

WELL-BEING IN FINLAND: BRINGING TOGETHER PEOPLE, ECONOMY AND PLANET

CENTRE ON WELL-BEING,
INCLUSION, SUSTAINABILITY AND
EQUAL OPPORTUNITY (WISE)

POLICY PAPER

April 2023 **n°14**



OECD Papers on Well-being and Inequalities

www.oecd.org/wise/papersandbriefs

The OECD Papers on Well-being and Inequalities Series – managed by the OECD Centre on Well-being, Inclusion, Sustainability and Equal Opportunity (WISE) – features working papers on the measurement agenda for well-being, inclusion, sustainability and equal opportunity as well as papers seeking to deepen the understanding of the drivers of these issues, the ways in which they interact and how they evolve. These papers are prepared by OECD staff, external experts or by outside consultants working on OECD projects.

This series is designed to make available to a wider readership selected labour market, social policy and migration studies prepared for use within the OECD. Authorship is usually collective, but principal writers are named. The papers are generally available only in their original language – English or French – with a summary in the other.

This paper is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and the arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

The release of this policy paper has been authorised by Romina Boarini, Director of the OECD Centre on Well-being, Inclusion, Sustainability and Equal Opportunity (WISE).

Acknowledgements

This paper was prepared by the OECD Centre for Well-being, Inclusion, Sustainability and Equal Opportunity (WISE Centre). Liva Stokenberga and Lara Fleischer are the authors, and Junya Ino and Monica Quinza Armenta carried out the statistical work for this publication. Lara Fleischer led the project and content editing under the guidance of Carrie Exton, who provided additional editing. The paper was published under the direction of Romina Boarini. Anne-Lise Faron prepared the paper for publication and Martine Zaïda provided valuable support and advice on communication and publication.

The authors are grateful to Dennis Dlugosch (OECD Economics Department), Caroline Berchet, Maxime Ladaïque, Pauline Fron (OECD Directorate for Employment, Labour and Social Affairs), Ivana Capozza, Enrico Botta, Carla Bertuzzi (OECD Directorate for Environment), as well as Heli Hätönen, Tuulia Rotko, Satu Leino, Riika Pellikka and other colleagues (Ministry of Social Affairs and Health of Finland) for valuable comments and feedback on earlier versions of the paper.

The OECD gratefully acknowledges the financial support provided by the Ministry of Social Affairs and Health of Finland for the preparation of this paper.

Conventions

In each figure, data labelled “OECD” are simple mean averages of the OECD countries displayed, unless otherwise indicated. Whenever data is available for fewer than all 38 OECD countries, the number of countries included in the calculation is specified in the figure (e.g. OECD 33).

A weighted OECD average (or OECD total) is shown in instances where the OECD convention is to provide this type of average. Where used, this is specified in the figure notes along with details of the weighting methodology. For example, when data are population-weighted this is done according to the size of the population in different countries, as a proportion of the total OECD population. The OECD total considers all the OECD countries as a single entity, to which each country contributes proportionally to the sum.

In analysis of change over time and trendlines, the OECD averages refer to only those countries with data available for every year shown, since the sample of countries needs to be held constant across all years. Since this means that only countries with a complete time series can be included, this can sometimes lead to different OECD averages for trendlines versus those for the latest and earliest available time points.

Each figure specifies the time period covered, and figure notes provide further details when data refer to different years for different countries. Figures that appear only in Chapter 1 have full figure notes; in all other cases figure notes in Chapter 1 point to corresponding figures in the underlying background chapters for full details. Countries are denoted by their ISO codes (Table 1).

Table 1. ISO codes for countries and world regions

AUS	Australia	FIN	Finland	LVA	Latvia
AUT	Austria	FRA	France	MEX	Mexico
BEL	Belgium	GBR	United Kingdom	NLD	Netherlands
CAN	Canada	GRC	Greece	NOR	Norway
CHE	Switzerland	HUN	Hungary	NZL	New Zealand
CHL	Chile	IRL	Ireland	OECD	OECD average
COL	Colombia	ISL	Iceland	POL	Poland
CRI	Costa Rica	ISR	Israel	PRT	Portugal
CZE	Czech Republic	ITA	Italy	SVK	Slovak Republic
DEU	Germany	JPN	Japan	SVN	Slovenia
DNK	Denmark	KOR	Korea	SWE	Sweden
ESP	Spain	LTU	Lithuania	TUR	Türkiye
EST	Estonia	LUX	Luxembourg	USA	United States

Abstract

Drawing on the OECD Well-being Framework, this paper outlines the state of well-being outcomes in Finland and identifies strengths, weaknesses and trends compared to other OECD countries. Overall, Finland is an established international leader in well-being and sustainability. Six key insights highlight the several challenges for well-being that remain in Finland and should be addressed in a comprehensive, balanced and inclusive way. In particular, there is a need to halt Finland's decline in skills and research and development, to improve stagnant performance in a number of key environmental areas, to address persistent socio-economic and health inequalities between population groups, and to safeguard the country's strong social capital. These insights have been identified by considering economic, social, and environmental outcomes – and inequalities in these – simultaneously, to highlight the type of policy-relevant findings that arise when applying a well-being approach to measuring progress.

Résumé

S'appuyant sur le cadre du bien-être de l'OCDE, ce document décrit l'état des résultats en matière de bien-être en Finlande et identifie les forces, les faiblesses et les tendances par rapport aux autres pays de l'OCDE. Dans l'ensemble, la Finlande est un leader international reconnu en matière de bien-être et de durabilité. Six points clés mettent en évidence les nombreux défis en matière de bien-être qui subsistent en Finlande et qui doivent être relevés de manière globale, équilibrée et inclusive. En particulier, il est nécessaire d'enrayer le déclin de la Finlande en matière de compétences, de recherche et de développement, d'améliorer les performances stagnantes dans un certain nombre de domaines environnementaux clés, de s'attaquer aux inégalités socio-économiques et sanitaires persistantes entre les groupes de population, et de préserver le solide capital social du pays. Ces idées ont été identifiées en considérant simultanément les résultats économiques, sociaux et environnementaux – et les inégalités dans ces domaines – afin de mettre en évidence le type de conclusions pertinentes pour les politiques qui découlent de l'application d'une approche du bien-être pour mesurer le progrès.

Table of contents

OECD Papers on Well-being and Inequalities	1
Acknowledgements	2
Conventions	3
Abstract	4
Résumé	5
1 Key well-being insights in Finland	9
Introduction	10
The value-add of considering different well-being outcomes simultaneously	10
A brief overview of well-being and sustainability discussions and tools in Finland	12
Measuring well-being in OECD countries	12
A snapshot of current and future well-being in Finland	15
Six well-being key insights in Finland	17
2 Background analysis: current well-being in Finland	35
Current well-being outcomes	36
3 Background analysis: well-being and health inequalities in Finland	60
Introduction	61
Vertical well-being inequalities	61
Well-being inequalities by gender	61
Well-being inequalities by age	71
Well-being inequalities by level of education	77
4 Background analysis: sustainability of well-being in Finland	82
Resources for future well-being	83
5 Well-being data gaps in Finland	95
Introduction	96
Well-being outcome data availability, frequency and timeliness in Finland	96
References	97
Notes	99

FIGURES

Figure 1.1. The OECD Well-being Framework	13
Figure 1.2. Finland's current well-being, 2022 or latest available year	16
Figure 1.3. Long-term trends in Finland's current and future well-being	17
Figure 1.4. Decline and stagnation in a number of social and environmental areas could be an impediment to future well-being in Finland	19
Figure 1.5. Economic growth in Finland and trends in selected environmental indicators	20
Figure 1.6. Further progress is needed in the areas of greenhouse gas emissions and material consumption	21
Figure 1.7. Vertical inequalities are notable, though smaller than in other OECD countries	23
Figure 1.8. Gender gaps in well-being outcomes point to unique challenges for both women and men	24
Figure 1.9. Inequalities by educational achievement can impact future generations and social cohesion	25
Figure 1.10. Well-being inequalities by age are notable in some areas	26
Figure 1.11. Finnish households are accumulating more debt and housing is becoming less affordable	27
Figure 1.12. Despite overall good performance, some health inequalities are large	30
Figure 1.13. Compliance with COVID-19 restrictions and trust in public institutions in Finland	32
Figure 1.14. Trust and social support are strong in Finland overall, but civic engagement and political efficacy are weaker than OECD average	34
Figure 2.1. Household income	36
Figure 2.2. Household wealth	37
Figure 2.3. Income inequality	38
Figure 2.4. Housing affordability	39
Figure 2.5. Overcrowding rate	40
Figure 2.6. Employment rate	41
Figure 2.7. Gender wage gap	42
Figure 2.8. Long hours in paid work	43
Figure 2.9. Life expectancy	44
Figure 2.10. Life expectancy - gap in levels of education	45
Figure 2.11. Deaths of despair	46
Figure 2.12. Self-reported symptoms of depression and anxiety	47
Figure 2.13. Students with low skills	48
Figure 2.14. Students' cognitive skills in science	48
Figure 2.15. Access to green space	49
Figure 2.16. Exposure to dangerous levels of outdoor air pollution	50
Figure 2.17. Life satisfaction	51
Figure 2.18. Negative affect balance	51
Figure 2.19. Homicides	52
Figure 2.20. Feeling safe at night	53
Figure 2.21. Time off	54
Figure 2.22. Gender gap in total hours worked	55
Figure 2.23. Social interactions	56
Figure 2.24. Lack of social support	57
Figure 2.25. Loneliness	57
Figure 2.26. Voter turnout	58
Figure 2.27. Confidence to participate in politics	59
Figure 2.28. Having a say in what the government does	59
Figure 3.1. Inequalities between men and women in Finland	62
Figure 3.2. Gender parity in politics	63
Figure 3.3. Job strain	64
Figure 3.4. Gender gap in time spend in paid and unpaid work	65
Figure 3.5. Feeling safe at night, by gender	66
Figure 3.6. Share of students aged 14-20 in Finland with symptoms on anxiety, by gender	67
Figure 3.7. Life expectancy, by gender	68
Figure 3.8. Deaths of despair, by gender	69
Figure 3.9. Long hours in paid work, by gender	70
Figure 3.10. Gender gap in students' cognitive skills in science	71
Figure 3.11. Inequalities between the young and the middle-aged in Finland	72
Figure 3.12. Inequalities between the young and people over the age of 50 in Finland	73
Figure 3.13. Having a say in what the government does, by age	75
Figure 3.14. Employment rate - gap in age groups	76

Figure 3.15. Share of children or young people in Finland waiting more than 90 days for non-urgent specialised mental care, hospital districts	77
Figure 3.16. Inequalities between people with different educational attainment in Finland	78
Figure 3.17. Life expectancy at the age of 25, by level of education	79
Figure 3.18. Having a say in what the government does, by level of education	80
Figure 3.19. Student skills in science, gaps by level of parent's education	81
Figure 4.1. Produced fixed assets	83
Figure 4.2. Financial net worth of general government	84
Figure 4.3. Household debt	84
Figure 4.4. Investment in research and development	85
Figure 4.5. Financial net worth of the economy	86
Figure 4.6. Greenhouse gas emissions per capita	87
Figure 4.7. Material footprint per capita	87
Figure 4.8. Change in material footprint per capita since 2004	88
Figure 4.9. Red List Index of threatened species	88
Figure 4.10. Upper secondary educational attainment among young adults	89
Figure 4.11. Labour underutilisation rate	90
Figure 4.12. Premature mortality	91
Figure 4.13. Obesity rate	92
Figure 4.14. Trust in others	93
Figure 4.15. Trust in government	94
Figure 4.16. Gender parity in politics	94

TABLES

Table 1. ICO codes for countries and world regions	3
Table 1.1. Well-being challenges and inequalities in Finland	11
Table 5.1. Indicators with at least a 3-year lag in the OECD How's Life? Well-being Database	96

1 Key well-being insights in Finland

Finland is an established international leader in well-being and sustainability, with good outcomes for people, the economy and the planet in a wide range of well-being aspects. Six key insights highlight the several challenges for well-being that remain in Finland and should be addressed in a comprehensive, balanced and inclusive way. In particular, there is a need to halt Finland's decline in skills and research and development, to improve stagnant performance in a number of key environmental areas, to address persistent socio-economic and health inequalities between population groups, and to safeguard the country's strong social capital. These insights have been identified by considering economic, social, and environmental outcomes – and inequalities in these – simultaneously, to highlight the type of policy-relevant findings that arise when applying a well-being approach to measuring progress.

Introduction

Measuring well-being – or the multiple outcomes that matter for people, the planet, and future generations – is increasingly recognised as a more comprehensive and more representative way to assess societal progress. This working paper assesses well-being in Finland, which has set itself ambitious targets for becoming an international leader in well-being and sustainable development. It outlines the state of well-being outcomes in Finland, focusing on the dimensions that are covered by the headline indicators of the OECD Well-being Framework (Figure 1.1). It then identifies well-being strengths, weaknesses and trends over the past decade and compared to other OECD countries. Throughout, this paper highlights the added-value of taking a multidimensional lens to bring together selected economic, social and environmental data for identifying synergies and trade-offs between these areas.

This chapter provides a brief overview of well-being discussions in Finland over the past years, introduces the OECD Well-being Framework as conceptual basis for measuring well-being, and identifies six “well-being insights” as examples of the type of policy-relevant findings that arise when considering economic, social and environmental well-being outcomes simultaneously. The following chapters act as reference material for this analysis. Chapter 2 presents current well-being outcomes in Finland; Chapter 3 explores inequalities in these outcomes in depth; and Chapter 4 describes sustainability aspects. Chapter 5 outlines data gaps in internationally comparable well-being statistics for Finland.

The value-add of considering different well-being outcomes simultaneously

A focus on well-being – i.e. on a diverse range of outcomes that matter to people, the planet and future generations – provides policy-makers with a broader and multi-dimensional picture of the state of their country and its sustainability trajectory. By considering outcomes and inequalities in economic, social and environmental dimensions side by side, a well-being approach highlights potential complementarities and trade-offs that are omnipresent in policy decisions. More broadly, a well-being approach can provide policy-makers with insights into two important questions: (1) whether economic growth translates into improved living standards and societal progress along the dimensions that matter most to people and the planet; and (2) how a country’s well-being strengths can promote stronger and more sustainable long-term economic growth (Llena-Nozal, Martin and Murtin, 2019^[1]).

Looking through the lens of the OECD Well-being Framework’s headline indicators, well-being in Finland is generally high. Nevertheless, some significant challenges remain that should be addressed in a comprehensive, balanced and inclusive way. These challenges are illustrated by a six multi-faceted “well-being insights” (Table 1.1) that would not have become apparent when assessing outcomes and progress in these areas in silos. Selection criteria for these insights included focusing on areas where performance showed stagnation or deterioration, where inequalities between population groups were largest, or where improvements for some headline indicators contrasted with declining performance in others. These insights are policy-relevant, however this paper is statistical and descriptive in nature and does not provide policy recommendations. Rather, these insights highlight the need for high-level leadership and cross-government collaboration when systematically monitoring, identifying and addressing trade-offs and synergies across different policy sectors.

Table 1.1. Well-being challenges and inequalities in Finland

Relative well-being challenges (based on the headline indicators of the OECD Well-being Dashboard) and their environmental, social and economic implications

Well-being insight	Planet	People	Economy
Finland's strengths in well-being and sustainability require forward-looking investments to stop the decline in skills and R&D, and to improve stagnant performance in key environmental areas	Higher greenhouse gas emissions than in 2035 national targets, stagnating material footprint	Declining PISA scores in science	Underutilised human capital and unsustainable use of natural capital could undermine growth prospects
As the country takes necessary steps towards a green economy, short-term trade-offs must be managed to support an inclusive transition	Higher greenhouse gas emissions than in 2035 national targets, stagnating material footprint	Policy action for a green economy will need to consider just transition aspects across sectors (e.g. labour market, health, housing, migration and social protection)	Short term economic interests may compromise the green transition
Finland is an inclusive and equal society, but important challenges remain regarding gender equality and a few persistent gaps between different population groups		Inequalities: large gap in PISA scores by gender and level of parent's education; large gap in employment rates by level of education	High labor underutilization rate Inequalities: large gender wage gap
Finns enjoy high material well-being, but households are accumulating debt and it is becoming more difficult to afford a good home		Declining housing affordability	Increasing and high household debt
Despite improvements in population health, increasing obesity rates, prevalence of mental distress and health inequalities should be monitored as they contribute to a wide range of other well-being dimensions		Increasing obesity rate Increasing population-prevalence of symptoms of anxiety and depression Inequalities: large gap in life expectancy by level of education	Declining health outcomes and large inequalities can prevent people from contributing their full potential to the economy
Finland needs to safeguard its strong social cohesion and social capital to address well-being and sustainability challenges	Ambitious reforms for the green transition will require strong popular support and cohesion	Stagnant and comparatively average voter turnout Comparatively low political efficacy (people feeling they have a say in what the government does) Inequalities: large gaps in political efficacy by age and level of education	Ambitious reforms for the green transition will require strong popular support and cohesion

Note: Each of the insights also includes well-being strengths, or a number of headline indicators of the OECD Well-being Dashboard in which Finland is performing well. These are not included in the table but are explained in detail in the rest of the chapter.

A brief overview of well-being and sustainability discussions and tools in Finland

The concept of an “Economy of Well-being” is an approach developed over the past decade in Finland to achieve a better balance across economic, social and ecological sustainability in decision-making. It does so by taking account of the links between them, thus aiming to also strengthen the stability of society in the long run (Ministry of Social Affairs and Health of Finland, 2022^[2]). Finland led discussions on the Economy of Well-being at the level of the European Union, as one of the priorities of Finland’s EU Council Presidency in 2019. In a collaboration with the Finnish Ministry of Social Affairs and Health, the OECD developed a working paper on the Economy of Well-being to inform the discussions (Llena-Nozal, Martin and Murtin, 2019^[1]). In October 2019, the EU Council, under the Finnish Presidency, adopted a position requesting the European Commission and the EU Member States to include an economy of well-being perspective horizontally in national and Union policies and to put people and their wellbeing at the centre of policy design (General Secretariat of the Council Delegations, 2019^[3]).

Most recently, a Steering Group on the Economy of Well-being started its work in February 2021 and prepared the Finnish National Action Plan for the Economy of Well-being, which was launched in March 2023. The National Action Plan includes five key directions for promoting the Economy of Well-being between 2023 and 2025, namely (1) the preparation of a governance model for the economy of well-being; (2) an examination of how well-being monitoring can be integrated more prominently in the decision-making power of the state, regions and municipalities; (3) development of impact assessment and building capacity in this area; (4) work to influence the EU, including through the European Semester; and (5) strengthening inclusion (Ministry of Social Affairs and Health of Finland, 2023^[4]). The Finnish Institute for Health and Welfare is currently developing a steering model and an indicator set for the well-being economy in Finland, with a view to finalize the work at the end of 2024.¹

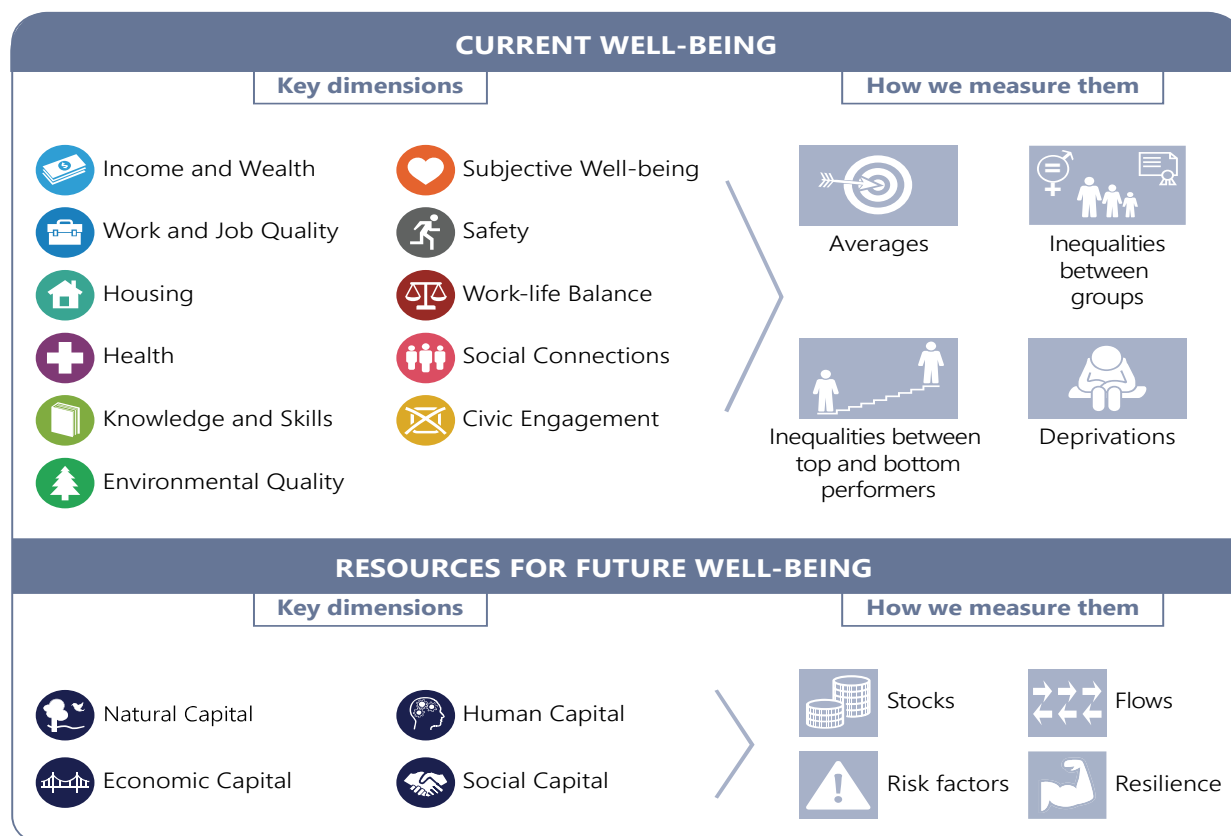
Finland has also developed dedicated tools that allow to keep sight of long-term societal goals, which is important to reconcile these with short-term crises and emergencies. For instance, the Committee for the Future in Finland’s Parliament as well as the *Government report on the future*² are both mechanisms that date back to 1993 and have fostered a culture of long-term, cross-silo thinking in the Finnish society and politics. Moreover, Finland is fostering integrated policy-making and long-term cohesion across government policies through its national sustainability strategies: most recently, the strategy “A prosperous and globally responsible Finland that protects the carrying capacity” was adopted by the Finnish Commission on Sustainable Development in March 2022. It is meant as a framework tool for policy coherence for long-term sustainability (Finnish Government, 2022^[5]). Lastly, the Government Programme for Inclusive and Competent Finland 2019-2023 noted that the country aims to become climate neutral, a circular economy and the world’s first fossil-free welfare society by 2035, and carbon negative beyond this date (Finnish Government, 2019^[6]). At the time of writing, following the parliamentary elections on 2 April 2023, the programme of the current government was under preparation.

Measuring well-being in OECD countries

Regular tracking of a broad set of relevant outcomes is necessary for identifying policy-relevant issues. This working paper uses the OECD Well-being Framework as its conceptual basis for doing so (see Figure 1.1). The OECD Well-being Framework, first launched in 2011, is an outcome-focused tool to assess whether life as a whole is getting better for people living in OECD countries. It includes current well-being outcomes, their distribution across the population, and the systemic resources that help to sustain outcomes over time and for future generations. This ensures the consideration of well-being, inclusion and sustainability in a broad sense (spanning economic, social, relational and environmental aspects), following international good practice.

Since the launch of the OECD Well-being Framework in 2011, over half of OECD countries have developed multi-dimensional dashboards of well-being indicators, and many are now integrating well-being into political decision-making (Box 1.1).

Figure 1.1. The OECD Well-being Framework



Source: (OECD, 2020^[7]), *How's Life? 2020: Measuring Well-being*, OECD Publishing, Paris, <https://doi.org/10.1787/23089679>.

Current well-being in the OECD Well-being Framework is comprised of 11 dimensions: these relate to material conditions that shape people's economic options as well as quality-of-life factors that encompass how well people are (and how well they feel they are), what they know and can do, and how healthy and safe their places of living are. In addition, dimensions addressing community relations encompass how connected and engaged people are, and how and with whom they spend their time.

As national averages often mask large inequalities in how different parts of the population are doing, **three types of inequalities** are systematically considered: gaps between population groups (e.g. between men and women, old and young people, etc.); gaps between those at the top and those at the bottom of the achievement scale in each dimension (e.g. the income of the richest 20% of individuals compared to that of the poorest 20%); and deprivations (the share of the population falling below a given threshold of achievement, e.g. a minimum level of skills or health).

Resources for future well-being in the OECD Well-being Framework are expressed in terms of country's investment in (or depletion of) different types of capital resources that last over time but that are also affected by decisions taken (or not taken) today. They include natural capital (stocks of natural resources, land cover, species biodiversity, as well as ecosystems and their services), economic capital (man-made and financial assets), human capital (skills and future health of individuals) and social capital (social norms, shared values and institutional arrangements that foster cooperation).

The OECD operationalises the OECD Well-being Framework with a dashboard of more than 80 internationally comparable indicators (OECD, 2020^[7]). For more concise communication and to highlight key findings, this working paper mainly uses 3 sets of headline indicators (12 for current well-being averages, 12 for inequalities in current well-being, and 12 for resources of future well-being), supplemented with additional indicators and data where particularly relevant to Finland. These headline indicators have been chosen from the extended dashboard because they reflect a balance across all components of the Well-being Framework, frequently appear in various national well-being initiatives led by OECD countries, and perform particularly strongly on a range of statistical quality criteria (many act as broad summary indicators of their respective dimensions, cover the large majority of OECD countries, and are more frequently collected and timely than other indicators of the extended dashboard). For further details of how the well-being headline indicators have been selected, see (OECD, 2020^[7]).

Box 1.1. Wellbeing policy practice in selected OECD countries

OECD countries are increasingly employing different strategic, operational and technical methods to support the use of well-being frameworks and principles for shaping national policy processes. A number of common principles, applications, and embedding mechanisms are emerging:

Principles

Well-being frameworks simultaneously emphasise broad, granular, and long-term analysis of policy priorities and options that respond directly to people's needs across a range of life areas. They typically also support ways of working that transcend policy silos through increased collaboration, coordination, iteration, and transparency. Different countries set out the principles or motivating factors of a well-being approach in different ways (for example (Department of Finance Canada, 2021^[9]) (New Zealand Treasury, 2019^[10]) (National Assembly of Wales, 2015^[11])), but the following themes tend to be common:

- **Taking a whole of government approach:** moving beyond policy silos and supporting more integrated and collaborative working methods across central and sub-national government.
- **Attending to intergenerational outcomes and inequalities between population groups:** focussing on meeting the needs of present generations and all groups of society without compromising the well-being of future generations.
- **Moving towards multidimensional measures of success** and considering impacts, both positive and negative across a broader set of areas that impact well-being and sustainability.

Applications

Well-being policy approaches encompass a broad range of applications that can be grouped as follows:

- **Well-being budgeting.** Italy and New Zealand have built on well-established well-being indicator frameworks to identify societal priorities and integrate relevant evidence at different points of the budgeting process. Canada, Ireland, France, Sweden, Iceland, the Netherlands and Australia have also established, or are in the process of establishing, links between well-being indicators and budgetary processes in recent years.
- **Strategic planning and performance frameworks.** Numerous countries are employing a well-being approach to underpin high-level strategic coordination and priority-setting exercises beyond the budgetary process, such as performance frameworks (e.g. Iceland, Scotland), inclusive growth strategies (e.g. the United Kingdom Levelling Up strategy), and national development plans (e.g. Colombia, Slovenia).

- **Well-being policy analysis, appraisal and evaluation methods.** Better integrating well-being evidence into policy processes requires adapted tools and analytical approaches. Examples include the development of well-being valuation methods to integrate in cost-benefit analysis (e.g. the United Kingdom, New Zealand), modelling and forecasting techniques to more accurately predict the potential impact of government policies and decisions on societal outcomes (e.g. Italy), and well-being impact assessment and evaluation methods (e.g. Canada).

Embedding mechanisms

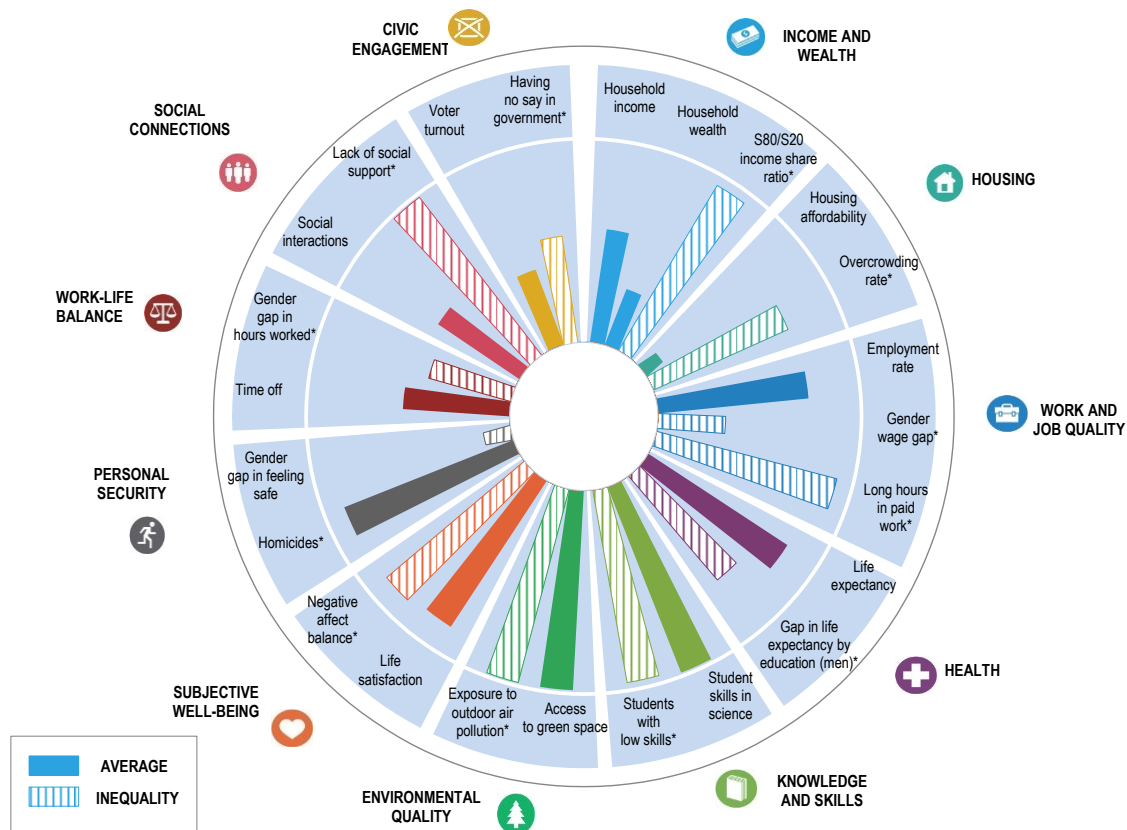
Finally, countries are employing different techniques to embed the use and understanding of well-being policy frameworks and principles across government and electoral cycles. These include legislation (e.g. Wales, New Zealand), civil service capacity-building and support (e.g. the United Kingdom, New Zealand), and cross-departmental coordinating bodies (e.g. New Zealand).

Source: OECD (2021) *COVID-19 and Well-being: Life in the Pandemic*, OECD Publishing, Paris, <https://doi.org/10.1787/1e1ecb53-en>.

A snapshot of current and future well-being in Finland

Relative to other OECD members, levels of current well-being in Finland are high across several dimensions of the OECD Well-being Framework, and inequalities within these tend to be comparatively low (Figure 1.2). For example, Finland performs well in the area of knowledge and skills, as shown by the headline indicator on average student skills in science, while the proportion of students with low skills is comparatively small. Other dimensions where performance is strong are environmental quality and subjective well-being. Performance is mixed in other well-being areas, highlighting the need to assess progress with multiple indicators that might capture different aspects within the same well-being dimension. For instance, when it comes to income and wealth, income inequality is comparatively low, however household wealth is below the OECD average. Or, when it comes to social connections, very few people in Finland have no one to turn to in times of need, but people spent less time on social interactions with friends and family compared to the OECD average. Areas of particular concern in Finland, for which outcomes are worse than in other OECD countries, include a comparatively large gender wage gap and low housing affordability.

Figure 1.2. Finland's current well-being, 2022 or latest available year



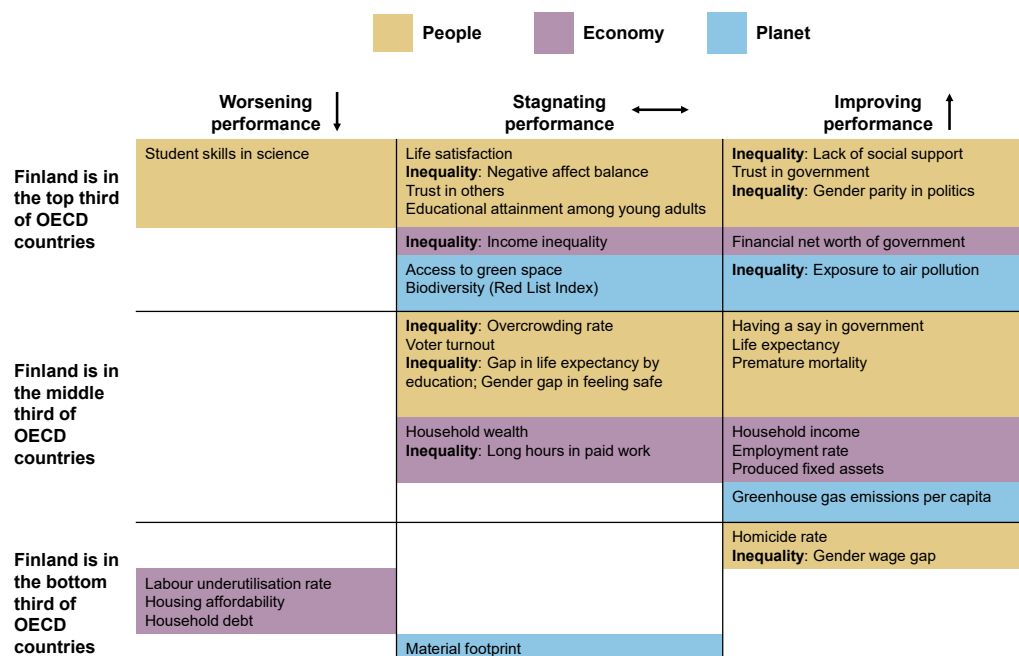
Note: This chart shows Finland's relative strengths and weaknesses in well-being compared to other OECD countries. Longer bars always indicate better outcomes (i.e., higher wellbeing), whereas shorter bars always indicate worse outcomes (lower well-being) – including for negative indicators, marked with an *, which have been reverse-scored. Inequalities (gaps between top and bottom, differences between groups, people falling under a deprivation threshold) are shaded with stripes, and missing data in white. All indicators refer to 2019 or latest available year, except the following indicators that refer to data from before and/or after the start of the COVID-19 pandemic. Data for voter turnout refer to 2022 or the latest available year. Data for household income, S80/S20 income share ratio, housing affordability, gender wage gap, long hours in paid work, life expectancy, life satisfaction, negative affect balance, and gender gap in feeling safe, refer to 2021 or the latest available year. Data for employment rate refer to 2021. Data for overcrowding rate, homicides, and having no say in government refer to 2020 or the latest available year.

Source: OECD calculations based on the *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

From a sustainability standpoint, it is important to monitor long-term developments in well-being outcomes, to identify trends and warning signs. To highlight intergenerational trade-offs, it is also necessary to consider the systemic resources that can help sustain well-being over time (or natural, economic, human and social capital). As Figure 1.3 shows, there are several areas for which outcomes and sustainability indicators for Finland have improved since 2010, including the homicide rate, the gender wage gap, the share of women in parliament, life expectancy, air pollution and financial net worth of government. But, there are also areas for which progress over the past decade has stagnated and that warrant closer attention, despite high performance compared to other OECD countries. This is particularly true for persistent inequalities in both social and economic dimensions, and for material consumption (for which Finland also lands in the bottom third relative to other OECD countries). Lastly, outcomes in student skills, the share of workers who are unemployed, discouraged or underemployed, housing debt and housing affordability have all been declining since 2010 and warrant closer attention.

Figure 1.3. Long-term trends in Finland's current and future well-being

Comparative performance on the current and future well-being headline indicators of the OECD Well-being Framework, 2022 or latest available year, and trend analysis since 2010



Note: "Finland is in the top/middle/bottom third of OECD countries" indicates comparatively high/mid-range/low levels of well-being relative to other OECD countries in the latest available year for each indicator. "Improving" indicates improvement; "stagnating" indicates no clear change; "worsening" indicates deterioration for the respective indicator compared to 2010. For the indicator-specific thresholds to determine change over time, see the Reader's Guides of How's Life? 2017 and How's Life? 2020.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Six well-being key insights in Finland

Insight 1: Finland's strengths in well-being and sustainability require forward-looking investments to stop the decline in skills and R&D, and to improve stagnant performance in key environmental areas

Overall, well-being levels are currently high in Finland. However, they could be held back in the medium- and long-term by underinvestment in the resources needed to sustain well-being over time, including skills shortages in key sectors, declining student achievement, declining investment in R&D and stagnant performance in key environmental areas (Figure 1.4). Indeed, outcomes in a number of economic, environmental and social dimensions should be further improved, including in some areas where above-average performance for Finland vis-à-vis other OECD countries has been stagnating or declining.

One of these areas relates to the skills and knowledge of the current and future workforce. According to the OECD's Survey of Adult Skills, Finland has one of the most skilled workforces among OECD economies.³ However, skills shortages and mismatches are becoming increasingly apparent in the sectors most needed in the context of an ageing society, namely health and care services, as well as in high-tech industries. The Finnish Federation of Technology Industries, for instance, has estimated a 41% increase in employment needs in the high-tech industry over the next 10 years, and has pointed out that declining student achievement could make it difficult to fulfil skills needs in the medium-term (OECD, 2022_[12]). In addition, almost 20% of the Finnish labour force were unemployed, discouraged or underemployed in

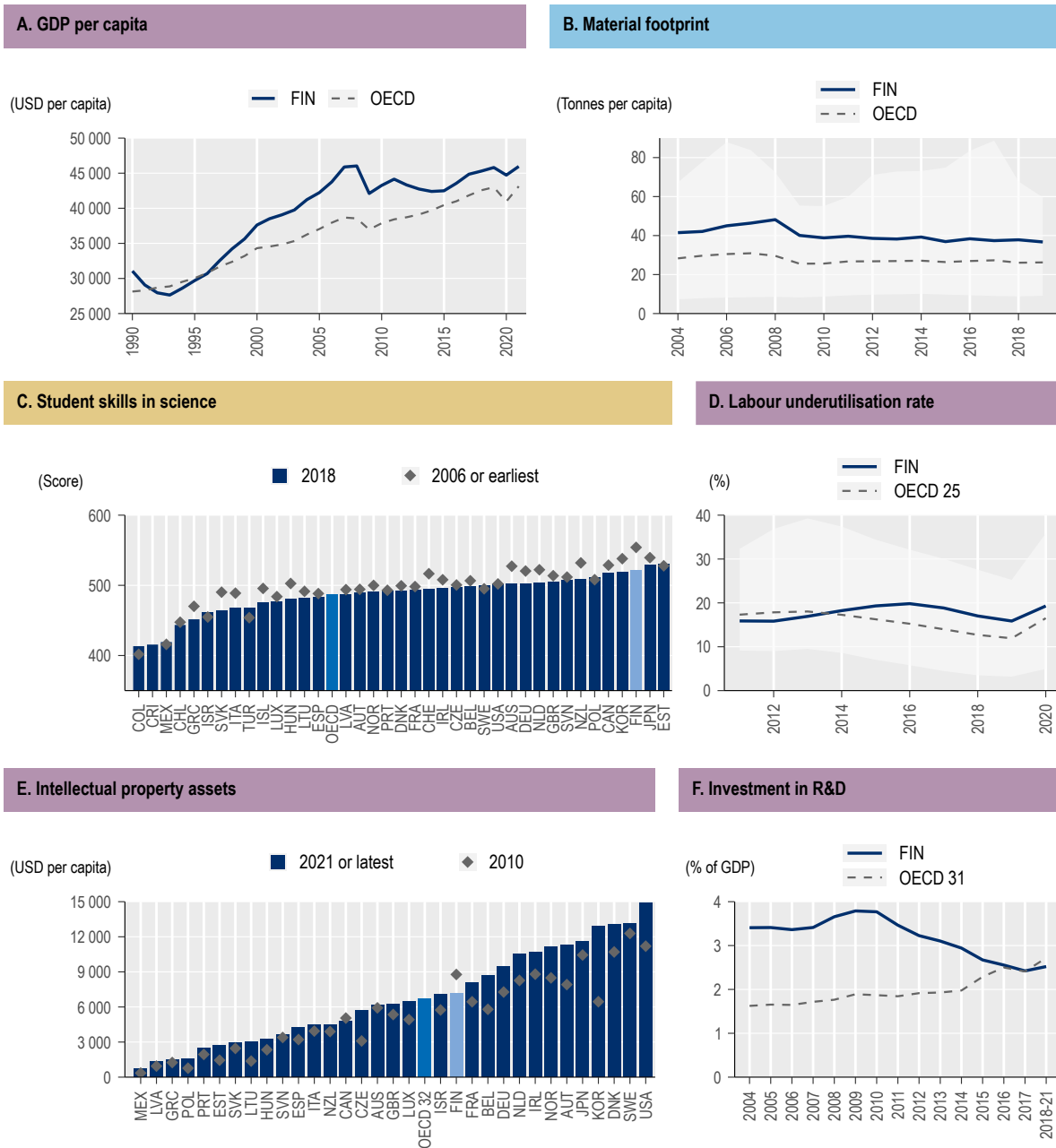
2020, essentially not fully using their potential and at risk of losing skills and motivation over time (Figure 1.4, Panel D).

While Finland is still among the leading countries in most dimensions of the Programme for International Student Assessment (PISA) that tests skills in maths, reading and science, performance has been declining over the past decade (Figure 1.4, Panel C). Finland is also among the seven OECD countries in which scores have deteriorated in all three subjects (math, sciences and reading) in 2018, since previous PISA rounds (OECD, 2020^[7]). At the same time, inequalities between students have been widening. In Finland, the gap in performance related to students' socio-economic status was smaller than in other countries (79 points in Finland vs. 89 points in OECD on average), however it increased compared to 2009 (when the difference was 61 points). In reading and science in particular, declining trends were predominantly noticeable among the lowest achieving students in Finland (OECD, 2018^[13]).

Knowledge capital is another important factor for future economic growth, and for harnessing the potential inherent in the green and digital transformations. While the average stock of intellectual property assets⁴ across 31 OECD countries rose by 16.2% in real terms between 2010 and 2018, it fell by 15.6% in Finland (OECD, 2020^[7]). Similarly, investment in R&D overall has been on the decline, and public spending on environment- and energy-related R&D in particular is a relatively low share of public R&D budgets (OECD, 2021^[14]). Concretely, public and private investment in R&D in Finland dropped from 3.8% of GDP in 2009 to 2.5% of GDP in 2021, below the OECD average of 3%.

There are also challenges for environmental sustainability across the OECD headline well-being indicators. Finland's material footprint (the used raw material extracted to meet the economy's consumption demand) remains high. It decreased from 41.5 to 36.7 tonnes per capita between 2004 and 2019, but remained considerably above the OECD average throughout (26.2 tonnes per capita in 2019). Greenhouse gas emissions in Finland have decreased markedly since 2004, but abatement targets are not on track in the land use and forestry sectors (described in more detail in Insight 2). Finally, the latest *OECD Environmental Performance Review of Finland* finds that while investment related to climate change, the energy transition and sustainable transport have been stepped up, more progress will be needed to achieve national climate neutrality and circular economy targets (OECD, 2021^[14]).

Figure 1.4. Decline and stagnation in a number of social and environmental areas could be an impediment to future well-being in Finland



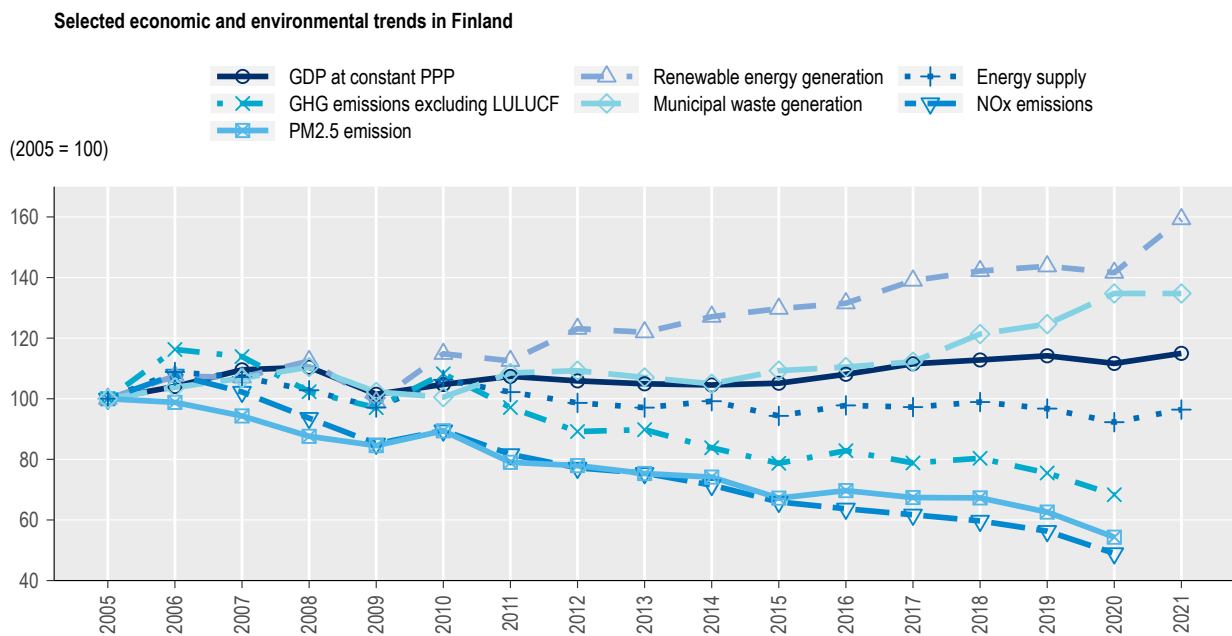
Note: Shaded grey areas in Panels B and C represent the range from the best to worst OECD country in each year. Panel A: GDP per capita, USD in constant 2015 prices and PPPs; Panel B: global allocation of used raw material extracted to meet the final demand of the economy, in tonnes per capita; Panel C: PISA mean scores in science for 15-year-old students (see Figure 2.14 for detailed figure notes); Panel D: the labour underutilisation rate includes the unemployed, discouraged workers (i.e. persons not in the labour force who did not actively seek work during in the previous four weeks but who wish to and are available to work) and the underemployed (full-time workers working less than usual during the survey reference week for economic reasons and part-time workers who wanted but could not find full-time work), expressed as a ratio of the total labour force (see Figure 4.11 for detailed figure notes); Panel E: a country's knowledge capital (e.g. R&D, software and databases, mineral exploration and evaluation, and entertainment, artistic and literary originals)⁵, USD per capita. Panel F: public and private investment in R&D, as share of GDP (see Figure 4.4 for detailed figure notes).

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Insight 2: As the country takes necessary steps towards a green economy, short-term trade-offs must be managed to support an inclusive transition

In the Government Programme for Inclusive and Competent Finland, the Finnish Government set goals to become carbon neutral and a circular economy by 2035 and introduced a “tax reform for sustainable development” which bases the carbon tax on lifecycle GHG emissions (OECD, 2021^[14]). The Climate Act, which entered into force in July 2022, further outlined the implementation, monitoring and stakeholder engagement for achieving climate neutrality by 2035 and targets for 2030, 2040 and 2050 (Ministry of the Environment of Finland, 2022^[15]). Finland is performing well in access to green space, air pollution and renewable energy generation, but further progress is needed in other areas (Figure 1.5, Figure 1.6). For instance, as partly already outlined in Insight 1, material consumption has remained consistently high over the past two decades, and action on climate change falls short of meeting set targets, outlining the difficulty in reconciling tensions between environmental goals and short-term economic interests that many OECD countries are facing.

Figure 1.5. Economic growth in Finland and trends in selected environmental indicators

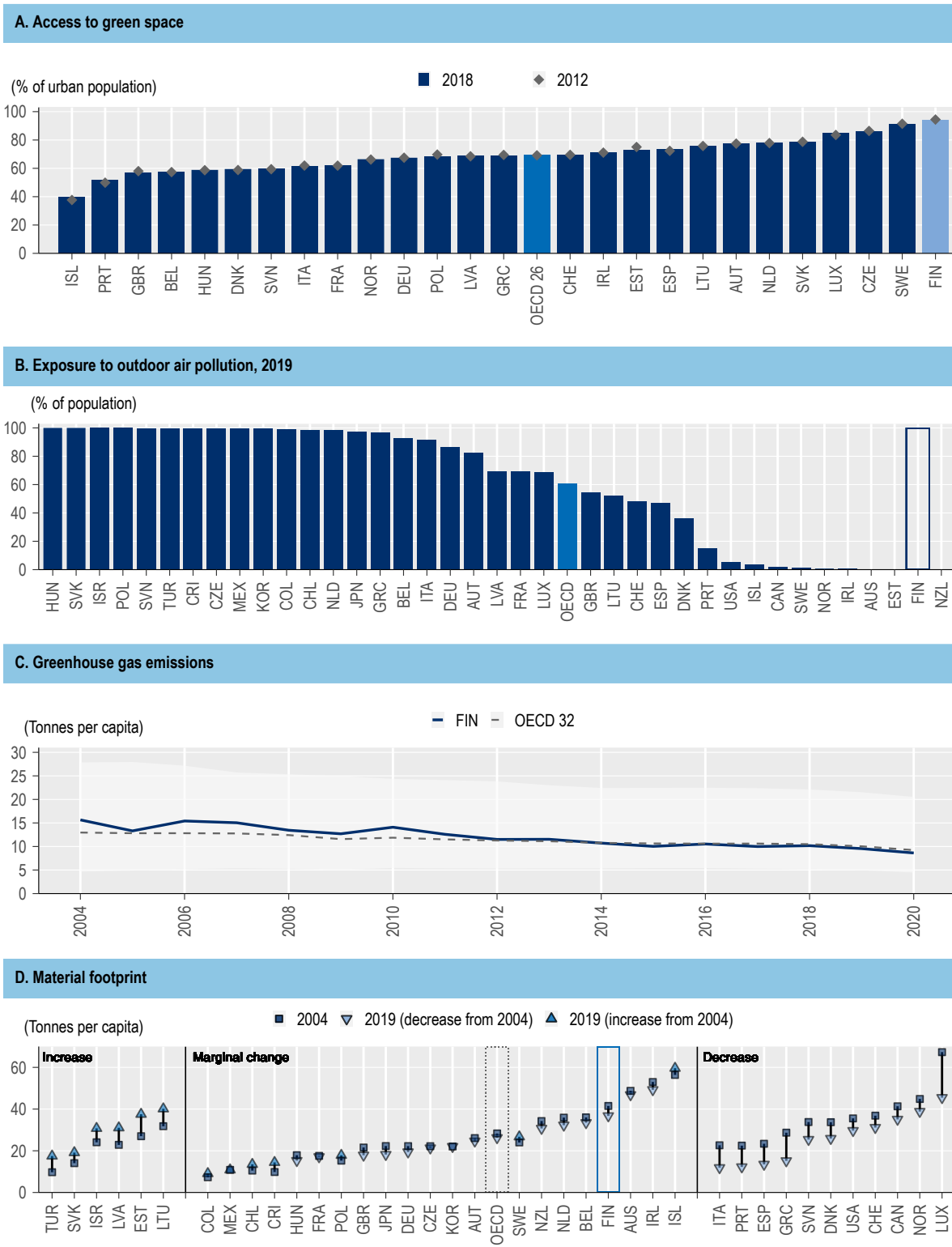


Note: GDP at constant 2015 prices and PPPs.

Source: OECD Environment at a Glance (database), <https://www.oecd.org/environment/environment-at-a-glance/>.

Access to clean and green spaces is abundant in Finland. In 2018, 94% of the urban population could reach a public park, forest or other recreational green space within 5 minutes' walk from their home - the largest share of people with access to green space among OECD countries (Figure 1.6, Panel A).⁶ Finland is also among top OECD performers when it comes to air quality. Harmful levels of outdoor air pollution have practically been eliminated since 2012 (and were already at a very low level of less than 2% of the population exposed to air pollution in 2005) (Figure 1.6, Panel B). Indeed, premature deaths due to air pollution in Finland were among the lowest among EU countries in 2019 (OECD/European Union, 2022^[16]).

Figure 1.6. Further progress is needed in the areas of greenhouse gas emissions and material consumption



Note: Shaded grey areas in Panel C represent the range from the best to worst OECD country in each year. Panel A: share of urban population with access within 5 minutes' walk (see Figure 2.15 for detailed figure notes); Panel B: population exposure to outdoor air pollution by fine particulate matter above World Health Organisation Guidelines (above 10 micrograms/m) (see Figure 2.16 for detailed figure notes); Panel C: total greenhouse gas emissions from domestic production, excluding those from land use, land-use change and forestry (LULUCF), tonnes per capita, CO₂ equivalent, thousands (see Figure 4.6 for detailed figure notes); Panel D: change in used raw material extracted to meet the economy's final demands, thresholds for change are +/- 5 tonnes per capita (see Figure 4.8 for detailed figure notes).

Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Progress on energy and emissions has been mixed. On the one hand, Finland invested significantly in renewable energy production. While the share of renewables in the OECD energy mix increased by 8.5 percentage points between 2004-21, Finland did so by close to 16 percentage points. In 2021, almost 40% of energy in Finland was renewable (OECD, 2023_[17]). On the other hand, while greenhouse gas emissions per capita have decreased over the past two decades (Figure 1.6, Panel C), in absolute terms, reaching carbon neutrality by 2035 would require annual emission reductions of 5.6%. This is more than 2.5 times the rate observed between 2005 and 2019 (OECD, 2021_[14]). Further, to meet the net zero goal stipulated in the Climate Change Act, (in force since July 2022) net emissions from the forestry and other land use sectors would need to drop to minus 21 Mt CO₂ equivalent. However, in 2021 the forestry sector became a net emitter (2.1 Mt CO₂ equivalent) for the first time (OECD, 2022_[12]).

Waste generation, intensity of forest use and nutrient pollution have also continued to rise, while progress on reduction of material footprint has been only incremental (Figure 1.5; Figure 1.6, Panel D). Marked improvements in the circularity rate and material productivity, which are among the lowest in Europe, are also needed (OECD, 2021_[14]).⁷ Relative to the majority of other OECD countries, Finland performs well on the Red List Index (a country's overall extinction risk of species), however, 12% of species and 48% of habitats in Finland were classified as threatened in 2019 (OECD, 2021_[14]). The situation is particularly worrisome in southern Finland, where habitats are often fragmented and land-use pressures are greater than in the north (OECD, 2021_[14]).

The forestry sector, which traditionally has been and continues to be very important for the economy, particularly for exports, illustrates the complex trade-offs between multiple environmental goals and economic interests. First, forestry is one of the sectors falling short on Finland's abatement targets, and at the same time a number of new green jobs are expected to be generated by it. Second, the emphasis on bioenergy in Finland's climate change mitigation mix might increase forestry activity (as it can be created by converting biomass from trees and woody shrubs). The resulting rise in harvesting levels and decrease in carbon sink potential will likely add further pressures on meeting abatement targets and on biodiversity. Third, as demand for forestry products rises, the focus on bioenergy is also likely to increase the costs of compensating landowners for biodiversity protection (OECD, 2021_[14]).

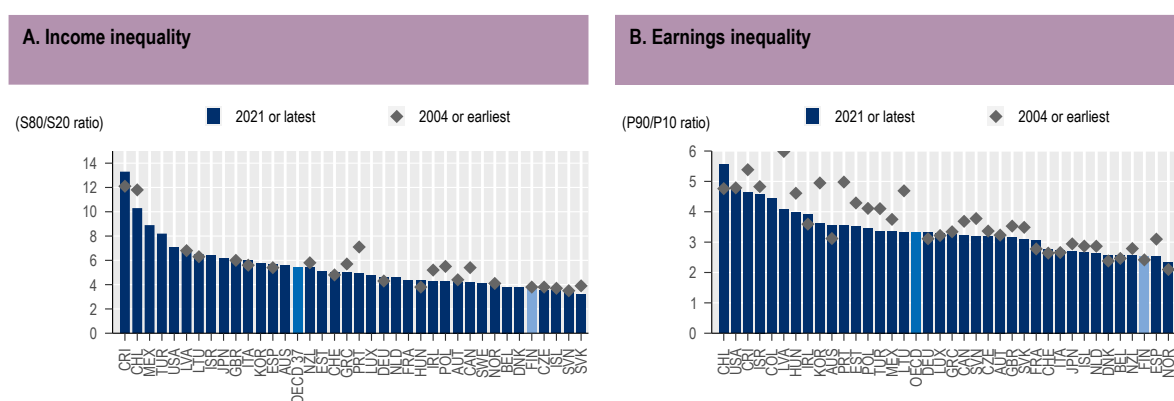
Going forward, it will be essential to monitor the social and distributional impacts of both climate change and climate change mitigation policies, and integrate them into relevant policies, including for the labour market, health, housing, migration and social protection. This can help to both address the needs of affected communities and regions, and to increase broader support for reforms and transition policies (OECD, 2021_[18]). For example, Finland aims to phase out coal and to at least halve peat consumption by 2030. As Finland replaces these energy sources, attention should be paid to whether there is risk of energy poverty among the groups that have been relying on coal and peat, and to supporting workers, communities and regions affected by the closures of coal plants. While interventions to increase the energy and emission efficiency of buildings and the construction sector more broadly can reduce emissions, these investments are not affordable for all (see Insight 4 on housing affordability). Or, changes to temperature have been found to also affect mental health (e.g. by worsening peoples' ability to regulate body temperature, disrupting sleep and increasing risk for suicide), and climate change has given rise to new forms of distress such as eco-anxiety, that should be taken into account in health care and other policies (OECD, 2023_[19])

Insight 3: Finland is an inclusive and equal society, but important challenges remain regarding gender equality and a few persistent gaps between different population groups

Inequalities of outcomes and opportunities compound over a person's lifetime. For instance, differences in socio-economic background often lead to differences in educational outcomes, which, in turn, often lead to lower earnings and worse labour market and health outcomes later in life (Clarke, 2022^[20]). Unequal chances often also frame and limit opportunities for children and future generation (OECD, 2018^[21]). Beyond individual losses, there are significant costs to society, including through lower levels of social cohesion, lost growth potential and tax revenue, and higher spending on different public support measures (Clarke, 2022^[20]). Inequities in well-being in Finland are well below the OECD average, but different parts of the population nevertheless continue to experience diverging outcomes (Figure 1.7 and Figure 1.10). In order for all groups to enjoy quality of life and contribute to society, the economy and the green transition, these need to be tackled. In April 2021, the Ministry of Social Affairs and Health launched an action plan to reduce inequalities in health and well-being in Finland, with 144 measures to be implemented by 2030 (OECD/European Observatory on Health Systems and Policies, 2021^[22]).

In Finland, vertical inequalities - meaning gaps between those at the top and those at the bottom of the achievement scale - are generally smaller than in other OECD countries for income and earnings (Figure 1.7). For instance, the richest 20% in Finland received almost 4 times more income than the bottom 20% in 2020, compared to more than 5 times for the OECD on average. However, the Finnish ratio has barely improved compared to 2004 (Figure 1.7, Panel A). A similar story emerges when looking at the distribution of earnings in Finland (Figure 1.7, Panel B).

Figure 1.7. Vertical inequalities are notable, though smaller than in other OECD countries



Note: Panel A: ratio of average (equivalised) household disposable income of the top 20% of the income distribution to the average income of the bottom 20% (see Figure 2.3 for detailed figure notes); Panel B: ratio of earnings at the 90th percentile to earnings at the 10th percentile, full-time employees.⁸

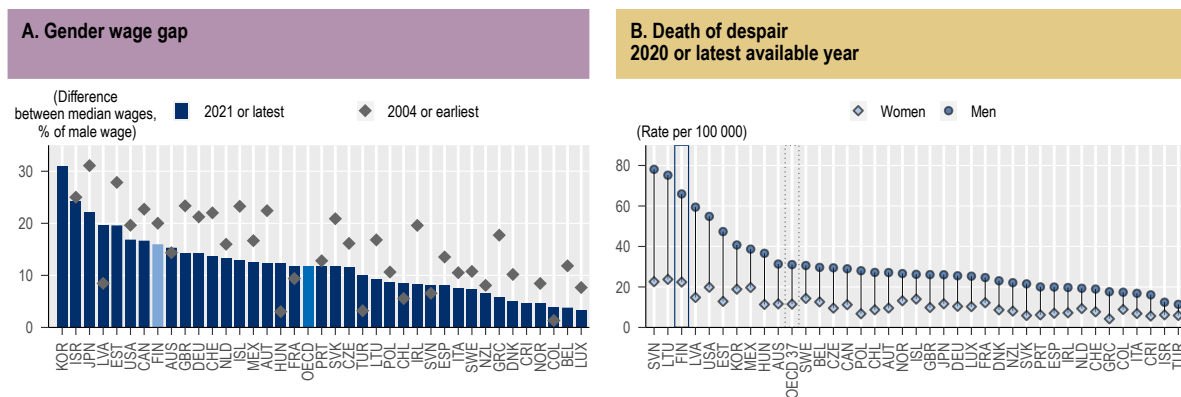
Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

When it comes to gender gaps in well-being in Finland, women are experiencing worse outcomes than men in almost all aspects of the labour market. For instance, despite progress since 2004, the gender pay gap in Finland remains significant, with women earning 16% less than men in 2020 – one of the highest rates in the OECD (where the average was 12%), and the third highest among European OECD countries (Figure 1.8, Panel A). Women in Finland also experience higher levels of job strain (situations where work demands exceed the resources available to them) – a reversal of the pattern usually present in other OECD countries (Chapter 3). Lastly, women, even more so than in other OECD countries, shoulder the main

burden of work: when both paid and unpaid work are taken into account, Finnish women work 37 minutes more per day relative to men (compared to the OECD average of 25 minutes) (Chapters 2 and 3).

Men in Finland on the other hand are more likely than women to spend long hours in paid work and to be long-term unemployed. Contrary to what is usually observed in other OECD countries, 1.6% of women and 2.1% men in Finland were unemployed for 12 months or more in 2021 (Chapter 3). While women in all OECD countries generally feel less safe walking alone at night than men, and feelings of safety for both genders are generally high, the gender gap in Finland, at almost 20 percentage points, is larger than for the OECD average (at 17 percentage points between 2017-22). Men in Finland, like in other OECD countries, are more likely to die from homicides. They were also almost three times more likely than women to die by suicide, alcohol abuse and drug overdose, a so-called “death of despair, in 2018 (Figure 1.8, Panel B). However, compared to 2004, deaths of despair for Finnish men have fallen significantly, while figures for women have remained stagnant (Chapter 3).

Figure 1.8. Gender gaps in well-being outcomes point to unique challenges for both women and men

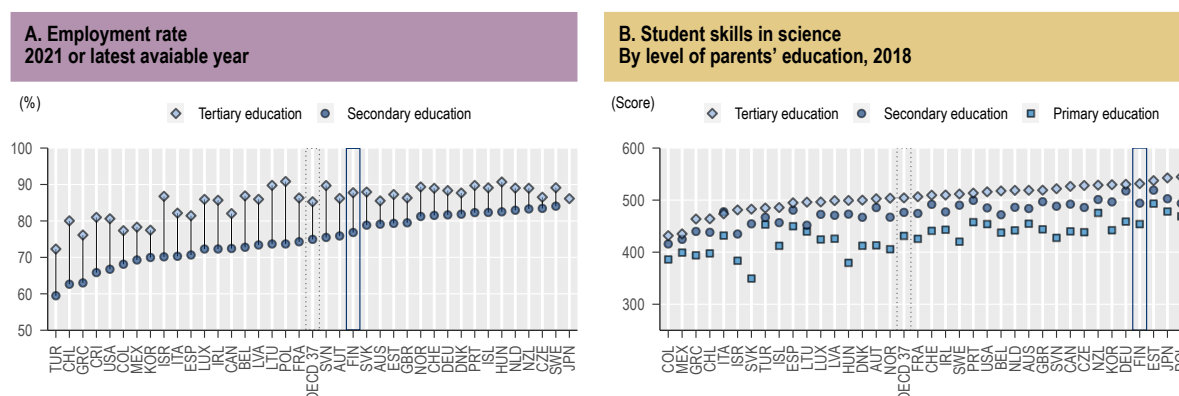


Note: Panel A: difference between male and female median wages expressed as share of male wages (see Figure 2.7 for detailed figure notes); Panel B: deaths from suicide, acute alcohol abuse and drug overdose per 100 000 age-standardised (see Figure 3.8 for detailed figure notes). Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

As in other OECD countries, well-being gaps by level of education in Finland also run deep. Relative to their peers with secondary education, tertiary educated Finns are doing better in almost all areas of well-being, from health to labour market, civic engagement and social connectedness outcomes (Chapter 2). For example, relative to those with tertiary education, people who left education after reaching secondary level have a shorter life expectancy and are more than 10 percentage points less likely to perceive their health as good. Moreover, 26% of Finns with only secondary education experienced job strain in 2015, compared to 6% of people with a university degree. Worryingly, the gap in employment between tertiary and secondary educated people – which was 11 percentage points in Finland in 2021, slightly above the OECD average - has been widening in both Finland and the OECD since 2014 (Figure 1.9, Panel A).

Differences in educational achievement also impact on future generations by perpetuating inequalities. Notably, Finnish children of parents with only a primary level of education scored an average of 454 points on the 2018 PISA test in science. By contrast, children of parents with secondary and tertiary education scored 494 and 532 points, respectively (Figure 1.9, Panel B). Indeed, the gap between PISA science scores for Finnish children whose parents had tertiary versus primary education was larger than for the OECD average.

Figure 1.9. Inequalities by educational achievement can impact future generations and social cohesion



Note: Panel A: employed people aged 25-64, as a share of the population of the same age⁹; Panel B: PISA mean scores in science for 15-year-old students, by level of parental education level (see Figure 3.19 for detailed figure notes).

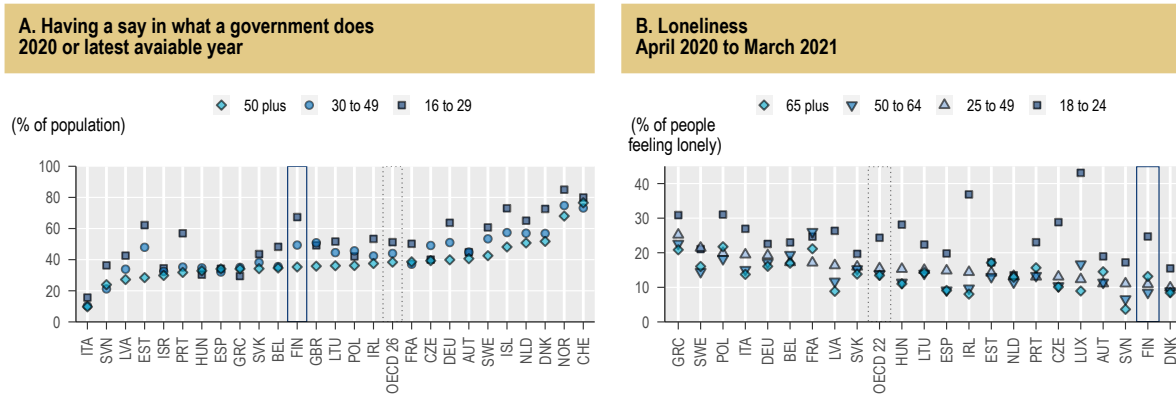
Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

In terms of well-being inequalities by age, there are some notable differences in outcomes between younger people (aged 15-24/29), the middle-aged (aged 25/30 to 45/50) and older people (aged 50 and over). Some of these can partly be a function of age itself, for instance when it comes to differences in self-reported health, or of the nature of career earnings trajectories. As in other OECD countries, younger people in Finland tend to do worse than their older peers in terms of labour market outcomes such as being employed, take-home earnings or experiencing job strain, while middle-aged and older people work longer hours, are more likely to be long-term unemployed, and spend less time interacting with friends and family.

There are, however, well-being inequalities between different age groups in Finland that stand out. While patterns differ between OECD countries with available data, older people on average tend to be the least likely age group to feel like they have a say in what the government does (a concept called 'political efficacy'). However, gaps in Finland are much larger than in other OECD countries (Figure 1.10, Panel A). Indeed, only 35% of Finns over 50 felt like they had a say in what the government does in 2020, compared to 40% in other OECD countries. Concerningly, while political efficacy in Finland improved for all age groups compared to 2016, absolute gaps between the generations widened over this time frame (Chapter 3).

An emerging area of concern for younger people relates to elevated levels of loneliness since the outbreak of the COVID-19 pandemic. Before the pandemic, as in other OECD countries, Finns over 50 were more likely than the middle-aged and younger people to say they felt lonely most or all of the time in the past four weeks (OECD, 2021^[23]). Indeed, public awareness of loneliness and social isolation in OECD countries so far has been greatest for older people, with much of the research on loneliness and health, including on which interventions might work to tackle it, relating to people over 55 (who are more likely to face factors such as living alone, the loss of family or friends, chronic illness, and hearing loss) (OECD, 2023^[24]). However, young people have emerged as new risk group for both loneliness and mental distress during COVID-19, reversing pre-pandemic patterns (OECD, 2021^[23]). Finland is no exception to this trend: between April 2020-March 2021, 25% of people between the age of 18-24 said they felt lonely in the past two weeks, compared to 11% of middle-aged and 8% of older people (Figure 1.10, Panel B). By Spring 2022, these numbers still had not recovered to 2020 levels: European youth aged 18-29 years old continued to be the most lonely age group, with more than 1 in 3 young people affected (Eurofound, 2022^[25]).

Figure 1.10. Well-being inequalities by age are notable in some areas



Note: Panel A: share of people who answered "some", "a lot" or "a great deal" to "How much would you say the political system in [country] allows people like you to have a say in what the government does?", by age¹⁰. Panel B: share of people feeling lonely most or all of the time in the past four weeks, by age (see Figure 2.25 for detailed figure notes).

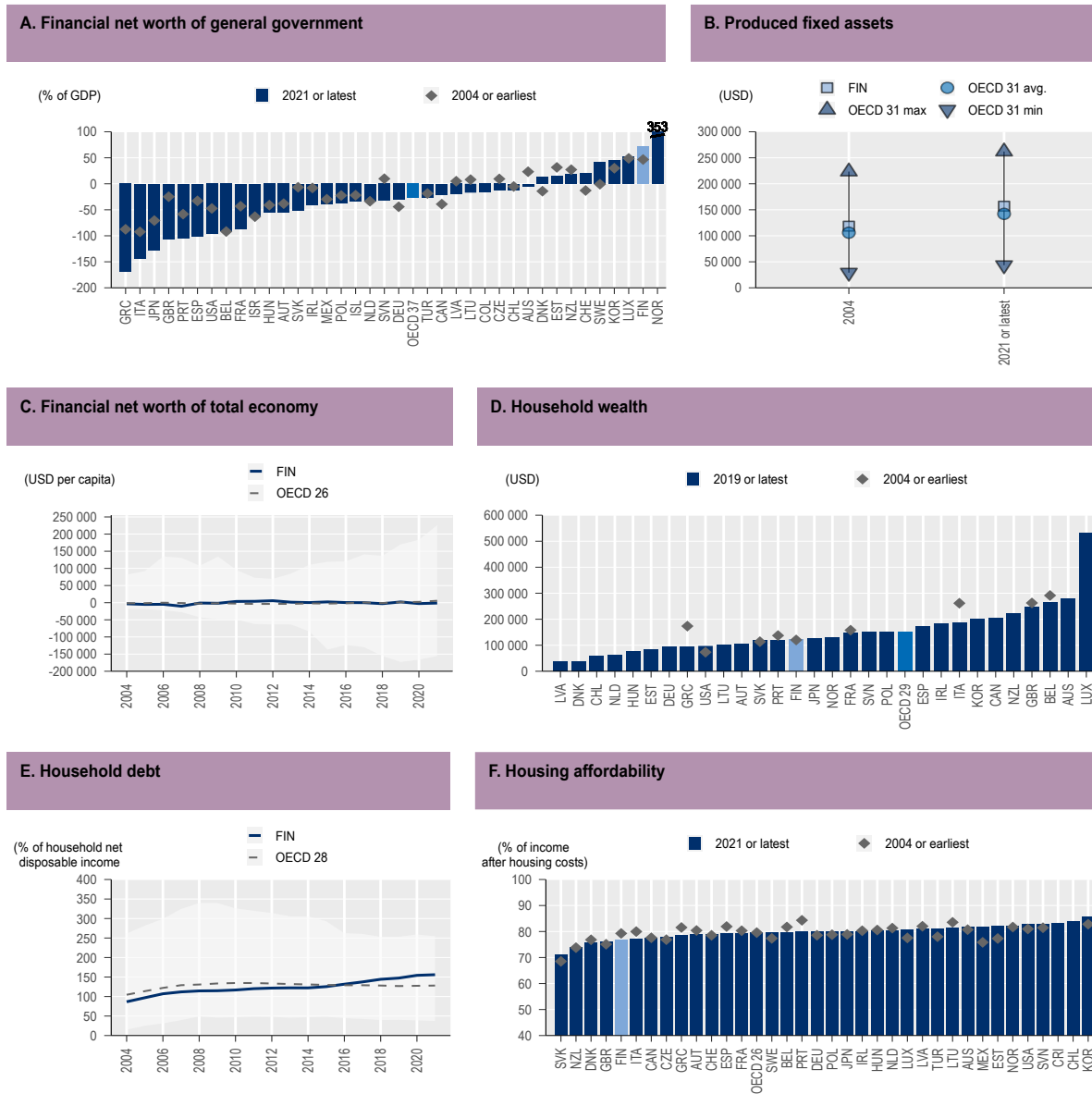
Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>; Eurofound, Living, working and COVID-19 e-survey (database), <https://www.eurofound.europa.eu/data/covid-19>.

Insight 4: Finns enjoy high material well-being, but households are accumulating debt and it is becoming more difficult to afford a good home

Finland's performance on headline indicators of economic capital is strong (Figure 1.11, Panels A-C). For instance, in 2021, Finland had the highest financial net worth of general government (as a percentage of GDP) in the OECD after Norway. Financial net worth of general government in Finland grew from 47% of GDP in 2004 to 72% of GDP in 2021, contrasting with negative values in most OECD countries. Produced fixed assets per capita also grew markedly from around USD 118 000 in 2004, to USD 157 000 in 2021, consistently above the OECD average. The financial net worth of the economy in Finland has fluctuated around the zero mark between 2004 and 2020, meaning that Finland's stock of financial liabilities and financial claims on the rest of the world have been close to balance throughout this period, compared to other OECD countries, where results for this indicator have been increasingly dispersed (e.g., most notably for the extent of liabilities exceeding claims).

In contrast with the advantageous financial position of the government and economy overall, households have seen a deterioration in their financial position (Figure 1.11, Panels D-E). Similar to other OECD countries, household wealth in Finland stagnated between 2009-16, and at USD 121 100 in 2016 was below the OECD average of USD 155 000. Levels of household indebtedness, by contrast, have seen a steep increase over the past two decades: household debt in Finland, as a share of disposable income, rose from 87% in 2004 to 156% in 2021, surpassing the OECD average of 123% since 2015-16. While household debt is not always a sign of concern per se, it becomes a threat to household financial resilience when households become over-indebted (or when the debt-to-disposable income ratio becomes larger than three). Household Finance and Consumption Survey data indicate that in Finland the share of over-indebted households is particularly high among families with children, where the share has increased from 19% in 2019 to 24% in 2016 (the latest available year for this indicator), while the overall rate of over-indebtedness for households has been stable over this period at around 11%. Other groups with high proportions of over-indebtedness are mortgage owners (29%), the self-employed (28%) and large households (22% and 27% of households with four and five or more members, respectively, are over-indebted) (OECD, 2021_[26]).

Figure 1.11. Finnish households are accumulating more debt and housing is becoming less affordable



Note: Shaded grey areas in Panels C and E represent the range from the best to worst OECD country in each year. Panel A: adjusted financial net worth of general government as a percentage of GDP (see Figure 4.2 for detailed figure notes); Panel B: value of a country's stock of produced economic assets, including dwellings, buildings, structures, machinery and equipment; cultivated assets such as livestock for breeding and vineyards; intangible assets such as computer software and entertainment, literary or artistic originals; and inventories, USD at 2015 PPPs, per capita (see Figure 4.1 for detailed figure notes); Panel C: net foreign asset position of a country with respect to the rest of the world; the financial assets include currency, deposits, debt securities, loans, equity and investment fund shares/units, financial derivatives and employment stock options, and other accounts receivable, USD per capita at current PPPs (see Figure 4.5 for detailed figure notes); Panel D: sum of non-financial (e.g. dwellings) and financial assets (e.g. deposits, shares and equity), net of their financial liabilities (e.g. loans), held by private households resident in the country, as measured in microdata, household median net wealth, USD at 2019 PPPs (see Figure 2.2 for detailed figure notes); Panel E: total outstanding debt of households (including non-profit institutions serving households), which includes loans (primarily mortgage loans and consumer credit) and other accounts payable, as share of net disposable income (see Figure 4.3 for detailed figure notes); Panel F: percentage of household gross adjusted disposable income remaining, after deductions for housing rent and maintenance (see Figure 2.4 for detailed figure notes).

Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Households with mortgages in Finland are particularly exposed to rising housing loan interest rates given the country's high shares of variable-interest rate mortgages (OECD, 2022^[12]). In 2022, nearly all (97%) new mortgage loans in Finland were issued at adjustable rates, up from 91% in 2003. This rate is considerably above a number of OECD countries. For example, new mortgage loans with adjustable rates comprised 66% in Sweden, 39% in Denmark, and only 15% in the Euro Area and 3% in France (OECD, 2022^[27]). In Finland, the share of homeowners with mortgages is also comparatively high (30.5% compared to the OECD average of 23.3%), adding to the pressures of the ongoing cost-of-living crisis (OECD, 2020^[28]).

Housing affordability more generally has deteriorated between 2004 and 2021 and is fifth lowest among OECD countries (Figure 1.11, Panel F). Disposable income after housing costs (rents, imputed rents and maintenance) in 2021 was 77% in Finland (down from 79% in 2004), compared to 80% on average in the OECD (almost unchanged since 2004). Finland is among the countries with the highest level of housing cost overburden for low-income tenants, which is measured by the percentage of tenants in the bottom quintile of the income distribution who are spending more than 40% of income on rent. In 2018, this proportion was 48% in Finland, compared to the OECD average of 35% and only 7% in countries like the Czech Republic (OECD, 2021^[29]).

Insight 5: Despite improvements in population health, increasing obesity rates, prevalence of mental distress and health inequalities should be monitored as they contribute to a wide range of other well-being dimensions

Health is a key aspect of people's well-being and can boost people's resilience to stress and help them realise their goals and actively contribute to their communities, society and the economy. The socio-economic determinants of health have been well-established, and a wide range of policy sectors beyond healthcare can contribute to better outcomes.

Over the past two decades, Finland has achieved a remarkable improvement in life expectancy (3 years between 2004 and 2021, though gains stagnated after 2019, during the COVID-19 pandemic) (OECD, 2021^[30]). Performance has improved in a number of other indicators related to health, for example in the share of people reporting to be in good health and in premature mortality. However, "deaths of despair" (by suicide, alcohol abuse, and drug overdose) in Finland, at 44.2 per 100 000 in 2018, are the third highest in the OECD after Slovenia and Lithuania, with more than half of deaths caused by acute alcohol abuse (Chapter 2). In a number of aspects of population health in Finland performance is worsening, most notably in obesity rates and self-reported mental distress. In addition, significant gender and socio-economic gaps persist, compounding the well-being challenges of affected groups (Figure 1.12).

The obesity rate has been steadily increasing in Finland, from 25% in 2011 to 27% in 2017, and has consistently been above OECD average, which has increased even more rapidly from 19% in 2008 to 23% in 2021.¹¹ For the latest available year (2017 for Finland and 2021 for the OECD average), Finland had the 11th highest obesity rate in the OECD and third highest in the EU, after Hungary and Portugal (Figure 1.12, Panel E). The overall rate of both overweight and obese people in Finland was 68% in 2017. It is important to note that the causes of obesity are complex, including genetic, metabolic, and psychological, as well as socially determined components. Several studies have confirmed that differences in socio-economic status (related to income, education and occupation), lifestyles, social inequality and living conditions can influence exposure to risk factors for obesity, and play causal roles in weight gain (Cockerham, 2022^[31]).¹²

Mental health plays a central role in people's lives and is intrinsically tied to many other aspects of people's wider well-being. As already mentioned, deaths from suicide, acute alcohol abuse and drug overdose in Finland, even though decreasing since 2004, are well above the OECD average (Figure 1.12 Panel B). The importance of mental health was also underscored during the COVID-19 pandemic, when direct health impacts and loss of lives combined with social isolation, loss of work and financial insecurity all contributed

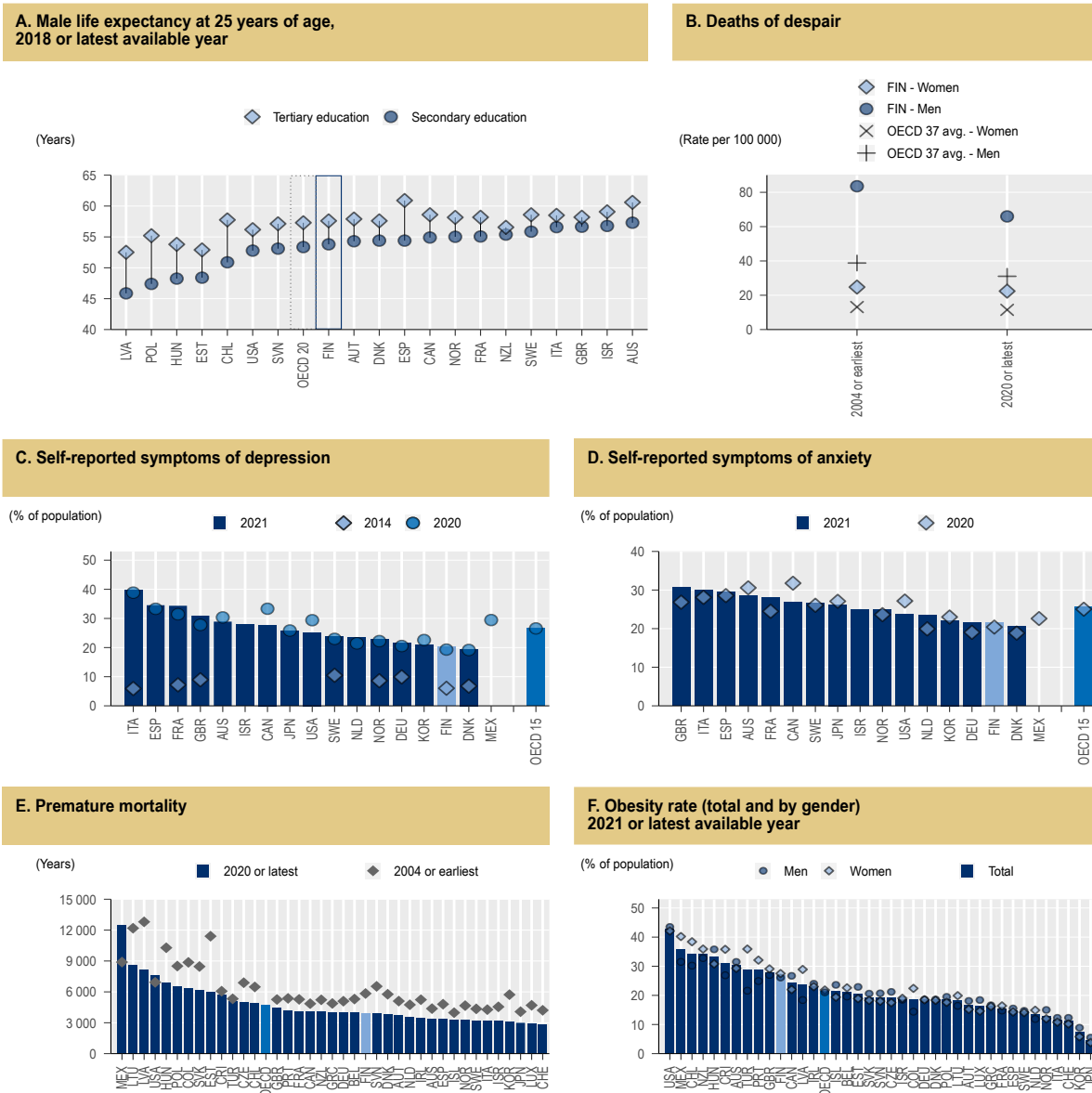
to a significant worsening of people's mental health (OECD, 2023^[24]). Mental health outcomes were particularly affected for people experiencing financial insecurity, the unemployed, women, parents of young children, and those with existing mental health conditions (OECD, 2021^[23]). In Finland, the share of people who are experiencing symptoms of depression and anxiety, while below the OECD average, is nevertheless high and increased markedly during the COVID-19 pandemic.¹³ Around 1 in 5 adults in Finland experienced symptoms of depression or anxiety between April-December 2020, with rates rising slightly further in January-June 2021 (Figure 1.12, Panels C and D). This was markedly higher than the pre-COVID-19 estimates for symptoms of depression, at 6%, (though the value while using the same measurement tool is not strictly comparable with later years, coming from a different source).

Similarly, the share of students in Finland (aged 14-20) reporting moderate or severe symptoms of anxiety increased by more than 50% between 2019 and 2021, from 12.6% to 19.2% (OECD/European Union, 2022^[16]). Inequalities in mental health by gender have also persisted – and in some cases widened – over the course of the pandemic. In the OECD area as a whole, young women were more likely to report symptoms of anxiety and depression even before the pandemic, and in Finland there was a widening of gender gaps in some indicators of mental health, particularly so for anxiety (OECD/European Union, 2022^[16]). In addition, the fall in deaths of despair since 2004 has been driven by a strong decrease among men in particular; deaths of despair have stagnated for women over the past two decades (Figure 1.12, Panel B, and see Chapter 3 for further details).

Well-being inequalities can weigh on health outcomes, influencing large differences between different population groups. Most notably, higher educated people can expect to live much longer in Finland – in 2017, the gap in life expectancy at age 25 between people with tertiary and secondary education was 3.8 years for men and 1.9 years for women, similar to the OECD average. Once again, health outcomes for women show a different trajectory here than for men: the gap in life expectancy by education has decreased for Finnish men compared to 2011 (when it stood at 4.1 years), but has slightly increased for women over this time (from 1.8 years) (Figure 1.12, Panel E).

While close to 70% of people in Finland reported their health to be “good” or “very good” in 2020 (similar to the OECD average), there are marked differences among different population groups. The gap in perceived health between people with tertiary and secondary education in Finland was 10.6 percentage points (slightly above the OECD average gap of 10.3 percentage points), with 80% of those with tertiary and 70% of those with secondary education reporting good or better levels of health. Among those with primary education, only 51% of people perceived their health to be “good” or “very good” (Chapter 3). As to be expected, health declines with age, but differences in self-reported perceived health for different age groups in Finland are smaller than for other OECD countries (Chapter 3). Concerningly, while the share of middle-aged and older people in Finland that perceive their health as good is higher than in other OECD countries, much fewer than average young Finns rate their health positively (81% in 2020 compared to the OECD average of 89%) (Chapter 3). Lastly, nearly half of all adults (49%) in Finland reported having at least one chronic condition in 2019 – a much greater proportion than in the EU as a whole (36%), according to the EU-SILC survey. As with self-reported health, there is a gap in the prevalence of chronic conditions by income group: 55% of adults in the lowest income group reported having at least one chronic condition compared with 42% of those in the highest (OECD/European Union, 2022^[16]).

Figure 1.12. Despite overall good performance, some health inequalities are large



Note: Panel A: life expectancy at the age of 25 for men, by level of education (see Figure 3.17 for detailed figure notes). Panel B: deaths due to suicide, acute alcohol poisoning and drug overdose, per 100 000 population (age-standardised) (see Figure 3.8 for detailed figure notes); Panel C and D: share of people experiencing symptoms of depression and anxiety, as measured using the PHQ-4 questionnaire (see Figure 2.12 for detailed figure notes); Panel E: potential years of life lost due to a range of medical conditions and fatal accidents per 100 000 population (age standardised) (see Figure 4.12 for detailed figure notes); Panel F: share of the population aged 15 or older with a body mass index (weight in kilograms divided by height in meters squared) equal to or greater than 30 (see Figure 4.13 for detailed figure notes).
Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Obesity rates and mental health are also areas for some concern when looking at how the next generation of Finns is faring. While overall performance on child well-being outcomes in high Finland, self-reported child health is below the OECD average, and there is room for improvement on child obesity as well as several social and emotional outcomes for children (Box 1.2).

Box 1.2. Child well-being in Finland

The OECD Child Well-being Dashboard was launched in 2022 and is a tool for policy-makers and the public to monitor countries' child well-being outcomes, drivers and child-relevant policies. The Dashboard was built around the OECD Child Well-being Measurement Framework set out in the 2021 report *Measuring What Matters for Child Well-being and Policies* (OECD, 2021^[32]) and constructed using a selection of headline indicators from the OECD Child Well-being Data Portal. The dashboard contains 20 key internationally comparable indicators on child outcomes in four well-being areas, as well as 18 indicators measuring drivers of child well-being and 18 indicators on key child-relevant public policies.

Material outcomes

Finland is in the top tier of OECD countries when it comes to material outcomes for children. In Finland in 2021, 3.7% of all children were experiencing child-specific material deprivation, one of the lowest proportions in the OECD (the OECD average was 11.6%) and 0.3% of all Finnish children were experiencing food deprivation, compared to 2.8% in the OECD on average. 1.4% of children were experiencing severe housing deprivation and 0.4% reported not having an internet connection at home.

Physical health outcomes

Performance on child physical outcomes in Finland is mixed. Finland performs in the top tier of OECD countries when it comes to infant mortality (2.1 deaths per 1 000 live births, whereas the OECD average is 4.2) and a high number of children report engaging in the WHO-recommended amount of daily exercise (30%, which is the highest proportion in the OECD). However, 21% of Finnish children are overweight or obese (similar to the OECD average) and 16% rate their own health as "fair" or "poor" (compared to the OECD average of 14%).

Cognitive and educational outcomes

Finnish children achieve comparatively high cognitive and educational outcomes. In 2016, 18% of children around age 10 were top performers in reading (compared to the OECD average of 12%), and 19% were top performers in maths and/or science in 2019 (compared to the OECD average of 14%). The share of children and young people not in education, employment or training (NEET) was 11% in 2020 (compared to the OECD average of 14%).

Social and emotional outcomes

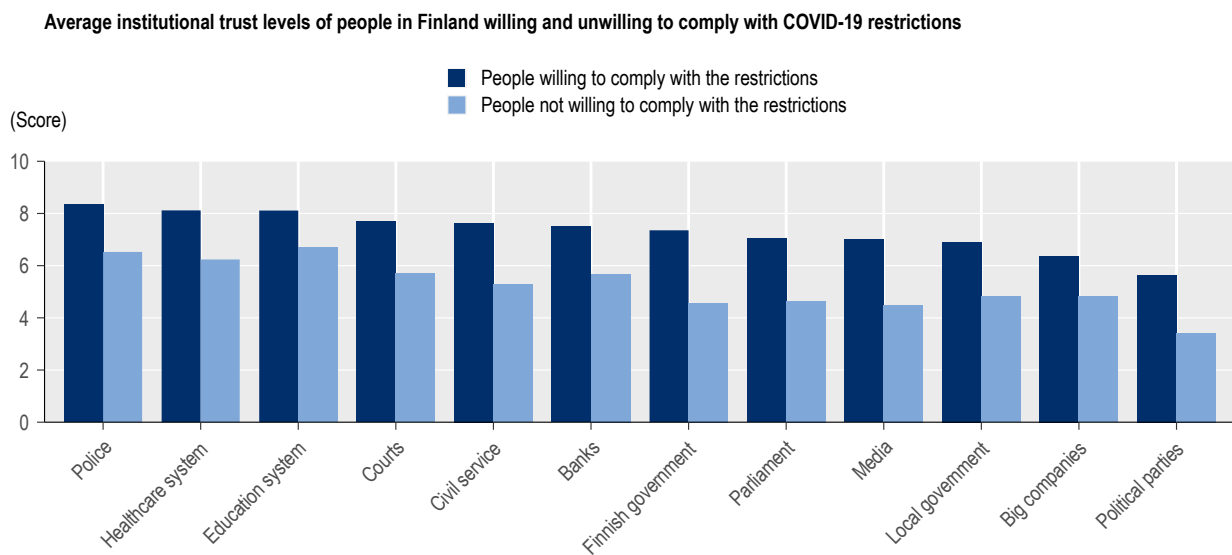
Performance on child social and emotional outcomes in Finland is mixed. On the one hand, more children report high satisfaction with their life as a whole than the OECD average (43% and 34% respectively). On the other hand, outcomes for other headline indicators of child social and emotional well-being in Finland are around the OECD average: 71% of children feel high support from their family (OECD average 72.5%); 84% of 15-year-old students agree that they can usually find their way out of a difficult situation (OECD average also 84%); 67% of 15-year-olds disagreed with the statement that their intelligence is something that they cannot change very much (OECD average 62.4%); 66% of Finnish children believed their life had a clear meaning and purpose (compared to the OECD average of 68.5%); and 33% of children in Finland report multiple subjective health complaints (compared to the OECD average of 36%).

Source: OECD Child Well-being Dashboard <https://www.oecd.org/els/family/child-well-being/data/dashboard/>.

Insight 6: Finland needs to safeguard its strong social cohesion and social capital to address well-being and sustainability challenges

Performance on perceived public corruption, trust in government and inter-personal trust is strong in Finland and is key to maintaining a high level of well-being for current and future generations. Good performance on social cohesion and trust in institutions is important for being able to ensure the popular support for reforms and policies. For example, in Finland during the COVID-19 pandemic, respondents to a Citizens' Pulse Survey (carried out in co-operation with the OECD) who said that they were unwilling to comply with COVID-19 restrictions in November 2020 also reported statistically significant lower levels of trust in public institutions (OECD, 2021^[23]) (Figure 1.13).

Figure 1.13. Compliance with COVID-19 restrictions and trust in public institutions in Finland



Note: On a scale of 1-10, how much do you personally trust each of the institutions. 1 means you do not trust an institution at all and 10 means you have complete trust: the police, the healthcare system, the education system, the courts, the civil service, the banks, the Finnish government, parliament, the media, the local government, big companies. How well have other people followed the instructions given by the authorities during the coronavirus crisis? Percentage of respondents who answered well and quite well.

Source: OECD (2021), *Drivers of Trust in Public Institutions in Finland*, Building Trust in Public Institutions, OECD Publishing, Paris, <https://doi.org/10.1787/52600c9e-en>.

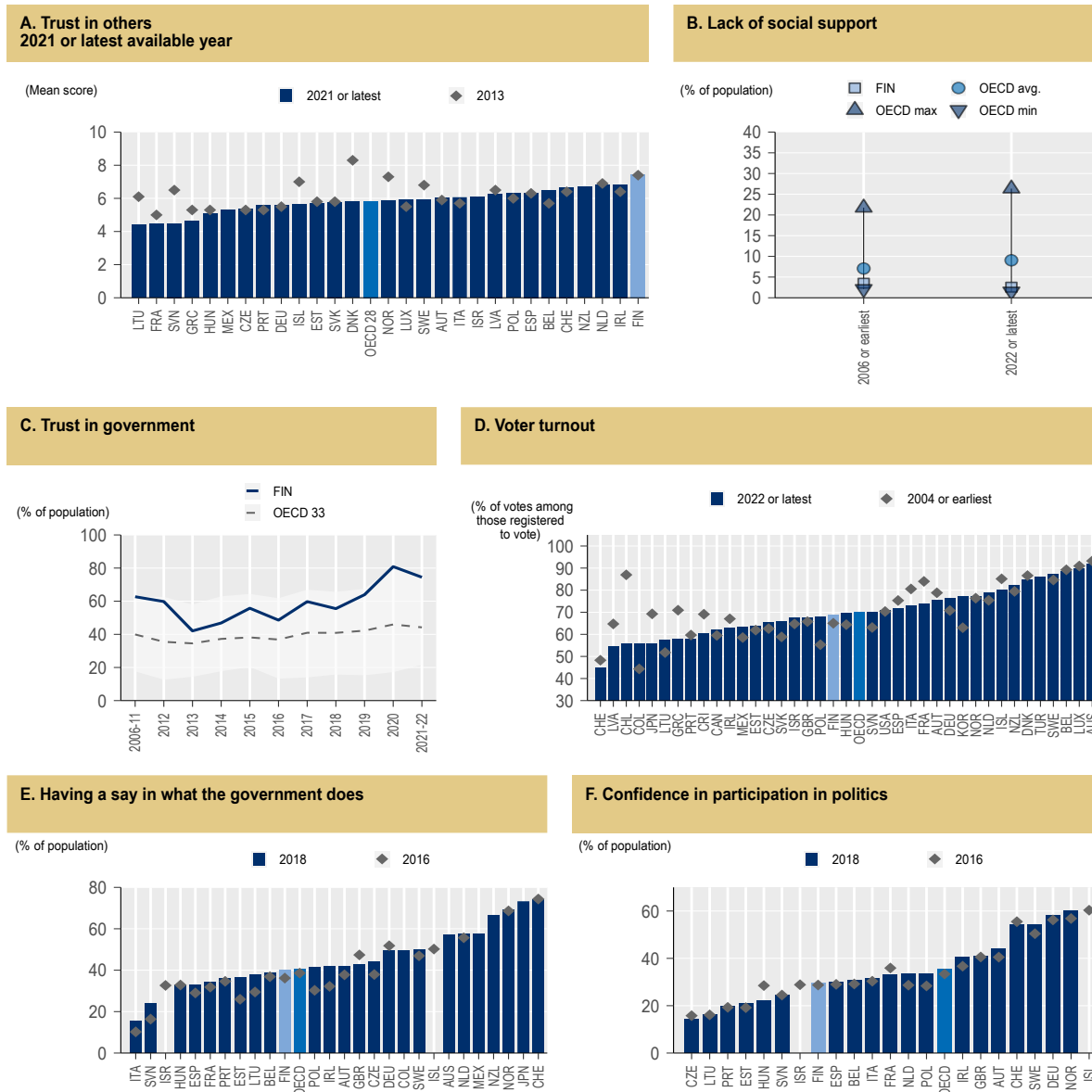
Finland should continue to invest in its social capital, particularly in areas where performance is at or below average, such as voter turnout, having a say in what the government does, and confidence to participate in politics (Figure 1.14). Furthermore, despite being consistently above the OECD average, trust in government in Finland has been fluctuating over the past decades (Figure 1.14, Panel C).

OECD evidence confirms that strong public support and legitimacy are key elements for the successful implementation and long-term viability of reforms (Tompson, 2009^[33]) and (OECD, 2010^[34]). Understanding the conditions that contribute to building public support is particularly important for achieving complex and strategic objectives, such as the green transition which will involve significant investment over a long period of time, reallocation of assets and labour across many sectors, as well as in-depth changes in behaviour (Dechezleprêtre et al., 2022^[35]):

In particular, there is room for improvement when it comes to how included Finns feel in politics. Indeed, fewer people indicate confidence to participate in politics than in other OECD countries (a concept called internal political efficacy) (Figure 1.14, Panel F). In 2018, 30% of people in Finland answered “quite

confident”, “very confident” or “completely confident” to the question “how confident are you in your own ability to participate in politics?”, compared to 35% for the OECD average, and this share remained stagnant relative to 2016 (Chapter 2). Conversely, the share of Finns who felt they had a say in what the government does (a concept referred to as external political efficacy) increased from 36% in 2016 (when it was below the OECD average of 39%) to match the level of other OECD countries, at 40%, in 2018 (Figure 1.14, Panel E). There are marked socio-economic gradients when it comes to political efficacy: relative to those with secondary education, a much higher share of Finns with tertiary education feel they have a say in what the government does, and this gap increased from 12 to 15.5 percentage points (relative to a lower OECD average gap of 13 percentage points) between 2016 and 2020. People over 50 were least likely to feel they have a say in what the government does, and the gap with younger age groups increased over the past 5 years (Chapter 3). In addition, trust in government institutions is significantly lower for rural residents, lower income households and the less educated than for the overall population (OECD, 2021^[36]).

Figure 1.14. Trust and social support are strong in Finland overall, but civic engagement and political efficacy are weaker than OECD average



Note: Shaded grey areas in Panel C represent the range from the best to worst OECD country in each year. Panel A: mean interpersonal trust on a scale from 0 (you do not trust any other person) to 10 (most people can be trusted) (see Figure 4.14 for detailed figure notes); Panel B: share of people who report having no friends or relatives whom they can count on in times of trouble (see Figure 2.24 for detailed figure notes); Panel C: share of the population responding "yes" to a question about confidence in the national government (see Figure 4.15 for detailed figure notes); Panel D: voter turnout among the population registered to vote in national elections (see Figure 2.26 for detailed figure notes); Panel E: share of the population who answered "some", "a lot" or "a great deal" to "How much would you say the political system in [country] allows people like you to have a say in what the government does?" (see Figure 2.28 for detailed figure notes); Panel F: share of population who answered with "quite confident", "very confident" or "completely confident" to "How confident are you in your own ability to participate in politics" (see Figure 2.27 for detailed figure notes).

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>, and (OECD, 2021^[37]), *Government at a Glance 2021*, OECD Publishing, Paris, <https://doi.org/10.1787/1c258f55-en>.

2

Background analysis: current well-being in Finland

This chapter outlines current well-being strengths and weaknesses in Finland, vis-à-vis other OECD countries, including an analysis of where trends have been improving or worsening over the past decades. The chapter considers both average outcomes and overall levels of inequalities (where available) in the eleven key dimensions of current well-being of the OECD Well-being Framework, operationalized by the headline indicator set of its accompanying How's Life? Well-being Dashboard and selected additional indicators where most relevant for the Finnish context.

Current well-being outcomes

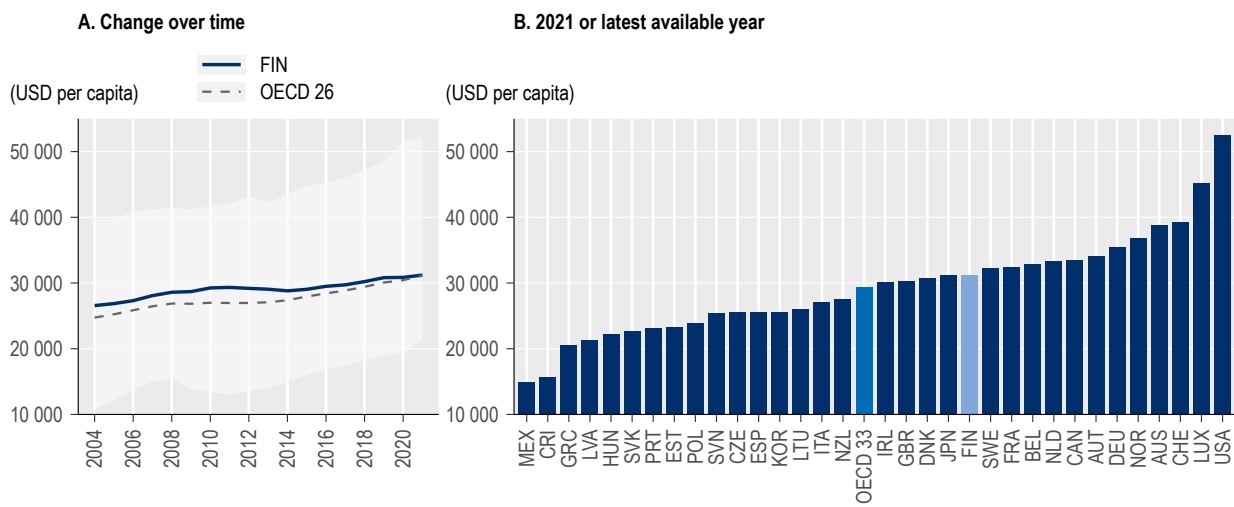
Income and wealth

Together, income and wealth shape households' economic well-being and consumption possibilities.

Over the past two decades, **household income** (measured in USD at 2015 PPPs per capita) in Finland has significantly increased from USD 26 570 in 2004 to USD 31 210 in 2021, placing it modestly above the OECD average of USD 30 120 (Figure 2.1).

Figure 2.1. Household income

Household net adjusted disposable income, USD at 2015 PPPs per capita



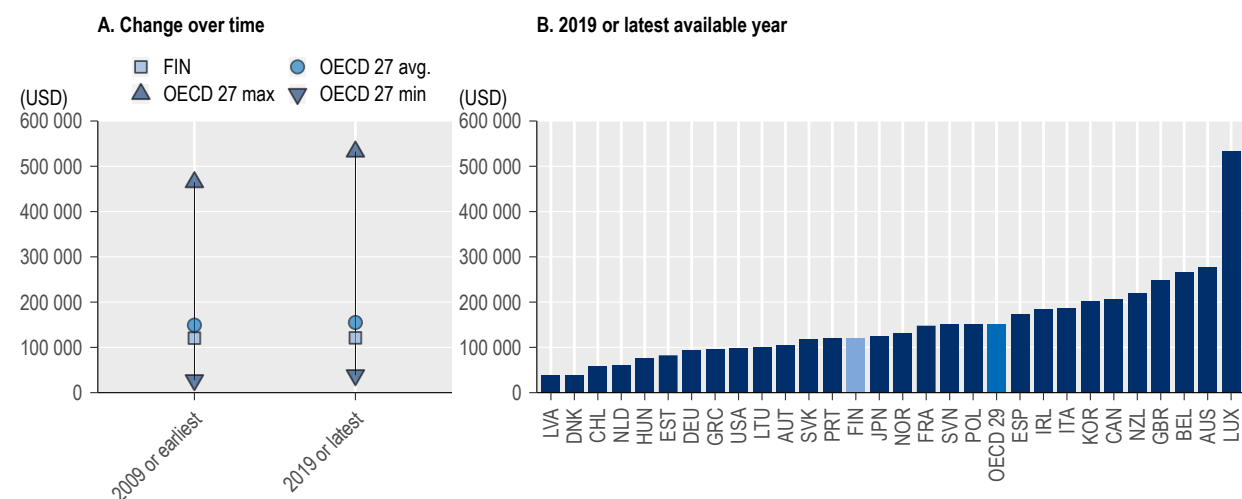
Note: The latest available year is 2020 for Japan, Korea and Mexico; 2019 for Costa Rica and New Zealand; and 2021 for all other countries. In Panel A, the OECD average does not include Chile, Colombia, Costa Rica, Greece, Iceland, Israel, Japan, Korea, Mexico, New Zealand, Slovenia and Türkiye. In Panel B, the OECD average does not include Chile, Colombia, Iceland, Israel and Türkiye.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Household wealth in Finland remained stable between 2009-16 on par with the trend of the OECD average over these years (Figure 2.2). Household wealth in Finland was USD 121 000 in 2016 (the latest available data for this indicator) below the OECD average of USD 155 000. At the same time, household debt in Finland has reached 156% of disposable income in 2021, three quarters of which were housing loans including housing company loans (see Chapter 4 for further discussion).

Figure 2.2. Household wealth

Household median net wealth, USD at 2019 PPPs



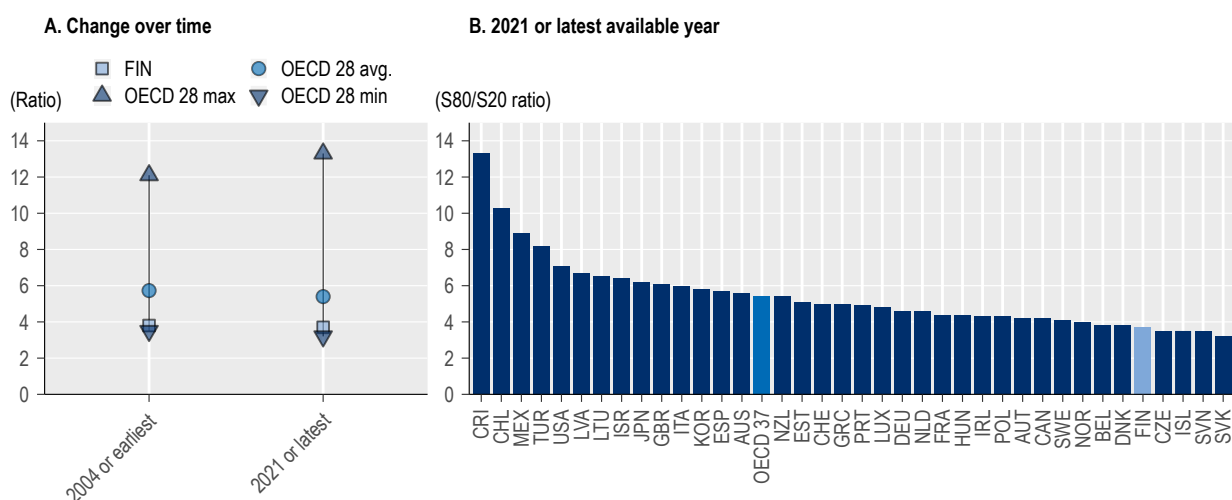
Note: The latest available year is 2019 for Canada, Denmark, Japan, Korea, Netherlands and the United States; 2018 for Australia, Greece, Ireland, Luxembourg, New Zealand, Norway and Spain; 2017 for Austria, Belgium, Chile, Estonia, France, Germany, Hungary, Latvia, Portugal, Slovak Republic, Slovenia and the United Kingdom; and 2016 for Finland, Italy, Lithuania and Poland. In Panel A, the OECD average does not include Colombia, Costa Rica, Czech Republic, Iceland, Israel, Japan, Lithuania, Mexico, Sweden, Switzerland and Türkiye. In Panel B, the OECD average does not include Colombia, Costa Rica, Czech Republic, Iceland, Israel, Mexico, Sweden, Switzerland and Türkiye.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Income inequality in Finland is lower than in other OECD countries. In 2020, on average, households in the top 20% of the income distribution earned 3.7 times more than households at the bottom 20% of the income distribution. This is markedly lower than the OECD average value of 5.4 times, and the fifth lowest value among OECD countries. Income inequality in Finland has however stagnated between 2004 (at 3.8) and 2020 (3.7), which is the latest data point for Finland (Figure 2.3).

Figure 2.3. Income inequality

Ratio of average (equivalised) household disposable income of the top 20% of the income distribution to the average income of the bottom 20%



Note: The latest available year is 2021 for Costa Rica and the United States; 2020 for Australia, Canada, Finland, Korea, Latvia, Mexico, Netherlands, New Zealand, Norway, Sweden and the United Kingdom; 2019 for Austria, Belgium, Czech Republic, Denmark, Estonia, France, Germany, Greece, Hungary, Israel, Lithuania, Luxembourg, Portugal, Slovak Republic, Slovenia, Spain, Switzerland and Türkiye; 2018 for Ireland, Italy, Japan and Poland; and 2017 for Chile and Iceland. In Panel A, the OECD average does not include Australia, Belgium, Colombia, Estonia, France, Japan, Luxembourg, Mexico, Sweden and the United States. In Panel B, the OECD average does not include Colombia. Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

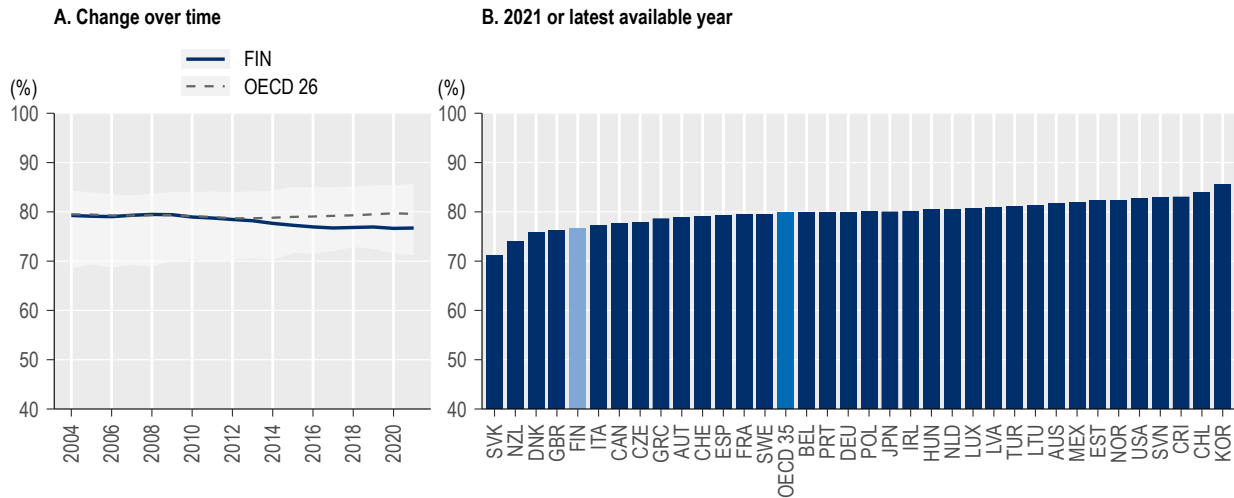
Housing

Housing provides shelter, safety, privacy and personal space.

Housing affordability in Finland has deteriorated between 2004 and 2021 and is fourth lowest among OECD countries (Figure 2.4). Disposable income after housing costs (rents, imputed rents and maintenance) in 2021 was 76.7% in Finland (down from 79.3% in 2004), compared to 79.5% on average in the OECD (almost unchanged from the average of 79.4% in 2004).

Figure 2.4. Housing affordability

Share of household gross adjusted disposable income remaining, after deductions for housing rents and maintenance



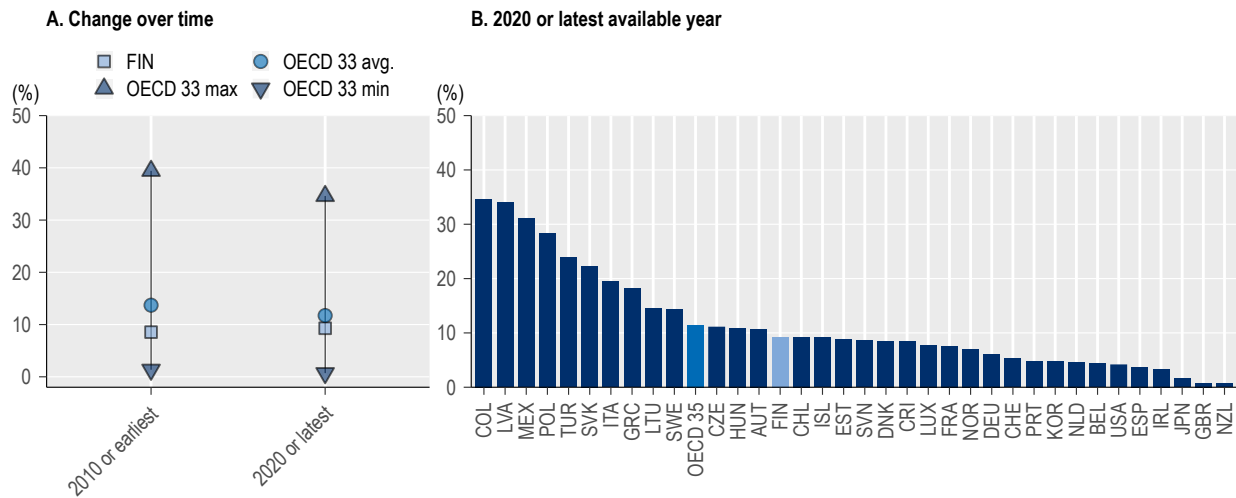
Note: The latest available year is 2020 for Chile, Costa Rica, Japan, Mexico and Switzerland; 2019 for New Zealand; 2017 for Türkiye; and 2021 for all other countries. In Panel A, the OECD average does not include Chile, Colombia, Costa Rica, Greece, Iceland, Israel, Japan, Mexico, Netherlands, New Zealand, Switzerland, Türkiye and the United States. In Panel B, the OECD average does not include Colombia, Iceland and Israel.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The **overcrowding rate** (the share of households living in overcrowded conditions, based on a definition that takes into account different needs for living space according to the age and gender composition of the household) in Finland has increased modestly from 8.5% in 2010 to 9.3% in 2020, while the OECD average has decreased from 13.7% to 11.7% over this time (Figure 2.5).

Figure 2.5. Overcrowding rate

Share of households living in overcrowded conditions



Note: The latest available year is 2019 for Italy; 2018 for Iceland; 2014 for Germany; 2013 for Chile; and 2020 for all other countries. In Panel A, the OECD average does not include Australia, Canada, Chile, Germany and Israel. In Panel B, the OECD average does not include Australia, Canada and Israel. The overcrowding rate adopts the EU-agreed definition: a household is considered as living in overcrowded conditions if less than one room is available in each household: for each couple in the household; for each single person aged 18 or more; for each pair of people of the same gender between 12 and 17; for each single person between 12 and 17 not included in the previous category; and for each pair of children under age 12.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

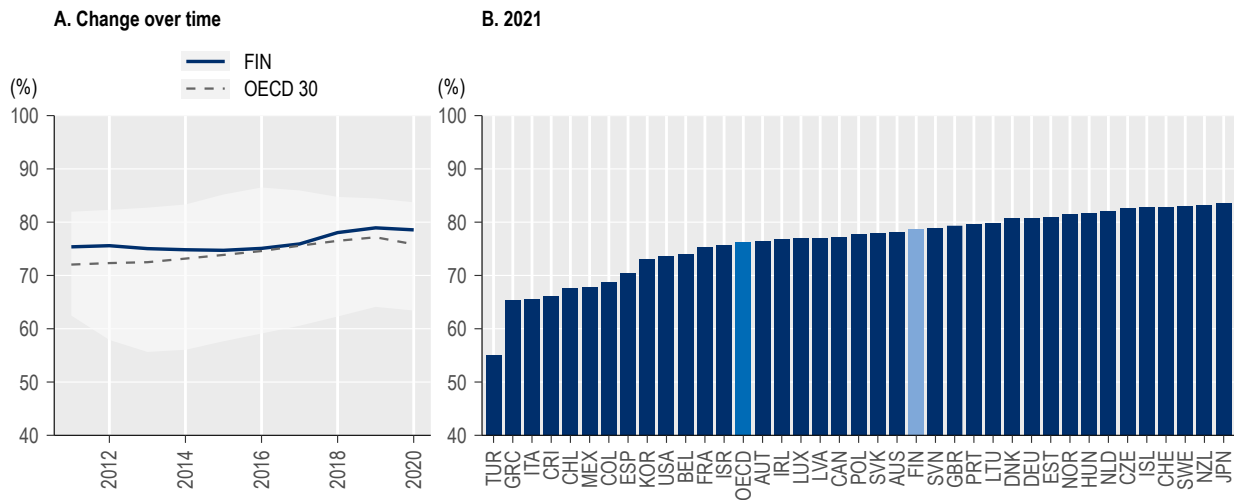
Work and job quality

Work and job quality are about both the availability of job opportunities and people's working conditions in paid employment.

The **employment rate** in Finland has been on an upward trend and overall improved markedly from 73.8% in 2004 to 78.6% in 2020. However, employment growth stagnated for almost a decade after the great recession, with performance strengthening again from 2016 onward (Figure 2.6 Panel A). During the height of the COVID-19 pandemic (April-June 2020), more than 50% of employees were able to transition to teleworking (compared to 39% of employees in European OECD countries) (OECD, 2021^[23]). However, some Finnish industries also temporarily reduced working hours at the height of the pandemic and some groups were disproportionately affected, notably youth and women (OECD/Statistics Finland, 2021^[38]). In 2021, the employment rate in Finland, at 78.7%, was above the OECD average (76.3%), though lagging that of Nordic peers (Figure 2.6 Panel B). In terms of differences between population groups, the largest employment gaps are between the young and those in middle age (a 36.9 percentage point gap), and between those with secondary and tertiary education (a 11.5 percentage point gap). The employment rate gap between men and women is small in Finland (2 percentage points) (see Chapter 3 for further details).

Figure 2.6. Employment rate

Employed people aged 25-64, as a share of the population of the same age



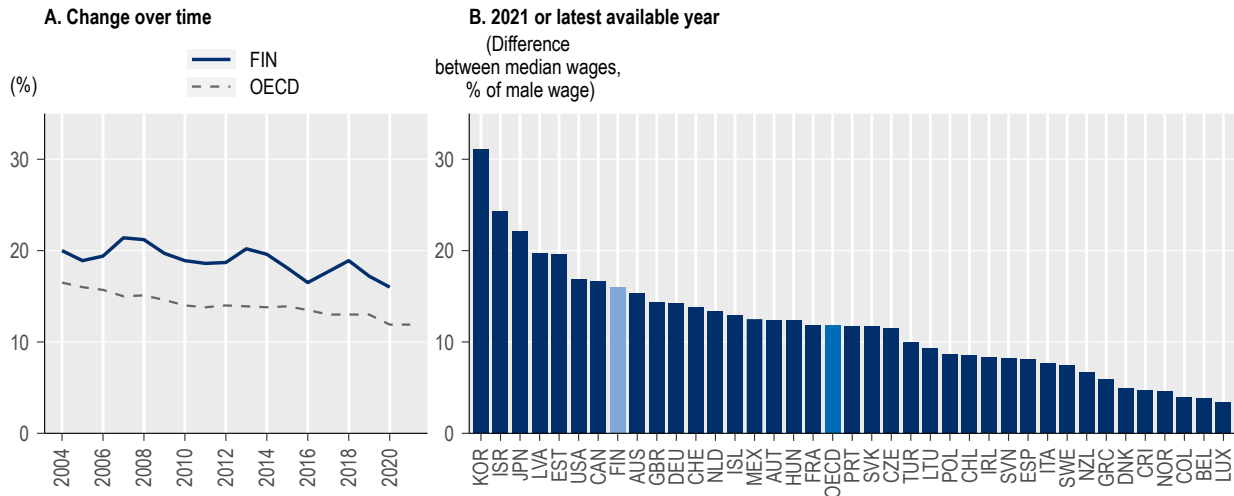
Note: Due to a change in Eurostat methodology, the time series depicted in Panel A ends in 2020. In Panel A, the OECD average does not include Australia, Colombia, Denmark, Israel, Japan, Mexico, New Zealand and Türkiye.

Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The **gender wage gap** in Finland has fallen between 2004 and 2020, similar to the trend in the OECD on average. It dropped from 20% in 2004 (16.5% in the OECD on average) to 16% in 2020 (11.9% in the OECD on average) (Figure 2.7). However, significant challenges remain as Finland's current gender wage gap is high, and on par with the OECD average rate from nearly two decades ago. It is the 8th highest in the OECD and the third highest among OECD EU countries, behind Latvia and Estonia (Figure 2.7, Panel B).

Figure 2.7. Gender wage gap

Difference between male and female median wages, as share of male wage

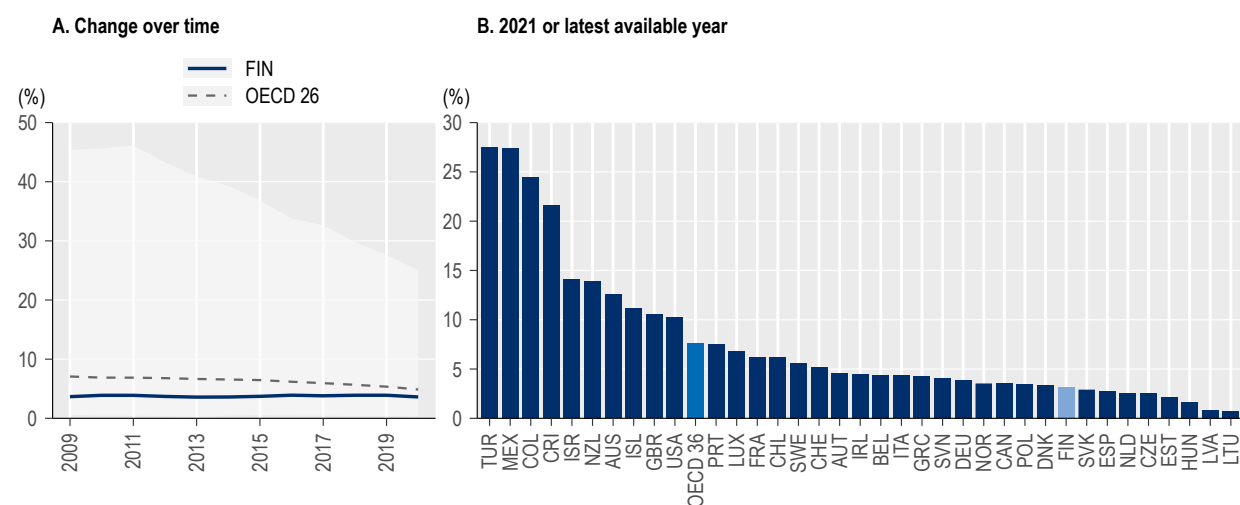


Note: In Panel A, due to the characteristics of the data, the OECD Total refers to an unweighted OECD average estimated by applying interpolation and extrapolation techniques for some of the estimates. In Panel B, the latest available year is 2021 for Canada, Czech Republic, Japan, Korea, Mexico, New Zealand, Norway, Slovak Republic, the United Kingdom and the United States; 2020 for Austria, Chile, Denmark, Estonia, Finland, Germany, Hungary, Lithuania, Netherlands, Poland, Portugal, Spain, Sweden and Switzerland; 2019 for Australia, Belgium, Colombia, Greece, Israel, Italy and Latvia; 2018 for Costa Rica, France, Iceland, Ireland, Slovenia and Türkiye; and 2014 for Luxembourg.
Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

In Finland in 2021, 3.6% of employees worked very **long paid hours** (paid working hours exceeding 50 hours per week), down from 4.6% in 2005. This was below the OECD average of 7.2% in 2020 (which increased from 6.1% in 2005) (Figure 2.8). The gender gap (with men working longer paid hours) for this indicator in Finland was 3.1 percentage points (see Chapter 3 for further details). There are no significant gaps between age groups.

Figure 2.8. Long hours in paid work

Share of employees over the age of 15 usually working more than 50 hours per week



Note: The latest available year is 2018 for Australia and 2021 for all other OECD countries. In Panel A, the OECD average does not include Australia, Chile, Colombia, Costa Rica, Denmark, Germany, Israel, Japan, Korea, Mexico, New Zealand and Portugal. In Panel B, the OECD average does not include Japan and Korea.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

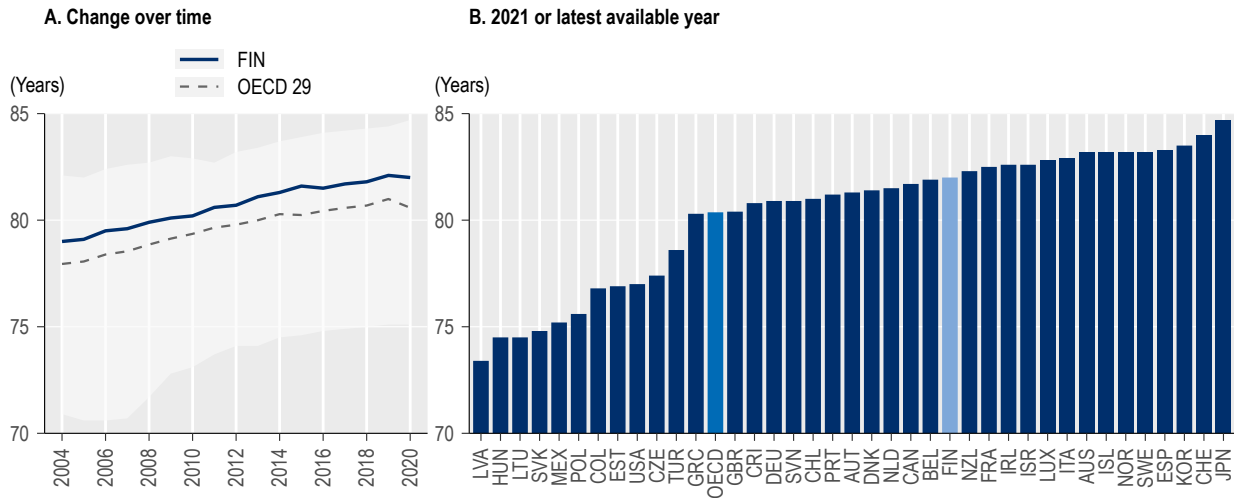
Health

Health is about being and feeling well: a long life unencumbered by physical or mental illness, and the ability to participate in activities that people value.

Between 2004 and 2021, **life expectancy** in Finland increased by 3 years, to 82 years. However, consistent with developments in other OECD countries, life expectancy gains stagnated after 2019, during the COVID-19 pandemic (OECD, 2021_[30]). Life expectancy in Finland over the last two decades has been consistently above the OECD average, which reached 80.6 in 2020. It is, nevertheless, 2.7 years lower than for the best-performing OECD country, Japan (Figure 2.9).

Figure 2.9. Life expectancy

Life expectancy at birth



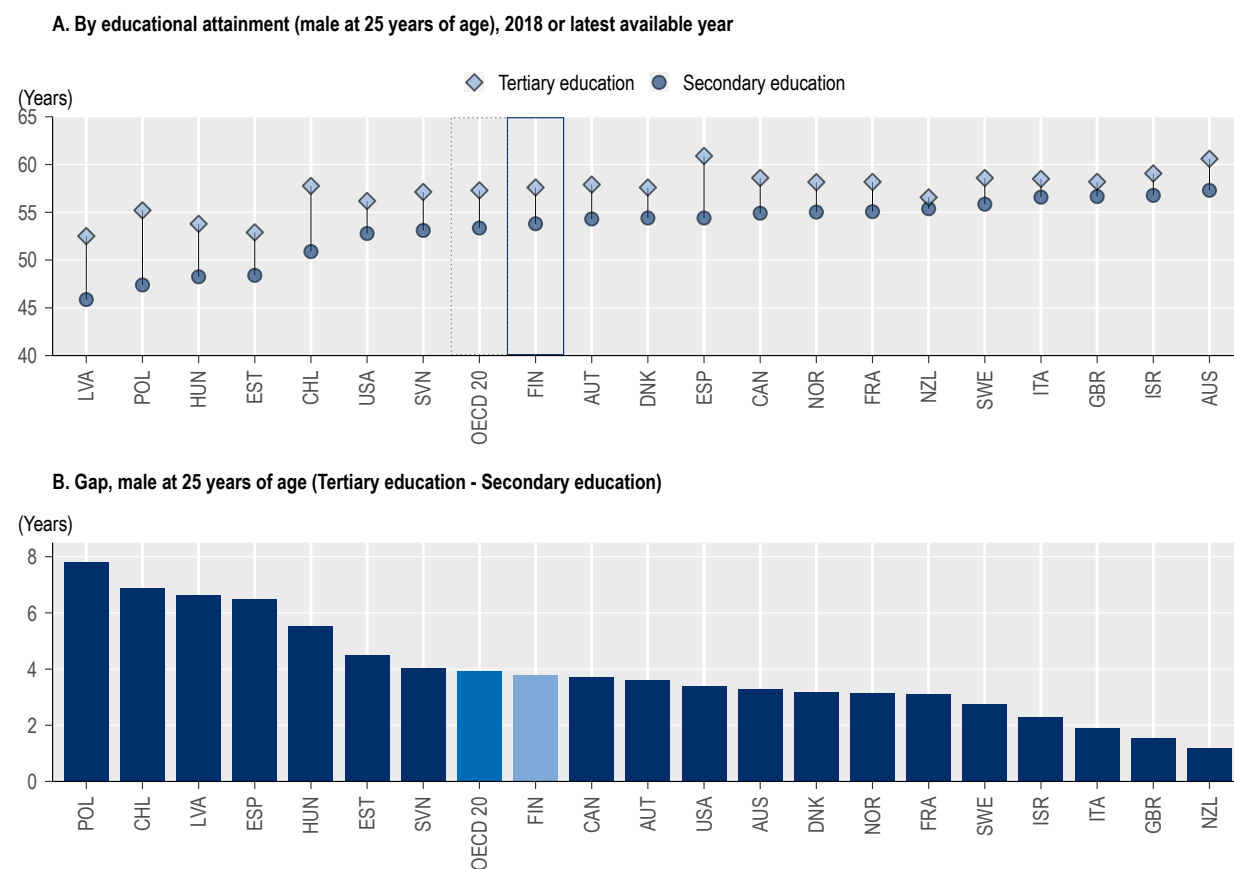
Note: In Panel A, the OECD average does not include Belgium, France, Hungary, Israel, Luxembourg, Poland, Slovenia, Switzerland and Türkiye. In Panel B, the latest available year is 2020 for Australia, Canada, Ireland, Japan, Korea, Mexico, New Zealand, the United Kingdom and the United States; 2019 for Türkiye; and 2021 for all other countries.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

There are marked inequalities in life expectancy and self-reported health that are related to differences in education and income. In Finland, the **gap in life expectancy at age 25 between men with tertiary and secondary education** amounted to 3.8 years in 2017 (53.8 years for those with secondary education and 57.6 years for those with tertiary education), narrowing from 4.1 years in 2011. The OECD average gap for this indicator is 3.9 years (the latest available data for the majority of countries stems from 2011, making a comparative assessment over time difficult) (Figure 2.10).

Figure 2.10. Life expectancy - gap in levels of education

Gap in life expectancy among men with secondary education and tertiary education at age 25



Note: In Panel A and B, the OECD averages include only those 20 countries shown. The latest available year is 2018 for Estonia and Spain; 2017 for Austria, Denmark, and Finland; 2016 for Australia, and Canada; and 2011 for all the other OECD countries.

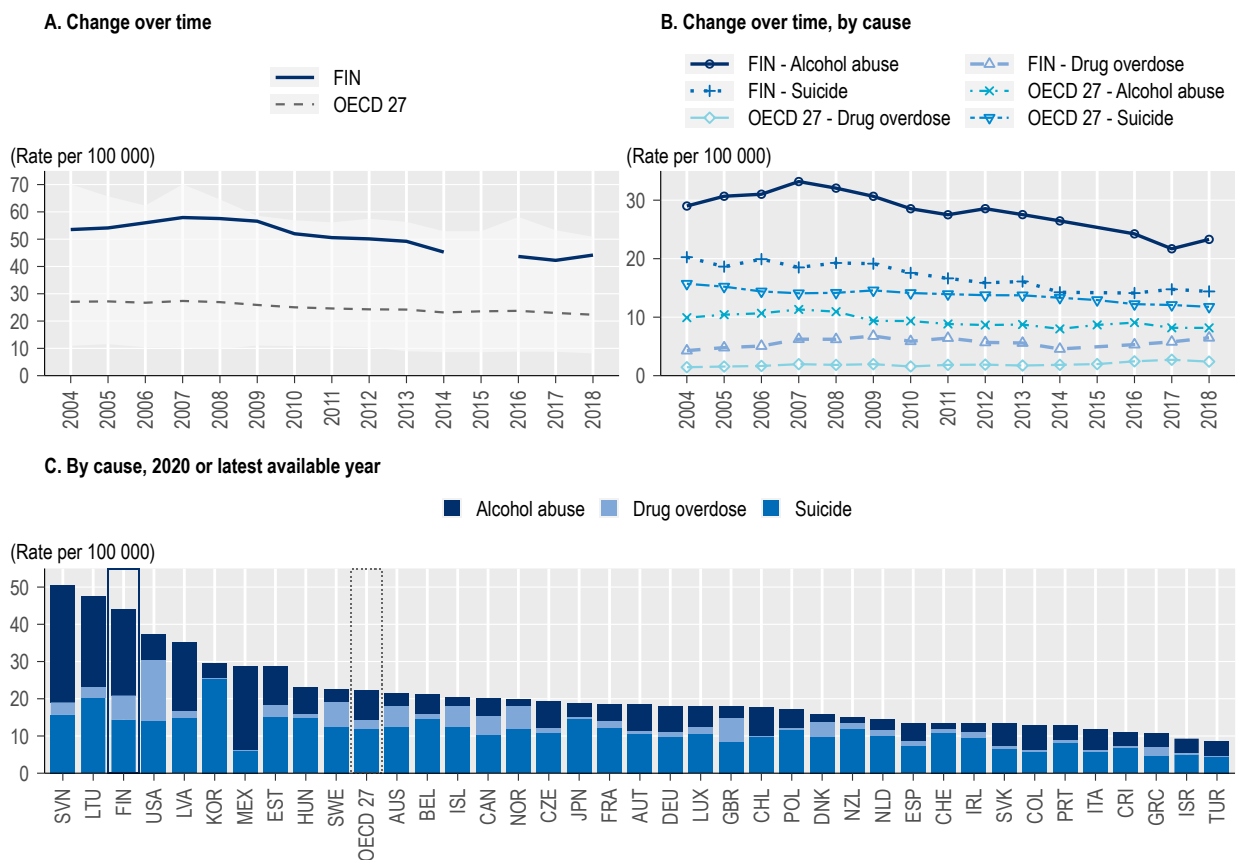
Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Deaths from suicide, acute alcohol abuse and drug overdose, so called “**deaths of despair**”, which can reflect severe mental illness and addiction, have fallen in Finland, from 53.5 per 100 000 in 2004 to 44.2 in 2018 (Figure 2.11, Panel A). The overall rate of deaths of despair remains well above the OECD average (at 20.8 in 2018) for all three components – suicide, acute alcohol abuse and drug overdose – and has consistently been so throughout the period of observation (Figure 2.11, Panel B). The rate of deaths of despair in Finland was the third highest in the OECD after Slovenia and Lithuania in 2020 (the latest available year for Finland being 2018) (Figure 2.11, Panel C). In addition, between 2017-18, deaths of despair in Finland rose for the first time since 2007 (Figure 2.11, Panel A). Like in other OECD countries, deaths of despair in Finland are much higher among men. However, in Finland, the fall in such deaths since 2004 has been driven by a strong fall among men in particular; while deaths of despair have stagnated for women over the past two decades (see Chapter 3 for further details).

Overall alcohol consumption has decreased in Finland from 9.9 litres per capita per year in 2004 to 8.2 litres in 2020 and was in 2020 below the OECD average of 8.6 litres (OECD, 2022^[39]). Nevertheless, in Finland in 2018, the largest proportion of deaths of despair (52.7%) was still caused by acute alcohol abuse (compared to the OECD average of 36.6%). Suicide caused 32.6% of deaths of despair (compared to the OECD average of 52.7%) and drug overdose was responsible for 14.7% of deaths of despair (compared to the OECD average of 10.7%) (Figure 2.11 Panel C).

Figure 2.11. Deaths of despair

Deaths from suicide, acute alcohol abuse and drug overdose, per 100 000 of population (age-standardised)

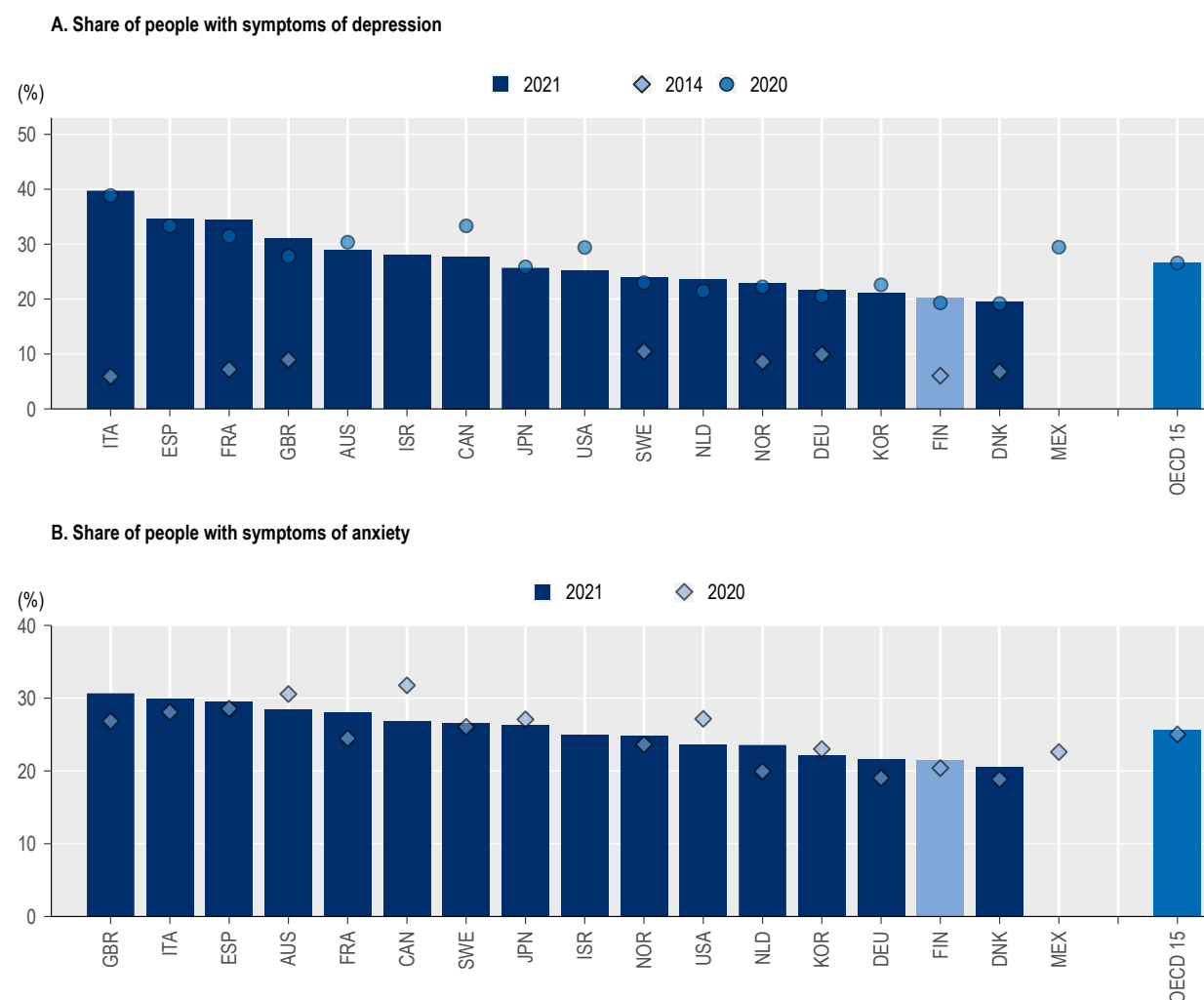


Note: The latest available year is 2020 for Australia, Austria, Costa Rica, Czech Republic, Estonia, Germany, Iceland, Latvia, Lithuania, Mexico, Netherlands, Slovenia, Spain and the United States; 2019 for Canada, Colombia, Greece, Hungary, Israel, Japan, Korea, Luxembourg, Poland, Slovak Republic, Switzerland, Türkiye and the United Kingdom; 2018 for Belgium, Chile, Denmark, Finland, Ireland, Portugal and Sweden; 2017 for France and Italy; and 2016 for New Zealand and Norway. In Panel A, B and C, the OECD average includes Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Germany, Hungary, Iceland, Israel, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, Poland, Slovenia, Spain, Sweden, Switzerland, the United Kingdom, and the United States.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The share of the population that is experiencing symptoms of **depression and anxiety**, while below the OECD average, is nevertheless high. As in other countries, it increased markedly during the COVID-19 pandemic, when direct health impacts and loss of lives combined with social isolation, loss of work and financial insecurity all contributed to a significant worsening of people's mental health (OECD, 2023^[24]). Around 1 in 5 adults in Finland experienced symptoms of depression or anxiety between April-December 2020, with rates slightly further rising in January-June 2021 (though this change was not statistically significant) (Figure 2.12). These rates were considerably higher than the pre-COVID-19 estimates for symptoms of depression, at 6%, (though the value while using the same measurement tool is not strictly comparable with later years, coming from a different source). Similarly, the share of students in Finland (aged 14-20) reporting moderate or severe symptoms of anxiety increased by more than 50% between 2019 and 2021, from 12.6% to 19.2% (OECD/European Union, 2022^[16]).

Figure 2.12. Self-reported symptoms of depression and anxiety



Note: Symptoms of depression and anxiety are measured using the PHQ-4 questionnaire. 2020 pooled averages run from April through December, except for Mexico and the United States, which report pooled averages from April through September 2020. The 2021 data are pooled averages from January through June, aside from the United States (February through June), the Netherlands (January through February) and Finland (January only). In Panel A, data for 2014 are not strictly comparable with later years, as they come from a different source, and the OECD average includes Australia, Canada, Denmark, Finland, France, Germany, Italy, Japan, Korea, the Netherlands, Norway, Spain, Sweden, the United Kingdom and the United States. In Panel B, the OECD average includes Australia, Canada, Denmark, Finland, France, Germany, Italy, Japan, Korea, the Netherlands, Norway, Spain, Sweden, the United Kingdom and the United States.

Source: (OECD, 2021^[23]), *COVID-19 and Well-being: Life in the Pandemic*, OECD Publishing, Paris, <https://doi.org/10.1787/1e1ecb53-en>.

Knowledge and skills

Knowledge and skills encompass what people know and can do.

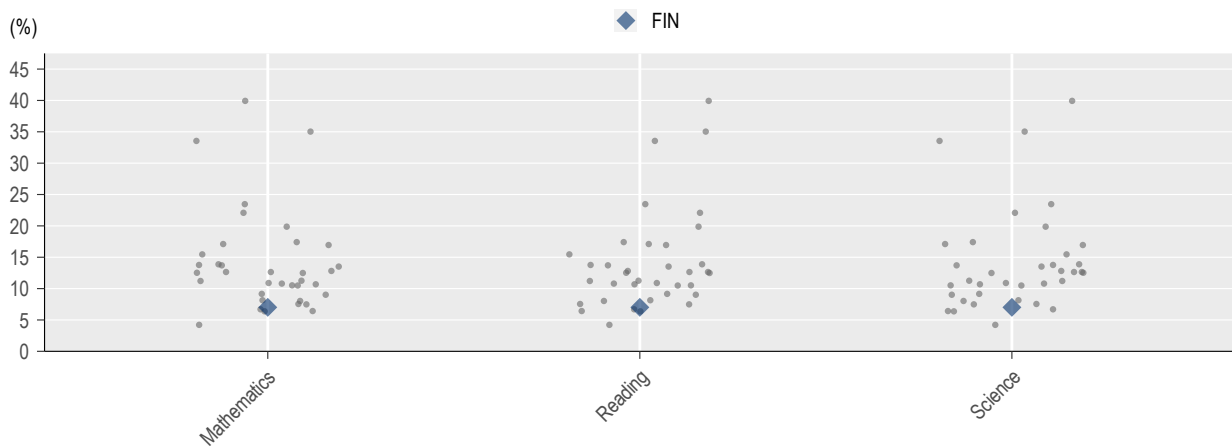
Finland has consistently been and still is among the leaders in the **OECD's Programme for International Student Assessment (PISA)** and the **proportion of students with low scores in the test subjects of maths, reading and science** is among the lowest in the OECD (Figure 2.13). However, performance has significantly declined over the last decade. For example, while for cognitive skills of 15-year-old students in science Finland ranks third in the OECD (just after Estonia and Japan), average scores have declined from 563 in 2006 to 522 in 2018 (Figure 2.14). Compared to other OECD countries, Finland has the largest gender gap in skills in science, where boys score on average 24 points below girls. Student performance

in Finland, as in other OECD countries, is also significantly impacted by the education level of parents: students of parents with primary and secondary education scored on average 138 points and 43 points, respectively, less than students with parents with tertiary education. This translates into the third largest gap among OECD countries for this indicator (see Chapter 3 for further details).

Beyond headline indicators, young adults' (age 25-34) **tertiary educational attainment** is comparatively low in Finland (40.1% in 2021) compared to the OECD average (46.9%) and Nordic peers (49% in Denmark, 49.2% in Sweden, and 55% in Norway). The attainment rate improved little since the early 2000s, in contrast to many OECD countries (OECD, 2022^[12]).

Figure 2.13. Students with low skills

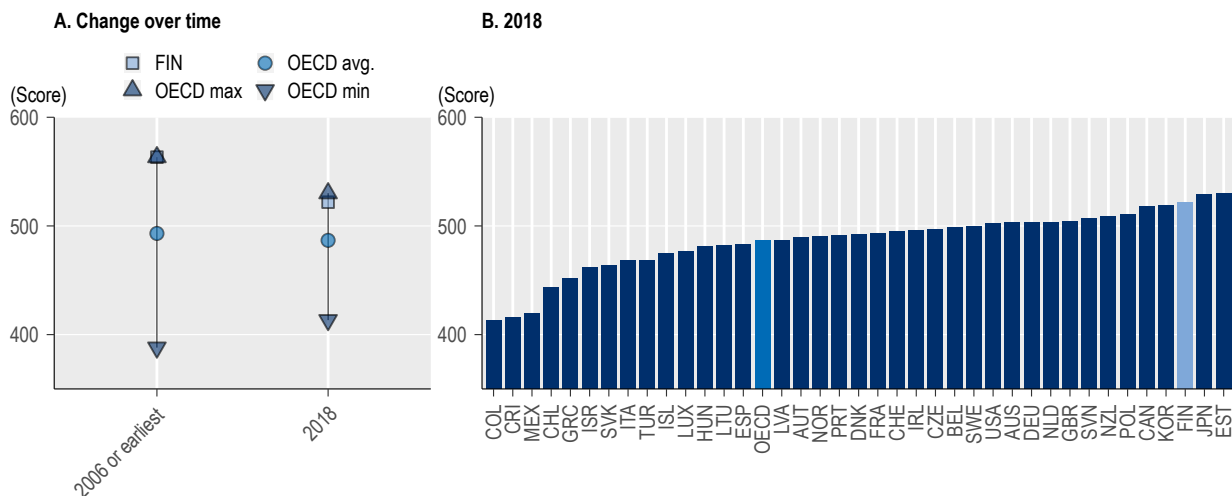
Share of 15-year-old students with low scores in maths, reading and science in the PISA assessment, Finland and other OECD countries, 2018



Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Figure 2.14. Students' cognitive skills in science

PISA mean scores in science, 15-year-old students



Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

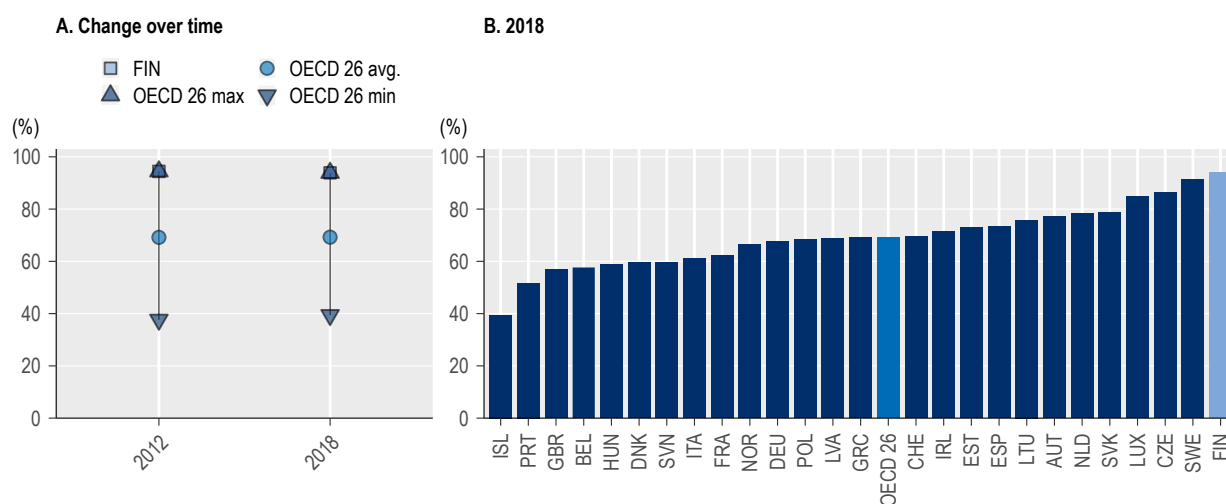
Environmental quality

Environmental quality is about both hazards (in terms of the quality of air, water and soil) as well as access to environmental amenities (such as green space).

Compared to other OECD countries, a large share of people in Finland have **access to green space**. In 2018, 93.9% of the urban population had access to public parks, forests or other recreational green space within 5 minutes' walk from their home, well above the OECD average of 69.3%. This is only a slight drop from the year 2012, when access to green space for the urban population in Finland was 94.4% (compared to 69.2% in the OECD on average) (Figure 2.15).¹⁴

Figure 2.15. Access to green space

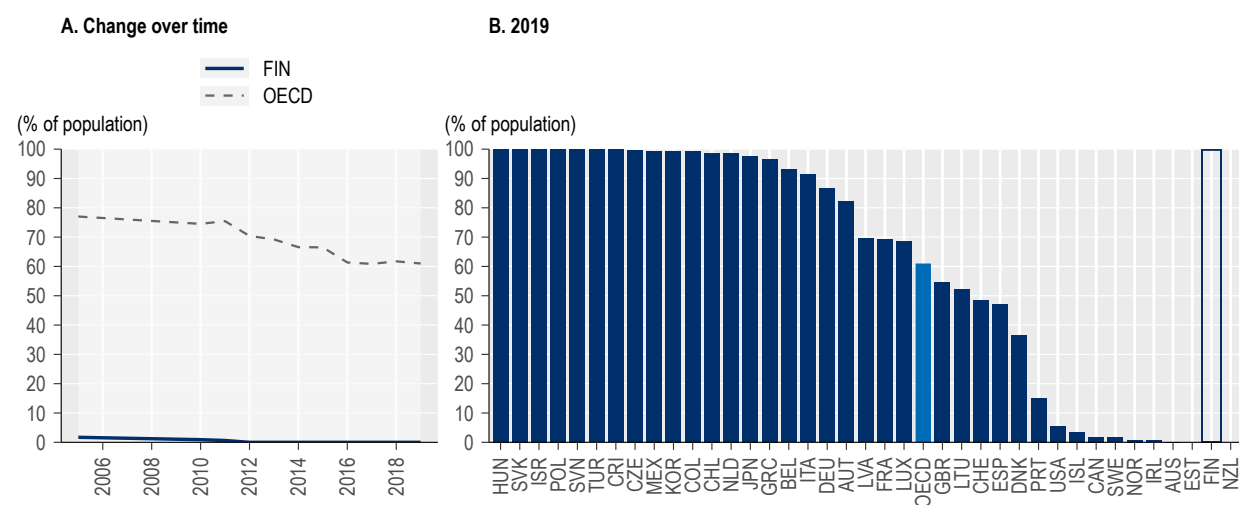
Share of the urban population with access to public parks, forests or other recreational green space within 5 minutes' walk from their home



Note: In Panel A, the OECD average does not include Australia, Canada, Chile, Colombia, Costa Rica, Israel, Japan, Korea, Mexico, New Zealand, Türkiye and the United States. In Panel B, the OECD average includes only those 26 countries shown.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The share of the population exposed to dangerous levels of **outdoor air pollution** was already low in Finland two decades ago and is now close to zero. In 2005, 1.7% of the population in Finland was exposed to more than 10 µg/m³ of PM_{2.5} (above the World Health Organisation (WHO) 2006 Guideline levels). This share decreased to 0.6% in 2011 and reached 0% in the following year (and has remained so until 2019, the latest available data point for Finland). The OECD average population share exposed to dangerous levels of outdoor air pollution was 66.2% in 2019, down from 83.4% in 2005 (Figure 2.16).

Figure 2.16. Exposure to dangerous levels of outdoor air pollutionShare of population exposed to more than 10 µg/m³ of PM_{2.5} (above the levels in WHO 2006 Guidelines)Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

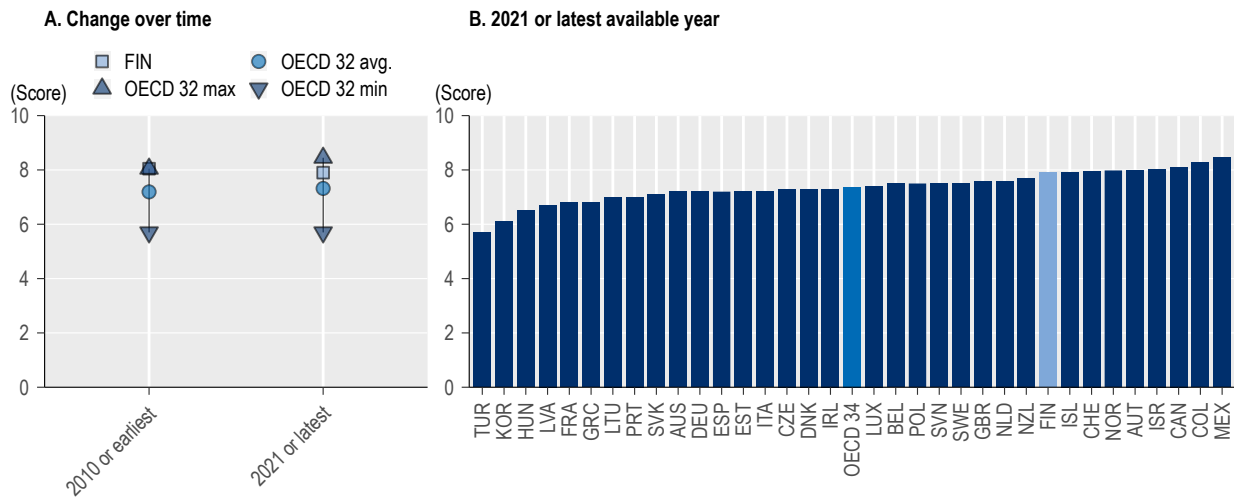
Subjective well-being

Subjective well-being is about good mental states and how people experience their lives.

People in Finland enjoy comparatively high levels of **life satisfaction**, with scores consistently above the OECD average over the past decade. Mean life satisfaction on a scale ranging from 0 (not at all satisfied) to 10 (completely satisfied) in Finland was 8.0 in 2013, 8.1 in 2018 and 7.9 in 2021, compared to an OECD average of 7.3 in 2021 (Figure 2.17). Differences in life satisfaction between groups (i.e., by gender, age and education) are small in Finland (see Chapter 3 for further details). Considering the breakdown by income quintile, in 2021, people in the top 20% of the distribution in Finland had average life satisfaction scores that were 1.6 times higher than those in the bottom 20%. This is the lowest ratio among OECD peers, and much lower than the OECD average of 2.1. The share of the population reporting a life satisfaction of 4 or below is also very low in Finland (and the lowest value in the OECD alongside Canada, who had the same deprivation level in 2021): it was 2.4% in 2013, 1.9% in 2018, and 2.5% in 2021, compared to OECD averages of 8.5%, 6.7% and 6.4%, respectively.

Figure 2.17. Life satisfaction

Mean life satisfaction with responses ranging from 0 (not at all satisfied) to 10 (completely satisfied)



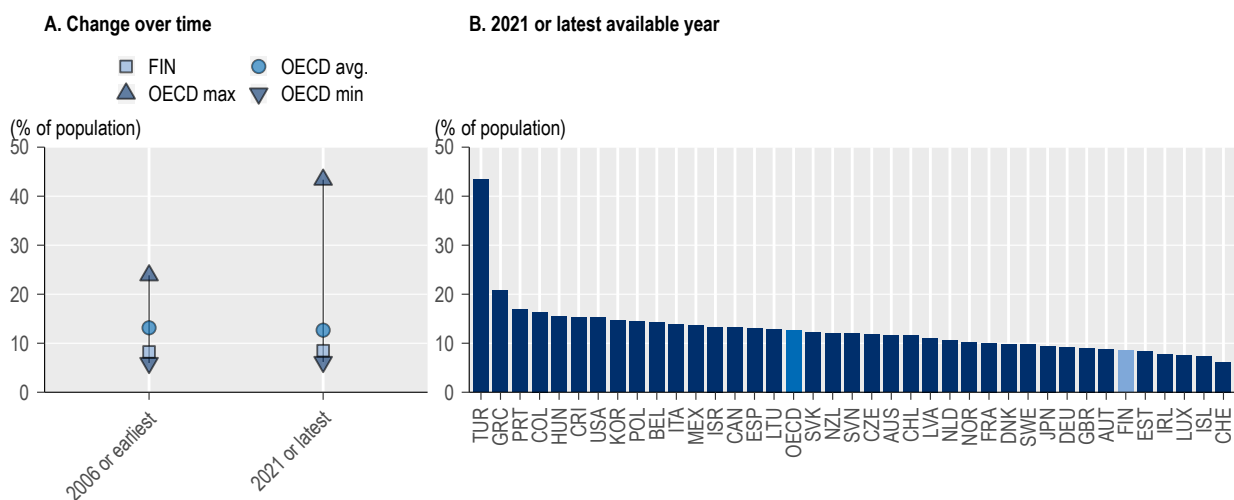
Note: The latest available year is 2020 for Australia; 2018 for Canada, Colombia, Iceland, Korea, Norway, Switzerland, Türkiye and the United Kingdom; and 2021 for all other countries. In Panel A, the OECD average does not include Chile, Colombia, Costa Rica, Israel, Japan and the United States. In Panel B, the OECD average does not include Chile, Costa Rica, Japan and the United States.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The share of the population reporting more negative than positive feelings on the previous day (described here as a **negative affect balance**), in Finland has consistently been among the lowest in the OECD, and has been relatively stable over time at 8.2% in 2006 (compared to an OECD average of 13.1%) and 8.5 in 2021 (OECD average of 12.7%) (Figure 2.18). Differences between groups, e.g. by gender, age and level of education, are generally small (see Chapter 3 for further details).

Figure 2.18. Negative affect balance

Share of the population reporting more negative than positive feelings on the previous day



Note: The latest available year is 2019 for Luxembourg and 2021 for all other countries.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

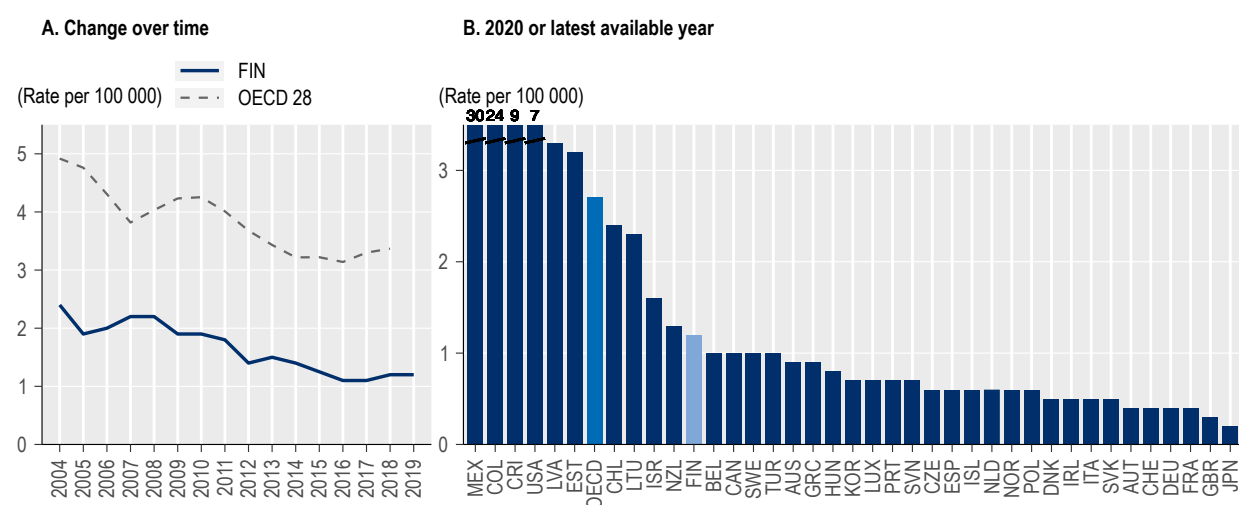
Safety

Safety is about freedom from harm.

At 1.2 deaths per 100 000 population in 2019, the rate of **homicides** in Finland is below the OECD average of 3.4 (in 2018) – though this average is heavily skewed due to a small number of OECD countries with very high rates. Finland currently has the fourth highest homicide rate in European OECD countries after Latvia, Estonia and Lithuania. This is despite falling from 2.4 in 2004 to 1.2 in 2019 (Figure 2.19). The homicide rate was 0.8 for women and 1.5 for men in 2019, reflecting the fact that in all OECD countries, men are more likely than women to die by homicide.

Figure 2.19. Homicides

Deaths due to assault, age standardised rate, per 100 000 population



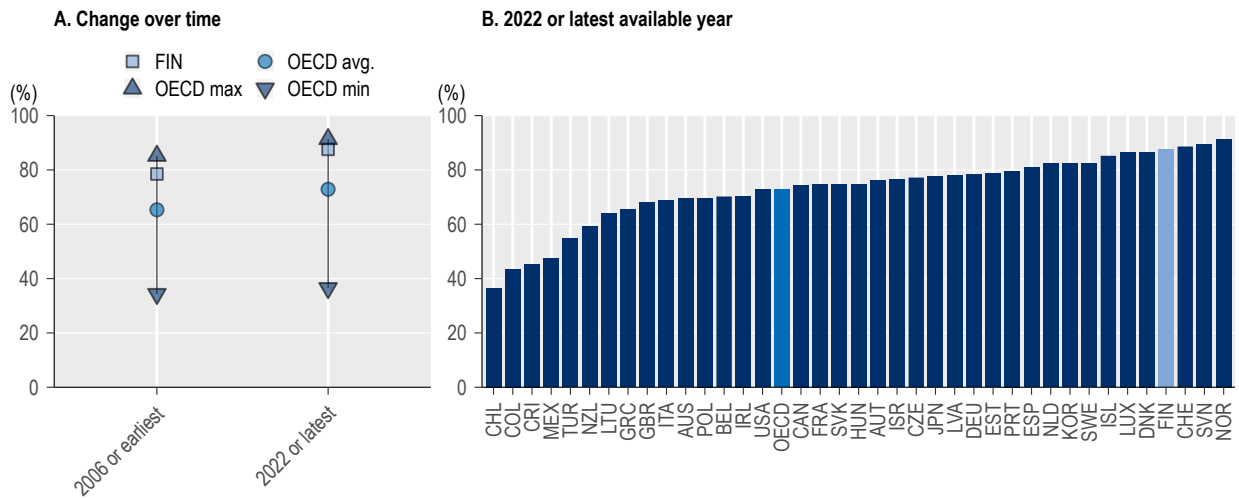
Note: The latest available year is 2020 for Australia, Austria, Costa Rica, Czech Republic, Estonia, Germany, Iceland, Israel, Korea, Latvia, Lithuania, Mexico, Netherlands, Slovenia, Spain, the United Kingdom and the United States; 2019 for Canada, Colombia, Finland, Greece, Hungary, Japan, Luxembourg, Poland, Slovak Republic, Switzerland and Türkiye; 2018 for Belgium, Chile, Denmark, Ireland, Portugal and Sweden; 2017 for France and Italy; and 2016 for New Zealand and Norway. In Panel A, the OECD average does not include Australia, Finland, France, Ireland, Italy, New Zealand, Norway, Portugal, Slovak Republic and Türkiye.

Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

In Finland, a relatively large share of the population feels **safe at night** when walking alone in their neighbourhoods. Indeed, the share of people reporting feeling safe has increased from 78.5% in 2006 (OECD average 65.3%) to 87.6% in 2022 (OECD average 72.9%). In 2022, Finland was the top sixth performer in the OECD for this indicator (Figure 2.20). There is, however, a large gender gap in feeling safe at night in Finland (Chapter 3 has further details).

Figure 2.20. Feeling safe at night

Share of people declaring that they feel safe when walking alone at night in the city or area where they live



Note: The latest available year was 2019 for Luxembourg, 2021 for Austria, France, Ireland, Israel, Italy, Korea, Latvia, Lithuania, the Slovak Republic, Spain, Switzerland, Türkiye, and the United Kingdom; and 2022 for all other OECD countries.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

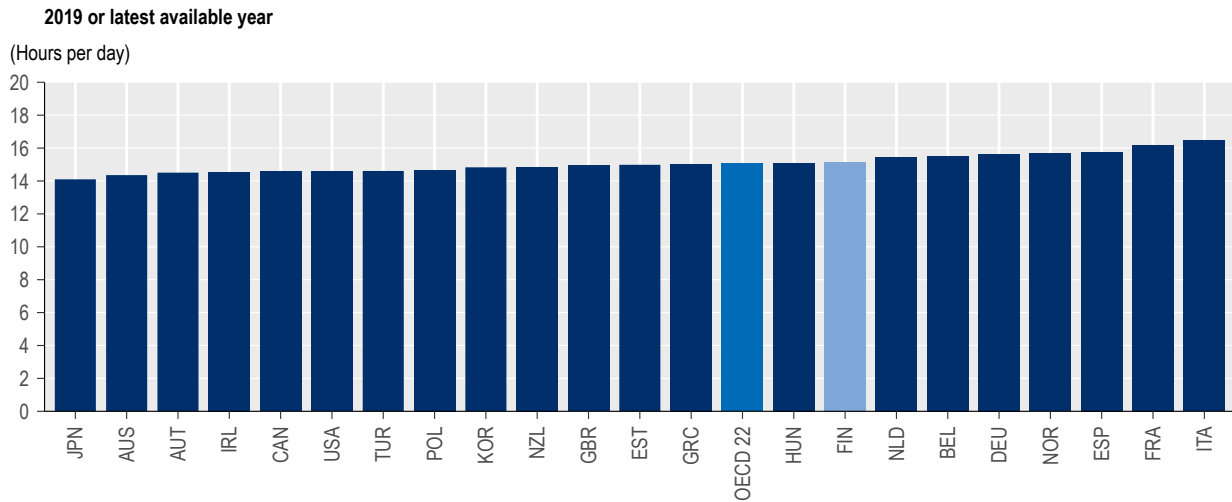
Work-life balance

Work-life balance means being able to balance family commitments, leisure time and work – whether paid or unpaid.

The latest available data for Finland on **time allocated for leisure and personal care** (described here as **time off**, and which includes sleeping) dates from 2009, when the last time use survey was conducted. There are no prior data available to examine changes over time. In 2009, the average time off (spent on leisure and personal care) for full-time employed people in Finland was 15.2 hours a day. This was similar to the OECD average of 15.1 (Figure 2.21). While gender differences were small (with men having approximately 14 minutes more time off per day than women), differences by age were more marked. The middle-aged have less time off than people over the age of 50 and the young, spending 14.8 hours, 15.4 hours and 15.7 hours a day for leisure and personal care, respectively.

Figure 2.21. Time off

Hours per day allocated to leisure and personal care for full-time employees



Note: The data refer to full-time employed people. For surveys where the full-time/part-time status was not directly asked, the full-time employed were identified as those working 30 hours or more per week. Time off is the sum of time spent on personal care (i.e. the amount of time spent sleeping, eating and drinking, on other personal care activities, and on travel time associated with personal care) and leisure time (i.e. the amount of time spent practicing sports, interacting with friends and relatives, attending or participating in events, watching TV or listening to music, on other leisure activities, and on travel time associated with leisure). Only time spent on main or primary activities is included and as such, it is likely to underestimate especially the time spent on leisure activities, which are often performed in combination with other tasks (e.g. chatting on the phone with a friend while cooking). The latest available year is 2019 for the United States; 2016 for Japan, and the Netherlands; 2015 for Canada; 2014 for Korea, Türkiye, the United Kingdom; 2013 for Greece and Italy; 2012 for Belgium, Germany and Poland; 2010 for Norway; 2009 for Austria, Estonia, Finland, France, Hungary, New Zealand, and Spain; 2006 for Australia; and 2005 for Ireland. The OECD average includes only those 22 countries shown.

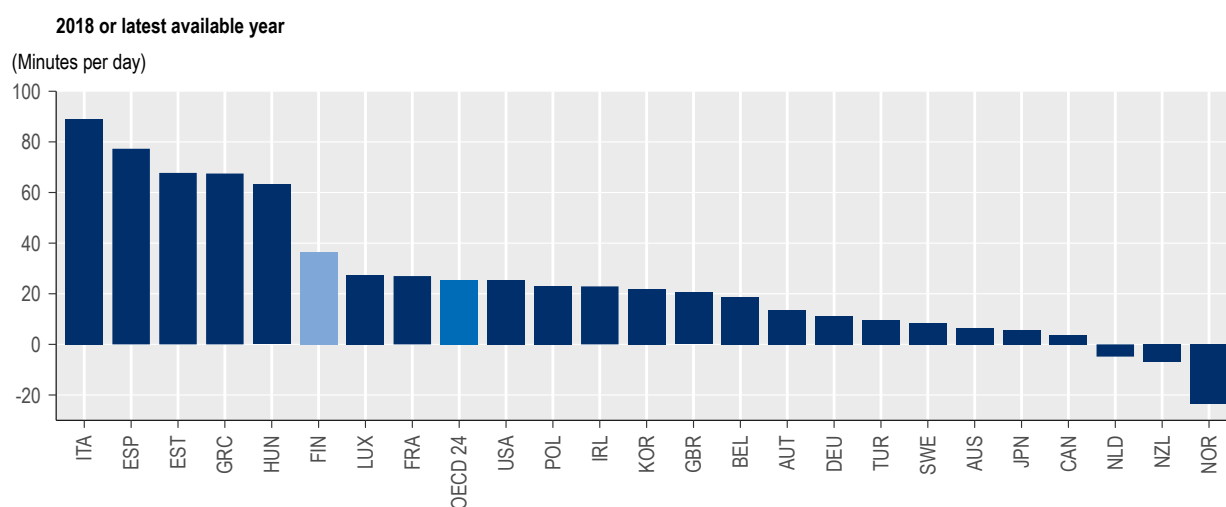
Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

As with time off, the latest available data for Finland for the **gender gap in total hours worked** is from 2009, and there are no prior data available to observe change over time. In all but a few OECD countries, when hours worked in paid jobs and unpaid work are both taken into account, women consistently work longer hours than men. Most of the gender differences in total working hours are driven by long hours spent in unpaid work by women, i.e. time spent doing routine housework, care work (for children and adults), shopping for goods and services for the household, and travel related to household activities. Across the OECD, men spend longer hours in paid work than women do (OECD, 2020^[7]).

In 2009, women in Finland spent, on average, 37 extra minutes per day working (summing together both paid and unpaid work) in comparison to men. This was markedly higher than the OECD average of 25 minutes (Figure 2.22). Similar to most other OECD countries, women in Finland spend more time than men in unpaid work in particular: 78 minutes more per day, compared to an OECD average of 122 minutes (see Chapter 3 for further details).

Figure 2.22. Gender gap in total hours worked

Extra minutes of total time spent working (paid or unpaid) that women work, relative to men, per day



Note: Extra minutes of total time spent working (paid and unpaid) that women work, relative to men per day (with the exception of Norway, New Zealand, and the Netherlands, where men spent more time working than women). The latest available year is 2018 for the United States; 2016 for Japan and the Netherlands; 2015 for Canada; 2014 for the Korea, Luxembourg, Türkiye and the United Kingdom; 2013 for Greece and Italy; 2012 for Belgium, Germany and Poland; 2010 for Norway and Sweden; 2009 for Estonia, Finland, France, Hungary, New Zealand and Spain; 2008 for Austria; 2006 for Australia; and 2005 for Ireland. The OECD average includes only those 24 countries shown.

Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

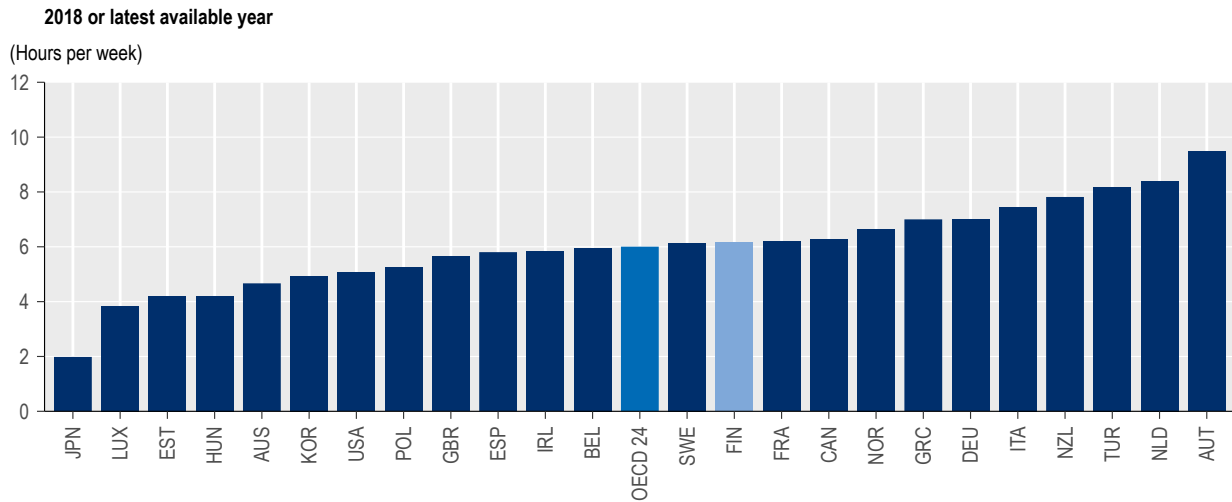
Social connections

Social connections considers both the quantity and quality of time spent with others, and how supported people feel.

The latest available data for **social interactions** in Finland is from 2009 and there are no prior data available to examine change over time. In 2009, people aged 15 and over spent on average 6.2 hours per week interacting with family and friends as a primary activity. This is slightly above the OECD average of 6 hours (Figure 2.23). Differences in social interactions by gender and age are pronounced (see Chapter 3 for further details).

Figure 2.23. Social interactions

Hours per week spent interacting with friends and family as primary activity



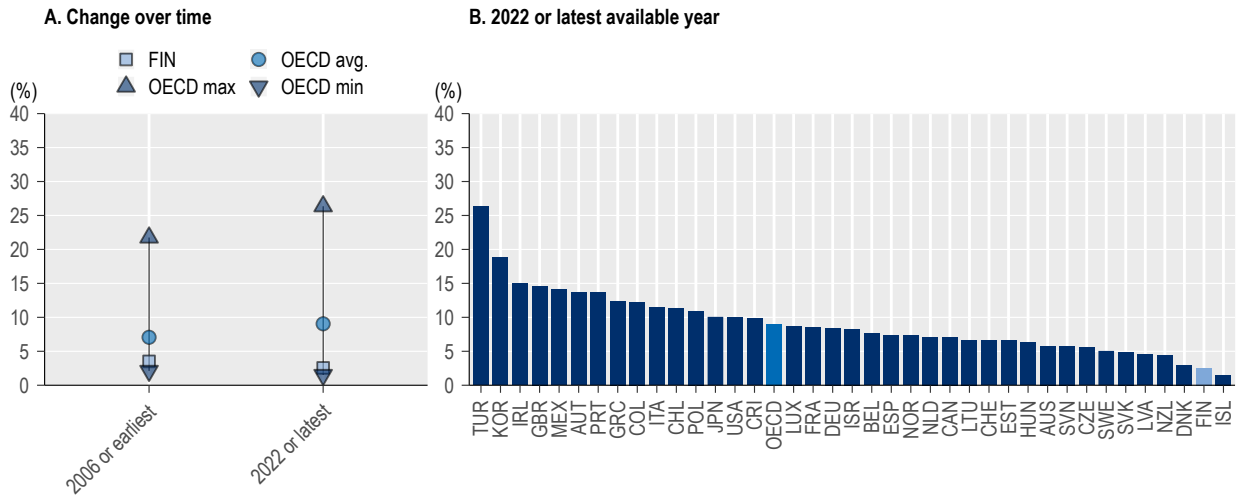
Note: Only the time spent interacting with family and friends as a main or primary activity is considered. The latest available year refers to 2018 for the United States; 2016 for Japan and the Netherlands; 2015 for Canada; 2014 for Korea, Türkiye and the United Kingdom; 2013 Italy; 2012 for Belgium, Germany, Greece, Luxembourg and Poland; 2010 for Norway and Sweden; 2009 for Austria, Estonia, Finland, France, Hungary, New Zealand and Spain; 2006 for Australia; and 2005 for Ireland. The OECD average includes only those 24 countries shown.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Comparatively few people in Finland **feel that they lack social support**. The share of Finns who reported having no friends or relatives whom they can count on in times of trouble was 3.5% in 2006 and, in contrast to the OECD average and the trend in the majority of OECD countries, further fell to 2.6% by 2022. This is the second lowest share after Iceland (with 1.5%). Meanwhile, the OECD average share of people who lack social support increased from 7.1% in 2006 to 9% in 2022 (Figure 2.24). There are some notable differences among different groups of the population for this indicator in Finland (see Chapter 3 for further details). When it comes to feelings of **loneliness**, 4.2% of Finns reported feeling lonely most or all of the time in the past four weeks in 2018, which was the eighth lowest proportion reported in the OECD, and below the OECD average of 5.4% (Figure 2.25, Panel A). However, loneliness rose markedly during the COVID-19 pandemic, particularly for young people (Figure 2.25, Panel B and see Chapter 1 for further details).

Figure 2.24. Lack of social support

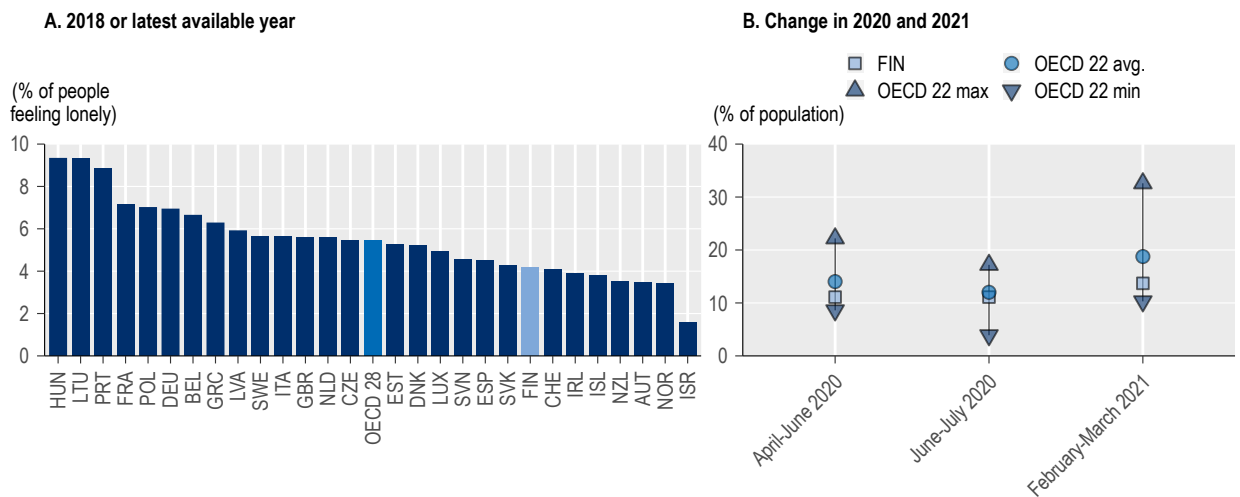
Share of people who report having no friends or relatives whom they can count on in times of trouble



Note: The latest available year is 2019 for Luxembourg; 2021 for Austria, France, Ireland, Israel, Italy, Korea, Latvia, Lithuania, the Slovak Republic, Spain, Switzerland, Türkiye, and the United Kingdom; and 2022 for all other OECD countries.
 Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Figure 2.25. Loneliness

Share of people feeling lonely most or all of the time in the past four weeks (Panel A) and in the past two weeks (Panel B)



Note: As Panel A and B show slightly different indicators and are drawn from different sources, they are not directly comparable. In Panel A, the OECD average does not include Australia, Canada, Chile, Colombia, Costa Rica, Japan, Korea, Mexico, Türkiye and the United States. In Panel B, the OECD average includes Austria, Belgium, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Portugal, Slovak Republic, Slovenia, Spain and Sweden.
 Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>. Eurofound, Living, working and COVID-19 e-survey (database), <https://www.eurofound.europa.eu/data/covid-19>.

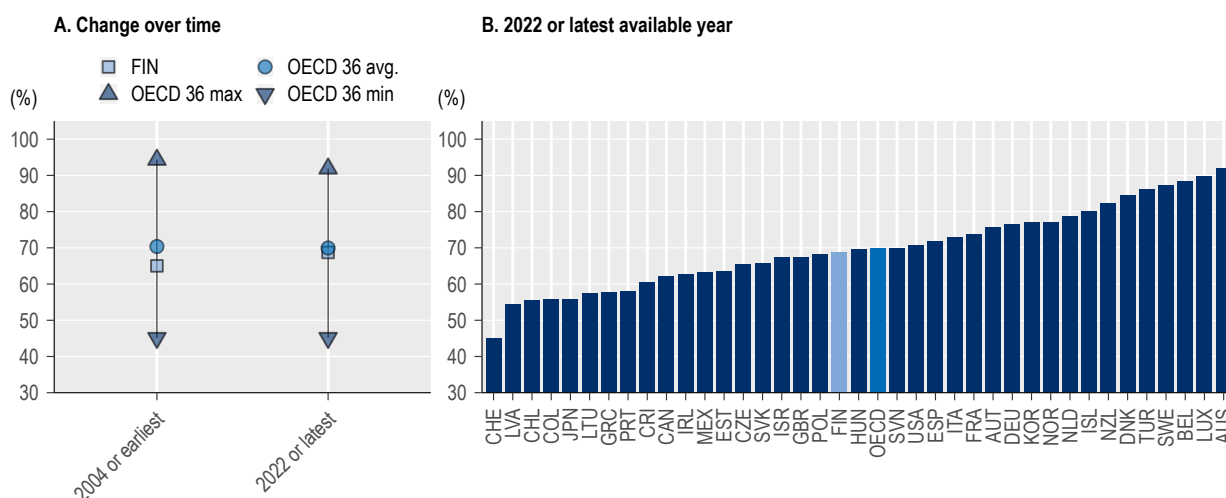
Civic engagement

Civic engagement encompasses whether or not citizens can and do take part in important civic activities that enable them to shape the society in which they live.

Voter turnout in Finland has increased modestly between 2007, when it was 65%, and 2019, when it reached 68.7%. Voter turnout is somewhat below the OECD average, which has been stable with 70.4% in 2004 and 70% in 2022. It is also considerably lower than in Nordic peers Norway (77.2% in 2021), Denmark (84.6% in 2019) and Sweden (87.2% in 2018) (Figure 2.26).

Figure 2.26. Voter turnout

Voter turnout among the population registered to vote in national elections



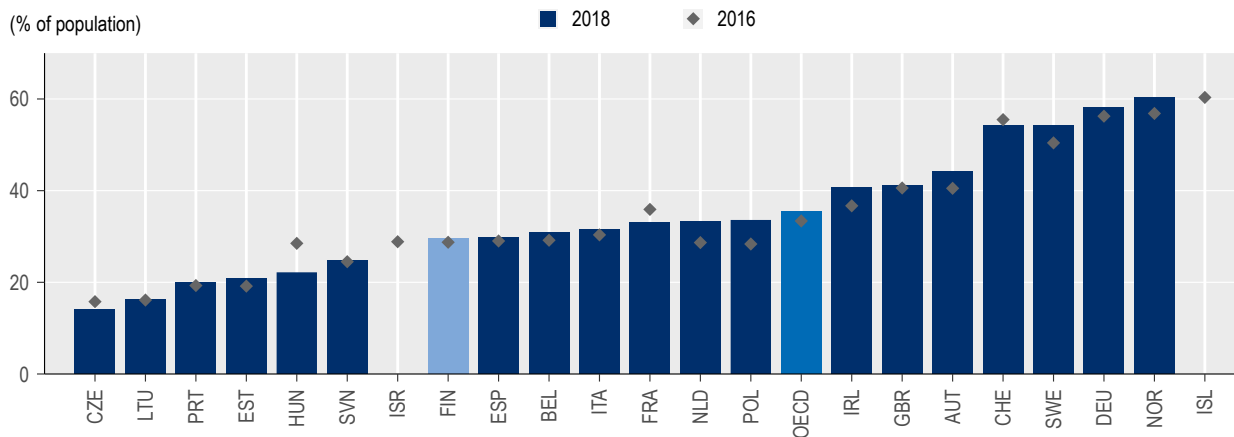
Note: National elections refers to presidential elections in France, Korea, Mexico, and the US, and to parliamentary ones in the other countries. Australia, Belgium, Luxembourg and Türkiye enforce compulsory voting. The latest available year is 2022 for Colombia, Costa Rica, France, Hungary, Korea, Portugal and Slovenia; 2021 for Canada, Chile, Czech Republic, Germany, Iceland, Israel, Japan, the Netherlands, and Norway; 2020 for Ireland, New Zealand, Poland, the Slovak Republic, and the United States; 2019 for Australia, Austria, Belgium, Denmark, Estonia, Finland, Greece, Lithuania, Spain, Switzerland, and the United Kingdom; and 2018 for Italy, Latvia, Luxembourg, Mexico, Sweden and Türkiye. In Panel A, the OECD average does not include Chile and Türkiye.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

In Finland, there is some room for improvement to increase **people's confidence to participate in politics**. The share of population who responded with “quite confident”, “very confident” or “completely confident” to the question “How confident are you in your own ability to participate in politics?” (a concept referred to as “internal political efficacy”) was below the OECD average in both 2016 and 2018 (Figure 2.27). In 2016, 28.7% of people in Finland reported being confident, compared to 33.4% for the OECD on average. By 2018, their share had increased to 29.6% in Finland and 35.4% for the OECD as whole.

Figure 2.27. Confidence to participate in politics

Share of people who answered with “quite confident”, “very confident” or “completely confident” to the question “How confident are you in your own ability to participate in politics?”

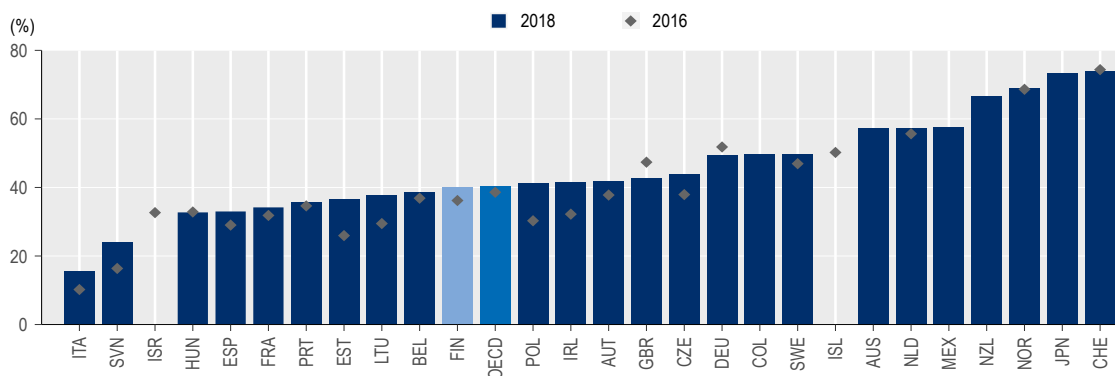


Source: (OECD, 2021^[37]), *Government at a Glance 2021*, OECD Publishing, Paris, <https://doi.org/10.1787/1c258f55-en>.

Less than half of the population, both in Finland and in most other OECD countries, feels they **have a say in what the government does** (a concept referred to as “external political efficacy”). In Finland, the share of the population who answered with “some”, “a lot” or “a great deal” to the question “How much would you say the political system in [your country] allows people like you to have a say in what the government does?” was 40.1% in 2018, just below the OECD average of 40.3%. However, the share of people in Finland that felt they had a say in the past years grew comparatively more than in other OECD countries, up from 36.2% in Finland and 38.6% for the OECD average in 2016 (Figure 2.28).

Figure 2.28. Having a say in what the government does

Share of people who answered “some”, “a lot” or “a great deal” to the question “How much would you say the political system in [country] allows people like you to have a say in what the government does?”



Source: (OECD, 2021^[37]), *Government at a Glance 2021*, OECD Publishing, Paris, <https://doi.org/10.1787/1c258f55-en>.

3

Background analysis: well-being and health inequalities in Finland

This chapter takes a deep-dive into the most pronounced inequalities across well-being and health outcomes in Finland explored in Chapter 2. The chapter discusses gaps between the top and bottom of the distribution (“vertical inequalities”) for different well-being outcomes as well as differences between population groups (“horizontal inequalities”) by gender, age and educational achievement. It draws on the headline indicators of the OECD Well-being Framework, but extends the analysis to other important areas covered in the OECD Well-being Dashboard.

Introduction

Compared to other OECD countries, inequalities in well-being outcomes in Finland are overall relatively small. This is true both for gaps between the top and bottom of the distribution (“vertical inequalities”) and differences between population groups (“horizontal inequalities”). In some areas, however, inequalities in Finland are large and have stagnated over the past decade, for instance when it comes to socio-economic differences in student performance or gender inequalities in work-life balance.

Vertical well-being inequalities

Overall, vertical inequalities in well-being outcomes - meaning gaps between those at the top and those at the bottom of the achievement scale - in Finland are comparatively small but have not improved much in the last two decades. For instance, in 2020, on average, households in the top 20% of the income distribution earned 3.7 times more than households at the bottom 20% of the income distribution. This is markedly lower than the OECD average value of 5.4 times, and the fifth lowest value among OECD countries. Income inequality in Finland has however stagnated between 2004 (at 3.8) and 2020 (3.7), which is the latest data point for Finland (see Figure 2.3 in Chapter 2). A similar story emerges when looking at the distribution of earnings in Finland. While well under the ratio of 3.3 for the OECD average, Finnish earners at the 90th percentile still earned 2.6 times more than those at the 10th percentile in 2019-21, and this has stagnated since 2004-06.

When it comes to vertical inequalities in quality of life, the life satisfaction scores of the top 20% of the distribution in Finland were about 1.5 times higher than those of the bottom 20% in 2018, outperforming the OECD average ratio of 2.1.

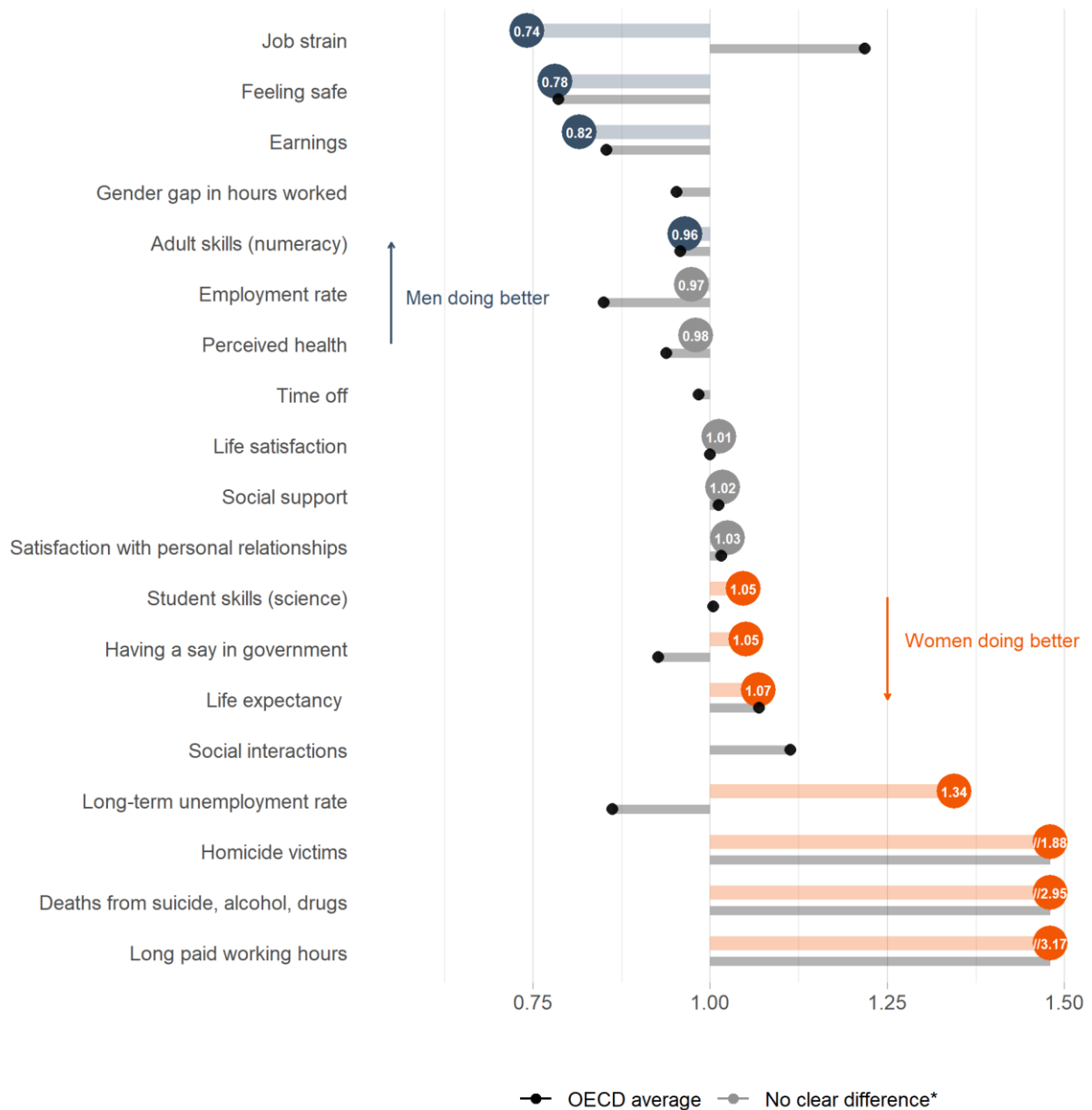
Well-being inequalities by gender

Gender inequalities in many well-being areas are comparatively small in Finland. This is for example the case for aspects such as perceived health, time off, life satisfaction, negative affect balance (the share people reporting more negative than positive feelings on the previous day), social support and satisfaction with personal relationships.

However, there are other areas in which gender inequalities stand out. Generally, men in Finland are doing better when it comes to job strain (in contrast to other OECD countries), feeling safe at night, earnings, employment, work-life balance and adult skills, while women are less likely to die in a homicide or by suicide, alcohol abuse or drug overdoses, and are also doing better when it comes to long paid working hours, long-term unemployment, life expectancy, feeling of having a say in what the government does, and in students’ cognitive skills (Figure 3.1). The following sections look at notable gender differences across well-being outcomes for both women and men in more detail.

Figure 3.1. Inequalities between men and women in Finland

Gender ratios (distance from parity) for selected indicators of current well-being, 2022 or latest available year



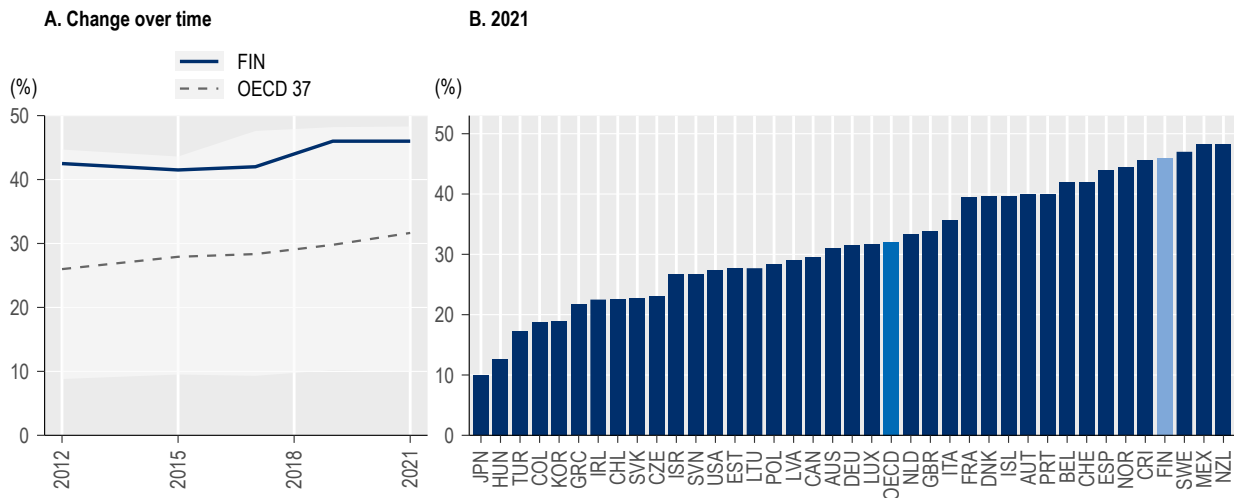
Note: *Grey bubbles denote no clear difference between men and women, defined as gender ratios within 0.03 points distance to parity. Grey bars denote general trend in OECD countries on average. Data for social support and feeling safe refer to pooled averages from 2010 to 2022. Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Well-being of women in Finland

On the upside, across OECD EU countries, Finland is second only to Sweden in women’s representation in the national parliament.¹⁵ As of 2021, following the parliamentary election in 2019, 46% of the Eduskunta were women, compared to the 32% average in OECD countries (Figure 3.2). This achievement in representation in the legislature contrasts with some notable gaps in other well-being outcomes that are holding women back.

Figure 3.2. Gender parity in politics

Share of women in the national parliament



Note: In Panel A, the OECD average does not include Costa Rica.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

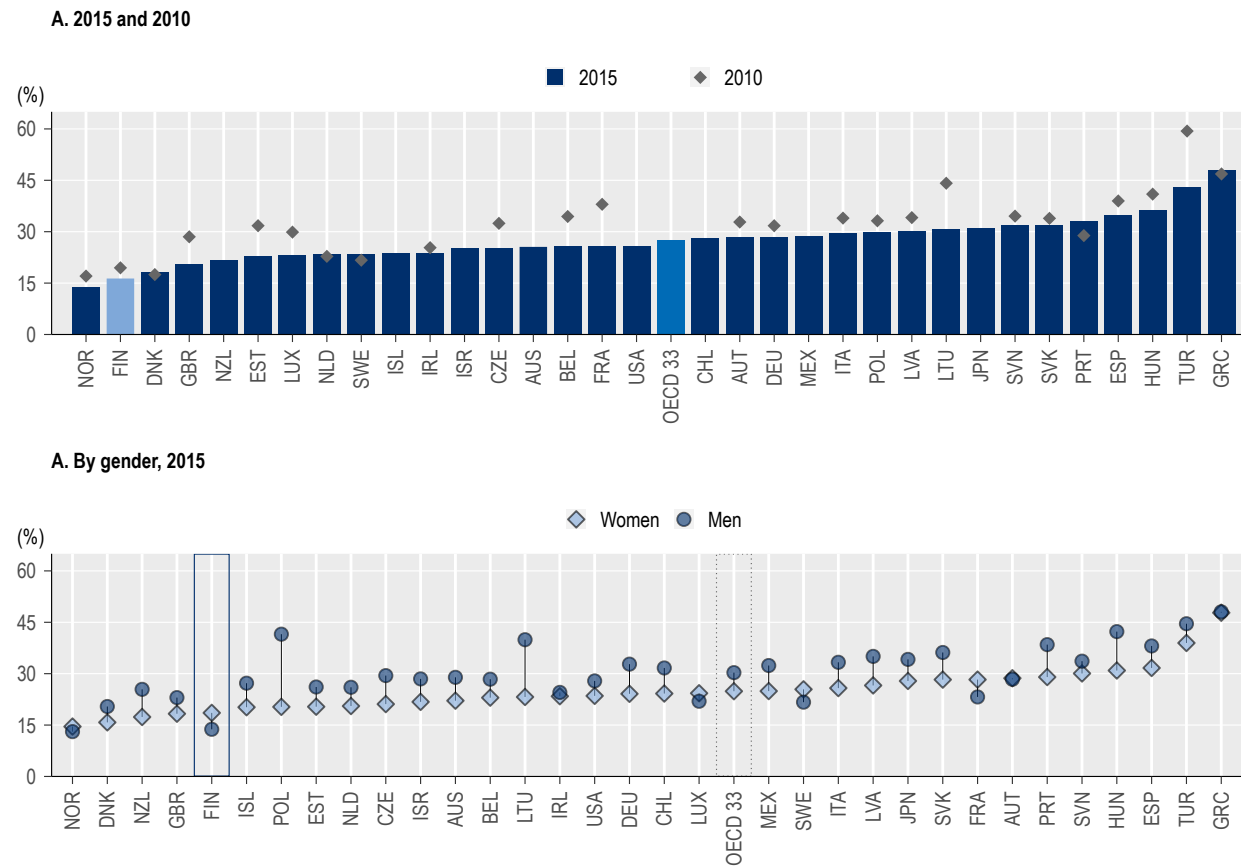
While the Finnish Equality Act determines that people performing the same work or work of equal value must receive the same pay, the gender wage gap is high in Finland. It is the 8th highest in the OECD and the third highest among OECD EU countries, behind Latvia and Estonia (see Figure 2.7 in Chapter 2). Indeed, although it dropped from 20% in 2004 (16.5% in the OECD on average) to 16% in 2020 (11.9% in the OECD on average), Finland's current gender wage gap is on par with the OECD average rate from nearly two decades ago. Progress on closing the gender pay gap in Finland accelerated between 2013-16 (from 20.2% to 16.5%), but the gap again in the following two years (from 16.5% to 18.9%), indicating the need for continuous attention and effort.

There is little difference in the employment rate between Finnish men and women. In 2021, the gap was 2.1 percentage points (with 79.7% of men and 77.6% of women being employed), the second lowest in the OECD after Lithuania. The gender employment rate gap for the OECD on average was 12.5 percentage points, with the employment rate among women at 70.1% and among men at 82.6%.

In contrast to the majority of OECD countries, Finnish women are more affected by job strain (a situation where job demands experienced by workers exceed the resources available to them) than men, in the context of overall low and declining levels of job strain compared to other OECD countries (Figure 3.3, Panel A). In Finland, 18.6% of women experienced job strain in 2015, compared to 13.7% of men (the OECD average being 24.9% for women and 30.3% for men) (Figure 3.3, Panel B).

Figure 3.3. Job strain

Share of employees who experienced a number of job demands exceeding that of job resources, percentage

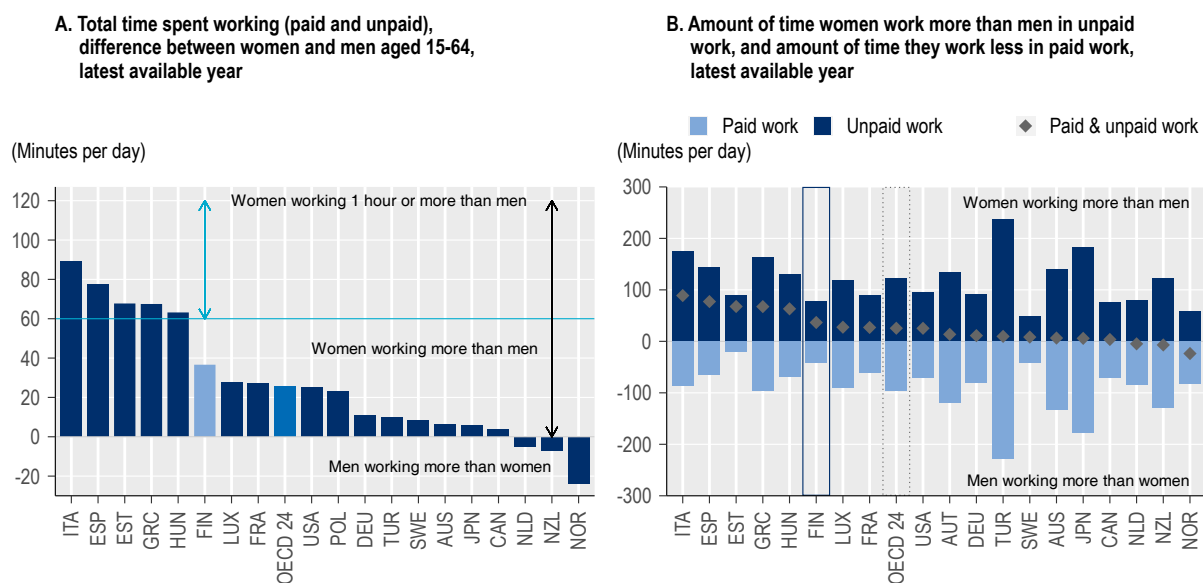


Note: In Panel A and B, the OECD average does not include Canada, Colombia, Costa Rica, Korea and Switzerland.
 Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Like in most other OECD countries with available data, women in Finland women spend more time than men in unpaid work, namely 78 minutes more per day in 2009 (compared to the OECD average of 122 minutes) (Figure 3.4, Panel A). Finnish women also spend more time working when both paid employment and unpaid work are taken into account jointly (Figure 3.4, Panel B). In 2009, the difference in total working hours in Finland was 37 minutes per day, compared to the OECD average of 25 minutes. Accordingly, men in Finland spent on average 42 minutes per day more than women in paid work (compared to 97 minutes on average in the OECD).

The gender gap in time available for self-care and leisure, including sleep, in Finland is among the smallest in the OECD. In 2009, Finnish women spent 15.1 hours a day on “time off”, and men 15.3 hours (OECD, 2020^[7]).

Figure 3.4. Gender gap in time spend in paid and unpaid work



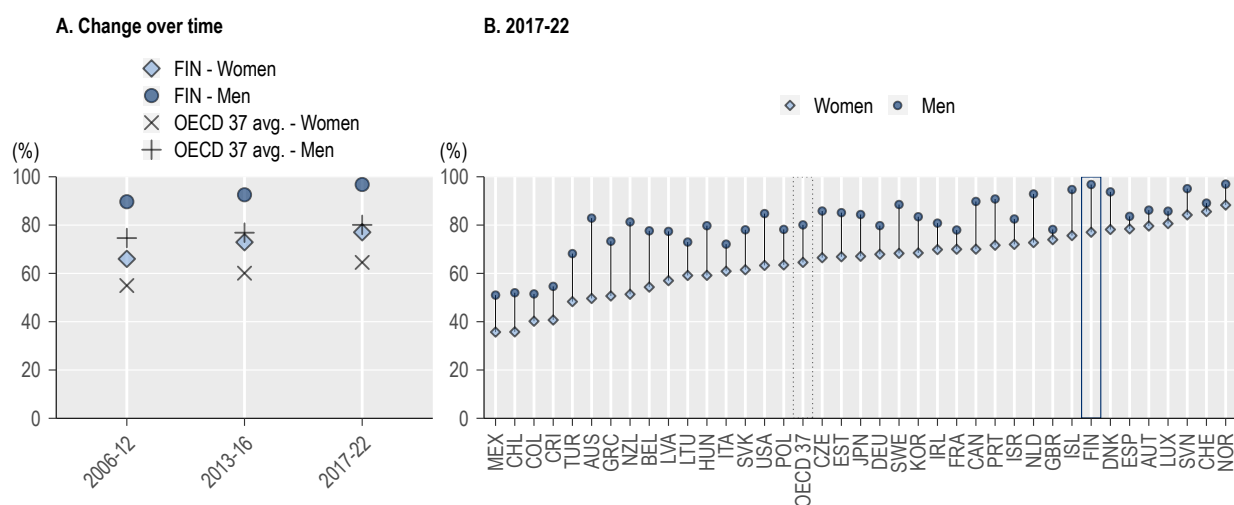
Note: In both Panels, countries are ranked in descending order of the gender gaps in time spent in paid and unpaid work combined. The latest available year refers to 2018 for the United States; 2016 for Japan and the Netherlands; 2015 for Canada; 2014-15 for Luxembourg, Turkey and the United Kingdom; 2014 for Korea; 2013-14 for Greece and Italy; 2012-13 for Belgium, Germany and Poland; 2010-11 for Norway; 2010 for Sweden; 2009-10 for Estonia, Finland, France, Hungary, New Zealand and Spain; 2008-09 for Austria; 2006 for Australia; and 2005 for Ireland. Data have been normalised to 1 440 minutes per day: in other words, for those countries for which daily time use did not sum up to 1 440 minutes, the missing or extra minutes (around 30-40 minutes usually) were proportionally distributed across all activities. Data refer to the population aged 15-64, except for Australia (aged 15 and more) and New Zealand (12 and more). Data for the OECD average exclude Chile, Colombia, the Czech Republic, Denmark, Iceland, Israel, Latvia, Lithuania, Mexico, Portugal, the Slovak Republic, Slovenia and Switzerland due to the lack of recent data (2005 or after), or methodological differences in data collection.

Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

When it comes to feeling safe at night, overall Finland performs well, taking the fourth place in the OECD in 2022 (see Chapter 2). However, the gender gap in feelings of safety is significant. When pooling data for 2017-22, the gender gap was 19.8 percentage points, with 77% of Finnish women feeling safe at night, compared to 96.8% of men (Figure 3.5). This gap has narrowed since 2006-12, but stagnated since 2013-16 (it was 23.7 and 19.7 percentage points, respectively).

Figure 3.5. Feeling safe at night, by gender

Share of men and women declaring that they feel safe when walking alone at night in the city or area where they live



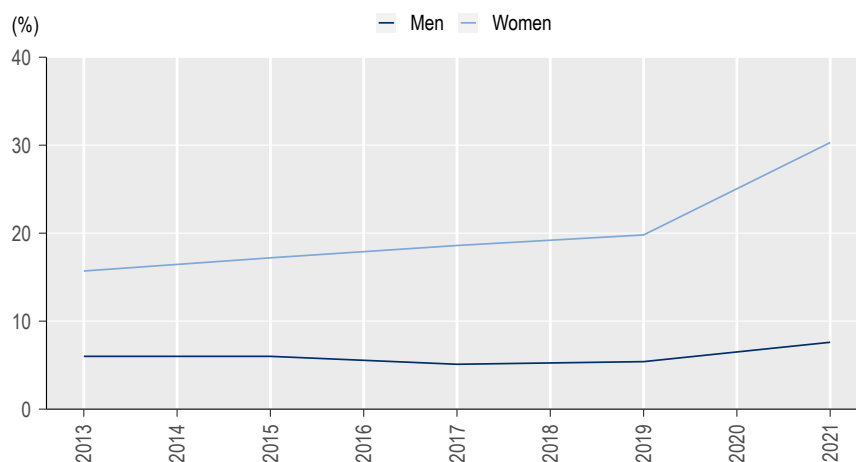
Note: The latest available year is 2019 for Luxembourg and 2021 for all other OECD countries. In Panel A and B, the OECD average does not include Iceland.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The first (and so far only) wave of the OECD Adult Skills Survey was fielded in 2012. Proficiency in numeracy and literacy was assessed on a scale from 0 (lowest) to 500 (highest), and revealed some gender gaps in adult skills in Finland. Women in Finland scored, on average, 10.2 points lower than men on proficiency in numeracy (277.1 for women and 287.3 for men). In contrast, women scored 3.2 points higher than men on proficiency in literacy (289.2 points for women and 286 points for men). In both areas, scores were well above the OECD average for both genders, which was 261.9 in numeracy and 266.2 in literacy.

Unlike in many other OECD countries, the gender gap in perceived health in Finland is comparatively small. The share of women in Finland reporting “good” or “very good” health was 69.1% in 2020 (an improvement from the 2004 level of 68.7%), and 70.5% of Finnish men reported good or very good health that year. At 1.4 percentage points, the gender gap in perceived health in Finland was below the OECD average gap of 4.4 percentage points, with men reporting good and very good health more frequently.

Finally, women in the OECD fare worse when it comes to some mental health outcomes (but not for deaths of despair, which are discussed later). In the OECD area as a whole, young women were more likely to report symptoms of anxiety and depression even before the pandemic, and in Finland there was a widening of gender gaps in some indicators of mental health, particularly so for anxiety (OECD/European Union, 2022_[16]). For example, in 2013, 6% of young men in Finland experienced symptoms of anxiety, compared to 15.7% of young women. In 2021, the gender gap had reached 22.7 percentage points (7.6% for young men and 30.3% for young women) (Figure 3.6) (Helakorpi and Kivimäki, 2021_[40]).

Figure 3.6. Share of students aged 14-20 in Finland with symptoms on anxiety, by gender

Note: Symptoms of anxiety in Finland have been measured using the General Anxiety Disorder-7 (GAD-7) scale, with a cut-off of >10. Data for Finland cover students in grades 8 and 9 of basic education, 1st and 2nd year students in upper secondary school, and 1st and 2nd year students in vocational institutions (data restricted here to ages 14 to 20).

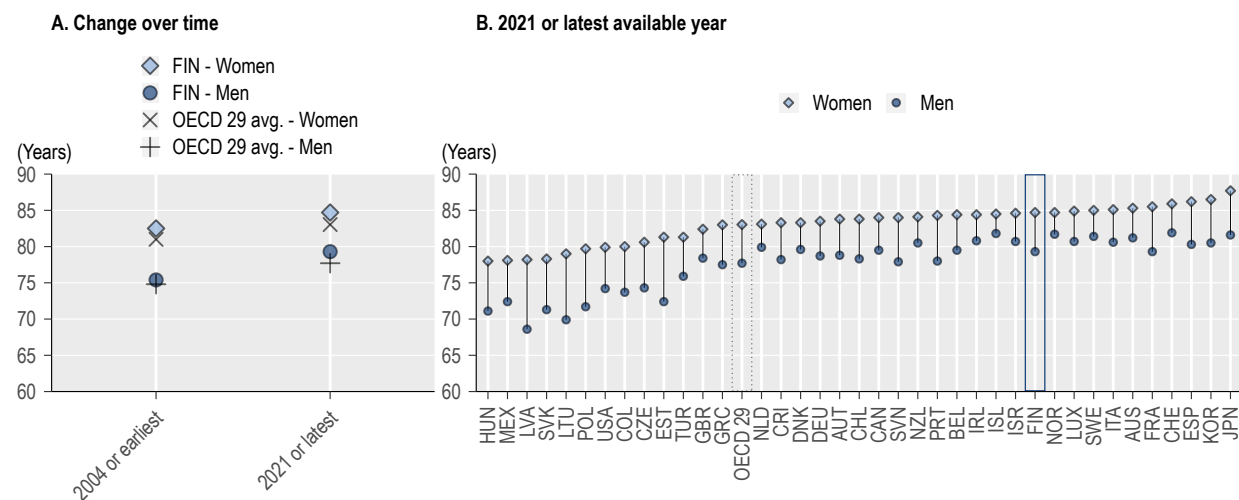
Source: Helakorpi, S. and H. Kivimäki (2021), *Wellbeing of children and young people - School Health Promotion study 2021: Large share of children and young people satisfied with their lives - a sense of loneliness has become more common*, Finnish Institute for Health and Welfare, <https://urn.fi/URN:NBN:fi-fe2021112557144>.

Well-being of men in Finland

There are also a number of areas where Finnish men are in a disadvantaged position vis-à-vis women, mostly concentrated in health-related areas, but also extending to some work-life balance aspects and student skills.

In 2021, life expectancy for Finnish men was, on average, 79.3 years, 5.4 years shorter than the average life expectancy of women at 84.7 years (Figure 3.7). This large difference is on par with the EU average and is mainly caused by deaths from cardiovascular diseases and external causes (including accidents and suicides) among Finnish men aged under 65 (OECD/European Observatory on Health Systems and Policies, 2021^[22]). The gender gap in life expectancy has decreased since 2004, when it was 7.1 years. While overall life expectancy in Finland grew by 3 years between 2004 (79 years) and 2021 (82 years), the life expectancy for men grew by 3.9 years and 2.2 years for women. This reflects lower gains for women, where longevity was already comparatively high (11th in the OECD).

Figure 3.7. Life expectancy, by gender



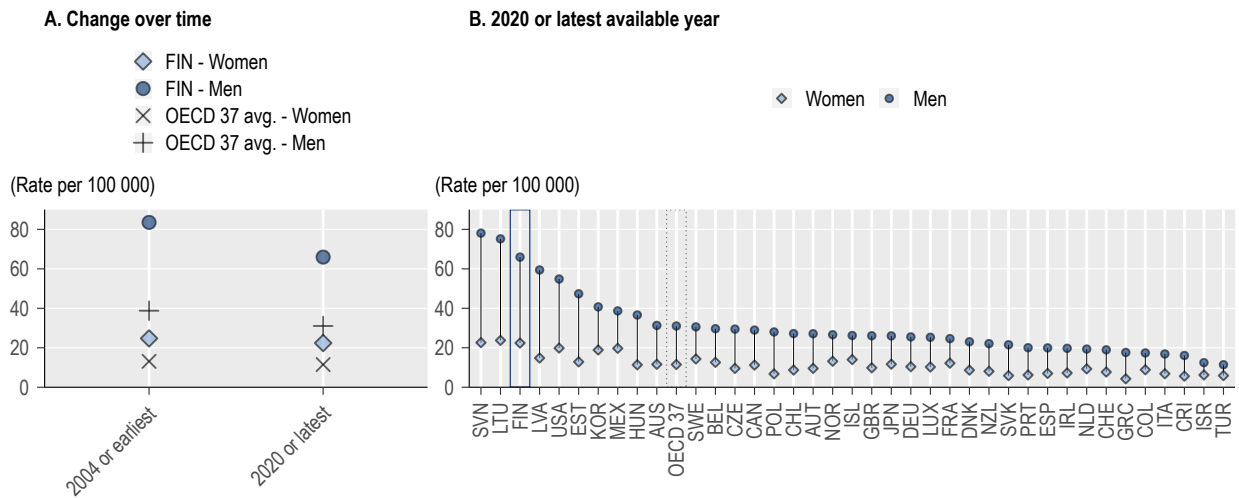
Note: The latest available year is 2021 for Austria, Belgium, Switzerland, Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Israel, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, and Sweden; 2020 for Australia, Canada, Ireland, Japan, Korea, Mexico, New Zealand, the United Kingdom, and the United States; and 2019 for Türkiye. In Panel A and B, the OECD average does not include Belgium, France, Hungary, Israel, Luxembourg, Poland, Slovenia, Switzerland and Türkiye.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Similar to the overall pattern among OECD countries, deaths from suicide, acute alcohol abuse and drug overdose are much higher among Finnish men than women, and the gap is among the largest in the OECD (Figure 3.8, Panel B). Overall levels of deaths of despair in Finland have fallen over time, and the fall has been largely driven by considerably fewer deaths among men (from 83.5 in 2004 to 65.9 per 100 000 in 2018), with less progress for women (from 24.8 in 2004 to 22.4 per 100 000 in 2018). (Figure 3.8, Panel A). For Finnish women, the rate of deaths of despair actually increased between 2016 (20.5 per 100 000) and 2018 (22.4 per 100 000). For both genders, deaths of despair in 2020 (or the latest available year) were the third highest among OECD countries after Lithuania and Slovenia.

Figure 3.8. Deaths of despair, by gender

Deaths from suicide, acute alcohol abuse and drug overdose, per 100 000 population (age-standardized)



Note: The latest available year is 2020 for Australia, Austria, Costa Rica, Czech Republic, Estonia, Germany, Iceland, Latvia, Lithuania, Mexico, the Netherlands, Slovenia, Spain, and the United States; 2019 for Canada, Colombia, Greece, Hungary, Israel, Japan, Korea, Luxembourg, Poland, the Slovak Republic, Switzerland, Türkiye and the United Kingdom; 2018 for Belgium, Chile, Denmark, Finland, Ireland, Portugal, and Sweden; 2017 for France and Italy; and 2016 for Norway and New Zealand. In Panel A and B, the OECD average does not include Greece. Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

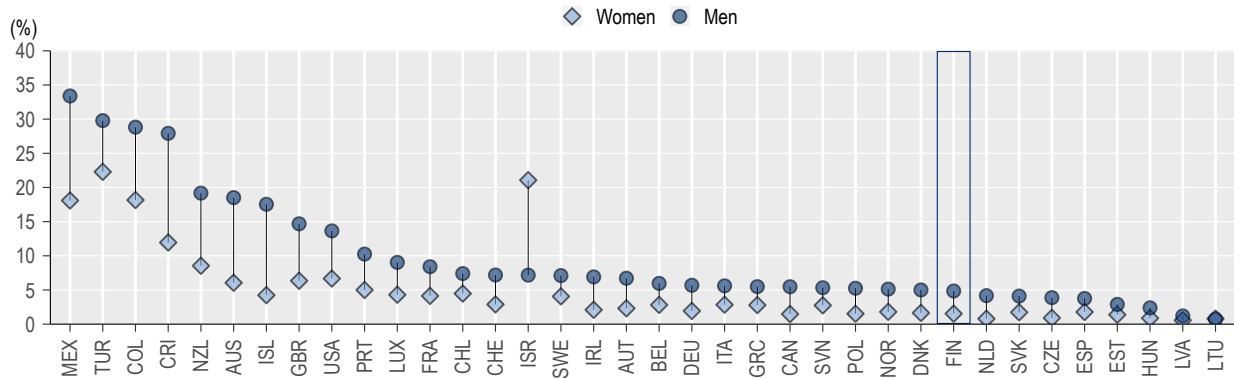
There are also gender differences when it comes to safety. As discussed, women on average report lower levels of feeling safe at night, while men are more likely to become victims of homicides. In Finland in 2019, 0.8 women per 100 000 were victims of homicides, compared to 1.5 men per 100 000. As noted in Chapter 2, the average homicide rate for Finland was 1.2 per 100 000, which is 4th highest among European OECD countries.

When it comes to job quality aspects, Finnish men, as their counterparts in other OECD countries, are more likely to spend long hours in paid work than women. In 2021, the share of female employees aged 15+ usually working 50+ hours per week was 1.5% compared to 4.9% for men in Finland, a gap of 3.4 percentage points. 20 OECD countries had a larger gender gap for this indicator (Figure 3.9).

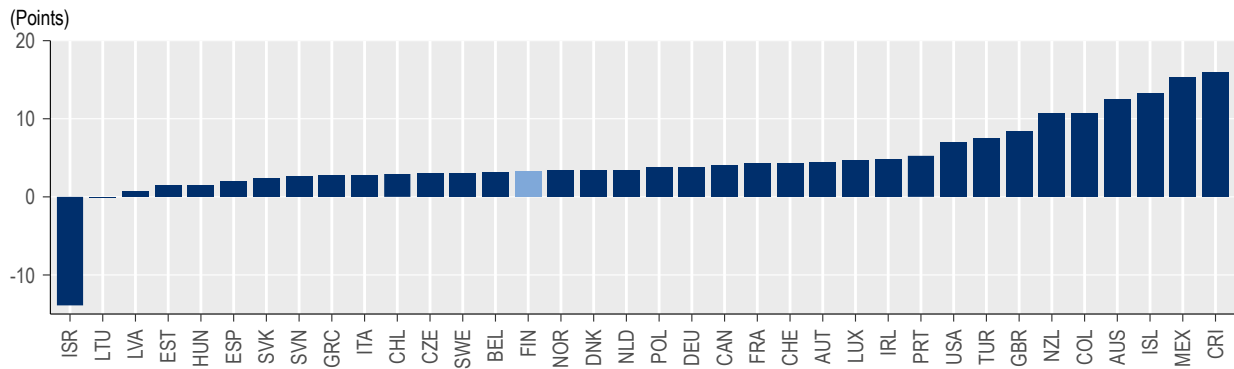
Figure 3.9. Long hours in paid work, by gender

Share of employees over the age of 15 usually working more than 50 hours per week

A. By gender, 2021 or latest available year



B. Gap (Men - Women)



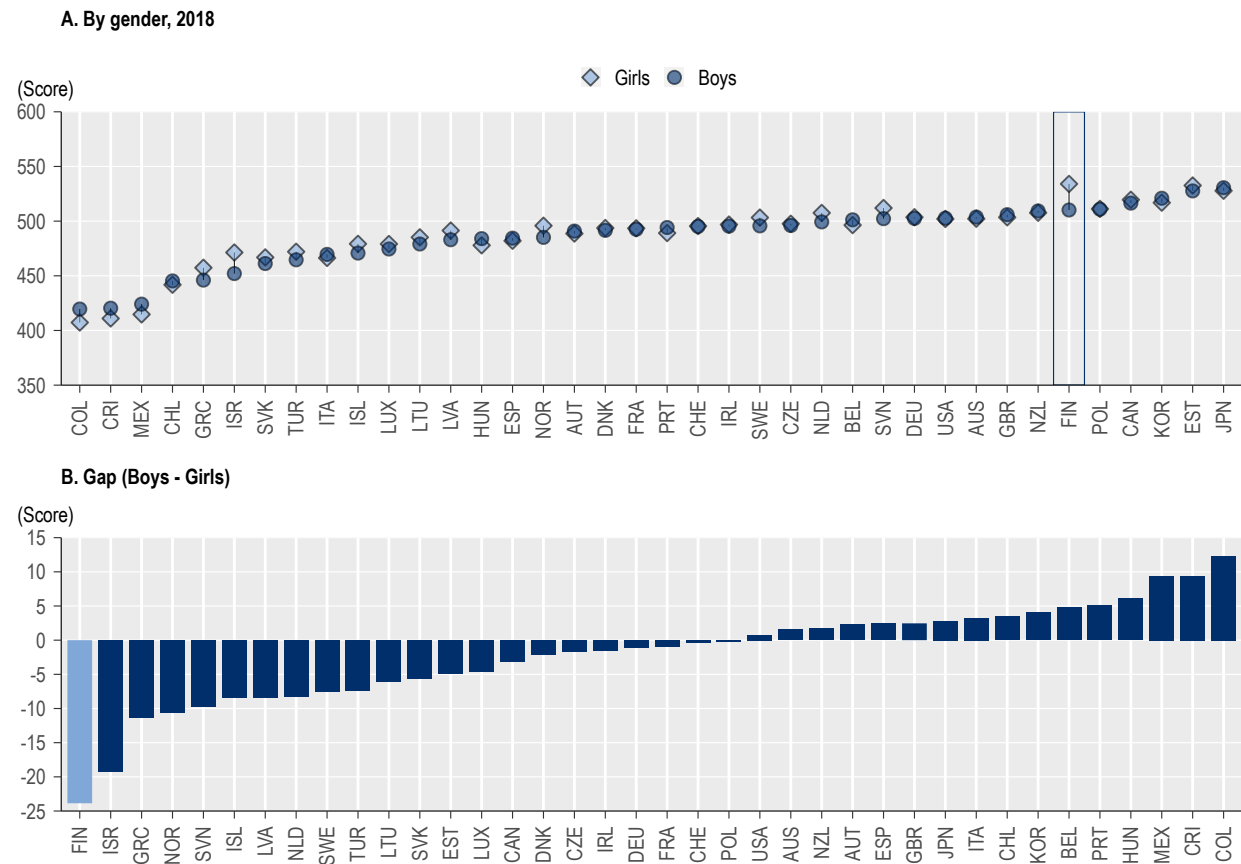
Note: The latest available year is 2018 for Australia and 2021 for all the other OECD countries.
 Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Incidence of long-term unemployment (the share of the labour force that is unemployed for one year or more) is also higher for Finnish men. The gender gap in long-term unemployment was 0.5 percentage points in 2021, with 1.6% of women and 2.1% men in long-term unemployment. In the OECD on average, and contrary to the situation in Finland, women had a higher incidence of long-term unemployment (2.3%) than men (2.0%).

When it comes to students' cognitive skills, Finnish boys fare worse than girls, and this gender gap is the largest among OECD countries. In the 2018 PISA assessment, while the average score for Finland was third highest in the OECD (after Estonia and Japan) and first among girls, boys scored on average 24 points fewer than girls (Figure 3.10). The gender gap in reading, where boys scored on average 52 fewer points than girls, was also among the widest across all PISA participating countries/economies (OECD, 2018^[13]).

Figure 3.10. Gender gap in students' cognitive skills in science

PISA mean scores in science, 15-year-old students, by gender



Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Gender gaps were also noticeable when it comes to social interactions. While Finnish women spent, on average, 6.8 hours per week in social interactions, men spent an hour and 17 minutes less interacting with friends and family as a primary activity (around 5.5 hours per week). Out of the 24 OECD countries with comparable data, only five had larger gender gaps than Finland. In Norway, New Zealand, Australia and the United Kingdom, as in Finland, women spent significantly more time on social interactions, while in Italy men spent significantly more time interacting with friends and family.

Finally, in contrast to most OECD countries, a slightly lower proportion of Finnish men felt they had a say in what the government does in 2020 (44.9% in Finland, while the OECD average was 45.7%), in comparison to women (47.2% in Finland and 44% in the OECD on average). The situation has flipped compared to 2018, when a comparatively lower share of Finnish women felt they had a say in what the government does (37.8% for women and 42.2% for men).

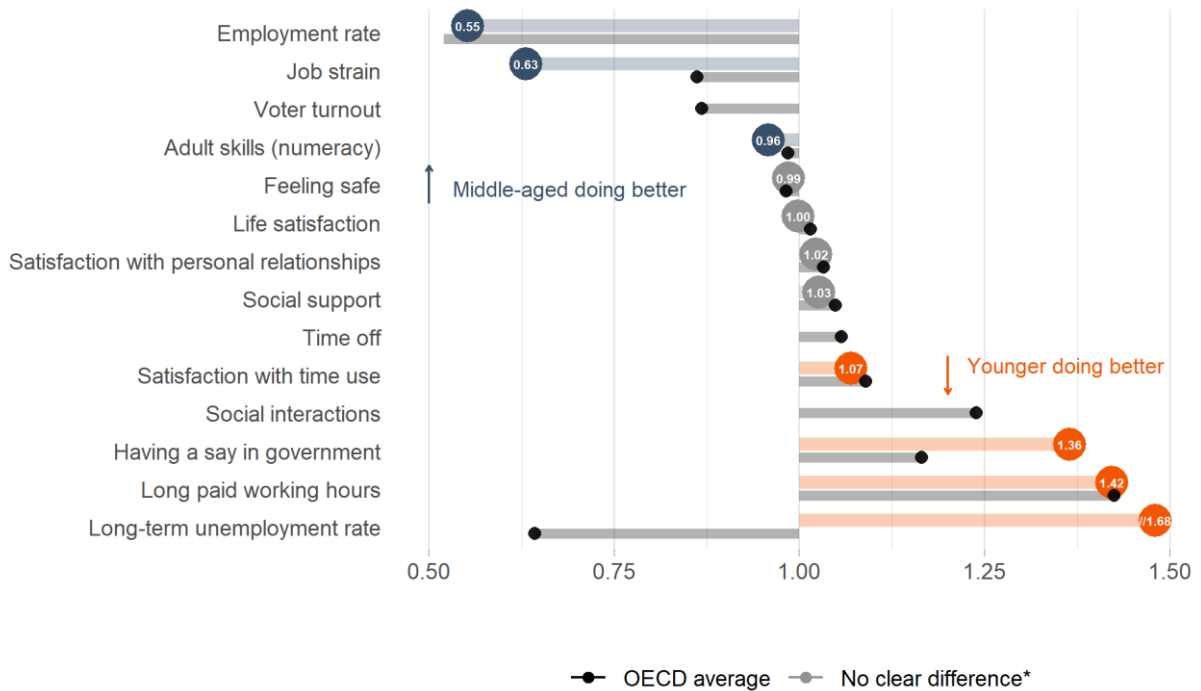
Well-being inequalities by age

In terms of well-being inequalities by age, there are some notable differences in outcomes between younger people (aged 15-24/29), the middle-aged (aged 25/30 to 45/50) and older people (aged 50 and over). On the one hand, a lower share of young people in Finland, relative to their middle-aged and older peers, faces long paid working hours, whilst middle-aged are more likely to be employed. On the other

hand, a lower share of middle-aged and older people, compared to the young, reports facing job strain. Not surprisingly, young people have higher levels of perceived health, and spent more time interacting with family and friends compared to older age groups. Younger people in Finland are also more likely than other age groups to say that they feel like they have a say in what the government does (Figure 3.11 and Figure 3.12).

Figure 3.11. Inequalities between the young and the middle-aged in Finland

Age ratios (distance from parity) for selected indicators of current well-being, 2022 or latest available year

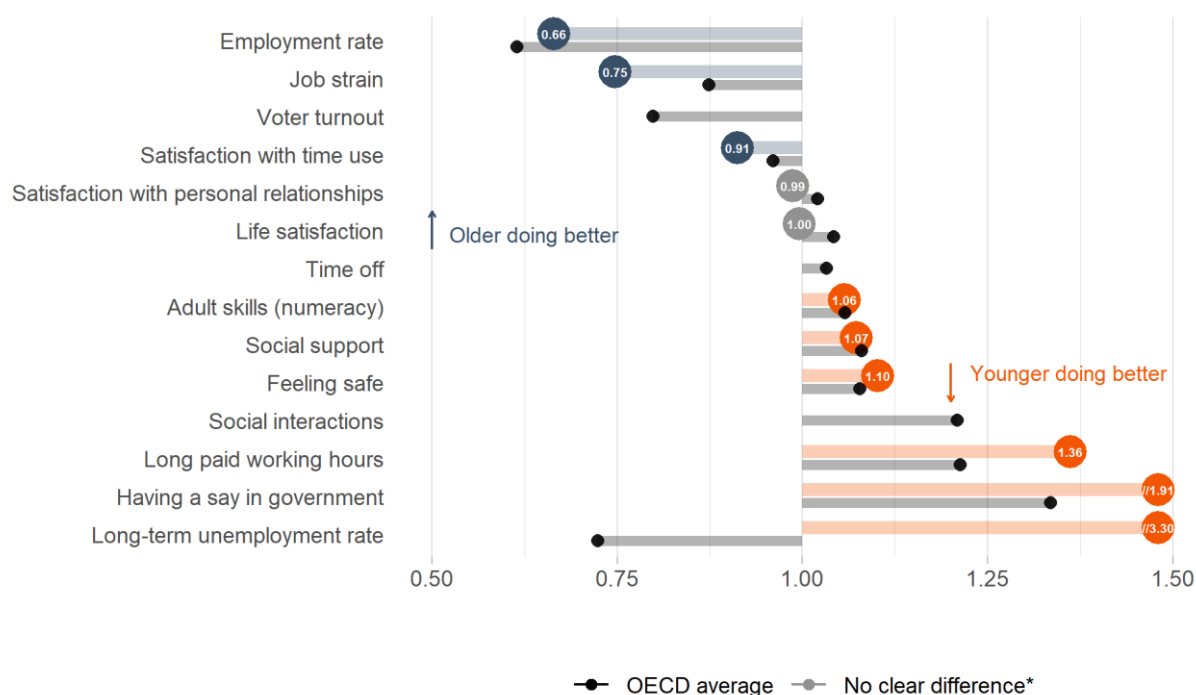


Note: Age ranges differ according to each indicator and are only broadly comparable. They generally refer to 15-24/29 years for young people, and 25/30 to 45/50 years for the middle-aged people. See the How's Life? Well-being database for further details. *Grey bubbles denote no clear difference between age groups, defined as age ratios within 0.03 points distance to parity. Data for social support and feeling safe refer to pooled averages from 2010 to 2022.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Figure 3.12. Inequalities between the young and people over the age of 50 in Finland

Age ratios (distance from parity) for selected indicators of current well-being, 2022 or latest available year



Note: Age ranges differ according to each indicator and are only broadly comparable. They generally refer to 15-24/29 years for young people, and 50 years and over for older people. See the How's Life? Well-being database for further details. *Grey bubbles denote no clear difference between age groups, defined as age ratios within 0.03 points distance to parity. Data for social support and feeling safe refer to pooled averages from 2010 to 2022.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Well-being of people over 50 in Finland

A larger proportion of Finns over the age of 50 face long-term unemployment (are unemployed for longer than a year) than the middle-aged and the young. This is different from the overall trend in other OECD countries, where the incidence of long-term employment is highest among young people. While the overall rate of long-term unemployment was 1.9% in Finland in 2021, it was 1% among the young (significantly below the OECD average of 3.4%), 1.6% for the middle-aged (below the OECD average of 2.2%) and 3.2% among those above the age of 50 (above the OECD average of 2.5%).

The first (and last) wave of the OECD Adult Skills Survey was fielded in 2012. Proficiency in numeracy and literacy was assessed on a scale from 0 (lowest) to 500 (highest) and revealed some age gaps in Finland. For both literacy and numeracy, people over the age of 50 had the lowest scores, while the middle-aged had the highest. Scores in numeracy were 269.4 for those over the age of 50, 284.8 for the young, and 297.4 for the middle-aged (all above the OECD average for all age groups at 261.9 points). Scores in literacy were 271.7 for those over the age of 50, 296.7 for the young, and 304 for the middle-aged (all above the OECD average for all age groups at 266.2).

Differences in perceived health between age groups in Finland are large (partly a natural function of age), though generally smaller than for the OECD on average. In Finland, only 51.2% of people over the age of 50 perceive their health as "good" or "very good", compared to 75.9% among the middle-aged and 81.2% among the young. The perceived health for the young was below the OECD average of 88.9% for this age

group, while for the middle-aged and those over the age of 50 Finland's performance was above the OECD average (71.2% for middle-aged and 44.6% for over the age of 50).

Finns over the age of 50 are less likely to feel safe at night, compared to other age groups. Data pooled for 2010-22 shows that the share of people over the age of 50 declaring that they feel safe when walking alone at night in the area they live was 78.3%, compared to 86.5% among the young and 87.7% among the middle-aged. These gaps by age are somewhat larger than for other OECD countries, though overall levels of feeling safe in Finland are comparatively high for all age groups (in the OECD, 64.7% of older, 71.6% of middle-aged and 70.1% of young people declared feeling safe between 2010-22).

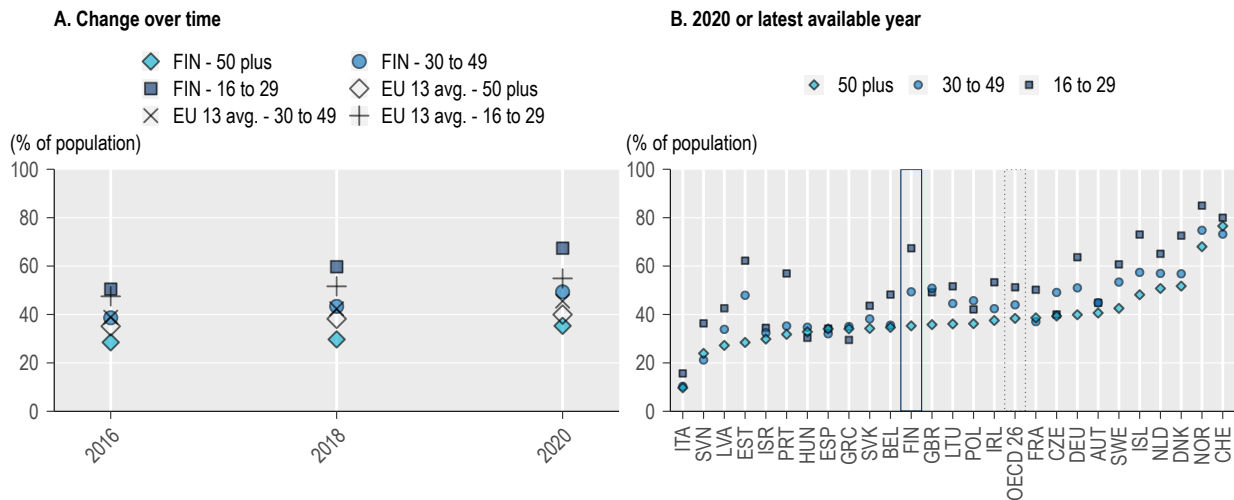
Although Finns over the age of 50 have more time for leisure and personal care, they also report higher levels of loneliness (before the onset of the COVID-19 pandemic, during which young people emerged as the loneliest age group, see Chapter 1). Among those over the age of 50, 4.9% reported feeling lonely, compared to 3.1% among the middle-aged and 4% among the young in 2018. As in other OECD countries, Finns over the age of 50 also spent the least amount of time interacting with family and friends: the young spent 8.9 hours per week on social interaction, while the middle-aged spent 5.8 hours and people over the age of 50 only 5.3 hours in 2009 (the latest available data point).

Similarly, older Finns are also less likely to feel social support compared to younger age groups. 93.8% of people over 50 feel they have someone to turn to in case of need, which is well-above the OECD average of 85.6% for this age group, but below the very high perceived support level reported by the middle-aged (96.7%) and the young (98.5%) in Finland.

Finally, older Finns have the lowest proportion in feeling like they have a say in the government and the gap with the middle-aged and the young has increased in the past years Figure 3.13. In 2016, only 28.5% of those over the age of 50 felt they had a say in what the government does, compared to 38.6% among the middle-aged, and 50.5% among young people. In 2020, four years later, confidence rose for all age groups, to 35.3% for those over 50 (still below the OECD average of 40%), to 49.4% for the middle-aged (above the OECD average of 45.5%) and to 67.4% among young people (above the OECD average of 54.9%).

Figure 3.13. Having a say in what the government does, by age

Share of people aged 16-65 who feel they have a say in government



Note: The latest available year is 2018 for Austria, Belgium, Denmark, Germany, Ireland, Latvia, Poland, Spain, Sweden and the United Kingdom; 2016 for Israel; and 2020 for all other countries. In Panel A, the EU13 average includes Czechia, Estonia, Finland, France, Hungary, Iceland, Italy, Lithuania, Netherlands, Norway, Portugal, Slovenia and Switzerland. In Panel B, the OECD average does not include Australia, Canada, Chile, Colombia, Costa Rica, Japan, Korea, Luxembourg, Mexico, New Zealand, Türkiye and the United States.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Well-being of the middle-aged in Finland

The share of Finnish employees aged 15+ usually working more than 50 hours per week in paid employment was the highest among the middle-aged, though overall levels of long working hours as well as gaps with other age groups were small compared to other OECD countries. For instance, in Finland only 3.3% of the middle-aged reported working long hours, well below the OECD average of 8%, and the difference with those over the age of 50 was only 0.2 percentage points (compared to average gap in OECD of 2.2 percentage points). The difference with the young was 1 percentage point (compared to average gap in OECD of 3.5 percentage points).

The middle-aged in Finland are least satisfied with their time use. In 2013, on a 0-10 scale, the middle-aged reported a mean satisfaction score with their time use of 7 (OECD average was 6.4), compared to 7.5 for the young (OECD average 7) and 8.2 for those over the age of 50 (OECD average of 7.4).

Well-being of the young in Finland

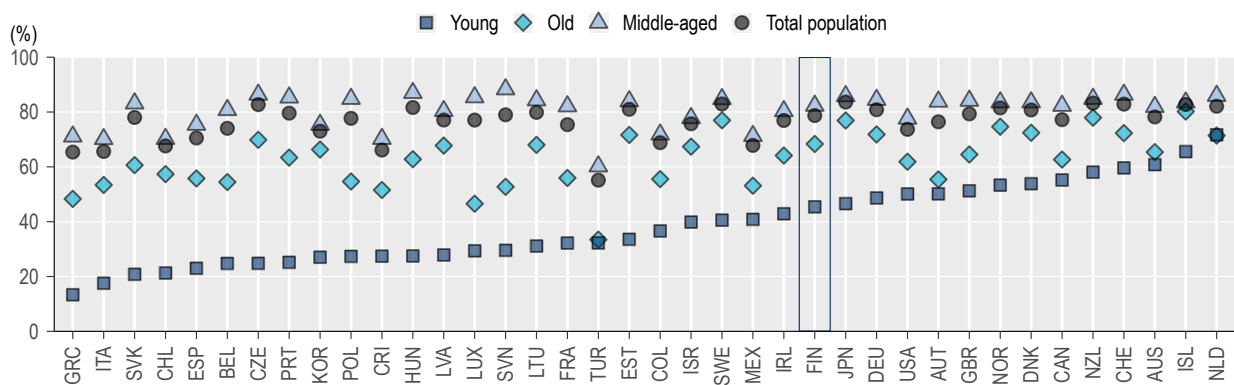
Similar to many other OECD countries, young people in Finland are facing employment challenges. In 2021, the employment rate among the young was 45.5%, compared to 82% for the middle-aged and 68.3% among those over the age of 50 (Figure 3.14, Panel A). Fifteen OECD countries had a smaller gap in the employment rate between the young and middle-aged (Figure 3.14, Panel B). Young people in Finland also face higher job strain, with 22.4% of young people feeling the job demands exceed the resources available to them in 2015. Among the middle-aged, 14.1% felt job strain, compared to 16.7% among those over the age of 50.

In Finland, as in other OECD countries, youth mental health is showing some worrying trends, and needs to be carefully monitored. The share of Finnish students (aged 14-20) reporting moderate or severe symptoms of anxiety increased by more than 50% between 2019 and 2021, from 12.6% to 19.2% (OECD/European Union, 2022^[16]). While the overall prevalence of anxiety in the Finnish population was

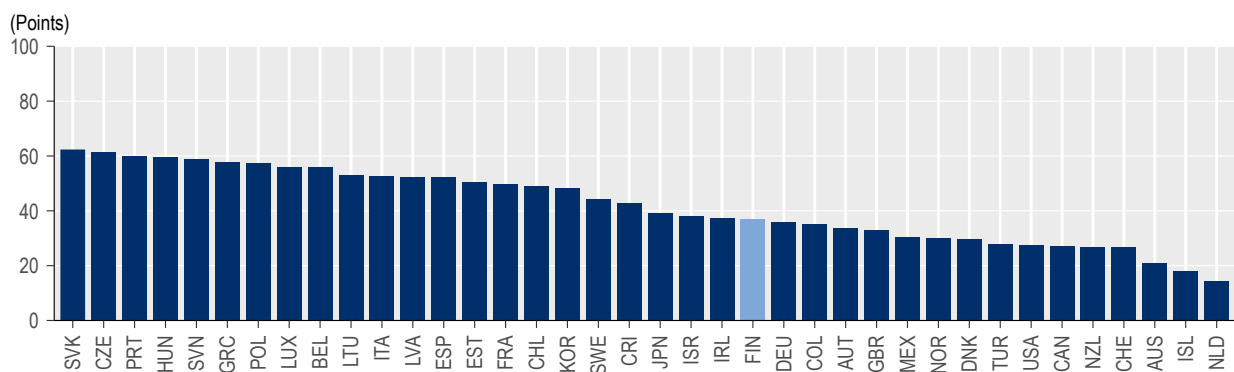
higher than for young people (at 21.5% in 2021), the increase among youth is cause for concern. In this context, Finland has expanded low-threshold mental health support. The government expanded its programme to provide psychosocial support through one-stop youth centres called “Ohjaamo/Navigators”, which offer integrated agency interventions to young people (OECD/European Union, 2022^[16]). However, waiting times for mental health care specialists have increased since the COVID-19 pandemic: in September 2022, 40% of children and young people had to wait more than 90 days for specialised mental health care, up from 13% in August 2019 (Figure 3.15).

Figure 3.14. Employment rate - gap in age groups

A. By age group, 2021

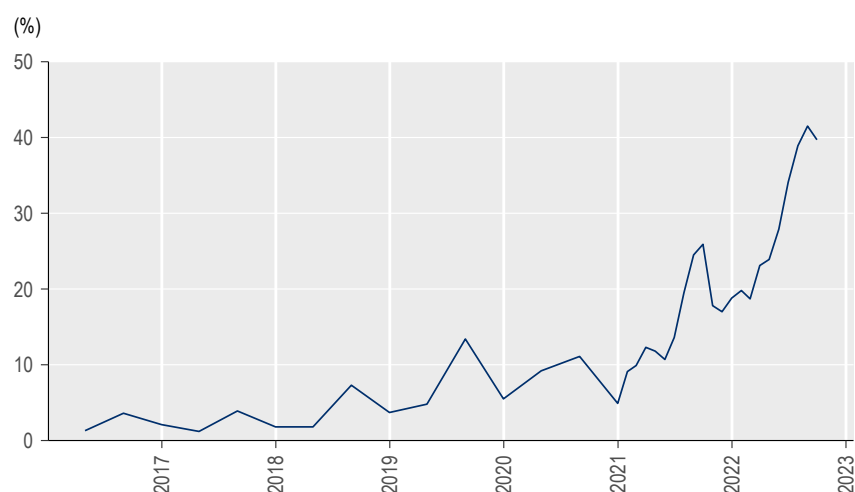


B. Gap (Middle-age - Young)



Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Figure 3.15. Share of children or young people in Finland waiting more than 90 days for non-urgent specialised mental care, hospital districts



Source: Finnish Institute for Health and Welfare, 2022.

Well-being inequalities by level of education

In Finland, as in other OECD countries, gaps by level of education are large in a number of well-being dimensions. Between people who have attained tertiary education and those that have achieved only secondary education, tertiary-educated are doing better in almost all areas of well-being, from labour market to health and civic engagement outcomes, the only exception being working long hours (Figure 3.16).

In 2021, the gap in the employment rate between Finns with tertiary education and those who have achieved only secondary education was 11 percentage points (87.8% for tertiary and 76.8% for secondary educated). The gap widened slightly compared to 2014, when it was 10.3 percentage points (83.5% for tertiary and 73.2% for secondary educated). This is consistent with the trend in other OECD countries, where the gap in employment by educational attainment increased from 9.9 percentage points in 2014 to 10.4 percentage points in 2021. Employment rates in Finland improved both for those with tertiary education and those who had left education after secondary school between 2014 and 2021.

Finns that left education after secondary school also faced higher job strain. In 2015, among people with only secondary education, 25.8% felt their work demands exceeded the resources available to them, compared to 5.9% among those who had achieved tertiary education.

The long-term unemployment rate among Finns who had attained only primary education was 4.8% in 2021, considerably lower than for those who had achieved secondary education (1.9% in Finland compared to the OECD average of 2.2%) and tertiary education (1.5% in Finland compared to the OECD average of 1.3%).

Figure 3.16. Inequalities between people with different educational attainment in Finland

Education ratios (distance from parity) for selected indicators of current well-being, 2022 or latest available year



Note: *Grey bubbles denote no clear difference between groups with different educational attainment, defined as education ratios within 0.03 points distance to parity. Data for social support and feeling safe refer to pooled averages from 2010 to 2022.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

When it comes to health outcomes, social inequalities run deep (OECD/European Observatory on Health Systems and Policies, 2021^[22]). For instance, in 2017, the gap in life expectancy at age 25 between men with tertiary education and those who left education after secondary school was 3.8 years (53.8 years for those who had left education after secondary school and 57.6 years for those who had achieved tertiary education), compared to the OECD average gap of 3.9 years (Figure 3.17). For Finnish men, the gap in life expectancy by educational attainment narrowed in comparison to 2011 (the earliest year for which data are available), when it was 4.1 years. For women, the 2017 gap in life expectancy at age 25 between those who had achieved secondary education and those who had achieved tertiary education was 1.9 years (at 59.6 years and 61.5 years respectively), compared to 1.8 years in the OECD on average. Here, the gap in life expectancy by educational attainment for Finnish women widened slightly compared to 2011, when it was 1.8 years.

When it comes to differences in perceived health, Finns who achieved tertiary education and those who left education after secondary school stood at 10.6 percentage points in 2020 (latest year for Finland), slightly above the OECD average gap of 10.3 percentage points in 2021. Indeed, 69.8% of Finns with secondary education achievement and 80.4% of those who have achieved tertiary education rated their

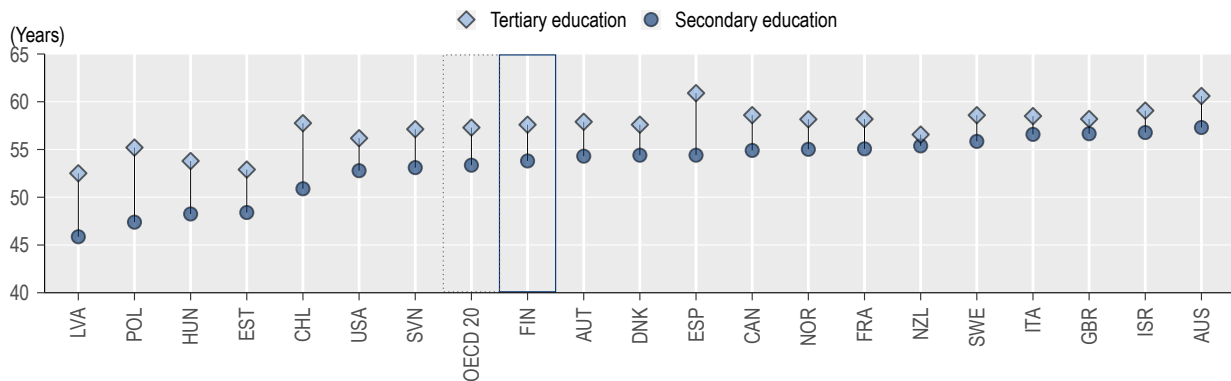
health as “good” or “very good”. Among Finns with who left schooling after achieving primary education, only 51.2% felt the same way.

Finns who left education after secondary school also enjoyed less social support than people with tertiary education, though this gap is small when compared to other OECD countries. Between 2010-22, 97.3% of Finns with tertiary education achievement felt they had someone to turn to in time of need, compared to 95.9% of those who left education after secondary school. In the OECD on average, 92.2% of tertiary-educated and 89% of secondary-educated felt socially supported.

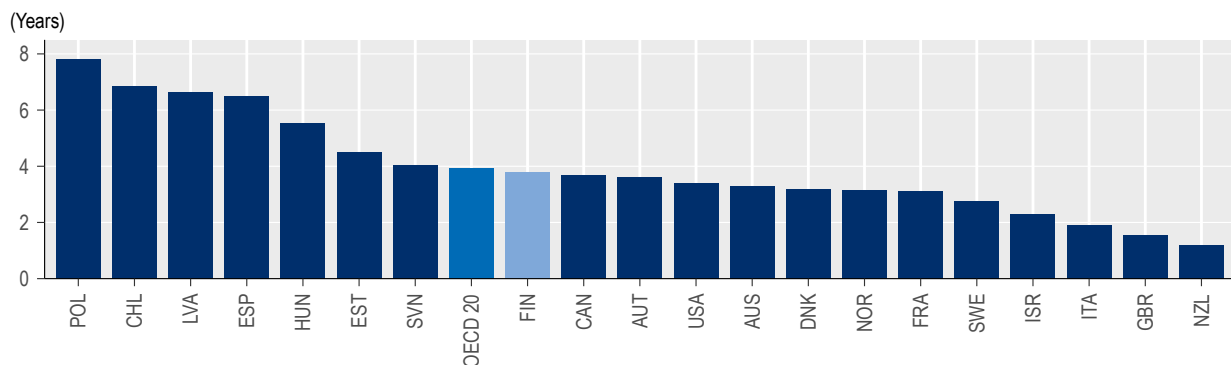
Educational attainment also interlinks with perceived safety, particularly for those who achieved only primary education. Between 2010-2022, 76.9% of Finns with primary education felt safe when walking alone in their neighbourhoods at night, in comparison to 85.5% among those who achieved secondary education and 85.4% among the tertiary educated. These levels are above the OECD average in all cases, which stood at 60.3% for those with primary education, 64.4% for those with secondary education and 66.9% for those with tertiary education as highest educational attainment.

Figure 3.17. Life expectancy at the age of 25, by level of education

A. By educational attainment (male at 25 years of age), 2018 or latest available year



B. Gap, male at 25 years of age (Tertiary education - Secondary education)



Note: The latest available year is 2018 for Estonia and Spain, 2017 for Austria, Denmark, and Finland; 2016 for Australia and Canada; and 2011 for all the other OECD countries. The OECD average includes only those 20 countries shown.

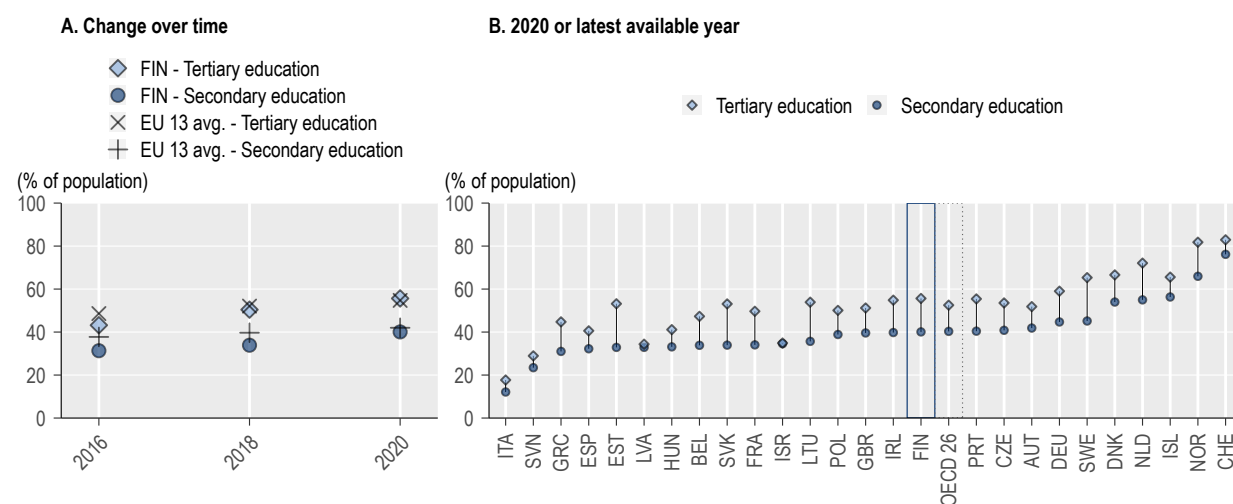
Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

As in other OECD countries, tertiary educated Finns are more likely to feel like they have a say in what the government does. The gap in political efficacy by educational attainment widened from 11.9 percentage points in 2016 (43.2% for those with tertiary education and 31.3% for those who left education after secondary school) to 15.5 percentage points in 2020 (55.6% for those with tertiary education and 40.1%

for those who left education after secondary school). Educational inequalities in Finland for feelings of having a say in what the government does are larger than the OECD average, where gaps between secondary and tertiary educated also widened from 10.9 percentage points in 2016 to 12.7 percentage points in 2020 (Figure 3.18).

Figure 3.18. Having a say in what the government does, by level of education

Share of people aged 16-65 who feel they have a say in government, percentage



Note: The latest available year is 2018 for Austria, Belgium, Denmark, Germany, Ireland, Latvia, Poland, Spain, Sweden and the United Kingdom; 2016 for Israel; and 2020 for all other countries. The EU13 average in Panel A includes Czechia, Estonia, Finland, France, Hungary, Iceland, Italy, Lithuania, Netherlands, Norway, Portugal, Slovenia and Switzerland. In Panel B, the OECD average does not include Australia, Canada, Chile, Colombia, Costa Rica, Japan, Korea, Luxembourg, Mexico, New Zealand, Türkiye and the United States.

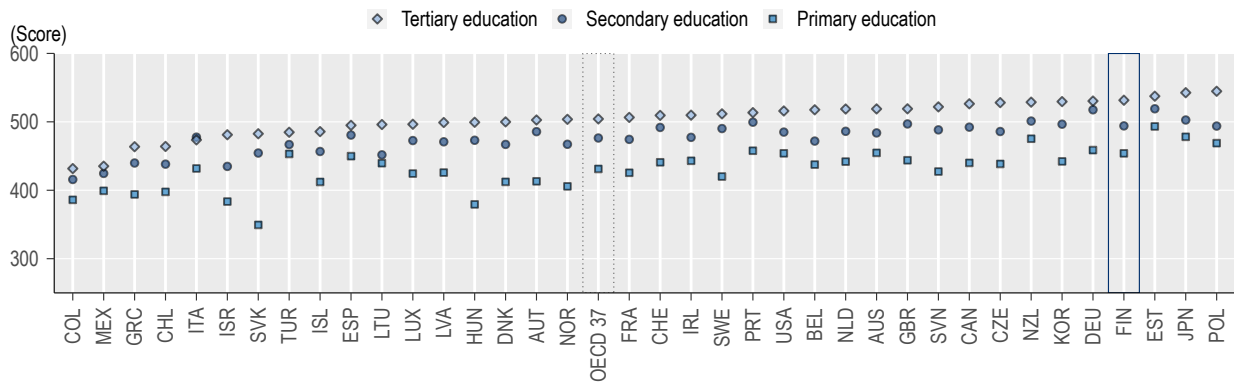
Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

In 2021, Finns with primary education reported a mean life satisfaction score of 7.8, compared to 7.9 for those with secondary education and 8.1 for those who had attained tertiary education. For all three groups, life satisfaction was however above the OECD average (which stood at 7 for people with only primary, 7.3 for those up to secondary, and 7.6 for those with tertiary education).

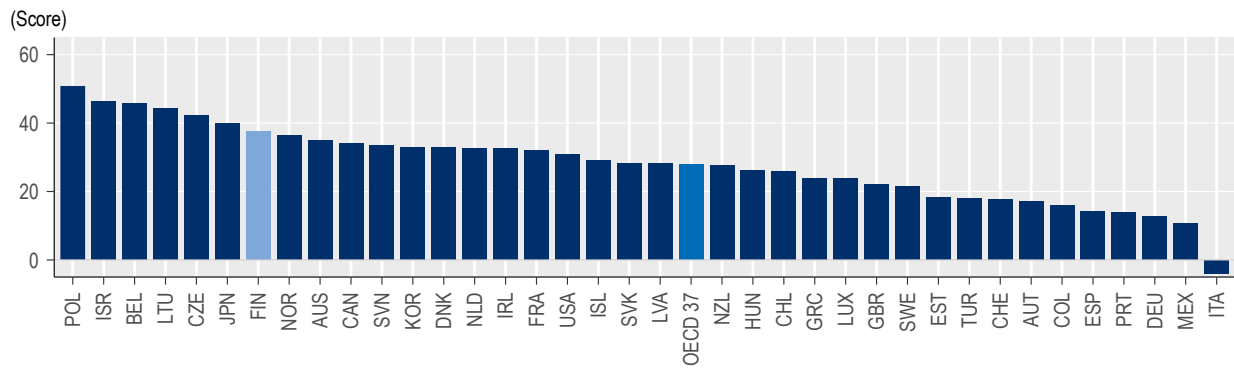
Inequalities by level of education reverberate also for the next generation. In Finland, as in other OECD countries, student performance is significantly impacted by the education level of parents (Figure 3.19). In the 2018 PISA assessment on science, Finnish students with parents who achieved only primary education scored on average 78 points less than students with parents who had achieved tertiary education – a larger gap than for the OECD average, at 73 points (Figure 3.19, Panel A). Finnish students with parents who had left schooling after secondary education also scored on average 38 points less than students with parents with tertiary education attainment (Figure 3.19, Panel B).

Figure 3.19. Student skills in science, gaps by level of parent's education

A. By educational attainment of parents, 2018



B. Gap (Tertiary education - Secondary education)



Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

4

Background analysis: sustainability of well-being in Finland

This chapter discusses how sustainable well-being in Finland is, focusing on comparative performance and trends over time in the four resources for future well-being of the OECD Well-being Framework (natural, economic, human and social capital). It mainly draws on the headline indicator set of the How's Life? Well-being Dashboard, which considers stocks and flows of capital, as well as risk and resilience factors that might affect the value of capital stocks over time. Selected additional indicators are also included, where most relevant for the Finnish context.

Resources for future well-being

Economic capital

Economic capital includes both produced (man-made) and financial assets. As well as considering indicators that reflect economic capital stocks (assets), the OECD *How's Life?* indicator dashboard also includes flow measures (investment/ depletions) as well as wider risk and resilience factors that can affect the value of capital stocks over time.

Produced fixed assets per capita have grown markedly from USD 118 487 in 2004, to USD 156 931 in 2021. Throughout this period, Finland's performance has been above the OECD average, which increased from USD 105 946 in 2004 to USD 142 162 in 2021. Despite this growth, produced fixed assets in Finland lag slightly behind its Nordic peers Sweden (USD 162 070 in 2019), Denmark (USD 172 011 in 2021) and particularly Norway (USD 203 276 in 2019) (Figure 4.1).

Figure 4.1. Produced fixed assets

Produced fixed assets per capita, USD at 2015 PPPs



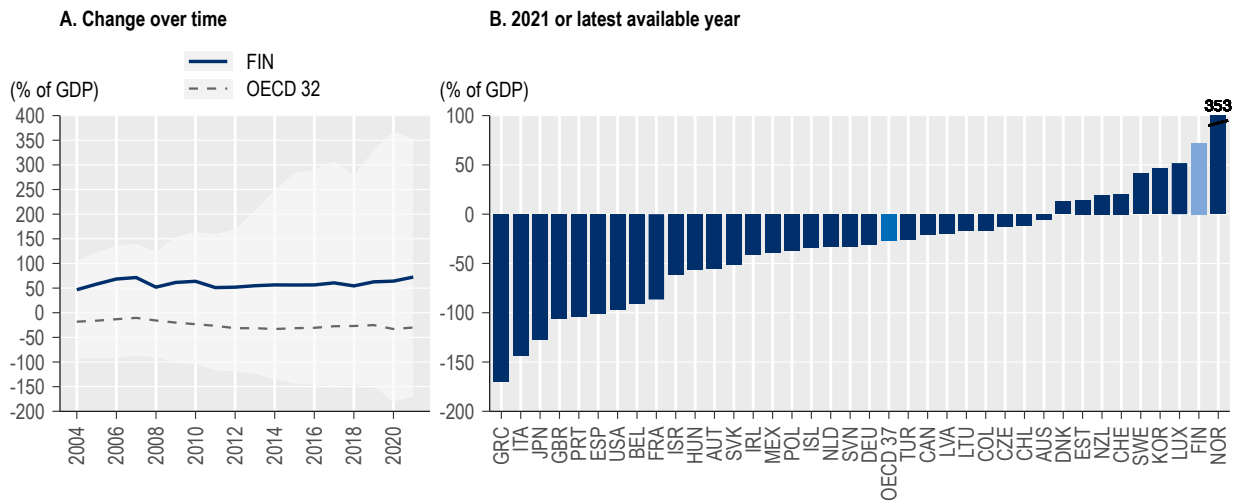
Note: The latest available year is 2021 for Australia, Belgium, Canada, Chile, Czech Republic, Denmark, Finland, France, Germany, Korea and the United States; 2020 for Austria, Hungary, Ireland, Israel, Italy, Japan, Luxembourg, Mexico, the Netherlands, Portugal, the Slovak Republic, Slovenia, Spain, and the United Kingdom; 2019 for Estonia, Greece, Latvia, Lithuania, Norway, Poland, and Sweden; and 2017 for New Zealand. In Panel A, the OECD average does not include Colombia, Costa Rica, Greece, Iceland, Slovenia, Spain, Switzerland and Türkiye. In Panel B, the OECD average does not include Colombia, Costa Rica, Iceland, Switzerland and Türkiye.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Financial net worth of general government (as a percentage of GDP) has grown over time, despite fluctuations associated with the great recession between 2008 and the following decade (Figure 4.2, Panel A). Financial net worth of general government was 46.7% of GDP in 2004 and 72.4% of GDP in 2021, second in the OECD only to Norway (352.8% of GDP in 2021), meaning that government financial assets exceeded government financial liabilities. This is contrary to most OECD countries, where the financial net worth of general government is negative. The OECD average for financial net worth of general government was -31% of GDP in 2021 (Figure 4.2, Panel B).

Figure 4.2. Financial net worth of general government

Adjusted financial net worth of general government as a percentage of GDP



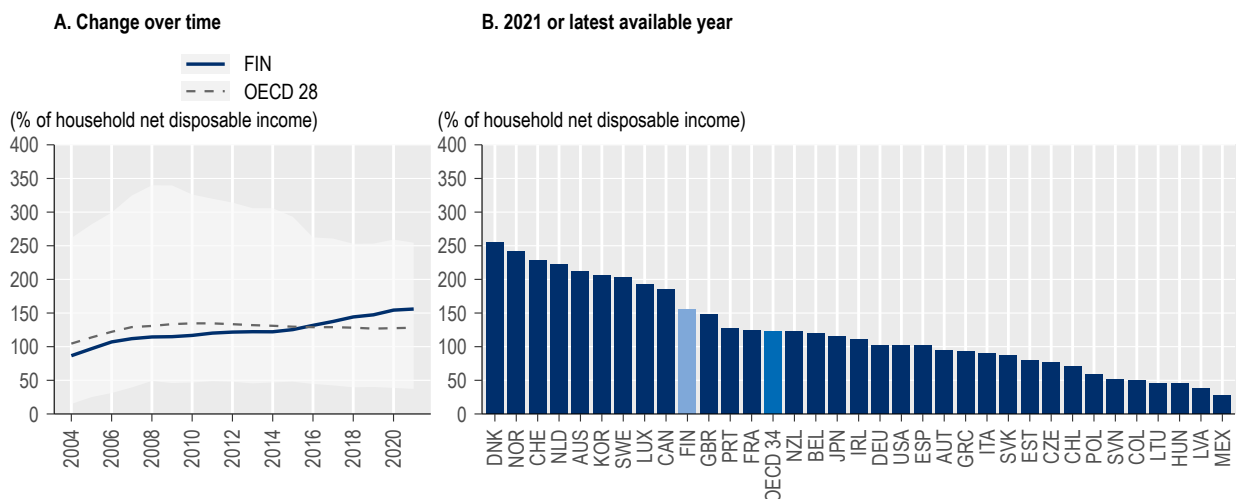
Note: The latest available year is 2019 for Colombia, 2020 for Israel and New Zealand; and 2021 for all the other OECD countries. In Panel A, the OECD average does not include Colombia, Costa Rica, Israel, Korea, New Zealand and Türkiye. In Panel B, the OECD average does not include Costa Rica.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Households have meanwhile seen a steep increase in levels of indebtedness over the past two decades. **Household debt**, as a share of disposable income, rose from 86.6% in 2004 to 156.0% in 2021, surpassing the OECD average, which stood at 122.6% in 2021, from 2015-2016 onwards (Figure 4.3, Panel A).

Figure 4.3. Household debt

Household debt as share of household disposable income



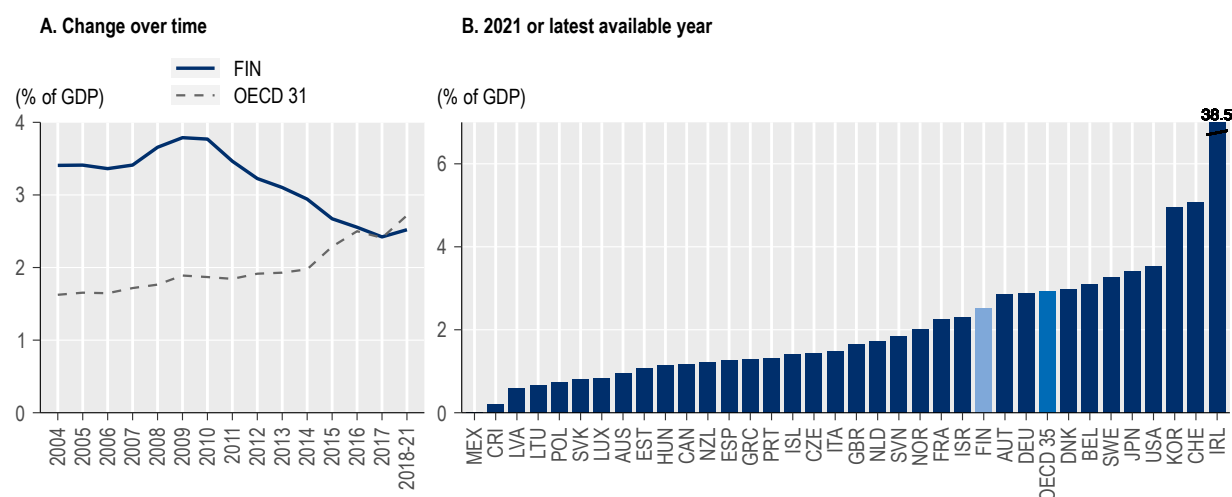
Note: The latest available year is 2019 for Colombia, 2020 for Chile, Japan, Mexico, and New Zealand; and 2021 for all the other OECD countries. In Panel A, the OECD average does not include Chile, Colombia, Costa Rica, Iceland, Israel, Japan, Korea, Mexico, New Zealand and Türkiye. In Panel B, the OECD average does not include Costa Rica, Iceland, Israel and Türkiye.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Investment in research and development (R&D) is important for productivity and is a key driver of changes in the stock of intellectual property assets. In Finland, investment in R&D was the second highest in the OECD in 2004 at 3.4% of GDP and increased further to 3.8% in 2009. Since then, it started to steadily decline and, at 2.5% of GDP in 2021, was below the OECD average of 3.1% (Figure 4.4).

Figure 4.4. Investment in research and development

Public and private investment in research and development, as share of GDP



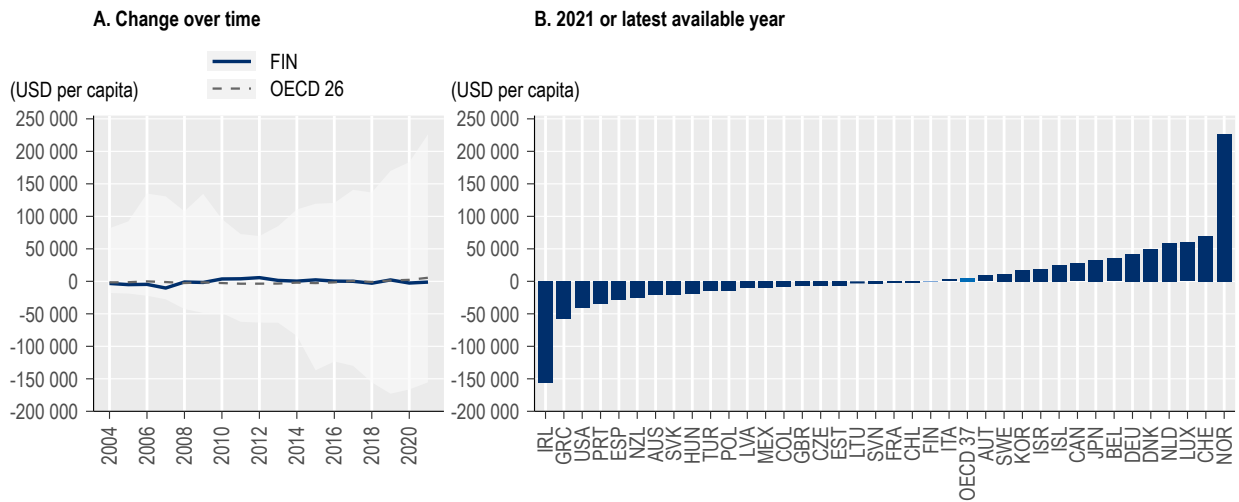
Note: The latest available year is 2021 for Australia, Canada, Czech Republic, Finland, France, Germany, Iceland, Italy, Korea and the United States; 2020 for Austria, Belgium, Hungary, Israel, Japan, Luxembourg, the Netherlands, the Slovak Republic, and Slovenia; 2019 for Denmark, Estonia, Greece, Ireland, Latvia, Lithuania, Mexico, Norway, Poland, Portugal, Spain, Switzerland, and the United Kingdom; 2018 for Sweden; and 2016 for Costa Rica and New Zealand. In Panel A, the OECD average does not include Chile, Colombia, Costa Rica, Greece, New Zealand, Slovenia and Türkiye. In Panel B, the OECD average does not include Chile, Colombia and Türkiye.

Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Financial net worth of the economy (expressed in USD per capita at current PPPs) in Finland has fluctuated around the zero mark between 2004 and 2020, meaning that Finland's stock of financial liabilities and financial claims on the rest of the world have been close to balance throughout this period, compared to other OECD countries (Figure 4.5, Panel A), where results for this indicator have been increasingly dispersed (e.g., most notably for the extent of liabilities exceeding claims). In 2021, liabilities exceeded claims by USD 1 181 per capita. The OECD average in 2021 was positive at USD 5 969, while the positions among OECD countries were split, with almost half of OECD countries having a negative balance (Figure 4.5, Panel B).

Figure 4.5. Financial net worth of the economy

Financial net worth of the economy, USD per capita at current PPPs



Note: The latest available year is 2019 for Colombia; 2020 for Israel, and New Zealand; and 2021 for all the other OECD countries. In Panel A, the OECD average does not include Colombia, Costa Rica, Denmark, Greece, Iceland, Israel, Korea, New Zealand, Slovak Republic, Slovenia, Switzerland and Türkiye. In Panel B, the OECD average does not include Costa Rica.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

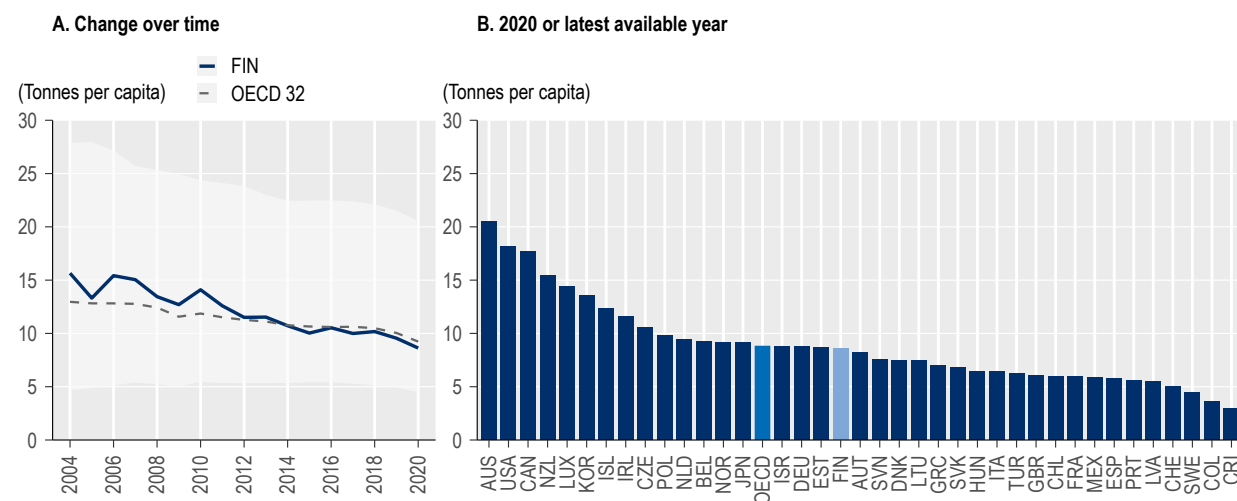
Natural capital

Natural Capital concerns both natural assets (e.g. natural land cover, biodiversity) and ecosystems and their services (e.g. oceans, forests, soil and the atmosphere). As well as considering stocks and flows into and out of these natural systems (such as extraction of raw materials), the wider OECD *How's Life?* indicator dashboard also includes risk and resilience factors affecting natural systems over time (such as greenhouse gas emissions, and threatened species).

Similar to most OECD countries, Finland has substantially decreased its **greenhouse gas emissions** since 2004, when it emitted 15.7 tonnes of CO² equivalent per capita. Since 2014 Finland's greenhouse gas emissions are below the OECD average, which has also decreased markedly (Figure 4.6). In 2020, Finland emitted 8.6 thousand tonnes of CO² equivalent per capita, less than the OECD on average (8.8 thousand tonnes). Finland's emission level was, however, considerably above that of the leaders among OECD EU countries, for example Sweden (4.5 in 2020), Portugal (5.6 in 2020) and France (5.9).

Figure 4.6. Greenhouse gas emissions per capita

Total greenhouse gas emissions from domestic production, excluding those from land use, land-use change and forestry (LULUCF), tonnes per capita, CO₂ equivalent, thousands



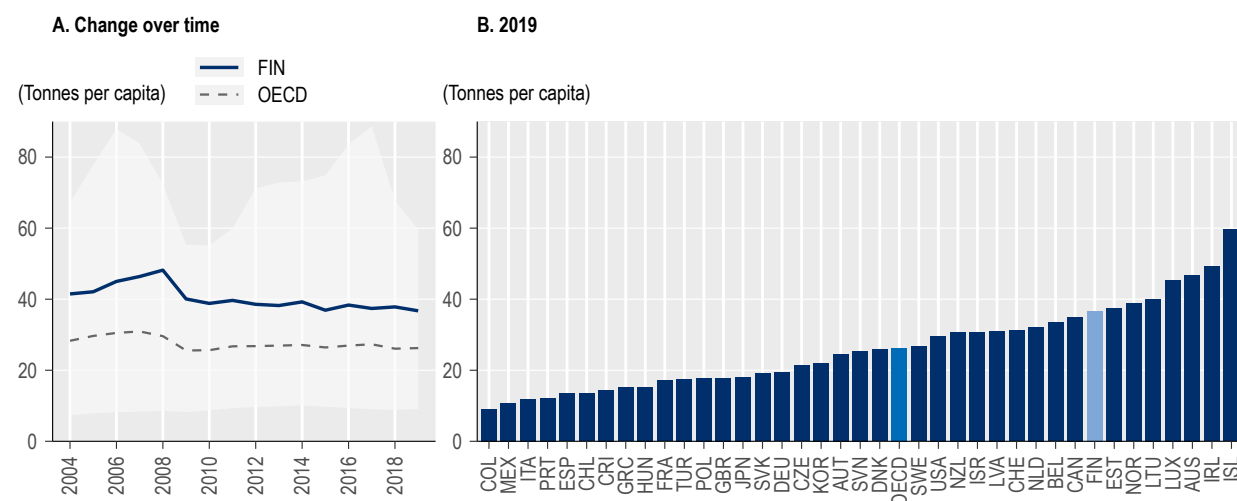
Note: The latest available year is 2017 for Costa Rica, 2018 for Chile, and Colombia; 2019 for Israel, Korea, and Mexico; and 2020 for all the other OECD countries. In Panel A, the OECD average does not include Chile, Colombia, Costa Rica, Israel, Korea and Mexico.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Progress on the reduction of the **material footprint per capita** in Finland has been slow. It decreased from 41.5 tonnes per capita in 2004 to 36.7 in 2019, remaining well above OECD average levels (28.3 in 2004 and 26.2 in 2019) (Figure 4.7 and Figure 4.8).

Figure 4.7. Material footprint per capita

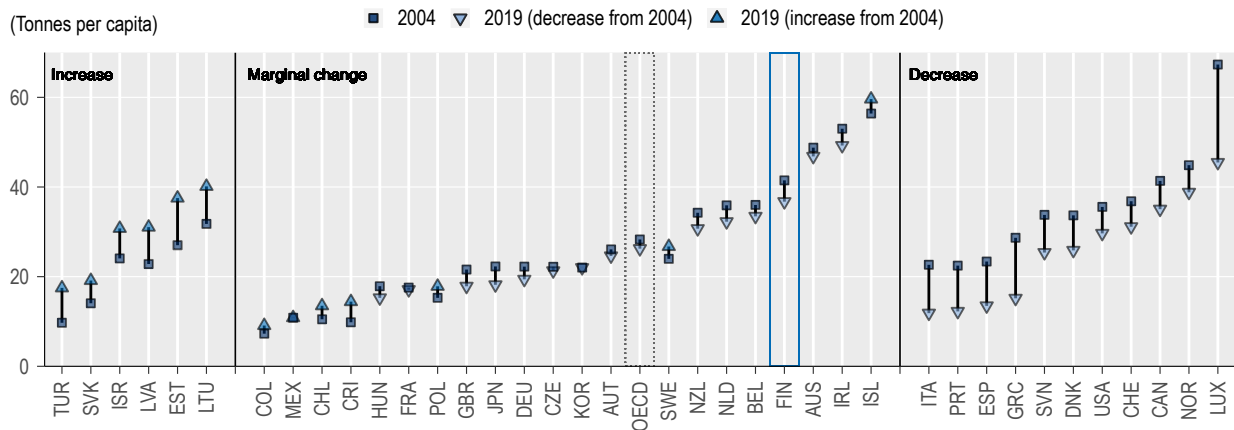
Used raw material extracted to meet the economy's final demand, tonnes per capita



Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Figure 4.8. Change in material footprint per capita since 2004

Change in used raw material extracted to meet the economy's final demands



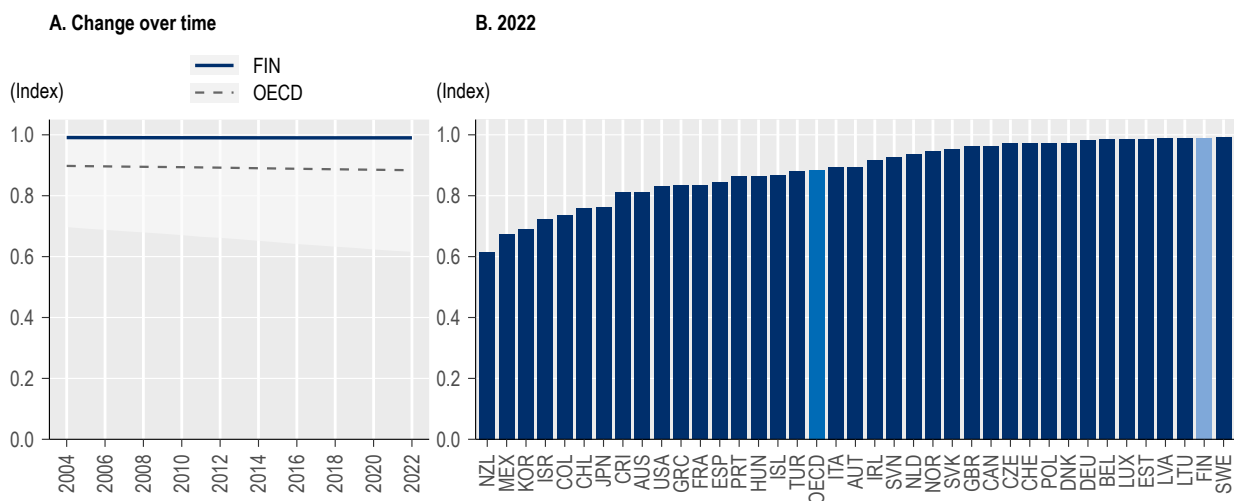
Note: Thresholds for change are +/- 5 tonnes per capita.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The **Red List Index**, showing the overall extinction risk of species within a country was low and stable in Finland between 2004 and 2022. A value of 1.0 implies that all species qualify as Least Concern (i.e., not expected to become extinct in the near future), while a value of 0 equates to all species having gone extinct. The score for Finland was 0.99 in 2004 and has remained stable at the same level since. In 2022, Finland had the second highest score among OECD countries, just behind Sweden. The OECD average has also been stable between 2004 (0.90) and 2022 (0.88) (Figure 4.9).

Figure 4.9. Red List Index of threatened species

Combined indicator of extinction risk for birds, mammals, amphibians, cycads and corals



Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

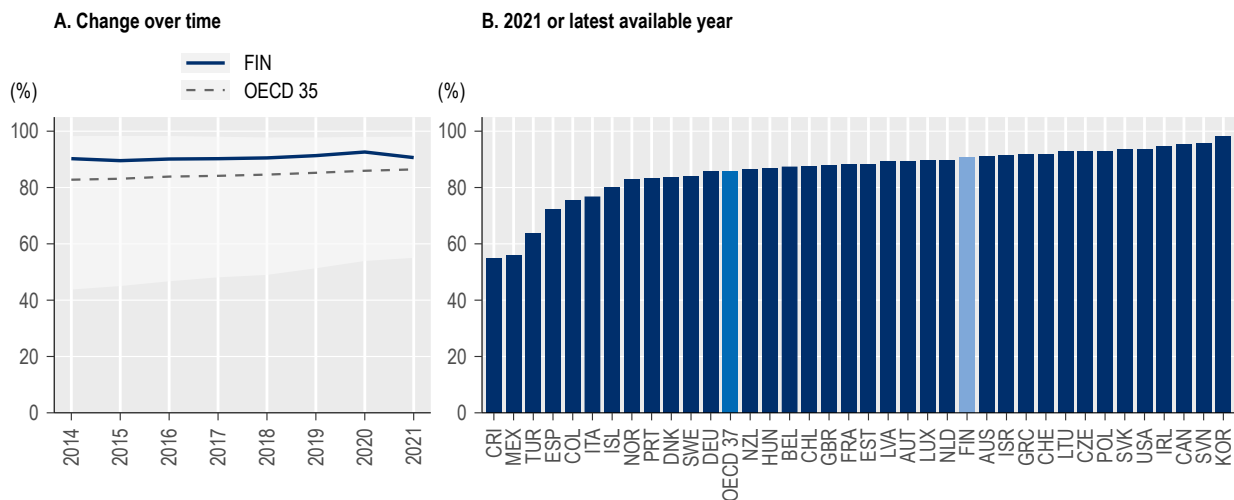
Human capital

Human Capital refers to the knowledge, competence, skills and health status of individuals, which are viewed here from the perspective of their contribution to future well-being. As well as considering stocks and flows of human capital, the wider OECD *How's Life?* indicator dashboard also includes risk and resilience factors that can affect human capital over time (such as labour underutilisation and obesity rates).

Upper secondary **educational attainment among young adults** has been consistently high in Finland, compared to other OECD countries, and further increased from 90.2% in 2014 to 90.6% in 2021 (however this represents a fall since the peaking at 92.6% in 2020). In comparison, the OECD average increased from 81.4% in 2014 to 85.5% in 2021 (Figure 4.10).

Figure 4.10. Upper secondary educational attainment among young adults

Share of people aged 25-34 who have attained at least an upper secondary education



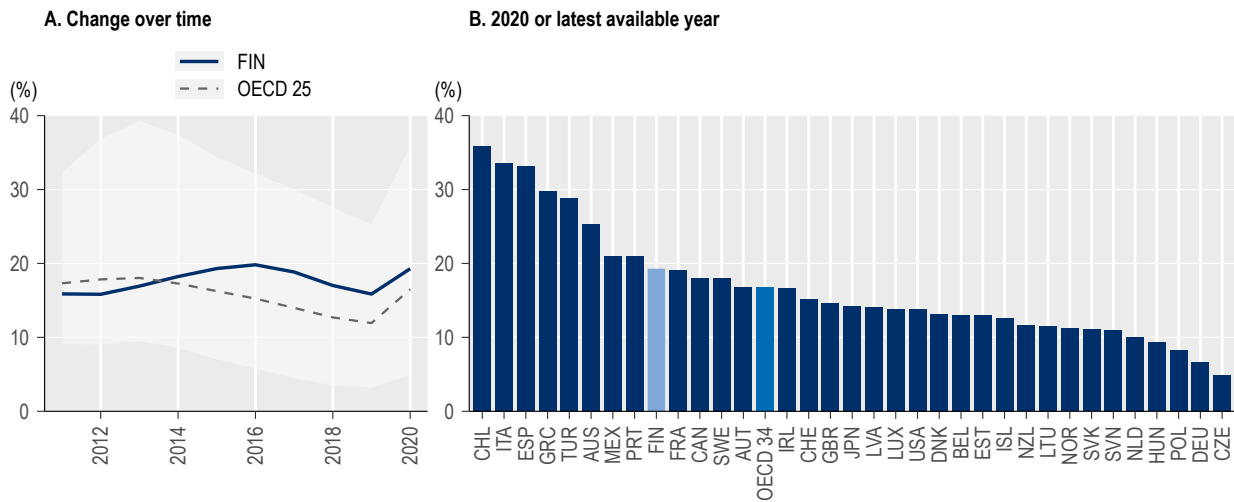
Note: The latest available year is 2020 for Chile and 2021 for all the other OECD countries. In Panel A, the OECD average does not include Chile, Japan and Türkiye. In Panel B, the OECD average does not include Japan.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The **labour underutilization rate** – meaning the share of unemployed, discouraged, or underemployed workers in the total labour force – has fluctuated in Finland over the past decades. It increased between 2011-16 (from 15.9% to 19.8%), then fell between 2016-19 (15.9%) and rose again between 2019-20. In 2020, the labour underutilization rate in Finland was 19.3%, above the OECD average of 16.5% (Figure 4.11). It is considerably above Nordic peers Denmark (13.2% in 2021) and Norway (11.2% on 2021), and somewhat above Sweden (18.0%).

Figure 4.11. Labour underutilisation rate

Share of unemployed, discouraged, or underemployed workers in the total labour force

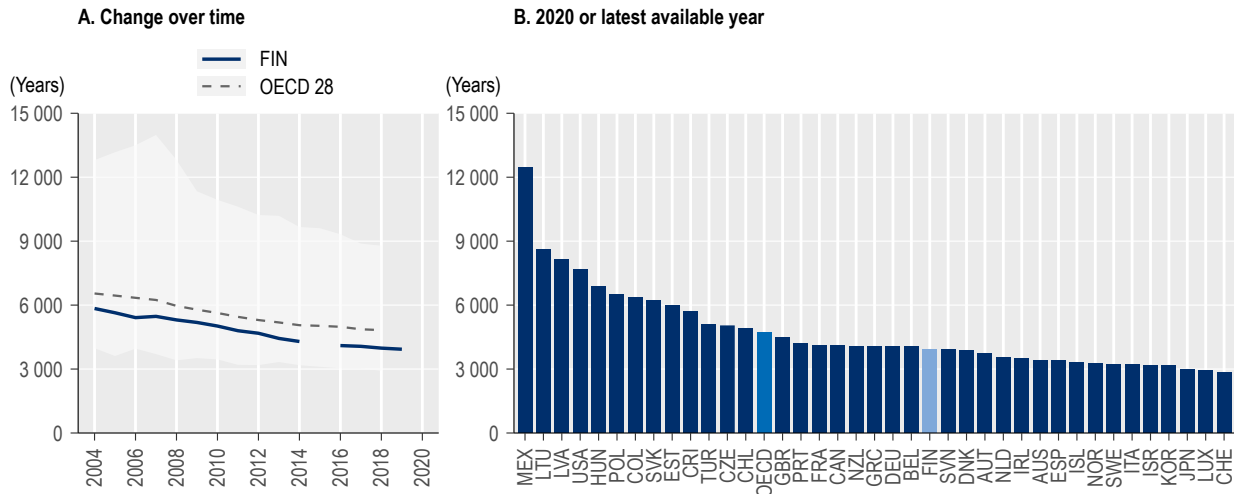


Note: The labour underutilisation rate includes the unemployed, discouraged workers (i.e. persons not in the labour force and who did not actively seek work during in the previous four weeks but who wish to and are available to work) and the underemployed (full-time workers working less than usual during the survey reference week for economic reasons and part-time workers who wanted but could not find full-time work), expressed as a ratio of the total labour force. The latest available year is 2019 for Germany and Mexico, and 2020 for all other OECD countries. In Panel A, the OECD average does not include Australia, Colombia, Costa Rica, Denmark, Germany, Israel, Japan, Korea, Mexico, New Zealand, Portugal, Switzerland and Türkiye. In Panel B, the OECD average does not include Colombia, Costa Rica, Israel and Korea. Source: *OECD How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Premature mortality in Finland has consistently been below OECD average levels and has steadily fallen since 2004, when the potential years of life lost per 100 000 population stood at 5 841. In 2019, potential years of life lost had fallen to 3 930 in Finland, well below the OECD average of 4 737 (2020 or latest available year), but well behind leaders Switzerland (2 837 in 2019) and Luxembourg (2 941 in 2019) (Figure 4.12).

Figure 4.12. Premature mortality

Potential years of life lost due to a range of medical conditions and fatal accidents per 100 000 population (age standardised)



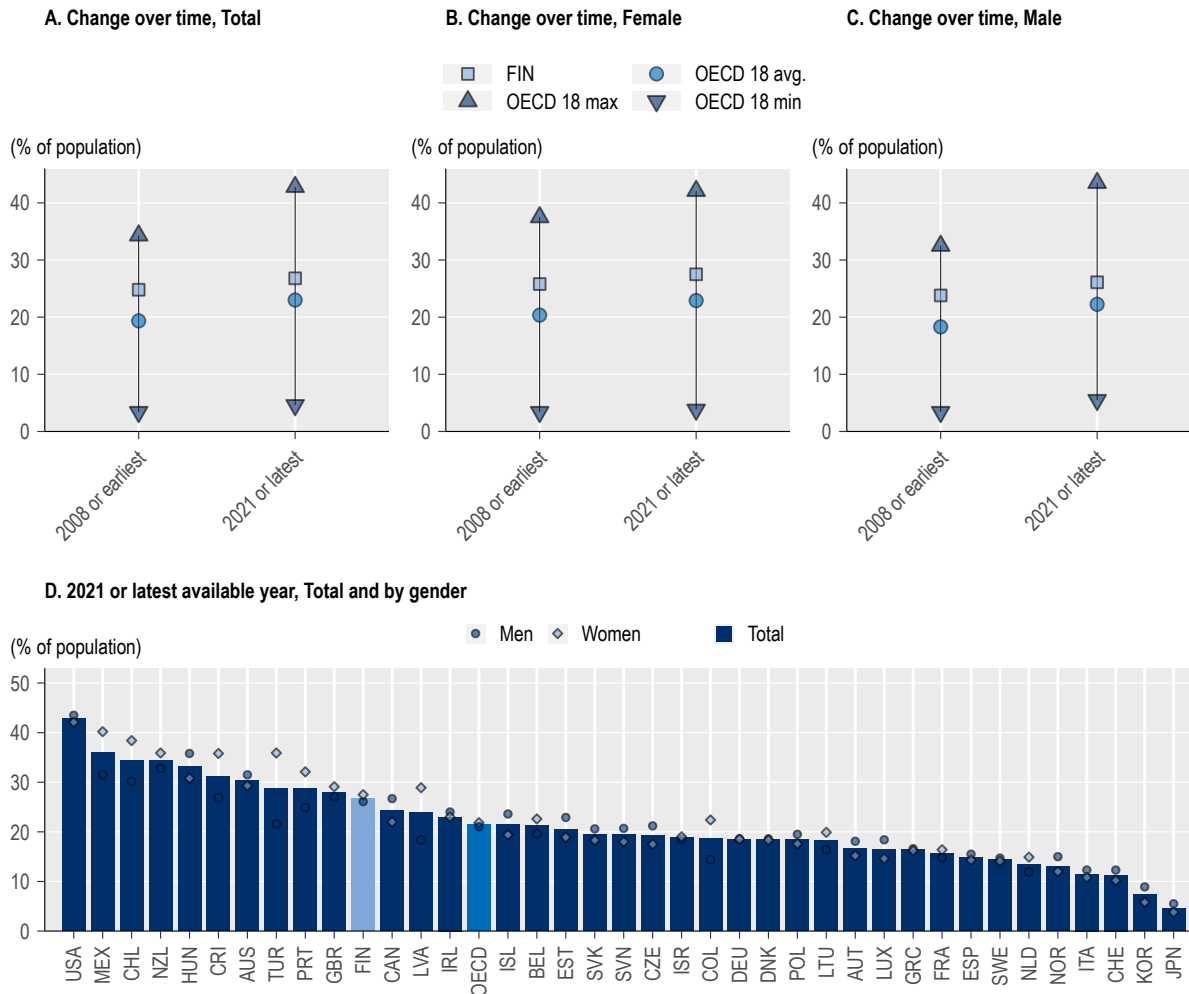
Note: Panel A: Finland is not included in the OECD average because the value for 2015 is missing. The latest available year is 2016 for Norway and New Zealand; 2017 for France and Italy; 2018 for Belgium, Chile, Denmark, Ireland, Portugal, and Sweden; 2019 for Canada, Colombia, Finland, Greece, Hungary, Japan, Luxembourg, Poland, the Slovak Republic, Switzerland, and Türkiye; and 2020 for all the other OECD countries. In Panel A, the OECD average does not include Australia, Finland, France, Ireland, Italy, New Zealand, Norway, Portugal, Slovak Republic and Türkiye.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

In most EU countries, more than half of adults are overweight or obese (OECD/European Union, 2022^[16]). In Finland in 2017, 57% of people were overweight or obese (using data from health examinations). The **obesity rate** has been steadily increasing, from 24.8% in 2011 to 26.8% in 2017, and has consistently been above OECD average, which has also increased from 19.4% in 2008 to 23% in 2021 (Figure 4.13 Panel A). Obesity rates were higher among women (25.8% in 2011 and 27.5% in 2017) than in the overall population and among men (23.8% in 2011 and 26.1 in 2017). Overall, Finland has the 11th highest obesity rate in the OECD and third highest in the EU, after Hungary and Portugal when looking at the latest available year, which was 2017¹⁶ for Finland and 2021 across the OECD (Figure 4.13, Panel D). Finland is among the EU countries that has seen the largest increases in self-reported overweight¹⁷ and obesity rates (using data from health interviews) between 2014 and 2019, along with Austria, Croatia, Hungary and the Slovak Republic (OECD/European Union, 2022^[16]).

Figure 4.13. Obesity rate

Share of population aged 15 or older with a body mass index (weight in kilograms divided by height in meters squared) equal to or greater than 30



Note: Share of the population aged 15 or older, as self-reported or measured, percentage. The measured obesity rate (from health examinations) is used for Australia, Belgium, Canada, Chile, Colombia, Costa Rica, Finland, France, Hungary, Ireland, Israel, Japan, Korea, Latvia, Mexico, New Zealand, Portugal, Türkiye, the United Kingdom, and the United States. For other countries, self-reported obesity rates (from health interviews) are shown. Panel A, B and C earliest available year for Finland is 2011. For all panels latest available year is 2021 for Denmark and New Zealand; 2020 for Estonia, Italy, Korea, Latvia, Mexico, the Netherlands, Spain, and Sweden; 2019 for Austria, Canada, Czech Republic, Germany, Greece, Hungary, Ireland, Iceland, Japan, Lithuania, Luxembourg, Norway, Poland, the Slovak Republic, Slovenia, the United Kingdom, and the United States; 2018 for Belgium and Costa Rica; 2017 for Australia, Finland, France Switzerland, and Türkiye; 2016 for Chile; 2015 for Colombia, Israel and Portugal. In Panel A, B and C, the OECD average includes Australia, Chile, Denmark, Finland, Greece, Hungary, Italy, Japan, Korea, Mexico, New Zealand, Norway, Poland, Spain, Sweden, Türkiye, the United Kingdom, and the United States. Source: OECD Well-being Database and OECD Non-medical determinants of health (database), http://stats.oecd.org/Index.aspx?DataSetCode=HEALTH_LVNG.

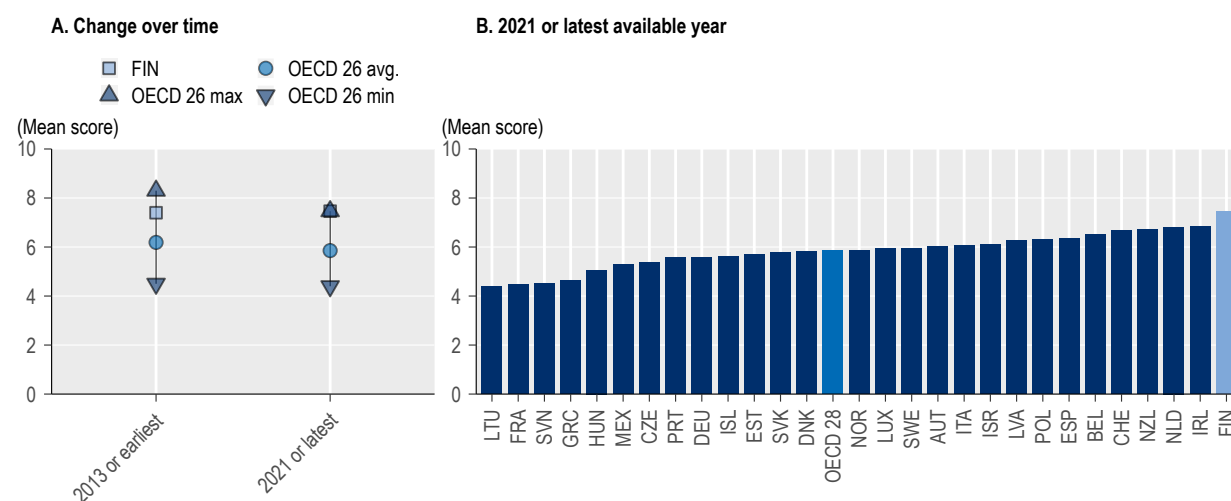
Social capital

Social Capital is about the social norms, shared values and institutional arrangements that foster co-operation among population groups. As well as considering stocks and flows into and out of these social capital systems (such as volunteering rates), the wider OECD *How's Life?* indicator dashboard also includes risk and resilience factors affecting social capital over time (such as gender parity in politics).

When it comes to **trust in others**, Finland's score for interpersonal trust has been stable between 2013 and 2021, at a mean score of 7.4 and 7.5 (out of 10) respectively. Meanwhile, the OECD average has decreased from 6.1 in 2013 to 5.8 in 2021 (Figure 4.14, Panel A). Among OECD countries, Finland had the highest score for interpersonal trust in 2021.

Figure 4.14. Trust in others

Mean interpersonal trust on a scale from 0 (you do not trust any other person) to 10 (most people can be trusted)



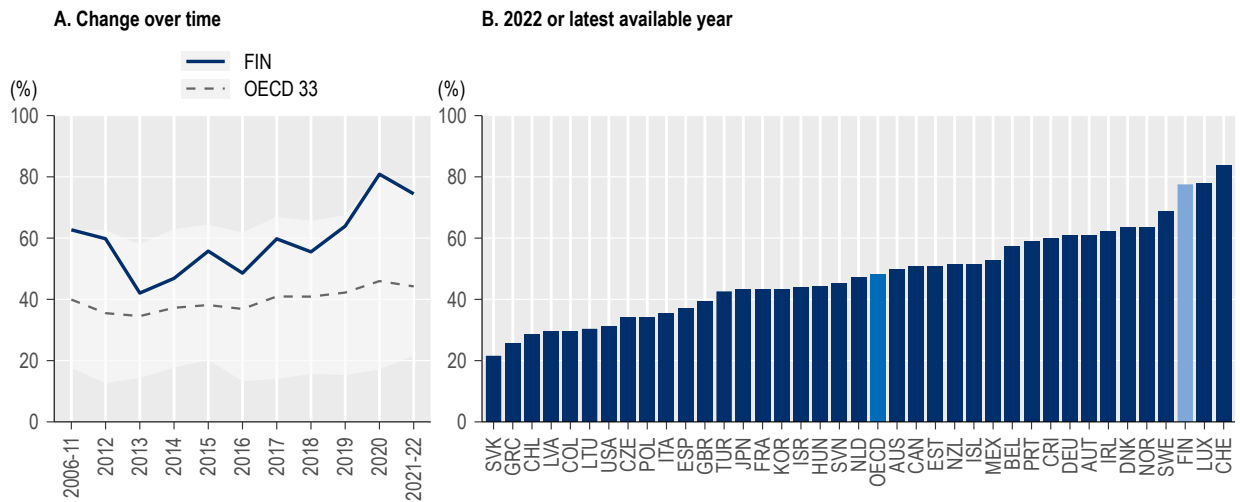
Note: The latest available year is 2013 for Türkiye and the United Kingdom; 2018 for Iceland, Norway, Poland, the Slovak Republic, and Switzerland; and 2021 for all the other OECD countries. In Panel A, the OECD average does not include Australia, Canada, Chile, Colombia, Costa Rica, Israel, Japan, Korea, Mexico, Türkiye, the United Kingdom and the United States. In Panel B, the OECD average does not include Australia, Canada, Chile, Colombia, Costa Rica, Japan, Korea, Türkiye, the United Kingdom and the United States.

Source: OECD *How's Life? Well-being* (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

Trust in government is high in Finland, compared to other OECD countries. In 2022, 77.5% of the population responded “yes” to a question about confidence in the national government, the third highest score in the OECD, after Luxembourg (78.0% in 2019) and Switzerland (83.8% in 2021). This follows fluctuations in confidence in government with lower scores throughout the 2010s and a recovery of trust in 2020 at the onset of the COVID-19 pandemic, with the highest score to date of 81%, before dipping to 74% in 2021 and rebounding to 77.5% in 2022 (Figure 4.15). The OECD average has consistently been lower, and was, for example, 40% in 2006-2011, 35% in 2013, 46% in 2020 and 44% in 2021-2022.

Figure 4.15. Trust in government

Share of the population responding "yes" to a question about confidence in the national government



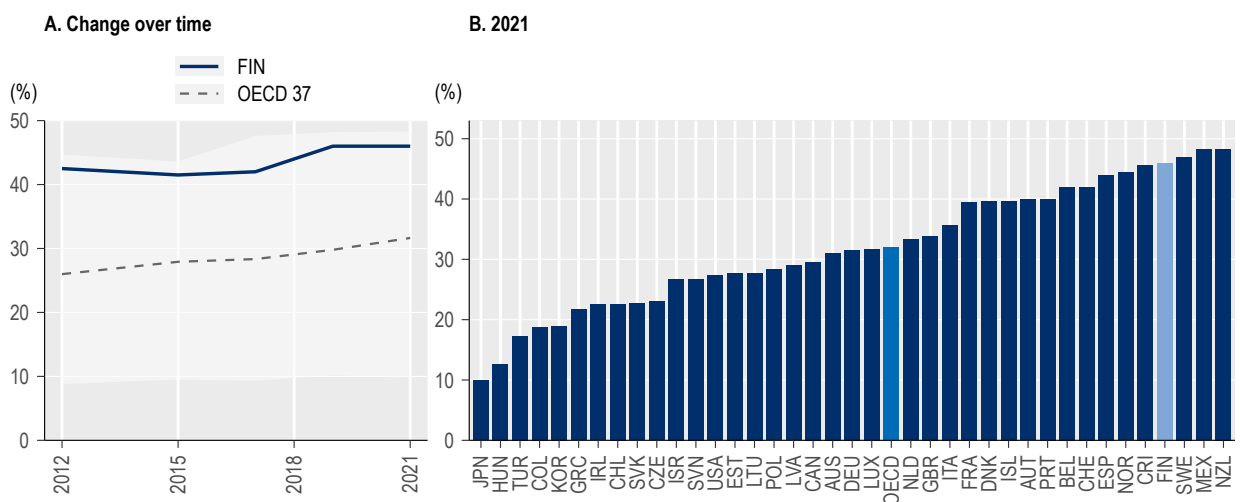
Note: The latest available year is 2019 for Luxembourg; 2021 for Austria, France, Ireland, Israel, Italy, Korea, Latvia, Lithuania, the Slovak Republic, Spain, Switzerland, Türkiye, and the United Kingdom; and 2022 for all the other OECD countries. In Panel A, the OECD average does not include Czech Republic, Iceland, Luxembourg, Norway and Switzerland.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

The **share of women in the Finnish Parliament** Eduskunta has increased from 42.5% in 2012 to 46% as of 2021, following the 2021 Parliamentary elections and is currently the second highest among OECD EU countries behind Sweden (47% as of 2021) (Figure 4.16). Finland's performance has consistently been above the OECD average, which gradually increased from 26.3% in 2012 to 32.0% in 2021. However, no OECD country has yet reached gender parity in representation in the parliament.

Figure 4.16. Gender parity in politics

Share of women in national parliament



Note: In Panel A, the OECD average does not include Costa Rica.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

5 Well-being data gaps in Finland

When it comes to the availability of internationally comparable data on well-being, all indicators in the OECD well-being database that underpins and informs the OECD Well-being Framework are available for Finland. However, there are a number of well-being indicators where the lag between data available for Finland and the latest available data for other OECD countries is three or more years, and up to nine years for information on time use.

Introduction

This section provides a brief overview of well-being outcome data availability and timeliness in Finland, compared to the complete indicator set of the How's Life? Well-being Database.

Well-being outcome data availability, frequency and timeliness in Finland

There are no data gaps for Finland in the OECD well-being database that underpins and informs the OECD Well-being Framework, with internationally comparable data available from 2004 (on par with other OECD countries) up to 2022, with the latest available year depending on the indicator.

However, when it comes to timeliness, there are a number of well-being indicators for which the time-lag between data available for Finland and the most frequent latest data for OECD countries is three or more years. For a few indicators, the gap is nine or more years (Table 5.1).

Table 5.1. Indicators with at least a 3-year lag in the OECD How's Life? Well-being Database

Label	Indicator	Unit of measurement	Latest year in database	Latest data for Finland
Household net wealth	Household median net wealth	USD at 2019 PPPs	2019	2016
Financial insecurity	Financial insecurity	Share of individuals with equivalised liquid financial assets below 3 months of the annual national relative income poverty line	2019	2016
Time off	Time allocated to leisure and personal care	Hours per day, people in full-time employment	2019	2009
Long unpaid working hours	Long unpaid working hours	Share of the total working-age population who usually work more than 60 hours per week, of which at least 30 hours involve unpaid work	2019	2009
Gender gap in hours worked	Extra minutes of total time spent working (paid and unpaid) that women work, relative to men (aged 15-64)	Minutes per day	2018	2009
Social interactions	Time spent interacting with friends and family as primary activity	Hours per week	2018	2009
Water stress (internal)	Water stress (internal resources)	Gross abstractions as a percentage of internal resources	2021	2006
Water stress (total)	Water stress (total renewable resources)	Gross abstractions as a percentage of total renewable resources	2021	2006
Obesity prevalence	Obesity prevalence	Share of the population aged 15 or older who are obese, either self-reported or measured through health interviews	2021	2017
Trust in the police	Trust in the police	Mean score on a scale from 0 (no trust at all) to 10 (complete trust)	2021	2013
Volunteering through organizations	Volunteering through organisations	Share of the working-age population who declared having volunteered through an organisation at least once a month over the preceding year	2017	2012

Note: Indicators with a time lag of 9 or more years are shaded in blue.

Source: OECD How's Life? Well-being (database), <https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.

References

- Clarke, C. (2022), “The economic costs of childhood socio-economic disadvantage in European OECD countries”, *OECD Papers on Well-being and Inequalities*, No. 9, OECD Publishing, Paris. [19]
- Cockerham, W. (2022), “Theoretical Approaches to Research on the Social Determinants of Obesity”, *American Journal of Preventive Medicine*, Vol. 63/1, pp. S8-S17, <https://doi.org/10.1016/j.amepre.2022.01.030>. [30]
- Dechezleprêtre, A. et al. (2022), *Fighting Climate Change: International Attitudes Toward Climate Policies*, National Bureau of Economic Research, Cambridge, MA, <https://doi.org/10.3386/w30265>. [34]
- Department of Finance Canada (2021), *Toward a Quality of Life Strategy for Canada*, <https://www.canada.ca/en/department-finance/services/publications/measuring-what-matters-toward-quality-life-strategy-canada.html>. [8]
- Eurofound (2022), *Fifth round of the Living, working and COVID-19 e-survey: Living in a new era of uncertainty*, Publications Office of the European Union, Luxembourg. [24]
- Finnish Government (2022), *Strategy of the National Commission on Sustainable Development 2022–2030 : A prosperous and globally responsible Finland that protects the carrying capacity of nature*, <https://julkaisut.valtioneuvosto.fi/handle/10024/164157>. [5]
- Finnish Government (2019), *Inclusive and competent Finland – a socially, economically and ecologically sustainable society*, <https://valtioneuvosto.fi/en/marin/government-programme>. [6]
- General Secretariat of the Council Delegations (2019), *The Economy of Wellbeing Council Conclusions*, <https://data.consilium.europa.eu/doc/document/ST-13432-2019-INIT/en/pdf>. [3]
- Helakorpi, S. and H. Kivimäki (2021), *Wellbeing of children and young people - School Health Promotion study 2021: Large share of children and young people satisfied with their lives - a sense of loneliness has become more common*, Finnish Institute for Health and Welfare, <https://urn.fi/URN:NBN:fi-fe2021112557144>. [39]
- Llena-Nozal, A., N. Martin and F. Murtin (2019), “The economy of well-being: Creating opportunities for people’s well-being and economic growth”, *OECD Statistics Working Papers*, No. 2019/02, OECD Publishing, Paris, <https://doi.org/10.1787/498e9bc7-en>. [1]
- Ministry of Social Affairs and Health of Finland (2023), *Finland’s National Economy of Wellbeing Action Plan 2023-2025*, <https://julkaisut.valtioneuvosto.fi/handle/10024/164703>. [4]
- Ministry of Social Affairs and Health of Finland (2022), *Developing economy of wellbeing through knowledge*, <https://stm.fi/en/-/developing-economy-of-wellbeing-through-knowledge>. [2]
- Ministry of the Environment of Finland (2022), *New Climate Change Act into force in July*, <https://valtioneuvosto.fi/en/-/1410903/new-climate-change-act-into-force-in-july>. [14]
- National Assembly of Wales (2015), *Well-being of Future Generations (Wales) Act 2015*. [10]
- New Zealand Treasury (2019), *Information on applying a wellbeing approach to agency external planning and performance reporting*. [9]

- OECD (2023), *How's Life? Well-being Database*, [16]
<https://stats.oecd.org/Index.aspx?DataSetCode=HSL>.
- OECD (2023), *Measuring Population Mental Health*, OECD Publishing, Paris, [23]
<https://doi.org/10.1787/5171eef8-en>.
- OECD (2023), *Well-being and mental health*, <https://www.oecd.org/wise/well-being-and-mental-health.htm>. [18]
- OECD (2022), *Housing Sector Country Snapshot: FINLAND*, [40]
<https://housingpolicytoolkit.oecd.org/www/CountryFiches/housing-policy-Finland.pdf>.
- OECD (2022), *OECD Economic Outlook, Volume 2022 Issue 2*, OECD Publishing, Paris, [26]
<https://doi.org/10.1787/f6da2159-en>.
- OECD (2022), *OECD Economic Surveys: Finland 2022*, OECD Publishing, Paris, [11]
<https://doi.org/10.1787/516252a7-en>.
- OECD (2022), *OECD Health Database*, [38]
https://stats.oecd.org/Index.aspx?DataSetCode=HEALTH_LVNG.
- OECD (2021), *COVID-19 and Well-being: Life in the Pandemic*, OECD Publishing, Paris, [22]
<https://doi.org/10.1787/1e1ecb53-en>.
- OECD (2021), *Drivers of Trust in Public Institutions in Finland*, Building Trust in Public [35]
 Institutions, OECD Publishing, Paris, <https://doi.org/10.1787/52600c9e-en>.
- OECD (2021), *Government at a Glance 2021*, OECD Publishing, Paris, [36]
<https://doi.org/10.1787/1c258f55-en>.
- OECD (2021), *Health at a Glance 2021: OECD Indicators*, OECD Publishing, Paris, [29]
<https://doi.org/10.1787/ae3016b9-en>.
- OECD (2021), *Housing Sector Country Snapshot: Finland*, [28]
<https://www.oecd.org/housing/policy-toolkit/country-snapshots/housing-policy-finland.pdf>.
- OECD (2021), *Measuring What Matters for Child Well-being and Policies*, OECD Publishing, [31]
 Paris, <https://doi.org/10.1787/e82fded1-en>.
- OECD (2021), *OECD Environmental Performance Reviews: Finland 2021*, OECD [13]
 Environmental Performance Reviews, OECD Publishing, Paris,
<https://doi.org/10.1787/d73547b7-en>.
- OECD (2021), *OECD Income Distribution Database*, <https://www.oecd.org/social/income-distribution-database.htm>. [25]
- OECD (2021), "The inequalities-environment nexus: Towards a people-centred green [17]
 transition", *OECD Green Growth Papers*, No. 2021/01, OECD Publishing, Paris,
<https://doi.org/10.1787/ca9d8479-en>.
- OECD (2020), *How's Life? 2020: Measuring Well-being*, OECD Publishing, Paris, [7]
<https://doi.org/10.1787/9870c393-en>.
- OECD (2020), *OECD Affordable Housing Database*, [27]
<https://www.oecd.org/housing/data/affordable-housing-database/housing-policies.htm>.

- OECD (2018), *A Broken Social Elevator? How to Promote Social Mobility*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264301085-en>. [20]
- OECD (2018), *Finland - country note - PISA 2018 Results*, https://www.oecd.org/pisa/publications/PISA2018_CN_FIN.pdf. [12]
- OECD (2010), "Reform beyond the crisis", in *Making Reform Happen: Lessons from OECD Countries*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264086296-2-en>. [33]
- OECD/European Observatory on Health Systems and Policies (2021), *Finland: Country Health Profile 2021*, State of Health in the EU, OECD Publishing, Paris, <https://doi.org/10.1787/2e74e317-en>. [21]
- OECD/European Union (2022), *Health at a Glance: Europe 2022: State of Health in the EU Cycle*, OECD Publishing, Paris, <https://doi.org/10.1787/507433b0-en>. [15]
- OECD/Statistics Finland (2021), *Finland: Road to Recovery after COVID-19*, OECD Publishing, Paris. [37]
- Reidpath, D. et al. (2002), "An ecological study of the relationship between social and environmental determinants of obesity", *Health & Place*, Vol. 8/2, pp. 141-145, [https://doi.org/10.1016/S1353-8292\(01\)00028-4](https://doi.org/10.1016/S1353-8292(01)00028-4). [41]
- Tompson, W. (2009), *The Political Economy of Reform: Lessons from Pensions, Product Markets and Labour Markets in Ten OECD Countries*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264073111-en>. [32]

Notes

¹ An earlier attempt at an indicator set to measure well-being was the 2009 Findicator programme. This was a collection of around a hundred indicators describing the development of the Finnish society, with data produced by Statistics Finland and other data providers. Due to technical reasons, the programme was discontinued in 2022.

² The *Government report on the future* is a cross-governmental effort. It is prepared by the Prime Minister's office once every electoral term and supported by the ministries' joint foresight working group.

³ For example, the first (and latest available) wave of the OECD Adult Skills Survey was fielded in around 2012. Numeracy scores among adults were highest in Japan, followed by Finland, Belgium (Flanders) and the Netherlands (OECD, 2020^[7]).

⁴ Intellectual property assets refer to a country's knowledge capital (e.g. research and development, software and databases, mineral exploration and evaluation, and entertainment, artistic and literary originals).

⁵ In Panel E, the latest available year is 2021 for Australia, Belgium, Canada, Czech Republic, Denmark, Germany, Finland, France, Korea and the United States; 2020 for Austria, Hungary, Israel, Italy, Japan,

Luxembourg, Mexico, the Netherlands, Portugal, the Slovak Republic, Slovenia, Spain, and the United Kingdom; 2019 in Estonia, Greece, Latvia, Lithuania, Norway, Poland, and Sweden; 2017 for New Zealand; and 2014 for Ireland.

⁶ Urban areas are defined as (greater) cities with an urban centre of at least 50 000 inhabitants, and green space refers to green areas with a minimum mapping unit of 0.25 hectares. They are predominantly areas for recreational use such as gardens, zoos, parks, castle parks, and suburban natural areas that have become and are managed as urban parks. Forests at the fringe of cities are also included. The underlying method consists of determining an area of easy walking distance – around 5 minutes' walking time (with an average speed of 5 km per hour) – around an inhabited Urban Atlas polygon. The data included in the *How's Life? Well-being* database have been calculated by Poelman using the European (Copernicus) Urban Atlas polygons (i.e. satellite data) (OECD, 2020^[7]). A different indicator used by the OECD considers the share of green area (trees, shrublands and grasslands with no minimal surface requirement) in core functional urban areas (cities and commuting zones) using OpenStreetMap, and places Finland at 18% of functional urban areas consisting of green areas in 2020, in line with the OECD average (OECD, 2022^[41]).

⁷ Circular material use, or circularity rate, measures the share of material recovered and fed back into the economy in overall material use. It is defined as the ratio of the circular use of materials to the overall material use. Material productivity is expressed as the amount of economic value generated per unit of materials used (OECD, 2021^[14]).

⁸ In Panel B, the latest available year is 2021 for Australia, Canada, Colombia, Costa Rica, Czech Republic, Japan, Korea, Mexico, New Zealand, Norway, Slovak Republic, the United Kingdom and the United States; 2020 for Austria, Chile, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Latvia, Lithuania, Netherlands, Poland, Portugal, Spain, Sweden and Switzerland; 2019 for Belgium, Ireland, Israel and Italy; 2018 for Iceland, Luxembourg, Slovenia and Türkiye.

⁹ In Panel A, the latest available year is 2020 for Chile and 2021 for all other countries. The OECD average does not include Japan.

¹⁰ In Panel A, the latest available year is 2018 for Austria, Belgium, Denmark, Germany, Ireland, Latvia, Poland, Spain, Sweden and the United Kingdom; 2016 for Israel; 2020 for all other countries; the OECD average does not include Australia, Canada, Chile, Colombia, Costa Rica, Japan, Korea, Luxembourg, Mexico, New Zealand, Türkiye and the United States.

¹¹ This is an estimate of population obesity prevalence based on health examinations, which were last carried out in Finland in 2017 in the Regional Health and Wellbeing study. More recent, but self-reported data on obesity from the European Health Interview Survey indicated that 21% of the adult population said they were obese in 2019, significantly lower than the measured rate of 27% to years earlier.

¹² For instance, evidence from Australia shows that people living in areas from the poorest socio-economic category had 2.5 times the exposure to fast food outlets than people in the wealthiest category (Reidpath et al., 2002^[42]). Obesity, in turn, can elicit reactions of social stigma and discrimination on the part of society directed toward those who are obese.

¹³ It remains challenging to identify internationally comparable mental health outcome measures at the population level (versus people diagnosed or treated by medical professionals). Measures focusing on the latter can penalise countries with good medical systems and awareness programmes, where people are

more likely to seek treatment. The stigma attached to mental health may lead to underreporting, affecting cross-country comparability and the interpretation of changes in prevalence rates.

¹⁴ Urban areas are defined as (greater) cities with an urban centre of at least 50 000 inhabitants, and green space refers to green areas with a minimum mapping unit of 0.25 hectares. They are predominantly areas for recreational use such as gardens, zoos, parks, castle parks, and suburban natural areas that have become and are managed as urban parks. Forests at the fringe of cities are also included. The underlying method consists of determining an area of easy walking distance – around 5 minutes' walking time (with an average speed of 5 km per hour) – around an inhabited Urban Atlas polygon. The data included in the *How's Life? Well-being* database have been calculated by Poelman using the European (Copernicus) Urban Atlas polygons (i.e. satellite data) (OECD, 2020^[7]). A different indicator used by the OECD considers the share of green area (trees, shrublands and grasslands with no minimal surface requirement) in core functional urban areas (cities and commuting zones) using OpenStreetMap, and places Finland at 18% of functional urban areas consisting of green areas in 2020, in line with the OECD average (OECD, 2022^[41]).

¹⁵ Representation in Parliament does not consider the latest Parliamentary elections in 2023 because, at time of writing, the new government was being formed and the final number of women in the parliament was not known.

¹⁶ As noted in Chapter 1, self-reported data are available for 2019, when the obesity rate was 21%, significantly lower than the measured rate of 27% in 2017. Self-reported data are drawn from health interview surveys; measured data come from health examinations.

¹⁷ Overweight corresponds to a body mass index (BMI) equal or greater than 25, and obesity BMI equal or greater than 30. The BMI is calculated by dividing weight in kilograms by height in metres squared.