




FINLAND

A TRADE UNION FOCUS ON THE SDGs

#HLPF2020

COVID-19:
WORKERS DEMAND
JOBS, INCOME AND
SOCIAL
PROTECTION

COVID-19: WORKERS NEED RESPONSES FOR RECOVERY AND RESILIENCE

The Finnish government declared a state of emergency on 18 March, with policies such as quarantine, travel restrictions, and closure of public spaces and schools. The government's current response includes the following: payment of a sickness allowance for employees and guardians or parents of children under 16 years old; unemployment benefits during layoff regardless of business activities or studies (based on a proposal presented by trade unions); temporary right to entrepreneurs and jobseekers to unemployment security, budget increase of health care, unemployment benefits, basic social assistance and housing allowance; credit support to companies including Small and Medium-sized Enterprises (SMEs); appeal to creditors to temporarily reduce or suspend the rent of companies; shortening of the notice period preceding employee temporary layoffs, but with the extension of the time frame for employee re-employment obligation if the employee was laid off during the state of emergency.

Trade unions support the government's response to the pandemic. At the same time, from the trade union view, among the mentioned measures, the increase of budget for basic social assistance and housing allowance are particularly important and should be reinforced, as well as the extended right to unemployment benefit during temporary layoff.

ARE TRADE UNIONS AT THE TABLE?

In December 2019, the new Finnish government released its programme called "Inclusive and Competent Finland - a Socially, Economically and Ecologically Sustainable Society". While the programme does not directly address Agenda 2030, trade unions are optimistic that it will contribute to its implementation, as the programme's key pillars are income security, well-functioning health and social services and solid education.

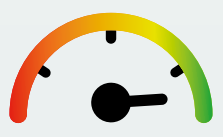
the previous government, which had cut costs for key initiatives such as health and social policy reform, education and the activation of unemployed youth. Stakeholders are asked to comment on the preparation of the roadmap and monitor and estimate the implementation of the global action plan for SDGs. Trade unions and civil society have been asked to give their view on the progress of sustainable development over 2017-2019, contributing to Finland's official VNR.

The implementation of and consultations on Agenda 2030 fall under the supervision of the Secretary for Sustainable Development, who reports to the Prime Minister's office.

While social dialogue partners are not especially encouraged to make joint submissions on Agenda 2030 as such, there is room in the Sustainable Development Council for dialogue focusing on indicators also closely linked to SDG 8. Sustainable development budgeting was introduced under the previous government, although trade unions regret that it only applies to ecological and not social development goals.

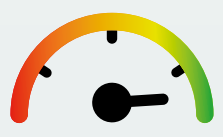
The new Finnish government is preparing a new roadmap and a global action plan to reach the Sustainable Development Goals (SDGs). While the exact priorities are not yet known, trade unions expect them to be more socially oriented than under

TRANSPARENCY



Complete access to information

CONSULTATION



Structured multi-stakeholder platform

SOCIAL DIALOGUE



Social partners contribute individually to the government's SDG national plan



IS THE (DECENT) WORK GETTING DONE?

Finnish trade unions stress that improvement on several key indicators is needed to achieve the SDGs in their country.

Indicators on **target 1.1 (eradicate extreme poverty)** show that 1.7 per cent of employed persons were living under poverty in 2017 according to nationally defined thresholds. With regard to **target 1.3 (implement nationally appropriate social protection systems and measures)**, while all of the population was effectively covered by at least one social protection cash transfer, 14 per cent of children lived in low-income households, a trend which trade unions described as likely to get worse. Indicators relating to **target 1.a (ensure significant mobilisation of resources to implement programmes and policies to end poverty in all its dimensions)** show that in 2017, only 2,2 per cent of Finnish Gross Domestic Product (GDP) was spent on unemployment policy, and only one per cent was allocated to the activation of the unemployed, placing the country behind the median spending on this objective in Europe. In 2017, only 5,3 per cent of GDP was spent on education as a result of the government cuts in this area. 2015 spending on health was 9,4 per cent of GDP, 0,1 per cent less than the year before. The budgetary allocation for all social welfare funding was 31,6 per cent of the budget 2015.

There is a need for improvement to achieve progress on **target 5.5 (ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life)**, as in 2018, women represented only 29 per cent of the board members of stock market companies and between 26 per cent and 34 per cent of other companies' boards. However, in 2018, 75 per cent of the population had at least a secondary education: 76 per cent of women and 74 per cent men; in addition, 36 per cent of women have achieved a higher degree in education, compared to only 28 per cent of men.

There are multiple concerns about the targets set by **SDG 8 (promote sustained, inclusive and sustainable economic growth, full and productive**

employment and decent work for all). Regarding **target 8.3 (promote policies that support productive activities, decent job creation)**, in 2016, 7,1 per cent of employed persons were in low-paid work (4.6 per cent of men and 9.6 per cent of women). In 2018, 9,2 per cent of the work was precarious. On **target 8.5 (achieve full and productive employment and decent work for all)**, unemployment has seen a decrease, with 2019 rates for men standing at 6,1 per cent and women 5,8 per cent; however, 2018 underemployment rates have increased to 9.2 per cent. Not in Education, Employment or Training (NEET) indicators for **target 8.6 (reduce the proportion of youth not in employment, education or training)** for 2018 stood at 11.8 per cent of youth aged between 16-29. Concerning deteriorations continued in regard to **target 8.8 (protect labour rights and promote safe and secure working environments for all workers)**, as the number of workplace injuries has risen by two per cent from 2017 levels in 2018. Trade union density is estimated to stand at 59.4 per cent in 2017, down by 5.1 per cent from the year before; collective bargaining coverage stood at 88.8 per cent in 2017, down from 91.9 per cent in 2013.

Progress remains to be made for Finland to reach **target 10.4 (adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality)**, as the labour share of GDP (wages and social protection transfers) stood at 56.3 per cent in 2017. The 2017 Gini index measuring inequalities stood at 27 per cent, indicating that inequality is on the rise in the country, as in 1995 the index stood at 19.8 per cent. The percentage of low-income households stood at 12.1 per cent in 2017.

Finland has prepared a climate change adaption strategy and a low greenhouse gas emissions strategy, indicating first steps to reach **target 13.2 (integrate climate change measures into national policies, strategies and planning)**. While a specific plan on a Just Transition has not been included in the national, sectoral or regional climate strategies, the government programme mentions the implementation of Just Transition as part of its climate policy activities.

TRADE UNION ASKS TO LEAVE NO ONE BEHIND

Finnish trade unions call on their government to ensure that the implementation of the SDGs leads to meaningful changes in policy with a focus on social development. This can be achieved by setting concrete policy objectives, by developing solid means for their implementation including appropriate financial allocations, and by including the social development aspect of sustainable development into the budgetary process.

Trade unions call on the government of Finland to maintain and enhance the response to the pandemic crisis in line with the SDGs, such as:

- Temporarily interrupting the counting of maximum payment for unemployment benefits in order to guarantee the equal treatment of all who were made redundant or laid off; Minimising the debt problems of households by increasing the labour market benefit, the basic allowance and the basic earnings-related benefit.
- Doubling the amount of the maximum compensation of guarantee pay and extending its duration.
- Enhancing the education and training offer through policies including the following: improving the availability of e-learning through separate funding to educational institutions; increasing short qualification training and short-term training (especially for sectors suffering from labour shortages); strengthening citizens' digital literacy; resolving work-based learning and the recognition of skills, even in exceptional circumstances; and widening the tax exemption for employer-sponsored training.



This publication has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of TUDCN/ITUC and can in no way be taken to reflect the views of the European Union.