party) and Esko Helle (Left Alliance) as their deputies. After the session was organized MPs Kimmo Kiljunen (Social Democrats) and Jari Vilén (National Coalition Party) served as representatives, with Hannu Takkula (Centre Party) and Esko Helle (Left Alliance) as their deputies.

The Convention's draft Constitution was presented to the Intergovernmental Conference.

In September 2003 Parliament received a Government White Paper concerning the results of the Convention on the Future of Europe and preparations for the following Intergovernmental Conference. Parliament discussed the White Paper on 3 October on the basis of a re-

*The Social Affairs and Health Committee on 5 June 2003, with Chairman Valto Koski at the head of the table in the middle.*





port submitted by the Foreign Affairs Committee. The Grand Committee and the Committee for Constitutional Law issued statements on the report at the request of the Speaker's Council. Seven other committees also issued statements.

The Intergovernmental Conference met in different official and ministerial compositions in autumn 2003. Parliament's position on issues was decided by the Grand Committee and with regard to foreign and security policy by the Foreign Affairs Committee. The heads of state of the EU's present and future members were not able to agree on a new Constitution at the Brussels summit on 12-13 December. On 18 December the Prime Minister presented a statement to Parliament concerning the Intergovernmental Conference, which will continue in 2004 if the member states can reach an agreement on key institutional issues.

## Committee meetings

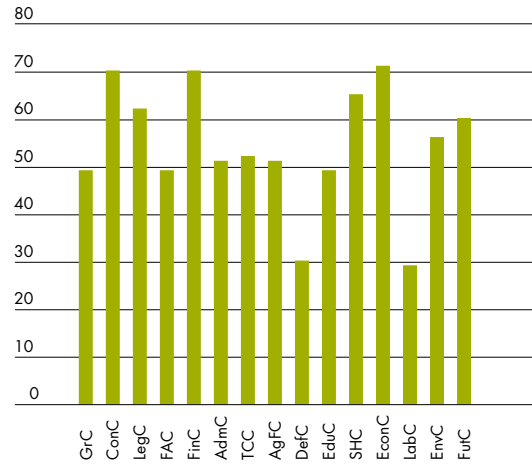
The committees held the following number of meetings in 2003:

• Grand Committee (GrC)	49
• Constitutional Law Committee (ConC)	70
• Foreign Affairs Committee (FAC)	62
• Finance Committee (FinC)	49
• Administration Committee (AdmC)	70
• Legal Affairs Committee (LegC)	51
• Transport and Communications Committee (TCC)	52
• Agriculture and Forestry Committee (AgFC)	51
• Defence Committee (DefC)	30
• Education and Culture Committee (EduC)	49
• Social Affairs and Health Committee (SHC)	65
• Commerce Committee (ComC)	71
• Committee for the Future (FutC)	29
• Employment and Equality Committee (EmpC)	56
• Environment Committee (EnvC)	60

**Total**

**1,029**

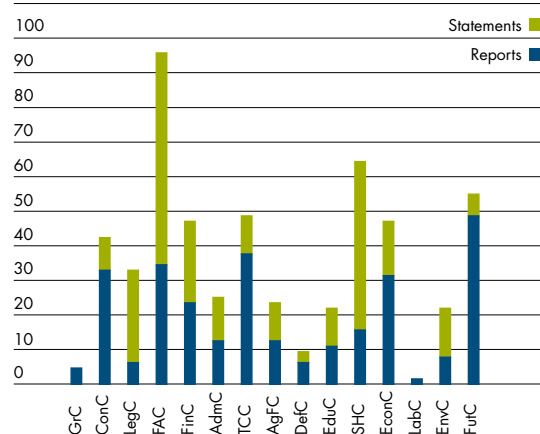
COMMITTEE MEETINGS 2003



The committees held a total of 1,029 meetings. The Grand Committee met twice during the summer break and twice in January 2004.

The Finance Committee continued to work in nine subcommittees. The Grand Committee included the working subcommittee, the subcommittee on the future of the Union and the WTO subcommittee.

## Matters handled by the committees



	Reports total	Statements total	Statements to other committees (Con 74, PP 32.3)	Statements on Union matters to GrC and FAC statements to Gov in EU matters (Con 96.2, PP 38.1)	Accounts received (Con 47.2)	Statements issued on accounts
GrC		3	2		1*)	1
ConC	6	21	20	1		
FAC	17	4	2		2*)	2
FinC	39	22	3	19		
AdmC	15	15	8	5	3	2
LegC	8	8	2	6		
TCC	7	24	2	21	1	1
AgFC	7	8	2	6		
DefC	2	4	4			
EduC	7	7	4	3		
SHC	31	10	4	6		
ComC	10	20	4	16	1	
FutC		1	1			
EmpC	9	5	2	3		
EnvC	4	31	4	26	2	1

\*) Con 97.1

## Travel

In 2003 the committees made study tours and other trips abroad mainly in delegations (with the figures in brackets indicating the number of MPs plus the number of officials).

### 1. Grand Committee trips

- Athens (6 + 1)
- Brussels (2 + 1)
- Geneva (1 + 1)
- Athens (4 + 1)
- Geneva (2 + 1)
- Cancun (2 + 1)
- Rome (5 + 1)
- Rome (1 + 1)
- Brussels (2)
- Prague (4 + 1)

### 2. Special committee trips

- ConC / Tallinn (11 + 3)
- ConC / Geneva, Bern and Strasbourg (8 + 2)
- ConC / The Hague and Luxembourg (7 + 2)
- FAC / New York and Washington (7 + 2)
- FAC / Stockholm (6 + 1)
- FAC / Paris (15 + 3)
- FAC / Moscow (7 + 2)

- FinC / chairs / London and Frankfurt (10 + 3)
- FinC/Ed / Budapest (10 + 1)
- FinC/SD / Amsterdam, The Hague and Marseille (10 + 1)
- FinC/HE / Costa Rica and Peru (9 + 2)
- FinC/Tax / Washington and New York (10 + 2)
- FinC/TI / Milan (7 + 1)
- AdmC / Ireland (13 + 2)
- LegC / The Hague and Luxembourg (16 + 2)
- TCC / Geneva (17 + 3)
- AgFC / Rome and Milan (15 + 2)
- DefC / Kosovo, Macedonia and Austria (15 + 3)
- DefC / Sweden and Estonia (16 + 3)
- EduC / Madrid (15 + 2)
- SHC / Rome (14 + 3)
- SHC / Tallinn (14 + 2)
- ComC / Prague (13 + 3)
- ComC / New York and Washington (9 + 1)
- EmpC / Paris (12 + 2)
- EmpC / Geneva (5 + 1)
- EmpC / Rome (2 + 1)
- EnvC / New York (3)
- EnvC / Berlin (2)
- EnvC / Athens (3)
- EnvC / Tallinn and Riga (11 + 4)
- EnvC / Strasbourg (2)
- EnvC / Milan (5 + 1)

In addition some trips abroad were made by smaller delegations. The committees also made brief study tours and trips in Finland.

## PARLIAMENT'S INTERNATIONAL ACTIVITIES

### International speakers' conferences and parliamentary delegations

The Speaker attended the Nordic Speakers' Conference in Iceland in February. The Speaker also attended the Nordic and Baltic Speakers' Conference in Palanga, Lithuania in June. Subjects included national parliaments' role and cooperation in the enlarging EU and the parliamentary dimension of transatlantic cooperation. The EU Speakers' Conference took place in Athens in May 2003.

Parliamentary delegations headed by the Speaker visited Iceland, Sweden and Estonia in

2003. One of the Deputy Speakers attended the 50th anniversary session of the Indian Parliament in New Delhi in January and the 10th anniversary session of the Latvian Parliament in Riga in July.

Finland received visits from the Speaker of the Swedish Parliament, the Deputy Speaker of the Hungarian Parliament and the Vice Chairman of the Chinese People's Political Consultative Conference.

Around 30 parliamentary delegations visited Finland last year. The Governor General of Canada, the President of Mozambique, the President of Kyrgyzstan and King Carl XVI Gustaf of Sweden also visited Parliament while they were in Finland.

*President of the European Parliament Pat Cox with Speaker Paavo Lipponen, signing the guest book on 22 May.*



## International organizations

### NORDIC COUNCIL

In 2003 the Nordic Council concentrated on improving citizens' rights and eliminating border restrictions and on international matters such as the role of the Nordic countries and Nordic cooperation after the enlargement of the EU, Baltic Sea cooperation, the EU's Northern Dimension and the challenges regarding cooperation with neighbouring areas after the Baltic countries' accession to the EU. Cooperation with the Baltic countries, the Benelux countries, the British-Irish Inter-Parliamentary Body and the Russian Duma and Federation Council remained active. The year culminated with the 55th session in Oslo on 27-29 October.

The Nordic Council had five committees for the second year and this organization proved effective. Intensifying cooperation with national parliaments and their committees, improving reporting at the national level and anchoring Nordic cooperation at the national level were key goals for the Nordic Council and the Finnish delegation.

At the end of the year the Finnish delegation decided to adopt a reporting and monitoring system according to recommendations. Agreement was also reached on reporting by the cooperation minister to the delegation. The Finnish delegation arranged the Nordic Council's June meetings in Lappeenranta and Vyborg. It also attended the 12th Baltic Sea Parliamentary Conference in Oulu.

### PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE

The Parliamentary Assembly of the Council of Europe approved 88 reports in 2003. The Parliamentary Assembly oversees democracy in its member states through its Monitoring Commit-

tee and special committees such as the Committee on Culture, Science and Education, the Committee on Legal Affairs and Human Rights and the Committee on Equal Opportunities for Women and Men. Social development presents challenges for democracy in old as well as new member states. The Council of Europe's approach is based on respect for human rights, democracy and the rule of law.

Monitoring is a continuous process which concerns the development of democratic institutions and legislation particularly with reference to the honouring of obligations and commitments by member states. Monitoring applies to Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Moldova, Serbia and Montenegro, Turkey, Ukraine and Russia. Development is alarming in a number of member states, including Georgia, Armenia, Azerbaijan, Ukraine and Russia. Problems concerning democracy also exist in the old member states.

Election monitoring takes place as part of general monitoring and independently, often in cooperation with other international organizations such as the OSCE and the European Parliament. In 2003 the Council of Europe monitored the presidential election in Azerbaijan and general elections in Armenia, Georgia, Serbia and Russia.

Serbia and Montenegro joined the Council of Europe in April 2003 as its 45th member state. Only two European states have not joined the Council of Europe. Monaco will probably join in the near future. Political conditions in Belarus preclude membership anytime soon. Israel, Canada and Mexico have observer status in the Council of Europe.

### INTER-PARLIAMENTARY UNION

The Inter-Parliamentary Union finished revising its statutes and rules, a process which took several years. The annual conferences were held in

Santiago de Chile and Geneva. Finnish participation in the first of these was limited by the timing of the general election and the delegation was smaller than usual. The new statutes and rules give the IPU a tighter organization and reduce the size of delegations somewhat. In the future one of the annual conferences will be held in Geneva, where the IPU has its headquarters.

#### OSCE PARLIAMENTARY ASSEMBLY

The Finnish delegation participated actively in the OSCE Parliamentary Assembly. The delegation which was elected in the previous electoral period attended the winter meeting which took place in Vienna in February 2003 (Standing Committee and the three General Committees). In February the Standing Committee made a significant decision when it accepted the credentials of the Belarus delegation. All 55 members of the OSCE Parliamentary Assembly now participate fully in activities.

The delegation attended the annual session in Rotterdam in July. The theme was the role of the OSCE in the new architecture of Europe, after the enlargement of the EU and NATO. Delegation members also attended theme conferences in Bern (on promoting small and medium-sized enterprises) and Rome (on freedom of religion and the Mediterranean Forum).

#### BALTIC SEA PARLIAMENTARY CONFERENCE

The importance of Baltic Sea cooperation in Parliament's international connections was underlined when the Speaker's Council for the first time named a five-person delegation to the Baltic Sea Parliamentary Conference for the entire electoral period.

The delegation focused on preparing for the 12th Baltic Sea Parliamentary Conference which



*Visitors last year included the President of Croatia, shown here with the Speaker.*

met in Oulu in September. The conference unanimously approved resolutions on developing the information society in the Baltic Sea area and on improving maritime safety so as to protect the environment.

#### 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 and the United States as well as the European Parliament. Indigenous peoples are also perma-

nently represented. Finland has a seat in the Standing Committee of Parliamentarians of the Arctic Region.

#### NATO PARLIAMENTARY ASSEMBLY

The Finnish delegation to the NATO Parliamentary Assembly took part in both plenary sessions in 2003. The spring session was in Prague and the autumn session in Orlando. The agenda on both occasions was strongly marked by the war in Iraq and international terrorism. The Finnish delegation is an associate member. Finnish MPs do not take part in decision-making but have speaking rights.

#### WESTERN EUROPEAN UNION

The Finnish delegation has observer status in the Assembly of the Western European Union. In addition to the two annual sessions, Parliament sent representatives to the defence policy conference which was held in Baveno, Italy. Themes included monitoring decisions concerning the EU's security and defence policy and strengthening the parliamentary dimension in security and defence policy.

### Other international cooperation

Parliament continued intensifying its cooperation with the World Bank. A seminar on good governance and parliaments' role was held in September for parliamentarians from Central and South America. Parliament also participates in training sessions arranged by the World Bank and cooperating parliaments and organizations abroad and hosts occasions in Finland. Together with the National Democratic Institute it arranged a seminar for women in the Moroccan

Parliament as well as a parliamentary seminar in Rabat.

Finland was represented at the Asia-Europe Young Parliamentarians Meeting in China, the Asia-Europe Young Leaders Symposium in Vietnam and the Baltic Sea Women's Conference in Tallinn.

In addition to official international activities, international links are maintained by friendship groups and in forums such as the Human Rights Group, the Habitat Group, the Population Group, the Global Ethics Group and Parliamentarians for Global Action. The Human Rights Group is an information-collecting network of around fifty MPs which in 2003 arranged hearings and discussions on the Government's human rights report, people trafficking, the UN's Millennium Development Goals and civilian crisis management. MPs organized 37 friendship groups after the general election in March.



## INFORMATION ACTIVITIES

Parliamentary information focused on developing public information, Internet service and media services.

In the spring an extensive database was launched to provide information on new MPs and parliamentary organs. A directory was published later on. Parliament's databases are revised under the direction of the Parliament Information Office.

The renewal of Parliament's Internet service began with the addition of a news site. This was opened internally in November and went online at [www.eduskunta.fi](http://www.eduskunta.fi) at the start of the 2004 parliamentary session. The news site tells what is happening in Parliament today and focuses on plenary sessions and committee work. The site contains direct links to frequently used databases, and users can ask to be informed of bulletins by e-mail.



*The news site linked to [www.eduskunta.fi](http://www.eduskunta.fi) tells what is currently happening in Parliament.*

### Edusnet and Rixnet for school pupils

The new Edusnet and Rixnet learning environments went online in December. In addition to

“book learning” the service includes videos on Parliament and MPs' work as well as interactive functions such as election and budget calculators, a quiz and a memory game. Edusnet and Rixnet materials are distributed to schools and libraries as well as school groups visiting Parliament.

An information desk for Parliament's new annex went into operation. The goal is to increase openness and interaction. In autumn 2004 a service desk will be opened for the public. A general revision of Parliament's brochures also began in 2003.

### Over 100,000 visitors

Parliament House was voted Finland's second most popular building in a newspaper poll and over 100,000 people visited Parliament House last year. Some took guided tours while others watched sessions from the gallery, met MPs or attended expert meetings and seminars.

Phone and e-mail enquiries mainly concerned changes in taxation and social benefits.

Information in Swedish was increased and guidelines were prepared to ensure compliance with the new Language Act.

### Media services improved

A total of 135 journalists from the national news media and large regional newspapers were accredited to Parliament. The number of photographers rose to 70 when TV photographers were also accredited.

Parliament remained a key subject in the news media. Major themes in the spring concerned the general election, the formation of





*The newspaper room is popular among MPs and parliamentary personnel. It has copies of every Finnish newspaper and a broad selection of magazines and foreign papers.*

both Governments and their programmes. In the autumn attention focused on the state budget and matters related to the future of the European Union. The Finnish Broadcasting Company provided live broadcasts of question hours and the most interesting debates.

Media services were supported with weekly and special bulletins, briefings and background sessions. Contacts with the regional media were improved. The Speaker's Council approved guidelines on committees' information activities which give committee information officers a larger role. A press release was

prepared for each meeting of the Grand Committee.

Together with the Association of Political Journalists Parliament arranged a seminar on MPs and the media as part of orientation for MPs.

Parliament's in-house newsletter appeared twice a month during both terms. Parliament's traditional calendar was published for MPs, assistants and officials. A report was produced on the 1999-2003 electoral period and separate reviews were prepared for the spring and autumn terms in 2003.

## ORGANIZATION, FINANCES AND PERSONNEL

### Organization and tasks of the Parliamentary Office

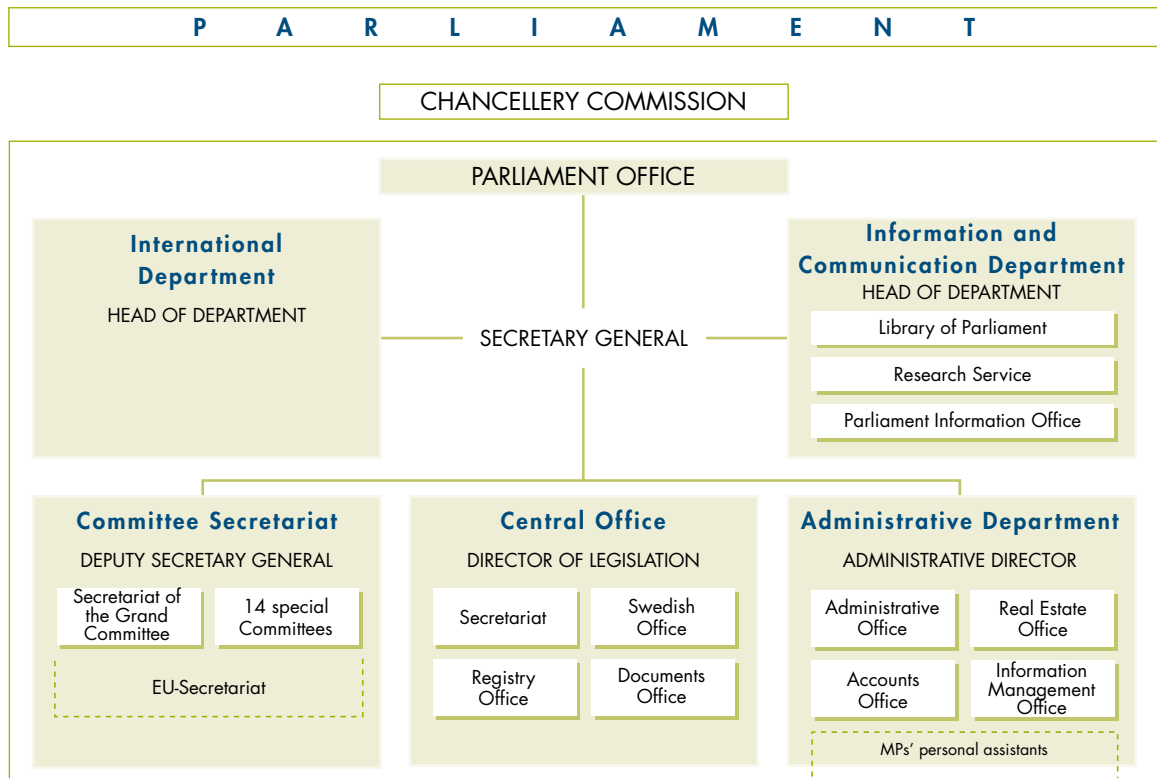
The Parliamentary Office, which is subordinate to the Chancellery Commission, is responsible for creating the proper conditions for Parliament to carry out its tasks as an organ of state. The Parliamentary Office is divided into the Central Office and the Administrative Department. It also includes the Committee Secretariat, the International Department and the Information and Communication 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 State Audit Office also operate in connection with Parliament.

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

The task of the Committee Secretariat is to take care of secretarial services required by the committees, the preparation of matters to be discussed by the committees and the arrangement of related supporting activities. The Committee Secretariat is headed by the Deputy Secretary General of Parliament.

The EU Secretariat's main task is to coordinate Parliament's links with the EU. The EU Secretariat includes the secretariats of the Grand



Committee and the Foreign Affairs Committee, the Grand Committee's information officer and a special expert in Brussels, who reports regularly on EU decision-making affecting 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 and furnishings, data processing and personnel administration. It also handles other administrative matters which 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 and the Information and Communication Department. The Information and Communication Department includes the Library of Parliament as well as internal and external communications.

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

## Management of Parliament's finances

Parliament's expenses totalled €101.4 million in 2003. This was 27% more than the year before. The increase was due mainly to an appropriation of €23.2 million for Parliament's new annex. Excluding investments in the new annex, Parlia-

ment's operating expenses rose 11.6% compared with the year before.

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

Expenditure was €6.5 million less than budgeted. The budget implementation rate was 94%. In 2002 the figure was 95.6%. The biggest reason for savings was that €1.5 million appropriated to purchase furniture and art for the new annex was not spent. Construction was delayed by the handling of complaints and furnishing could not begin until 2004 instead of late 2003 as planned. Other items in which savings were achieved were advertising, newspaper and telephone costs (over €1.2 million) and printing costs (nearly €0.9 million).

As a legislative body Parliament cost €14.10 per citizen in 2003. The figure in 2002 was €12.50. Parliament accounted for about 0.3% of the Finnish state's total costs, as in previous years.

MPs' pay together with compensation for expenses and travel in Finland totalled €18.1 million in 2003, up 2.1% over the year before. According to the Pay Commission's proposal, MPs' pay was increased by about 9.4% on 1 September 2003.

The direct costs of MPs' personal assistants in 2003 totalled €5.6 million, up nearly 7% over the year before. The number of personal assistants at the end of the year was 184.

The direct costs of MPs and their personal assistants amounted to €23.7 million, which was 27% of Parliament's total expenditure.

Other large budget items included pay for parliamentary personnel (nearly €23 million), IT operating and investment costs (€5.8 million), real estate operating and maintenance costs (€2.9 million), foreign travel (€2.2 million) and printing costs (€1.4 million).

In its own printing work Parliament shifted

from offset to digital technology by procuring copying equipment at a price of €380,000.

The parliamentary group offices spent €3.2 million, up 1.9% over the year before. The average monthly subsidy for the parliamentary groups was €1,350 per MP, compared with €1,325 in 2002.

In addition to MPs and the Parliamentary Office, Parliament's year-end accounts also include funds spent by the Office of the Parliamentary State Auditors and the Office of the Parliamentary Ombudsman.

The Office of the Parliamentary State Auditors spent €1.5 million. Spending was slightly

lower than the year before because some posts were not filled part of the year. As a result the budget implementation rate was 89.1%.

The Office of the Parliamentary Ombudsman spent €3.3 million, up 7.7% over the year before. As in previous years fixed-term and temporary personnel were hired to handle the backlog of complaints. The budget implementation rate was 94.7%.

A total of €6.8 million in funds carried forward from 2001 and 2002 as well as €13.5 million appropriated in 2003 was spent on Parliament's new annex. A further €9.7 million appropriated in 2003 was carried forward to 2004.

*Parliament's new annex is being built across the street from Parliament House, which is the background. This photo was taken in autumn 2003.*





## Personnel

At the end of 2003 the Parliamentary Office had a total of 433 posts, of which 24 were fixed-term and 13 were open or unfilled. The Office of the Parliamentary State Auditors had 16 posts at the end of 2003, of which three were unfilled. The Office of the Parliamentary Ombudsman had 54 filled posts, of which eight were fixed-term.

Sixteen new posts were established in 2003: six committee counsellors, three department secretaries and one office secretary in the Committee Secretariat, a translator in the Swedish Office, a competence development planner and a switchboard operator in the Administrative Office, an assistant in the Real Estate Office and two application advisers in the Information Management Office.

Permanent and fixed-term posts were filled in the different units of the Parliamentary Office as follows at the end of 1997-2003:

	03	02	01	00	99	98	97
Central Office	67	66	64	71	70	69	65
Committees	56	55	53	48	48	48	43
Administrative Department	195	191	178	169	171	174	167
Other*	102	106	105	32	30	31	30
<b>Total</b>	<b>420</b>	<b>418</b>	<b>400</b>	<b>320</b>	<b>319</b>	<b>322</b>	<b>305</b>

\* includes personnel working directly under the Secretary General, the International Department, the Speakers' special assistants and the Information and Communication Department, which includes the Library of Parliament as well as internal and external communications. MPs' personal assistants, who totalled 184 at the end of 2003, are not included in the above table.

*Personnel policy programme:* In February 2003 the Chancellery Commission approved the Parliamentary Office's personnel policy programme. This is based on the personnel strategy for 2002-2006 which was approved the year before together with the Parliamentary Office's values: justice, openness, reliability, service, equality and effectiveness. The personnel policy pro-

gramme was prepared in cooperation with employees' organizations.

*Training:* Language, IT and other training arranged by the Parliamentary Office for MPs and personnel cost €423,000. Language instruction cost €175,000, including €75,000 for MPs' language courses. This takes the form of weekly study groups, private lessons, intensive courses and language courses abroad in English, Swedish, French, German, Spanish and Russian.

IT instruction's share of training costs came to €140,000. The Information Management Office instructed a large part of personnel in the new MS Office system which was introduced in 2003. This project will continue in 2004. Training related to information technology and Parliament's information systems was arranged in-house under the direction of parliamentary personnel and visiting experts and also in the form of outside courses.

Other training cost €108,000 and the number of training days came to about 800. The most significant training investment involving Parliament's entire personnel was aimed at clarifying the development discussion process which was introduced in the autumn. The training and development discussions will continue in spring 2004.

*Occupational health care:* Parliament has its own occupational health clinic and also purchases services from the Forum Clinic on the basis of an agreement between the Parliamentary Office and Mehiläinen Oy. Occupational health care for MPs' personal assistants takes place mainly at the Forum Clinic.

*Clubs:* Parliament had 19 clubs and activity groups which received €104,000 in subsidies from the Chancellery Commission. Clubs include both MPs and parliamentary employees and are an important part of Parliament's occupational fitness work.



*Speaker Lipponen and YIT Group CEO Reino Hanhinen at the topping-out party for the new annex on 27 November 2003. Next to Hanhinen is Project Manager Pauli Lahti.*

## Real estate and facilities

The Real Estate Office takes care of maintenance, repairs, construction and security tasks. Large-scale projects are tendered out to contractors.

The Parliament House complex has a total volume of 215,826 cubic metres and a gross floor space of 55,650 square metres on a lot covering 15,697 square metres. Cleaners must attend to 33,940 square metres of floor space. The Office of the Parliamentary State Auditors and the State Audit Office occupy rented premises in the state office building at Annankatu 44. The Parliamentary Office also rents 42 offices cover-

ing 1,110 square metres at Jaakonkatu 3. The Real Estate Office also manages leisure facilities at Palolampi.

The supply of electricity and the operation of communications and computer systems at Parliament are ensured by emergency systems. Parliament also has a civil defence system which allows it to continue functioning in a crisis.

Parliament's new annex project continued in 2003. The annex is being built with a project management model. The agency which won the architectural competition, Helin & Co, continued planning. Construction began with excavation and earthmoving in March 2002. Work on the building itself began in November 2002 and the management contract began

in March 2003. Surface structures will be supplied through about 40 special contracts and procurements. Construction has proceeded according to schedule and should be completed by 31 May 2004.

## Information technology

Parliament has entered a stage in which services produced by its information system are also available for distant and mobile users. After the general election work began to install ADSL connections in MPs' home offices. Workstations were also replaced with laptop computers.

The Information Management Office's re-

sponsibility in the ICT field was expanded to include telephone services, following the general trend in service production. This will make it possible to develop mobile services and coordinate production.

In 2003 Parliament finished shifting to MS Office. Windows 2000 was also replaced with Windows XP. A major training project was conducted in connection with the shift and for the first time users were also provided instruction online.

In the area of knowledge management, Parliament continued development work by studying the effects of different IT solutions on MPs' work, with the goal of better targeted and personalized ICT services.



## STATEMENT OF INCOME AND EXPENSES

	1.1.-31.12.2003		1.1.-31.12.2002	
<i>Operational income:</i>				
Income from paid activities	113 913,02		120 472,62	
Rents and user charges	70 359,58		69 096,32	
Other operational income	39 570,03	<u>223 842,63</u>	5 391,20	<u>194 960,14</u>
<i>Operational expenses</i>				
Materials, supplies and goods				
Purchases during the year	-3 043 809,09		-2 456 329,54	
Personnel expenses	-43 306 409,22		-40 741 256,18	
Rents	-521 433,42		-549 978,94	
Purchased services	-32 975 387,79		-17 923 521,19	
Other expenses	-5 523 708,65		-5 691 657,70	
Production for own use	22 078 919,80		6 497 157,62	
Depreciation	<u>-1 493 336,47</u>	<u>-64 785 164,84</u>	<u>-1 305 111,12</u>	<u>-62 170 697,05</u>
Deficit I		<u>-64 561 322,21</u>		<u>-61 975 736,91</u>
<i>Financial income and expenses</i>				
Financial expenses		-810,95	-810,95	
<i>Extraordinary income and expenses</i>				
Extraordinary income	16075,92	16075,92		
Deficit II		<u>-64 546 057,24</u>		<u>-61 975 736,91</u>
<i>Transferred income and expenses</i>				
Transferred expenses	-3 240 000,00		-3 180 384,00	
Transferred expenses abroad	-709 928,44		-746 162,49	
Other expenses	-110 465,00	-4 060 393,44	-167 173,75	-4 093 720,24
Deficit III		<u>-68 606 450,68</u>		<u>-66 069 457,15</u>
<i>Income and expenses from taxes and other compulsory charges</i>				
VAT paid	<u>-8 346 157,36</u>	<u>-8 346 157,36</u>	<u>-4 307 140,40</u>	<u>-4 307 140,40</u>
DEFICIT FOR THE YEAR		<u>-76 952 608,04</u>		<u>-70 376 597,55</u>

## BALANCE SHEET

	31.12.2003		31.12.2002	
<b>ASSETS</b>				
<b>NATIONAL ASSETS</b>				
Building land and water areas	11 691 953,55		11 691 953,55	
Buildings	27 050 217,05		27 050 217,05	
Other national assets	<u>75 327,98</u>	38 817 498,58	<u>39 523,28</u>	38 781 693,88
<b>FIXED ASSETS AND OTHER LONG-TERM EXPENDITURE</b>				
<i>Immaterial assets</i>				
Immaterial rights	<u>759 630,63</u>	759 630,63	<u>161 072,83</u>	161 072,83
<i>Material assets</i>				
Building land	8 664 520,59		8 664 520,59	
Buildings	39 828,49		41 934,01	
Machinery and equipment	4 010 175,04		2 955 767,28	
Furnishings	2 139 358,24		2 134 219,84	
Other material assets	6 819,91		6 819,91	
Construction work in progress	<u>29 599 531,47</u>	44 460 233,74	<u>7 520 611,67</u>	21 323 873,30
<b>INVENTORIES AND FINANCIAL ASSETS</b>				
<i>Current receivables</i>				
Accounts receivable	21 476,90		16 315,49	
Receivables carried forward	23 230,92		88 225,61	
Other current receivables	6 234,72		2 993,04	
Advance payments	<u>19 019,99</u>	69 962,53	<u>5 389,99</u>	112 924,13
<i>Cash, bank receivables and other financial assets</i>				
Cash accounts	<u>9 740,25</u>	<u>9 740,25</u>	<u>44 985,70</u>	<u>44 985,70</u>
<b>TOTAL ASSETS</b>		<u><b>84 117 065,73</b></u>		<u><b>60 424 549,84</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
State's equity at 1.1.1998	37 598 686,23		37 598 686,23	
Change in equity in previous years	15 917 215,72		10 896 997,63	
Equity transfers	98 295 134,79		75 396 815,64	
Deficit for the year	<u>-76 952 608,04</u>	74 858 428,70	<u>-70 376 597,55</u>	53 515 901,95
<b>LIABILITIES</b>				
<i>Current liabilities</i>				
Accounts payable	3 855 478,72		2 122 731,41	
Inter-office payments	1 147 428,17		1 106 227,55	
Items to be forwarded	690 565,36		696 076,09	
Accrued expenses	<u>3 565 164,78</u>	<u>9 258 637,03</u>	<u>2 983 612,84</u>	<u>6 908 647,89</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>84 117 065,73</b></u>		<u><b>60 424 549,84</b></u>

## BUDGET IMPLEMENTATION STATEMENT 1.1.-31.12.2003

	Budget 2003	Actual 2003	Actual - budget Larger (+) Smaller (-)	Actual 2002
<b>INCOME ACCOUNTS</b>				
11.04.01 VAT income	0,00	0,00	0,00	0,00
12.39.10 Miscellaneous income	230 243,55	230 243,55	0,00	189 582,34
<b>TOTAL INCOME ACCOUNTS</b>	<b>230 243,55</b>	<b>230 243,55</b>	<b>0,00</b>	<b>189 582,34</b>
<b>EXPENDITURE ACCOUNTS</b>				
Members of Parliament				
22.01.21 Operational expenditure	18 812 000,00	18 144 901,68	-667 098,32	17 756 088,58
Parliamentary Office				
22.02.19 VAT expenditure	8 900 000,00	8 346 157,36	-553 842,64	0,00
22.02.21 Operational expenditure	48 611 000,00	43 673 487,51	-4 937 512,49	40 233 274,43
22.02.74 Additional facilities for Parliament	23 190 000,00	23 190 000,00	0,00	9 750 000,00
State Auditors				
22.09.21 Operational expenditure	1 663 000,00	1 482 093,43	-180 906,57	1 499 048,52
Parliamentary Ombudsman				
22.14.21 Operational expenditure	3 512 000,00	3 325 716,63	-186 283,37	3 087 828,16
Other expenditure by Parliament				
22.99.21 Operating funds for parl. groups	3 270 000,00	3 240 000,00	-30 000,00	3 179 157,00
<b>TOTAL EXPENDITURE ACCOUNTS SEC. 22</b>	<b>107 958 000,00</b>	<b>101 402 356,61</b>	<b>-6 555 643,39</b>	<b>75 505 396,69</b>
<b>OUTSIDE APPROPRIATIONS</b>				
State Treasury				
28.81.23 VAT expenditure	0,00	0,00	0,00	4 307 140,40
<b>Total outside appropriations</b>	<b>107 958 000,00</b>	<b>101 402 356,61</b>	<b>-6 555 643,39</b>	<b>79 812 537,09</b>
<b>DEFICIT FOR THE YEAR</b>		<b>-101 172 113,06</b>		<b>-79 622 954,75</b>
<b>FUNDS CARRIED FORWARD</b>				
Additional facilities for Parliament 2000	0,00	0,00	0,00	103 488,66
Additional facilities for Parliament 2001	0,00	0,00	0,00	6 727 517,06
Additional facilities for Parliament 2002	9 722 741,90	9 722 741,90	0,00	0,00
<b>USE OF OUTSIDE APPROPRIATIONS CARRIED FORWARD</b>				
Early rehabilitation 2001	0,00	0,00	0,00	516,93
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>9 722 741,90</b>	<b>9 722 741,90</b>	<b>0,00</b>	<b>6 831 522,65</b>
<b>FUNDS CARRIED FORWARD TO 2004</b>				
Additional facilities for Parliament 2003		10 806 857,98		

## ACCOUNTING PRINCIPLES

The year-end accounts have been prepared in the manner prescribed in sections 44-48 of Parliament's accounting regulations and according to the State Treasury's 2003 guidelines on year-end accounts.

Real estate has been evaluated according to tax values used in the levying of 1997 real estate tax. National property includes Parliament's land areas, Parliament House, Buildings A and B, Building C together with storage, civil defence and parking facilities, and Building D. Depreciation has not been calculated on these, since they constitute long-term state property in which the emphasis is on preserving and protecting assets. In the Balance Sheet, buildings include the value of a new sauna which was added to recreation facilities at the end of 2002. 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, building land includes the lot acquired from the City of Helsinki for Parliament's new annex. Its value of €8,664,520.59 was determined according to estimates for corresponding lots in the area.

Depreciation has been booked according to plan. Depreciation according to plan has been calculated on a straight-line basis. Depreciation periods are five years for computer software and hardware and office machinery and equipment and seven years for other machinery and equipment.

In the Balance Sheet, construction work in progress includes €7,520,611.67 for Parliament's new annex. Investment costs in 2002 totalling €6,497,157.60 have been booked in the Statement of Income and Expenses, according to the State Treasury's guidelines. Corresponding expenses totalling €17,870,632.89 have been booked under purchased services.

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

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

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

Under current liabilities, accrued expenses include holiday pay liabilities.

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

*Helsinki, 27 February 2004*

*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 2003. The financial statements include the year-end accounts, the annual review of activities and the appendices stipulated in section 48 of the accounting regulations. On the basis of our audit we issue our opinion on the financial statements and administration.

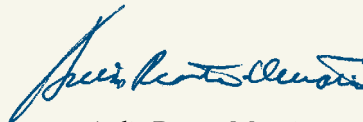
The audit has been conducted in accordance with Finnish auditing standards. The accounts, accounting principles and the content and presentation of the financial statements have been examined to the extent required to determine that the financial statements do not contain essential mistakes or deficiencies.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

In our opinion the financial statements have been prepared in accordance with the rules and regulations regarding the preparation of Parliament's accounts. The financial statements 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 2003 financial statements, accounts or administration.

Helsinki, 25 April 2004



Matti Saarinen



Aulis Ranta-Muotio



Petri Salo



Eero Suomela



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