



Government discussions on the General Government Fiscal Plan 22–23 April 2025

Entries in the meeting minutes

Government fiscal policy objectives

The economic outlook is overshadowed by uncertainties in the global economy and a looming trade war. An escalation of the trade war would be a circumstance outside the Government control that would also threaten the Government's debt objective. The growth measures decided by the Government seek to boost economic growth and, thus, curb the growth of the debt ratio in the coming years. The Government is committed to responsible fiscal management and decided on savings, measures to strengthen the tax base and increases to environmentally and health motivated taxes in order to balance out growth measures.

The Government remains committed to implementing its previously decided package of measures to strengthen public finances by EUR 9 billion. Without this package of measures, Finland's general government debt ratio would be on an unmanageable growth path that would have further reduced fiscal room for manoeuvre in an uncertain global situation.

The Government is committed measures to stabilise the debt ratio by the end of the government term. The Government will ensure that the decided adjustment measures proceed within the agreed timetable so that this objective can be achieved. The Government will intensively monitor the implementation of the savings measures decided with respect to the wellbeing services counties.

Curbing the costs of administration of justice

The resources for public aid were increased based on the Government Report on the Administration of Justice published in 2022. At the same time, the fees paid to private attorneys have increased. The Ministry of Justice is preparing a report on the fees of private attorneys, which will be published in 2025. The report will be used to assess what further measures should be taken with respect to the fees of private attorneys. The Ministry of Justice will also explore other measures to curb the growth of costs and cover costs with the appropriations set out in the spending limits. The allocation of resources to the administration of justice will be examined in connection with the 2026 budget proposal after these reports have been published.

Resources for permit procedures

The Government will ensure that resources are available to ensure that permit processes are fast and to continue applying the priority procedure. The resources of the environmental, permit and supervisory authority will be strengthened by increasing the fees for environmental and water permits to correspond to



costs in accordance with the Act on Criteria for Charges Payable to the State. This change will take effect from the start of 2026 and will increase the revenue from environmental permits by an estimated EUR 3.5–4 million and the revenue from water permits by an estimated EUR 2 million. The resources for administration of justice have been significantly boosted based on the Government Report on the Administration of Justice, and permanent additional funding of EUR 3 million has already been allocated to permit processes. The Ministry of Justice will ensure the smooth processing of permit matters within the framework of these additional resources.

Measures will be developed to ensure the viability of businesses applying for permits and to strengthen the project assessment competence of municipalities, centres for economic development, transport and the environment and the Development and Administrative Services Centre (KEHA Centre).

Security of supply

The Government will ensure that the National Emergency Supply Agency's scope of operations remains at the 2023 level. As part of the overhaul of the Security of Supply Act in 2025 and as part of the budgetary process, the long-term financial balance will be resolved by reassessing the scope and level of the strategic stockpile fee. As a bridge solution, the Ministry of Economic Affairs and Employment will take ownership steering measures to ensure the National Emergency Supply Agency's scope of operations remains at the 2023 level, including maintaining grain stores and procurement relating to plant breeding.

Salmonella fund

The Government will prepare a proposal for an act on a new off-budget fund to compensate salmonella losses in the pig husbandry industry. The Fund would provide compensation to farmers keeping and rearing pigs for the costs and losses caused by the incidence of salmonella in pig farms. The fund's assets used to pay compensation would be collected from the farmers in question in the form of annual salmonella loss fees. As seed capital for the fund, the Government will make a one-off transfer of EUR 10 million no later than in 2027 depending on the entry into force of the act. This will ensure that the fund is able to pay its estimated compensation liabilities as soon as it begins operating.

Regional air services

The Government will secure air transport services between regional airports and Helsinki Airport. The Government will develop domestic air transport primarily on market terms while also securing air connections that are important to security of supply, export industries and tourism. The Government will ensure the continuation of regional flights to Joensuu, Jyväskylä, Kajaani, Kemi-Tornio, Kokkola-Pietarsaari, Savonlinna and Pori until the start of 2028. The Government will separately assess the impact of this decision on Finavia's funding during 2025.



Fees for groundless appeals in administrative judicial procedures

Efforts will be made to reduce the number of groundless appeals. Fees for groundless appeals to administrative courts or the Supreme Administrative Court will be raised.

Data economy roadmap

Work will be launched with industry representatives to draft a data economy roadmap. Discussions will include the outlook for investments, energy sufficiency and sustainability of the electricity system. The Government's objective is to accelerate high added value investments in the data economy and the development of AI. The Government's goal is to ensure a competitive and predictable operating environment for all investments while securing sufficient and affordable energy for consumers.

Reform of real estate tax valuation

The Government will reform the valuation of real estate tax in a way that is reasonable for real estate owners. The new imputed values for real estate tax purposes will be introduced gradually so that the payable real estate tax will rise a maximum of 20 per cent a year for eight years, but the final amount of tax payable cannot more than triple.

Using the central government balance sheet

Funds are transferred annually from the State Pension Fund to cover pension expenditure payable from the Budget. Under current legislation, the amount to be transferred to the Budget this year is 41 per cent of the central government's pension expenditure. This amount will increase by one percentage point each year until 2028, at which time the transfer will be 45 per cent. The Government will submit to Parliament a proposal on increasing the transfer to the Budget by 1.2 percentage points so that in 2028 the transfer will be 46.2 per cent of pension expenditure. In addition, the transfer from the State Pension Fund to the Budget will be increased on a one-off basis by 18.7 percentage points in 2027, making the amount transferred to the Budget 63.9 per cent of the central government's annual pension expenditure. Covering pension expenditure with an additional transfer from the State Pension Fund will reduce the central government's borrowing requirement in 2027 by EUR 1,050 billion.

Lower limit for inheritance and gift tax

The lower threshold for inheritance tax will be raised to EUR 30,000 and for gift tax to EUR 7,500.

Municipal finances

On both the political level and the level of public officials, the Government will improve the coordination of guidance and monitoring of the effects that the package of projects set out in Government Programme have on municipal finances.

The Government is committed to continuing the deregulation of municipal functions. In this respect, the Government will account for the different circumstances municipalities are in and will seek to increase cooperation between municipalities in organising services. To support this goal, studies will be carried out regarding the differentiation of municipal functions. These studies will provide a foundation for drafting guidelines for the comprehensive development of municipalities and their functions.

In these efforts, the Government will seek strategic insight into how to respond to current and future demographic challenges in organising comprehensive education from the working group examining demographic effects on comprehensive education.

The Government will develop the municipal assessment procedure and incentives to encourage voluntary municipal mergers.

Access to bilingual services

The realisation of linguistic rights and the availability of services in bilingual regions will be a particular subject of review in the negotiations with the wellbeing services counties in 2025.

A study will be conducted on the availability of services in Swedish in the wellbeing services counties.

Funding model for wellbeing services counties

A needs-based approach will continue to be main principle for further development of the funding model.

Discretionary government grants for churches

The Government will prepare a report on the relationship between central government funding and the costs arising from the Evangelical Lutheran Church's social functions and the costs forming the basis for the Orthodox Church's discretionary government grants. The report will be prepared by the Ministry of Education and Culture and Ministry of Finance and representatives of the Evangelical Lutheran Church and Orthodox Church will be consulted in the process. The report will assess the need for legislative changes.



Assessment of the overall regional impact of the funding models for local and regional government

Reforms to central government transfers will improve the parity of services for people living in different municipalities and will even out financial differences between municipalities and counties. A comprehensive assessment will be carried out of the combined effects of the reform of funding for the wellbeing services counties and the reform of central government transfers.

ETS2 compensation scheme

An ETS2 compensation scheme will be prepared as a matter of urgency.

EU careers

The Government will launch a programme to promote Finnish careers in the EU in honour of the 30th anniversary of Finland's EU membership.

Equine sector

The discretionary government grants needed by the equine sector in 2028–2029 will be reviewed in 2026.

Investment programme

The Government will allocate EUR 120 million to reducing the repair backlog. The budget authority for the Tampere railway yard will be increased by EUR 20 million. The development of the main rail line will be continued by launching the refurbishment of the Riihimäki-Tampere sidings and the main line with EUR 100 million. EUR 42 million will be allocated to increasing the speed and capacity of the Savo rail line. Pietarsaari port road: the budget authority for main road 68 between Edsevö and Pietarsaari will be increased by EUR 2 million.

The following are among the Government's urgent planning projects:

- Deepening the Loviisa fairway
- Building a new road to the Loviisa nuclear power plant (highway 1583 (Atomitie) between highway 170 and Saaristotie)
- Deepening the Vaasa port fairway
- Electrification of the Vaasa port railway



- Main road 8 Ytterjeppo interchange
- Widening of main road 8 between Bäckliden and Brännbacken
- Vestonmäki, Toivakka
- Developing the main line between Liminka and Oulu

Coeliac compensation

General legislation on coeliac compensation will be drafted by the end of 2026.

Tax credit for household expenses

The Government will examine whether the tax credit for household expenses could be broadened to cover repairs of movable assets.

Integration and immigration

We will launch preparations to create mechanisms for achieving the 5–10 per cent target for integration in the Swedish language set out in the Government Programme. The mechanisms will be introduced within the framework of resources as soon as possible, but no later than the beginning of 2027. Public authorities must provide clearer information on the possibility to integrate in Swedish and immigrants must be able to choose the language in which they will integrate. Efforts to seek the placement of quota refugees in Swedish-speaking municipalities will be improved.

The Government will ensure that there are opportunities for integration by imposing greater responsibility on immigrants for their integration and by introducing obligations into the system.

Opportunities for making use of translation technology in interpretation services will be increased where appropriate.

To make the residence permit system more secure, efforts will be made to improve the quality of supervision carried out in advance.

The Norwegian model for home child care allowances will be adopted to support the integration of children and parents. Entitlement to home child care allowances will begin after a three-year period of residence. Municipalities will receive compensation for the increase in early childhood education and care costs.

Education and students

A national survey will be carried out on any extra need for language immersion teachers and a plan based on this will be drawn up for meeting these needs by making use of different types of education.

The Ministry of Education and Culture will conduct a study on the effects of restrictions on the use of mobile devices in schools in Finland and abroad by the end of 2026 and, if necessary, take further action on the basis of the study.

A study will be launched to identify ways to demonstrate excellent proficiency in Finnish and Swedish as part of higher education degrees. The results will be completed by the next government discussion on spending limits in 2026.

The Government will continue to prepare for an overhaul of the student financial aid system. In line with the Government Programme, the aim is to primarily enable full-time studies, secure a source of income for students during their studies, make the incentives of student financial aid stronger and encourage students to graduate within the normative time. The student financial aid overhaul will make the situation of students in the most vulnerable position more robust, create less debt for under-age students and safeguard the position of students with families. Shortcomings in the system will also be addressed. The overhaul of the system of student financial aid must be cost-neutral.

We will make greater efforts to curtail the challenges in terms of sources of income faced by foreign students in cooperation with the higher education institutions, and misleading marketing will be tackled. The Government will assess the challenges and needs for legislative amendments related to making a living, misuse of the permit system and possible security threats of third-country students and their family members in order to prevent abuse, human trafficking, people ending up in a vulnerable position (e.g. income challenges), irregularities and possible security threats. Based on the results of the study, the measures deemed necessary will be outlined in the ministerial working group and taken forward by the end of the year.

Sports and physical activity

The Sports Decree will be amended so that, besides eligibility for annual subsidies, multi-annual subsidies will also be made available.

In order to advance elite sports, we will examine the potential for creating more education and training alternatives and job opportunities for athletes, such as in the Defence Forces, the Police, Finnish Customs, the Border Guard and rescue services, including international best practices. The aim should be to increase the number of athletes being endorsed. The applicants apply for positions through normal application channels. During this government term, concrete measures will be outlined and assessed before the upcoming government discussion on spending limits, to address the shortcomings in the socioeconomic situation of athletes.

Systematic advocacy activities will be carried out to attract major sporting events to Finland. We will set up a funding scheme to encourage the organisation of large sports events in Finland.

Agriculture and forestry

The Government will promote investments in biogas production that can convert organic waste into sustainable energy while reducing nutrient pollution in our water bodies. Biogas production promotes the circular economy and improves the regional nutrient balance by recycling nutrients from waste and manure. Solutions for more efficient nutrient recycling will be developed, especially in the Archipelago Sea, for example by continuing the implementation of nutrient recycling subsidies and expanding them to be technology neutral. A roadmap for nutrient recycling and the security of supply of fertilisers will be prepared. The Government will launch a voluntary trial on a nutrient data repository for arable land to improve the recycling of nutrients in the drainage basin of the Archipelago Sea.

The Government will make sure that legislative projects that are critical for bolstering the status of primary producers and food security proceed swiftly. These include phase two of the Food Market Act, the comprehensive reform of the Act on Public Procurement and Concession Contracts and the reform of legislation governing Finnvera, so that the financial position in agricultural production can be improved. The Government will also use ownership steering to make sure that public sector procurement increases its share of domestic food stocks.

Growth in the added value of the bioeconomy will be promoted by supporting food exports and forest bioeconomy. Food exports are a pilot area in the reform of the Team Finland network. The profitability and share of products domestically sourced of the entire food value chain will be boosted, and the protection of confidential information will be examined as part of the legislative process. The security of supply in the bioeconomy sector will be safeguarded.

Before the next government budget session, the Government will explore means for bringing in additional funding for Parks & Wildlife Finland at Metsähallitus to advance, by means of outsourced services from farmers, the management of semi-natural grasslands under threat of extinction.

Ministers' salaries

The remuneration of members of the Government will be reduced by 5 per cent starting at the beginning of 2026.

Young people

The Government will take action to create more youth inclusion measures in all sectors and ministries. At the planning stages of their programmes and legislative reforms, the ministries will adopt concrete measures to strengthen the inclusion of young people in the activities.



The Government will reinforce the role of youth work as part of the work for wellbeing carried out in schools and educational institutions. Youth work carried out in schools and educational institutions will continue to be enhanced, with the emphasis being on smooth cooperation between municipal youth services, education and training providers and student welfare services.

Ways to make it easier to employ young people under the age of 29 will be explored. The proposed scheme will be brought for decision in the spring 2026 government discussion on spending limits.

Courts

A ceiling will be defined for compensation paid from state funds for persons who have been wrongfully imprisoned or sentenced due to loss of liberty.

Passports

The maximum validity for Finnish passports will be extended to 10 years, taking into account any exemptions due to security aspects.

Defence

The Government will launch preparations to strengthen defence research and development activities and to restructure the operating scheme in export promotion to meet the requirements for the changes in the security environment and the rapid development of the market in the sector.

Archipelago and maritime transport

Road ferries, cable ferries and commuter ferries must also be safeguarded in the new security environment. Under the Government Programme, the provisions governing archipelago traffic will be updated. The project must be promoted urgently within the scope of the project for amendment needs in the Transport Infrastructure Act.

In line with the Government Programme, the emissions trade costs of shipping in the Kvarken will be compensated in the form of financial support or investment aid. A solution will be found before the end of 2025.

End-of-life care

With regard to end-of-life care, the wording in legislation will be made more precise without delay so that everyone has a statutory right to end-of-life care.

Funding Centre for Social Welfare and Health Organisations (STEA)

The Government will review the operating practices of the Funding Centre for Social Welfare and Health Organisations (STEA) to bring it into line with the uniform practices applied by government grant authorities. We will explore the possibility of transferring STEA under the auspices of the Ministry of Social Affairs and Health in the same way as the Ministry of Social Affairs and Health's other government grant activities and the grant activities of other ministries. The objective is not to increase political guidance and direction but to reinforce the weight of expert assessments and to make administration more efficient. The special characteristics of Swedish-speaking NGOs must be taken into consideration in this context.

Artificial intelligence

We will accelerate the effective adoption of AI and, for example, the scalability of pilot projects across public administration by promoting investments needed for the advancements in development and, if necessary, strengthening competence and legislative efforts in order to remove obstacles to the use of AI or automation.

Communications networks

We will outline policies on information network connections encompassing the whole of Finland and ways to advance them in 'Security and new economic growth from information networks' project in 2025-2026.

Employment

A deregulation trial in employment services will be prepared in selected pilot areas (3 projects).

Labour market

The Government agreed to revoke its decision to make the first day of sick leave an unpaid leave of absence and introduced new compensatory measures.

Compensatory measures:

Carried-over holiday entitlement

In future, employers would decide when employees may take their carried-over holiday entitlement, the same way as in the case of other annual holidays, unless otherwise agreed.



Act on the Protection of Privacy in Working Life

The legislation governing the protection of privacy in working life will be made clearer. We will examine the need to amend the Act on the Protection of Privacy in Working Life and explore whether it is possible to repeal the extra regulation in place in Finland that creates an administrative burden.

The Government also decided to lower the threshold for board-level employee representation from 150 to 100 employees. Board-level employee representation must take place in the board of directors or senior management group.

We will carry out an analysis of the different options for implementing the universal earnings-related model and the linear model of unemployment security before the next spending limits discussion takes place. For the time being, no further preparation will be initiated in terms of studies and reports.

Enforcement

The Government will explore ways to help debtors in enforcement get a new start in such a way that the debt capital itself can actually be paid off in addition to paying interest.

Corporate restraining order

The implementation of the corporate restraining order will be ensured.