



20/02/2018

## **EUROPEAN SOCIAL CHARTER**

Comments by the central Organisation of Finnish Trade Unions (SAK), the Finnish Confederation of Professionals (STTK), and the Confederation of Unions for Professional and Managerial Staff in Finland (Akava)

on the 13th national report

on the implementation of the European Social Charter

submitted by

## **THE GOVERNMENT OF FINLAND**

(Follow-up to the decisions relating to the Collective Complaints)

Report registered by the Secretariat on

20 February 2018

**CYCLE 2018**



Translation of the statement by Central Organisation of Finnish Trade Unions (SAK), Confederation of Unions for Professional and Managerial Staff in Finland (Akava) and Finnish Confederation of Professionals (STTK):

Council of Europe; Revised European Social Charter; Thirteenth Periodic Report  
by Finland

The Finnish central organisations of employees, i.e. the Central Organisation of Finnish Trade Unions (SAK), the Confederation of Unions for Professional and Managerial Staff in Finland (Akava) and the Finnish Confederation of Professionals (STTK), state the following:

#### Article 12: The right to social security

While Finland has striven to gradually raise the level of the national social security system in many respects, cuts have been made to several benefits in recent years.

In early 2014, the maximum duration of the earnings-related unemployment benefit was graded according to the beneficiary's employment history. This meant a shorter maximum duration for many beneficiaries. The level of the earnings-related unemployment benefit was lowered in early 2015, too. The highest daily allowance amounts and the so-called increased earnings-related component were cut. The amount of the child benefit was also reduced by 8 per cent.

In 2017, indexes were frozen for, for instance, national pensions, unemployment benefits, survivors' pensions, front-veteran's supplements and disability benefits. As a result, the purchasing power of these benefits will decline during the next two years.

The activation model for unemployment security to take effect at the beginning of 2018 will cut the unemployment benefit by about 5 per cent if the beneficiary fails to find employment within 65 days. The model increases bureaucracy, makes unemployed people's life more difficult and treats them unequally in different parts of Finland. The model fails to take regional and sectoral differences sufficiently into account.

Several cuts to social security decided in 2015 entered into force at the beginning of 2016. The housing allowance is now adjusted according to income more strictly than before. The conditions of job alternation leave are more stringent, and the amount of the job alternation allowance is lower. Parental allowances are no longer higher for the first 30 weekdays, and people who take parental leave earn fewer days of annual holiday. The level of sickness and rehabilitation allowances has been reduced for those whose annual earnings exceed EUR 30,000. The reimbursements for medicine expenses and travel costs under the health insurance scheme are smaller than before.

At the beginning of 2017, the granting and payment of basic social assistance was transferred from municipalities to the Social Insurance Institution of Finland. In the reorganisation, both the authority producing the service and the mode of providing the external client service, as well as the internal information systems of the authority, were changed simultaneously. The changes also led to problems with the processing of applications and with payments of social assistance. As a result, many people were deprived of basic social assistance and had no means to pay for medicines, housing and basic living costs.

#### Article 13: The right to social and medical assistance

Article 13, paragraph 1 requires the Parties "to ensure 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, in particular by benefits under a social security scheme, be granted adequate assistance, and, in case of sickness, the care necessitated by his condition".

Finland has failed to right the social security of persons exposed to moisture damage microbes. Many employees with illnesses caused by moisture and mould damage enjoy no social security after the illness period when they receive their wage or salary, because the Social Insurance Institution of Finland does not pay them any daily sickness allowance under social insurance. It is an established practice in applying social insurance regulation that a person is not regarded as incapable of work if he or she has symptoms only at a workplace with mould and moisture damage. If the employer does not arrange another work environment for the sick employee and the employee cannot return to the earlier work, he or she may be deprived of all subsistence if the symptoms of the illness are not considered to suffice for a diagnosis of an occupational illness or sufficiently reduced work ability.

The diagnostics and examination methods for occupational diseases should be developed in order to better assess the nature of illnesses of employees suffering from moisture and mould damage and, in cases of occupational diseases, to arrange the employees' social security as part of the statutory accident insurance system financed by employers. Employers are responsible for a healthy and safe work environment. If they fail to fulfil this obligation, they must bear the resulting costs, too. Attempts were made to solve the problem as part of the overall reform of the Employment Accidents Insurance Act, among other contexts. However, the initiative met opposition from the employers' side and the Government was not willing enough to take the initiative further when only the wage earners' organisations supported it.

#### Article 23: The right of elderly persons to social protection

According to the complaint filed by The Central Association of Carers in Finland in 2011, Finland violates the rights of elderly persons to medical assistance, social welfare services and social protection. In particular, the complaint concerns the amount of client fees in service houses, the variation in the fees between different service providers and the lack of round-the-clock service provision in service houses. There are still no legislative guarantees that clients in service housing will have funds available also after paying their client fees.

Article 24: The right to protection in cases of termination of employment

The Government of Finland has failed to take any measures in response to decision no. 106/2014 of the European Committee of Social Rights, issued on 8 September 2016.