

FINLAND TESTS UNCONDITIONAL BASIC INCOME

Posted on 05/01/2017 by Naider



The evolution of the labor market, with a large number of jobs [in danger of being automated](#), and socioeconomic gaps, mean that interest in the idea of a universal basic income is growing, and the social experiments that are being announced in various locations attract worldwide attention. If a few weeks ago we were talking about the [universal basic income pilot test](#) that is going to be launched in the Canadian province of Ontario, Today we know the details of the

unconditional basic income experiment that the Finnish government has already started this January. Finland has become the first European country to test an unconditional monthly salary for the unemployed: an income of 560 euros/month that the lucky citizens will continue to earn even if they find a job.

As detailed by [The Guardian](#), 2,000 unemployed people, between the ages of 25 and 58, have been randomly chosen to be part of the pilot test. Social security will replace your current benefits with a monthly income of 560 euros, tax free. The idea is that participants do not lose this income even if they switch to self-employment or find temporary jobs: with the current system, low income from gigging or self-employment may not count towards waiving subsidies. Finnish social security intends, with this new approach, to reduce bureaucracy and even save in the long term the costs of maintaining the current subsidy system, eradicate poverty, and in particular, reduce unemployment, currently at 8.1% in the nordic country.

With the data of the 2,000 beneficiaries and another 173,000 non-participating citizens with a similar socioeconomic profile, the Finnish authorities want to verify the repercussions of this unconditional salary. Based on the results, the intention of the Finnish government is to extend the unconditional basic salary to all adult citizens, regardless of their employment status or income level, starting in 2018.

There are no comments yet.