

**SIXTEENTH PERIODIC REPORT  
ON THE IMPLEMENTATION OF  
THE REVISED EUROPEAN SOCIAL CHARTER  
SUBMITTED BY THE GOVERNMENT OF FINLAND**

**DECEMBER 2020**

## **SIXTEENTH PERIODIC REPORT ON THE IMPLEMENTATION OF THE REVISED EUROPEAN SOCIAL CHARTER**

Submitted in accordance with the Secretariat for the European Social Charter's request by a letter of 3 June 2020 to report, under the new reporting procedure adopted by the decision of the Committee of Ministers on 2 April 2014, on the follow-up on five collective complaints Nos. 70/2011, 71/2011, 88/2012, 106/2014 and 108/2014 which concern Finland and were handled in accordance with the collective complaint procedure.

Owing to the staggered reporting cycle, this report addresses the same collective complaints as the 15<sup>th</sup> periodic report submitted by the Government of Finland in December 2019. The conclusions of the Committee on the 15<sup>th</sup> periodic report were not available to the Government when drafting this current periodic report. In this report, the Government refers to the information submitted in the 15<sup>th</sup> periodic report and submits any new information available.

In accordance with Article C of the Revised European Social Charter (Finnish Treaty Series 78 and 80/2002), the instrument of acceptance which was deposited on 21 June 2002, and Article 23 of the European Social Charter, copies of this official report in the English language have been communicated to the Central Organisation of Finnish Trade Unions (SAK); the Finnish Confederation of Salaried Employees (STTK); the Confederation of Unions for Academic Professionals in Finland (AKAVA); the Confederation of Finnish Industries (EK); and the Federation of Finnish Enterprises (FFE).

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**INFORMATION ON THE FOLLOW-UP GIVEN TO THE DECISIONS OF THE  
EUROPEAN COMMITTEE OF SOCIAL RIGHTS RELATING TO THE  
FOLLOWING COLLECTIVE COMPLAINTS**

**Association of Care Giving Relatives and Friends v. Finland (No. 70/2011)**

1. The Government refers to information given in connection with its 15<sup>th</sup> periodic report and submits the following new information below.

*Development of support for informal care in terms of quantity (supplemented with information for 2019)*

2. The numbers of recipients of support for informal care and of informal carers responsible for them have continued to grow. In 2019, a total of 50,641 persons received support for informal care. Of these beneficiaries, 67% were over 65 years old. The number of informal carers responsible for them was 48,700 and 57% of these were over 65 years old.

*Measures taken by Prime Minister Marin's Government to develop informal care*

3. The social and health services reform of Prime Minister Marin's Government aims to strengthen basic-level health and social services and to shift the focus to prevention. In order to achieve this aim, the Ministry of Social Affairs and Health has launched a Future Health and Social Services Centres programme alongside the drafting of legislative reforms in the organisation of social and health services. This programme, supported and coordinated by the Finnish Institute for Health and Welfare, is implemented through regional development programmes financed from discretionary government transfers. In 2020, these transfers totalled EUR 70 million. The development of informal care will be pursued in 2020 through implementation of the Future Health and Social Services Centres programme. Assessment of need for informal care and services to support the coping of informal carers will be developed on a regional basis. The financing and content of informal care development measures in 2021–2023 is to be decided during 2020.

4. The working group on reforming services for older people issued its report on 19 May 2020.

5. Among other things, the working group proposed amendment of the Act on Support for Informal Care to allow support for informal care to be granted also to persons in service housing organised by the municipality where 24-h services are not provided ('standard service housing'). The drafting of the working group's proposals has been continued as of autumn 2020. The legislative reforms are intended to enter into force in 2023.

*Views by non-governmental organisations*

6. According to non-governmental organisations, the measures implemented and planned do not guarantee the equal treatment of informal carers. The organisations hold that uniform national criteria should be created for granting support for informal care.

### **Association of Care Giving Relatives and Friends v. Finland (No. 71/2011)**

7. The Government refers to information given in connection with its 15<sup>th</sup> periodic report and submits the following new information below.

8. According to the Programme of Prime Minister Sanna Marin's Government, the Act on Client Charges in Health and Social Services will be reformed to remove barriers to treatment and to increase equality in health by introducing more free services and by making client charges more equitable.

9. A government proposal for amending the Act on Client Charges in Health and Social Services was submitted to the Finnish Parliament in September 2020. The proposal includes fees for service housing and for service housing with 24-hour assistance. In service housing with 24-hour assistance, the proposed fee is based on the client's income in a way which is similar to the fee for longterm institutional care. The upper limit of the proposed fee is 85% of the client's monthly net income. However, the client must be left with at least EUR 164 per month.

#### *Views by non-governmental organisations*

10. Non-governmental organisations find the fee system for service housing to be complex and expensive from the viewpoints of both administration and clients. A clear-cut fee system would improve clients' chances to obtain the kinds of services necessitated by their health and condition.

### **Finnish Society of Social Rights v. Finland (No. 88/2012)**

11. The Government refers to information given in connection with its 15<sup>th</sup> periodic report and submits the following new information below.

#### *Sickness allowance, parental allowance and rehabilitation allowance*

12. The decision taken in the previous government term to freeze the index adjustment of benefits linked to the national pension index and the consumer price index has been rescinded. Index revisions for 2020 were carried out in the normal way, as will those for 2021.

13. The minimum rate of the sickness allowance, parental allowance, special care allowance and rehabilitation allowance was once again raised in 2020. The raise in the minimum rate of the sickness allowance, parental allowance, special care allowance and rehabilitation allowance was EUR 20 per month as from the start of 2020. The benefit thus amounts to EUR 28.66 per day and EUR 716.50 per month at the 2019 index.

#### *Unemployment allowance and labour market subsidy*

14. In accordance with the Programme of Prime Minister Sanna Marin's Government, the amount of the basic unemployment allowance and the labour market subsidy were raised by EUR 20 per month in the beginning of 2020. As a result of the raise, the amounts of earnings-related unemployment allowances also rose. Index revisions will also be carried out yearly from now on. In the preceding three years no index revisions were carried out.

15. The Government decided to abolish the activation model for unemployment security as of 1 January 2020. The benefit cuts involved in the activation model will no longer affect unemployment benefits paid after 1 January 2020. Any unemployment benefit cuts made on the basis of the activation model were removed from the beginning of 2020. However, cuts made pursuant to the activation model still affected unemployment benefits that accrued in 2019 and were paid out in January 2020.

16. The labour market subsidy has no maximum duration; instead, it is payable indefinitely. Unemployed jobseekers can furthermore improve their income level by participating in services that promote employment and thus receiving an increase of EUR 4.79 per weekday in the unemployment benefit (labour market subsidy and basic unemployment allowance) for up to 200 days. During the participation, they are also entitled to an expenditure increase (EUR 9.00 per weekday). Persons who have custody of a child are entitled to an increase of EUR 5.28 per weekday for one child, while two children entitle to an increase of EUR 7.76 per weekday and three to an increase of EUR 10.00 per weekday.

#### *Guarantee pension*

17. The rate of the guarantee pension was raised on 1 January 2016, 1 January 2018, 1 January 2019 and 1 January 2020. As of the beginning of 2016, the full amount of the guarantee pension was raised to EUR 766.85 per month. Following an index adjustment, the amount decreased to EUR 760.26 per month at the beginning of 2017. The full amount of the guarantee pension per month was raised to EUR 775.27 at the beginning of 2018, to EUR 784.52 at the beginning of 2019 and to EUR 834.52 at the beginning of 2020.

#### *Basic income experiment*

18. The wider results of the basic income experiment were released on 6 May 2020. They paint a picture consistent with the initial findings of the experiment. The assessment found that basic income recipients were more satisfied with their lives and experienced less mental strain than persons in the control group. They also had a more positive perception of their economic wellbeing. Employment among basic income recipients improved somewhat more than among the control group. Interpretation of the employment impacts of the experiment is hampered by the activation model introduced in 2018. The results of the experiment indicate that a monetary incentive alone is not sufficient with regard to persons who receive unemployment benefit; the barriers to employment lie elsewhere. The results also draw attention to the variation in people's life situations. The experiences with and results of the basic income experiment can be drawn upon in the reform of social security.

#### *Social security reform*

19. The Programme of Prime Minister Sanna Marin's Government outlines the launch of a reform of the social security system aiming at a clearer and more streamlined system where people can balance work and social security in changing life situations. The focus will be on securing social justice and on protecting income security for people who are faced with social risks. The reform aims for structural and functional development of social security in the long term.

20. The reform is being prepared by a parliamentary committee appointed in March 2020 for a term extending until 2027.

21. The committee is tasked with a holistic reform of social security. It will address questions related to basic social security, earnings-based benefits and social assistance as well as the financing of and connections between these forms of support. The committee will furthermore look into better reconciliation of services and benefits. The work of the committee will cater for the diversity and development of life situations as well as transitions between benefits.

22. The social security reform will be carried out in stages and the various elements of the reform may be completed and take effect on different timetables. Some changes in social security are also subject to front-loaded preparation as separate projects. The reform of social security is closely linked to other key reforms under the Government Programme such as social and health services reform, the work capacity programme and promoting access to employment.

*Views by non-governmental organisations*

23. Non-governmental organisations find that basic social security in Finland is still at an insufficient level. They also draw attention to the effects of the COVID-19 pandemic on people's livelihoods due to *e.g.* temporary layoffs and unemployment.

#### **Finnish Society of Social Rights v. Finland (No. 106/2014)**

24. The Government refers to information given in connection with its 15<sup>th</sup> periodic report.

*Views by the Central Organisation of Finnish Trade Unions (SAK), the Confederation of Unions for Academic Professionals in Finland (AKAVA) and the Finnish Confederation of Salaried Employees (STTK)*

25. The Central Organisation of Finnish Trade Unions (SAK), the Confederation of Unions for Academic Professionals in Finland (AKAVA) and the Finnish Confederation of Salaried Employees (STTK) reiterate the views expressed by them in the context of the 15<sup>th</sup> periodic report.

*View by the Federation of Finnish Enterprises (FFE)*

26. The Federation of Finnish Enterprises (FFE) refers to the views expressed by it in the context of the 15<sup>th</sup> periodic report.

#### **Finnish Society of Social Rights v. Finland (No. 108/2014)**

27. The Government refers to information given in connection with its 15<sup>th</sup> periodic report.

*Views by non-governmental organisations*

28. Among other things, non-governmental organisations hold that the freezing of index adjustments to the minimum rates of benefits implemented in 2017–2019 has contributed to the insufficient level of basic social security.

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