



LAPIN YLIOPISTO
UNIVERSITY OF LAPLAND



University of Lapland

This is a self-archived version of an original article. This version usually differs somewhat from the publisher's final version, if the self-archived version is the accepted author manuscript.

European Semester 2016/2017 country fiche on disability

Lauronen, Juha-Pekka; Vehmas, Simo Pekka

Published: 16.11.2016

Document Version
Peer reviewed version

Citation for pulished version (APA):
Lauronen, J-P., & Vehmas, S. P. (2016). *European Semester 2016/2017 country fiche on disability.*

European Semester 2016/2017 country fiche on disability	
Finland	
Report prepared by: Juha-Pekka Lauronen, Simo Vehmas	
With comparative data provided by the ANED core team	

The [Academic Network of European Disability experts](#) (ANED) was established by the European Commission in 2008 to provide scientific support and advice for its disability policy Unit. In particular, the activities of the Network support the development of the European Disability Strategy 2010-2020 and practical implementation of the United Nations Convention on the Rights of Disabled People in the EU.

This country report has been prepared as input for the European Semester from a disability perspective.

Note:

The statistics provided in October 2016 are based on the EU-SILC 2014. This is the most recent microdata available to researchers for analysis from Eurostat. This report may be updated as new data becomes available.



Table of contents

1	Summary of the overall situation and challenges	2
2	Assessment of the situation of disabled people with respect to the Europe 2020 headline targets.....	3
2.1	Strategic targets	3
2.1.1	A note on the use of EU data.....	4
2.2	Employment data	4
2.2.1	Unemployment	9
2.2.2	Economic activity.....	11
2.3	Education data.....	13
2.3.1	Early school leavers	13
2.3.2	Tertiary education.....	16
2.4	Poverty and social exclusion data	17
3	Description of the situation and trends in relation to each target area.....	20
3.1	Employment.....	20
3.2	Education.....	21
3.3	Poverty and social inclusion.....	22
4	Assessment of policies in place to meet the relevant headline targets.....	23
4.1	Employment.....	23
4.2	Education.....	24
4.3	Poverty and social inclusion.....	25
4.4	Synergies between developments in the different areas	26
5	Review of the European Semester from a disability perspective	28
5.1	Progress on disability-specific Country Specific Recommendations (CSRs)	28
5.2	Progress on other CSRs from a disability perspective.....	28
5.3	Assessment of disability issues in the Country Report (CR)	29
6	Assessment of the structural funds ESIF 2014-2020 or other relevant funds in relation to disability challenges.....	32
7	Recommendations	34

1 Summary of the overall situation and challenges

The government's goal is to prevent work incapacities and improve labour market opportunities for people with partial work incapacities, and to prolong their careers. This program is based on OECD's analysis on Finland's economic sustainability and labour market. Finland was recommended to review its disability pension entitlement and to reduce the number of older workers leaving the workforce due to disability.¹

The employment rate of 58.4% of people with partial work incapacity is reasonably good compared to the whole population's rate of 70% in 2014. 7.17 % of people with partial work incapacity were registered job seekers and in all 41.6% of all people with partial work incapacity were economically inactive or unemployed. Of the unemployed population, 190, 000 were job seekers. The number of economically inactive and unemployed disabled people (236,886) is greater than the number of non-disabled unemployed (218 000). 21.6% of all registered job seekers have some sort of incapacity.

The educational challenge is significant, since only modest efforts have been made to include severely and moderately disabled young people into upper secondary and tertiary education. This is clearly in conflict with governmental policy that speaks for the inclusion of young people and other groups in difficult labour market situations. Nevertheless, new amendments to improve access to the labour market and rehabilitative education services have been implemented.

In order to lower the risk of poverty or social exclusion of disabled people, more synergy between education and employment is required. Along with work opportunities, there is a need for alternative solutions to create social wellbeing for disabled people who face challenges to access the labour market conditioned by the standards of non-disabled people.

¹ OECD Economic Surveys. Finland. February 2014. Overview.
http://www.oecd.org/eco/surveys/Overview_Finland_2014.pdf.

2 Assessment of the situation of disabled people with respect to the Europe 2020 headline targets

2.1 Strategic targets

Table 1: Europe 2020 and agreed national targets for the general population

	Europe 2020 targets	National targets ²
Employment	75% of the 20-64 year-olds to be employed	78%
Education	Reducing the rates of early school leaving below 10%	8%
	At least 40% of 30-34-year-olds completing third level education	42% (narrow national definition)
Fighting poverty and social exclusion	At least 20 million fewer people in or at risk of poverty and social exclusion	770,000 persons living at risk of poverty or social exclusion, equivalent to an absolute decrease by 140,000 persons

Relevant disability targets from national strategies or sources:

The disability program of The Ministry of Social Affairs and Health 2010-2015³ states the main targets for employment, education and social inclusion but these are not quantified. Many of the targets are general rights of citizens. In addition, there are certain mandatory objectives, such as accessibility, related to the quality of life regulated by the Finnish law 117 e § (21.12.2012/958)⁴ and the Convention on the Rights of Persons with Disabilities by UN, which Finland has recently ratified in 2016.

Employment

- Work is a basic right for disabled people.
- The Ministry of Health and Social Affairs, together with the employment authorities, need to develop job-hunting services that suit better disabled people.
- Employers ought to develop accessible workplace environments with required daily support for disabled workers.
- Necessary language interpretation services should be provided by employers.
- The employment service law has been revised so that an employee's disability is no longer a status barrier for employment services and availability in the labour market.

² http://ec.europa.eu/europe2020/pdf/targets_en.pdf

³ Vahva pohja osallisuudelle ja yhdenvertaisuudelle. Suomen vammaispoliittinen ohjelma VAMPO 2010-2015 [Finland's disability policy program] <http://www.julkari.fi/handle/10024/112497>.

⁴ [https://www.finlex.fi/fi/laki/ajantasa/1999/19990132?search\[type\]=pika&search\[pika\]=esteett%C3%B6myys](https://www.finlex.fi/fi/laki/ajantasa/1999/19990132?search[type]=pika&search[pika]=esteett%C3%B6myys).

- The Minister of Health and Social Affairs's program of partial work ability aims to improve the employment services for disabled job seekers.

Education

- Disabled people require the necessary support to be included in primary and secondary education. This requires training of teachers and other staff.
- Officials should make more efforts to support the schooling and work of disabled people by, for example, improving both educational and career counselling.
- The connection between vocational special training and working life needs to be strengthened.
- At the primary level of education disabled children should have morning and evening activities in local schools.

Poverty and Social Exclusion

- Prevention of poverty is based on means-tested disability benefits by the Social Insurance Institution of Finland (Kela).
- The social exclusion strategy emphasises independent living, social inclusion, accessibility and anti-discrimination acts.
- Services must be arranged so that they support independent living of a disabled person. Accessibility is an important part of this strategy. Accessibility also supports social inclusion when basic services are easy to reach and use.
- Public premises and public transportation are required to be accessible in order to enable physical mobility.

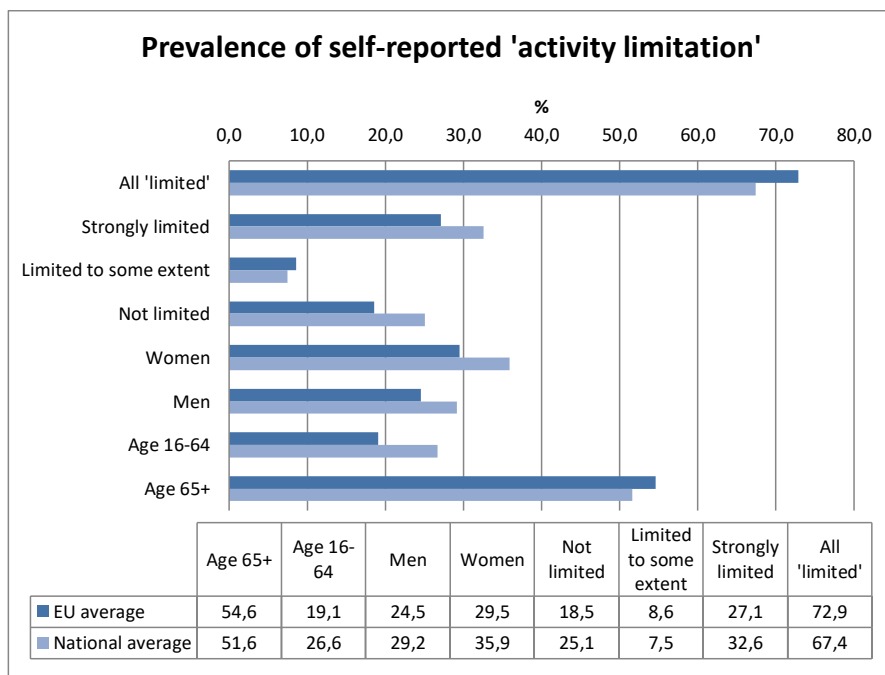
2.1.1 A note on the use of EU data

Unless specified, the summary statistics presented in this report are drawn from 2014 EU-SILC micro data.⁵ The EU-SILC sample includes people living in private households and does not include people living in institutions. The proxy used to identify people with disabilities (impairments) is whether 'for at least the past 6 months' the respondent reports that they have been 'limited because of a health problem in activities people usually do'.⁶ Responses to this question vary between countries and national data sources are added for comparison, where available.

Table 2: Self-reported 'activity limitations' as a proxy for impairment/disability (EU-SILC 2014)

⁵ EUSILC UDB 2013 – version 2 of August 2015

⁶ The SILC survey questions are contained in the Minimum European Health Module (MEHM) [http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Glossary:Minimum_European_Health_Module_\(MEHM\)](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Glossary:Minimum_European_Health_Module_(MEHM))



Source: EUSILC UDB 2014 – version 2 of August 2016

It is relevant to observe that Finnish estimates of impairment prevalence are well above average, especially for working age adults, which may affect estimations of equality gaps.

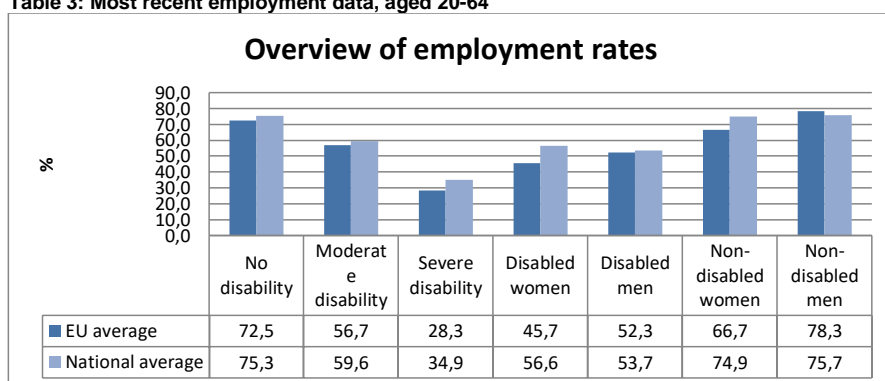
In subsequent tables, these data are used as a proxy to estimate 'disability' equality in the main target areas for EU2020 – employment, education and poverty risk.⁷ The tables are presented by disaggregating the estimated proportion of people who report and do not report limitations for each indicator (e.g. among those who are employed, unemployed, at risk of poverty, etc.).

2.2 Employment data

⁷ The methodology is further explained in the annual statistical reports of ANED, available at <http://www.disability-europe.net/theme/statistical-indicators>

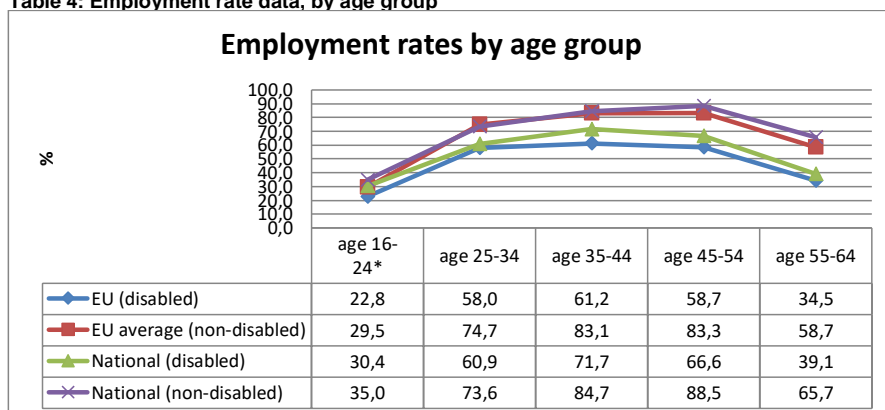
1.1

Table 3: Most recent employment data, aged 20-64



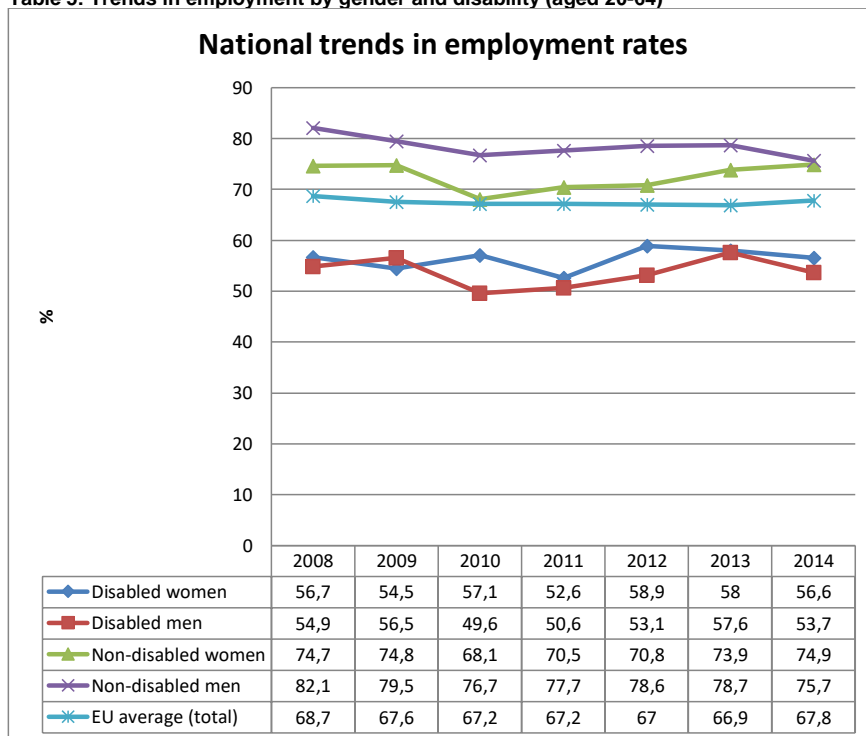
Source: EUSILC UDB 2014 – version 2 of August 2016

Table 4: Employment rate data, by age group



Source: EUSILC UDB 2014 – version 2 of August 2016

Table 5: Trends in employment by gender and disability (aged 20-64)



Source: EUSILC UDB 2014 – version 2 of August 2016 (and preceding UDBs)

The table above shows a comparison of national employment trends for disabled and non-disabled women and men, and compares this with the EU2020 headline indicator for the EU as a whole.

Alternative data on disability and employment provided by the national expert:

The national data on employment rates of disabled people is fragmented and sometimes based on estimates of the officers. The data lacks the distinctions and categories used in EU-SILC. Therefore the comparisons are approximate. Different categorizations used by Finnish administration causes problems. EU-SILC definition of disability (impairment) is wider than the concept of “people with partial work incapacity” used by Finnish administration, as in Labour Force Survey methodology there is a larger group of people who report ‘limitations’ in everyday activities and a smaller sub-group who report ‘work limitations’. In EU-SILC statistics the concept of disability means a limited health condition for any reason; it does not refer to disabilities as medically diagnosed conditions. A diagnosed condition, however, is required in the Finnish system. Thus, EU-SILC gives a more optimistic view about the employment rates of disabled people because it considers also people with low level of impairment protected by the Convention on the Rights of Persons with Disabilities. Moreover, the reported disability rate of Finland is much higher than the

Kommentoinut [MP1]: Country expert to add examples of national employment data concerning disabled people, notably where it may differ from EU data.

It is not necessary to discuss the actual situation here (this can be done in the descriptive part later). The main purpose is to identify the most useful data sources for each country.

EU average in EU-SILC, which may imply that the criteria used to indicate impairment is looser, as people may have reported minor temporary illnesses.

The Ministry of Employment and the Economy and Statistics Finland can provide estimates of the employment situation of disabled people.. More or less, these figures have remained constant since mid-1990 regardless seasonal variation. According to combined data estimates of the Statistics Finland and the Ministry of Employment and the Economy, there were 333,974 employed people with partial work incapacity, which is 58.4% of all 571,860 people with partial incapacity in 2014. The amount is estimated from the study of Finnish Statistical Centre (2011), which claims that 18% of people 20–64 year old have an impairment disadvantaging working. The study is based on a sample of self-reporting people and, that is why, it cannot represent explicitly the whole population.^{8 9 10} It is unlikely that the amount of people with partial work incapacity has changed significantly in 2015.

The problem is that these numbers include also people who receive disability pension or partial disability pension depending on the degree of disability (236,886). Thus, the rate is rather high as it includes all those who are qualified to receive the disability tax reduction. Roughly 40,000 disability pensioners were also working in 2014.^{11 12} In addition, studies (Eurostat 2003; OECD 2010; Taskinen 2012) indicate that the rate of disability is high in Finland.^{13 14 15} As Pertti Taskinen (2012) puts it: "Finnish people are conscientious to report their impairments". This may create cultural biases in EU comparisons.

The last study on impairments and working was conducted by Statistics Finland 2013.¹⁶ This old Finnish data from the year 2000 supports EU-SILC data regarding the minimal difference between employment of disabled men and women.¹⁷ The report also points out the employment differences between different educational

⁸ Tötterman, Patrik (2015). Unpublished estimates of combined data on employment of people with partial work incapacity and of disability pensioners (counselling). The Ministry of Employment and the Economy.

⁹ Taskinen, Pertti (2012) Osatyökykyisillä on työhaluja terveysongelmista huolimatta [Report on people with partial work incapacity]. Tilastokeskus [Statistics Finland]. http://www.stat.fi/artikkelit/2012/art_2012-12-10_005.html?s=1.

¹⁰ Statistics Finland (2015) Finland's population was 5,471,753 at the turn of the year. 27 March. http://www.tilastokeskus.fi/til/vaerak/2014/vaerak_2014_2015-03-27_tie_001_en.html

¹¹ Tötterman, Patrik (2015). Unpublished estimates of combined data of employment of people with partial work incapacity and of disability pensioners (counselling). The Ministry of Employment and the Economy.

¹² Statistics Finland (2015) Finland's population was 5,471,753 at the turn of the year. 27 March. http://www.tilastokeskus.fi/til/vaerak/2014/vaerak_2014_2015-03-27_tie_001_en.html

¹³ Eurostat (2003) Statistics in focus. Population and social conditions. Theme 3–26/2003. Eurostat.

¹⁴ OECD (2010) *Sickness, Disability and Work: Breaking the Barriers. A Synthesis of findings across OECD countries.*

¹⁵ Taskinen, Pertti (2012) Osatyökykyisillä on työhaluja terveysongelmista huolimatta [Report on people with partial work incapacity]. Tilastokeskus [Statistics Finland]. http://www.stat.fi/artikkelit/2012/art_2012-12-10_005.html?s=1.

¹⁶ Taskinen, Pertti (2012) Osatyökykyisillä on työhaluja terveysongelmista huolimatta [Report on people with partial work incapacity]. Tilastokeskus [Finnish statistical service center Statistics Finland]. http://www.stat.fi/artikkelit/2012/art_2012-12-10_005.html?s=1.

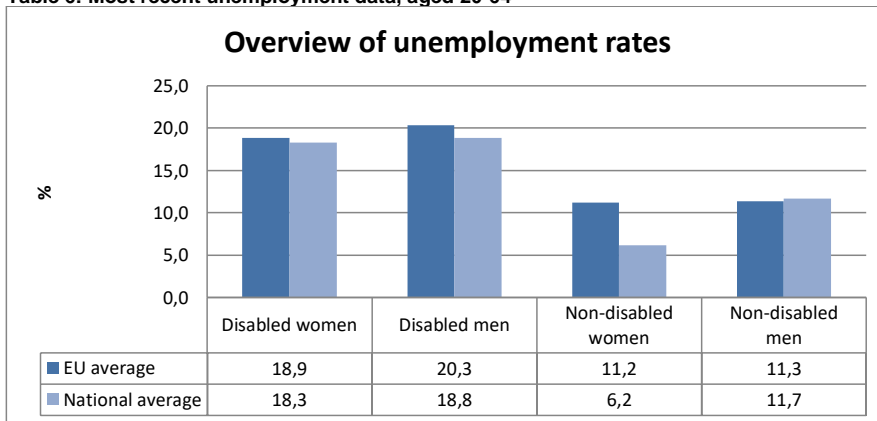
¹⁷ Linnakangas, Ritva; Suikkanen, Askko; Savtschenko, Victor; Virta, Lauri (2006) Uuden alussa vai umpikujassa?: Vammaiset matkalla yhdenvertaiseen kansalaisuuteen. Stakes. [Socioeconomic situation of disabled people in Finland] <https://www.julkari.fi/handle/10024/77056>.

backgrounds. Higher educational degrees indicate better employment among disabled people. The worst situation is among the people who have no degree after elementary education. However, highly educated severely disabled people have no disadvantage in employment, but disabled people, in general, are less likely to be entrepreneurs than non-disabled people.

2.2.1 Unemployment

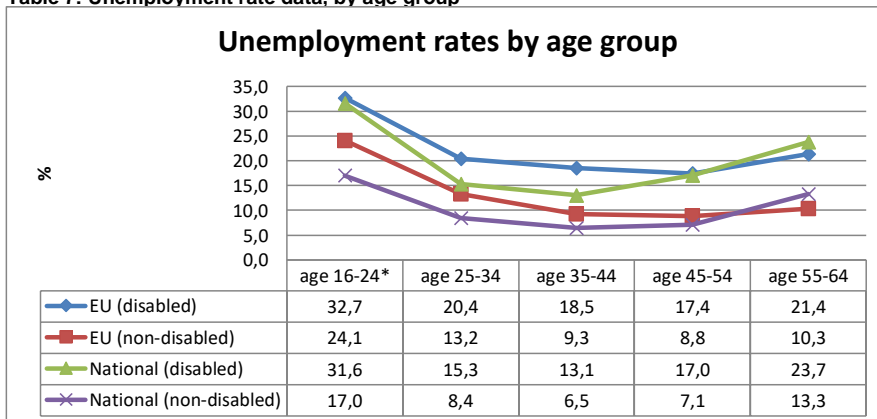
National administrative rules and definitions of 'unemployment' vary, and these may affect the way in which disabled people are categorised in different countries. The following tables compare national data with the EU2020 headline indicator for the EU

Table 6: Most recent unemployment data, aged 20-64

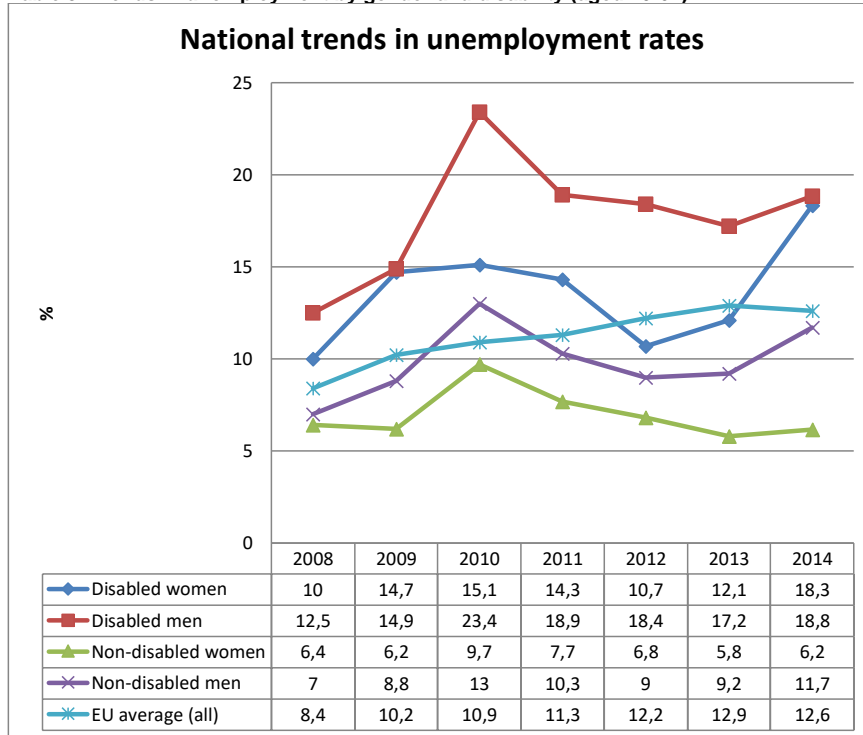


Source: EUSILC UDB 2014 – version 2 of August 2016

Table 7: Unemployment rate data, by age group



Source: EUSILC UDB 2014 – version 2 of August 2016

Table 8: Trends in unemployment by gender and disability (aged 20-64)

Source: EUSILC UDB 2014 – version 2 of August 2016 (and preceding UDBs)

Fluctuations in the gendered trends of unemployment for people with impairments at national level should be treated with some caution.

Alternative data on disability and unemployment from national sources:

The data sources are same as those mentioned above. The data is based on a sample from 2011, according to which there were 18% of people who reported a limitation in labour market. Unfortunately, only the amount of registered job seekers was updated. There were averagely in a month 41271.75 people with partial work incapacity who were unemployed registered job seekers in 2015, which is 7.22 % of all of them.¹⁸ However, the rate of all non-working people with partial work incapacity (unemployed and economically inactive) was approximately 41.6 %, 236,886, of all disabled people (including pensioners) in 2014 according to the estimates of the ministry. There is no indication of dramatic change for this figure in 2015, as the unemployment rate of registered job seekers has remained rather same since 2014

¹⁸ Tötterman, Patrik (2016) Unemployment data on special groups (counselling). The Ministry of Employment and the Economy.

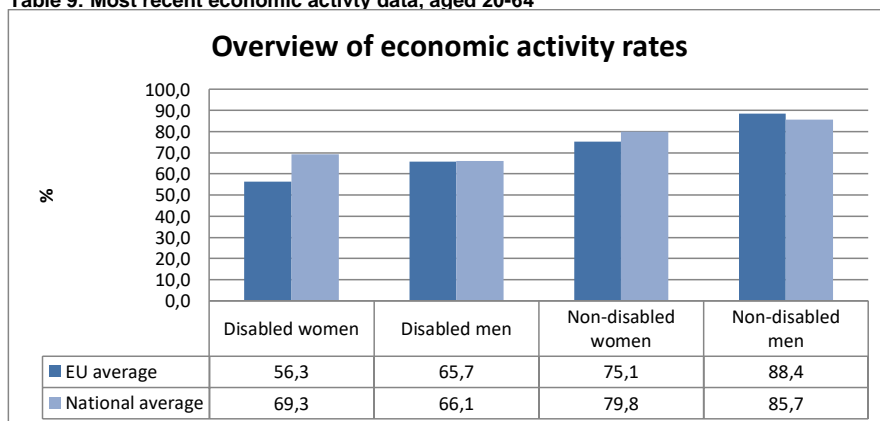
and before.

The ministry's data^{19 20} show that economic cycles do not change radically the unemployment rates of people with partial work incapacity like they do on non-disabled people. According to the ministry, people with partial incapacity are more likely to have prolonged unemployment periods, which less frequently end up in employment. It is two times more likely that a person with partial incapacity becomes a long-term unemployed than a non-disabled person. Unemployment of a person with partial incapacity ends usually with employment promotion measures, for instance rehabilitative work activity or work trial.²¹

Both EU-SILC and the national data lack a dynamic illustration of disabled people's unemployment periods, since unemployment is changing factor in people's life. It would be useful to see the variations of unemployment periods (cf. Räisänen & Sardar 2014)²²

2.2.2 Economic activity

Table 9: Most recent economic activity data, aged 20-64



Source: EUSILC UDB 2014 – version 2 of August 2016

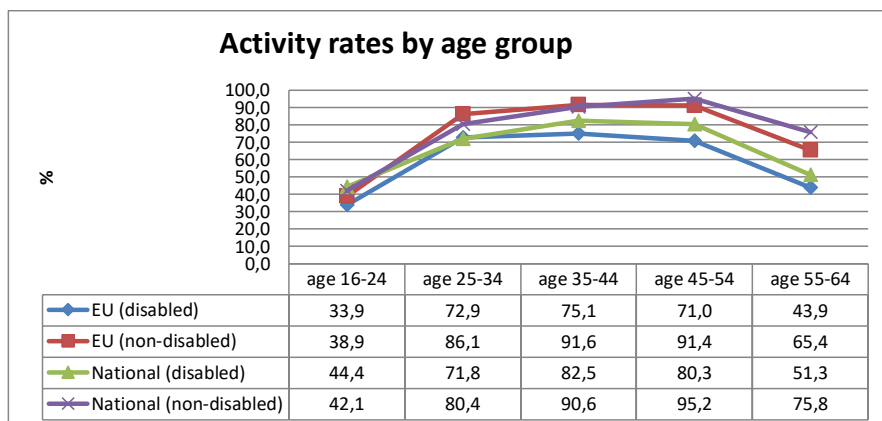
Table 10: Activity rate data, by age group

¹⁹ Tötterman, Patrik (2013) An unpublished comparative graph of the employment development of people with partial work incapacity and non-disabled people.

²⁰ Vates-säätiö (2013): The Ministry of Employment and the Economy (2001-2012) <http://www.vates.tx.fi/cntum/documents/52506/Tilastokooste%202013.pdf>.

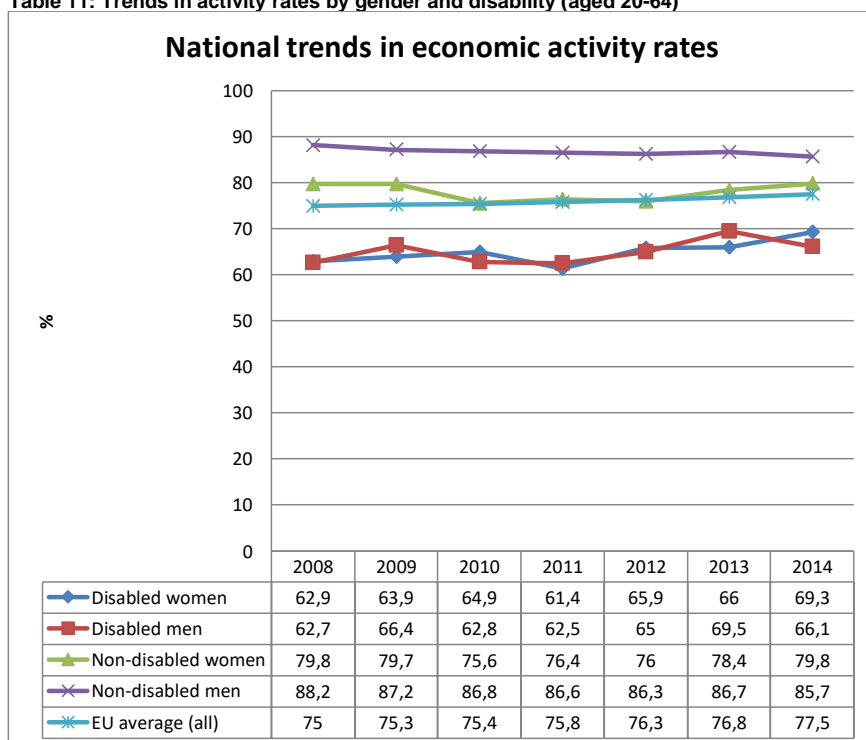
²¹ Tötterman, Patrik (2015) Unpublished data of employment of people with partial incapacity (interview). The Ministry of Employment and the Economy.

²² Räisänen, Heikki & Sardar, Paula (2014) Virta-varanto –kaaviot TEM:n työnvälityksen tilastojärjestelmässä – käsitteitä, sovelluksia ja tulkintoja. TEM-analyyseja 55. [Statistical analysis tool of unemployment in Finland] <https://www.tem.fi/files/39023/Virta-varanto-kaaviot.pdf>.



Source: EUSILC UDB 2014 – version 2 of August 2016

Table 11: Trends in activity rates by gender and disability (aged 20-64)



Source: EUSILC UDB 2014 – version 2 of August 2016 (and preceding UDBs)

Alternative data on disability and economic activity provided by the national expert:

The data sources are the same as the previous section. The sample of the ministry's research in 2011 indicate that there were approximately 333,974 (58.4%) employed people with partial work incapacity in 2014 supposing that the rates are rather same than in 2011. In addition, according to the ministry's updates, there were 41271.75 (7.22 %) registered unemployed job seekers with partial work incapacity in 2015. So, without any unlikely changes during the year in total 374,974 economically active people with partial work incapacity were in the labour market. Among the 571,860 people with partial work incapacity there were 236,886 disability pensioners and 40 000 of them were employed in 2014

The degree of impairment predicts the chance of employment. Severely disabled people have lower economic activity, partly because of the disability pension. If one's illness/impairment becomes persistent, it is possible to apply for a disability pension. This is payable both in the form of an earnings-related pension and as a national pension. One can receive disability pension if earnings before taxes do not exceed €746.57 per month or earnings are less than 40% of former regular earnings.²³ OECD has hinted the advantages of a single working-age benefit against separate disability pension such as in Finland.²⁴

2.3 Education data

EU statistical comparisons are more limited concerning the education of young disabled women and men in the EU2020 target age groups. Data is available from EU-SILC (annually) as well as the Eurostat Labour Force Survey ad-hoc disability module (for 2011), but with low reliability for several countries on the key measures.²⁵ Using a wider age range can improve reliability but estimations by gender remain indicative. EU trends are evident but administrative data may offer more reliable alternatives to identify national trends, where available.

2.3.1 Early school leavers

The EU-SILC sample for the target age group (aged 18-24) includes the following number of people reporting activity 'limitation' (as a proxy for impairment/disability).

Table 12: EU-SILC sample size in the target age group 18-24 versus 18-29

	Age 18-24		Age 18-29	
	No activity 'limitation'	Activity 'limitation'	No activity 'limitation'	Activity 'limitation'
EU sample	33,905	2,608	56,110	4,738

²³ <http://www.kela.fi/web/en/employment-in-retirement>.

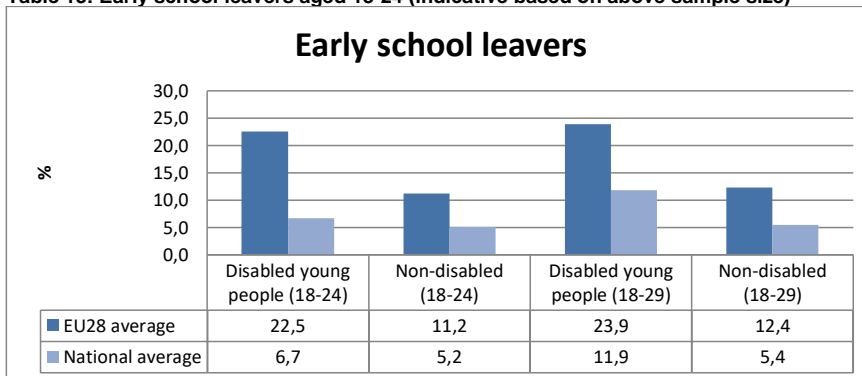
²⁴ OECD (2010) *Sickness, Disability and Work: Breaking the Barriers: A Synthesis of Findings across OECD countries*.
http://ec.europa.eu/health/mental_health/eu_compass/reports_studies/disability_synthesis_2010_en.pdf.

²⁵ For the LFS AHM data see, Early school leavers
http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=hlth_de010&lang=en and tertiary educational attainment
http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=hlth_de020&lang=en.

National sample	818	154	1,320	272
-----------------	-----	-----	-------	-----

Source: EUSILC UDB 2014 – version 2 of August 2016

Table 13: Early school leavers aged 18-24 (indicative based on above sample size)



Source: EUSILC UDB 2014 – version 2 of August 2016

Alternative data on disability and early school leavers provided by the national expert:

There is no data on early school leavers. A recently published study of Kirjavainen et al. (2016)²⁶ points explicitly out how the increased support (individualized curriculums and assistance) at the lower secondary level education has also increased students readiness to study at the upper secondary level. However, the study shows that the students with individualized curriculum are less likely to continue to the upper secondary level without any individualization of curriculum at the basic education. Moreover, the study points out that the share of students with partly or fully individualized curriculum continuing their studies directly at the upper secondary level is lower than those with regular curriculum. The findings also prove that the transition of the students with individualized curriculum into the upper secondary level takes longer time (four years) and that they tend to complete the studies slower and that their dropout rate is higher. Most of them also continues into the upper secondary vocational training and only a few graduates in academic upper secondary school. This finding is in line with previous studies^{27 28}.

²⁶ Kirjavainen, Tanja & Pulkkinen, Jonna & Jahnukainen, Markku (2016) Special education students in transition to further education: A four-year register-based follow-up study in Finland. Learning and Individual Differences 45, pp. 33–42.

²⁷ Hakkarainen, Airi M. & Holopainen Leena K. & Savolainen, Hannu K. (2015) A Five-Year Follow-Up on the Role of Educational Support in Preventing Dropout From Upper Secondary Education in Finland. Journal of Learning Disabilities 48 (4), pp. 408–421.

²⁸ Katariina Hakala, Reetta Mietola & Antti Teittinen (2013). Valinta ja valikointi ammatillisessa erityisopetuksessa [Choosing and selection in vocational special education]. Teoksessa: Kristiina Brunila, Katariina Hakala, Elina Lahelma & Antti Teittinen (toim.) (2013). Ammatillinen koulutus ja yhteiskunnalliset eronteot [Vocational Education and Societal Differentiation]. Helsinki: Gaudeamus, pp. 173–200.

According to the study of Kirjavainen et al. (2016), 2009 cohort of compulsory school students continuing their studies is shared into partially individualized curriculum (4.2%), fully individualized curriculum (2.3%), modified curriculum (0.1%) and school leavers without diploma (0.1%). There is information about disabled children in special education at basic education.²⁹ In 2007 around 7-8% of students were receiving full time special education and part-time around 22-23%. Of all enrolled students in compulsory schools, 4% were placed in regular classes, 2.6% in special classes and 1.4% in special schools. In 2010 there were 31.6% (175 367) of students in some form of special education. This does not mean an increased number of disabled children, but increase of children with learning challenges by specific categorization in special education.³⁰ The shares are a bit different between the studies, which may be explained with the different categorizing, as the amount of special children have not probably changed much.

²⁹ Graham, J. Linda & Jahnukainen, Markku (2010) Wherefore art thou, inclusion? Analysing the development of inclusive education in New South Wales, Alberta and Finland. *Journal of Education Policy* (2) 26. <http://www.tandfonline.com/doi/pdf/10.1080/02680939.2010.493230>.

³⁰ Jahnukainen, Markku & Pösö, Tarja & Kivirauma, Joel & Heinonen, Hanna (2012) Erytisopetuksen ja lastensuojelun kehitys ja nykytila [The current situation of special education and child protection in Finland]. In Jahnukainen, Markku (eds.) *Lasten erityishuolto ja -opetus Suomessa*. Vastapaino, pp. 15–56.

2.3.2 Tertiary education

2.3.3 Tertiary education

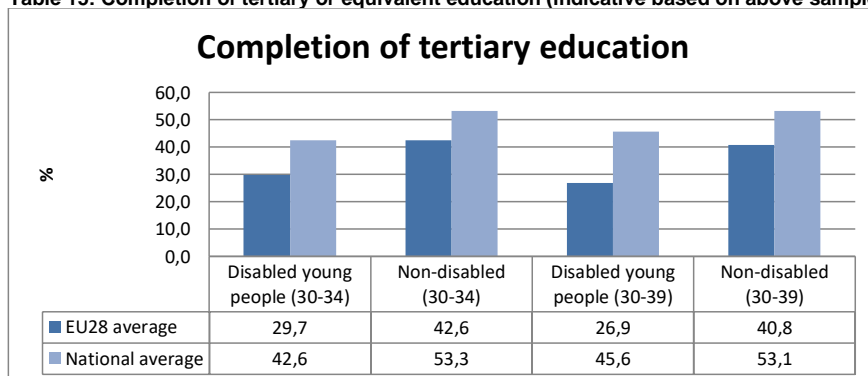
The EU-SILC sample for the target age group (aged 30-34) includes the following number of people reporting activity 'limitation' (a proxy for impairment/disability) although the number of missing observations is larger than the number of observations for activity limitation.

Table 14: EU-SILC sample size for the target age group 30-34 versus 30-39

	Age 30-34		Age 30-39	
	No activity 'limitation'	Activity 'limitation'	No activity 'limitation'	Activity 'limitation'
EU sample	23,740	2,744	50,243	6,572
National sample	607	169	1,269	336

Source: EUSILC UDB 2014 – version 2 of August 2016

Table 15: Completion of tertiary or equivalent education (indicative based on above sample)

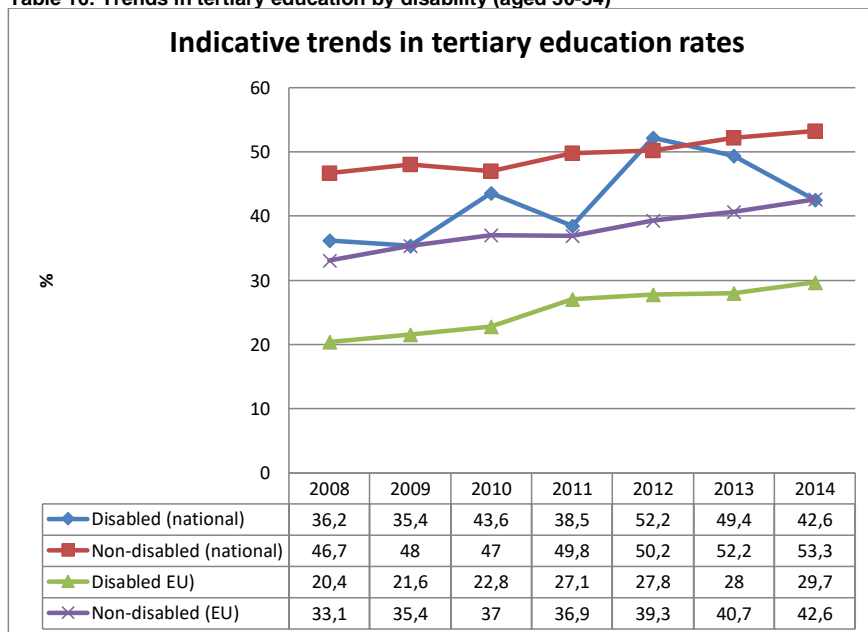


Source: EUSILC UDB 2014 – version 2 of August 2016

The survey sample is not sufficient to provide robust trend data disaggregated by gender in the narrow EU2020 target age group. In only 12 out of 28 Member States are there more than 50 observations in the sample for both women and for men in aged 30-34 who also declare impairment/limitation. In 5 there are fewer than 20 observations for women or for men, which cannot be reported..

The following table is indicative at the EU level but gender trends at the national level should be treated with caution. In all Member States except Austria the achievement of tertiary education was higher for women than for men in both groups.

Table 16: Trends in tertiary education by disability (aged 30-34)



Source: EUSILC UDB 2014 – version 2 of August 2016 (and preceding UDBs)

Fluctuations in the trend for people with impairments at national level should be treated with some caution.

Alternative data on disability and tertiary education provided by the national expert:

There are no current data on the completion rate of tertiary education, but in 1998 2.8% of all moderately or severely disabled people completed a lower tertiary degree and 2.2% a higher tertiary degree.³¹ These rates are radically lower than in EU-SILC data, and the definition of disability may cause the difference. Thus, the rate is very low even among all Finnish disabled people. There happens to be rather accurate data on visually impaired people and 2012 data shows how their tertiary education rate (18% of all visually impaired) is much higher than among other impairment groups.³²

2.4 Poverty and social exclusion data

³¹ Savtchenko, Victor & Suikkanen, Asko & Linnakangas, Ritva (2010) Vammaiset ja pitkäaikaisraajat Suomen maankunnissa: prevelanssi, työllisyys ja tulot [Disabled and long-term ill in Finnish municipals]. Yhteiskuntapolitiikka (1) 75.
<http://www.julkari.fi/bitstream/handle/10024/101548/savtschenko.pdf?sequence=1>.

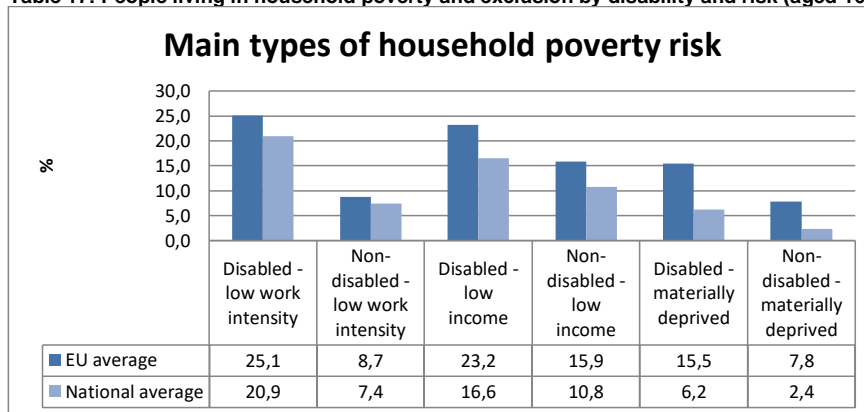
³² http://www.nkl.fi/fi/etusivu/nakeminen/julkaisu/nvrek_vuosikirja/3_2_koulutusaste_ja_alat.

Kommentointu [MP2]: expert to add example and commentary on national tertiary education data concerning disabled people, notably where it may differ from EU data.

It is not necessary to discuss the actual situation here (this can be done in the descriptive part later). The main purpose is to identify any useful data at the national level

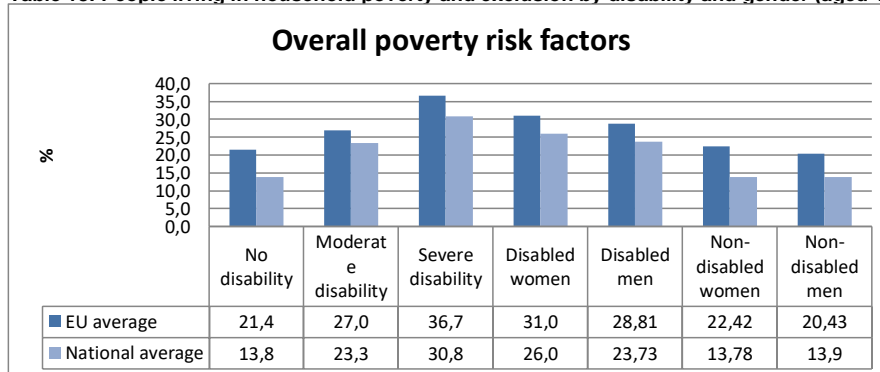
EU SILC data provides indicators of the key risks for people with disabilities. In addition to household risks of low work intensity, there are risks of low income (after social transfers), and material deprivation. These three measures are combined in the overall estimate of risk. The risks for older people do not include work intensity (Eurostat refers to the age group 0-59 for this measure). The survey does not distinguish 'activity limitation' (the proxy for impairment/disability) for children under the age of 16. Relevant data provided by the national expert is added where available.

Table 17: People living in household poverty and exclusion by disability and risk (aged 16-59)



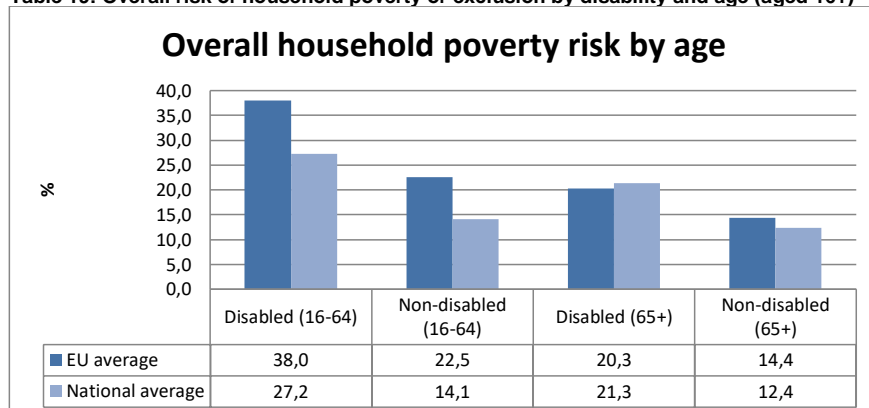
Source: EUSILC UDB 2014 – version 2 of August 2016

Table 18: People living in household poverty and exclusion by disability and gender (aged 16+)



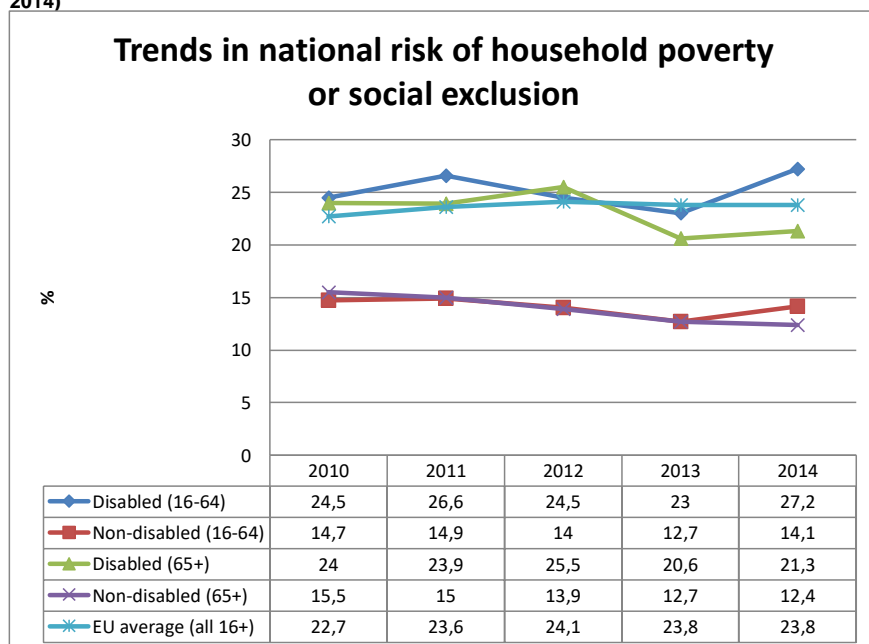
Source: EUSILC UDB 2014 – version 2 of August 2016

Table 19: Overall risk of household poverty or exclusion by disability and age (aged 16+)



Source: EUSILC UDB 2014 – version 2 of August 2016

Table 20: Trends in household risk of poverty and exclusion by disability and age (EU-SILC 2014)



Source: EUSILC UDB 2014 – version 2 of August 2016 (and previous UDB)

Alternative data on disability and risk of poverty or social exclusion provided by the national expert:

There is no alternative data from recent years. A report by the National Institute for Health and Welfare shows that in 2005 there were 22% of disabled people below the

Kommentoinut [MP3]: expert to add example and commentary on national poverty data concerning disabled people, notably where it may differ from EU data.
 It is not necessary to discuss the actual situation here (this can be done in the descriptive part later). The main purpose is to identify any useful data at the national level

poverty threshold and in 1995 12%.³³ In 2005 whole population's relative poverty rate was 12% and in 1995 7%. So, the current situation in EU-SILC is similar to that in the 2005 Finnish data. In 2002 disabled people's average (taxable) income was €15,144, but whole population's €24,374. Disabled women's average income was only €13,145 whereas men's was €16,773. The average income of economically inactive disabled persons was €11,200 and economically active persons €21,600 in 2002.³⁴ So, disabled women seem to have the weakest socioeconomic position in Finland when comparing individually, unlike in the recent EU-SILC data of household poverty risk factors.

3 Description of the situation and trends in relation to each target area

3.1 Employment

When comparing EU-SILC data and the national estimates from the ministry, the employment rates (57% and 58%) are close enough to each other that one can say that the information is comparable. Young disabled people have the lowest employment rate in the data, which can be explained by low educational qualifications of those who are not in tertiary or vocational education. The employment rate is slightly lower among older disabled people. This decrease is related to the higher rate of their health conditions, especially in physically demanding occupations.³⁵ The Finnish data shows that economic cycles do not influence significantly the unemployment rate of people with partial work incapacity, as they do for non-disabled people, which indicates that people with impairments face other structural barriers than economy. Employers and disabled job seekers have had problems to find each other in the labour market because of lack of knowledge, false expectations and negative attitudes. Employers' negative attitudes make it difficult for disabled people to find a job, but employers' good experiences encourage to employ a disabled person in the future. Negative attitudes related to the lack of knowledge are the biggest barriers for employment. Thus, the government has put an effort into easing employment by social campaigns for employers and by

³³ Parrukoski, Sanna & Karjalainen, Jouko (2009) Tietoja vammaisten työllisyydestä ja toimeentulosta. Helsinki: Terveystieteiden tutkimuskeskus, [Knowledge on employment and livelihood of disabled people] <http://www.koyhyyskirjoitukset.org/alustuksia/2009-2/Tilastoja%20vammaisten%20k%F6yhyydest%E4.doc>.

³⁴ Linnakangas, Ritva; Suikkanen, Askko; Savtschenko, Victor; Virta, Lauri (2006) Uuden alussa vai umpikujassa?: Vammaiset matkalla yhdenvertaiseen kansalaisuuteen. Stakes. [Socioeconomic situation of disabled people in Finland] <https://www.julkari.fi/handle/10024/77056>.

³⁵ Pensola, Tiina & Gould, Raija & Polvinen, Anu (2010) Ammatit ja työkyvyttömyyseläkkeet: Masennukseen, muihin mielenterveyden häiriöihin sekä tuki- ja liikuntaelinten sairauksiin perustuvat eläkkeet. [Occupations and disability pension]. Sosiaali- ja terveystieteiden tutkimuskeskus 2010:16. <http://www.julkari.fi/handle/10024/111777>.

incentives such as wage-subsidies.^{36 37 38} As the Country Report points out, the inactivity and low-wage traps can be rather considerable among low-skilled and long-term unemployed, which means that policy makers need to pay extra attention to people with partial work incapacity. Income traps caused by stiff work contracts and fear of losing social security benefits is a major reason of inactivity also for disabled people. Finland is facing the problem of aging society that reflects to the labour market. As the government wants to recognize more skills of migrants and people with different backgrounds, this could also be an opportunity to enhance the labour market integration of disabled people with unrecognized skills and talents.

3.2 Education

The rate of early school leavers is relatively low in Finland, but the drop-out rate is twice that of non-disabled people. Thus, one can assume that disability indicates shortened educational routes. The reasons for the very low education of severely and moderately disabled young people have included discouraging policies and practices. There is some evidence that instead of encouraging young disabled people to seek higher education, officials have directly guided disabled youngsters onto disability pension.³⁹ As the Finnish data⁴⁰ indicates, only small amount of students are in full-time special classes or schools and the relatively low amount of early school leavers indicate successful inclusion in elementary education. However, the transition into the upper secondary level does not anymore indicate negative relation to special education, but the limited path into upper secondary vocational education still holds, as a very few children with special education background completes academic upper secondary diploma (Kirjavainen et al. 2016)⁴¹.

Unlike EU-SILC, the old Finnish data⁴² from the year 1998 gives a poor impression of tertiary level completion and it is unlikely that the situation has improved radically under similar policy and practices, as the ministry's disability program still concentrates on the same issues. It seems that the Finnish policy has not encouraged disabled youngsters to carry on studying after the upper secondary level. After upper secondary education, the completion rates drastically decrease. One can

³⁶ Ekholm, Elina & Teittinen, Antti (2014) Vammaiset nuoret ja työntekijä kansalaisuus: Osallistumisen esteitä ja edellytyksiä [Barriers and opportunities of working for young disabled people]. Sosiaali- ja terveysturvan tutkimuksia 133. Kelan tutkimusosasto, Helsinki.

³⁷ Hietala, Outi & Sippola, Aulikki & Riipinen, Markku & Lampinen, Pauliina & Nevalainen, Marja (2015) Kaikille sopiva työ ja työyhteisö [A Model to improve employment of disabled people and people with partial work incapacity]. Final report of development project. The Finnish Work Environment Fund. <http://www.vamlas.fi/kaikille-sopiva-tyo-tiedote/>.

³⁸ Linnakangas, Ritva; Suikkanen, Asko; Savtschenko, Victor; Virta, Lauri (2006) Uuden alussa vai umpikujassa?: Vammaiset matkalla yhdenvertaiseen kansalaisuuteen. Stakes. [Socioeconomic situation of disabled people in Finland] <https://www.julkari.fi/handle/10024/77056>.

³⁹ Savtchenko, Victor & Suikkanen, Asko & Linnakangas, Ritva (2010) Vammaiset ja pitkäaikaissairaat Suomen maankunnissa: prevelanssi, työllisyys ja tulot [Disabled and long-term ill in Finnish municipalities]. Yhteiskuntapolitiikka (1) 75.

⁴⁰ Graham, J. Linda & Jahnukainen, Markku (2010) Wherefore art thou, inclusion? Analysing the development of inclusive education in New South Wales, Alberta and Finland. Journal of Education Policy (2) 26. <http://www.tandfonline.com/doi/pdf/10.1080/02680939.2010.493230>.

⁴¹ Kirjavainen, Tanja & Pulkkinen, Jonna & Jahnukainen, Markku (2016) Special education students in transition to further education: A four-year register-based follow-up study in Finland. Learning and Individual Differences 45, pp. 33–42.

⁴² Savtchenko, Victor & Suikkanen, Asko & Linnakangas, Ritva (2010).

assume that the degree of disability is an important factor when designing more equal educational system for young disabled individuals. In addition, social inclusion to the educational system - regardless the disability pension entitlement – is an essential aspect to improve the educational situation of disabled people. The Country Report underlines guaranteeing educational training for everyone despite the budget cuts. The new scope for increasing work-based learning opportunities could also be utilized for disabled people, as they often have lower qualifications of skills.⁴³

3.3 Poverty and social inclusion

According to Parrukoski & Karjalainen (2009), disabled person's income was in average 60% of the income of a non-disabled person in 2002. In the 2000s the income gap between working and non-working disabled people has increased and the relative poverty of disabled people has also got higher, albeit along the non-disabled population. However, disabled people's relative poverty rate was higher (25%) than the whole population's (12%) in 2005.⁴⁴ According to EU-SILC, it seems that in recent years the situation has remained rather similar with only slight changes, which means that the disability pensions, disability benefits and other provided basic services have not solved the problem of poverty and social exclusion of disabled people. The data shows clearly that it is more difficult to change one's socioeconomic status when one has profound impairments and complex needs of assistance. Linnankangas et al. (2006) evidence that disabled women's individual income was lower than men's in 2002, so gender is also a disadvantage factor among disabled people. As the study of Polvinen et al. (2013) suggests, increasing work opportunities for disabled and chronically ill people improve their socioeconomic status.⁴⁵

⁴³ Country Report Finland 2016

⁴⁴ Parrukoski, Sanna & Karjalainen, Jouko (2009) Tietoja vammaisten työllisyydestä ja toimeentulosta. Helsinki: Terveyden ja hyvinvoinnin laitos, [Data of employment and livelihood of disabled people].

⁴⁵ Polvinen, Anu & Gould, Raija & Lahelma, Eero & Martikainen, Pekka (2013) Socioeconomic differences in disability retirement in Finland: The contribution of ill-health, health behaviours and working conditions. *Scandinavian Journal of Public Health* 41, 470–478.
<http://sjp.sagepub.com/content/early/2013/03/26/1403494813482400.full.pdf+html>.

4 Assessment of policies in place to meet the relevant headline targets

4.1 Employment

The National Reform Programme of Finland (2016) highlights the significance of extending work careers and eliminating early exit pathways from labour market. The emphasis is on the new pension reformation and its evaluation. The program does not specify people in terms of their impairments or reasons for leaving labour market. The strategic goal has changed its tone from the focus of people with partial work incapacity to more generic goals of employability, active job seeking and longer work careers. The focus is on pension expenditure reductions and on the sustainability gap in general governmental finances.⁴⁶ The pension reform has some beneficial effects on people retiring on a disability pension, because the reform increases the amount of disability pension for people retiring from 2017. The reform extends the time between disability pension and old age pension. However, the government plans to freeze the pension index for subsequent years, which has a negative effect on disability pensions in the future.⁴⁷

The National Reform Programme highlights implicitly one particular policy related to disability albeit disability issues are not targeted directly unlike in the programme last year: improving the labour force participation rate (particularly for older workers). The emphasis is on older people with partial work incapacity because 30% of them had reached the age 55 in 2012. Only 13% were young adults with partial work incapacity. As the program of people with partial work incapacity suggests, the costs of rehabilitation of disabled workers can be covered with a few working years. Usually the costs are higher for younger disabled people than for older.⁴⁸ It has been noticed that a part of disability pensioners experience their work ability as moderate.⁴⁹ Since the National Reform Programme underlines the problem of structural unemployment and incentive traps, the government needs to also pay attention to disabled people's structural working possibilities.

The government is planning to tighten the obligations to work. As we present below, social security obligations are not necessarily the best way to deal people with work incapacities because they already face many hardships, but work can be work opportunities are good incentives for economic activity. Heikki Hiilamo would expand participatory social security to more voluntary activities, which pays attention to peoples' own preferences and their living conditions and life situation in a better way than now and which would be defined in co-operation with a participant. He has also suggested, that those people receiving income support would be moved to

⁴⁶ http://ec.europa.eu/europe2020/pdf/csr2016/nrp2016_finland_en.pdf

⁴⁷ The Country Report Finland (pp. 43).

⁴⁸ The Ministry of Health and Social Affairs (2013) Osatyökykyiset työssä -ohjelma: Osatyökykyisten työllistymistä edistävien säädösmuutostarpeiden ja palvelujen arviointi. [The programme for people with partial work capacity (2013–2015)]. <http://www.julkari.fi/handle/10024/126062>.

⁴⁹ Karisalmi, Seppo & Gould, Raija & Virta, Lauri (2009) Työkyvyttömyyseläkeläiset eri järjestelmissä [Disability pensioners in separate systems]. Eläketurvakeskuksen raportteja. http://www.etk.fi/fi/gateway/PTARGS_0_2139_459_440_3034_43/http%3B/content.etk.fi%3B7087/publishedcontent/publish/etkfi/fi/julkaisut/tutkimusjulkaisut/raportit/tyokyvyttomyyselakelaiset_eri_jarjestelmissa_7.pdf.

participatory activities and receiving conditional social security income.⁵⁰ This kind of social security model would provide meaningful activities for disabled people as well without stressful obligations.

As far as the disability policy targets on raising work capacity, prolonging careers and increasing disabled people's working possibilities, Finland is heading in the right direction. The weight of the policy is clearly on older workers and preventing the direct retreat from the labour market onto disability pension. For example, investments in rehabilitation of young people will decrease social exclusion. Applying the 'linear model' related to the idea of a single benefit system by OECD would increase the amount of the earnings of disabled people, as additional income would not decrease the benefit.⁵¹ Moreover, the linear model would encourage disabled people to seek work opportunities. Vates foundation has suggested that the national problem has been mostly the fact that people are not always aware of the benefits supporting employment.⁵²

This policy will face the immediate challenges of a difficult labour market situation in the current economic recession. The means of dissolving some of the heavy and stiff labour market structures and, in particular, supporting wage-subsidized work contracts can enable more work and career opportunities for disabled people. However, Kangasharju & Venetoklis (2003)⁵³ have showed that wage-subsidies have only a small effect on increasing the employment in private companies and may even cause exploitation of short and cheap labour force or substitution of other costs. The implementation needs to support fair and lasting contracts with appropriate criteria for wage-subsidies. Work is the most efficient way to increase disabled people's income and reduce poverty risks and the means of the intermediate labour market can support career opportunities in a long run as Kangasharju et al. (2003) point out. The government needs to be aware of the current problems of the intermediate labour market because the measures, e.g. work try-out practices, may have not planned employability effect without access to the actual labour market.⁵⁴ In a sense, there is a risk of a discrete and unconnected employment practices and provisions. For young disabled education is a more relevant issue, since it enables better work opportunities later in life.

4.2 Education

The disability program of the government emphasizes counselling of disabled

⁵⁰ Hiilamo, Heikki (2014) Voisiko osallistava sosiaaliturva lisätä osallisuutta? [Could inclusive social security increase societal inclusiveness?] Yhteiskuntapolitiikka (1) 79, pp. 82–86

⁵¹ The Ministry of Health and Social Affairs (2013).

⁵² Puroaho, Petri (2014) Väilyömarkkinat osana työelämää [Intermediate labour market supporting employment]. Kokous Uudenmaan työllisyyspoliittista avustusta saaville hankkeille. Vates foundation. http://www.vates.fi/media/projekti/tiivistelmat_2014/uusimaa/18.9.2014-valityomarkkinat-osana-tyoelamaa-projektin-esittely-hanketoimijoille.pdf.

⁵³ Kangasharju, Aki & Venetoklis, Takis (2003) Do wage-subsidies increase employment in firms? VATT discussion papers. Government Institute for Economic Research, Helsinki. https://www.vatt.fi/file/vatt_publication_pdf/k304.pdf.

⁵⁴ The Ministry of Employment and the Economy (2013) Selvitystyö väilyömarkkinoiden mahdollisuuksista tukea vaikeasti työllistyvien työelämään osallistumista ja työmarkkinoille pääsyä. [A report on the opportunities of the intermediate labour market]. http://www.tem.fi/files/35574/TEMrap_7_2013.pdf.

students so that they may find the best possible educational path and occupation. However, there is a lack of concrete implementation and practices in how this should be done. As Katriina Hakala et al. (2013)⁵⁵ points out, the education system does not have any programs or degrees for intellectually disabled students and the system over emphasizes pre-vocational programs that are guiding disabled youth to narrow educational paths between special education, subsidized employment and social services.

Overall, the government's policy⁵⁶ primarily aims at the educational retraining of people with work incapacity in order to prolong their careers. The government plans to raise the rehabilitation support for younger disabled people, who in particular are vulnerable to social exclusion. This would increase the possibilities for disabled youth to seek suitable rehabilitation instead of direct disability pension or unemployment benefit. However, the rehabilitation benefit cannot cover the costs of upper secondary general education, unless it is a further educational program in order to employ an unemployed disabled person who has insufficient labour market competence. Thus, the policy ought to have some practical solutions for the tremendous rate of disabled school leavers in upper secondary and tertiary education. As noted in the 2014 ANED report and in previous research, disabled people's tertiary education is a problem in Finland. The educational policy is focusing only on vocational paths and careers.⁵⁷ According to the Ministry of Education, accessibility of students with physical impairments should be a priority in higher education policy.⁵⁸ However, it is promising that the government attaches weight to the education of disabled youth by raising the rehabilitation benefits and, so, prevents the need for supplementary benefits.

Since 1st of January 2015 the legislation has set an obligation to participate in one-year long pre-school education. Disabled children can start the pre-school period already at the age of five because of extended compulsory elementary education. In the special education groups, 72% of the teaching assistants had a proper qualification in 2002.⁵⁹

4.3 Poverty and social inclusion

- ⁵⁵ Katriina Hakala, Reetta Mietola & Antti Teittinen (2013). Valinta ja valikointi ammatillisessa erityisopetuksessa [Choosing and selection in vocational special education]. Teoksessa: Kristiina Brunila, Katriina Hakala, Elina Lahelma & Antti Teittinen (toim.) (2013). Ammatillinen koulutus ja yhteiskunnalliset eronteot [Vocational Education and Societal Differentiation]. Helsinki: Gaudeamus, pp. 173–200.
- ⁵⁶ The Ministry of Health and Social Affairs (2013) Osatyökykyiset työssä -ohjelma: Osatyökykyisten työllistymistä edistävien säädösmuutostarpeiden ja palvelujen arviointi. [The programme for people with partial work capacity (2013–2015)]. <http://www.julkari.fi/handle/10024/126062>.
- ⁵⁷ Katriina Hakala, Reetta Mietola & Antti Teittinen (2013). Valinta ja valikointi ammatillisessa erityisopetuksessa [Choosing and selection in vocational special education]. In Kristiina Brunila, Katriina Hakala, Elina Lahelma & Antti Teittinen (eds) (2013). Ammatillinen koulutus ja yhteiskunnalliset eronteot [Vocational Education and Societal Differentiation]. Helsinki: Gaudeamus, pp. 173–200.
- ⁵⁸ Laaksonen, Elina (2005) Esteetön opiskelu. Report (6) [Accessible studying]. Ministry of Education. http://www.minedu.fi/export/sites/default/OPM/Julkaisut/2005/liitteet/opm_297_opm06.pdf?lang=fi.
- ⁵⁹ The Government of Finland (2004) Valtioneuvoston selonteko eduskunnalle esiopetuusuudistuksen vaikutuksista ja asetettujen tavoitteiden toteutumisesta. [A report on the impacts and effectiveness of the pre-school education reform]. http://www.minedu.fi/export/sites/default/OPM/Julkaisut/2004/liitteet/opm_186_opm32.pdf?lang=fi.

The government has been planning an amendment for reforming the disability legislation. The main targets of the reformation is to integrate different services and make them more equal and available to all disabled people regardless of their impairment. The law will combine the disability service law and the developmental disability law. Services are planned to be more efficient and equal without separate disability groups. Integration of different services is the planned solution for this goal; for example, employment services, work rehabilitation and health care will be integrated under the same system. This amendment is linked to the ongoing reformation of social and health care services.^{60 61}

Reducing the poverty risk of any kind is highly relevant regarding social inclusion. The government's policy underlines work and prolonging careers. Traditionally work has been a way to make one's life better. More flexible labour market structure and employment services in order to dissolve possible welfare traps provide an opportunity to employ more people with partial work incapacity. However, in the current economic situation government's policy objectives are ambitious considering that there have been only little effort into previous educational improvements of disabled individuals and that the employment resources in general are already limited. Moreover, there should also be a plan to influence the negative attitudes of employers towards disabled workers. A recent study by Hietala et al. (2015) points out that work community's ability to welcome a person with partial work incapacity is more relevant than the competence of the person if the organization can recognize the benefits and skills of diverse employees.⁶²

It would be essential to consider other ways to increase social inclusion of disabled people, especially those with severe impairments. Subjective experience of poverty is related to social connections. Stronger social wellbeing can decrease the harmful effects of material and relative poverty. Work, of course, is one way to increase social wellbeing. The government is trying to make employment and work opportunities easier for disabled people with, for instance, social entrepreneurship.⁶³

4.4 Synergies between developments in the different areas

As mentioned, government's policy aims heavily to prolong careers of disabled workers, introduce more flexible labour market structures and rehabilitate people with partial work incapacity. Educational solutions are limited in individual rehabilitation programs. In order to reduce poverty and strengthen social inclusion, disabled people

⁶⁰ Autio, Anu & Konttinen, Juha-Pekka & Sjöblom, Stina (2014) Tulevaisuuden vammaispalvelut [Disability services in the future]. THL.

⁶¹ The Ministry of Health and Social Affairs (2015) Vammaislainsäädännön uudistamistyöryhmän loppuraportti [Reformation of the disability legislation: final report]. <http://www.julkari.fi/handle/10024/125919>.

⁶² Hietala, Outi & Sippola, Aulikki & Riipinen, Markku & Lampinen, Pauliina & Nevalainen, Marja (2015) Kaikille sopiva työ ja työyhteisö [A Model to improve employment of disabled people and people with partial work incapacity]. Final report of development project. The Finnish Work Environment Fund. <http://www.vammas.fi/kaikille-sopiva-tyo-tiedote/>.

⁶³ The Ministry of Health and Social Affairs (2013) Osatyökykyiset työssä -ohjelma: Osatyökykyisten työllistymistä edistävien säädösmuutostarpeiden ja palvelujen arviointi. [The programme for people with partial work capacity (2013–2015)]. <http://www.julkari.fi/handle/10024/126062>.

need both education and work. However, education policy of young disabled students still lacks concrete practices to create equal paths into academic upper secondary level and into tertiary education. There are a few ESIF funded projects, but it is always necessary to assess whether they lead to any long lasting practices.

5 Review of the European Semester from a disability perspective

5.1 Progress on disability-specific Country Specific Recommendations (CSRs)

There are no disability-specific CSRs for Finland.

5.2 Progress on other CSRs from a disability perspective

Of the three recommendations to Finland in 2016, the most relevant is:

‘2. While respecting the role of social partners, ensure that the wage setting system enhances local wage bargaining and removes rigidities, contributing to competitiveness and a more export industry-led approach. Increase incentives to accept work and ensure targeted and sufficient active labour market measures, including for people with a migrant background. Take measures to reduce regional and skills mismatches.’

The 2016 CSR suggests that improving labour market participation rate is important, which also requires integration of disabled people and people with partial work incapacity. CSR clarifies that the target groups of inclusion are especially older workers, young people, long-term unemployed and low-skilled into the labour. Possibly all these groups have people with impairments and disabilities, albeit CSR does not specify any measures on disabled people particularly. The low-skilled have the most difficulties to find employment in the labour market performing poorly. Thus, cutting the budget for active labour market policies at a time when there is increasing demand for inclusion could harm opportunities for such people with partial work incapacities. CSR points out that the complex benefit system, including disability related benefits as well, can cause economic inactivity and low wage traps.

In January 2016, Finland enacted a pension reform that will link pensions to life expectancy as of 2017. The retirement age is bound to the general life expectancy and the time frame of disability pension is extended to the earliest starting point of the old-age pension.⁶⁴ The pension reform is a part of the broader strategy to eliminate early exit pathways in the labour market by amendments on partial sickness benefit, which would allow partial working, and rehabilitating disability pensioners back to working life. Occupational rehabilitation, retraining and education are in the centre of this strategy. Raising the possible age limit of older people's partial rehabilitation benefits and allowing partial rehabilitation benefit is the key measure to prolong over 63 year old people's work life activity. However, the positive impact of the pension reform enacted in 2016 can be compromised, because some early exit pathways remain for older long-term unemployed until retirement causing extended unemployment benefits. The effects of the pension reform will be assessed in 2019. The focus is on economic sustainability.⁶⁵ For young disabled people the raise in rehabilitation benefit is the main incentive to continue in the rehabilitation

⁶⁴ Sopimus vuoden 2017 työeläkeuudistuksesta [An agreement for the reform of the earning-related pension for the year 2017. http://www.eläkeuudistus.fi/media/linkkitiedostot/elakesopimus-2017_allekirjoitettu-versio.pdf.

⁶⁵ CSR 2016

process and possible working because otherwise the disability pension with disability income reduction would be higher than the rehabilitation benefit. In addition, the raise of the age limit (20) of the young disabled person's rehabilitation benefit prevents unnecessary retirements on disability benefit. Integration of the main services of the Employment office and the National Social Security Institution is a major part of the administrative development.⁶⁶

At large, these amendments are meant to support the structural changes in social and health services. The reform of disability legislation is supposed to dissolve barriers between different agencies and integrate actions. The equality of different groups of people is an important aspect of developing the services. The reform of the social and health care services (in finish SOTE) is in progress regardless the political disputes and hidden agendas of political parties, which have slowed down the legislation process.⁶⁷

Finland's country specific recommendations are focusing heavily on fiscal adjustment, the reduction of governmental debt ratio and cost-effectiveness of social and health services. The labour and employment policy underlines increasing incentives to accept work and ensuring targeted and sufficient active labour market measures, including for people with a migrant background. In addition, measures to reduce regional and skills mismatches are on the agenda. The possible impacts on disabled people and other disadvantaged groups in the society may be more strict measures regarding social security, disability benefits and pensions. Along the discourse of social inclusion, there is a strong demand to increase workforce efficiency and obligations in active social policy measures, which is not necessary salutary for disabled people when it comes to conditional benefits. Hence, a more voluntary based system with participation elements would increase disabled people's life management and economic activity in the labour market.⁶⁸

5.3 Assessment of disability issues in the Country Report (CR)

The Country Report stresses the same policy issues on the economic situation and sustainability of public finances as the CSR. Recent labour market performance has continued to worsen and the unemployment rate has remained high. As mentioned above, the pension reform enacted in 2016 is expected to prolong working careers of elderly people. People with low qualifications are affected most by the weak labour market performance and there is a mismatch between unemployed and the growing sectors. These challenges will also hamper people with partial work incapacity in labour market. Active labour market measures are seen beneficial for the Finnish workforce, especially for low-qualified workers, young people and older workers. Finland is investing considerable resources in active labour market policy measures. However, the Country Report does not mention how these measures are implemented on people with partial work incapacity. Disabled people have often a

⁶⁶ The Ministry of Health and Social Affairs (2013) Osatyökykyiset työssä -ohjelma: Osatyökykyisten työllistymistä edistävien säädösmuutostarpeiden ja palvelujen arviointi. [The programme for people with partial work capacity (2013–2015)]. <http://www.julkari.fi/handle/10024/126062>.

⁶⁷ Hiilamo, Heikki (2015) Hyvinvoinnin vakuutusyhtiö – Mistä sote-uudistuksessa on kysymys? [Specific considerations on the social and health service reformation]. Into, Helsinki.
Cf. Hiilamo, Heikki (2014) Voisiko osallistava sosiaaliturva lisätä osallisuutta? [Could inclusive social security increase societal inclusiveness?] Yhteiskuntapolitiikka (1) 79, pp. 82–86

lack of educational qualifications whereas older workers (especially in manual labour) some degree of work incapacities, which easily leads to decreased labour market competence.^{69 70}

The CR suggests that the key challenge is to get as many working age people in the labour market as possible. In addition, the government wants to put more effort into integrating vulnerable groups in the labour market.⁷¹ This means that people with partial work incapacity could also be better integrated in the labour market. Many retired on disability pension would still like to work at least part-time. The Finnish wage subsidy system has been reformed, with a particular focus on the elderly and disabled people. Practical measures have already been implemented in many local projects, which are mentioned in the next section on ESIF 2014-2020.

Currently the government is planning a basic income trial, which is one of the new activation policy measures planned to eliminate disincentives to work, ease benefit related bureaucracy and reduce poverty and social exclusion.⁷² At the same time government's research team is studying models of participation income under the concept of "inclusive social security" based on Anthony Atkinson's ideas, in order to develop solution to increase social inclusion and societal participation of long-term unemployed and possibly other people in a weak situation in the labour market.^{73 74} The participation income model is part of government's earlier attempt to create an inclusive social security model.⁷⁵ Designing these models will have an active policy effect on people with partial work incapacity, because the aim is to create incentives for all working age people.

Overall, the disability issues are not addressed directly and largely the report points out health issues and employment for economic long-term sustainability. Part of the plan is to reform social and healthcare services. Besides healthcare and social services, certain other duties will be brought together under the autonomous regions. In addition the services would be more versatile. The reform has a potential to control

⁶⁹ Linnakangas, Ritva; Suikkanen, Askko; Savtschenko, Victor; Virta, Lauri (2006) Uuden alussa vai umpikujassa?: Vammaiset matkalla yhdenvertaiseen kansalaisuuteen. Stakes. [Socioeconomic situation of disabled people in Finland] <https://www.julkari.fi/handle/10024/77056>.

⁷⁰ Polvinen, Anu & Gould, Raija & Lahelma, Eero & Martikainen, Pekka (2013) Socioeconomic differences in disability retirement in Finland: The contribution of ill-health, health behaviours and working conditions. *Scandinavian Journal of Public Health* 41, 470–478.

⁷¹ The Ministry of Health and Social Affairs (2014) Sosiaalihuollon työelämäosallisuutta tukevan lainsäädännön ja palvelujärjestelmän uudistamistarpeita selvittänyt työryhmä [A taskforce for reforming work life participation by social services]. <http://www.julkari.fi/bitstream/handle/10024/116877/978-952-00-3524-2.pdf?sequence=1>.

⁷² Kangas, Olli & Pulkka, Ville-Veikko (2016) Ideasta kokeiluun: Esiselvitys perustulon toteuttamisvaihtoehdoista [From an idea to an experiment: A preliminary report on implementation choices of basic income]. Valtioneuvoston selvitys ja tutkimustoiminnan julkaisusarja 13. <http://tietokayttoon.fi/julkaisu?pubid=10601>

⁷³ Ministry of Finance (2016) Europe 2020 Strategy: Finland's National Reform Programme, Spring 2016. http://ec.europa.eu/europe2020/pdf/csr2016/nrp2016_finland_en.pdf

⁷⁴ The prime minister's office (2015) Finland, a land of solutions. Strategic programme of Prime Minister Juha Sipilä's Government. Government's publications 12. <http://valtioneuvosto.fi/en/sipila/government-programme>

⁷⁵ The Ministry of Health and Social Affairs (2015) Osallistava sosiaaliturva. Työryhmän loppuraportti [Inclusive social security: Final report of the task force]. The Ministry of Health and Social Affairs. Helsinki. <https://www.julkari.fi/handle/10024/125774>

the speed of expenditure increases and improve services for disabled people through more integrated and lighter system. Queues for services tend to be lengthy, which hampers especially disabled people's life.

6 Assessment of the structural funds ESIF 2014-2020 or other relevant funds in relation to disability challenges

The structural funds (ERDF & ESF) are spent on a total of 51 funded projects that have more or less connection to disability policy.⁷⁶ Most of the projects' weight is on preventing social exclusion of people whose labour market situation is weak. Mainly this means young people, long-term unemployed and disabled people. Thus, most projects concern the current policy of the Stability and Growth Pact in Finland and wider, the EU policy of strengthening social inclusion by education and work. 10 projects in the database are exclusively concerned with disabled people and 10 directly with people with diagnosed disability. The 10 projects granted 1 530 041 euros are the following:

S20752: Securing inclusiveness and preventing marginalization in the claimant process of disability social care

S20581: Job seeker –project

S20784: Work ability coordination pilots for better employment of people with work incapacities

S20607: KELPO: pathways to working life of developmentally disabled people

S20615: Yes We Can

S20543: Workshop

S20317: Towards the service models of people with partial work incapacity

S20031: Special learner's learning curve

S20476: Jump to it! – Leisure time project of young people needing special aid

S20451: Special adolescents and supporting social inclusion of the digital time in multidisciplinary environments.

S20028: Towards better working ability, wellbeing and equality with online based distance rehabilitation

Within all these projects there are three main themes that are also coordinating with the disability measures:

1. Improving the situation of young people and other groups with a disadvantageous labour market situation.
2. Improving equality and preventing discrimination
3. Improving social inclusion and preventing poverty

Overall, these aims are broad and the further question is how well these policies are

⁷⁶ <https://www.eura2014.fi/rriiepa/index.php>.

going to specifically help disabled people and whether they are the best way to improve a disabled person's life. As they have been granted in total millions of euros, some sort of ex post evaluation will be needed to see if any change occurred in a long run.

7 Recommendations

Disabled people's employment or educational situation is not clear because of the lack of recent national follow-up data. However, by combining EU-SILC and national estimates and trends it is possible to make some explicit conclusions and recommendations.

1. The employment situation and economic activity have remained stable for years and there is little variation by economic cycles. Equal labour market status can be improved with the improvement of educational qualifications.
2. Educational equality should be improved so that disabled people are provided the same encouragement to seek upper secondary and higher education with their individual capacity and ambition. Effort should be put into educational counselling and equal mainstream education both in elementary and upper secondary education. Especially upper secondary schools (gymnasiums) need to develop their supportive teaching methods for students with developmental disabilities.
3. Equal working conditions are an effective way to increase individuals' social inclusion and income. As the government intends to ease working possibilities and minimize welfare traps of people receiving disability benefits, the government should raise employers' awareness of the part-time working possibilities of disabled people. Reasonable accommodations in the workplace are practicable and the UN Convention demands it. Inclusive social security can provide better life management for disabled people if designed in a voluntary way.
4. Administrative barriers should be eased and cross-administrative practices should be developed to carry out the current policy plans of integrated social and health care services without the cost of quality and accessibility. Experts and civic actors should be heard in decision-making.