

## Finnish anti-poverty network EAPN-Fin

PeP report 2023 for the international meeting in  
Madrid 14-15 November





## **Finnish anti-poverty network EAPN-Fin**

### **PeP report 2023 for the international meeting in Madrid 14–15 November 2023**

#### **1.Preparation process**

In EAPN-Fin, European Anti-Poverty Network Finland, there is a civic activity group whose activities have been activated since Covid. The civic activity group is open to everyone who experiences poverty and is interested in the topic.

New coordinators to the group were elected in spring 2023. Their task has also included preparations for the international PeP meeting which will be held in Madrid in November 2023. The preparatory meetings were held on May 11th, June 12th and June 29th, 2023.

Additionally, the civic activity group has held meetings open for all interested parties, under the leadership of the coordinators on August 10<sup>th</sup> and September 14<sup>th</sup>, 2023. The meetings will continue on monthly basis towards the end of the year.

The group gathers information about the experiences of poverty through discussions and passes the information on in various networks. Discussions have featured Finland's new government programme announced in June. It focuses cuttings on social security, including unemployment benefits and housing allowances. The program weakens the standard of living of those experiencing poverty

#### **Meetings and events**

PeP coordinators have been involved in gathering or transmitting information in the following events:

15.3.2023 Respectfully, poverty award for journalists

24.-25.5.2023 Budapest, Journalism Prize meeting

29.6.2023 PeP coordination group/ Brussels meeting

3.8.2023 Pep coordination group / Brussels meeting

2.9. 2023 Social Forum, Spectrum of Poverty in Finland (expert and public event)

12.9. 2023 The Parliament's poverty group, effects of the government program on poverty (for MPs and the public, 180 participants)

18.9.2023 Video recording: Experiences of poverty in Finland, interviews with citizens, Helsinki Narinkkatori

19.9 2023 Kela workshop: Government programme, social security and digitalisation (about 40 participants)



25.9.2023 Pep Coordination group / Brussels meeting  
Pending:

7.11.2023 Those who have experienced poverty and MPs at the same table: Themes: Long-term need for income support, poverty of people who in work, pensioner poverty, poverty of those living alone

23.11.2023 Working poverty (seminar) Organized by the Finnish Social Law Society, SAK, PAM and PAU

In September, EAPN-Fin's civic activity group created an online survey about poverty that is open to everyone. The online survey has received 120 responses by the end of September. The survey is still ongoing, and it is used to map phenomena related to poverty.

## **2. Description of problems**

### **Rising cost of living**

Food, electricity and fuel prices have risen significantly. In particular, the rise in food prices has increased the need for food aid. The number of people attending food deliveries has increased, but the amount of food to be distributed is even scarcer, because stores have minimized their losses.

In 2022, the price of food increased by 10.5 percent compared to the previous year. The rise in prices has continued in early 2023.

Housing has become more expensive in both rental and owner-occupied housing due to the rise in interest rates. The rise in housing costs has clear negative effects on well-being. The rise in housing costs has affected low-income households the most. Moving to more affordable housing does not make the situation easier, because travel expenses, e.g., to the workplace, may grow.

According to ARA's report, there are 3686 homeless people in Finland. The poverty line has been defined as 1229 euros for a childless person living alone. For a single parent with two children under the age of 14, the limit is 1967 euros.

The price of household electricity rose by 41-49% in the last quarter of 2022. Fuel prices have also increased.

The European Committee of Social Rights has already reprimanded Finland several times for the too low level of basic social security. The last reprimands came in February 2023.

### **Comments from citizens**

When everything rises at the same time - that's it. The situation is getting tougher.

There is no money to eat, no money to buy clothes, no money to pay bills. You can't even afford to go to work every day.

It cannot be repaired if household appliances break. And I can't afford to buy a new one.  
Can't afford to travel or eat out.

You have to refuse if someone asks you to go somewhere, your social life shrinks.

You cannot organize a birthday or other parties for the child, for example.



Can't afford hobbies. Loneliness increases. You have to go to food aid when you don't have enough money.

There is not enough food for everyone even in the food distribution.

Food aid is far away, you can't afford to travel there.

Healthy food and e.g., berries are a luxury, fortunately they can be found in the forest in summer.

### **Unemployment**

Unemployment is the most common cause of poverty. According to statistics, there were 249.500 unemployed people between the ages of 15 and 74 in August 2023. There were 90.800 long-term unemployed, i.e. people who had been unemployed for at least one year continuously. There were 500 young unemployed job seekers under the age of 25, for a total of 26.100.

The government program is tightening unemployment security, e.g. The 300-euro protective contribution (salary that can be earned per month without affecting the compensation) is going to be removed. Earnings-related unemployment insurance is going to be staggered, which means a reduction to the current situation.

The child increase in unemployment compensation is going to be abolished.

### **Comments from citizens**

If the commute is long and the pay is poor, you have to think about whether you will have anything left after the expenses.

When you don't have a car and decent public transport, it's difficult to find a job.

Age and lack of education and health prevent employment.

You cannot get a disability pension, even though you have numerous illnesses.

The individual health or social problems of the job seeker are not taken into account, it is difficult to get help and support. It is difficult to get to the doctor, the waiting times are long.

If a child is in a poor family, she/he is generally marginalized and bullied.

The situation of unemployed people who are actually unable to work is particularly difficult, they easily get stuck in difficult benefit circles when they are sick.

Benefit cuts and index freezes make my situation worse when I can't work.

### **Availability and accessibility of services**

The poverty risk of sick and disabled persons is affected by the fact that Finland's health system is one of the most unequal in prosperous countries in terms of access to and use of health care services. Finland spends less money on healthcare than EU countries on average. The share of customer fees in financing health services is greater than elsewhere.

People who do not have access to occupational health or cannot afford to use private health care services, for example, find it difficult to get in touch with the services and have to wait in line for a long time. There are big differences in access to services in different parts of the country.



In 2022, almost 490.000 social and health care customer payments went into foreclosure. People delay seeking health services for fear of costs and save money by taking medicines less often than prescribed by the doctor.

### **Comments from citizens**

Being unemployed, I couldn't see a doctor.

You can't go to therapy if you don't have money. Not offering a service, but a jar of pills.

Health suffers when you can't afford to visit a doctor and buy necessary medicines.

Medicines are halved and I don't buy them because I can't afford them.

Service control is missing, information systems do not work together.

Services cannot be accessed. They offer, e.g., online instructions, online therapy.

### **3. Considerations related to the 2023 government program**

Parliamentary elections were held in Finland in April 2023. The new government began its term in the spring and announced the government's program in June. The government program presents several tightening's and cuts to social security, unemployment security and housing allowance.

### **Comments from citizens**

The removal of the protective part of unemployment insurance is surprising and worrying. Likewise, increasing the deductible for housing costs.

Bills are delayed and phones go dead when you have to wait for benefits.

Self-employed people are often excluded from benefits, there is no social security.

Emphasis is placed on a broader mapping of each person's ability to work, what are the reasons why the person is not employed, before the last-resort income support is cut.

Benefit cuts and index freezes make my situation worse when I can't work.

Cutting the earnings-related daily allowance does not promote employment. Cutting housing allowance and others will make the life of a low-income person even more difficult.

There is the daily stress of having enough money.

The government program increases unemployment because it makes part-time work unprofitable. It increases income support clientele, which is the worst income trap. The government's program is socially politically unsuccessful and ideologically guided.

In the Finnish winter at 30 degrees below zero, the situation is harsh.

Almost every possible cut to subsidies, wage-subsidized part-time work, etc. hits me.

Does poverty increase the gray economy?

The unequal treatment of the poor is worrying.











**Compiled by: EAPN-Fin Citizens' activity Group. Finnish PeP coordinators Kari Aro, Katja Rantala-Airola, Leena Valkonen.**