

“I LIVE UNDER CONSTANT DURESS AND IN A STATE OF EMERGENCY”:

INADEQUATE SOCIAL SECURITY IN FINLAND



CONTENTS

EXECUTIVE SUMMARY	3
Key recommendations	6
INTRODUCTION	7
METHODOLOGY	9
ACKNOWLEDGEMENTS	10
CHAPTER 1: THE RIGHT TO SOCIAL SECURITY IS A HUMAN RIGHT.....	11
International Covenant on Economic, Social and Cultural Rights	11
Revised European Social Charter.....	13
Other international human rights treaties	17
Constitution of Finland	19
CHAPTER 2: THE FINNISH SOCIAL SECURITY SYSTEM	20
Evaluation of the social security system	21
Basic social security benefits	24
Housing benefit.....	26
Social assistance.....	28
Access to services for those on benefits	31
Social security reform	33
CHAPTER 3: THE EFFECTS OF INADEQUATE BASIC SOCIAL SECURITY BENEFITS.....	35
Poverty among families with children	36
Unemployed forced to rely on last resort benefits	40
Pensioners struggling with health costs	47
Sickness benefit system – inadequate and complex	50
Gender and basic social security	57
CHAPTER 4: IMPACT OF THE COVID-19 PANDEMIC.....	59
CHAPTER 5: WHAT A HUMAN RIGHTS COMPLIANT SOCIAL SECURITY SYSTEM SHOULD LOOK LIKE	64
CONCLUSION AND RECOMMENDATIONS	69
Recommendations	70
APPENDIX I: Institutions involved in administering the Finnish social security system.....	74

Amnesty International Finland and Finnish League for Human Rights

AI Index: EUR 20/4804/2021

Published 31 August 2021

EXECUTIVE SUMMARY

”An ideal social security would be sufficient and regular, so that I wouldn't have to worry all the time about how much I will receive and whether I will receive anything at all. The most important thing would be a guarantee that I can get my medication. That would be a big thing for me.”

Hanna, a 57-year-old single-parent from Helsinki receiving a part-time disability pension.

The right to social security and an adequate standard of living are human rights guaranteed in international law and in the Finnish Constitution. However, as this joint report by Amnesty International Finland and the Finnish League for Human Rights shows, for a significant number of people in Finland today, these rights are not being realized.

While COVID-19 has undoubtedly exacerbated social and economic hardship for many, the shortcomings of the social security system examined in this report pre-date the pandemic. In 2019, almost a sixth of the population was at risk of poverty or social exclusion.

Under international human rights laws and standards, which Finland has committed to uphold, states must aim to progressively achieve the full realization of economic, social, and cultural rights. They must take specific steps and use all appropriate means to the maximum of their available resources to advance this aim. Finland, as a wealthy industrialized nation, has considerable resources, but has not been able to alleviate the very real hardship and suffering of some of its most vulnerable people through the social security system.

The social security system should act as a safety net, ensuring an adequate standard of living for those whose income would otherwise not be sufficient. However, in Finland various benefits are currently so low that they do not provide this basic guarantee. The most recent official independent evaluation of the social security system for the period 2015-2019, found that the income levels of those receiving several social security benefits were not sufficient to cover a reasonable minimum consumption reference budget, the measure used by the experts to assess the adequacy of income.

Inadequate benefits, or obstacles in accessing them, have forced an increasing number of people to turn to social assistance. This was originally designed to be a last-resort temporary supplementary benefit in unexpected or special circumstances. However, it has become a permanent part of the income of a significant number of people.

The Finnish social security system was designed for a time when permanent full-time employment was the norm, rather than for today's more flexible and precarious world of work. Efforts to adapt it to the new realities over recent decades have been mostly piecemeal, resulting in a convoluted system administered by multiple institutions and bodies. The complexity of the system means that it is crucially important that guidance and information are made available to those applying for social security benefits. However, according to studies, many people do not feel that they have had access to sufficient guidance by social services providers when navigating the system.

Inadequacies in social security benefits reported in studies and by people interviewed for this report speak of the devastating effects on people's lives: pensioners not being able to afford their medications and forced to rely on food aid; families struggling to provide basic necessities for their children; people experiencing illness being forced to apply for jobs they cannot perform in; and unemployed persons surviving on supplementary last-resort benefits that can be cut if they do not continuously meet the eligibility criteria. Nearly one in five people who took part in a 2020 survey by the Finnish Institute for Health and Welfare said they had had to go without food, medicine, or health care because of a lack of financial resources; more than one in 10 reported that they were at risk of running out of food.

These concerns are not new. Human rights bodies, including the Committee on Economic, Social and Cultural Rights, which monitors states' compliance with the International Covenant on Economic, Social and Cultural Rights, and the European Committee on Social Rights, which monitors states' implementation of the European Social Charter, have repeatedly called on Finland to ensure that social security provision is sufficient to support an adequate standard of living, particularly for those most at risk, such as families with children; people experiencing ill-health, homelessness or unemployment; people with disabilities; and older persons.

To date, the steps taken by a succession of governments have not been sufficient to comply with Finland's obligations and ensure this basic level of security for its people.

In 2020, in acknowledgement of the need to address the shortcomings of the social security system, the government appointed a Parliamentary Committee to implement social security reform over two electoral terms (2020-2027). This provides a crucial opportunity to rectify the structural problems preventing people from fully enjoying their social and economic rights. Improving the level of social security provision cannot however wait until the completion of the reform. Immediate action is needed.

In the longer term, the state must make a commitment to reform the system in line with its human rights obligations. This would include the need to consider, assess and ensure the specific situation of women and their right to social security, taking into consideration their disproportionate care burdens and challenges that they face in entering the workplace. It would also need to consider the impact on those disproportionately disadvantaged, for example groups affected by intersecting forms of discrimination who are not well served by the existing system. In this context, it is important to stress that research for this report has underscored a worrying lack of data and analysis, on how the right to social security and the related right to an adequate standard of living are realized for several groups in Finland who are marginalized and at risk of discrimination, including the indigenous Sámi people, LGBTI people, people with disabilities, Roma people and foreign nationals.

So far, human rights have not been a central part of public discussions about social security, and a human rights framework has not been applied in materials publicly available about the social security reform. This report, produced jointly by Amnesty International Finland and the Finnish League for Human Rights, seeks to contribute to the process of reform and to ensuring that human rights are at the heart of the changes proposed and implemented. It ends with a series of recommendations to the Finnish authorities on how to develop a human rights compliant social security system and ensure that Finland has a social security system that guarantees the prerequisites for a decent life for all.

Key recommendations

Amnesty International Finland and the Finnish League for Human Rights call on the Finnish government to:

- 1. Ensure an adequate level of basic social security provision.** A rise in the level of provision is needed immediately. In the long term, provision level should be increased sufficiently to:
 - Meet the level of provision required by the Revised European Social Charter and the International Covenant on Economic, Social and Cultural Rights;
 - Support a reasonable level of minimum consumption to ensure the rights to health, food, housing, and a life of dignity for all as equal members of the society; and
 - Set a level of support whereby last resort basic social assistance is needed only in the short term and in exceptional situations.
- 2. Ensure that the social security system provides adequate coverage and that everyone has access to the support to which they are entitled.**
- 3. Ensure that the social security system is evidence-based, incorporating research regarding the situation of marginalized groups and groups at risk of discrimination,** who should be able to participate in designing, monitoring, and evaluating the social security system.

INTRODUCTION

The right to social security and an adequate standard of living are enshrined in international human rights law and the Constitution of Finland. However, for many people in Finland today these rights are not realized.

The significant socio-economic impact of the COVID-19 pandemic, especially for members of marginalized groups and those facing discrimination, has underscored the importance of the right to social security. In 2020, the number of households in Finland finding it difficult to cover everyday living costs increased to 7.3%, compared to 6.8 % in 2019.¹

However, the denial of the full realization of rights explored in this report pre-date the pandemic. In 2019, 16% of the population was at risk of poverty or social exclusion, an increase of 17,000 people compared to the previous year.² Nearly one in five people who took part in a 2020 survey by the Finnish Institute for Health and Welfare (an independent expert agency working under the Ministry of Social Affairs and Health) said they had had to go without food, medicine or healthcare because of a lack of financial resources; more than one in 10 reported that they were at risk of running out of food.³

In 2020, long-term homelessness increased for the first time since 2008, the first year for which records of long-term homelessness are available.⁴ In recent years, young people under the age of 25 and women have made up an increasing proportion of those who are homeless.⁵

The lack of access to adequate food, healthcare and housing all amount to a denial of the full realization of human rights.

Social security is rarely discussed as a human rights issue in Finland and in general economic and social rights are less recognized as human rights than civil and political rights. However, all human rights are interlinked, indivisible and interdependent.

¹ Statistics Finland, 873 000 henkilöä oli köyhyys- tai syrjäytymisriskissä vuonna 2019, (hereinafter: "873 000 henkilöä oli köyhyys- tai syrjäytymisriskissä vuonna 2019"), 2021, stat.fi/til/eot/2020/01/eot_2020_01_2021-02-09_tie_001_fi.html

² Statistics Finland, 873 000 henkilöä oli köyhyys- tai syrjäytymisriskissä vuonna 2019, 2021 (previously cited).

³ The national FinSote research is conducted by the Finnish Institute for Health and Welfare annually using an online and mail survey with an annual randomized sample size of 10 000 (among population over 20 years old). S. Parikka and others, *Kansallisen terveystutkimuksen, hyvinvointi ja palvelututkimus FinSoten perustulokset 2020*, (hereinafter: "*FinSoten perustulokset 2020*"), 2020, available at terveytemme.fi/finsote/index.html

⁴ The Housing Finance and Development Centre of Finland, *Homelessness in Finland reports 2012-2020*, available at ara.fi/en-US/Materials/Homelessness_reports.

⁵ In 2020, there were 4 341 homeless persons living alone, and 201 homeless families and couples. Housing Finance and Development Centre of Finland, *Homelessness in Finland 2020, 2021*, available at [ara.fi/en-US/Materials/Homelessness_reports/Report_2021_Homelessness_in_Finland_2020\(60242\)](https://ara.fi/en-US/Materials/Homelessness_reports/Report_2021_Homelessness_in_Finland_2020(60242))

International standards contain important guarantees regarding economic and social rights.

Universal Declaration of Human Rights

“Everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control”.⁶

The purpose of social security, therefore, extends beyond mere minimum biological survival. The Committee on Economic, Social and Cultural Rights (CESCR), a body of experts that monitors implementation by states parties of the International Covenant on Economic, Social and Cultural Rights (ICESCR), has stated: “the right to social security is of central importance in guaranteeing human dignity for all persons when they are faced with circumstances that deprive them of their capacity to fully realize their Covenant rights”.⁷

State obligations set out in the Revised European Social Charter go further in defining the minimum level of benefit provision required. States parties have a duty to provide the European Committee of Social Rights (ECSR) with information regarding social security benefits and how they fulfil the criteria of adequacy set out by the Committee.⁸

The principal obligation on states under international human rights standards on economic, social, and cultural rights is to achieve, progressively, the full realization of these rights, including the right to social security, by mobilizing maximum available resources.⁹ States are required to endeavour to raise the social security system to a higher level.¹⁰ This means that for a relatively well-off state, such as Finland, the bar is set higher.

This joint report by Amnesty International Finland and the Finnish League for Human Rights examines the Finnish social security system in relation to the state’s international human rights obligations. The report provides analysis on the extent to which the current social security system complies with the state’s obligations to respect, protect, and fulfil the human right to social security. It draws on existing

⁶ Universal Declaration of Human Rights, Article 25.1.

⁷ CESCR, General comment no. 19: The right to social security (art. 9), E/C.12/GC/19, 2008, refworld.org/docid/47b17b5b39c.html, Para 1.

⁸ European Committee of Social Rights, New version of the Digest of the case law of the European Committee of Social Rights, 2018, coe.int/en/web/european-social-charter/-/new-version-of-the-digest-of-the-case-law-of-the-european-committee-of-social-rights

⁹ ICESCR, Article 2.

¹⁰ Revised European Social Charter, Article 12.3.

data, complemented with interviews in which people describe their personal experiences of social security. It does not cover all aspects of the Finnish social security system and should not be taken as a comprehensive analysis of the entire system.

The report ends with a series of recommendations to the Finnish authorities on how to develop a human rights compliant social security system and outlines several areas which require further research. The report also provides policy recommendations for the 2020-2027 social security reform.¹¹

METHODOLOGY

This report is based on analysis by Amnesty International Finland and the Finnish League for Human Rights and drew on human rights treaties, Finnish legislation, published academic research, studies conducted by state bodies, official statistics, and data from state institutions as well as parliamentary materials. In addition, interviews were carried out in Finland between December 2020 and February 2021.

Interviews with 12 people were conducted by Amnesty International Finland focusing on their experiences as social security beneficiaries. Interviewees included young adults, students, and older people; people living alone and those living with their families; people with disabilities; people experiencing ill health or unemployment; and people identifying as women and as men. Interviewees were from different regions and were recipients of different basic social security benefits. Interviews were conducted in Finnish.

Most interviewees were identified through contacts with NGOs working with specific groups of people receiving social security benefits and some were identified through a social media group focusing on people's experiences of poverty. Due to restrictions imposed to curb the COVID-19 pandemic, interviews were conducted via videocalls and phone calls. In addition, one person submitted their experiences in writing.

Amnesty International Finland also interviewed and engaged with a wide range of organizations, including representatives of civil society organizations providing food aid, organizations supporting people who are unemployed, youth and student organizations, anti-poverty organizations, organizations supporting LGBTI people, organizations supporting people who have experience of homelessness and organizations supporting single-parent families. Amnesty International Finland interviewed academic

¹¹ Ministry for Social Affairs and Health of Finland, Social security reform, undated, stm.fi/en/social-security-reform (accessed on 10 May 2021).

researchers and exchanged communications with representatives from the Ministry of Social Affairs and Health. Interviews were also conducted with officials working for the social security system.

All translations of interviews and written materials are by Amnesty International Finland and are unofficial.

ACKNOWLEDGEMENTS

Amnesty International Finland and the Finnish League for Human Rights would like to thank everyone who agreed to be interviewed for this report and especially those who so generously shared their experiences of the current social security system. We are also grateful to the representatives of the authorities and academics, as well as representatives of NGOs and other interviewees who shared their time, knowledge, and expertise.

CHAPTER 1:

THE RIGHT TO SOCIAL SECURITY IS A HUMAN RIGHT

“Poverty robs you of the very last bits of self-esteem. It’s hard to describe the amounts of stress I live with, it’s so overwhelming. Every day, I count every penny in my bank account and consider whether I can buy instant coffee or butter. The shame is immense. I look at the society and people from the outside. I can’t take part in anything.”

Mari, a woman living in a rural setting who is experiencing poverty, unemployment, and depression.

The ICESCR and the Revised European Social Charter form the international human rights law framework for ensuring the right to social security in Finland. The Constitution of Finland sets out the national legal human rights basis for the right to social security.

International Covenant on Economic, Social and Cultural Rights

Finland is a state party to the ICESCR (ratified in 1976) which requires states aim to progressively achieve the full realization of economic, social, and cultural rights. For this purpose, the state must take specific steps and use all appropriate means to the maximum of its available resources.¹²

¹² ICESCR, Article 2.

Articles 9, 10 and 11 of the ICESCR set out the rights to an adequate standard of living and social security. It also guarantees other rights, including the right to the highest attainable physical and mental health, to education, to take part in cultural life and to just working conditions.

Living in poverty compromises the rights guaranteed in the ICESCR. The CESCR, which monitors states' compliance with the ICESCR, has defined poverty as *“a human condition characterized by sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil, cultural, economic, political and social rights”*.¹³ According to the CESCR, the redistributive character of social security plays an important role in reducing poverty, promoting social cohesion and preventing social exclusion.¹⁴

The CESCR has affirmed that the state has an obligation to ensure that social security is: available; accessible in terms a) coverage, b) eligibility criteria, c) affordability, d) participation and information, and e) physical access; and adequate.¹⁵

Regarding the adequacy of social security benefits, the CESCR has stated that they:

*“must be adequate in amount and duration in order that everyone may realize his or her rights to family protection and assistance, an adequate standard of living and adequate access to healthcare... States parties must also pay full respect to the principle of human dignity contained in the preamble of the Covenant, and the principle of non-discrimination, so as to avoid any adverse effect on the levels of benefits and the form in which they are provided. Methods applied should ensure the adequacy of benefits. The adequacy criteria should be monitored regularly to ensure that beneficiaries are able to afford the goods and services they require to realize their Covenant rights.”*¹⁶

The CESCR has asserted that there is a strong presumption that retrogressive measures to the right to social security are prohibited. If any deliberately retrogressive measures are taken, the state party should prove that they have been introduced after the most careful consideration of all alternatives and that they are duly justified by reference to the totality of the rights provided for in the ICESCR, in the context of the full use of the maximum available resources of the state.¹⁷

In its latest Concluding observations on Finland's periodic report in March 2021, the CESCR expressed concern that cuts in benefits and the freeze on index linking between 2015 and 2019 has rendered these benefits inadequate and disproportionately affected groups that had already been disadvantaged. It urged Finland to include safeguards in its reform of the Social Security Act to ensure that social

¹³ CESCR, Statement on poverty and the international covenant on economic, social and cultural rights, e/C.12/2001/10, 4 May 2001, Para 8.

¹⁴ CESCR, E/C.12/GC/19, 4 February 2008, Para 3.

¹⁵ CESCR, E/C.12/GC/19, 4 February 2008.

¹⁶ CESCR, E/C.12/GC/19, 4 February 2008, Para 22.

¹⁷ CESCR, E/C.12/GC/19, 4 February 2008, Para 42.

security benefits are adequate and that any cuts contemplated are temporary, do not disproportionately affect disadvantaged and marginalized groups, are accompanied by other measures (such as social transfers, to mitigate inequalities arising in times of crisis) and preserve a core amount that enables beneficiaries to have an adequate standard of living.¹⁸

These concerns are not new. In 2014, the CESCR expressed concern about the inadequacy of the minimum levels of the basic social assistance and of the sickness and old-age benefits (Article 9) in Finland and recommended that the state authorities adopt the necessary measures to ensure that the minimum level of social benefits are sufficient to cover the real costs of living. It also noted with concern that about 11.9% of the population was living below the poverty threshold during the reporting period and that certain segments of the population were at an increased risk of poverty, in particular single-parent families, and families with children (Article 11). It recommended that state authorities take steps to introduce measures to guarantee targeted support to all those living in poverty or at risk of poverty, in particular single-parent families, and families with children.¹⁹

In short, the CESCR has noted that Finnish social security provision is not sufficient to comply with the state's obligations under the ICESCR and stated that it will monitor the implementation of the right to social security in an expedited procedure in 2023, when Finland is due to report on the implementation of CESCR's recommendations.²⁰

Revised European Social Charter

The Revised European Social Charter, which is legally binding, came into force in 2002.²¹ It guarantees the right to social security, social assistance; housing; just conditions of work; fair remuneration for work; and protection of health and the rights of migrant workers, families, mothers, children, youth, older people and people with disabilities.

Article 12 of the Charter sets out the rights to social security and social assistance. It requires states to establish or maintain a system of social security and to endeavour to progressively raise it to a higher level. Article 13 states that any person who is without adequate resources and who is unable to secure such resources either by his own efforts or from other sources, should be granted adequate

¹⁸ CESCR, E/C.12/FIN/CO/7, 2021, Para 27-28.

¹⁹ CESCR, E/C.12/FIN/CO/6, 2014, Para 20 and 23.

²⁰ CESCR, E/C.12/FIN/CO/7, 2021, Para 27-28 and 54; CESCR, E/C.12/FIN/CO/6, 2014, Para 20 and 23.

²¹ Chart of Signatures and ratifications of European Social Charter (revised), [coe.int/en/web/conventions/full-list/-/conventions/treaty/163/signatures?p_auth=ZCon6Mwi](https://www.coe.int/en/web/conventions/full-list/-/conventions/treaty/163/signatures?p_auth=ZCon6Mwi) (accessed on 22 February 2021).

assistance, and, in case of sickness, the care required for their condition. Article 16 addresses the rights of the family while Article 30 sets out the right to protection from poverty and social exclusion.²²

The European Committee of Social Rights (ECSR) is the body that monitors states' compliance with the Revised European Social Charter through national reports submitted by states and through collective complaints submitted by NGOs.²³ In 2014 and again in 2018, the ECSR found that Finland was not in conformity with Articles 12.1 and 13.1 of the Charter in relation to social security and social assistance. It concluded that the amount of many minimum basic social security benefits (including sickness, maternity, parental and rehabilitation benefits, basic unemployment allowance²⁴ and the guaranteed pension) was inadequate.²⁵ It also concluded that Finland had not demonstrated that all those in need were granted adequate supplementary benefits (such as social assistance or housing benefits).²⁶

In response to the ECSR's 2014 findings, Finland responded that: "In contrast, Finland has deemed its minimum provision to be adequate" and that "[e]xamining the level of a specific benefit is not a reasonable means of assessing its adequacy, especially as social security in Finland *can potentially* comprise, for example, labour market support, housing support, and income support".²⁷

²² European Social Charter (Revised), Articles 12, 13, 16 and 30.

²³ For more information on the reporting system of the European Social Charter, see coe.int/en/web/european-social-charter/reporting-system.

²⁴ Unemployment allowances are for unemployed persons with sufficient employment history. The earnings-related allowance is available for those who belong to a voluntary and contributory unemployment fund. The basic amount is the same as for labour market subsidy and differs only in terms and criteria. The duration of provision is limited.

²⁵ European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merits, 9 September 2014, hudoc.esc.coe.int/eng/?i=cc-88-2012-dmerits-en, Para 63-71. The complaint in question was last assessed by the Committee in 2018 and the situation was found to still be in non-conformity with the Charter. European Committee of Social Rights, Follow-up to decisions on the merits of collective complaints, Findings 2018, 2018, available at rm.coe.int/findings-2018-on-collective-complaints/168091f0c7, Para 170-176 and 187-189.

²⁶ The Committee did not receive from the state party any precise indications of the actual amounts of benefits paid. Therefore, even though the Committee could not exclude that the total amount of benefits paid to a recipient of social assistance could reach the level of 50 % of median equivalised income for certain recipients under certain circumstances, it does not consider it demonstrated, based on the information at its disposal, that all persons in need are granted adequate social assistance.

European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merit", 9 September 2014 (previously cited); European Committee of Social Rights, No. 108/2014 Finnish Society of Social Rights v. Finland, Decision on Admissibility and Merits, 8 December 2016, hudoc.esc.coe.int/eng/?i=cc-108-2014-dadmissandmerits-en; European Committee of Social Rights, Follow-up to decisions on the merits of collective complaints, Findings 2018, (previously cited).

²⁷ Italics added. Ministry of Social Affairs and Health of Finland, The Council of Europe's Committee of Social Rights announces its decision regarding minimum social security provision in Finland, 11 February 2015, stm.fi/-/sosiaalisten-oikeuksien-komitealta-paatos-suomen-vahimmaisturvan-tasosta?languageId=en_US

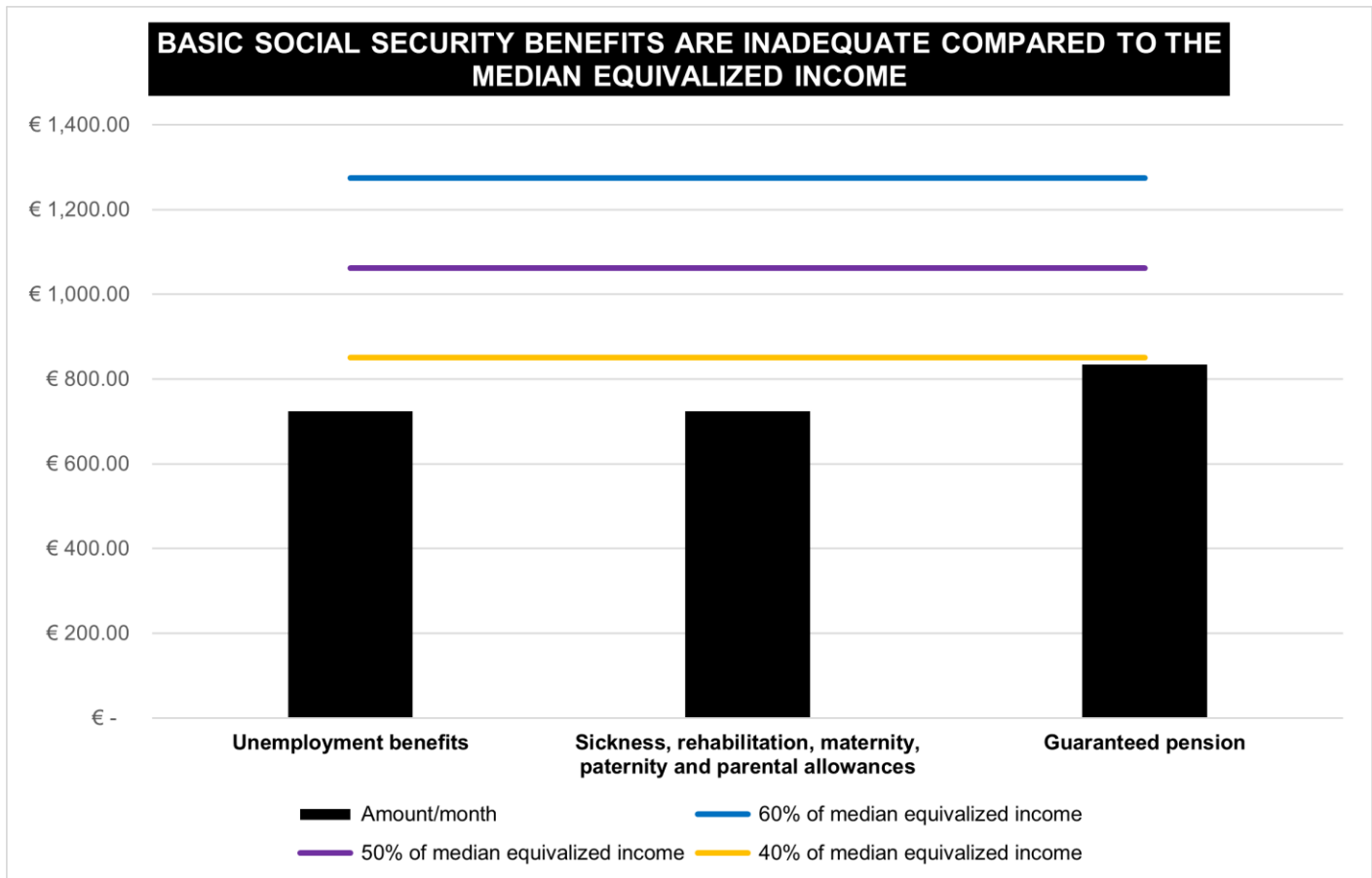
The median equivalized income (that is, the median income of all households adjusted for household size and composition)²⁸ is commonly used in Europe to assess poverty rates: if a person's income falls below the 60% mark, they are considered to be at risk of poverty.²⁹ According to the ECSR, social security provision should not fall below 50% of the national median equivalized income. It has stated that if the amount is between 40% and 50%, supplementary benefits (for example social assistance) should be considered, although “[r]eliance on supplementary benefits of a social assistance nature should not transform the social security system into a basic social assistance system”.³⁰ It also considers that if the minimum level of an income replacement benefit falls below 40% of the median equivalized income, other possible supplementary benefits cannot bring the situation into conformity.³¹ In 2021, most benefits in Finland fall below the 50% mark and some below the 40% mark.

²⁸ Children younger than 14 years old are not calculated as “full” household members and their weight in the equivalisation is smaller. For more information on the calculation of the median equalised income, see Eurostat, Income and living conditions metadata, ec.europa.eu/eurostat/cache/metadata/en/ilc_esms.htm (accessed on 12 May 2021).

²⁹ Eurostat, Glossary: At-risk-of-poverty rate, Statistics explained, ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:At-risk-of-poverty_rate (accessed 12 May 2021).

³⁰ European Committee of Social Rights, Digest of the Case Law of The European Committee of Social Rights, December 2018, available at rm.coe.int/digest-2018-parts-i-ii-iii-iv-en/1680939f80, p. 140.

³¹ European Committee of Social Rights, Digest of the Case Law of The European Committee of Social Rights (previously cited), December 2018 p. 138.



Basic social security benefits fall below 40% of the median equivalized income and are therefore manifestly inadequate.³² The benefits also fall below the minimum social security level defined by ECSR (50%) and the at-risk of poverty threshold (60%).

The burden of proof that minimum standards have been met lies with the state. In the case of Finland, the ECSR does not consider Finland to have demonstrated that all social security recipients are entitled to supplementary benefits or services that would ensure adequate social security for all. For Finland to be in conformity with the Revised European Social Charter, it would need to raise the level of social security benefit provision above the 50% median equivalized income level.³³ It has yet to do so.

³² All data in this figure is from 2020. For the monthly amounts of social security benefits, see Susanna Mukkila and Paula Saikkonen, *Vuoden 2020 talousarvion vaikutukset perusturvaan*, (hereinafter: “Vuoden 2020 talousarvion vaikutukset perusturvaan”), Finnish Institute for Health and Welfare, 2019, julkari.fi/bitstream/handle/10024/139548/URN_ISBN_978-952-343-487-5.pdf?sequence=1&isAllowed=y, p. 2. Finland’s median equivalised income was 25,490 € in 2020 (2,124 €/m). Income data is from Eurostat, Mean and median income by household type – EU-SILC and ECHP surveys, appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do (accessed on 7 May 2021).

³³ European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merits (previously cited), 9 September 2014.

Other international human rights treaties

The **UN Convention on the Rights of the Child (CRC)**, ratified by Finland in 1991, sets out the rights of children (those under the age of 18) and their families, including the right to social security. It requires that states take the necessary measures to achieve the full realization of this right (Article 26). The CRC also recognizes the right of every child to a standard of living adequate for their physical, mental, spiritual, moral and social development (Article 27).³⁴

In response to Finland's most recent periodic report in 2011, the Committee on the Rights of the Child expressed concern that the number of children and families with children, especially those with children under the age of three, living in poverty had more than doubled over the decade preceding reporting and that the amount of child benefits and parental benefits had de facto been reduced.³⁵ The Committee called on state authorities to "reinforce efforts to provide support to economically disadvantaged families, including children of young families, single parents and families with many children, and to guarantee the right of all children to an adequate standard of living". The Committee also recommended that the authorities take the measures "necessary for the comprehensive collection and analysis of data on child poverty in order for it to be effectively addressed".³⁶ Finland has already submitted its next periodic report, which is due to be considered by the Committee in 2022; it does not mention any significant measures taken by the state to address poverty in families with children in response to the Committee's recommendations.³⁷

The **UN Convention on the Rights of Persons with Disabilities**, ratified by Finland in 2016, sets out the right of people with disabilities to social protection, an adequate standard of living for themselves and their families and to the continuous improvement of living conditions. The state has an obligation to take appropriate steps to promote the realization of these rights without discrimination (Article 28).³⁸ Finland submitted its first periodic report to the Committee on the Rights of Persons with Disabilities in 2019 and Committee's review was pending at the time of writing.

The **UN Convention on the Elimination of All Forms of Discrimination against Women**, ratified by Finland in 1986, recognizes a variety of economic and social rights and sets out the state's obligation to

³⁴ Convention on the Rights of the Child (CRC).

³⁵ Committee on the Rights of the Child, CRC/C/FIN/CO/4, 2011, Para 50.

³⁶ Committee on the Rights of the Child, CRC/C/FIN/CO/4, 2011, Para 51.

³⁷ Government of Finland, Suomen hallituksen yhdistetty viides ja kuudes määräaikaisraportti. Yleissopimus lapsen oikeuksista,

um.fi/documents/35732/0/CRC+SUOMEN+YHDISTETTY+VIIDES+JA+KUUDES+M%C3%84%C3%84R%C3%84AIKAISSRAPORTTI.pdf/c3b26ca5-cbf2-d143-0645-e8b4037e4c97?t=1571142842916, p. 28–29

³⁸ Convention on the Rights of Persons with Disabilities (CRPD).

take appropriate measures to eliminate discrimination against women and ensure men and women have the same rights to family benefits (Article 13).³⁹

In response to Finland's most recent periodic report in 2014, the Committee on the Elimination of Discrimination against Women expressed concern that the scope of the Non-Discrimination Act is more comprehensive for discrimination based on ethnic origin than for discrimination based on disability with regard to housing, social welfare, social security, healthcare and other public services. It also expressed concern about the lack of data on the situation of women with disabilities and their socio-economic status and recommended that the state takes steps to ensure all Sámi women have adequate access to social services and to improve Roma women's access to social services.⁴⁰ The Committee's review of Finland's latest periodic report, submitted in 2020, was pending at the time of writing.

The International Labour Organisation's (ILO) No. 102 Social Security (Minimum Standards)

Convention was adopted in 1952. The Convention sets minimum standards for social security and sets goals for the development of national social security systems.⁴¹ The Convention is supplemented by ILO recommendations for national floors of social protection (No. 202) from 2012.⁴² Finland is the only Nordic country yet to ratify the ILO 102 Convention, despite advocacy attempts by Finnish labour unions for Finland to ratify the Convention.⁴³ Finland has also not ratified the ILO Convention on Maintenance of Social Security Rights Convention (No. 157), from 1982, nor the ILO Convention on Migration for Employment Convention (No. 97) from 1949.⁴⁴

³⁹ Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).

⁴⁰ Committee on the Elimination of Discrimination against Women, CEDAW/C/FIN/CO/7, 2014, Para 32.

⁴¹ ILO, No. 102 Social Security (Minimum Standards) Convention.

⁴² ILO, ILO Recommendation concerning National Floors of Social Protection (No. 202), 2012, ilo.org/secsoc/areas-of-work/legal-advice/WCMS_205341/lang--en/index.htm

⁴³ Central Organisation of Finnish Trade Unions (SAK), Lausuntopyyntö koskien ILO:n raporttia (Report IV (1) 101st session of the ILC 2012) ja raportin kysymyksiä aiheesta. Social protection floors for social justice and a fair globalization –raportti, 7 October 2011, sak.fi/aineistot/lausunnot/lausuntopyynto-tem23130403032011-koskien-ilon-raporttia-report-iv-1-101st-session-ilc-2012-ja-raportin-kysymyksia-aiheesta-social-protection-floors-social-justice-and-fair-globalization-raportti

⁴⁴ ILO, No. 157 Maintenance of Social Security Rights Convention; ILO, No. 97 Migration for Employment Convention.

Constitution of Finland

The Finnish Constitution sets out the national legal human rights basis for the rights to social security and an adequate standard of living in Finland.

It guarantees the right to social security for those who cannot obtain the means necessary for a life of dignity. Under the Constitution, everyone is guaranteed the right to basic subsistence in the event of unemployment, sickness, and disability; during old age; and following the birth of a child or the loss of a breadwinner. The Constitution obliges public authorities to provide adequate social and health services and to support families and others responsible for providing for children so that they can ensure the well-being and personal development of their dependent children.⁴⁵

The Constitution does not explicitly define a minimum level of social security benefits beyond “*obtaining means necessary for a life of dignity*” (Section 19) and the obligation of public authorities to guarantee fundamental and human rights (Section 22).⁴⁶ According to the statements made in the government proposal to reform the Constitution in 1993, Section 22 requires that public authorities ensure basic material rights.⁴⁷

According to the **Constitutional Law Committee**, the Constitution should be interpreted as guaranteeing that the social security system is sufficiently comprehensive to ensure that no group is left out.⁴⁸ The Constitutional Law Committee has not set out specific levels of social security provision, but rather has emphasized that when setting the level of basic social security, the government should consider the state of the national economy and public finances.⁴⁹ The Constitutional Law Committee has however noted that the government should closely assess the cumulative negative effects of the freeze on recipients and that these changes should not disproportionately affect the realization of rights set out in the Constitution.⁵⁰

⁴⁵ Constitution of Finland (731/1999), available in English at www.finlex.fi/en/laki/kaannokset/1999/en19990731, Section 19.

⁴⁶ Constitution of Finland (731/1999) (previously cited), Sections 19, 22.

⁴⁷ Government of Finland, Hallituksen esitys Eduskunnalle perustuslakien perusoikeussäännösten muuttamisesta, (HE 309/1993), 1993, finlex.fi/fi/esitykset/he/1993/19930309, p. 74.

⁴⁸ The Constitutional Law Committee of Finland is a parliamentary committee which considers the constitutionality of legislation and on other matters and their bearing on international human rights instruments. Government of Finland, Hallituksen esitys Eduskunnalle perustuslakien perusoikeussäännösten muuttamisesta, (HE 309/1993), 1993 (previously cited), p. 70.

⁴⁹ Constitutional Law Committee of Finland, Valiokunnan lausunto PeVL 11/2015 vp HE 70/2015 vp, 2015, eduskunta.fi/FI/vaski/Lausunto/Sivut/PeVL_11+2015.aspx

⁵⁰ Constitutional Law Committee of Finland, Valiokunnan lausunto PeVL 40/2018 vp HE 160/2018 vp, 2018, eduskunta.fi/FI/vaski/Lausunto/Sivut/PeVL_40+2018.aspx; Constitutional Law Committee of Finland, Valiokunnan lausunto PeVL 47/2017 vp HE 123/2017 vp, 2017, eduskunta.fi/FI/vaski/Lausunto/Sivut/PeVL_47+2017.aspx

CHAPTER 2:

THE FINNISH SOCIAL SECURITY SYSTEM

The Ministry of Social Affairs and Health is responsible for developing the social security system and social security related legislation.⁵¹ The Social Insurance Institution of Finland⁵² administers most of the benefits system, including basic pensions, health insurance, unemployment protection, housing benefits, benefits for families with children, financial aid for students and basic social assistance.⁵³ The municipalities are in charge of organizing social services⁵⁴ and granting means-tested last resort supplementary and preventive social assistance.⁵⁵ (See Appendix I for more details.)

The Finnish social security system was designed for a time when permanent full-time employment was the norm rather than for today's more flexible and precarious world of work.⁵⁶ Efforts to adapt it to the new realities over recent decades have been mostly piecemeal, with new components and legislation increasing complexity and reducing coherence. As a result, the administration of the Finnish social security system involves a complicated infrastructure made up of multiple actors including the Social Insurance Institution of Finland, municipalities, unemployment funds, pension insurance companies

⁵¹ Ministry of Social Affairs and Health of Finland, "Characteristics of the Social Security System in Finland", (hereinafter: Characteristics of the Social Security System in Finland), 2013, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/69929/URN_ISBN_978-952-00-3372-9.pdf?sequence=1, p. 6-8.

⁵² The Social Insurance Institution of Finland operates under the supervision of Parliament. The administration and operations are supervised by 12 Trustees appointed by Parliament and 8 auditors chosen by the Trustees. Social Insurance Institution of Finland, Kelan valvonta, undated, kela.fi/kelan-valvonta (accessed 12 April 2021).

⁵³ Social Insurance Institution of Finland, *Statistical Yearbook of the Social Insurance Institution of Finland*, 2019, julkari.fi/bitstream/handle/10024/140540/statistical-yearbook-of-pensioners-in-finland-2019.pdf?sequence=1&isAllowed=y, p. 374.

⁵⁴ Ministry of Social Affairs and Health of Finland, Social services, undated, stm.fi/en/social-services (accessed 1 March 2021).

⁵⁵ Ministry of Social Affairs and Health of Finland, Social Assistance, undated, stm.fi/en/income-security/social-assistance (accessed 1 March 2021).

⁵⁶ Social Security Reform Committee of Finland, Komitean jäsenten ja pysyvien asiantuntijoiden vastaukset sosiaaliturvassa tunnistetuista ongelmista, (hereinafter: "Sosiaaliturvan tunnistetut ongelmat"), 2.6.2020, vnk.fi/documents/1271139/22784751/Kooste+Komitean+j%C3%A4senten+ja+pysyvien+asiantuntijoiden+n%C3%A4kemyksi%C3%A4+sosiaaliturvan+ongelmista.pdf/8c75f3af-0835-7823-d272-47dbbbad275b/Kooste+Komitean+j%C3%A4senten+ja+pysyvien+asiantuntijoiden+n%C3%A4kemyksi%C3%A4+sosiaaliturvan+ongelmista.pdf

and other insurance providers. This can, in some cases, lead to a disconnect between benefit payments, employment services and social services – all administered by different entities.⁵⁷

Evaluation of the social security system

Under the **National Pension Index Act**, the adequacy of social security provision must be evaluated every four years, at the end of each term of government.⁵⁸ According to the government's proposed amendment to the Act, the purpose of the evaluation is to support budgeting processes and other government decision-making.⁵⁹ The Ministry of Social Affairs and Health is responsible for commissioning the evaluation,⁶⁰ which is carried out by a group of experts representing, for instance, different research institutions.

The most recent evaluation of the adequacy of social security for the period 2015-2019 found that the income levels of those receiving several social security benefits were not sufficient to cover a reasonable minimum consumption reference budget, as calculated by the Centre for Consumer Society Research.⁶¹ The inadequate benefits listed in the evaluation report included unemployment benefits, home care allowance, minimum sick leave allowance, student allowance and parental daily allowance.

⁵⁷ OECD, *A People-centred Perspective on Employment Barriers and Policies, Faces of Joblessness in Finland*, (hereinafter: “*Faces of Joblessness in Finland*”), 2020, valtioneuvosto.fi/en/-/1271139/faces-of-joblessness-oecd-s-research-sheds-light-on-unemployment-in-finland-from-a-people-centered-perspective, p. 18.

⁵⁸ National Pension Index Act (2001/456), www.finlex.fi/fi/laki/ajantasa/2001/20010456, Section 4 a.

⁵⁹ Government of Finland, Hallituksen esitys eduskunnalle laiksi kansaneläkeindeksistä annetun lain muuttamisesta (HE 108/2010 vp, 2010, eduskunta.fi/FI/vaski/HallituksenEsitys/Documents/he_108+2010.pdf

⁶⁰ National Pension Index Act (2001/456), www.finlex.fi/fi/laki/ajantasa/2001/20010456, Section 4 a.

⁶¹ The reasonable minimum consumption reference budgets calculated by the Centre for Consumer Society Research are used by as a basis to assess the sufficiency of social security. For more information on how the reasonable minimum consumption reference budgets are calculated, please see: Second expert group for evaluation of the adequacy of basic social security, *Adequacy of basic social security in Finland 2011-2015*, (hereinafter: “*Adequacy of basic social security in Finland 2011-2015*”), Social Insurance Institution of Finland, Working papers 80/2015, helda.helsinki.fi/bitstream/handle/10138/156544/WorkingPapers80.pdf (hereinafter: *Adequacy of basic social security in Finland 2011-2015*), p. 98-104; Perusturvan riittävyyden III arviointiryhmä, *Perusturvan riittävyyden arviointiraportti 2015-2019*, Finnish Institute for Health and Welfare, Discussion paper 6/2019, (hereinafter: “*Perusturvan riittävyyden arviointiraportti 2015-2019*”), julkari.fi/bitstream/handle/10024/137711/URN_ISBN_978-952-343-296-3.pdf?sequence=1&isAllowed=y, p. 5.

Reasonable minimum consumption reference budget

There are many ways to measure whether the level of social security provision is sufficient to provide an adequate standard of living and to fulfil human rights. Finland does not have an official poverty line,⁶² but the expert group tasked with evaluating the adequacy of basic social security uses minimum consumption reference budgets. The reasonable minimum consumption reference budget is calculated based on consumer prices for common products as well as interviews with both consumers and experts.⁶³

Reasonable minimum consumption reference budgets have been criticized for making many assumptions that do not necessarily capture the diversity of real-life situations.⁶⁴ For example, they assume that no household members have chronic health conditions and that households live in rented accommodation.⁶⁵

Research indicates that reasonable minimum consumption reference budgets in Finland cover only 65%-75% of average household consumption; 60% of the average consumption of couples aged 45-64 with no children; and as little as 45% of the average consumption of pensioner couples.⁶⁶ In addition, the minimum consumption reference budget is not calculated annually and, therefore, does not necessarily reflect current prices.⁶⁷ Furthermore, the UN Special Rapporteur on extreme poverty has criticized household-based poverty measurements that use per capita consumption as they assume that all resources are shared equally within the household and therefore obscure gender differences.⁶⁸ Nevertheless, despite these shortcomings, the minimum consumption reference budget does serve to highlight the extent to which several benefits fall below this level in 2021.

⁶² Susanna Mukkila and others, *Köyhyys ja perusturvan riittävyys, Suomalaisten hyvinvointi 2018*, Finnish Institute for Health and Welfare, 2019, julkari.fi/bitstream/handle/10024/137498/THL_Suomalaisten%20hyvinvointi%202018.pdf, p. 81.

⁶³ Second expert group for evaluation of the adequacy of basic social security, *Adequacy of basic social security in Finland 2011-2015*, 2015 (previously cited), p. 98-104.

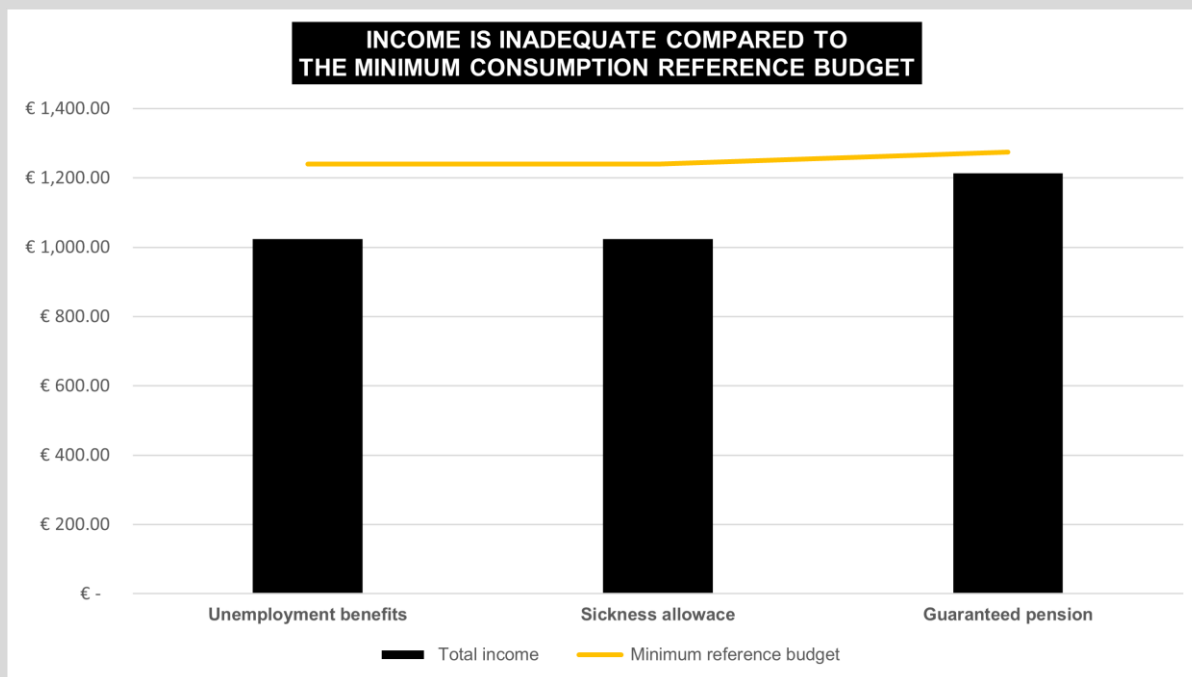
⁶⁴ Anna-Riitta Lehtinen and Kristiina Aalto, "Kohtuullisen minimin viitebudjettien laadinta ja käyttö", *Kansantaloudellinen aikakauskirja* 1/2019, (hereinafter: Kohtuullisen minimin viitebudjettien laadinta ja käyttö), https://www.taloustieteellinenyhdistys.fi/wp-content/uploads/2019/02/KAK_1_2019_WEB-13-25.pdf, p. 20.

⁶⁵ Anna-Riitta Lehtinen and Kristiina Aalto, *Kohtuullisen minimin viitebudjettien laadinta ja käyttö*, 2019 (previously cited), p. 20.

⁶⁶ Anna-Riitta Lehtinen and Kristiina Aalto, "Viitebudjettien mukainen kulutus niukka verrattuna keskimääräiseen kulutukseen", *Policy Brief 6/2019*, University of Turku, blogit.utu.fi/tita/viitebudjettien-mukainen-kulutus-niukka-verrattuna-keskimaaaraiseen-kulutukseen/.

⁶⁷ The newest minimum consumption reference budget is from 2018 and the previous budget is from 2015.

⁶⁸ Philip Alston, Special Rapporteur for extreme poverty, *Report on the parlous state of poverty eradication*, 2020, [ohchr.org/EN/Issues/Poverty/Pages/parlous.aspx](https://www.ohchr.org/EN/Issues/Poverty/Pages/parlous.aspx), p. 6.



Total income includes the primary benefit in question, the average housing benefit and basic social assistance. Only taxes have been deducted from the total income.⁶⁹

The Finnish Institute for Health and Welfare evaluated the impact of the 2020 national budget in relation to minimum reference budgets and noted that the small incremental increases in benefits in 2020 were not sufficient for people in certain circumstances – such as those receiving the labour market subsidy, minimum sickness allowance or minimum parental daily allowance – to survive without means-tested last resort social assistance to complement social security.⁷⁰

The 2021 national budget has been heavily influenced by the COVID-19 pandemic. According to the Finnish Institute for Health and Welfare, when the temporary social security improvements made in 2020 due to the pandemic are excluded, there were no notable changes in the level of social security in 2021, other than regular index increases.⁷¹

⁶⁹ The figure uses 2021 income levels and the most recent minimum consumption reference budgets (2018). Housing costs and benefits have been calculated for average basic social security recipients living in a medium sized city. The unemployed and sick people in the calculations are presumed to be male and under 45 years old, the pensioner is presumed to be female and over 65 years old. The average income data is from Susanna Mukkila and Jussi Tervola, Vuoden 2021 talousarvion vaikutukset perusturvaan, *Working paper 12/2021*, Finnish Institute for Welfare and Health (hereinafter: Vuoden 2021 talousarvion vaikutukset perusturvaan), julkari.fi/bitstream/handle/10024/141155/URN_ISBN_978-952-343-643-5.pdf?sequence=1&isAllowed=y, p. 10-14. The minimum consumption reference budgets are from Anna-Riitta Lehtinen and Kristiina Aalto, Mitä eläminen maksaa? Kohtuullisen minimin viitebudjettien päivitys vuodelle 2018, *Valtiotieteellisen tiedekunnan julkaisuja 101/2018*, University of Helsinki, p. 73-76.

⁷⁰ Susanna Mukkila and Paula Saikkonen, *Vuoden 2020 talousarvion vaikutukset perusturvaan*, (previously cited), p. 34.

⁷¹ Susanna Mukkila and Jussi Tervola, *Vuoden 2021 talousarvion vaikutukset perusturvaan*, 2021 (previously cited).

Basic social security benefits

Basic social security benefits include minimum unemployment benefit, parental allowances, child home care allowances, retirement and disability pensions, sickness benefits and rehabilitation benefits, student allowances and supplementary housing benefits.⁷²

Apart from the supplementary housing benefit, these benefits are also referred to as primary benefits; that is, they are intended to cover living costs. If a person does not qualify for a primary benefit or that benefit is not sufficient to cover necessary expenses, as a last resort, means-tested social assistance is available.⁷³

Over the past decade, people have increasingly been forced to rely on basic social security.⁷⁴ In 2019, 235,000 people relied on basic social security benefits for over 90% of their income.⁷⁵ Unemployment benefits were the main source of income for 47% of these households.⁷⁶ This is likely connected to an increase in long-term unemployment lasting more than a year.⁷⁷ The number of people living in households reliant on basic social security benefits for more than four years has also grown significantly during the past decade, rising from 61,097 in 2010 to 98,524 in 2019.⁷⁸

However, according to Social Insurance Institution of Finland data and other available research, people who are entitled to basic benefits are not receiving them.⁷⁹ Not claiming benefits to which they are entitled can result in people experiencing an inadequate standard of living; more research is needed on the reasons for this underuse of available benefits.

⁷² The Finnish Institute of Health and Welfare defines these as basic social security benefits. Almost all of these benefits also have the possibility to be earnings-related but only the minimum amount benefits are usually counted as basic social security.

⁷³ The Social Insurance Institution of Finland, Who can get basic social assistance, undated, kela.fi/web/en/social-assistance-who-can-get (accessed 29 March 2021).

⁷⁴ Statistics Finland, Perusturvan varassa 235 000 henkilöä vuonna 2019, Tulonjakotilasto - Tuloerot (kansainvälinen vertailu), Perusturvan varassa 235 000 henkilöä vuonna 2019, (hereinafter: Tuloerot (kansainvälinen vertailu) 2019), 2019, stat.fi/til/tjt/2019/01/tjt_2019_01_2020-12-16_kat_003_fi.html

⁷⁵ Statistics Finland, Tuloerot (kansainvälinen vertailu) 2019.

⁷⁶ Statistics Finland, Tuloerot (kansainvälinen vertailu) 2019.

⁷⁷ Ministry of Economic Affairs and Employment of Finland, Increase in long-term unemployment, undated, temtyollisyyskatsaus.fi/graph/tkat/pages/2/24.aspx?lang=en (accessed on 11 May 2021).

⁷⁸ Statistics Finland, Tuloerot (kansainvälinen vertailu) 2019.

⁷⁹ See for instance, Social Insurance Institution of Finland, Takuueläke on hakematta noin 9 500:lla eläkeläisellä, 30 March 2021, kela.fi/ajankohtaista-henkiloasiakkaat/-/asset_publisher/kg5xtoqDw6Wf/content/takuuelake-on-hakematta-noin-9-500-lla-elakelaisella; Riku Perhoniemi and others, Mitä hylkäävän työkyvyttömyyseläkepäätöksen jälkeen? *Yhteiskuntapolitiikka* 83 (2018):2, julkari.fi/bitstream/handle/10024/136252/YP1802_Perhoniemiym.pdf?sequence=2&isAllowed=y, p. 122, 127.

The complexity of the Finnish social security system means that it is crucially important that guidance and information are made available to those applying. However, less than one in five respondents in a 2020 survey by the Finnish Institute for Health and Welfare said that they received adequate guidance when applying for benefits and less than one in five felt that applying for benefits was easy.⁸⁰

“The information is so hidden in the system, if you don’t understand or ask nobody will tell you that you would have a right to apply for some benefits, the information is transferred by word of mouth.”

Teija, a 58-year-old unemployed woman who wishes to retire due to ill health and difficulties in finding a job.

“The biggest issue in social security is that it consists of so many different benefits. The housing benefit, basic unemployment benefit and social assistance all have different procedures and processing times, and you can’t apply for everything at once. The first month after I ran out of earnings-related benefits was especially uncertain. I didn’t know when I would receive the housing benefit. There should be just one benefit to apply for but instead there are three. Last month I got social assistance from the municipality, and it was already my fourth application that month.”

Mirka, a 57 year-old unemployed woman in Tampere, experiencing depression

Furthermore, in the same 2020 survey, nearly 40% of respondents said that their latest experience of engaging with social services had been negative. Respectful encounters with authorities when applying for benefits is key in upholding dignity for all.⁸¹

⁸⁰ Finnish Institute of Health and Welfare, FinSoten perustulokset 2020, 2020 (previously cited).

⁸¹ Finnish Institute of Health and Welfare, FinSoten perustulokset 2020, 2020 (previously cited).

”Sometimes the social security officials talked to me with a really condescending tone, like ‘How have you gotten yourself into this kind of situation? I would have needed someone to help me, to help me figure out the different benefits and how to get out of my situation. It was hard to figure those things out by myself because I wasn’t sure where to call, what to do, and whether I’m able to get any social security benefits.”

Amanda, A 19-year-old who dropped out of high school partially due to lack of money and shortly after became unemployed.

Both the CESCR and the ECSR have stated that the basic social security provision does not comply with Finland’s human rights obligations. In addition, evaluations by the Finnish Institute for Health and Welfare have deemed the provision to be inadequate to cover reasonable minimum consumption reference budgets.

Housing benefits and social assistance are meant to supplement primary benefits. They are granted to households and the income of all household members is taken into consideration. However, there are inadequacies in both benefits.

Housing benefit

Housing benefit is available based on a household’s low-income status, regardless of employment or other status. The amounts vary, based on the household’s housing costs, the general housing costs in the municipality, the household’s combined monthly income and the number of adults and children in the household.⁸²

General housing allowance is provided for low-income households in rented or owner-occupied housing and covers up to 80% of housing costs. Housing allowance for pensioners is payable to people over 65

⁸² Social Insurance Institution of Finland, General Housing Allowance, undated, www.kela.fi/web/en/general-housing-allowance (accessed on 29 March 2021).

years of age and those aged from 16 to 64 who receive a pension.⁸³ The number of households in receipt of the general housing allowance has been increasing in recent years and in 2020 reached 402,000 households.⁸⁴

On average, housing allowance covers only half of actual housing costs.⁸⁵ A maximum limit for acceptable housing costs is set according to location and the number of people in the household.⁸⁶ For 82% of benefit recipients in August 2020 their actual costs were higher than the limit set.⁸⁷ For those living alone or in two-person households or in one of the larger cities, the discrepancy between the limit set and actual housing costs was particularly marked.⁸⁸

”Many people have rents that are way too expensive for the housing allowance and then the Social Insurance Institution says that the people should move in to a cheaper apartment but there are none available. This causes even employed people to have to rely on food aid.”

Markus Honkonen, a social worker working with food aid recipients in Helsinki.

⁸³ Pensions available for those aged 16 to 64 include disability pensions and family pensions. About 20 % of pensioners are under the age of 65. Social Insurance Institution of Finland, Housing Allowance for Pensioners, undated, kela.fi/web/en/housing-allowance-for-pensioners (accessed on 22 June 2021).

⁸⁴ Social Insurance Institution of Finland, Toimintakertomus ja tilinpäätös 2020, 2020 kela.fi/documents/10180/17802081/Kela+toimintakertomus+ja+tilinp%C3%A4%C3%A4t%C3%B6s+2020+.pdf/be24cc17-3a5f-4b27-b0e5-608cbbd4ab79, p. 32.

⁸⁵ Social Security Reform Committee of Finland, Viimesijainen turva, perusturva, asuminen – ongelmaraportti (luonnos), (hereinafter: ”Viimesijainen turva, perusturva, asuminen”), 2021, stm.fi/documents/1271139/74894163/Liite+4.+Viimesijainen+turva+perusturva+ja+asuminen+ongelmaraporttiluonnos.pdf/175c48ea-a6d0-d64f-3df9-eb45f936d5d2/Liite+4.+Viimesijainen+turva+perusturva+ja+asuminen+ongelmaraporttiluonnos.pdf?t=1620747757992, p. 39;

Signe Jauhiainen and others, Asumista tukemassa - Yleinen asumistuki tuensaajien ja vuokranantajien näkökulmasta ja eurooppalaisessa vertailussa, *Sosiaali- ja terveysturvan tutkimuksia 155*, 2019 (hereinafter: ”Yleinen asumistuki tuensaajien ja vuokranantajien näkökulmasta ja eurooppalaisessa vertailussa – ongelmaraportti”), available at helda.helsinki.fi/handle/10138/299806, p. 39.

⁸⁶ Act on General Housing Allowance (2014/938), Chapter 2, Section 9.

⁸⁷ Social Security Committee of Finland, Yleinen asumistuki tuensaajien ja vuokranantajien näkökulmasta ja eurooppalaisessa vertailussa – ongelmaraportti, undated, stm.fi/documents/1271139/34104054/Viimesijainen%20turva%20perusturva%20ja%20asuminen%20ongelmaraporttiluonnos/c7d7afe9-eefa-3033-3c6a-73c3b1d9710e, p. 39.

⁸⁸ Signe Jauhiainen and others, Asumista tukemassa - Yleinen asumistuki tuensaajien ja vuokranantajien näkökulmasta ja eurooppalaisessa vertailussa, *Sosiaali- ja terveysturvan tutkimuksia 155*, 2019 (hereinafter: ”Yleinen asumistuki tuensaajien ja vuokranantajien näkökulmasta ja eurooppalaisessa vertailussa”), available at helda.helsinki.fi/handle/10138/299806, p. 32–35.

Social assistance

Social assistance is intended to be a last resort and designed to ensure *at a minimum* the income necessary for a life of dignity (as outlined in the Finnish Constitution, Section 19) and support independent survival.⁸⁹ It is divided into three different benefits: **basic social assistance, complementary social assistance, and preventative social assistance**. In 2020, 464,234 people (8.4% of the population) received some form of social assistance.⁹⁰

In 2020, 310,884 households were in receipt of basic social assistance.⁹¹ The Social Insurance Institution of Finland grants basic social assistance when the income and resources of an individual or household cannot cover essential daily expenses, such as food, clothing, public transport, phone expenses and minor healthcare expenses.⁹² Basic social assistance is usually granted for one month at a time and is means tested, so the applicant must prove that they do not have other sufficient income or assets.⁹³

Municipalities are responsible for paying complementary and preventative social assistance, which are intended for expenses not covered by the basic social assistance.⁹⁴ These can include, for instance, expenses related to childbirth, furniture for a first apartment or funeral expenses.⁹⁵ All members of a household are considered recipients of the social assistance granted to a member of the household.⁹⁶

Social assistance was originally designed to be a last resort temporary supplement to primary benefits and housing allowance in unexpected or special circumstances.⁹⁷ However, according to the evaluation report on the adequacy of basic social security, for many recipients of basic social security benefits,

⁸⁹ Act on Social Assistance (1997/1412), Chapter 1, Section 1.

⁹⁰ Finnish Institute for Health and Welfare, Toimeentulotuki 2020 - Toimeentulotuen saajien määrä kasvoi odotetusti, Tilastoraportti 18/2021, 2021, (hereinafter, "Toimeentulotuki 2020"), https://www.julkari.fi/bitstream/handle/10024/142659/Tr18_21.pdf?sequence=1&isAllowed=y

⁹¹ Finnish Institute for Health and Welfare, Toimeentulotuki 2020 (previously cited).

⁹² Social Insurance Institution of Finland, Social assistance, undated, kela.fi/web/en/social-assistance (accessed on 25 May 2021).

⁹³ Social Insurance Institute of Finland, How income and assets affect basic social assistance, undated, kela.fi/web/en/social-assistance-how-income-and-assets-affect (accessed on 7 April 2021).

⁹⁴ Act on Social Assistance (1997/1412), Chapter 2, Sections 7 and 13.

⁹⁵ City of Helsinki, Toimeentulotuki, undated, hel.fi/helsinki/fi/sosiaali-ja-terveyspalvelut/sosiaalinen-tuki-ja-toimeentulo/toimeentulotuki/toimeentulotuki/ (accessed on 25 February 2021).

⁹⁶ Act on Social Assistance, Chapter 1, Section 3.

⁹⁷ Perusturvan riittävyyden III arviointiryhmä, Perusturvan riittävyyden arviointiraportti 2015-2019 (previously cited), p. 95.

especially those receiving unemployment benefits, basic social assistance has become a permanent part of their income.⁹⁸ This is largely due to the inadequate level of many primary benefits.

Some people and households are almost totally reliant on supplementary benefits. In about a third households receiving basic social assistance, the applicant or their spouse receives no earned income or primary benefits.⁹⁹ The number of such households doubled between 2007 and 2017.¹⁰⁰ Reasons for being left without earned income and primary benefits can include waiting periods for unemployment benefits and age-based barriers in accessing labour market subsidy.¹⁰¹

In 2017, for more than 10,000 people, reliance on supplementary benefits lasted for over a year.¹⁰² Young people under the age of 25 were also more likely to have to rely on the last resort basic social assistance; 18% of young people received this benefit, compared with 7.3% of the population as a whole in 2017.¹⁰³

Social assistance can be cut by up to 40% if the recipient fails to meet certain criteria, for example, if they do not register as a jobseeker or drop out of training or rehabilitation work activities.¹⁰⁴ According to the Social Insurance Institution of Finland's guide for benefits officers, social assistance cuts should always be exceptional measures,¹⁰⁵ but recent research shows that on occasion cuts can be imposed with little individual consideration.¹⁰⁶

⁹⁸ Perusturvan riittävyden III arviointiryhmä, Perusturvan riittävyden arviointiraportti 2015-2019 (previously cited), p. 95.

⁹⁹ Social Insurance Institution of Finland, Toimeentulotuen tietopaketti, undated, kela.fi/toimeentulotuen-tietopaketti (accessed on 16 April 2021).

¹⁰⁰ Incomeless households are households whose members do not receive salaried income or primary benefits. Instead, they receive social assistance and possibly housing allowance and some form of family benefits. Tuija Korpela, Tulottomien kotitalouksien määrä kaksinkertaistunut kymmenessä vuodessa, Kela Research Blog, 14 December 2017, <https://tutkimusblogi.kela.fi/arkisto/4341>

¹⁰¹ For more on this issue, please see chapter: Unemployed forced to rely on last resort benefits. Pertti Honkanen, Työttömyysturvan sanktiot eivät voi johtaa tulottomuuteen, Kela, 25 February 2015, sosiaalivakuutus.fi/tyottomyysturvan-sanktiot-%E2%80%A8voivat-johtaa-tulottomuuteen/

¹⁰² Tuija Korpela and Simo Raittila, Väliinputoajat Kela-siirron jälkeen. Kuinka pitkään ensisijaisten etuuksien puutetta paikataan toimeentulotuella, *Ojista allikkoon? Toimeentulotukiuudistuksen ensi metrit*, (hereinafter: Väliinputoajat Kela-siirron jälkeen), Social Insurance Institution of Finland, 2020, helda.helsinki.fi/bitstream/handle/10138/319709/Ojista_allikkoon_saavutettava.pdf, p. 391, 426.

¹⁰³ Youth mentioned in this study are aged 18-24. Simo Raittila and others, Nuoret ja perustoimeentulotuen saanti, Kelan tutkimus, Työpapereita 138/2018 (hereinafter: "Nuoret ja perustoimeentulotuen saanti"), 2018, p. 4.

¹⁰⁴ Social Insurance Institution of Finland, Perusosan määrän alentaminen, undated, kela.fi/toimeentulotuki-perusosan-maaran-alentaminen (accessed on 8 Apr 2021).

¹⁰⁵ Social Insurance Institution of Finland, Toimeentulotuki – etuusohje etuuskäsittelijöille, 26.5.2021, kela.fi/documents/10192/3464829/Toimeentulotuki.pdf (accessed on 7 June 2021).

¹⁰⁶ Antti Veilahti, Toimeentulotuen perusosan alentaminen Kelassa. Askel kohti vastikkeellisempaa sosiaaliturvaa, *Ojista allikkoon? Toimeentulotukiuudistuksen ensi metrit*, Social Insurance Institution of Finland, 2020, p. 376-379.

The fact that people are increasingly forced to rely on social assistance is problematic because the benefit provision is means tested and very bureaucratic: the recipient cannot, for example, even try to save money for future expenses without facing cuts to the following month's payment. The beneficiary usually has to reapply for the benefit every month, making it very difficult for them to plan ahead.

“Sometimes, when I have been really sick, I haven't had the energy to apply for social assistance, I've just tried to survive without on my own.”

Heidi, a 57-year-old woman from Helsinki who is unemployed and suffers from a number of health conditions.

Long processing times can also be a barrier to accessing social assistance. By law processing applications for basic social assistance should be done the following day in urgent cases and in any event should take no more than seven days.¹⁰⁷ However, there have been several periods where a significant proportion of applications were not processed within that timeframe, for instance in 2017 and in 2020, that is before the pandemic, when processing times for several benefits were extended.¹⁰⁸

The average processing time for benefits varies. For example, in June 2021, the average processing time for social assistance was 5.7 days; for housing allowance it was 19 days; and for sickness daily allowance, it was 27 days.¹⁰⁹ The processing time for complaints about social security decisions can be especially long, on average 52.5 days.¹¹⁰ Such delays can cause significant income problems for recipients.

“People are too afraid to issue complaints about social security decisions, they are worried that they will be labelled as a difficult customer.”

Heljä Sairisalo, Executive Director, the Finnish Federation of Single-Parent Organizations

¹⁰⁷Act on Social Assistance (1997/1412), Chapter 3, Section 14.

¹⁰⁸ Processing delays in 2017 were connected to the transfer of basic social assistance administration from municipalities to the Social Insurance Institution of Finland. Yle news, Kelan toimeentulotukihakemusten käsittelyssä viiveitä – “Vuoden 2017 jälkeen varmasti pahin tilanne”, sanoo etuusjohtaja, 4.3.2020, yle.fi/uutiset/3-11238099

¹⁰⁹ Social Insurance Institution of Finland, Käsittelyajat, 11.6.2021, kela.fi/kasittelyajat (accessed on 11 June 2021).

¹¹⁰ Social Insurance Institution of Finland, Oikaisuvaatimus Kelan tekemään päätökseen, undated, kela.fi/oikaisuvaatimus-kelan-tekemaan-paatokseen (accessed on 20 April 2021).

“Applying for benefits and making complaints on decisions is a real burden. I wouldn't be able to do it without help. The Social Ombudsperson used to give advice, but they don't anymore. There is a need for this kind of help... You need money to receive justice. A case in the administrative court costs at least €250 if you are not sure that they will rule in your favour. If you are living on social assistance, how can you ever afford it? And it is not easy find a lawyer who wants to go against The Social Insurance Institution.”

Hanna, a 57-year-old single parent from Helsinki receiving a part-time disability pension.

Access to services for those on benefits

Access to social and health services is central for many people who rely on basic social security benefits. Regardless of age or gender, people in receipt of means-tested social assistance use public services considerably more often than others.¹¹¹ This section looks at some, though by no means all, of the key services and related fees.

Residents are entitled to quite extensive public healthcare services in Finland.¹¹² Some services are free of charge at the point of use, while for others there is a fee. A maximum is set for cumulative annual service fees, which in 2021 is €683.¹¹³ The patient is responsible for tracking these payments.¹¹⁴

¹¹¹ Maria Vaalavuo and others, *Nuoret aikuiset, terveys ja toimeentulotuki*, Report 4/2020, Finnish Institute of Health and Welfare, (hereinafter: "Nuoret aikuiset, terveys ja toimeentulotuki"), julkari.fi/handle/10024/139143, p. 18.

¹¹² For more information, please see: Ministry of Social Affairs and Health of Finland, Health Services, undated, stm.fi/en/health-services (accessed on 9 March 2021).

¹¹³ Ministry of Social Affairs and Health of Finland, Terveystuollon maksukatto, undated, stm.fi/terveydenhuollon-maksukatto (accessed on 9 March 2021).

¹¹⁴ Contact Point for Cross-Border Healthcare, Treatment costs of public health care, undated, eu-healthcare.fi/what-you-pay/costs-of-treatment-in-finland/treatment-costs-in-public-health-care/ (accessed on 9 March 2021).

According to a report commissioned by the Prime Minister's Office, for the most vulnerable having to track many different annual payments can be very difficult.¹¹⁵ Healthcare service fee rates have been raised several times in recent years to balance public spending budgets and their overall cumulative effects on people living in poverty have not been evaluated.¹¹⁶

Prescription medicine costs are partly reimbursed after a small initial deduction and fully reimbursed for children and for adults if they reach the annual cumulative maximum limit for out-of-pocket medicine costs (€579 in 2021), after which they pay €2.5 per medicine.¹¹⁷

According to the study commissioned by the Prime Minister's Office, service fees and medicine costs are a burden for people on low income and even though municipalities should by law exempt people from paying if they do not have the resources to do so, in practice this is not done consistently enough. As a result, fees can create a barrier preventing some people from accessing healthcare.¹¹⁸

“For the past year, I’ve had difficulties in buying my medications. Sometimes I’ve gotten help from the parish to buy medication. You only get help from those who are not part of the official society. Even food aid is organized by those outside the official society.”

Timo, a 55-year-old man receiving a disability pension who has relied on the support of family members and food aid to be able to afford daily living costs and health-related costs.

The Finnish not-for-profit sector provides many services related to childcare, caring for older people, promoting health and wellness, and preventing social exclusion.¹¹⁹ For example, food aid appeared in Finland in the 1990s as a temporary response to the economic depression and rapidly increasing

¹¹⁵ Maria Vaalavuo, *Sosiaali- ja terveydenhuollon asiakasmaksujen kohdentuminen, vaikutukset ja oikeudenmukaisuus*, Valtioneuvoston selvitys- ja tutkimustoiminnan julkaisusarja 30/2018 (hereinafter: *Sosiaali- ja terveydenhuollon asiakasmaksujen kohdentuminen, vaikutukset ja oikeudenmukaisuus*), julkaisut.valtioneuvosto.fi/bitstream/handle/10024/160727/30-2018-Asiakasmaksut.pdf, p. 123.

¹¹⁶ Finnish Institute of Health and Welfare, *Terveydenhuollon asiakasmaksut ja lääkekulut lisäävät ikääntyneiden ja työkyvyttömiä köyhyyttä*, 5 February 2020, thl.fi/fi/-/terveydenhuollon-asiakasmaksut-ja-laakekulut-lisaavat-ikaantyneiden-ja-tyokyvyttomien-koyhytta

¹¹⁷ Social Insurance Institution of Finland, *Reimbursements for medical expenses*, undated, kela.fi/web/en/medicine-expenses (accessed on 9 March 2021).

¹¹⁸ 20-30 % of surveyed service users said that high fees or lack of money made it harder for them to access services. Maria Vaalavuo, *Sosiaali- ja terveydenhuollon asiakasmaksujen kohdentuminen, vaikutukset ja oikeudenmukaisuus* (previously cited), p. 118, 120.

¹¹⁹ SOSTE, *Sosiaali- ja terveysjärjestöt Suomessa*, undated, soste.fi/sote-jarjestot/sosiaali-ja-terveysjarjestot-suomessa/ (accessed on 9 March 2021).

unemployment. However, today it has become a permanent feature of the society.¹²⁰ Estimates on how many people receive food aid annually vary greatly (between 80,000 and 200,000).¹²¹ In many ways, the not-for-profit sector addresses the gaps created by inadequate social security provision. However, the fulfilment of the most basic human need and right to adequate food is the responsibility of the state. The extent to which voluntary organizations are providing food aid is also a measure of the state's failure to ensure that the right to adequate food is respected, protected and fulfilled.

“All kinds of people need food aid. I have been working there for over 20 years and some people have been coming there since then. That’s a pretty long time... People’s living conditions should be improved. These kind of food queues shouldn’t exist.”

Sinikka Backman, director of a large food aid distribution centre in Helsinki.

Social security reform

Some of the key problems related to basic social security benefit provision and the complexity of the social security system are acknowledged in the current Government Programme of Prime Minister Marin: *“Since the level of basic social security is low and the benefit system is very complex, the role of social assistance has grown. Originally, social assistance was designed as a last-resort, short-term benefit, but it has evolved into a long-term supplement to basic social security... Now, people do not always get support when they need it the most, or they do not always have access to the services or benefits they need. At worst, they do not receive any support at all.”*¹²²

¹²⁰ Tuomo Laihiala, Eläkeläiset hyväntekeväisyysruoka-avun asiakkaina, (hereinafter: ”Eläkeläiset hyväntekeväisyysruoka-avun asiakkaina”), *Yhteiskuntapolitiikka*, 84(2019):4, https://www.julkari.fi/bitstream/handle/10024/138581/YP1904_Laihiala.pdf?sequence=2&isAllowed=y, p. 443.

¹²¹ Tuomo Laihiala and Reetta Nick, *Koronakriisin vaikutukset ruoka-apuun keväällä 2020*, Ruoka-apu.fi, 2020, https://ruoka-apu.fi/wp-content/uploads/2020/09/Koronakriisin-vaikutukset-ruoka-apuun_Laihiala-ja-Nick-2020-1.pdf

¹²² Government of Finland, Programme of Prime Minister Sanna Marin’s Government, (hereinafter: “Programme of Prime Minister Sanna Marin’s Government”), December 2019, available at valtioneuvosto.fi/en/marin/government-programme, p. 167.

In response to the problems identified, the government appointed a Parliamentary Committee to implement a social security reform over two electoral terms (2020-2027).¹²³ This Committee is tasked with addressing basic social security, earnings-related social security, basic social assistance, and how they are interlinked, as well as financing and services. It will also focus on different life situations (excluding retired pensioners) and on transitioning between different situations and benefits.¹²⁴

The Committee has identified four central problems in the current social security system: 1) the complexity of the system; 2) combining paid employment with social security; 3) minimum social security and housing; and 4) combining services and benefits.¹²⁵

To date, human rights have not been a central part of public discussions about social security and these reforms, and a human rights framework has not been applied in materials publicly available about the reforms.

In addition, a smaller ongoing project to reform social assistance is due to be completed by 2023. The aim of the reform is to strengthen the role of social assistance as a last-resort form of financial support within the social security system.¹²⁶

¹²³ Government of Finland, Programme of Prime Minister Sanna Marin's Government (previously cited), 2019, p. 166–172.

¹²⁴ Ministry of Social Affairs and Health of Finland, Social security reform, undated, stm.fi/en/-/social-security-reform (accessed on 22 February 2021).

¹²⁵ Pasi Moisio, Social Security Committee to begin tackling the problem of complexity in social security, 17.9.2020, stm.fi/en/-/social-security-committee-to-begin-tackling-the-problem-of-complexity-in-social-security

¹²⁶ Susanne Rahkonen and others, *Working group preparing the reform of the Act on Social Assistance – Final report of the working group*, Reports and Memorandum of the Ministry of Social Affairs and Health 2021:22, 10 August 2021, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/163342/STM_2021_22_rap.pdf?sequence=1&isAllowed=y, p. 10.

CHAPTER 3:

THE EFFECTS OF INADEQUATE BASIC SOCIAL SECURITY BENEFITS

This chapter looks at some of the effects inadequate social security benefits has on various groups. The aim is not to provide a comprehensive picture covering all groups and benefits, but rather to give an insight into what the impact of inadequate provision can be on the enjoyment of human rights.

It is also important to stress that research for this report has underscored the worrying lack of data and analysis on how the right to social security and the related right to an adequate standard of living is realized for several groups in Finland who are marginalized and at risk of discrimination. Research by Amnesty International and the Finnish League for Human Rights has pointed to the need to address this gap in information regarding groups including people with disabilities, the Indigenous Sámi people, LGBTI people, Roma people and foreign nationals.

In addition, Finnish social security legislation and most statistics and research on social security generally have adopted a binary approach to gender; more data and research are needed on how the social security system impacts non-binary people.

Poverty among families with children

- ✓ Committee on the Rights of the Child (2011):

The Committee recommended that the state provide support to economically disadvantaged families, including children in young families, single parents and families with many children, and guarantee the right of all children to an adequate standard of living.¹²⁷

- ✓ Committee on Economic, Social and Cultural Rights (2014):

The CESCR recommended that the state provide targeted support to those living in poverty or at risk of poverty, in particular single-parent families and families with children.¹²⁸

- ✓ The European Committee of Social Rights (2014):

The ECSR found that the level of maternity allowance provided was inadequate.¹²⁹

- ✓ National evaluation on the adequacy of basic social security (2019):

The expert group found that the home care allowance and minimum parental daily allowance were not sufficient to cover the reasonable minimum consumption reference budget.¹³⁰

“Even the child welfare services said that poverty is the only reason for why our family is a child welfare services customer.”

Hanna, a 57-year-old single parent from Helsinki receiving a part-time disability pension.

Families can claim several basic social security benefits. Mothers are entitled to a **maternity allowance** while on maternity leave. This earnings-based allowance is paid for 105 days. Fathers (or the mother’s partner in a same-sex relationship) are entitled to 54 days’ **paternity allowance** while on paternity leave. In addition, a further **parental allowance** is paid for 158 working days for parental leave and can be claimed by either parent after the end of maternity leave.¹³¹ The minimum provision level of family

¹²⁷ CRC, CRC/C/FIN/CO/4 (previously cited), 2011, p. 11.

¹²⁸ CESCR, E/C.12/FIN/CO/6 (previously cited), 2014.

¹²⁹ European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merits (previously cited), 9 September 2014.

¹³⁰ Perusturvan riittävyden III arviointiryhmä, *Perusturvan riittävyden arviointiraportti 2015–2019* (previously cited), p. 3.

¹³¹ Ministry of Social Affairs and Health of Finland, Characteristics of the Social Security System in Finland (previously cited), p. 15-17.

allowances in 2021 is €29 per day, amounting on average to €726 a month.¹³² After parental allowance ends, a parent can take childcare leave with full employment security to look after a child under the age of three. Employers are not required to compensate employees on childcare leave. After the period of leave, employees are entitled to return to their previous job or a comparable position. **Child home care and private day care allowances** are paid for children who are not in municipal day care, the former until children reach the age of three and the latter until they start school. The Social Insurance Institution of Finland pays a monthly tax-free **child benefit** for each child up to the age of 17. This is paid at a higher rate for single parents. Local authorities pay a child maintenance allowance to support children under 18 who do not obtain sufficient financial or material support from their parents.¹³³

The real value of social security benefits to families, such as the minimum parental allowance, has declined in comparison to social security benefits for many other groups.¹³⁴ The Ombudsperson for children reported in 2018 that cuts made to social security benefits as part of austerity measures in 2016-2018 have increased poverty among families with children.¹³⁵ The result is that families relying on basic social security have faced increasing challenges in managing daily living costs. The Ombudsperson for children recommended increases to all family-related social security benefit provision levels to eliminate poverty in families with children.¹³⁶

The rate of children at risk of poverty in Finland fell between the 1960s and the recession in the early 1990s.¹³⁷ However, it then rose steadily, from 4.4% in 1995 to a peak of 12.1% in 2007.¹³⁸ Since 2007, the rate has remained above 10%.¹³⁹ In 2019, about 22% of those living in households that rely on social security benefits were under the age of 17.¹⁴⁰

¹³² Social Insurance Institution of Finland, Muutoksia Kelan etuuksiin vuonna 2021, (hereinafter: "Muutoksia Kelan etuuksiin vuonna 2021") 28 December 2021, kela.fi/ajankohtaista-henkiloasiakkaat/-/asset_publisher/kg5xtoqDw6Wf/content/muutoksia-kelan-etuuksiin-vuonna-2021

¹³³ Ministry of Social Affairs and Health of Finland, Characteristics of the Social Security System in Finland (previously cited), p. 15-17.

¹³⁴ Sakari Karvonen and Minna Salmi, Lapsiköyhyys Suomessa 2010-luvulla, Working paper 30/2016 (hereinafter: "Lapsiköyhyys Suomessa 2010-luvulla"), Finnish Institute for Welfare and Health, 2016, julkari.fi/bitstream/handle/10024/131589/URN_ISBN_978-952-302-742-8.pdf?sequence=1&isAllowed=y, p. 24.

¹³⁵ Finnish Ombudsman for Children, *Köyhyydellä ei leikitä - Lapsiasiainvaltuutetun vuosikirja 2018* (hereinafter: "Lapsiasiainvaltuutetun vuosikirja 2018"), 2018, lapsiasia.fi/documents/25250457/32008468/K%C3%B6yhyydell%C3%A4+ei+leikit%C3%A4.+Lapsiasiainvaltuutetun+vuosikirja+2018.pdf/6d9c6002-3361-b13e-a654-bc8a06f28250/K%C3%B6yhyydell%C3%A4+ei+leikit%C3%A4.+Lapsiasiainvaltuutetun+vuosikirja+2018.pdf?t=1601442541133, p. 22.

¹³⁶ Finnish Ombudsman for Children, *Lapsiasiainvaltuutetun vuosikirja 2018* (previously cited), 2018, p. 29.

¹³⁷ Sakari Karvonen and Minna Salmi, Lapsiköyhyys Suomessa 2010-luvulla (previously cited), 2016, p. 13.

¹³⁸ Statistics Finland, Ikä ja pienituloisuus, (hereinafter: "Ikä ja pienituloisuus"), 2017, stat.fi/til/tjt/2017/01/tjt_2017_01_2019-03-01_kat_003_fi.html (accessed 13 April 2021).

¹³⁹ Statistics Finland, Ikä ja pienituloisuus (previously cited), 2017.

¹⁴⁰ Statistics Finland, Tuloerot (kansainvälinen vertailu) (previously cited), 2019.

According to the most recent assessment of social security in 2019, the income levels of those receiving the minimum parental daily allowance were not sufficient to cover the reasonable minimum consumption reference budget.¹⁴¹ The Finnish Institute for Health and Welfare also found that the 2020 and 2021 state budgets did not significantly improve the situation of those families in which parents receive minimum daily allowances.¹⁴²

“Poverty of families with children is largely a phenomenon of the 2000s in Finland. It’s hard to fathom that it isn’t discussed more.”

Heljä Sairisalo, Executive Director, the Finnish Federation of Single-Parent Organizations

In 2019, 30% of single-parent households headed by women received last resort means-tested social assistance benefits.¹⁴³ A total of 10.9% of children lived in households receiving social assistance, compared to 7.6% of the adult population in general.¹⁴⁴ According to a study by the Social Insurance Institution of Finland, reliance on last resort social assistance is a transgenerational phenomenon,¹⁴⁵ especially among single-parent families.¹⁴⁶

“If I have to buy several clothing items for my child at a time, I have to pay in instalments. It’s not nice to have to pay for them on a monthly basis, but I don’t have a choice. I’m always scared that my laundry machine might break, because I don’t know what I would do if it broke. If I had more money, I would be able to get more rehabilitation services for my child.”

Anne, a single-parent to child with special needs.

¹⁴¹ Perusturvan riittävyyden III arviointiryhmä, *Perusturvan riittävyyden arviointiraportti 2015–2019* (previously cited), p. 5.

¹⁴² Susanna Mukkila and Paula Saikkonen, *Vuoden 2020 talousarvion vaikutukset perusturvaan* (previously cited), p. 33; Susanna Mukkila and Jussi Tervola, *Vuoden 2021 talousarvion vaikutukset perusturvaan* (previously cited).

¹⁴³ 17 % of single-parent households of men received last resort social assistance in 2019. Finnish Institute for Health and Welfare, *Toimeentulotuki 2019, Tilastoraportti 22/2020* (hereinafter: “Toimeentulotuki 2019”), julkari.fi/bitstream/handle/10024/140163/Tr22_20.pdf?sequence=5&isAllowed=y

¹⁴⁴ Finnish Institute for Health and Welfare, *Toimeentulotuki 2019* (previously cited).

¹⁴⁵ Pasi Moisio and Timo Kauppinen, The intergenerational correlation of social assistance and selection bias in the Finnish population data, *Research on Finnish Society* 2011:4, 2011, available at finnresearch.fi/rfs_Moisio_Kauppinen_2011_final.pdf, p. 7-15.

¹⁴⁶ Simo Raittila and others, *Nuoret ja perustoimeentulotuen saanti*, 2018, (previously cited), p. 24.

The percentage of families with children at risk of poverty has also risen, especially single-parent families.¹⁴⁷ The rate of single-parent households at risk of poverty rose from 6.2% in 1995 to 25% in 2017 (the equivalent figures for two-parent households are 4% in 1995 and 7.4% in 2017).¹⁴⁸ Over 80% of single-parent families are headed by women.¹⁴⁹

“When I applied for a disability benefit for my child, there probably would have been grounds for an increased benefit, but I didn’t get it. I should have been able to describe his everyday capabilities in much more detail. When I later discussed with a Social Insurance Institution official, she was surprised that ‘Is your child’s care that demanding?’ The doctor’s statement had been very curt and vague. The level of detail in the doctor’s statement is crucial.”

Anne, single-parent mother of a child with special needs

Low-income status and insufficient social security provision have many long-term effects on children and families. A comprehensive 20-year study examined the entire cohort of children born in 1997 and their parents through registry data from the Finnish Institute for Health and Welfare.¹⁵⁰ According to the research, **children whose families received last resort means-tested social assistance were less likely to do well in school than others and more likely to have more outpatient visits to health facilities, use psychotropic drugs, be taken into custody by child welfare authorities and commit a crime.** Research by the Finnish Institute for Health and Welfare has shown that many young social assistance recipients have had issues and challenges during childhood or adolescence.¹⁵¹

¹⁴⁷ Statistics Finland, Kotitalouden elinvaihe ja pienituloisuus, (hereinafter: "Kotitalouden elinvaihe ja pienituloisuus") 2017, stat.fi/til/tjt/2017/01/tjt_2017_01_2019-03-01_kat_004_fi.html

¹⁴⁸ Statistics Finland, Kotitalouden elinvaihe ja pienituloisuus (previously cited), 2017.

¹⁴⁹ Statistics Finland, Pikkulapsiperheiden määrä vähentynyt lähes viidenneksellä 2010-luvulla, 2020, stat.fi/til/perh/2019/perh_2019_2020-05-22_tie_001_fi.html

¹⁵⁰ Tiina Ristikari and others, *Suomi lasten kasvu ympäristönä: Kahdeksantoista vuoden seuranta vuonna 1997 syntyneistä*, (hereinafter: "Suomi lasten kasvu ympäristönä"), Finnish Institute for Health and Welfare, 2018, available at julkari.fi/handle/10024/137104

¹⁵¹ Maria Vaalavuo and others, *Nuoret aikuiset, terveys ja toimeentulotuki* (previously cited), 2020, p. 17, 62.

Unemployed forced to rely on last resort benefits

- ✓ Committee on Economic, Social and Cultural Rights (2021):
The CESCR recommended that the state implement measures to facilitate the return to work of those caring for family members, especially those who are unemployed. It also recommended that the state address the root causes of the gender pay gap, such as women’s overrepresentation in temporary employment.¹⁵²
- ✓ Committee on Economic, Social and Cultural Rights (2014):
The CESCR recommended that the state adopt all measures necessary to address effectively the high long-term unemployment rate.¹⁵³
- ✓ The European Committee of Social Rights (2014):
The ESCR stated that amount of basic unemployment allowance is inadequate.¹⁵⁴
- ✓ National evaluation on the adequacy of basic social security (2019):
The expert group found that the income levels of those receiving minimum unemployment benefits were not sufficient to cover the reasonable minimum consumption reference budget.¹⁵⁵

“We would need more support to survive and not always just be punished. They say that we should get out of this spiral [of relying on social security] but you really can’t. I have tried to work even when I haven’t been in good health so that I could afford necessary trips to the doctor and pay for my car, which I need to be able to work.”

Heidi, a 57-year-old woman from Helsinki who is unemployed and suffers from a number of health conditions.

¹⁵² CESCR, E/C.12/FIN/CO/7, 2021 (previously cited).

¹⁵³ CESCR, E/C.12/FIN/CO/6, 2014 (previously cited).

¹⁵⁴ European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merits, 9 September 2014 (previously cited).

¹⁵⁵ Perusturvan riittävyden III arviointiryhmä, *Perusturvan riittävyden arviointiraportti 2015–2019* (previously cited), p. 5.

The unemployment rate in Finland was 7.8% in December 2020, having risen from its pre-COVID-19 level in December 2019 of 6.0%.¹⁵⁶ Youth unemployment is higher and in December 2020 stood at 20% of under 25s available for work, having risen from its pre-COVID-19 level in 2019 of 17.3%.¹⁵⁷ Unemployment, including long-term unemployment, is more common among men.¹⁵⁸

According to a 2017 survey, a majority (60%) of people without regular employment experience difficulties in managing everyday household costs and 41.3% had been at risk of running out of food within in the preceding year.¹⁵⁹ Furthermore, 53.3% of respondents said they had had to go without food, medication or visits to the doctor during the year because they could not afford them¹⁶⁰, reflecting the state's failure to guarantee an adequate standard of living for all.

There are three basic forms of unemployment benefits in Finland:

1) the earnings-related unemployment allowance: this is available to people who belong to a voluntary contributory unemployment fund and can be paid for between 300 and 500 days.

2) the basic unemployment allowance of €33,78 per day or an average of €726 per month in 2021¹⁶¹: this is paid by the Social Insurance Institution of Finland to unemployed jobseekers aged between 17 and 64 who meet certain criteria when they become unemployed;¹⁶² and

3) the labour market subsidy of €33,78 per day or €726 per month in 2021:¹⁶³ this is paid by the Social Insurance Institution of Finland and is payable for an unlimited period to unemployed people who do

¹⁵⁶ Statistics Finland, Employment weakened clearly in December, Labour force survey, (hereinafter: "Labour force survey December 2020"), 28 January 2021, stat.fi/til/tyti/2020/12/tyti_2020_12_2021-01-28_tie_001_en.html

¹⁵⁷ Statistics Finland, Labour force survey December 2020 (previously cited).

¹⁵⁸ Finnish Institute for Welfare and Health, Työllisyys ja työsuhteet sukupuolittain, (hereinafter: "Työllisyys ja työsuhteet sukupuolittain"), 2021, thl.fi/fi/web/sukupuolten-tasa-arvo/tasa-arvon-tila/tyo-ja-toimeentulo/tyollisyys-ja-tyosuhteet-sukupuolittain (accessed on 24 March 2021).

¹⁵⁹ The survey had 847 respondents, of whom 465 were either unemployed or subject to employment measures, while the rest were employees, pensioners, students, or caretakers. Lars Leemann and others, *Työelämän ulkopuolella olevien osallisuus ja hyvinvointi – kyselytutkimuksen tuloksia*, Finnish Institute for Health and Welfare, 2018, (hereinafter: "Työelämän ulkopuolella olevien osallisuus ja hyvinvointi"), julkari.fi/bitstream/handle/10024/136551/URN_ISBN_978-952-343-119-5.pdf?sequence=1&isAllowed=y, p. 29–30.

¹⁶⁰ Lars Leemann and others, *Työelämän ulkopuolella olevien osallisuus ja hyvinvointi*, 2018, (previously cited), p. 30.

¹⁶¹ Susanna Mukkila and Jussi Tervola, *Vuoden 2021 talousarvion vaikutukset perusturvaan* (previously cited), p. 12.

¹⁶² The earnings-related unemployment allowance is calculated based on the claimants' wages preceding unemployment. Ministry of Social Affairs and Health of Finland, Characteristics of the Social Security System in Finland (previously cited), 2013, p. 24; Social Insurance Institution of Finland, Basic unemployment allowance, 1.1.2021, kela.fi/web/en/basic-unemployment-allowance (accessed on 24 February 2021).

¹⁶³ Susanna Mukkila and Jussi Tervola, *Vuoden 2021 talousarvion vaikutukset perusturvaan* (previously cited), p. 12.

not meet the criteria for unemployment allowance.¹⁶⁴ A small additional amount is available for recipients with dependent children.¹⁶⁵

The following section details how the imposition of conditions, waiting times and the level of unemployment benefits are having a negative impact on the human rights of the unemployed and in particular on young unemployed people.

A person can temporarily lose their right to unemployment benefits (mandatory waiting period) if they have not met certain requirements.¹⁶⁶ The most common grounds for imposing a waiting period include resigning from a job without a valid reason, causing termination of employment, refusing work and not participating in employment services. The length of the waiting period for unemployment benefits varies from 15 to 90 days, depending on the grounds.¹⁶⁷

“The mandatory waiting period is removed only if I take part in employment activities for at least 3 months. But nothing is available in this village.”

Mari, a woman living in a rural setting who is experiencing poverty, unemployment and depression.

The government’s pursuit of austerity policies resulted in cuts and freezes to the National Pension Index between 2015 and 2019, which reduced the purchasing power of unemployment benefits.¹⁶⁸ The ECSR had deemed the level of the basic unemployment allowance to be inadequate even before these cuts and freezes.¹⁶⁹

¹⁶⁴ The labour market subsidy is a means-tested benefit equal in sum to the basic unemployment allowance. Ministry of Social Affairs and Health of Finland, Characteristics of the Social Security System in Finland (previously cited), 2013, p. 25.

¹⁶⁵ Social Insurance Institution of Finland, Muutoksia Kelan etuuksiin vuonna 2021, 28 December 2020, (previously cited).

¹⁶⁶ TE-palvelut, What is a mandatory waiting period? (hereinafter: “What is a mandatory waiting period?”), undated, te-palvelut.fi/jobseekers/if-unemployed/unemployment-security/mandatory-period#repeated (accessed on 22 April 2021).

¹⁶⁷ TE-palvelut, What is a mandatory waiting period?, undated.

¹⁶⁸ Perusturvan riittävyden III arviointiryhmä, *Perusturvan riittävyden arviointiraportti 2015–2019*, p. 3.

¹⁶⁹ European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merits, 9 September 2014 (previously cited).

”Because of lack of money my hobbies are walking and other stuff that doesn’t cost anything. I can’t afford gyms or movies, there is barely enough money for the basic things. I wouldn’t need much more money, if I got a few hundred more it would really help, I could live life like a human being.”

Teija, a 58-year-old unemployed woman who wishes to retire due to ill health and difficulties in finding a job.

In 2018, the government also adopted the so-called “activation model”, which required unemployed people to participate in employment-related activities to retain full benefits.¹⁷⁰ Benefits were reduced for those unable to comply with the requirements. According to a study by the VATT Institute for Economic Research, the “activation model” led to a cut in benefits especially among older people (those aged 55 to 64) and those who had been unemployed for longer periods (27-52 weeks).¹⁷¹

In 2020, the government cancelled some of the austerity policies of the previous government, including the “activation model” and the index freeze, and introduced small incremental increases to unemployment benefits.¹⁷² However, these were not sufficient to restore the value of the benefits cuts made under the previous government.

The inadequate level of minimum unemployment benefits means that people who are unemployed often need to resort to basic social assistance to supplement them.¹⁷³ Unemployed people are also

¹⁷⁰ Activity requirements of the ‘activation model’ included participation in activities organized by labour authorities, activities supporting job searching or working for a certain number of hours during a review period of 65 days. The Social Insurance Institution of Finland, Unemployment benefits: Activation model, from 1st January 2018 onwards, 2018, kela.fi/documents/10180/0/Activation+model,+letter+to+customers/630176e9-c285-45df-b1d8-711a06a262cf (accessed on 17 June 2020).

¹⁷¹ The statistical report does not include further analysis of the reasons for why these specific groups were more often not able to meet the “activation criteria”, but generally these same groups face more difficulties in finding employment. Tomi Kyyrä and others, *Aktiivimalli ja ansiosidonnainen työttömyysturva*, (hereinafter: “Aktiivimalli ja ansiosidonnainen työttömyysturva”), VATT Institute for Economic Research, 2019, p. 15–16.

¹⁷² Pertti Honkanen, *Perusturvan kehitys 2010–2020* (hereinafter: “Perusturvan kehitys”), SOSTE Suomen sosiaali ja terveys ry, 2020, soste.fi/wp-content/uploads/2020/01/SOSTE-selvitys-perusturvan-kehitys-2010-2020-Pertti-Honkanen-2.pdf, p. 8.

¹⁷³ Perusturvan riittävyden III arviointiryhmä, *Perusturvan riittävyden arviointiraportti 2015–2019*, p. 40.

more likely to be forced to rely on social assistance for longer.¹⁷⁴ If the beneficiary has income from short-term or gig employment their basic social assistance can be cut the following month.¹⁷⁵

“From the point of view of an unemployed person the problem with basic social security is often a lack of flexibility. If you get a small work gig or a short-term job, then your social assistance might be cut and it’s not worthwhile to take the job.”

Jukka Haapakoski, Director of the Finnish National Organization of the Unemployed

Young people under 25 face many different eligibility requirements when it comes to accessing unemployment benefits. Those without a vocational decree face a five-month waiting period before they qualify for the labour market subsidy¹⁷⁶ and to qualify for social security they are required to apply for education that leads to a degree. The intention of these requirements was to encourage young people to continue their education and to combat youth unemployment and marginalization. The law setting out¹⁷⁷ restrictions on unemployment benefits for those under 25 has also been justified by the Constitutional Law Committee on the grounds that unemployment benefits should not become a substitute for the significantly lower student allowance.¹⁷⁸ However, in reality, young people at risk of social exclusion do not undertake a degree course, but rather drop out of service provision.¹⁷⁹ According to research by the Ministry of Economic Affairs and Employment, the age-based restrictions

¹⁷⁴ Signe Jauhiainen and Tuija Korpela, *Toimeentulotuen saajat*, Signe Jauhiainen and Tuija Korpela (eds.), *Toimeentulotuen saajien elämäntilanne, asuminen ja työnteko*, (hereinafter: "Toimeentulotuen saajat"), Valtioneuvoston selvitys- ja tutkimustoiminnan julkaisusarja, 2019:28, available at julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161459/28_2019_Toimeentulotuen%20saajien%20elamantilanne%20asuminen%20ja%20tyonteko.pdf, p. 16-17.

¹⁷⁵ Social Insurance Institution of Finland, *Toimeentulotuki – etuusohje etuuskäsittelijöille*, 26.5.2021 (previously cited).

¹⁷⁶ Social Insurance Institution of Finland, *Eligibility requirements for applicants under 25 years*, undated, kela.fi/web/en/eligibility-requirements-for-applicants-under-25-years (accessed on 23 February 2021).

¹⁷⁷ Act on Unemployment Benefits (2002/1290), Part 1, Chapter 2, Section 13 and Part 3, Chapter 7, Section 2.

¹⁷⁸ Constitutional Law Committee of Finland, *Valiokunnan lausunto PeVL 19/2018 vp HE 59/2018 vp*, eduskunta.fi/FI/vaski/Lausunto/Sivut/PeVL_19+2018.aspx

¹⁷⁹ Simo Aho and others, *Nuorten työmarkkinatukioikeus ja koulutukseen hakeutuminen*, Ministry of Employment and Economy of Finland Publications 3/2012, 2012, <https://tem.fi/documents/1410877/3342347/Nuorten+ty%C3%B6markkinatukioikeus+ja+koulutukseen+hakeutuminen+13022012.pdf>, p. 228–229.

have not produced the desired increase in youth employment or in young people completing degrees.¹⁸⁰

”When I became unemployed and didn’t get any unemployment benefits, I was frustrated, confused and a bit angry. I had a lot of difficulties, trying to live on just the housing benefit. I had to decide whether to pay at least a part of my rent or whether to buy food. I lost my apartment. I had just lost my job and was feeling a bit lost. It didn’t help at all that I didn’t have the resources for anything.”

Amanda, a 19-year-old who dropped out of high school partly due to lack of money and shortly after became unemployed.

Age-based restrictions mean young unemployed people cannot access primary social security benefits¹⁸¹ and are forced to rely on social assistance, which was originally intended to be a short-term benefit of last resort.¹⁸² In 2017-2018, more than 43,000 young people in Finland were reliant on basic social assistance for at least a month.¹⁸³ Most of the young recipients of social assistance are in fact unemployed, but the strict criteria (the long waiting period and the requirement to apply for a place in education) for receiving unemployment benefits result in young people not accessing the primary benefit.¹⁸⁴ The level of social assistance is inadequate and it generally has to be reapplied for on a monthly basis, which makes the reliance of young people on social assistance problematic in terms of both adequacy and accessibility. The current Government Programme has stated that the reasons for young people’s dependency on social assistance will be examined to find ways to address the issue.¹⁸⁵

¹⁸⁰ Since the publication of this study, there have been major changes in educational policy, including cuts to student benefits and the introduction of first timers’ quota in higher education admission. Simo Aho and others, *Nuorten työmarkkinatukioikeus ja koulutukseen hakeutuminen*, 2012 (previously cited), p. 257.

¹⁸¹ Tuija Korpela, ”Tulottomien” kotitalouksien määrä kaksinkertaistunut kymmenessä vuodessa, (hereinafter: ”Tulottomien” kotitalouksien määrä kaksinkertaistunut kymmenessä vuodessa”), Social Insurance Institution of Finland Research Blog, 14.12.2017, blogi.kansanelakelaitos.fi/arkisto/4341

¹⁸² Tuija Korpela and Simo Raittila, Väliinpuotoajat Kela-siirron jälkeen. Kuinka pitkään ensisijaisten etuuksien puutetta paikataan toimeentulotuella, 2020 (previously cited), p. 414, 422.

¹⁸³ Tuija Korpela and Simo Raittila, Väliinpuotoajat Kela-siirron jälkeen. Kuinka pitkään ensisijaisten etuuksien puutetta paikataan toimeentulotuella, 2020 (previously cited), p. 401.

¹⁸⁴ Simo Raittila and others, Nuoret ja perustoimeentulotuen saanti, 2018 (previously cited), p. 4, 43.

¹⁸⁵ Government of Finland, Programme of Prime Minister Sanna Marin’s Government, December 2019, (previously cited), p. 171.

Under 25s are the group most affected by cuts to social assistance.¹⁸⁶ Many young people do not fulfil the eligibility criteria – for example, they may have declined or discontinued employment or training without a just cause – which means that their social assistance can be cut by 20-40%.¹⁸⁷ Cuts are especially prevalent for those who are forced to rely on social assistance throughout the year, 28% of young people who fall into this group have had their assistance cut.¹⁸⁸ Social assistance cuts are imposed on 8% of all young (18-25 years old) recipients annually, considerably higher than the comparable figure for other recipients (2%).¹⁸⁹

According to research by the National Insurance Institution of Finland, social workers who work with young people are critical of these cuts and most do not believe that the sanctions have the desired effect.¹⁹⁰

¹⁸⁶ This study was done by utilizing statistics from November 2017 to October 2018. Antti Veilahti, Toimeentulotuen perusosan alentaminen Kelassa. Askel kohti vastikkeellisempää perusturvaa?, *Ojista allikkoon? Toimeentulotuki uudistuksen ensi merit*, (hereinafter: Toimeentulotuen perusosan alentaminen Kelassa), Social Insurance Institution of Finland, 2020, p. 365–366.

¹⁸⁷ Second expert group for evaluation of the adequacy of basic social security, Adequacy of basic social security in Finland 2011-2015, 2015 (previously cited), p. 35.

¹⁸⁸ Youth here includes people under 25 years of age. Antti Veilahti, Toimeentulotuen perusosan alentaminen Kelassa. Askel kohti vastikkeellisempää perusturvaa?, 2020 (previously cited), p. 367.

¹⁸⁹ Antti Veilahti, Toimeentulotuen perusosan alentaminen Kelassa. Askel kohti vastikkeellisempää perusturvaa?, 2020 (previously cited), p. 379.

¹⁹⁰ Simo Raittila and others, Nuoret ja perustoimeentulotuen saanti, 2018 (previously cited), p. 15.

Pensioners struggling with health costs

- ✓ Committee on Economic, Social and Cultural Rights (2021):
The CESCR recommended that the state mitigate the impact of care-related career interruptions on older women’s pension benefits.¹⁹¹
- ✓ Committee on Economic, Social and Cultural Rights (2014):
The CESCR has stated that the minimum levels of old age benefits are inadequate to cover the real cost of living.¹⁹²
- ✓ The European Committee of Social Rights (2014):
The ECSR has stated that the guaranteed pension provision level is inadequate.¹⁹³

“Sometimes I can’t sleep at night, because I’m worrying about how to make my money last. Sometimes, I’m bitter. I worked all my life, for decades, and still my pension is so small... Sometimes I think that I should go back to work, although there isn’t much work available. Of course, they can’t just give out money everywhere, but there should be some standard of living. [Not having enough money] affects your mental health and every aspect of life so much.”

Maarit, a 65-year-old pensioner living with her husband in Häme.

Inadequate pension levels are causing considerable hardship for some older people. According to a 2019 study, nearly 40% of food aid recipients are pensioners.¹⁹⁴ According to the same study, nearly all pensioner food aid recipients need food aid for over a year and 47% have to rely on food aid for at least three years.¹⁹⁵ Almost all pensioner food aid recipients consider food aid to be indispensable for their

¹⁹¹ CESCR, E/C.12/FIN/CO/7, 2021.

¹⁹² CESCR, E/C.12/FIN/CO/6, 2014.

¹⁹³ European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merits, 9 September 2014.

¹⁹⁴ Tuomo Laihiala, Eläkeläiset hyväntekeväisyysruoka-avun asiakkaina, 2019 (previously cited), p. 445.

¹⁹⁵ Tuomo Laihiala, Eläkeläiset hyväntekeväisyysruoka-avun asiakkaina, 2019 (previously cited), p. 446.

everyday survival.¹⁹⁶ Reliance on food aid among pensioners is often connected to health costs and high housing costs relative to income levels.¹⁹⁷

There are two statutory and complementary pension systems in Finland: **the national pension** and the **earnings-related pension**. The former provides basic income for people who are not entitled to an earnings-related pension or who only receive a very small earnings-related pension.¹⁹⁸ Both systems cover retirement, disability and those who are widowed or orphaned. The national pension, which in 2021 is between €593.97 and €665.29 per month,¹⁹⁹ is financed through taxation and administered by the Social Insurance Institution of Finland.

The **guaranteed pension** was introduced in 2011 as a supplement to the national pension and provides a minimum level of pension²⁰⁰ for low-income pensioners whose occupational and/or national pensions fall below a set figure – €837.59 per month in 2021.²⁰¹ However, not all pensioners who are entitled to a guaranteed pension apply for it; in 2021 the Social Insurance Institution of Finland found that 9,542 eligible pensioners had not applied for it.²⁰² The reasons for this are not clear, but may be related to lack of information or difficulties with the application processes. One of the social workers interviewed by Amnesty International Finland stated that some pensioners using food aid are not aware that they might be eligible for supplementary benefits, such as basic social assistance.²⁰³

The government has stated that it will examine the situation of those pensioners whose total income falls below the guaranteed pension level.²⁰⁴

The number of older people on low incomes has grown since the mid-1990s, when 15.6% of those over the age of 75 had a low-income status.²⁰⁵ By 2017, this figure had risen to 21.6% (105,000 people).²⁰⁶ The risk of poverty is twice as high among women compared to men and women's earnings-

¹⁹⁶ Tuomo Laihiala, *Eläkeläiset hyväntekeväisyysruoka-avun asiakkaina*, 2019 (previously cited), p. 453.

¹⁹⁷ Tuomo Laihiala, *Eläkeläiset hyväntekeväisyysruoka-avun asiakkaina*, 2019 (previously cited), p. 452–453.

¹⁹⁸ Finnish Centre for Pensions, National and guaranteed pensions supplement small earnings-related pensions, (hereinafter: “National and guaranteed pensions supplement small earnings-related pensions”), 4.1.2020, tyoelake.fi/en/what-are-pensions/national-and-guarantee-pensions-supplement-low-income/ (accessed on 8 March 2021).

¹⁹⁹ Social Insurance Institution of Finland, *Muutoksia Kelan etuuksiin vuonna 2021*, 28 December 2020, (previously cited).

²⁰⁰ Pertti Honkanen, *Perusturvan kehitys 2010–2020*, 2020, (previously cited), p. 11.

²⁰¹ Social Insurance Institution of Finland, *Takuueläke*, undated, kela.fi/takuuelake (accessed on 6 April 2021).

²⁰² The Social Insurance Institution of Finland, *Takuueläke on hakematta noin 9 500:lla eläkeläisellä*, 30 March 2021, kela.fi/ajankohtaista-henkiloasiakkaat/-/asset_publisher/kg5xtogDw6Wf/content/takuuelake-on-hakematta-noin-9-500-lla-elakelaisella (accessed on 6 April 2021).

²⁰³ Interview with a social worker, January 2021.

²⁰⁴ Government of Finland, *Programme of Prime Minister Sanna Marin's Government*, December 2019, (previously cited), p. 158.

²⁰⁵ Statistics Finland, *Tuloerot (kansainvälinen vertailu) 2017*, (previously cited).

²⁰⁶ Statistics Finland, *Tuloerot (kansainvälinen vertailu) 2017*, (previously cited).

based pension level is on average 58% of that of men.²⁰⁷ There are many reasons for these differences, including the gender pay gap and inequality in the division of care responsibilities in families.²⁰⁸

Health-related costs are part of the reason why pensions are not necessarily able to cover reasonable minimum consumption – minimum consumption reference budgets do not accurately reflect pensioners' actual health costs. The national evaluation report on the adequacy of basic social security stated that basic pension security is sufficient to meet reasonable minimum consumption reference budgets.²⁰⁹ However, the 2018 reasonable minimum consumption reference budget for a woman over 65 and living alone includes €43 per month (€516 a year) for medical visits, medicines and health supplies,²¹⁰ while, according to the Finnish Medicines Agency, Fimea, the average annual cost of medicines alone (including most, but not all possible costs) was €922.5 for those over 75 years of age.²¹¹

Even after reaching the annual co-payment limit, it is unlikely that the reasonable minimum consumption reference budget would cover health-related costs for many pensioners, let alone all other living costs, as for instance not all medications are covered by the co-payment limit. According to a survey commissioned by the Prime Minister's Office, more than 10% of low-income older respondents had not been able to see a doctor because of financial constraints.²¹²

²⁰⁷ Karoliina Koskenvuo, Naisten ja miesten eläkkeissä selvä ero – sen kaventaminen vaatii monipuolisia toimia, (hereinafter: "Naisten ja miesten eläkkeissä selvä ero – sen kaventaminen vaatii monipuolisia toimia"), Social Insurance Institution of Finland Research Blog, 8 January 2020, [tutkimusblogi.kela.fi/arkisto/5130](https://www.tutkimusblogi.kela.fi/arkisto/5130)

²⁰⁸ Karoliina Koskenvuo, Naisten ja miesten eläkkeissä selvä ero – sen kaventaminen vaatii monipuolisia toimia, 8 January 2020 (previously cited).

²⁰⁹ Perusturvan riittävyden III arviointiryhmä, Perusturvan riittävyden arviointiraportti 2015-2019 (previously cited), p. 51.

²¹⁰ Anna-Riitta Lehtinen and Kristiina Aalto, Kohtuullisen minimin viitebudjettien laadinta ja käyttö, 2019 (previously cited), p. 18.

²¹¹ Hanna-Mari Jauhonen and Johanna Jyrkkä, Monilääkitys ja lääkekustannukset kasvussa iäkkäillä, Finnish Medicines Agency Fimea, Sic! 3/2020, (hereinafter: "Monilääkitys ja lääkekustannukset kasvussa iäkkäillä"), sic.fimea.fi/arkisto/2020/3_2020/palstat-/monilaakitys-ja-laakekustannukset-kasvussa-iakkailla

²¹² Maria Valavuo, *Sosiaali- ja terveydenhuollon asiakasmaksujen kohdentuminen, vaikutukset ja oikeudenmukaisuus*, Valtioneuvoston selvitys- ja tutkimustoiminnan julkaisusarja 30/2018, <https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/160727/30-2018-Asiakasmaksut.pdf>, p. 120.

Sickness benefit system – inadequate and complex

- ✓ Committee on Economic, Social and Cultural Rights (2014):
The CESCR has stated that the minimum levels of sickness benefits are inadequate to cover the real cost of living.²¹³
- ✓ The European Committee of Social Rights (2014):
The ECSR has stated that the guaranteed pension and sickness and rehabilitation benefit provision levels are inadequate.²¹⁴
- ✓ National evaluation on the adequacy of basic social security (2019):
The expert group found that the income levels of those receiving the sickness daily allowance were not sufficient to cover the reasonable minimum consumption reference budget.²¹⁵

“At the end of the month, I don’t have a single euro left in my bank account, and still have expenses to cover from the previous months... My family, my son-in-law and my daughter have helped me to buy my blood pressure medication. But sometimes, when I haven’t had money, I’ve been without my medication for three or four days.

Timo, a 55-year-old man receiving a disability pension who has relied on the support of family members and food aid to be able to afford daily living and health-related costs.

The broad categories of sickness and disability include people with many different life situations. However, a common problem for most of those reliant on benefits for health reasons is the complexity of the social security system and the inadequacy of benefits.

There are multiple definitions of work-related disability. According to the Health Insurance Act, work-related disability is defined as when a person is unable to perform their usual work or a job similar to

²¹³ CESCR, E/C.12/FIN/CO/6, 2014.

²¹⁴ European Committee of Social Rights, No. 88/2012 Finnish Society of Social Rights v. Finland, Decision on the Merits, 9 September 2014.

²¹⁵ Perusturvan riittävyden III arviointiryhmä, Perusturvan riittävyden arviointiraportti 2015-2019 (previously cited), p. 5.

their usual work.²¹⁶ Under the Act, a person is entitled to daily sickness allowance (which may be earnings based but is at least a minimum amount) during temporary inability to work for health reasons.²¹⁷ In 2021, the minimum daily sickness allowance is €29.05 (an average of €726 per month).²¹⁸

The minimum daily sickness allowance is not sufficient to provide an adequate standard of living and, as a result, many people who are ill do not have the means to meet their basic needs. In 2018, over a third of those who received the minimum allowance were also drawing basic social assistance.²¹⁹ Recipients of the minimum allowance are typically younger than the average recipient of sickness allowance and their illnesses are often related to mental health issues.²²⁰

Sickness allowance is intended to cover only temporary conditions and is available for a maximum of 300 working days. After this, a person can only receive it for the same illness if they have been able to work again or for a different unrelated condition.²²¹ If a person is still ill after reaching the maximum duration, they can apply for other benefits, such as a disability pension.²²²

“When I transferred from the sickness daily benefit to the labour market subsidy, they took a long time to make the granting decisions in The Social Insurance Institution. Transferring between benefits takes a long time and I was worried since I was running out of money before receiving the benefit.”

Teija, a 58-year-old unemployed woman who wishes to retire due to ill health and difficulties in finding a job.

²¹⁶ Health Insurance Act (1224/2004), Chapter 8, Section 4, unofficial translation available at finlex.fi/en/laki/kaannokset/2004/en20041224_20110911.pdf

²¹⁷ The Social Insurance Institution of Finland, Amount and payment of sickness allowance, 2021, kela.fi/web/en/sickness-allowance-amount-and-payment (accessed on 26 March 2021).

²¹⁸ Susanna Mukkila and Jussi Tervola, *Vuoden 2021 talousarvion vaikutukset perusturvaan*, 2021 (previously cited), p. 6, 14.

²¹⁹ Jenni Blomgren and Tuija Korpela, Vähimmäismääräinen sairauspäiväraha ajaa usein myös toimeentulotuelle, (hereinafter: "Vähimmäismääräinen sairauspäiväraha ajaa usein myös toimeentulotuelle"), Social Insurance Institution of Finland research blog, 1 June 2018, sosiaalivakuutus.fi/vahimaismaarainen-sairauspaivaraha-ajaa-usein-toimeentulotuelle/

²²⁰ Jenni Blomgren and Tuija Korpela, Vähimmäismääräinen sairauspäiväraha ajaa usein myös toimeentulotuelle, 1 June 2018 (previously cited).

²²¹ Health Insurance Act (1224/2004), Chapter 8, Sections 8 and 9.

²²² Social Insurance Institution of Finland, Disability pension and rehabilitation subsidy, undated, kela.fi/web/en/disability-pension-and-rehabilitation-subsidy (accessed on 10 June 2021).

The number of people applying for disability pensions has been increasing. In 2019, over 20,000 people began drawing a disability pension.²²³ Mental health disorders are the most common reason for people to get disability pensions in Finland. This is especially marked among those under the age of 35; 80% of under 35s drawing a disability benefit do so for mental health disorders.²²⁴

The disability pension is earnings based, but if person's earnings were low, the pension level is set at the same level as the guaranteed pension (€837.6 a month in 2021).²²⁵ In such cases, the same concerns remain about the inadequate level of the guaranteed pension to meet basic needs, as discussed in the previous section. There is also a part-time disability pension, but that is only available as an earnings-related pension since the partial pension would be too small if calculated based on the national pension.²²⁶ However, this has the effect of excluding those on lower incomes from access to a part-time disability pension.

When processing a pension application, an individual's work history and their capability to work in their current job or another suitable job are considered, in addition to their health.²²⁷ The applicant must also be able to describe their illness and assess how they could cope at work,²²⁸ which can be a harrowing task for someone who is experiencing physical or mental health problems.

Decisions about whether to grant a disability pension are made based on a statement from the doctor treating the applicant.²²⁹ For those in employment, the decision is made by pension providers and for

²²³ Finnish Centre for Pensions, Suomen työeläkkeensaajat 2019, (hereinafter: "Suomen työeläkkeensaajat 2019"), Eläketurvakeskuksen tilastoja, 2020, julkari.fi/bitstream/handle/10024/140200/suomen-tyoelakkeensaajat-2019.pdf?sequence=5&isAllowed=y, p. 12.

²²⁴ Mental health disorders were the basis for 33 % of invalidity pension decisions in 2019, with musculoskeletal disorders being the reason in 31 % of the decisions. The most common mental health related reason for invalidity pension in 2019 was depression. Finnish Centre for Pensions, Mental disorders the most common reason for retirement on a disability pension, (hereinafter: "Mental disorders the most common reason for retirement on a disability pension"), 8 April 2020, etk.fi/en/topical-issues/mental-disorders-the-most-common-reason-for-retirement-on-a-disability-pension/ (accessed on 15 April 2021).

²²⁵ The Social Insurance Institution of Finland, Työkyvyttömyyseläke ja kuntoutustuki, 2021, kela.fi/tyokyvyttomyyselake-ja-kuntoutustuki (accessed on 18 March 2021); Susanna Mukkila and Jussi Tervola, *Vuoden 2021 talousarvion vaikutukset perusturvaan*, 2021 (previously cited), p. 5.

²²⁶ Tuija Oivo and Raija Kerätär, *Selvityshenkilöiden raportti - Osatyökykyisten reitit työllisyyteen*, (hereinafter: "Selvityshenkilöiden raportti - Osatyökykyisten reitit työllisyyteen"), Sosiaali- ja terveysministeriön muistioita 43/2018, julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161151/STM%20rap%2043%202018%20Osatyokykyisten%20reitit%20tyollisyyteen.pdf?sequence=4&isAllowed=y, p. 59.

²²⁷ Mikko Laaksonen and Heidi Nyman, Työkyvyttömyyseläkkeiden hylkäysosuuden kasvu 2007–2016, (hereinafter: "Työkyvyttömyyseläkkeiden hylkäysosuuden kasvu 2007–2016"), *Yhteiskuntapolitiikka* 83 (2018):5–6, julkari.fi/bitstream/handle/10024/137211/YP1805-6_Laaksonenym.pdf?sequence=2&isAllowed=y, p. 544; National Pension Act (2007/568), Chapter 3, Section 12.

²²⁸ Finnish Centre for Pensions, When your working ability has been reduced, 31 December 2020, tyoelake.fi/en/different-pensions/disability-pension-if-your-working-ability-has-been-reduced/#title (accessed 18 March 2021).

²²⁹ Anne Määttä, *Perusturva ja poiskäännyttäminen*, (hereinafter: "Perusturva ja poiskäännyttäminen"), Diakoniammattikorkeakoulu, 2012,

those who do not have an employment history, the decision is made by the Insurance Institution of Finland.²³⁰

Those who are unemployed can face difficulties in getting a proper statement from a doctor since they do not have access to healthcare professionals with the expertise to assess their capability to work in their job and may not be able to count on established doctor-patient relationships.²³¹ It is also harder to assess their capability to work if there is no recent job against which their capability to work could be compared.²³² As a result some of those who are unemployed and qualify for a disability pension may not be able to access to it.

“I have asked for years to get a medical evaluation of my ability to work. The Social Insurance Institution says that the city of Helsinki oversees that but the doctor working for the city says that they don't do those.”

Hanna, a 57-year-old single parent from Helsinki receiving a part-time disability pension.

Those who have been unemployed for a longer period prior to the pension application are more likely to have their application rejected. The likelihood of rejection varies in different studies. One study that looked at the decisions made by the Social Insurance Institution of Finland in 2014 found that the rejection rate was 87% for the long-term unemployed who had received unemployment benefit that was not earnings related for over 200 days; this was a significantly higher rejection rate than for applicants who were employed (31%).²³³ Another study that looked at all pension decisions made by other pension providers in Finland from the year 2016 found that the rejection rate for the long-term unemployed was 38%, compared to an average rejection rate of 28%.²³⁴

theseus.fi/bitstream/handle/10024/140360/A_36_ISBN%209789524931762.pdf?sequence=1&isAllowed=y, p. 88.

²³⁰ Anne Määttä, *Perusturva ja poiskäännyttäminen*, 2012 (previously cited), p. 88.

²³¹ Anne Määttä, *Perusturva ja poiskäännyttäminen*, 2012 (previously cited), p. 88–89; Riku Perhoniemi and others, Mitä hylkäävän työkyvyttömyyseläkepäätöksen jälkeen?, (hereinafter: "Mitä hylkäävän työkyvyttömyyseläkepäätöksen jälkeen?"), *Yhteiskuntapolitiikka* 83 (2018):2, julkari.fi/bitstream/handle/10024/136252/YP1802_Perhoniemiym.pdf?sequence=2&isAllowed=y, p. 119.

²³² Riku Perhoniemi and others, Mitä hylkäävän työkyvyttömyyseläkepäätöksen jälkeen?, (hereinafter: "Mitä hylkäävän työkyvyttömyyseläkepäätöksen jälkeen?"), *Yhteiskuntapolitiikka* 83 (2018):2, julkari.fi/bitstream/handle/10024/136252/YP1802_Perhoniemiym.pdf?sequence=2&isAllowed=y, p. 119.

²³³ Riitta Huurinainen, *Kelan työkyvyttömyyseläkkeiden hylkäykset ja niiden vakuutuspiirikohtainen vaihtelu*, University of Turku, 2016, utu.fi/sites/default/files/public%3A/media/file/Huurinainen_Riitta.pdf, p. 45–46.

²³⁴ Mikko Laaksonen and Heidi Nyman, Työkyvyttömyyseläkkeiden hylkäysosuuden kasvu 2007–2016, (hereinafter: "Työkyvyttömyyseläkkeiden hylkäysosuuden kasvu"), *Yhteiskuntapolitiikka* 83 (2018):5-6, julkari.fi/bitstream/handle/10024/137211/YP1805-6_Laaksonenym.pdf?sequence=2&isAllowed=y, p. 547.

Applications for a disability pension can be rejected for a variety of reasons²³⁵ and, although the criteria have remained the same, the proportion of rejections has been growing in recent decades. Among the possible factors contributing to this trend are a gradual move to a more restrictive approach in decision-making, applicants being on average in better health than before and a change in social attitudes whereby people are expected to continue working regardless of health issues.²³⁶ It is the case, however, that the people whose applications are rejected typically have lower levels of education, have previously been unemployed and suffer from multiple conditions.²³⁷

People whose applications for disability pension are rejected rarely return to work.²³⁸ According to a study that followed those whose pension applications were rejected in 2010, 43% made successful applications in subsequent years.²³⁹ Over 70% of those whose applications were rejected received unemployment benefits at some point during the four years following the decision not to award them a disability benefit.²⁴⁰ This change in their official status from unable to work due to their health to unemployed means that they are required to undertake the responsibilities required of a jobseeker, even if there has been no actual improvement in their health. This can lead to a period when they are left without social security benefits if they are offered a job or some other “activation” measures which they are unable to carry out because of poor health.²⁴¹ Their situation is made even more difficult because those with limited capacity to work who are classified as unemployed must constantly reapply for different benefits and services.²⁴²

According to various studies, there are annually around 1,500 to 5,300 people whose disability pension applications are rejected and whose official status is unemployed but who are unable to work – they live in a cycle of receiving unemployment benefits and occasional sickness allowance.²⁴³ They also face a

²³⁵ The disability pension application can be rejected if, for example, the applicant’s ability to work is not deemed to have been decreased enough to prevent them from working or for a long enough time or if the applicant is ill but there is not a clearly diagnosable illness causing the disability. Mikko Laaksonen and Heidi Nyman, *Työkyvyttömyyseläkkeiden hylkäysosuuden kasvu 2007–2016*, 2018 (previously cited), p. 554.

²³⁶ Mikko Laaksonen and Heidi Nyman, *Työkyvyttömyyseläkkeiden hylkäysosuuden kasvu 2007–2016*, 2018 (previously cited), p. 552.

²³⁷ Riku Perhoniemi and others, *Mitä hylkäävän työkyvyttömyyseläkepäättöksen jälkeen?*, 2018 (previously cited).

²³⁸ Jenni Blomgren and others, *Työttömyys ja työkyvyttömyys kietoutuvat yhteen – työttömien työkykyä tuettava varhaisessa vaiheessa*, *Tackling Inequalities in Time of Austerity*, Policy Brief 5/2020, University of Turku, blogit.utu.fi/tita/wp-content/uploads/sites/45/2020/12/Blomgren-ym.pdf

²³⁹ Riku Perhoniemi and others, *Mitä hylkäävän työkyvyttömyyseläkepäättöksen jälkeen?*, 2018 (previously cited), p. 122.

²⁴⁰ Riku Perhoniemi and others, *Mitä hylkäävän työkyvyttömyyseläkepäättöksen jälkeen?*, 2018 (previously cited), p. 122.

²⁴¹ Riku Perhoniemi and others, *Mitä hylkäävän työkyvyttömyyseläkepäättöksen jälkeen?*, 2018 (previously cited), p. 120.

²⁴² J. Blomgren and I. Hiljanen, *Työtön vai työkyvytön?*, Social Insurance Institution of Finland Research Blog, 5 November 2020, tutkimusblogi.kela.fi/arkisto/5606

²⁴³ This number is based on combining existing research results. Parliamentary Committee of Social Security Reform, *Työkyvyttömät työttömät, ainestopohjainen tarkastelu*, 2 November 2020, available at

variety of barriers in accessing appropriate social security benefits.²⁴⁴ One study commissioned by the Ministry of Social Affairs and Health estimated that there are 27,000 unemployed people whose health status is such that they would be unable to work if offered a job but who are still living on unemployment benefits.²⁴⁵

“After I got sick, I first received sickness allowance. Then I applied for temporary disability pension and got rejected. A specialist wrote me a statement which eventually got me the pension, but it was granted for a short time, and it was cut off when my rehabilitation had just started to show some results. My rehabilitation has been wrecked by the social security system. My medical statements state that that I am unable to work in any job. I need a personal assistant to survive everyday life.

I was forced to become officially unemployed while I was in such bad health that I couldn’t even fill out the forms. All my energy goes to this bureaucracy. The Pension Institute demanded that I go back to my old job to work on a computer when I was physically unable to write a single email. It was absurd. You have to say to the unemployment services that you are ready to go and work in a full-time job. How you are treated then is up to the official. I live in constant crisis and emergency. My juridical status doesn’t match my health and the impossible requirements that stem from that cause exclusion”.

Antti, a man who fell ill a few years ago and has since struggled with rehabilitation and the social security system which categorizes him as able to work but unemployed.

A rehabilitation benefit is available for those days when a person is actively receiving a rehabilitation service.²⁴⁶ The allowance is earnings based but a minimum daily allowance is available for those on low

stm.fi/documents/1271139/43525953/Liite+5+Ty%C3%B6kyvytt%C3%B6m%C3%A4+ty%C3%B6tt%C3%B6m%C3%A4+Aineistopohjainen+tarkastelu.pdf

²⁴⁴ Anne Määttä, *Perusturva ja poiskäännyttäminen*, 2012 (previously cited), p. 87.

²⁴⁵ Tuija Oivo and Raija Kerätär, *Selvityshenkilöiden raportti - Osatyökykyisten reitit työllisyyteen*, 2018, (previously cited), p. 87.

²⁴⁶ Rehabilitation allowance can also be paid while one is waiting for their rehabilitation to start or if they get sick during it. Social Insurance Institution of Finland, Rehabilitation allowance, undated, kela.fi/web/en/rehabilitation-allowance (accessed on 15 April 2021).

incomes.²⁴⁷ However, the minimum level is set low; in 2017, for example, almost half (47.3%) of recipients of the minimum rehabilitation benefit were forced to turn to last resort basic social assistance.²⁴⁸

Overall, the number of people under the age of 25 receiving a sickness-based benefit increased steadily during the 2010s and has doubled in the past two decades.²⁴⁹ According to a five year (2005-2009) follow-up study, more than half of those under the age of 20 who received youth rehabilitation benefits went on to receive a disability pension soon after they were no longer eligible for youth rehabilitation benefits,²⁵⁰ which may indicate that either they faced difficulties finding employment or that rehabilitation or support services were inadequate. Young people are also increasingly receiving disability pensions for mental health reasons.²⁵¹ If a person starts receiving disability pension from an early age without an employment history, they will often have very little money and will struggle financially for the rest of their life²⁵².

The fact that so many people in receipt of benefits related to sickness are reliant on last resort social assistance is a clear indication that minimum levels of the sickness benefits discussed in this section are inadequate. People receiving these benefits are ill and often unable to work and therefore cannot supplement the low level of social security payments with other forms of income. Many people fall through the net.

”I have a lot of illness related costs. I must rely on social assistance and it’s hard to even buy shoes, I would need special shoes and other aid supplies. Most of my applications for social assistance have been rehabilitation related. Sometimes the assistance is granted, sometimes not. I would need the temporary disability pension and money so that I could support my rehabilitation. It is hard to get by and pay the bills.”

Antti, a man who fell ill a few years ago and has since struggled with rehabilitation and the social security system which categorizes him as able to work but unemployed.

²⁴⁷ Social Insurance Institution of Finland, Amount and payment of rehabilitation allowances, undated, kela.fi/web/en/rehabilitation-allowance-waiting-period (accessed on 15 April 2021).

²⁴⁸ Perusturvan riittävyden III arviointiryhmä, Perusturvan riittävyden arviointiraportti 2015-2019 (previously cited), p. 40.

²⁴⁹ Karoliina Koskenvuo, Yhä useampi nuori päätyy työkyvyttömyyseläkkeelle, Social Insurance Institution of Finland Research Blog, 29 September 2017, tutkimusblogi.kela.fi/arkisto/4129

²⁵⁰ Karoliina Koskenvuo and others, Seurantatutkimus nuorten kuntoutusrahasta ja työkyvyttömyyseläkkeelle siirtymisestä, (hereinafter: ”Seurantatutkimus Nuorten kuntoutusrahasta ja työkyvyttömyyseläkkeelle siirtymisestä”), *Kuntoutus* 2011:3, available at yhteisomedia.fi/files/attachments/kuntoutus-lehden_artikkelit/2011/koskenvuo-ym-katsaus.pdf, p. 28.

²⁵¹ Kyösti Haukipuro and others, Mielenterveyden häiriöt vievät yhä useamman nuoren pois työelämästä, Social Insurance Institution of Finland Research Blog, 25 June 2019, tutkimusblogi.kela.fi/arkisto/5001

²⁵² Karoliina Koskenvuo and others, Seurantatutkimus nuorten kuntoutusrahasta ja työkyvyttömyyseläkkeelle siirtymisestä, 2011, (previously cited), p. 30.

Gender and basic social security

In Finnish social security legislation, gender is mainly recognized in a binary manner and most data on social security only takes the legal gender categories of man and woman into account. More data and research are needed on social security and those who do not identify with these categories.

Most basic social security benefits are not gender based, with the exception of certain family benefits. Nevertheless, social security legislation creates situations that impact men and women receiving social security benefits differently. For example, because women tend to be on lower incomes, they are more likely to receive minimum guaranteed daily allowances rather than earnings-related benefits.

It is more common for women to have to rely on basic social security; in 2017, 62% of recipients were women.²⁵³ The reasons for this include women's shorter employment history and lower income levels and their longer life expectancy.²⁵⁴ According to a national survey by the Finnish Institute for Health and Welfare, in 2017-2018, 31.2% of women respondents aged between 20 and 54 years had had to go without food, medicine or healthcare because they could not afford them (the equivalent figure for men in the same age group was 20.4%).²⁵⁵

Men are over-represented as recipients of some benefits. For instance, two-thirds of those whose social assistance is cut by the Social Insurance Institution of Finland are men, and about half of all cuts to social assistance concern men aged 18-30.²⁵⁶ Men also form 63% of those who do not have access to wages or primary benefits forming²⁵⁷. They are even more over-represented (70 %) amongst those who have been in this situation for over a year and most of these people are living alone.²⁵⁸ Research does not point to a specific reason for this disparity, and more data and analysis on this is needed.

²⁵³ Perusturvan riittävyden III arviointiryhmä, Perusturvan riittävyden arviointiraportti 2015-2019 (previously cited), p. 82–83.

²⁵⁴ Perusturvan riittävyden III arviointiryhmä, Perusturvan riittävyden arviointiraportti 2015-2019 (previously cited), p. 82.

²⁵⁵ O. Pentala-Nikulainen and others, *Kansallisen terveys-, hyvinvointi ja palvelututkimus FinSoten perustulokset 2017–2018*, Finnish Institute for Health and Welfare, available at terveytemme.fi/finsote/2017-2018/index.html

²⁵⁶ Antti Veilähti, Toimeentulotuen perusosan alentaminen Kelassa. Askel kohti vastikkeellisempaa perusturvaa?, 2020 (previously cited), p. 379.

²⁵⁷ Tuija Korpela and Simo Raittila, Väliinpuotoajat Kela-siirron jälkeen. Kuinka pitkään ensisijaisten etuuksien puutetta paikataan toimeentulotuella, 2020 (previously cited), p. 399.

²⁵⁸ Tuija Korpela and Simo Raittila, Väliinpuotoajat Kela-siirron jälkeen. Kuinka pitkään ensisijaisten etuuksien puutetta paikataan toimeentulotuella, 2020 (previously cited), p. 419.

Some of the basic social security benefits, namely the last resort social assistance and housing benefits, are household based.²⁵⁹ The income of all household members is included in the calculation when benefit entitlement is assessed. These benefits are paid as a single monthly payment to one individual. This means that other people in the household may not have any separate income of their own.²⁶⁰ Women tend to have lower incomes²⁶¹ and so are more likely to be in a situation where they do not have independent money of their own. If the household member who receives the single monthly payment is not willing to share it, the other partner has no access to any income. While abuse of the household basis of benefits can limit access to funds for any gender, the fact that women are more commonly the household member on lower income means they are disproportionately affected. Research shows that finances are one of the key reasons why a person does not leave a violent relationship.²⁶²

The household-based nature of some benefits stems from the idea that income in the family is shared by all, and a spouse must provide for their family whenever they can. Indeed, the marriage law requires that resources be shared between spouses. However, couples who are not married are not required by law to share, a factor which household-based benefits do not seem to consider.²⁶³ The Constitutional Law Committee has acknowledged that assessing whether a household is actually formed is not straightforward, allowing considerable discretion to the person undertaking the assessment for household-based benefits.²⁶⁴

²⁵⁹ Social Insurance Institution of Finland, Household, 5 December 2019, kela.fi/web/en/household; Social Insurance Institution of Finland, Who can get basic social assistance, 18 February 2021, kela.fi/web/en/social-assistance-who-can-get (accessed 8 March 2021).

²⁶⁰ Anniina Kaittä, *Rahankonfliktit ja taloudellinen väkivalta parisuhteissa*, Turun yliopiston julkaisuja, 2017 (hereinafter: *Rahakonfliktit ja taloudellinen väkivalta parisuhteissa*), utupub.fi/bitstream/handle/10024/133966/AnnalesC434Kaittä.pdf?sequence=2&isAllowed=y, p. 86.

²⁶¹ This gendered effect has also been noted by legislators, see for instance Government of Finland, Hallituksen esitys eduskunnalle laiksi yleisestä asumistuesta annetun lain muuttamisesta HE 231/2016, eduskunta.fi/FI/vaski/KasittelytiedotValtiopaivaasia/Sivut/HE_231+2016.aspx, p. 19.

²⁶² Anniina Kaittä, *Rahankonfliktit ja taloudellinen väkivalta parisuhteissa*, 2017 (previously cited), p. 86.

²⁶³ There is a law concerning the end (death or break-up) of common-law marriages but even there, it is noted that no right to one another's assets is formed unless the couple has lived together for over five years or have a child together. *Laki avopuolisoiden yhteistalouden purkamisesta* (26/2011), Section 3.

²⁶⁴ Constitutional Law Committee of Finland, PeVL 17/2014 vp — HE 52/2014 vp, available at eduskunta.fi/FI/vaski/Lausunto/Documents/pevl_17+2014.pdf

CHAPTER 4:

IMPACT OF THE COVID-19 PANDEMIC

The impact of COVID-19 and the measures taken to curb the spread of the virus has been greatest on already disadvantaged groups.²⁶⁵ In a socio-economic review by the Helsinki Graduate School of Economics, COVID-19 infections in 2020 were found to be more common among those on low incomes.²⁶⁶ The pandemic has also resulted in more people needing to call on the social security benefits discussed in previous chapters and which, as has been shown, are insufficient to ensure their social and economic rights.

Crucially, the pandemic has seen a rise in unemployment: at the end of 2020, the unemployment rate was 7.8 %, a rise of 1.8 percentage points compared to 2019.²⁶⁷ While nearly all sectors of the economy have seen a fall in employment, unemployment has risen most in sectors which typically provide a relatively low income.²⁶⁸ The CESCR has expressed concern about the loss of jobs due to the COVID-19 crisis in Finland, especially among groups that have traditionally been affected by unemployment, such as young people, people with disabilities, the over 50s and women with migrant backgrounds.²⁶⁹

“I managed to get employed again, about three weeks before mass layoffs began due to COVID-19.”

Amanda, a 19-year-old who dropped out of high school partly due to lack of money and shortly after became unemployed.

The COVID-19 pandemic has also had a notable effect on low-income families with children.²⁷⁰

²⁶⁵ See for instance: Lapsstrategian koronatyöryhmä, *Lapset, nuoret ja koronakriisi - Lapsistrategian koronatyöryhmän arvio ja esitykset lapsen oikeuksien toteuttamiseksi*, Valtioneuvoston julkaisuja 2021:2, julkaisut.valtioneuvosto.fi/bitstream/handle/10024/162647/VN_2021_2.pdf?sequence=1&isAllowed=y, p. 9.

²⁶⁶ Helsinki Graduate School of Economics, *Situation Room Report: The Corona Virus and Health Differences – In Which Socioeconomic Groups Have the Most Infections Been Observed in Finland?*, 14 January 2021, helsinki.fi/covid19-data-en/situation-room-report-the-corona-virus-and-health-differences-in-which-socioeconomic-groups-have-the-most-infections-been-observed-in-finland/

²⁶⁷ Statistics Finland, Labour force survey December 2020 (previously cited).

²⁶⁸ Helsinki Graduate School of Economics, *Situation room report 21.1.2020 – latest developments in the labour market, households and firms, 2020*, helsinki.fi/covid19-data-en/11207/ (accessed on 1 March 2021).

²⁶⁹ CESCR, E/C.12/FIN/CO/7, 2021.

²⁷⁰ For more information: Anneli Miettinen and others, *Vanhempainpäivärahan määrä lasketaan uudella tavalla – muutos heikentää lomautettujen ja työttömien tilannetta*, Social Insurance Institution of Finland, 22 May 2020, tutkimusblogi.kela.fi/arkisto/5332

According to a survey of children aged between 13 and 17 by Save the Children Finland, 57% of respondents from low-income families were concerned about their family's income and 47% felt that their family's income had declined due to the pandemic; the equivalent figures for all respondents were 21% and 25%.²⁷¹ Changes to services during the pandemic have also had an impact on some families. For example, some parents have had to drop out of work to care for children who are unwell or have disabilities and not all have been entitled to social security benefits during this period.²⁷²

The need for social security has increased during the pandemic. The number of recipients of social assistance and housing benefit increased by 5% in 2020.²⁷³ The number of people receiving unemployment benefits went up by 11% and by 24% (this includes people with small businesses who were temporarily granted unemployment benefits).²⁷⁴ The rise in the need for social security benefits was generally most marked among young people and women.²⁷⁵ The number of young unemployed people whose main form of social security for at least four consecutive months was social assistance went up by 19%.²⁷⁶ Young people living in disadvantaged areas were particularly impacted by the pandemic. For example, in the poorer areas of Helsinki, a third of young people were in receipt of social assistance during the summer of 2020.²⁷⁷

“It helped me a lot when I received the COVID-19 supplement to the basic social assistance. With that I was able to buy bread and milk when I needed it and pay my bills on time. It wasn't enough for anything extra or for me to save up money, but at least I wasn't in such a tight spot. I was a lot less stressed out.”

Hanna, a 57-year-old single parent from Helsinki receiving a part-time disability pension.

²⁷¹ Save the Children Finland, *Lapsen ääni 2020: lasten näkemyksiä koronakeväästä*, 2020, pelastakaalapset.fi/lapsenaani2021/raportti1, p. 4–6.

²⁷² Information based on a questionnaire by disability organisations nearly half of the families have had to temporarily or permanently drop out of employment, although it should be noted that only 42 families answered. Tukiliitto, Perheitä tuettava korona-ajan toimeentulovaikeuksissa, 9 October 2020, tukiliitto.fi/ajankohtaista/perheita-tuettava-korona-ajan-toimeentulovaikeuksissa/

²⁷³ Tuija Korpela, Etuuksien saajat vuonna 2020, (hereinafter: "Etuuksien saajat vuonna 2020"), Social Insurance Institution of Finland, 8 February 2021, koronamittarit.kela.fi/2021/02/2020_vuosi_fi/

²⁷⁴ Tuija Korpela, Etuuksien saajat vuonna 2020, 8 February 2021 (previously cited).

²⁷⁵ Tuija Korpela, Etuuksien saajat vuonna 2020, 8 February 2021 (previously cited).

²⁷⁶ Merita Jokela and others, Toimeentulotuen saajamäärät kasvoivat vähän – koronaepidemia toi esiin järjestelmän joustavuuden, (hereinafter: "Toimeentulotuen saajamäärät kasvoivat vähän"), Suomen sosiaalinen tila 2/2021, Finnish Institute for Health and Welfare, available at julkari.fi/bitstream/handle/10024/140922/URN_ISBN_978-952-343-339-7.pdf, p. 4.

²⁷⁷ Yle news, Nuoret maksavat kovaa hintaa koronasta: Yli 11 000 joutui turvautumaan kesällä toimeentulotukeen Helsingissä – ja erot kaupunginosien välillä ovat hurjat, 30 September 2020, yle.fi/uutiset/3-11552524

In recognition of the additional challenges posed by the pandemic, the government introduced several temporary social security measures. For example, social assistance was temporarily granted for several months rather than having to be reapplied for each month.²⁷⁸ There was also a temporary supplement of €75 per person per month for social assistance recipients between September and December 2020.²⁷⁹ Several temporary changes were also made to unemployment benefit, such as increasing the amount an unemployed person could earn while receiving unemployment benefit from €300 to €500 per month and making the procedures for applying for the benefit more flexible.²⁸⁰ The most fundamental change was that some of those with small businesses became eligible for unemployment benefits if their business had suffered from COVID-19.²⁸¹ Nevertheless, these measures fell short of ensuring an adequate standard of living for all those affected.

“I’m glad that there was a temporary compensation in social assistance due to COVID, even if it came a bit late. But now I’m wondering, COVID isn’t over, but the compensation ended just like that. That €75 helped me.”

Teija, a 58-year-old unemployed woman who wishes to retire due to ill health and difficulties in finding a job.

Some of the procedural changes introduced in response to the pandemic also had the effect of entrenching certain inequalities. For example, physical visits to Social Insurance Institution of Finland offices fell by 55% and beneficiaries were encouraged to handle social security matters via the internet or phone.²⁸² However, research has shown that some social security applicants were not well equipped to use services via the internet.²⁸³ A survey of social workers found that they were most concerned for

²⁷⁸ Social Insurance Institution of Finland, Korona vauhditti verkko- ja puhelinpalvelun kysyntää, (hereinafter: Korona vauhditti verkko- ja puhelinpalvelun kysyntää), 1 February 2021, kela.fi/tiedotteita-koronavirustilanteesta/-/asset_publisher/xFivewth9ywk/content/korona-vauhditti-verkko-ja-puhelinpalvelun-kysyntaa

²⁷⁹ The temporary compensation was available for those who had received basic social assistance in spring 2020 and were still receiving it at the end of 2020 when the compensation was paid. Social Insurance Institution of Finland, Temporary compensation due to an epidemic outbreak, 4 February 2021, kela.fi/web/en/temporary-compensation-due-to-an-epidemic-outbreak

²⁸⁰ The decision for these exceptions in unemployment benefit has been made until the end of September 2021, Finnish Ministry of Social Affairs and Health, Työttömyysturvapoikkeuksia jatketaan 30.9.2021 asti, 17 June 2021, stm.fi/-/tyottomyysturvapoikkeuksia-jatketaan-30.9.2021-asti

²⁸¹ Finnish Ministry of Economic Affairs and Employment, Government proposes to extend labour market support for entrepreneurs until the end of June, 18 February 2021, tem.fi/en/-/government-proposes-to-extend-labour-market-support-for-entrepreneurs-until-the-end-of-june

²⁸² Social Insurance Institution of Finland, Korona vauhditti verkko- ja puhelinpalvelun kysyntää, 1 February 2021 (previously cited).

²⁸³ Merita Jokela and others, Toimeentulotuen saajamäärät kasvoivat vähän – koronaepidemia toi esiin järjestelmän joustavuuden, 2021 (previously cited), p. 5–6.

older people and people who experience multiple difficulties in accessing services in a virtual environment.²⁸⁴

The COVID-19 pandemic has also affected services for the most vulnerable members of the society. For example, the availability of many services for people experiencing homelessness were reduced.²⁸⁵ The pandemic also increased the need for food aid, and more and more working-aged people, families with children and students were forced to rely on food aid.²⁸⁶ At the same time, the accessibility of these services was reduced: food aid workers reported that many pensioners and people with disabilities living in Helsinki stopped coming to food aid distribution centres after the pandemic started.²⁸⁷

“When the pandemic started and the society closed, my life changed a lot even though I had predicted that I would be a poor pensioner. I lost almost 20 kilos in four or five months. Now there isn’t always any food in food aid or then they give you beans and a hard piece of bread. Sometimes you can’t get any food from food aid... I probably wouldn’t have managed with food, but my neighbours fed me for six months... The food aid lines have grown much longer during the pandemic. Here where I live, the lines are 200 or 300 metres long, which is a lot for a town with only about 3,000 inhabitants. Most of the people are pensioners, some have gambling or substance issues and there are also regular families. I have relied on food aid for 6 years now.”

Timo, a 55-year-old man receiving a disability pension who has relied on the support of family members and food aid to be able to afford daily living and health-related costs.

²⁸⁴ Anne Eronen and others, *Sosiaalibarometri 2020*, SOSTE Suomen sosiaali ja terveys ry, soste.fi/wp-content/uploads/2020/07/SOSTE-Sosiaalibarometri-2020.pdf, p. 30, 36.

²⁸⁵ Erja Koponen and others, *Koronasta aiheutuva palveluvaje työikäisten sosiaalipalveluissa*, Tutkimuksesta tiiviisti 29/2020, Finnish Institute for Health and Welfare, available at julkari.fi/bitstream/handle/10024/140492/URN_ISBN_978-952-343-553-7.pdf, p. 5.

²⁸⁶ Based on a survey for food aid organizers. *Kirkkopalvelut, Ruoka-apu, Sininauhaliitto, Ruoka-avun tilannekatsaus*, 7 December 2020, available at ruoka-apu.fi/wp-content/uploads/2020/12/Ruoka-avun-tilannekatsaus-7.12.2020.pdf, p. 1, 6.

²⁸⁷ Interviews with a social worker (January 2021) and food aid provider (January 2021).

The ECSR has noted that, although many states allocated resources to income replacement and other assistance during the pandemic, existing social security benefits are not always sufficient. Nor do they always adequately reach the poorest and most vulnerable groups and the requirements for accessing them may be unnecessarily restrictive, complex, and bureaucratic. In addition, various benefits may not be adequate or may be limited in duration. Concerning social exclusion, the ECSR noted that the rapid digitalization of social services during the pandemic has tended to accentuate the social exclusion of people living in poverty due to lack of equipment, broadband connections and digital skills and stressed that the state should ensure that users of social services have effective access to the necessary technology.²⁸⁸

The CESCR has urged states to take measures to protect the jobs, pensions, and other social benefits of workers during the pandemic and to mitigate its economic impacts through, for example, subsidizing wages, providing tax relief, and establishing supplementary social security and income protection programmes.²⁸⁹

As this chapter has shown, Finland has taken some steps to address these concerns. However, the underlying inadequacy of social security provision on which the pandemic mitigation measures are based has meant that these measures have not been sufficient to ensure the social and economic rights of those most at risk of poverty and social exclusion.

²⁸⁸ European Committee on Social Rights, Statement on COVID-19 and social rights, 24 March 2021, rm.coe.int/statement-of-the-ecsr-on-covid-19-and-social-rights/1680a230ca

²⁸⁹ CESCR, Statement on the coronavirus disease (COVID-19) pandemic and economic, social and cultural rights, E/C.12/2020/1, 2020, undocs.org/pdf?symbol=en/E/C.12/2020/1

CHAPTER 5: WHAT A HUMAN RIGHTS COMPLIANT SOCIAL SECURITY SYSTEM SHOULD LOOK LIKE

For a social security system to be deemed human rights compliant, it needs to take the fulfilment of human rights as a framework for social security legislation, policies, and evaluation. Human rights standards and the Constitution of Finland do not set out a specific model for how a human rights compliant social security system should be built, but they do provide the principles that are the building blocks for such a system. The following table sets out central elements for a human rights compliant social security system in Finland.

<p>CONTINUOUSLY IMPROVING AND USING THE MAXIMUM AVAILABLE RESOURCES²⁹⁰</p>	<p>The social security system should be improved continuously with the goal of progressively reaching the full realization of economic and social rights, including the rights to social security and an adequate standard of living.</p> <p>The state should be committed to utilizing the maximum available resources to realize these rights.</p> <p>No retrogressive measures to the right to social security should be taken, except in very limited circumstances. If any austerity measures to social security benefits are planned, the state must first prove that they are duly justified and necessary, temporary, proportionate in nature and do not disproportionately affect disadvantaged groups.</p>

²⁹⁰ ESC, Article 12.3; CESCR, E/C.12/FIN/CO/7, 2021; CESCR, E/C.12/GC/19, 4 February 2008; CESCR, General comment no. 3: The nature of States parties' obligations (art. 2), E/1991/23, 1990, Para 9.

<p>PROVIDING AN ADEQUATE STANDARD OF LIVING²⁹¹</p>	<p>The amount of social security benefits should be sufficient to ensure that everyone has an adequate standard of living; that no one is deprived of basic necessary resources and services (such as healthcare, food, education, or housing); and that everyone can live a dignified life as an active member of their own community and society.</p> <p>The level of provision should comply with the Revised European Social Charter and the International Covenant on Economic, Social and Cultural Rights. Primary social security benefit provision should be adequate so that no one has a long-term need to rely on last resort social assistance.</p> <p>Benefits should be adequate in duration and predictable for recipients for long enough periods of time, thus reducing precarious living conditions and further enabling a dignified life.</p> <p>The adequacy of benefit levels and the criteria used to measure adequacy should be monitored and reassessed regularly to ensure that beneficiaries are able to afford the goods and services they require to realize their rights in full.</p>
<p>AVAILABLE FOR DIFFERENT SOCIAL RISKS AND PROVIDING ADEQUATE COVERAGE²⁹²</p>	<p>The social security system should guarantee that benefits are available for all relevant social risks (such as unemployment).</p> <p>Qualifying conditions for social security benefits should be reasonable and transparent.</p> <p>Marginalized groups and groups at risk of discrimination should be provided sufficient coverage within the social security system.</p>

²⁹¹ ICESCR, Article 9 and Article 11; CESCR, E/C.12/GC/19, 4 February 2008; ESC, Article 12 and Article 13.1; Constitution of Finland (731/1999), Section 19.

²⁹² ESC, Article 12; ICESCR, Article 9; CESCR, E/C.12/GC/19, 4 February 2008; Constitution of Finland (731/1999), Section 19.

	<p>The social security system should be able to recognize multiple social risks and provide sufficient social support to respond to multiple simultaneous needs.</p> <p>The coverage and social risks should be reassessed regularly to ensure that changes in working life and social conditions are adequately considered.</p>
<p>ACCESSIBLE FOR ALL WITHOUT DISCRIMINATION²⁹³</p>	<p>Everyone should be covered by the social security system and able to access benefits and services, without discrimination including based on gender, age, nationality, ethnicity, sexual orientation, language, disability, or any other protected attribute.</p> <p>Each person should be aware of all the benefits and services for which they are eligible and sufficient information and guidance should be available for all to access these benefits and services. Information should be transparent and clear, with special attention paid to those experiencing language barriers or cognitive challenges.</p> <p>The application and reporting process for applicants and recipients of social security should be clear and manageable for all. Advice should be readily available for a variety of needs in the application and reporting process. Different state and municipal authorities should coordinate services and share information for the benefit of social security applicants and recipients.</p> <p>Special attention should be given to individuals belonging to the most disadvantaged and marginalized groups and to those who traditionally face difficulties in exercising their rights, such as people with disabilities, older people, minority groups and foreign nationals.</p> <p>Beneficiaries should have physical access to social security services in order to access benefits and information. Particular attention should be paid in this regard</p>

²⁹³ ESC, Article 12.1 and Article 13.2-3; ICESCR, Article 9; CESCR, E/C.12/GC/19, 4 February 2008; Constitution of Finland (731/1999), Section 19.

	<p>to people with disabilities, older people and those living in remote areas. Digital services should be developed in a way that improves access and does not disadvantage any group.</p> <p>Each person should be treated by the social security system with respect and dignity, as is their right. The stigma associated with receiving social security benefits should be actively tackled so that stigma and shame do not constitute a barrier to accessing social security.</p> <p>Benefits should be provided in a timely manner and complaints addressed without delay to ensure an individual's right to justice. Sufficient information and guidance should be available for those who wish to file a complaint.</p>
<p>EVIDENCE-BASED AND ENSURES PARTICIPATION²⁹⁴</p>	<p>The social security system and benefits should be evidence-based to ensure sufficient social protection is provided in terms of benefit levels, availability for different social risks, coverage, and accessibility.</p> <p>Those affected by social security, especially those from marginalized groups or at risk of discrimination should be able to participate in the planning, monitoring and evaluation of changes to the social security system.</p> <p>When assessing the adequacy of social security benefits for different groups, the assessment should go beyond averages in terms of income and costs to ensure that the lived realities of various groups, for example those with higher-than-average necessary costs related to health and those with lower or unstable incomes, are captured.</p> <p>Sufficient and recent research should be available on different groups and social risks, with a focus on how the right to social security is realized for people who might be marginalized in the social security system, such as people with</p>

²⁹⁴ CESCR, E/C.12/GC/19, 4 February 2008; CESCR, E/C.12/FIN/CO/7, 2021.

disabilities, LGBTI people, foreign nationals, homeless people, Sámi people, Roma people, and people belonging to other minority groups.

Alternative indicators based on self-identification should also be used to collect data on different groups.

Participatory research approaches and other appropriate methodologies should be used to capture the situation of marginalized groups or groups not included in traditional household surveys.

CONCLUSION AND RECOMMENDATIONS

In the early 2010s, several improvements were made to social security in Finland, for instance, the guaranteed pension was introduced, basic social security benefits for the unemployed were improved and student benefits were enhanced. However, this was followed by a period of cuts and freezes starting in 2013. The reversal of some of these measures in 2020 was not sufficient to restore social security benefit provision levels and the overall impact on the standard of living of benefit recipients has been relatively small.

As a result, in 2021, the level of basic social security benefits provision in Finland is still not sufficient to ensure an adequate standard of living and the realization of economic and social rights for all.

The CESCR and the ECSR have issued repeated recommendations to Finland to amend the inadequate level of basic social security. It is evident that, contrary to the requirements set out by the ECSR, the Finnish social security system forces many recipients of basic social security to rely on social assistance for long periods of time to supplement their inadequate income.

Furthermore, **according to the most recent evaluation report on the adequacy of basic social security, the level of almost all basic social security benefits was too low to meet a reasonable minimum level of consumption.**

With the ongoing social security reform there is an opportunity to amend the structural problems in the social security system which prevent people from fully enjoying their rights. However, this requires a commitment from the state to develop the system in line with its human rights obligations. This would include the need to consider, assess and ensure the specific situation of women and their right to social security, taking into consideration their disproportionate care burdens and the challenges that they face in entering the workplace. It would also need to consider the impact on those disproportionately disadvantaged, for example young people, people with disabilities and other groups affected by intersecting forms of discrimination who are not well served by the existing system.

The consequences of the COVID-19 pandemic are predicted to have a negative impact on job security and increase the numbers of people out of work or needing benefits for health reasons because the long-term effects of the virus. This makes the need to develop the social security system even more urgent. Increasing the provision level to ensure adequate social security benefits cannot wait for the

seven-year reform process to be completed. **The state should take immediate action to raise benefits to a level that is human rights compliant.**

Finland must respect, protect, and promote social security that secures the prerequisites for a decent life for all. State measures should aim at the full realization of the right to social security, without discrimination, by continuously developing the social security system and ensuring an adequate level of social security provision. The state should fulfil its commitment to mobilize the maximum available resources to ensure the realization of these rights.

Recommendations

Amnesty International Finland and the Finnish League for Human Rights

call on the Finnish government to:

- 1. Ensure an adequate level of basic social security provision.** A rise in the level of provision is needed immediately. In the longer term, provision level should be increased sufficiently to:
 - Meet the level of provision required by the Revised European Social Charter and the International Covenant on Economic, Social and Cultural Rights;
 - Support a reasonable level of minimum consumption to ensure the rights to health, food, housing, and a life of dignity for all as equal members of the society; and
 - Set a level of support whereby last resort basic social assistance is needed only in the short term and in exceptional situations.
- 2. Ensure that the social security system provides adequate coverage and that everyone has access to the support to which they are entitled.**
- 3. Ensure that the social security system is evidence-based, incorporating research regarding the situation of marginalized groups and groups at risk of discrimination,** who should be able to participate in designing, monitoring, and evaluating the social security system.

Recommendations to legislators:

- 1. The ongoing social security reform must be compliant with international human rights obligations and the Constitution of Finland.**
- 2. Changes to the benefits system should be evaluated based on how they affect the realization of the right to social security for different groups and should comply with the principles of equality and non-discrimination.**
- 3. Primary benefits should cover social risks and changing life situations more comprehensively**, for instance, ensuring those who run small businesses have access to primary benefits and those unable to work due to their health status do not fall through the gaps in benefits provision.
- 4. Age-based restrictions on unemployment security should be removed**, as they can result in discrimination against young people under the age of 25 by denying them access to primary benefits.
- 5. Activation measures and requirements for unemployed people must be reasonable and take the individual's capacity into account.**
No requirements should be set for an unemployed person that they are unable to fulfil.
- 6. All basic social security benefits should be tied to indexes to ensure that their provision level does not fall behind changes in living costs.**
- 7. The Act on Social Assistance should be amended to remove the possibility of reducing the amount of basic social assistance as the reduced amount is not sufficient to be compliant with human rights obligations.**

Recommendations to the Ministry of Social Affairs and Health:

- 1. Adequate human rights impact assessments should be conducted on changes to the social security system, including child and gender impact assessments.** The assessments should consider the cumulative effects of changes to the benefits system. The effects of the COVID-19 pandemic should be assessed, especially concerning marginalized groups and groups at risk of discrimination. The assessments should be utilized in decision-making and in planning targeted measures.
- 2. More research is needed on the gendered effects of social security** and women currently receiving benefits should be engaged in consultations to understand the specific challenges they face. Research should inform measures to better respect, protect and fulfil women's human rights and increase equality.
- 3. More research is needed on how the right to social security is realized for Sámi people, LGBTI people, Roma people, people with disabilities and foreign nationals living in Finland.** These groups should be engaged in consultations to understand the specific challenges they face.
- 4. The periodic and mandatory evaluation of the adequacy of basic social security should be further developed to consider Finland's human rights obligations.** The evaluation should assess compliance with the minimum level required by the Revised European Social Charter and the International Covenant on Economic, Social and Cultural Rights.
 - In addition to assessing individual benefits, evaluations should consider the entire configuration that influences the adequacy of social security, such as the special characteristics of different life situations, healthcare-related costs, and up-to-date price levels. Special attention should be paid to marginalized groups and those at risk of discrimination.
 - Efforts should be made to bolster the aim of the evaluation of the adequacy of basic social security, which is to support budgeting processes and other government decision-making, such as negotiations on government programmes.

Recommendations to the Social Insurance Institution of Finland:

- 1. Consider options for improving access to information**, for example by introducing a written social security benefit proposal that outlines the benefits for which an individual is eligible.
- 2. Increase resources for social security guidance services to enhance access to information and support for those applying for benefits.** Services should be available in commonly spoken languages and plain language and measures taken to ensure that digitalization does not impede access.
- 3. Ensure social security authorities undertake human rights training** so that they are aware of their human rights obligations.
- 4. Simplify and standardize the application processes** for different social security benefits to improve accessibility. Additionally, the requirement that those who have a long-term need for a benefit must repeatedly reapply for the same benefit should be reviewed.
- 5. Ensure that applicants receive all decisions regarding benefits within a reasonable period of time after application and that any complaints are processed in a timely manner in order to promote legal protection.**

APPENDIX I: Institutions involved in administering the Finnish social security system

The Finnish social security system is funded primarily from taxation, service fees and employment-based contributions from employers and employees.²⁹⁵ Insurance contributions by employers and employees and membership contributions to unemployment funds provide for earnings-related unemployment benefits.²⁹⁶ Employer and employee contributions also finance earnings-related pensions.²⁹⁷

A major part of the social security system comprises the various forms of insurance concerning pensions, workplace accidents and occupational disease that involve a mix of the public and private sector.²⁹⁸ Employees, self-employed people, and employers finance health insurance in the form of sickness benefits, while insurance for medical expenses is covered through contributory schemes and the state.²⁹⁹

The Finnish social security is formed of earnings-based benefits, basic social security benefits and social services (see figure on the next page).

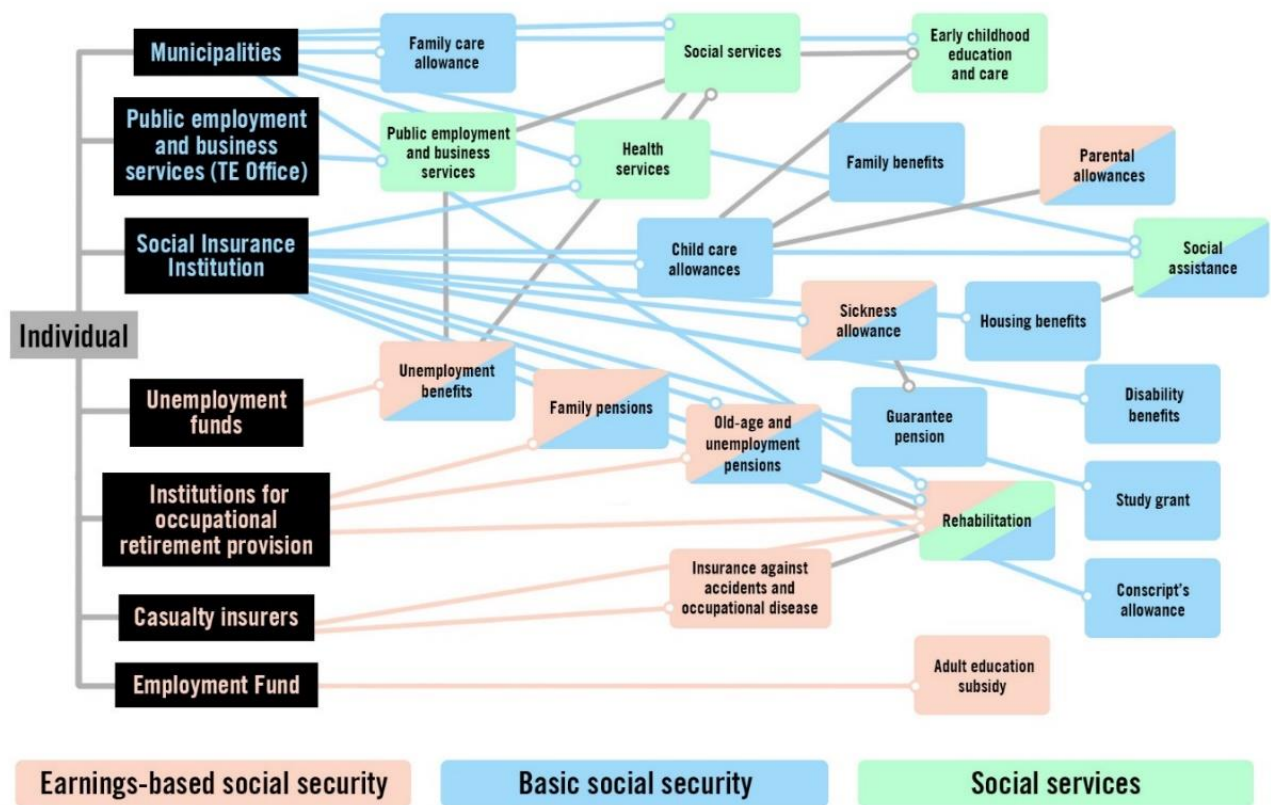
²⁹⁵ Social Insurance Institution of Finland, *Statistical Yearbook of the Social Insurance Institution of Finland*, 2019, (previously cited), p. 374; Ministry of Social Affairs and Health of Finland, *Characteristics of the Social Security System in Finland*, 2013 (previously cited), p. 8.

²⁹⁶ If a person is a member of a voluntary unemployment fund for instance through a trade union, they can apply for earnings-related unemployment allowance, which is higher in value than unemployment benefits under basic social security.

²⁹⁷ Ministry of Social Affairs and Health of Finland, *Characteristics of the Social Security System in Finland*, 2013 (previously cited), p. 8.

²⁹⁸ For instance, the earnings-related pensions system involves pension insurance companies, pension funds and foundations for people working in the private sector. Pensions are administered by the Keva institution. The Finnish Centre for Pensions coordinates pension scheme activity on earnings-related pensions. The Financial Supervisory Authority supervises insurance and pensions institutions. Ministry of Social Affairs and Health of Finland, *Characteristics of the Social Security System in Finland*, 2013 (previously cited), p. 11.

²⁹⁹ Ministry of Social Affairs and Health of Finland, *Characteristics of the Social Security System in Finland*, 2013 (previously cited), p. 8.



The Finnish social security system and benefits (adapted from a Ministry of Social Affairs and Health diagram).³⁰⁰

³⁰⁰ Ministry of Social Affairs and Health of Finland, Suomen sosiaaliturvajärjestelmä, undated, stm.fi/suomen-sosiaaliturvajarjestelma (accessed on 8 March 2021).