



EUROPEAN COMMITTEE OF SOCIAL RIGHTS COMITÉ EUROPÉEN DES DROITS SOCIAUX

5 October 2018

Case Document No. 1

Finnish Society of Social Rights v. Finland Complaint No. 172/2018

COMPLAINT

Registered at the Secretariat on 17 September 2018

European Committee of Social Rights Comite Europeen des Droits sociaux Council of Europe Avenue de l'Europe F-67075 Strasbourg CEDEX France

Finnish Society of Social Rights

15 September 2018 Case document no.

Complaint

Registered at the Secretariat on2018

15.09.2018 Mr Henrik Kristiansen Vice Secretary General of the Council of Europe

Finnish Society of Social Rights sends you respectably the attached collective complaint due to the Finnish legislation that violates the Articles in the European Social Charter.

The person taking care of this complaint in the Society is:

Mr Yrjö Mattila, Chairperson of the Society of Social Rights Address: Koukkutie 4, 17200 Vääksy E-mail: yrjo.mattila@helsinki.fi Tel. +358407154166

With best regards

Yrjö Mattila Chairperson, Finnish Society of Social Rights

Eila Sundman Vice chairperson, Finnish Society of Social Rights

Marjatta Kaurala Secretary, Finnish Society of Social Rights, Member of the Board

Secretary General of the Council of Europe

Collective complaint due to Finnish legislation that violates the Articles 12.1, 12.3. and 13.1. in the European Social Charter (Revised)

1. Background to the complaint

The function of the European Committee of Social Rights is to rule on the conformity of the situation in States with the European Social Charter. The Revised European Social Charter was ratified by Finland on 21 June 2002. This complaint to the European Committee of Social Rights is related to the Article 12 1, 3 and 13.1. in the European Social Charter (Revised) concerning the right to social security.

Obligations to the member state along Art. 12.

According to the article 12 with a view to ensuring the effective exercise of the right to social security, the Parties undertake:

- 1. to establish or maintain a system of social security;
- 2. to maintain the social security system at a satisfactory level at least equal to that necessary for the ratification of the European Code of Social Security
- 3. to endeavour to raise progressively the system of social security to a higher level;

Obligations to the member state along Art. 13.

According to the article 13 with a view to ensuring effective exercise of the right to social and medical assistance the Parties undertake:

- 1. to ensure that any person who is without adequate resources and who is unable to secure such resources either by his own resources or from other sources, in particular by benefits under a social security scheme, be granted adequate assistance and, in case of sickness, the care necessitated by his condition;
- 2. -----

With this complaint our association wants to clarify if legislation in the Finnish Social security is in conformity with the treaty or is there a violation in the current situation in Finland with the rules in the treaty or in the obligations Finland has a member state.

2. The right of the Finnish Society of Social Rights to make a complaint

The name of the Society is Finnish Society of Social Rights (Suomen Sosiaalioikeudellinen Seura r.y. - Socialrättsliga Sällskapet i Finland r.f), called "*association*" in this complaint), is a bilingual society (Finnish, Swedish) and its home base is Helsinki, Capital of Finland.

The Society has been founded 16.3.1999 and registered the same year in the Association Register of Finland. The activities of the association concern all Finnish citizens because we are acting within the legislation of universal social security. Our association aims to promote the basic social rights and benefits and also tries to raise discussion on the implementation, subsistence and level of those benefits, especially basic benefits. Our Society is also active in the Labour Law and protects the rights of employees along with trade unions. Within our Association exist also research activities. A

big part of our activities is to arrange lectures and public discussions on social benefits, actual social and health matters and labour law. We also prepare and give statements concerning social rights to officials and politicians in actual law motions.

The membership of our association is open to all citizens. In practice the main part of our affiliates consists of lawyers, social academics and social science professionals. As a nationwide actor in social rights we are suitable (amongst other matters) to request the assessment of the Social Committee, whether the situation in Finland in the minimum level of social security is in accordance with the Articles 12 and 13 of the European Social Charter (Revised) along the rules adopted during the 201st session on 29 March 2004 and revised during the 207th session on 12 may 2005 and during the 234th session on 20 February 2009 and does Finland act in along the rules in Art. 12.3. *to endeavour to raise progressively the system of social security to a higher level;*

Up till this day our Society has raised four Complaints: Complaint 88/2012, 106/2014, 107/2014 and 108/2014. The committee has noted the right of our Society to raise complaints in all areas we have been active.

3. Basic views concerning of the claim of our association

Finland has ratified the Article 12.1, 12.3. in the Social Charter (revised) and due to that is obliged to "to establish or maintain a system of social security" and "to endeavour to raise progressively the system of social security to a higher level"

Finland has also ratified Article 13.1. and obliged to ensure that any person who is without adequate resources and who is unable to secure such resources either by his own resources or from other sources, in particular by benefits under a social security scheme, be granted adequate assistance and, in case of sickness, the care necessitated by his condition;

Contrary to the above said Finland has not ratified *European Code of Social Security*. Instead of that Finland has ratified *a General Agreement of International labour Association no 102* on the minimum level social security.

Finland has been noted to violate Art. 12.1 and Art. 13.1. in the earlier complaints of our association (Merits 88/2012 and Merits 108/2014). In those Merits the committee observed that the level of all Finnish social security and social assistance benefits fell below 40% of the median equivalent income (in 2013). Due to that they were manifestly inadequate.

The Merits 88/2012 became public on 11th February 2015. Since that date our Association has tried to negotiate with the Government of Finland about the implementation of the Merits in Finland. These talks have not leaded to anything. The Ministry of Social Affairs and Health, jointly with the Ministry for Foreign Affairs has publicly stated their disagreement with the Merits. They regard the committee's conclusions inaccurate and along them the situation in Finland is in conformity with the Charter (Revised). Due to that no corrective actions in Finland have taken place to seek conformity with the Charter (Revised). The Government of Finland has been reluctant to discuss of the inadequate level of minimum social security and social assistance benefits in Finland and surprisingly also the media Finland has been silent of the problem of inadequate benefits and the effects of that to the low-income families and their children. In 2018 there are about 700 000 poor persons in Finland has not translated The Merits 88/2012 and 108/2014 to Finnish official

languages (Finnish and Swedish). Most citizens have not access to knowledge of the opinions of the committee.

Finland has also received fresh blames from the committee in conclusions to the reports. In the latest conclusions (January 2018, Conclusions 2017 Finland) European Committee of Social Rights has noted some important remarks (page 14): "According to Eurostat data median equivalent income in 2015 was \notin 23 763 or \notin 1 980 a month. The poverty threshold, defined as 50% of median equivalent income was therefore \notin 11 881, or \notin 990 on a monthly basis and 40 % of the median equivalent income corresponded to \notin 792 monthly. In its previous conclusion (Conclusions 2013), the Committee held that the minimum levels of sickness benefits and old age benefits were inadequate. The Committee had found from MISSOC that the minimum level of sickness allowance in 2015 was paid at a rate of at least \notin 23.93 per day, or \notin 598, 25 per month (i.e. approximately 30% of the median equivalent income).

In the Conclusions 2017 Finland the Committee noted (page 15) that the situation in Finland is not in conformity with Article 12§1 of the Charter on the grounds that:

- the minimum level of sickness benefits is inadequate;
- the minimum level of unemployment allowance in inadequate
- the minimum level of maternity allowance is inadequate

In earlier conclusions the committee had noted that the amount of guarantee pension was too low in Finland. This situation is going on because in 2018 the amount of guarantee pension is €775, 26 /month, fewer than 40 % of the equivalent median income in 2015.

4. Why are social security benefits and social assistance benefits inadequate still in 2018?

Under the legislation this far the basic (minimum) benefits of social security and social assistance have been adjusted and raised yearly in accordance with the development of the Consumer Price Index (kansaneläkeindeksi). Contrary to that principle the Consumer Price Index (kansaneläkeindeksi). was lowered by 0.85 % and due to that basic benefits were lowered accordingly. Furthermore the Government proposed that the Consumer Price Index Government world be stabilized permanently to the level of 2016. These proposals were approved by the Parliament¹.

In 2017 the Government of Finland proposed to the Parliament that² in order to *facilitate and balance state economy* the amount of the benefits would be freezed and raising of would be refrained until 2020. This law motion concerned all basic social security and social assistance benefits with the exception of income support (social assistance). The change would be permanent and no compensation would be done in 2020. Besides the calculation of the Consumer Price Index

¹ HE 149/2016 vp. Hallituksen esitys eduskunnalle laiksi kansaneläkkeen ja eräiden muiden etuuksien vuoden 2017 indeksitarkistuksista sekä laeiksi kansaneläkeindeksistä annetun lain 2 §:n ja toimeentulotuesta annetun lain 9 §:n muuttamisesta. <u>www.finlex.fi/fi/esitykset/he/2016/20160149</u>

² HE 123/2017 vp. Hallituksen esitys eduskunnalle laeiksi kansaneläkkeen ja eräiden muiden etuuksien vuoden 2018 indeksitarkistuksista sekä kansaneläkeindeksistä annetun lain 2 §:n ja eräiden muiden lakien muuttamisesta. https://www.finlex.fi/fi/esitykset/he/2017/20170123.pdf

The Government's proposal for Parliament is a law for the year of a national pension and some other benefits 2018 index revisions and the Act on the National Pensions Act, Section 2 and some others laws

(kansaneläkeindeksi) was changed so that in 2020 price changes do not affect so much to the index as earlier has taken place.

The both laws were fatal to the low income citizens of Finland because the Government did nothing to stop the raise of food prices or rents, which rise along market situation. Investing to rental flats in big cities is very profitable in Finland and as Finland is the most expensive country in EU the prices and rents just go up without control because Finland's economy has turned sharply upwards in 2017 – 2018. Low income citizens and their families have less and less money to buy food and pay the rent for the housing and this concerns many people in Finland (700 000 Finnish citizens are poor in Finland along the estimates of EU and 400 000 are in insolvency. The 2015 research on the adequacy of basic benefits showed huge problems to cover the most necessity living costs with basic benefits. ³ The next research of the current situation will be made before the turn of the year. Our association supposes that the situation in 2018 has not developed to a better direction. With regard to the violations found by the Committee in Merits 88/2012, 108/2014 and conclusions Finland 2017 it is to be seen a deliberate violation of Social Charter (Revised) on the side of Government of Finland.

5. The situation in basic benefits Finland autumn 2018

In the autumn 2018 the level of the levels of basic minimum benefits is the following compared to 40 % and 50 % of median equivalent income 2015 ($50 \% \notin 990$ and $40 \% \notin 792$ monthly):

This benefits belonging to the category 12.1. (Social security benefits).in the Charter (Revised), requirement 40 %:

The amounts of *minimum sickness benefit, minimum parental benefit and rehabilitation benefit* are €23.73/day or €593.25/month (the sickness benefit is paid only after 55 sickness days along the Law of Health Insurance). These amounts correspond to 30 % of median equivalent income⁴ before tax and 20 % after tax⁵ around 19 %

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The basic unemployment allowance is $\notin 32.40$ /day and amounts to $\notin 690.15$ euro/month⁶ - 20 % tax, = $\notin 552$ net, $\notin 25,67$ /day. The amount corresponds to 28 % of median equivalent income.

The Guarantee pension (minimum pension) is €775, 26 /month, fewer than 40 % level...

The benefits belonging to the category 13.1. (Social assistance benefits). In the Charter (Revised), requirement 50 %:

http://www.julkari.fi/bitstream/handle/10024/125703/TY%c3%96 2015 001 web 06032015.pdf?sequence=3

³ National Institute for Health and Welfare: National Institute for Health and Welfare (2015) The second expert group evaluation of the sufficiency of basic social security. Evaluation report on the sufficiency of basic social security in 2011-2015. Working paper 1/2015, Helsinki 2015. Available at

⁴ In 2015, median equivalent income (last available figure) was €1.976/month.

⁵ In 2013 the corresponding amounts were €23.77/day or €594/ month, corresponding to 31 % of median equivalent income before tax and 24 % after tax.

⁶ In 2013 the corresponding amounts were ϵ 32.46/ day or ϵ 698/month, corresponding to 36 % of median equivalent income before tax and 29 % after tax.

Labor market subsidy \in 32.40/day that amounts to \in 690.15/month⁷ - 20 % tax, = \in 552/month net, \in 25,67/day. The amount corresponds to 28 % of median equivalent income.

Last resort social assistance *Income support (toimeentulotuki)* €491/month, €22, 84/day to a person living $alone^8$

The amount of Finnish minimum benefits and social assistance has not changed much since 2013. They were manifestly inadequate in 2013 and still in 2018.

The only impact of the blames from the committee is that in the state budget proposal for the year 2019 the minimum benefits of sickness benefit, minimum parental benefit and rehabilitation benefit will be equalized with the level of basic employment allowance so that the level will be 28 % of the median equivalent income. Also the ceiling to the insured in medical cost will be lowered to \notin 572/year from the beginning of 2019. Our association has the opinion that these small changes are proposed only because there will be Parliamential elections in the spring 2019 and they are not large enough to compensate the massive cuts to social security in 2015-2018.⁹

In the beginning of the year 2019 the amount of the sickness benefit and maternal and parental allowance will be raised to \notin 696,50/month and to \notin 25,88/day brutto - 20 % tax = \notin 557,50/month and \notin 22,28/day. Besides this raise the level is freezed until 2020. There still is a gap up to the level of absolute 40 % minimum of the median equivalent income set by the committee in the Merits 88/2012 and 108/2014.

In the beginning of the year 2019 the amount of the rehabilitation allowance will be \notin 784,54/month, \notin 31,38/day brutto - 20 % tax = \notin 627,74/month and \notin 28,10/day. There still is a gap up to the level of absolute 40 % minimum of the median equivalent income set by the committee in the Merits 88/2012 and 108/2014.

Also the Guarantee pension shall be raised. Currently the amount is $\notin 775$, 26/month¹⁰. In 1.1.2019, the amount of Guarantee pension will be $\notin 784,54$ /month 1.1.2019. Besides this raise the level of guarantee pension is freezed until 2020. There still is a gap up to the level of absolute 40 % minimum of the median equivalent income set by the committee in the Merits 88/2012 and 108/2014. There still is a gap up to the level of absolute 40 % minimum of the median equivalent income set by the committee in the median equivalent income set by the committee in the median equivalent income set by the committee in the median equivalent income set by the committee in the Merits 88/2012 and 108/2014.

There will be no raise in unemployment allowance and labour market allowance. Due to the

¹⁰ In 2013, the amount of guaranteed pension was €738.83/month, corresponding to 38 % of median equivalent income.

⁷ In 2013 the corresponding amounts were ϵ 32.46/day or ϵ 698/month, corresponding to 36 % of median equivalent income before tax and 29 % after tax.

⁸ If the other person lives together is the amount of the other person €417, 53/month, €19, 42. A single parent gets €540, 33/month, €25, 13/day and assistance of children varies from €343, 85 – €260, 34.depending on the age of the child.
⁹ STM luonnos 22.8.2018 Hallituksen esitys eduskunnalle laeiksi sairausvakuutuslain muuttamisesta ja väliaikaisesta muuttamisesta sekä eräiden muiden lakien muuttamisesta

https://stm.fi/documents/1271139/9702772/HE+laeiksi+sairausvakuutuslain+muuttamisesta+ja+v%C3%A4lia ikaisesta+muuttamisesta+sek%C3%A4+er%C3%A4iden+muiden+lakien+muuttamisesta%2C+lausuntopyynt %C3%B6.pdf/abc306c1-433c-4775-a3d5-

⁸⁰f73f91d1d7/HE+laeiksi+sairausvakuutuslain+muuttamisesta+ja+v%C3%A4liaikaisesta+muuttamisesta+se k%C3%A4+er%C3%A4iden+muiden+lakien+muuttamisesta%2C+lausuntopyynt%C3%B6.pdf.pdf

freezing of index raises the amount of these benefits will stay tot the current level: 32,40/day, which is paid 5 days/week = 696,50/month. With the reduction of 20 % tax the amount is 25,92/day and €557,20/month. The labour market subsidy as a social assistance of art.13.1. should be 50 % of the median equivalent income so that the gap is still larger and stays as that till 2020.

As concerns the other social assistances in Finland (art. 13.1, *income support* (toimeentulotuki) the backwardness with the requirements in art. 13.1. is even larger than in labour market subsidy and very far from 50 % of the equivalent median income as the committee of social rights has set in the former said Merits. Now the basic amount \notin 491,21/month is well below from the level the committee requires. The Constitutional Committee of Finnish Parliament has stated that social security benefits should always be higher than social assistance benefits. Now the amounts of minimum social security benefits and social assistance benefits are very near each other.

The basic amount can be reduced 20 or even 40 % if the applicant refuses to accept a job offer of the work without salary. In Finland the unemployed may be forced to attend to a so. called "rehabilitative job actions", to work e.g. in the service of commune without salary and though he/she is working the income may be only labour market subsidy or income support. If the person refuses to work without salary his/her income support may be reduced 20 % or if he/she refuses many times even 40 %.¹¹ The decision is allowed to last two months, but it can be renewed without limitations.¹² So, thousands of Finnish people live monthly on an income €491,21 – 40 % = €294,73/month due to that they do not want work without salary. There is large gap from i€294,73/month to large 50 % of the median equivalent income required in the Charter to the level of social assistance.

6. The other cuts to social security since 2015

Cutting and stabilizing the amount of child benefit

Removing and lowering of indexes is not the only change in social security since 2015. In 2015 child benefit was removed from index. The only reason for this drastic change to the families with children was that *it was along the Government Program*. No discussion was with families or other public discussion was held in Finland. The removal of index raises was just a "*wish of the Government*".¹³ Removal of index raises may mean that the same amount of child benefit is in 2030 or even later while at the same time prices and rents rise without any control. The lowering of the level of child benefit will mean that the meaning of the benefit diminishes year by year and there will be much economic difficulties to low income families.

https://www.finlex.fi/fi/laki/ajantasa/1997/19971412

ttps://seura.fi/asiat/ajankohtaista/nain-kelan-virkailija-saa-sinulle-tehda-leikata-toimeentulotukea-ja-hakeaholhoukseen-edunvalvontailmoitusten-syita-ei-edes-tilastoida/

¹¹ Laki toimeentulotuesta 30.12.1997/1412 10 §

¹² See the article of a Finnish woman called *Miia*, whose income support has been reduced by 40 % lasting almost one year because she has refused to work without salary.

Näin Kelan virkailija saa sinulle tehdä: leikata toimeentulotukea ja hakea holhoukseen – Edunvalvontailmoitusten syitä ei edes tilastoida

¹³ HE 70/2015 Hallituksen esitys eduskunnalle laeiksi lapsilisälain ja elatustukilain 4 §:n muuttamisesta. The diminshed child benefits came to force 1.1.2016, www.finlex./fi/fi/esitykset/he/2015/20150070

The removal from indexes was not enough to the Government of Finland. In 2016 child benefits were lowered by 0, 91 %, the reason of the law change was *"stabilizing state economy and reach savings"*. The Government had decided to implement *the plan of the public economy*.¹⁴

The other cut was made in 2018 to the unemployed and especially to those long-time unemployed concerning both basic unemployment allowance and labor market subsidy. A new law change was proposed to the Parliament of Finland so there would be a cut of 4,75 % of unemployment benefits (including also earnings unemployment compensation) if the unemployed person does not find job for at least 18 hours during his/her unemployment in 65 days. If the unemployed does not find job his/her unemployment compensation will be 4, 75 % lower for the next three months. The obligation to find job was directed exclusively to the unemployed and no new obligations to the employees, they can still take or leave employees.

This new obligation was called an *activation model* (aktiivimalli) and it was hoped to create a spur to the unemployed who would otherwise sit lazy at home. However the effect of this model was a permanent lowering of unemployment to the majority of those unemployed. In August 2018 there was 97 000 unemployed persons with basic unemployment allowance or labor market subsidy and of those only one tenth had found job for these 18 hours required to fulfill "activation model". So for that 9/10 of the unemployed were to be contented to live with an unemployment benefit 4, 75% less than earlier. So their income is 30, 89/day – 20 % tax = 24, 71€/day/531, 26€/month.

Also there was a remarkable change in the beginning of 2018 concerning *housing benefits*. Till 2018 the adjustment of maximum amounts of housing allowance has been made yearly along the development of rent raises This system has been very important to the low-income households because rents have been raised at least 3 % every year and the rise has been at least double compared the rise of the consumer index. Buying and renting flats for renting is an important business in Finland and the investors want to get maximum profit for their investments. In total 860 000 Finnish citizens receive housing benefits, which also tells how wide is poverty in Finland and how important is the housing benefit. However through the law motion proposed by the Government of Finland ¹⁵ (and accepted by the Parliament) from the beginning of 2018 raises to the maximum amounts of housing benefits are not any more made along the development of rents but the raises are made along the rise of Consumer Price Index) on which rents are only a small part. The change meant those citizens with low-income must pay a much bigger part of their income to rents because already before the change the maximum amounts of housing were far behind from rental level especially in big cities (Helsinki, Vantaa, Espoo, Tampere, Turku, Oulu, Kuopio). As a consequence less moneys is left to buy food, to pay the hobbies of the children etc. The situation of low income and poor people in Finland is profoundly described in the report "Poverty Watch Report Finland 2017".¹⁶ Our association refers to the knowledge included in the report as one basis

¹⁴ HE 151/2016 Hallituksen esitys eduskunnalle lapsilisälain 7 §:n muuttamisesta. www.finlex.fi/fi/esitykset/he/2016/20160151

Due to the changes the amount of child benefit is from 1.1.2017 the following:

First child €94, 88/month, second €104, 84/month, third 133, 79/month, fourth 153, 25/month, fifth and further 172, 69/month. The raise for single parents is €48,55/month

¹⁵ HE 161/2017 Hallituksen esitys eduskunnalle laiksi yleisestä asumistuesta annetun lain muuttamisesta. www.finlex.fi/fi/esitykset/he/2017/20170161

¹⁶ Poverty Watch Report Finland 2017 (Available also in English on the website below)

to our complaint.

7. Is Finland as a member of Council of Europe entitled to cut benefits so low?

In its earlier statements and interpretations the Committee of Social Rights has noted that Article 13§1 provides for the right to benefits, for which individual need is the main criterion for eligibility and which are payable to any person on the sole ground that he or she is in need (Conclusions 2013, Article 13§1, Bosnia and Herzegovina). 13 – 64. The entitlement to social assistance arises when a person is unable to obtain resources "*either by his own efforts or from other sources, in particular by benefits under a social security scheme*" (Statement of interpretation of Article 13§1, Conclusions XIII-4, (1996). 65. *Social assistance must be at a level sufficient to ensure adequate assistance.* When assessing the level of assistance, the Committee has set at 50% of median equivalent income as calculated on the basis on the Eurostat at-risk-of poverty threshold (e.g. Conclusions XIX-2, Article 13§1, Latvia (2009).

Social assistance for those unemployed who have not succeeded to fill the requirements of the "activation model the benefit is now \notin 24, 7 /net, 5 days/week. This sum is a long way to 50 % level required by the committee (\notin 990 \notin /month).

Also the other social assistance *income support* (toimeentulotuki) is very low even if the index raise was made in 2018. In the future also its amount shall stay stable though it a last resort benefit. The amount of income support €491/month does not fulfill the requirements in Art. 13.1.

8. Conclusions

The Government of Finland violates deliberately Art. 12 and 13 of the Charter (Revised). All cuts and removals of raises in benefits have violated the Charter (Revised). Basic minimum benefits were reported to cover 71 % of all necessary costs in 2014^{17} and in 2016 the coverage amounted to 72 %¹⁸. In 2018 the situation is most probably worse than in 2016 due to the cuts and freezing of indexes. The new assessment of THL (Institution of Health and Welfare) of the adequacy of the minimum benefits will be published till the end of the year 2018.

Due to the freezing of indexes and the law changes described above the economic situation and living conditions of low income citizens will be deteriorating till the year 2021. The Merits and blames from the committee of violations would have assumed other kind of politics from the Government of Finland as Finland has ratified art. 12 and 13 of the Charter (Revised) and promised to implement them. Our association has the opinion that Finland's behavior as a member state of Council of Europe is unacceptable. Finland also gives strange a wrong example to the other member

http://www.eapn.fi/koyhyys/koyhyysvahti/

¹⁷ National Institute for Health and Welfare (2015b) the second expert group evaluation of the sufficiency of basic social security. Evaluation report on the sufficiency of basic social security in 2011-2015. Working paper 1/2015, Helsinki 2015. Available at

http://www.julkari.fi/bitstream/handle/10024/125703/TY%c3%96_2015_001_web_06032015.pdf?sequence=3

¹⁸ National Institute for Health and Welfare (2016c) Perusturvan riittävyys ja köyhyys, October 2016 (in Finnish) Available at <u>http://www.julkari.fi/bitstream/handle/10024/131346/URN_ISBN_978-952-302-743-5.pdf?sequence=1</u>.

states in not obeying the Charter (Revised). From 1. November 2018 Finland shall have the chair in the Council and as a chair-country Finland with its behavior instigates other member states to as indifferently toward the obligations in the Charter as Finland does.

In the opinion of our association the "*case of Finland*" should be brought to the ministerial level of the Council of Europe. The recommendations from the ministry level to Finland to raise minimum benefits would be an important message to the Government of Finland to act to opposite direction than this far. The change of policy is urgent because the amount of poverty is rising in Finland though the economy is booming. Too many citizens have to stand daily in the food queue. Social exclusion is speeding and it has frightening results. Children from poor families are teased in schools by others and it is impossible to them attend class excursions due to lack of money of their parents; children cannot access any hobbies etc. The savings to stabilize national economy is ruining the economy of low-income citizens.

Along the rules of Council of Europe about the complaints our association raises a complaint against the Government of Finland due to the constant and intentional violation of art. 12 and 13 in 2015 - 2018, our association asks that:

- The European Committee of Social Rights notes that Finland has continued to violate art. 12.1. and 13.1 of the Charter (Reformed) in 2015 – 2018. Finland has ratified art. 13.1. but still violates the obligations of art. 12.1 and 13.1 by keeping the level of basic social security benefits and social assistance too low...
- 2) The level of social assistance is even lower If a Finnish person refuses to work without salary. As a punishment his/her income support (€491,21/month) is reduced by 40 % and he/she has to live with an income under €300/month. We ask the Committee to note that these reductions (based on law of income support 10 §) are totally unacceptable in a country which has ratified art. 13.1. and Finland should quickly change legislation which violates Social Charter (Revised).
- 3) Finland has also violated art. 12.3 of the Social Charter (Revised) because it has still cut in 2015 2018 social security and social assistance benefits and freezed the level of them until 2020 and these cuts have mostly hurt those low-income citizens who are most in need of support. In the opinion of our society in the years 2015 2018 Finland has not endeavoured to raise progressively the system of social security to a higher level as should be done along art. 12.3.. On the contrary Finland has continued worsen social security without taking note of the blames form the committee of social rights in the Merits 88/2012 and 108/2014 and in the conclusions by the committee (January 2018, Conclusions 2017 Finland). In the Poverty Watch Report Finland 2017 one can read how deep impacts these cuts have had to low-income people in Finland.

Cordially and With High Respect

Helsinki 15.09.2018

Finnish Society of Social Rights

www.https://suomensosiaalioikeudellinenseura.yhdistysavain.fi/ Address: JJ Marjanen, PL 145, 00251 Helsinki 25

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Marjatta Kaurala Secretary

Attachments (www. addresses to these attachments are expressed in the e-mail in which I sent the Complaint to you). If you cannot find them or need them as various documents, please ask me (Yrjö Mattila, <u>yrjo.mattila@helsinki.fi</u>) so I will send them attached to e-mail.:

- 1. Association Register
- 2. Laki toimeentulotuesta 30.12.1997/1412 10 § https://www.finlex.fi/fi/laki/ajantasa/1997/19971412
- 3. National Institute for Health and Welfare: National Institute for Health and Welfare (2015) The second expert group evaluation of the sufficiency of basic social security. Evaluation report on the sufficiency of basic social security in 2011-2015. Working paper 1/2015, Helsinki 2015. Available at: http://www.julkari.fi/bitstream/handle/10024/125703/TY%c3%96 2015_001_web_060
- HE 70/2015 Hallituksen esitys eduskunnalle laeiksi lapsilisälain ja elatustukilain 4 §:n muuttamisesta. The diminished child benefits came to force 1.1.2016, www.finlex./fi/fi/esitykset/he/2015/20150070
- HE 149/2016 vp. Hallituksen esitys eduskunnalle laiksi kansaneläkkeen ja eräiden muiden etuuksien vuoden 2017 indeksitarkistuksista sekä laeiksi kansaneläkeindeksistä annetun lain 2 §:n ja toimeentulotuesta annetun lain 9 §:n muuttamisesta. www.finlex.fi/fi/esitykset/he/2016/20160149
- 6. HE 151/2016 Hallituksen esitys eduskunnalle lapsilisälain 7 §:n muuttamisesta. www.finlex.fi/fi/esitykset/he/2016/20160151

- 7. HE 123/2017 vp. Hallituksen esitys eduskunnalle laeiksi kansaneläkkeen ja eräiden muiden etuuksien vuoden 2018 indeksitarkistuksista sekä kansaneläkeindeksistä annetun lain 2 §:n ja eräiden muiden lakien muuttamisesta. https://www.finlex.fi/fi/esitykset/he/2017/20170123.pdf
- 8. HE 161/2017 Hallituksen esitys eduskunnalle laiksi yleisestä asumistuesta annetun lain muuttamisesta. www.finlex.fi/fi/esitykset/he/2017/20170161
- 9. Poverty Watch Report Finland 2017 Available in English on the website: http://www.eapn.fi/kovhvvs/kovhvvsvahti/

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- 10. STM luonnos 22.8.2018 Hallituksen esitys eduskunnalle laeiksi sairausvakuutuslain muuttamisesta ja väliaikaisesta muuttamisesta sekä eräiden muiden lakien muuttamisesta (Government proposal (HE) to change of the law of health insurance and some other laws will be presented to the Parliament of Finland probably in October 2018. So this law motion which is connected with the state budget of Finland will be found in the web page of the Parliament in the near future.)
- 11. Article in magazine "Seura" on the cuts of income support: Näin Kelan virkailija saa sinulle tehdä: leikata toimeentulotukea ja hakea holhoukseen – Edunvalvontailmoitusten syitä ei edes tilastoida https://seura.fi/asiat/ajankohtaista/nain-kelan-virkailija-saa-sinulle-tehda-leikatatoimeentulotukea-ja-hakea-holhoukseen-edunvalvontailmoitusten-syita-ei-edes-

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