

National Poverty Watch Report – summary

Finland

The EAPN-Fin network is a part of the European Anti-Poverty Network (EAPN), which aims to reduce poverty and inequality and to increase the participation of people who have experienced poverty.

In this poverty report, we are going through the latest statistics and development trends related to poverty, as well as our views on the measures needed to reduce poverty.

While Independent Finland turns one hundred years old, poverty is unfortunately still present in our country. Finnish poverty increased significantly during the great recession of the 1990s and during the upward cycle that followed, remaining at a new high level. The goal set in 2010 for the EU's Europe 2020 strategy aiming to reduce the number of people living in poverty or risk of social exclusion in Finland to 150,000 by 2020 seems to fail. Poverty should be reduced by 50 per cent by 2030 as part of the national implementation of the UN Sustainable Development Goals and the Agenda 2030 Action Plan.

Poverty in Finland has decreased only slightly in the 2010s and there are many indications that poverty may have again started to increase. According to the National Institute for Health and Welfare (THL) estimate, the 2017 amendments to the legislation on benefits and taxation will increase the low-income rate by 0.4 per cent. According to THL's Adult health, wellbeing and service research (ATH) survey, the experiences of poverty have increased in the period of 2013-2016. The number of households with no income has doubled since 2013 to 47,000 households. The number of people with payment defaults is higher than ever before: last year, 373,000 people had a payment default notice and nearly 400,000 social and healthcare customer fees were collected by way of enforcement. According to the information services of the Finnish Parliament and the estimate of the Ministry of Finance, the income of the low-income households decreases relatively the most compared to other income groups in 2015-2018.

Although the inequality which is clearly associated with poverty has become more and more discussed in recent times, efforts to reduce and prevent poverty have been minor. Reducing poverty and inequality should therefore be further strengthened in the political agenda.

EAPN-Fin proposes that a comprehensive strategy and action program should be developed in order to reduce poverty and inequality.

EAPN-Fin's key messages to reduce poverty are the following:

- The number of people living in risk of poverty or social exclusion needs to be reduced. Particular attention should be paid to improve the status of low-income families with children and pensioners.

Key measures to reduce poverty could include raising the level of basic security benefits and building affordable housing.

- The situation of long-term unemployed (including young people and immigrants) should be improved and unemployment should be reduced. It would be essential to add resources to wage subsidies and the youth guarantee and to cancel the previous cuts concerning them.
- The reform on social and health services should be implemented in a way that reduces differences in health and well-being and ensures the accessibility of services also for the underprivileged and the people who need many different services.