

The Means and Aims of Finnish Social Policy

In Finland population policy in the proper sense has never been practiced. However, population policy is included implicitly in various sectors of our social policy which has developed strongly during recent decades.

After World War II special attention was paid to family policy which has generally, been identified with population policy. In the 1960's focus shifted to old-age pension policy but above all to health policy which has been the most expanding field of our national economy during the past few decades. In the 1960's, which were characterized by a noticeable structural change in society, employment and labor force policy was intensively developed. From a population policy point of view labor force policy still demands attention especially with regard to emigration, which, if it continues, will signify a strong drop in the size of the labor force in the next decade. Inadequate housing facilities have also been found among the reasons for the low birthrate and for emigration. Thus housing policy plays an important role in population policy.

The structural changes of the 1960's with strongly accelerated internal migration and emigration resulted in a decreasing population in sparsely populated areas and thus threatening the continued existence of whole village municipalities. In order to stimulate the economy of these so-called developing regions in Eastern and Northern Finland it has been necessary to create an intensive regional policy. The rapidly expanding educational sector has been important in this regard also in supporting economical and regional goals as well as population development.

The means and aims of the most important social policy sectors in Finland will be presented in detail in the following articles.

Family Policy

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The actual awakening of family policy is considered to have taken place in 1934 when the first modern population forecast was performed in Finland. This

forecast showed that the population would decrease in the near future with, as was generally believed, harmful effects on the economic development of the country. One did not have to wait long for practical measures. In 1935, Parliament requested the Government to give attention to population questions and to examine the frequency of families with many children among the lower income groups in Finland, the kind of circumstances they lived in, and the measures that should be undertaken for their support. In line with the example given by Sweden the Government established a special committee in 1937 to study population questions.

In 1935 and during the following years many family policy bills were presented to Parliament. From the point of view of families with children the most important results were the raising of tax deductions for children in the income tax. In 1937 a law was passed on maternity benefits, and mothers with little or no means were also guaranteed a cost-free childbirth.

In 1943, during the war, the Law on Family Subsidies was passed. The purpose of the family subsidy system was to help low-income families with at least five children. Thus, Finland in a sense was the first Scandinavian country to adopt an actual process of equalizing family burden. In September 1947 a system of »family wages» to employees with families was adopted in the whole country. The system was shortly replaced by a general scheme of children's allowances covering the entire population and concerning all children. At the same time a law on municipal maternity and child care centers was enacted in 1944 making the centers mandatory in every municipality.

Reconstruction after the war did not allow for any considerable improvement of social policy. However, in the sixties when economic growth in Finland had reached a relatively high level the demand for greater social income transfer to non-active population groups became more and more insistent.

Clearly, employment and labor force policy had to be intensively developed during this period characterized by a noticeable structural change. Health care which had been modest and imperfect compared with the other Scandinavian countries now also became a rapidly expanding part of our national economy. In 1964 the general Law and Health Insurance came into force. In 1972 a new National Health Law was enacted according to which the municipality must take charge of the health care of its inhabitants, transportation of the ill, school health care and dental hygiene in its area.

In the field of policy affecting retired people, the benefits granted by national retirement pensions, which had been very unsatisfactory, were ameliorated continuously. In 1960 a general employment pension came into force, and in time this was expanded to include more and more sectors of society.

While in 1960 slightly over 9 per cent of the gross national product was used for social redistribution of income, the corresponding portion in 1974 was over 16 per cent:

Proportion of GNP represented by

	Social policy expenditure (percent)	Family policy expenditure (percent)
1950	8.3	3.7
1955	8.8	3.3
1960	9.4	2.4
1965	11.0	2.5
1970	14.2	2.0
1974	16.4	1.6

The social income redistribution mainly directed to the retired, the disabled, the ill and families of widows resulted in a regression in the field of family policy proper during the 1960s. From 1950 to 1970 family policy expenditures declined from 3.7 percent to 1.6 percent of the gross national product. The real value of the child allowance decreased and only minor reforms were enacted. Thus in 1961 a Special Child Allowances Law came into force, the purpose of which was to give support in connection with the care and raising of a child by families in difficult straits. In the beginning of 1962 a Law on Housing Subsidy to families with children was enacted according to which a housing subsidy could be given to those living in rented housing.

The increasing emigration at the end of the 1960s and the continuously decreasing birthrate forcibly drew attention to population questions, and in the 1970s a rearrangement of family policy became a frequent topic of discussion. One evident result of this was the Day Care Law which came into force in 1973, the purpose of which was to make daycare activity into a general social service system. Also in 1973 Parliament accepted a Government proposal according to which an increased child allowance would be paid for children under three years of age. Further, the equalization of family expenses has been extended to some degree under the present law.

Family policy motives

In Finland population policy aspects have always been emphasized when outlining family policy reforms. However, even if population policy motives and economic aspects have appeared to be of great importance in the debate concerning the improvement of family policy, social policy aspects and in part health policy aspects have more or less explicitly motivated family policy measures.

The debate preceding a family policy reform shows that the measures intended to support families with children are mostly multipurposed, accentuating different motives at different times. Family policy reforms in Finland mostly follow the pattern of the other Nordic countries, mainly Sweden. Hence, a new reform often could be considered the result of cooperation between the

Nordic countries. But development in other countries also has an impact on Finnish society, where influences from the outside world quickly make themselves felt. In the last few years, especially, Finnish society has proved to be very open-minded towards international influence while searching for aims, objectives and means.

Current debate on family policy

During the past few years the most important family policy reform under discussion has been the expansion of child care alternatives by supporting the care of children at home. Other important questions have been the improvement of family guidance and the realization of education in family and human relations not only in basic and vocational schools but also in adult education. This training in family and human relations which is included in principle in the basic school curriculum, is still in the planning and experimental stage. Among other questions under discussion and consideration is the development of social security for housewives.

According to the committee (1976), whose task it was to research for a child care support system that would grant mothers better opportunities to stay at home and take care of their own children, this child care support should be primarily given for all children under three years of age. Thus the conditions would be created that would make it possible for parents to take care of their children at home, at an age when their home environment generally is their most natural growth environment. Care support should be equal to the smallest maternity allowance (360 mk/month). Care support should also be paid for children between the ages of 3 to 6, who because of illness risk or abnormality would be best cared for at home. To qualify for care support for a firstborn, the parents or at least the mother should attend a child care course.

Care support would be paid only to families whose child is not attending an all-day day care center supported by society. Those who take advantage of all-day day care supported by society would not have the right to receive care support, instead the support would be paid directly to the entity responsible for day care. The years that the parent stays at home and receives child care support should be taken into account as years entitling to a pension.

During the past year the question of care support has been making the rounds for judgement and opinions, and in autumn 1977 the Ministry for Health and Social Affairs set up a three years' experiment in some municipalities to get an idea of the social and economic effects of care support.

Consequences and implications

The fact that family policy in Finland has been built up gradually as allowed by economic resources and prevailing political conditions also contributes to

making family policy measures into an overlapping and incomplete system difficult to interpret.

Generally, family policy measures and income transfers in particular, can be considered relatively small and insufficient so that the psychological significance of these income transfers has often probably been larger than their economic significance. However, the general rise in the standard of living and the rapid improvement in other social policy fields have compensated to some extent for the slow development of family policy income transfers and in some cases made it less necessary to improve family policy payments. Thus e.g. enacting a public health insurance system almost always means more money for the care and upbringing of children than before.

Increasingly with the rising standard of living the quality of life has come within the sphere of family policy. One significant question is how men and women could have equal opportunities to participate in work and social life on one hand and family life on the other.

Family policy could be said to have actively contributed to leveling out differences between the sexes. This holds true especially with regard to children's day care and tax reform, but also to increasingly more effective birth control with access to effective contraceptives and practically free abortion. The participation in the labor force of married women, in particular, has been facilitated. The participation rate of all women capable of working, aged 15—75, is 71 percent (or 58 percent of the whole female population). Women, however, do not participate in social life to the same extent as men. In families where both parents are gainfully employed the wife usually does more work at home than the husband. Wives still live in a more or less traditional world.

Gradually the debate has focused increasingly on questions of how the care and upbringing of children and their socialization could be organized in the best possible way. During the 1970s the Finnish society has been apt to enact far-reaching social policy reforms whose realization, however, at least in its entirety, must be postponed into the future because they compete for society's scarce economic and human resources.

Social and Health Policy: Focus and Development

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The general goal of the Ministry of Social Affairs and Health is a reduction in social insecurity. I trying to raise the level of social welfare and lessen