Finland, a land of solutions

Strategic Programme of the Finnish Government

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ANNEX 1 The government's tax policy

Key taxation objectives in the government term

- 1. Taxation provides encouragement to do work, to do business, to employ, to take risks, to own, and to invest in Finland. The overall tax rate will not rise during the government term.
- 2. Taxation is predictable and consistent. The general taxation policy line is agreed at the beginning of the government term and changes of policy that cause uncertainty are avoided during the government term.
- 3. In easing taxation, the focus is on low and medium incomes. Incentive traps will be eliminated. Taxation of earned income will not be increased at any income level.
- 4. Taxation will be developed so that entrepreneurship, ownership and investment are more profitable than at present. The taxation structure supports Finland's competitiveness and the key objectives set by the Government. The focus of taxation will shift from taxation on labour and business to 'sin taxes' in particular.
- 5. The basic principle of taxation is a broad tax base and low tax rates. Finland works actively to prevent international tax evasion.
- 6. Taxation procedures are customer-oriented, taking into account the consistency, predictability and legal certainty of taxation as well as access to information.

Tax decisions and their impact on tax revenues

Taxation on labour

Item	EUR million
To ensure that taxation on labour does not increase, annual adjustments corresponding	-180
to the rise in earnings level and/or inflation will be made to earned income taxation.	(2016 level)
The earned income deduction will be increased, focusing on low and medium incomes	-450
The domestic work credit will be improved by increasing the compensation percentage and including suitable care services for the elderly within the scope of the domestic work credit.	-30
The solidarity tax will continue to the end of the government term.	+65
Tax deductibility of donations given to higher education institutions by private individuals – up to EUR 500,000, lower limit of donation EUR 850.	-5
To support moderate pay settlements, additional reductions of earned income taxation will be prepared. The reductions apply to all income classes and pensioners, focusing on low and medium incomes.	

Corporate taxation and taxation on ownership

<u> </u>	
Item	EUR million
The level of corporate income tax will be kept competitive.	
The deductibility of losses will be amended such that losses of an income source can in limited companies be deducted from the income of other income sources.	-10
A 5% entrepreneur deduction will be introduced for entrepreneurs and self-employed persons, those engaged in agriculture, forestry or reindeer husbandry, and business partnerships and deemed partnerships.	-130
Successions will be promoted by easing inheritance tax, and other development needs will be assessed.	-40
Successions of forest holdings will be facilitated and/or the forest deduction improved.	-20

Payment-based settlement of value-added tax will be introduced for small companies.	
Mining activity will be transferred back to electricity tax class II and within the scope of the energy tax ceiling.	-27
The capital transfer tax will be abolished in situations in which an entrepreneur or self- employed person or those engaged in agriculture and forestry transfers property to a partnership or limited company in a change of company form. The Tax Department will study neutrality requirements.	
A loss arising in the transfer of property will be made tax deductible from capital income with certain restrictions.	
Capital gains tax on shares and income tax will be amended such that the transfer of shares and share options of unlisted employer companies to key personnel is with certain conditions possible at a lower valuation than a private equity investor without tax consequences.	

Increasing tax revenues

Item	EUR million
The focus of taxation will shift from taxation on labour and business to excise duties in particular.	
The deductibility of interest on home loans will be reduced on an accelerated timetable such that reduction is 10 percentage units per year. The deduction in 2016 is 55%, in 2017 45%, in 2018 35% and in 2019 25%	+150
The lower and upper limits of the real-estate tax will be raised moderately.	+100
The CO2 component of tax on fuels used for heating and by working machines will be increased.	+75
Combined production of electricity and heat will be steered towards lower emission levels by the removal in steps of the CO2 tax reduction. The Ministry of Finance and the Ministry of Employment and the Economy will prepare a model and timetable.	+90
The waste tax will be increased. Incineration of waste will not be subject to the tax.	+5
The tobacco tax will be increased gradually.	+270
The excise duty on sweets will be increased and the tax base broadened, taking into account competition effects and state subsidy statutes.	
The alcohol tax will be adjusted if increases in Estonia provide an opportunity to do so.	
The corporate tax base will be tightened and active efforts made to combat the shadow economy, taking into account the international operating environment and Finland's competitiveness. The goal is an increase in tax revenues of EUR 150 million.	+150
A fixed-term active tax amnesty will be introduced based on preparations by the Ministry of Finance.	

Transport tax reform

Item	EUR million
The car tax will be lowered in favour of low-emission cars during the government term such that the tax revenue impact is around EUR 200 million at 2019 prices. The measure will be implemented in steps to avoid market distortions.	
The motor vehicle tax will be tightened.	+100
An annual tax will be imposed on registered boats and motor vehicles.	+50
A heavy transport road use fee (vignette) will be introduced. The cost will be compensated for with respect to commercial transport in accordance with the EU maximum.	
The removal of the rail goods transport tax and the halving of fairway dues will be extended by 1 year. EUR -55,3 million	

Tax changes requiring clarification:

• The EU will be petitioned to ensure that the VAT Directive would also allow the reduced tax rate to be applied to digital content.

- The introduction of a provision made from a company's taxable income to promote investment will be studied.
- To promote stock market listings, the opportunity for companies listing on the First North stock exchange to maintain in dividend taxation the tax status of unlisted companies will be explored.
- The tax treatment of the lump sum supplementary pension will be clarified.
- A study will be made on how to make the remittance into a company of copyright income more advantageous from a tax perspective.
- The tax treatment of foundations and associations will be clarified.
- A tax exemption for small dividend incomes up to EUR 500 will be explored.
- A study will be made during the government term on the taxation of capital income, the taxation of property, and the tax treatment of different forms of investment.

Other policy lines

The municipalities will be compensated for the tax revenue impact of changes made by the Government to tax criteria.

To enhance the functioning of the Tax Administration, improve taxpayers' legal protection and access to information, and reduce the administrative burden, the Government will implement reforms of taxes collected by the Tax Administration, with the aim of harmonising and simplifying the taxation and tax collection procedure as well as the taxation appeals and sanctions system. In addition, electronic operating methods and taxation in real-time will be promoted.

Excise duty taxation, car taxation and the value-added taxation of imports will be transferred gradually to the Tax Administration for handling, to achieve cost and resource benefits and reduce the administrative burden on companies. The requirements for transferring to the Tax Administration the motor vehicle taxation duties of the Transport Safety and Security Agency will be investigated.

ANNEX 2 Conditional further measures

Expenditure cuts

Item	EUR million
Compensation for consultation with private doctor and dentist	-60
Child allowances	-120
Financial aid for students	-25
Adult education allowance. State's financial contribution will be replaced by a corresponding state-guaranteed loan.	-70
Index increases of TyEL- and YEL-linked benefits and earnings-related pensions will be halved in 2018 and 2019.	-272
Unemployment security	-120
Ending of job alternation leave	-40
Complete abolition of parental leave holiday accrual	-42
R&D and business subsidies	-40
National aid for agriculture	-30
University funding (separate funding of Aalto University)	-30
Reduction of infrastructure projects (new transport infrastructure projects)	-50
Passenger vessel subsidy	-20
Energy tax subsidy for industry	-40
Total	-959

Tax increases

Item	EUR million
Income tax inflation adjustment not made in 2018	-234
Electricity tax increase	-60
Cancellation of halving of fairway dues and restoring rail goods transport tax in 2018	
(EUR 42.5 million + EUR 13.3 million) EUR 55.3 million	
Removal of deductibility of interest on home loans	-100
Additional increase of excise duties on alcohol, tobacco and sweets	-60
Total	-454

ANNEX 3 Cutting municipalities' costs by reducing duties and obligations

Starting points

The Government is committed as part of the balancing of public finances to reduce municipalities' duties and obligations by EUR 1 billion. The Government will not give municipalities any new duties or obligations during the government term. If savings are made in central government transfers to local government, the Government will reduce municipalities' duties to the same extent.

Reforming the steering of municipalities' duties

The continual fragmentation and excessive detail of the steering of municipalities' duties will be curtailed. A long-term reform of the steering of municipalities' duties will be launched, with the objective of

- in future, steering municipalities' duties, as a rule, through legislation and, if necessary, through supplementary decrees.
- discontinuing steering based on recommendations
- moving from steering of resources to steering of targeted results
- in supervision, moving from supervision of resources to supervision of the service result received by the customer, with the aid of performance indicators determined in municipalities' selfsupervision
- moving from detailed steering to more relaxed steering

Detailed provisions and recommendations relating to the methods, resources and processes of providing municipal services will be largely repealed. If necessary, instead of sector- and service-specific steering, they will be steered with a general law (separate statute or Local Government Act).

Municipalities' planned and future duties

The Government will re-assess the following municipal duties and obligations so that public spending does not increase:

- Act on Preventive Work Against Substance Abuse (Government proposal being examined)
- reducing the maximum number of days of rehabilitative employment service activity (Act will come into force at the beginning of July 2015)
- Social Welfare Client Documents Act
- Decree on Emergency Care with respect to oral health care
- reform of the Social Assistance Act
- Reform of disability legislation (coming into force in 2017)
- Act on the Qualification Requirements for Social Welfare (Act adopted but not signed)

Promoting municipalities' freedom of action

An act will be passed enabling municipalities to decide at their discretion on the way that they arrange services according to the laws listed in the act. Municipalities will not be required to comply with the obligations prescribed in the said laws or the decrees issued by virtue of them or the procedures for implementing services mentioned in recommendations.

The legislation to which the new act relates will cover, among others, the following acts:

Act of Private Roads in its entirety

Real Estate Register Act maintaining a real estate register

Act on Liberal Adult Education in its entirety Act on Basic Education in the Arts in its entirety Library Act in its entirety Youth Act in its entirety Museums Act in its entirety Sports Act in its entirety Outdoor Recreation Act in its entirety Municipal Cultural Activities Act in its entirety Theatres and Orchestras Act in its entirety

Children's Day Care Act play activities, other day care activities

Act on Social Lending in its entirety

Act on Transferring Vehicles

It is expected that significant savings in public finances will be achieved through increasing freedom of action, utilising businesses and the third sector, and removing regulations.

Steering and supervision of municipalities

The Government will review all local and central government steering and supervision processes directed at municipalities. Overlaps will be removed. Self-supervision will be developed and supervision outsourced.

The VIRSU project has identified overlaps in, for example, agricultural subsidy administration duties, food control and inspection, animal health and welfare supervision, implementation and monitoring of the Tobacco Act regulations, health protection, environmental control, deciding environmental and water permit applications, monitoring the state of the environment, and monitoring of the Waste Act and the Water Act.

In connection with the reform of the Land Use and Building Act, construction permit and control processes will be reassessed.

Central government supervision processes directed at municipalities will be reviewed. Supervision will be developed so that various guidance or corresponding directions of a recommended nature are not used as binding norms on municipalities. Recommendations and guidelines relating, for example, to housing service facilities as well as the investment guidelines of the Housing Finance and Development Centre of Finland (ARA) will be made more flexible.

The standardisation of service content will be discontinued and a move made to monitoring and measuring service results. In implementation, the results of experiments conducted in accordance with the Municipal Experiments Act will be utilised.

Increasing municipalities' fee income

In official licensing and supervision activities, a move will be made towards cost recovery. Acts in which a move towards cost recovery could be made include, for example: the Act on Private Social Services, the Act of Private Health Care, the Health Protection Act, the Food Act, the Land Use and Building Act, the Land Extraction Act, the Environmental Protection Act, the Marine Environmental Protection Act, the Water Act and the Waste Act.

Qualification requirements for municipal personnel

Detailed and narrow qualification requirements will be withdrawn. The skills of the person selected for a position will be emphasised. At the same time, a commitment will be made to lighten obligations relating to the personnel structure of services. Qualification requirements for positions that involve the exercising of public authority will be enacted in legislation. In other respects, legislative-level educational requirements will be abandoned unless there are particularly compelling reasons for not doing so. Qualification requirements will be revised so that for expert positions that require higher education the qualification requirement is, as a rule, a degree from higher education. Positions for which there are no qualification requirements prescribed in an act or decree will also be left outside regulatory control in future.

Transport services of the municipalities and the Social Insurance Institution of Finland (KELA)

The Government will reform publicly subsidised (central government, municipalities, KELA) passenger transportation with the aim of achieving a 10% saving from 2017.

The reform will be implemented by utilising digitalisation and enabling new kinds of market-based and innovative service concepts by developing legislation. Legislation will be developed by implementing a comprehensive reform of personal, postal and goods transportation.

Abolishing municipalities' planning obligations

The Government will expand, in accordance with the existing Municipal Experiments Act, the combination of individual service plans included in the integrated operating model for welfare to cover all municipalities and all individual care and service plans.

In accordance with the Local Government Act, a municipal strategy will replace municipalities' individual strategic and operational planning obligations.

Revision of deadlines

The Government will review deadlines of non-urgent services and care in order to increase flexibility, but excluding licensing.

ANNEX 4 Housing policy measures

To strengthen economic growth and employment, renew the housing stock, respond to demand for housing, increase competition in the construction industry and choice in housing, and because of the changes in the structure of housing needs, the Government will amend and abolish legal provisions on housing construction and promote long-term and economically sensible real-estate management. The legislative changes also aim to promote complementary construction and to significantly increase the supply of both housing and building sites. The reform will focus on market-based and state-subsidised housing production.

The Government's objective is that housing construction will better meet the demand by taking account of the current and future needs such as migration, the ageing population, the increase in the number of people living alone, economic development strategies of municipalities and economic and climate policy considerations. Another objective is to support and encourage citizens in arranging their own housing.

State-subsidised housing production

Legislation on non-profit housing construction will be reformed by changing for each project the restrictive conditions. The non-profit requirement of owners of state-subsidised housing will be waived for new production.

To increase rental housing production, a new ten-year intermediate model will be generated that will be open to all those who fulfil the eligibility conditions and who are committed to them.

The selection of residents for rental housing of the Housing Finance and Development Centre of Finland (ARA) will be further developed to achieve a better balance by including income limits in means testing when selecting residents. Residents' income will be checked when they are moving to a dwelling subsidised by ARA or when moving from one dwelling to another. Exceptions to resident selection may be made in cases where public support does not lead to unhealthy competition for tenants with the private rental housing market.

Restrictions on the use and assignment of the current ARA housing stock will be eased if the capital freed up is used for housing production or renovation of the housing stock. The extent to which ARA-subsidised rental housing could be made available by acquiring privately financed rental dwellings will be explored. Investment subsidies by ARA to special groups will continue.

The age limit for entering into a savings agreement under the ASP savings and loan scheme will be lowered to 15 years. Work to reduce homelessness will continue with due regard given to proposals made by the 'housing first' working group (AUNE).

The right-of-occupancy housing system will be reformed as an independent system with respect to financing, resident selection and the application process.

Pension insurance companies may continue to use borrowed capital in housing investments until 2019.

Cooperation between local and central government

Central government calls for a substantial increase in building sites and housing production, while respecting the principle of partnership in cooperation between central government and municipalities and in inter-municipal cooperation, if major infrastructure projects in growth centres and in their vicinity are implemented.

The Government will sign a letter of intent on coordinating land use, transport and housing and increasing housing production and growth with the largest urban regions. This must take into account diverse development of the housing market.

Better telework opportunities, reduction of traffic emissions and development of smart grids will facilitate living and working in the whole country. During the term of government, solutions will be sought for the problem of empty dwellings as a result of population decline.

Measures to increase production on building sites and reduce construction costs

The Land Use and Building Act will be amended to enhance opportunities for construction. The decision-making procedure will be simplified, for example by revising appeal procedures. Construction in densely populated areas will be facilitated, for example by easing regulations on areas requiring planning. Decision making on deviating from plans will be transferred from centres for economic development, transport and the environment to municipalities. Furthermore, land use planning for projects and the environmental impact assessment procedure will be integrated.

To increase the authority and responsibility of municipalities over land use, the authority to implement the national land use guidelines will be clarified. Centres for economic development, transport and the environment will have a consulting role in planning and building. Their right of appeal against land use plan decisions will also be limited.

The ratification procedure for regional land use plans and joint local master plans at the Ministry of the Environment will be abandoned. All decisions on waterfront construction will be transferred to municipalities.

Binding processing times will be set for public authorities involved in the land use planning process, including environmental impact assessments.

For all construction and environmental matters, the right to appeal to the Supreme Administrative Court will be subject to obtaining leave to appeal. A binding deadline will be set for obtaining the decision on leave to appeal. Legal fees for land use and planning permission decisions will be raised. The possibility to appeal against planning decisions by filing an administrative appeal instead of a municipal appeal will be explored.

When planning land use and assigning building sites, municipalities should promote effective competition by drawing up land use plans suitable for various types of housing (single-family houses, terraced houses, blocks of flats).

Full accessibility will only be required for a certain number of flats on new housing sites.

Regional exemption policies will be introduced to facilitate renovation.

Decision making within housing companies concerning renovation, accessibility and complementary construction will be made smoother.

A simplified planning procedure will be introduced to facilitate complementary construction and make it easier to change the purpose of use of buildings.

Conversion of offices and business premises into flats will be promoted.

Refurbishing or renovating a building or changing its purpose of use will not bring obligations similar to those required for new construction, such as accessibility or acoustic insulation. To comply with energy efficiency requirements, flexibility and exceptions allowed by the Energy Efficiency Directive should be fully applied to regulation under the Directive.

Grading will be abandoned for trade in land use planning. Regulation on large retail units in city centres will be reduced.

Legislation on land use planning and the protection of buildings will be amended so that protection will not prevent measures ensuring access to residential buildings, such as subsequent installation of lifts.

Opportunities for construction in densely populated areas will be further enhanced, for example by extending the use of local master plans as grounds for building. Conversion of holiday homes into permanent residential use will be made easier.

The Land Use and Building Act will be amended to significantly extend the scope of the notification procedure to include small-scale landscaping and installation of such devices as solar panels and ground source heat pumps.

To promote wood construction especially, national and commonly acceptable construction standards and technical solutions approved in planning permission procedures across the country will be created.

Planning permission services for the public – both traditional and digital – will be provided according to the one-stop-shop principle.

Furthermore, a key project to review legal provisions on construction carried out by central government and municipalities will be launched with the aim of reducing other costs and bureaucracy, including the construction of civil defence shelters and parking spaces.

ANNEX 5 The Government's spending limits rule

The Government is committed to a spending rule such that central government expenditure within the spending limits in 2019 will be EUR 1.2 million smaller than in the central government spending limits decided on 2 April 2015 (at 2016 prices). Annual adjustments required by the change in price level will be made to the spending limits of the government term. An annual provision of EUR 300 million is made for supplementary budgets in the spending limits of the government term.

To achieve a spending limits solution of this scale, the Government is committed to the measures listed in the annexes to the Government Programme, which aim to strengthen general government finances by around EUR 4 billion in 2019 and, as part of this, to reduce permanent central government spending within the spending limits by a net EUR 0.65–1.7 billion in 2016–2019.

The spending limits will decrease by EUR 1.2 billion, even though the package of adjustment measures is EUR 4 billion. This is due to, among others, the following factors:

- an annual supplementary budget provision of EUR 300 million
- freezing of index increases will be realised in the spending limits later
- some impact assessments to be revised later are missing (e.g. structural reform of secondary education, effects of informal and foster care, changes in specialised health care)
- the savings will also affect local government finances and social insurance funds

The Government is committed to adhering to its set spending rule as well as to the central government spending limits decision in the first general government fiscal plan, which will be based on it. In connection with the first general government fiscal plan, provision for defence force vessel purchases from 2019 will be decided.

The Government is committed to implement during the government term the savings necessary to cover the entire EUR 10 billion sustainability gap. The effectiveness of the savings and structural reforms will be monitored annually in connection with the spending limits discussion.

The purpose of the spending rule is to limit the total amount of expenditure incurred by the taxpayer. When neutral changes are made in the Budget from this perspective, corresponding adjustments may be made in the spending limits of the government term.

Adjustments to the spending limits will ensure, if necessary, that the spending limits

- treat various taxation changes in the same way, if they have similar impact on public finances
- do not restrict rebudgeting of expenditure, changes to the timing of expenditure items nor refunds
 or compensation of revenue that prove to be unjustifiably large. If expenditure arising from the
 spending package under way is technically transferred to the next government term, the spending
 limits level will be correspondingly reduced.

If the level of expenditure falls below that specified in the spending limits after supplementary budgets, the difference, to a maximum of EUR 200 million, may be used for one-off expenditure in the following year without reference to the spending limits.

The following items are not included in the spending limits:

- unemployment security expenditure, social assistance expenditure, wage subsidy and housing allowance. However, expenditure effects generated by changes to the criteria for these items and by discretionary decisions affecting their level are included in the spending limits.
- interest expenditure on central government debt
- possible compensation payable to other tax recipients for tax changes decided by central government (including social insurance contributions)
- expenditure corresponding to technically transmitted payments and external funding contributions
- expenditure corresponding to the revenue from betting and lottery, totalisator betting and the transferred earnings from the Slot Machine Association
- financial investment expenditure
- appropriations for VAT expenditure

If economic growth proves to be faster than expected, the increased revenue and lower expenditure due to growth will be used in proportions decided by the Government to reduce indebtedness, ease taxation on work and business, and for one-off measures to boost growth.

ANNEX 6 Immediate consolidation measures to public finances

Separate annex

ANNEX 7 Other measures

- The Government will appoint a parliamentary working group to evaluate the duties and funding of YLE.
- The reform of the Act on the Autonomy of Åland will continue, and the government proposal will be submitted to Parliament in spring 2018 at the latest.
- Streamlining the Wastewater Decree: Chapter 16 of the Environmental Protection Act will be amended to clarify wastewater treatment in densely populated areas and make it more effective. Municipal regulations on environmental protection and construction will continue to apply to areas sensitive to pollution, such as shores and groundwater areas. In other areas, the statutory deadlines for the modification of wastewater systems of residential properties built before 2004 will be abolished. The adequacy of the wastewater system of each of these properties will be inspected in connection with renovation work that is subject to planning permission. Any amendments necessary to the Water Services Act will be considered when amending the Environmental Protection Act. The mandate of the previously appointed working group of the Ministry of the Environment will be reviewed to comply with the amendments.
- Climate policy: The Government will contribute to the adoption of an ambitious and comprehensive international convention on climate change to limit global warming to two degrees. The convention must reduce the risk of carbon leakage from energy-intensive industries and generate new markets for clean technologies. Finland will achieve the climate objectives for 2020 for the share of renewable energy and emissions reductions by the end of the government term. Further preparations for the EU 2030 Climate and Energy Package will aim at ensuring an effective emissions trading system, increased and cost-effective renewable energy generation, and flexibility in the sharing of burdens outside the emissions trading scheme. Hi-tech renewable transport fuels will be promoted. All climate policies must take account of the competitiveness of Finnish export industries and ensure fair burden sharing.
- The third sentence of section 9(1) of the Act on Political Parties (10/1969) will be repealed (as amended in the Act amending the Act on Political Parties 683/2010)
- Further strategy work and preparations for the key projects will be based on the background notes drawn up by the working groups of the government formation talks.

Appendix 6

Immediate consolidation measures, 27.5.2015

EUR million		Gene	ral governi	ment finai	nces			Centr	al governr	ment			М	unicipalitie	es		Social secu	rity/empl	oyment per	nsion contr	ibutions
	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Education, science and culture	-178	-466	-511	-541	-556	-681	-137	-265	-291	-299	-302	-40	-200	-220	-243	-254	0	0	0	0	0
Social and health services	-71	-181	-281	-361	-451	-451	-22	-34	-47	-56	-66	-38	-135	-222	-294	-374	-11	-11	-11	-11	-11
Service charges, fines, etc.	-243	-322	-322	-322	-322	-322	-83	-98	-98	-98	-98	-160	-224	-224	-224	-224	0	0	0	0	0
Social benefits	-437	-710	-770	-800	-860	-920	-132	-303	-337	-348	-378	-71	-90	-116	-135	-165	-234	-317	-317	-317	-317
Agriculture and forestry	-29	-48	-60	-70	-70	-70	-29	-48	-60	-70	-70	0	0	0	0	0	0	0	0	0	0
Business and industry	-76	-145	-221	-315	-332	-266	-76	-145	-216	-307	-324	0	0	-5	-8	-8	0	0	0	0	0
Housing and the environment	-42	-55	-59	-59	-59	-84	-42	-55	-59	-59	-59	0	0	0	0	0	0	0	0	0	0
Transport	-15	-15	-15	-135	-135	-135	-15	-15	-15	-135	-135	0	0	0	0	0	0	0	0	0	0
Public order and security	48	48	28	3	3	3	48	48	28	3	3	0	0	0	0	0	0	0	0	0	0
Military defence	45	69	92	110	130	135	45	69	92	110	130	0	0	0	0	0	0	0	0	0	0
Foreign Service, development cooperation, etc.	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	0	0	0	0	0	0	0	0	0	0
Administration and ICT expenses	-43	-81	-133	-176	-179	-179	-43	-81	-133	-176	-179	0	0	0	0	0	0	0	0	0	0
Index freezes	-70	-284	-621	-1.064	-1.094	-1.094	-124	-404	-780	-1227	-1.257	55	124	174	195	195	0	0	0	0	0
TOTAL	-1.409	-2.489	-3.173	-4.030	-4.225	-4.364	-909	-1.631	-2.216	-2.961	-3.035	-255	-525	-614	-708	-829	-245	-328	-328	-328	-328

^{*} Iti = long-term impact

NB: Financial investment expenditure is not included in the calculation, as it included in general government expenditure in the national accounts.

NB2: Some of the savings effects are a rough estimate and their impact assessment will be revised in the course of further preparation.

These are indicated with grey colour. The effects of these measures will be included in the general government fiscal plan as preparations and estimates become more detailed. The overall central government spending limits will be reduced accordingly.

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	201	9 20	020 2	2016	2017	2018	2019	2020
Early childhood education	in .																								
Limitation of subjective right to day care (28.90.30), phase 1	The subjective right of a child to day care will be limited to half a day when one of the parents is taking care of another child of the family while on maternity, paternity or child care leave or under home-care allowance. A similar limitation will apply to the private child care allowance.	mitted to Parliament in the form of legislative proposals quite rapidly. The original date of en-	als are ready and could enter into force on 1 January 2016 (in the table the impact in 2016 is based on this timing).	-24	-24	-24	-24	-24	-24	1 -6	-6	-6	-6	-6	-18	-18	3 -1	8 -	18	-18					
Limitation of subjective right to day care (28.90.30), phase 2	The limitation of the right to day care to half a day will also apply when a parent is unemployed.	With respect to unemployment, the limitation should not be unconditional but based on the duration of unemployment (e.g. 3 months). The limitation would presumably also influence the cost impact estimate.			-30	-30	-30	-30	-30		-8	-8	-8	-8		-23	3 -2	3 -	23	-23					
Day care / early childhood education (28.90.30)	In day care, the child/trained adult staff ratio in groups of children over 3 years will be raised from 1/7 to 1/8.		This requires an amendment to the Decree on Child Day Care. The amendment could be implemented in 2016, but full materialisation of the cost reduction is not likely to take place immediately.		-30	-50	-60	-75	-75	5	-8	-13	-15	-19		-27	2 -3	7 -	45	-56					
Day care / early childhood education (28.90.30)	Municipalities are given the opportunity to organise the care of children in pre-school education in the form of club activities for a fee.	Municipalities could organise the care of children in pre-school education in the form of less expensive club activities instead of day care, which would create savings.	This requires amendments to the Basic Education Act and the Day Care Act. They could enter into force in 2017.		-5	-10	-25	-25	-25	5	0	0	0	0		- <u>!</u>	5 -1	0 -:	25	-25					
Basic education																									
Group sizes in basic education (29.10.330)	The discretionary government transfers granted to reduce group sizes in basic education will be withdrawn.		This does not require legislative amendments.	-30	-30	-30	-30	-30	-30	-30	-30	-30	-30	-30											
General education allowances (29.10.30)	Other transfers granted for the improvement of the quality of general education (quality development, educational equality, club activities, education environments, etc.) will be partly withdrawn.		This does not require legislative amendments.	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10											

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Upper secondary educat	ion																							
Structural reforms	We commit to a general government savings level of €190m beginning in 2017. The actions could consist of many different measures. If the upper secondary education reforms produce more savings later on, they will be marked as entries fulfilling the target level of structural reforms in so far as the impacts are identified in the Ministry of Finance estimate. In addition, more substantial long-term structural savings will be sought through reformist restructuring.	tion about the practical implementation of the structural reforms or immediate savings meas- ures are available. Therefore the very approxi-	From 2017 onwards		-190	-190	-190	-190	-190	0	-80	-80	-80	-80		-110) -110	-11) -11					
Other measures concern	ing upper secondary education		'																					
Apprenticeship (29.20.21, 29.30.32)	granted to the expansion of apprenticeship for young people will be withdrawn as from 2018. The withdrawal of the additional funding will not influence the basic funding of apprenticeship training.	In the decision on spending limits for 2014–17, additional funding was channelled to strengthen apprenticeship for young people through an initial period for apprenticeship training and by means of trial mechanisms for a flexible changeover from institutional vocational training to apprenticeship training while maintaining the unit price in apprenticeship training at the same level as in an education institution: furthermore, the objective was to diversify on-the-job learning practices in a joint effort by training providers and workplaces. The total value of the grants and transfers to these ends is £18.7m per year.	funding is meant to run for a fixed period of time, but it is included in the spending limits base. In connection with the decision on spending limits for 2014–17, a decision was made to review the continuation of the projects and funding in 2017.			-19						-19		-19										
Vocational upper secondary education (29.20.30, impacts also 29.30.31, 29.30.32)	Section 23b of the Act on Education and Culture Funding (1705/2009) will be amended so that the impact on the unit price of the savings decided during the previous electoral term and withdrawal of the guaranteed increase of write-offs concerning vocational education will materialise fully as is stated in the rationale of Government Proposal 304/2014.	The fixed-term guaranteed increase of write-offs concerning vocational education will end in 2015. However, the withdrawal of the increase on the unit price of basic vocational education will not materialise fully because of the reformulation of Section 23 of the Act on Education and Culture Funding that comes into force on 1 January 2016 and which states that the unit price is at least at the 2015 level. The effect of the withdrawal of the guaranteed increase was already included in a government proposal in winter 2015, but was invalidated by oversight through some other government proposal.	This requires an amendment to Section 23 of the Act on Education and Culture Funding. Its entry into force is possible from 2016 onwards.	-39	-39	-39	-39	-39	-39	9 -16	5 -16	-16	-16	-16	-22	-22	-22	2 -2	2 -2	2				

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Higher education institu	tions	'																						
Higher education institutions (29.40.50, 29.40.55) appropriations	The system of higher education institutions and research activities will be made more cost-effective and the administration and the network of higher education institutions will be streamlined with an emphasis on securing the quality of research and education. The anticipated cost benefits will be taken into account as reductions in government funding. At the same time, the funding models of higher education institutions will be developed so that rapid graduation and high quality of education (based on, for example, employment) are rewarded. Respecting the universities' autonomy, the power of decision on how the savings will be put into effect will remain their responsibility. The funding reductions must not be targeted at activities that would lead to a deterioration of the level of teaching and research, but particularly at measures in financial, human resources, information and education administration. The Ministry of Education and Culture will use performance agreements to ensure that the savings and measures focus on administration in higher education institutions.	savings by, for example: - pooling their financial and personnel administration under one service centre (e.g. Service Centre of Universities Certia, Finnish Government Shared Services Centre for Finance and HR Palkeet) - eliminating administrative overlap (e.g. between service centres and faculties, departments and central government), which will result in a smaller number of administrative staff relative to total personnel - cooperation in the procurement and development of IT systems and possibly making one actor responsible for all basic information technology in the same way as Valtori (Government ICT Centre) does - intensifying cooperation between universities and universities of applied sciences in support, libraries and language training services - relaxing the practice of transfer of credits from previous studies - encouraging specialisation and cluster-	ment of the Universities Act in respect of the level of funding and the joint organisation of language	-75	-75	-75	-75	-75	-75	5 -75	5 -75	-75	-75	-75										
Higher education degree	The lower university degree will have more elements of work-based learning. The objective is that a significant number of students would transfer to working life after completing the Bachelor's degree. Qualification requirements will be updated.	This would accelerate transfer to working life and lower the costs arising from higher education and financial aid for students. Data are not available on the basis of which it would be possible to estimate by how much the completion the Master's degree would decrease after the reform. According to a technical estimate, completion of a Master's degree would decrease by 20%: universities would save about €50m on an annual basis, savings in financial aid for students would be €25m and the faster transfer to the labour market would improve the balance of public finances by around €50m.							-125	5														
Special central govern- ment transfer to the teaching and research activities in the University of Helsinki and the University of Eastern Finland (29.40.52)	The funding earmarked to the University of Helsinki and the University of Eastern Finland corresponding to the corporate income tax and pharmacy level paid on the basis of income received from their pharmacy business activities will be withdrawn.	In line with this change and based on earlier decisions, the additional funding allocated to Aalto University will be withdrawn and it will be open for application by all universities by 2020.	This requires the amendment of the Universities Act. According to the final accounts of 2015, the special funding will be paid in 2016, which means that the withdrawal can become effective from 2017 at the earliest.		-30	-30	-30	-30	-30		-30	-30	-30	-30										

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))		2017	2018	2019	9 2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Research																								
Academy of Finland	The budget authority of the Academy of Finland will be cut by EUR 10 million beginning in 2016.				-3	-5	-10	0 -10	-10		-3	-5	-10	-10										
		* long-term impact	TOTAL	-178	-466	-511	-541	1 -556	-681	-137	-265	-291	-299	-302	-40	-200	-220	-243	-254	0	0	0	0	0

Social and health services

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Working-age adults																								
AURA rehabilitation	The AURA rehabilitation programme will be abolished as of the beginning of 2016, i.e. before its initiation. The AURA rehabilitation is a new appropriation combining vocational rehabilitation programmes Aslak and TYK that was planned to start as of the beginning of 2016 with an annual budget of €20.6m. It was to be funded from health insurance. The central government's funding contribution was planned to be 44.9% and the share of the insured 55.1%.		GP s2015	-21	-21	-21	-21	-21	-21	-9	-9	-9	-9	-9						-11	-11	-11	-11	-11

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020) Iti*	2016	2017	2018	2019	2020	2016	2017	2018	3 201	9 2020	2016	2017	2018	2019 202
Older people																							
Adjustment of the staff- client ratio in services to older people	a good quality of life and improved services for older persons published by the Ministry of Social Affairs and Health and the Association of Finnish Local and Regional Authorities in 2013				-25	-50	-7(0 -71	-77	ro	-6	-13	-19	-19		-19	-3;		51 -5				
Bureaucracy																							
Reduction of planning obligations in social and health care services	ing of a service plan will be changed so the plan will be drafted only if the service need of a so- cial welfare and health care client so requires it: - plan on supporting the elderly population (Act on Care Services for the Elderly, Section 5) - plan on service, care, rehabilitation or other				-10	-10	-10	0 -11	0 -1	0		0	0	0	0	-10	-10	0 -	-1	0			

						genera nt cost		l€m				centra nt cost			muni	icipali	mpact ties' fu on, €m			socia	nated i Il welfa funds,	re and		h
Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Reduction of cost dif- ferences in specialised health care	To curb costs in specialised health care, an incentive system will be introduced. This means that hospital districts or other specialised health care providers will be paid incentive support if their per capita operating costs adjusted by region-specific correction parameters (e.g. prevalence of diseases, age structure, population density and role in national centralisation) do not exceed the national average by more than 15%. The more the costs remain under the target level, the bigger the incentive support will be, taking account of that no single provider can be granted more than half of the entire support appropriation. Incentive support will also be granted to specialised health care providers that can significantly improve their cost effectiveness, unless they already receive the support under the 15% rule. Incentive support will amount to €250m annually. The same amount will be cut from central government transfers to local government.				-50	-1000	-150	-200) -20	00						-50	-1000	-15(-200					
Improving efficiency in the organisation of regional specialised health care	In specialised health care, municipalities will be given a statutory obligation to transfer certain demanding surgical operations (operations to be prescribed separately, e.g. endoprosthesis, brain, heart, cataract, cancer and abdominal surgery) in their hospital districts or other entities to such health care units that meet certain competence-supporting minimum requirements. Section 4 of the Government Decree on the Organisation and Centralisation of Specialised Health Care (336/2011) on the Centralisation of Specialised Medical Care on a Regional Level, issued under Section 45 of the Health Care Act, will be amended so that it will give more detailed provisions on the content of centralised health care services mentioned above and on the units providing such care.	The aim is that centralised health care services would be offered, for example, in no more than two units in each hospital district. The impact assessment of savings in municipalities' costs would gradually grow and would amount roughly to €50-100m in the early stages. In the longer term, the savings impact could be considerably higher. This will be included in the spending limits, not in the initial stages, but later when the cost impacts are known in more detail.		-50		-100													-113					
			TOTAL	-71	-181	-281	-361	-451	-45	51 -22	-34	-47	-56	-66	-38	-135	-222	-294	-374	-11	-11	-11	-11	-11

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	201	6 2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Social and health services	Fees charged for long-term institutional care, assisted living facilities, home services and other social and health care services will be raised. At the same time, legislative amendments concerning fees for home services and sheltered housing provided by municipalities (under the Social Welfare Act) will be prepared so that the criteria for determining fees are harmonised, as far as possible, nationwide.	for the elderly c. €190m and those for health centre inpatient care for the elderly c. €150m. The estimated revenues from home care services and home health care fees in 2013 are c. €150m.	The allocation of increases will be decided in connection with the budget proposal for 2016 on the basis of the preparations of the Ministry of Social Affairs and Health.		-150	-150	-150	-150	-150	0					-150	-150	-150	-150) -15	0				
Day care	Day care fees may be increased by either raising existing fees or introducing a new highest fee category. It will also be considered whether it is reasonable to apply a zero fee category, and the problem of incentive traps will be explored.	revenues from service fees. It is assumed that growth of fee income does not correspondingly	Increasing the fees requires amending the Act on Client Fees in Social Welfare and Health Care (734/1992). The amended act could enter into force in August 2016.		-54	-54	-54	-54	-54	4						-54	-54	-54	1 -5	4				
Before and after school activities	Fees for before and after school activities will be updated, and the possibility of not charging a fee will be extended and restricted, for example in accordance with Section 11 of the Act on Social Welfare and Health Care (as amended on 13 March 2003). The maximum monthly fee would be €120 for 570 hours and €160 for 760 hours. A minimum level for fees could also be laid down by law, for example by increasing the current fee by €10 per month, i.e. the minimum monthly fee would €EUR 70 or €90 without a statutory maximum level.		Increasing the fees requires amending Section 48f of the Basic Education Act (as amended by the Act 1136/2003). The reform could be introduced as from 2016.	-10	-20	-20	-20	-20	-21	0					-10	-20	-20	-20) -2	0				
Tuition fees for international students (29.40.50)	Tuition fees will be introduced for non-EU and non-EEA higher education students. The revenue from tuition fees will remain with the higher education institutions.	The reform requires establishing a scholarship scheme for non-EU and non-EEA students. The scholarship scheme must take account of the measure below aimed at shortening the duration of studies so that the impact on scholarship students will be similar to that of the fee payable at the end of studies which will be introduced for other students.	A draft government proposal has been drawn up, and the consultation process for the proposal was carried out in autumn 2014. The reform would require making minor amendments to the government proposal. Tuition fees could be introduced for studies beginning in autumn 2016 or, with longer preparation time, in autumn 2017.	0	0	0	0	0		0	0			0										

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Fines and administrative penalties (12.39.01)	The Act 756/2010 will be amended to double the amount of fixed fines under the Act and raise their maximum amount from €115 to €230 and that of ancillary forfeiture of property from €1,000 to €2,000. The need for an increase will be considered again in 2017.	The euro amounts of fixed fines were last reviewed more than 15 years ago. Even if they were doubled, they would still be low by general European standards. Close to 300,000 fixed fines are imposed every year, most of them for traffic violations.		-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20										
Unit fines (12.39.01)	The Act 808/2007 will be amended so that the amount of a unit fine under the Act is one thirtieth of the average monthly income of the person fined (currently one sixtieth), i.e. the amount of a unit fine would double. The minimum amount of a unit fine will be raised from €6 to €12. In further preparations, the requirement to double the amount may be reduced if part of the desired additional revenue can be obtained by increasing cost-effective camera enforcement, for example.			-48	-63	-63	-63	-63	-63	-48	-63	-63	-63	-63										
Court fees and their scope of application (12.25.10)	Court fees (fees for court hearings and for handling petitionary matters) will be raised and their scope of application extended. As a result of the reform, revenues from court fees will cover at least 20% of the total expenditure of courts. It is estimated that the reform will bring additional revenues of £15 million annually. Most of the additional revenue would be obtained from fees for court hearings (c. £9m).	The legislative amendments will enter into force from the start of 2016 (the working group has already drawn up an amendment proposal for an Act on Court Fees and related provisions).		-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15										
			TOTAL	-243	-322	-322	-322	-322	-322	-83	-98	-98	-98	-98	-160	-224	-224	-224	-224	0	0	0	0	0

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government pro- posal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	5 2	017	2018	2019	2020	2016	2017	2018	2019	2020
Financial aid for students (29.70.55)	- Savings target is €70m by 2019 and in the long term €150m Level of study grant, housing supplement and loan must be at least €1,100 Loan refund maintained within framework of financial constraints Number of months of financial aid for students will be limited. Financial aid for students may be single-or multi-stage.		Reform will come into force in autumn 2016		-20	-50	-70	-90	-150		-20	-50	-70	-90											
Housing																									
Pensioners' housing allowance	The pensioners' housing allowance will be adjusted to correspond with the general housing allowance, i.e. the systems will be combined.	According to a KELA estimate, changing the pension recipient's housing allowance to the general housing allowance would save €123m (-480m pension recipient's housing allowance, +349m general housing allowance, +8m social assistance).	Entry into force from 2016 as and when al- lowance decisions are adopted.	-40	-123	-123	-123	-123	-123	-40	-123	-123	-123	-123											
Guaranteed pension	General increase of guaranteed pension €30m		from 2016	30	30	30	30	30	30	30	30	30	30	30											
Adjustment of housing allowance criteria	Savings with budgetary impact in general housing allowance expenditure €25m. (Net effect, incl. growth of social assistance expenditure.)	Changes to allowance will always be done in conjunction with annual adjustment, so less impact in year of implementation. Calculated to be 60%.	Entry into force from 2016	-15	-25	-25	-25	-25	-25	-15	-25	-25	-25	-25											
Unemployment security and restriction of job alternation leave	Saving of €200m from earnings-related unemployment security and €50m from job alternation leave.			-250	-250	-250	-250	-250	-250	-104	-104	-104	-104	-104	0	0	0	0	0	0	-146	146	146	140	5 146
Reimbursements																									
Reimbursements payable for costs of consulta- tion with private dentist (33.30.60)	Health insurance reimbursements payable for private dentist fees will be reduced by one fifth. In terms of dental care, the average reimbursement per consultation is currently c. 26% of fees charged.		Entry into force from 2016	-20	-20	-20	-20	-20	-20	-9	-9	-9	-9	-9							-11	-11	-11	-1	1 -11
Medicine reimbursements (33.30.60)	A €150m saving in public finances from 2017 will be directed at medicine reimbursements.				-150	-150	-150	-150	-150		-67	-67	-67	-67								-83	-83	-8	-83
In the same context, revision of pharmacies' pricing system (prescription and non-prescription medicines) will be studied.	The saving may be implemented e.g. by increasing significantly the starting co-payment share or by lowering reimbursement percentages or by changing reimbursement status.																								
Reimbursements payable for costs of consulta- tion with private doctor (33.30.60)	Health insurance reimbursement from doctor's fees will be cut. Average reimbursement of doctor's fees is currently c. 21% of fees charged.	Impact of additional burden on municipal health care has not been assessed (e.g. eye diseases and gynaecological examinations).	Entry into force from 2016	-20	-20	-20	-20	-20	-20	-17	-17	-17	-17	-17							-3	-3	-3	-	-3

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government pro- posal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Parental allowance	Accrual of holiday leave arising from maternity, paternity and parental leave periods will be restricted to a maximum of 6 months.	Proposal corresponds to the Swedish model. Compensation of leave costs is currently c. €70m per year.	GP 2015, entry into force 1.1.2016.	-28	3 -28	-28	-28	-28	3 -2	28										-28	-28	-28	-28	-28
	Abolition of 30-day higher component payable for the parental leave period, where the reimbursement rate of parental allowance is currently 75%. Normal 70% reimbursement of imputed earned income will be paid for this period.	The reform will simplify the parental allowance system. When earned income is used as the criterion for the parental allowance, the parental allowance payable increases e.g. at the beginning of the parental leave period (30 working days). The fact that the level of allowance varies during the parental leave period has no significant incentive effect.	1.1.2016.	-10	-10	-10	-10	-10	-1	10										-10	-10	-10	-10	-10
Sickness allowance (33.30.60)	The earned income limits and reimbursement rate for the determination of sickness allowance will be changed. The annual earned income limit used in determining the daily allowance and granting entitlement to a 70% reimbursement level will be lowered from the present €36,419 to €30,000 and the reimbursement rate for income exceeding this income limit will be changed to 35%.		GP 2015, entry into force 1.1.2016.	-24	1 -24	-24	-24	-24	1 -2	24										-24	-24	-24	-24	-24
Diet allowance (33.40.60)	The diet allowance, the amount of which is currently £23.60/month, will be abolished.		GP 2015, entry into force 1.1.2016.	-10	-10	-10	-10	-10) -1	10 -1	0 -10	-10	-10	-10										
Travel allowances (33.30.60)	The co-payment share per journey, the annual cost ceiling and the co-payment share of a tax journey ordered from elsewhere than a coordination centre will be increased.	The patient/rehabilitee pays a co-payment share for a journey. KELA reimburses necessary travel costs exceeding this. If the customer has used a taxi and the journey has been ordered from a coordination centre, the co-payment for a one-way journey is now €16.00. If the customer orders a taxi journey from elsewhere than a coordination centre, the co-payment for a one-way journey is €32.00. This higher co-payment is not added to the annual co-payment share. After the annual travel ceiling (€272.00) is reached, journeys are reimbursed in full with respect to necessary costs.	GP 2015, entry into force 1.1.2016.	-20	-20	-20	-20	-20) -2	20	8 -8	-8	-8	-8						-12	-12	-12	-12	-12

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government pro- posal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Relief services for agri- cultural entrepreneurs (33.80.40)	The right to relief services will be amended e.g. by increasing the entrepreneur's co-payment share and enhancing the relief services administration model.	A development working group established by the Ministry of Social Affairs and Health is currently preparing a new Act on Relief Services for Agricultural Entrepreneurs. The system must be compatible with the European Commission's guidelines on state aid in the agriculture and forestry sectors and in rural areas 2014—2020. This may require to a certain extent changes to the present right to relief services. In the same context, the system may also be reformed so that the agricultural entrepreneur's co-payment share in relief services is increased. The working group's task is also to prepare changes required by the relief services administration model. Saving €20m/year		-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20										
Development of family care, mainly in care for the elderly	The terms and incentives of the family care system will be developed and in that context support also increased: the level of the family carer allowance, further education, work counselling. Information about family care as an alternative in care for the elderly will be increased. Terms and incentives will be restricted so that the members of the working age active population are not attracted unjustifiably to become family carers.	, ,		10	15	20	20	20	20	10	15	20	20	20										
	In services for the elderly, a shift to family care will be supported by adding family care as an alternative in Section 14 of the Act on Care Services for the Elderly.																							
Relief for informal and family carers	Relief arrangements for informal carers and cor- responding voluntary carers and also family car- ers will be developed so that an opportunity for			75	75	75	75	75	75	75	75	75	75	75										
	More expensive care will be replaced as informal and family care increase.			-95	-120	-155	-180	-220	-220	-24	-30	-39	-45	-55	-71	-90	-116	-135	-165	i				
State aid for the Finnish Institute of Occupational Health	State aid will be cut.			-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5										
EVO grants	University-level research grants (EVO) payable to health care units will be cut.			-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5										

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government pro- posal (GP))	:.)-					lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Child welfare and home assistance for families with children	Increase			10	10	10	25	25	25	10	10	10	25	25										
Home care for the elderly, veterans, and reducing the degree of disability of disabled war veterans					10	10	10	10	10)	10	10	10	10										
			Total	-437	-710	-770	-800	-860	-920	-132	-303	-337	-348	-378	-71	-90	-116	-135	-165	-234	-317	-317	-317	-317

Agriculture and forestry

						genera nt cost		ıl€m			act on ernme				mun	icipali	impaci ties' fu on, €m	nding			l welfa		t on d healt	th
Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))		2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Structural changes	Merger of Natural Resources Institute Finland and Finnish Environment Institute, transfer to 3-tier management system for agricultural support, risk-based supervision of payments, abolition of early retirement aid (change in the scheme, significant savings in the 2020s)				-8	-18	-19	9 -19	-1!)	-8	-18	3 -19	-19										
National funding of the Rural Development Programme	Nature management fields, LFA, buffer zones, catch crops, project funds			-5	-16	-16	-2.	3 -23	3 -2:	3 -5	5 -16	-16	-23	-23										
Forestry	Forest Biodiversity Programme for Southern Finland Metso €3m, aid for energy use of small-diameter wood €12m (the rest of these funds in the budget item transferred to the financing of sustainable forestry)			-15	-15	-15	-1	5 -15	5 -1:	5 -15	5 -15	-15	5 -15	-15										
Administration	Ministry, food chain, Finnish Food Safety Authority, Finnish Forestry Centre, cadastral surveys			-9	-9	-11	-13	3 -13	-1	3 -9	9 -9	-11	-13	-13										
			TOTAL	-29	-48	-60	-70	-70	-70	-29	-48	-60	-70	-70	0	0	0	0	0	0	0	0	0)

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	7 2018	2019	2020	2016	2017	2018	2019	2020
Grants and loans from the Finnish Funding Agency for Innovation Tekes (32.20.40)	Research and development funding granted by the Finnish Funding Agency for Innovation Tekes will be cut by €95m.	Funding will be increasingly directed to growth-oriented businesses and radical innovations.	Budget proposal 2016	-10	-40	-60	-95	-95	-95	-10	-40	-60	-95	-95	5									
Tekes Strategic Centres for Science, Technology and Innovation (SHOKs)	Tekes SHOKs will be gradually phased out. Grants €-35m. Loan authorisations may be transferred to Tekes's other loan authorisations.		Budget proposal 2016	-10	-20	-30	-35	-35	-35	-10	-20	-30	-35	-35	5									
Innovative Cities Programme INKA	The Innovative Cities Programme INKA will be stopped.	The programme is currently scheduled to run for the Structural Funds programming period.		-3	-5	-8	-8	-8	0	-3	-5	-{	-8	-{	3									
Restricting the wind power quota in the feed-in tariff system (32.60.44)	The wind tariff quota subject to feed-in tariff will be restricted. The wind power plants that are currently part of the feed-in tariff system and wind power plants that have applied for a quota decision will be included in the feed-in tariff system. The Government will issue as soon as possible a proposal on the quota restriction (from 2,500 MVA to approximately 2,000 MVA).	The savings potential will depend on the issuing of the related government proposal.	A government proposal for the amendment of the Production Subsidy Act will be issued as soon as possible.	0	0	-12	-42	-59	0	0	0	-12	-42	-59)									
	Cost-effective ways to promote wind power will be explored during the government term.																							
Investment and development subsidies to businesses (32.30.45)	Support for companies' investment and development projects will be reduced. The said appropriation includes ordinary business subsidies, the reduction of which has been generally demanded. If necessary, funds from the European Regional Development Fund may be directed to this purpose.	Permanent saving €10m (annual budget authority)	Budget proposal 2016	-1	-5	-8	-9	-9	-10	-1	-5	-{	-9	- <u>ç</u>)									
Employment policy appropriations (32.30.51)	Employment policy funding will be gradually directed to more effective actions, and employment services opened for private actors.		Budget proposal 2016	-50	-70	-90	-110	-110	-110	-50	-70	-90	-110	-110										
Subsidies for internationalisation	The funding scheme for internationalisation will be reformed. New subsidies will not be granted from 2016.			-2	-5	-8	-8	-8	-8	-2	-5	-{	-8	-{	3									
Business support services	An overall assessment will be made of business services within central and local government (costs and different services). At the same time, an assessment will be made to estimate how much of the demand for business services results from various kinds of regulation. The provisions that generate the greatest need for advice will be identified.	Necessary amendments will be implemented on the basis of the study. If the need for advice services could be cut, for example, by 1 personyear in every second municipality, it could generate a saving of almost €10m in local government finances.				-5	-8	-8	-8								-	5 -8	-8					
			TOTAL	-76	-145	-221	-315	-332	-266	-76	-145	-216	-307	-324	0	() -5	-8	-8	0	0	0	0	0

Housing and the environment

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))		16 20	17 20	018	2019	2020	lti*	20	016 20	017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	201	19 2020
Cutting acquisition and compensation expenditure for nature conservation areas (35.10.63)	If possible, more decisions on mire conservation and other decisions on nature conservation areas will be made on land managed by Metsähallitus, and protection measures (land surveys, management plans) concerning the sites already allocated for nature conservation will be completed with a single appropriation of 68m. With respect to further measures carried out on state lands, acquisition and compensation appropriations for nature conservation areas will be reduced. A reward system that could be applied to valuable sites in terms of nature conservation will be created for land owners who are ready to commit voluntarily to nature protection on a permanent basis.	The measure will reduce funding needs for private nature conservation areas. More conservation decisions under the Forest Biodiversity Programme will be made on sites outside the forestry activities managed by Metsähallitus. Net effect in the table.	GP 2015, entry into force 1.1.2016.	-	-12 -	20	-20	-20	-20	-2	0	-12	-20	-20	-20	-20										
Investment grants	Activities, i.e. normal housing for students, young people and the elderly, targeted at population groups who are in good health will be excluded from the scope of high investment grants for special groups. Accessibility requirements in construction will be eased in housing for young people and students. The remaining grants will be used to safeguard housing for those in poor health and the homeless.		GP 2015, entry into force 1.1.2016.	-	-15	15	-15	-15	-15	-1	15	-15	-15	-15	-15	-15										
Authorisations for right- of-occupancy housing	Authorisations for right-of-occupancy housing will be reduced by one third.	The value of the authorisations is currently €320m. The growth in the outstanding amount of state-guaranteed loans and interest expenditure will be curbed. Particularly in the long term, this measure is expected to reduce central government costs relating to rising interest expenditure and possible risks materialising from renovations. There is no resident selection in this form of grant.								-2	25															
		This is the potential saving, which has been calculated on the assumption that the interest rate is 4%.																								

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))		2017	2018	2019	2020	lti*	* 20	16 20	017 2	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
State-subsidised	housing production		ı																						
	The selection of residents for ARA dwellings will be changed to favour those receiving social assistance or housing allowance. In the selection of residents, municipalities or other actors are required to assign at least half of the dwellings to those receiving housing allowance or social assistance or to households in a similar financial situation. ARA will examine correctness of resident selections with the help of Kela. The Ministry of Justice and the Ministry of the Environment will prepare, if necessary, legislative amendments and other changes which ensure the functioning of mixed housing (both privately financed and ARA dwellings in the same building).	housing allowance expenditure. In 2013, 47% of those receiving housing allowance lived in ARA dwellings. Households receiving the general housing allowance account for only 27% of the whole country's ARA housing allowance lived in all those receiving housing allowance lived in ARA dwellings, only 56% of the dwellings would be used by those receiving housing allowance (the proportion would also be approximately the same in Helsinki, where the risk of segrega-		-8	8 -13	-17	-17	7 -17	7 -	17	-8	-13	-17	-17	-17										
	Income limits will be brought back into use for selecting residents for state-subsidised housing. The eligibility for rental housing will be checked every five years. The transition period to move from the dwelling is two years.	Allocation of ARA rental dwellings to people on a low income will improve as the selection as residents of those with a high income is prevented. The measure will reduce costs of social assistance and housing allowance.																							
	Measures to lower rents of ARA rental dwellings: - No more overpreparation for renovation. In ARA regulation, the co-payment in rents will be defined so that preparation for repairs is clearly specified and outlined. - Competitive tendering (building management etc.) will be required in procurements above the threshold - Evening out rents across regions and various types of production will be restricted, in which case rents will fall in tight housing market areas.	tive of the measures. The rents of ARA residents	posal which it has already drafted. GP 2015, entry into force	<u>.</u>	7 -7	-7	-7	7 -7	7	-7	-7	-7	-7	-7	-7										
	The non-profit requirement for developers will be waived and the requirement made project-specific. Non-profit requirements of building projects will be tightened. State-subsidised rental housing production must be more clearly non-profit activity, which is why the required yield in the recognition of reasonable return on equity will be lowered to a maximum of 4%. Correspondingly, the interest on the owner's cofinancing contribution charged from the tenant will be limited to 4%.																								

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
	To reduce incentive traps, those difficult to employ will be given priority in rental dwellings funded by the state. If in a municipality there is a vacant state-funded dwelling which is lower-priced than a privately financed one, housing expenses will be reimbursed only in accordance with the rent of the state-funded dwelling.	social assistance and housing allowance). The potential saving may be marginal and difficult																						
			TOTAL	-42	-55	-59	-59	-59	-8	4 -42	-55	-59	-59	-59	0	0	0	0	0	0	0	0	0	0

Transport

				force etc. of						muni	nated i icipalit ributio	ies' fu	nding		socia	nated i I welfa funds,	re and		th					
Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))		2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Basic transport infra- structure management (31.10.20)	An increase in the repair debt will be prevented by reallocating the financing of new projects to basic transport infrastructure management and basic improvement of private roads.		as of 2017	0	114	150	100	100	100	(0 114	150	100	100										
Transport projects (31.10.77, 78, 79)	The provision for unnamed projects under transport infrastructure items will be reduced	The technical spending limits are scaled to €544m annually, which corresponds to the average level of appropriations allocated in 2012–2015. The spending limits will now allow unnamed projects as follows: 2016: €0m, 2017: €113.8m, 2018: €257m, 2019: €358.7m. A total of €729.5m for 2017–2019 is reserved for transport infrastructure projects under item 31.10.77 for new, unattached projects.		0	-114	-150	-220	-220	-220	(0 -114	-150	-220	-220										
Public transport subsidies	Public transport subsidies will be reduced by €15m.		as of 2016	-15	-15	-15	-15	-15	-15	-15	5 -15	-15	-15	-15										
			TOTAL	-15	-15	-15	-135	-135	-135	-15	5 -15	-15	-135	-135	0	0	0	0	0	0	0	0	0	

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Extending the scope of application of summary proceedings (25.10.03, 25.10.04, 25.10.50, 25.30.01, 26.10.01)	Criminal cases involving offences punishable by a fine or a maximum imprisonment of two years will be removed from courts of first instance to be decided in summary proceedings. Summary penal orders will be issued by the police in writing and confirmed by prosecutors. The defendants may take their cases to court.	It is estimated that c. 30,000 cases will be referred to the simplified procedure annually. This would generate savings for courts, prosecution, legal aid and private legal counsels, for example.	The reform could be introduced during 2018, for example.			-20	-40	-40	-4	0		-20	-40	-40										
Courts (25.10.02 and 03)	Reforming the system for granting leave for continued consideration will restrict the number of cases submitted to courts of appeal.	The reform may be implemented from early 2016 (-30 person work years). The estimated cost savings are c. €2m for 2016.	The reform will be introduced in 2016.	-2	-2	-2	-2	2 -2	-	-2	-2	-2	-2	-2										
	The number of cases heard in administrative courts and the Supreme Administrative Court will be reduced. The scope of application of the rectification procedure will be extended to simplify appeal procedures. The scope of application of the procedure for leave to appeal will be extended to matters handled under the administrative judicial procedure.	The reform will be implemented over the long term in line with other judicial reforms. Savings will be generated with delay and mostly for administration, support services and office premises, for example. (€-5m in 2019)	The reform will be introduced in 2019 at the earliest.				-5	5 -5	-	5			-5	-5										
Additional appropriation for internal security	An additional €50m will be allocated for internal security.			50	50	50	50	50	5	0 50	50	50	50	50										
			TOTAL	48	48	28	3	3		3 48	48	28	3	3	0	0	0	0	0	0	0	0	0	0

Military defence

				Impact	_			€m				centra			mun	icipal	impac ities' fu on, €m	unding	ı	socia	nated in I welfa funds,	re and	on health
Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019 2020
Finnish Defence Forces catering services	Catering services for the Defence Forces will be opened up for competition in 2017.	In line with Section 6 of the Act on the Incorporation of Catering Services in the Defence Forces (16.12.2011/1287), there is a four-year protection period for staff (terminates at the end of 2015). The 2014 turnover was €66.2m and profit €3.5m. In order to create genuine competition, the call for tenders should be in parts, e.g. tenders are invited for one-third of the catering services in the DF on a yearly basis. Cost effect 0, -1, -3, -5, -5		0	-1	-3	-5	-5		0	-1	-3	-5	-5									
Procurement of defence materiel (27.10.18)	opportunities and increasing joint procurement with other countries to achieve cost savings.	As large procurement projects are spread over many years, it may take a long time before the impact of international cooperation can be seen on cash flows.			0	0	0	0	()	((0	0									
	The Defence Forces will benefit from the gain made through the said improvement.	Good opportunities for efficiency will be generated by the FDF Logistics Command, which became operational as of 1 January 2015. It is composed of the materiel commands of the Army, the Navy and the Air Force, the Centre for Military Medicine, the Häme Regiment's Logistics School and the Joint Systems Centre.																					
Military crisis management (24.10.20 and 27.30.20)	be placed on crisis-management operations that are more meaningful and impactful from Finland's perspective.	to 30 staff.	The savings sum is smaller in 2016 and will grow from 2017. The number of planned operations will decline from 2017. In spring 2016, for example, Finland will have a leadership role in operations in Lebanon.	-5	-10	-15	-15	-15	-19	5 -5	-10	-19	-15	-15									
	The military crisis management expenditure allocated for the Ministry for Foreign Affairs will be merged with the deferrable appropriation of the Ministry of Defence.		Levanon.																				
Supplementary appropriation of the Defence Forces	The final report of the parliamentary working group refers to a financing method introduced in the security and defence policy report. According to it, the defence administration has estimated that a further €50m will be needed in 2016 particularly to maintain military capability and, by year 2020, progressively €150m in addition to index increments.			50	80	110	130	150	150	50	80	110	130	150									
			TOTAL	45	69	92	110	130	135	45	69	92	110	130	0		0 (0) (0	0	0	0

				Impac	-			€m				entral it costs			muni	icipali	impact ties' fu on, €m	nding		socia		mpact re and €m		1
Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Development cooperation (24.30.66)			2016	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300										
	Income acquired from emissions trading will no more be channelled to development cooperation.		2016																					
			TOTAL	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	0	0	0	0	0	0	0	0	0	0

Administration

						genera nt cost	al s, tota	l€m			act on e				muni	nated in cipaliti ibution	es' fur			Estim social care f	l welfa	re and		h
Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Complete transfer of accounting and final accounts from the accounting units to the Government Shared Services Centre for Finance and HR (Palkeet) as its statutory responsibility (operating expenditure items)	The State Budget Act will be amended so that accounting and final accounts will become a statutory responsibility of Palkeet. At least two-thirds (around 120 person working years (pys)) of accounting personnel in the accounting units (187 pys in 2011, which was 81% of the total pys of accounting personnel) will transfer to Palkeet (with no change, however, on their physical place of work). This way, Palkeet could truly optimise the overall number of accounting personnel needed in central government and the number of personnel in each area of experise (customers, substance, routines, systems etc.) and the opportunities offered by the Kieku information system.		Amendments to the State Budget Act and Decree and to the Decree con- cerning Palkeet during 2016. Entry into force and amendment as of the beginning of 2017.		-1	-3	-4	-4	-4		-1	-3	-4	-4										

						genera it costs	l s, total	€m			ernmer				mun	icipali	impacties' fu on, €m	nding		socia	nated ir I welfa funds, •	re and	on health	
Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Implementation of the financial management development project "purchase to pay" in all accounting units (operating expenditure items)	Implementation of the State Treasury's develop- ment project "purchase to pay" in all accounting units by the State Treasury, Palkeet and HAUS Finnish Institute of Public Management.	As a rule, all necessary order and expenditure processing systems and operating methods exist, but their use is minimal. The State Budget Act will be reviewed in terms of public procurement centralisation and, if necessary, the Budget Decree in terms of approval of expenditure in 2016. According to the State Treasury's development project, a transfer from "manual" to electronic orders and expenditure processing as well as best practices will bring productivity potential as follows: order management system and order planning 40–80 pys, agreement allocation 80–160 pys, posting code 15–45 pys, expenditure account statements 5–7 pys. Total 140–293 pys. Resources to be freed up from the Kieku project can be used in implementing the changes in the accounting units. Decision on the continuation of the Tilha agreement in 2017.	Amendments to the State Budget Act and, if nec- essary, to the Decree in 2016. Gradual implemen- tation as of 2016.	-3	-5	-10	-12	-15	-15	-3	-5	-10	-12	-15										
Reduction in central government premises expenditure	The investment authorisation of Senate Properties will be limited so that a permanent reduction of €30m be applied to rents. The measure will immediately reduce Senate Properties' expenditure. In the first phase, the profit accrued to Senate Properties will be entered as central government revenue. The profit accrued to the agencies in lower rents will be cut from the appropriations in 2019 ahead of schedule as a lump sum reduction.	Attempts will be made to reduce excess quality, but at the same time ensuring that the property maintains its utility value.			-5	-20	-30	-30	-30	0	-5	-20	-30	-30										
Subsidies to organisations and associations				-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5										
Savings in operating expenditure	Savings will be achieved in administrative expenditure by deregulating and cutting functions, giving up premises, and making use of the retirement attrition. The level of digitalisation will be increased and structures reformed. The saving targets apply to all administrative branches.			-30	-60	-90	-120	-120	-120	-30	-60	-90	-120	-120										
Political activities	Pay and operating expenses of ministers, state secretaries, special advisers and administrative assistants, support for political activities, other political activities.			-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5										
			TOTAL	-43	-81	-133	-176	-179	-179	-43	-81	-133	-176	-179	0	0	0	0	(0	0	0	0	0

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Item	Measures that will be carried out (in brief)	Other (e.g. other key effects)	Timing (submission, entry into force etc. of Government proposal (GP))	2016	2017	2018	2019	2020	lti*	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Index increases		Calculations made using April 2015 forecast. Effects dependent on actual price development.																						
	Index linking of child allowance and financial aid for students will be discontinued.		As of 2016	-3	-26	-55	-85	-115	-115	-3	-26	-55	-85	-115										
	Freezing of index increases of central govern- ment transfers to local government (28.90.30, several items in administrative branch of Ministry of Education and Culture)	It is assumed that municipalities' duties, obligations and financial contributions will be reduced by other measures comparable to the effect of freezing index increases.		-4	-11	-20	-30	-30	-30	-65	-180	-325	-490	-490	61	169	9 305	460	460					
	NPI/CPI-based index increases will not be made in 2016. Thereafter, increases will be made in accordance with an assumed very moderate pay settlement 2017-2019. Based on an earlier settlement, a level of 0.4% has been used as the calculation estimate. Inter alia 33.10.53, 33.10.54, 33.10.55, 33.20.50, 33.20.51, 33.20.55, 33.20.55, 33.20.56, 33.30.60, 33.40.60, 33.50.50, 33.50.51	Impact on municipalities via home-care allow- ance and labour market support. Here a rough estimate of municipal impact. Freezing does not apply to social assistance.	2016-2019	-20	-109,8	-230	-355	-355	-355	-18	-100	-210	-324	-324	-2	! -10	0 -20	-31	-31					
		The impact on tax revenues of the complete freezing of the NPI index in 2016 and the increase of 0.4% in 2017–2019 is to increase tax revenues, due to a lowering of the level of pension income deductions linked to the amount of the full national pension compared with existing legislation (rough estimate of magnitude).		-8	-62	-196	-419	-419	-419	-3	-23	-70	-153	-153	-5	-3:	5 -11	-234	-234					
	Freezing of index increases of universities and universities of applied sciences (29.40.50, 29.40.55)		2016-2019	-35	-75	-120	-175	-175	-175	-35	-75	-120	-175	-175										
	Index increases will be made in future such that tobacco and alcohol are not taken into account when calculating the index increase of social benefits. Benefit increases will be linked to a new index deviating from the harmonised CPI index.	The EU's common harmonised CPI also includes tobacco and alcohol.																						
			TOTAL	-69,5	-284	-621	-1.064	-1.094	-1.094	-124	-404	-780	-1.227	-1.257	54,5	124,	2 173,6	195,1	195,1	0	0	0	0	0