

Parliamentary working group on sparsely populated areas Action plan

The Government appointed a parliamentary working group on sparsely populated areas on 8 October 2020 to improve the opportunities available in the sparsely populated areas of Finland. The term of the working group is from 12 October 2020 to 30 June 2023. The working group has representatives from all parties in the Government. The group is chaired by Hanna Huttunen (Centre Party) and the vice-chair is Johanna Ojala-Niemelä (Social Democratic Party).

The task of the parliamentary working group on sparsely populated areas is to monitor the special questions related to these areas and to strengthen their vitality and wellbeing. A major proportion, more than 68%, of the surface area of Finland is sparsely populated. These areas are very important for the country because this is where most of the tangible and intangible resources of Finland's natural environment are. However, there are also major challenges due to the long distances and sparse population. About 5% of the population lives in these areas on a permanent basis.

The work of the parliamentary group aims to develop and improve Finland's sparsely populated areas. The areas have been defined using the [urban-rural classification \(link to an external site\)](#) maintained by the Finnish Environment Institute that is based on geographical information.

The work of the parliamentary group on sparsely populated areas is based on the *strategy for sparsely populated rural areas 2017-2020* ([link to the strategy](#)), and the final report of the previous group (2017-2019) ([link to the report](#)) (both documents in Finnish, with description sheets in English). The content of the action plan is based on the objectives of the Programme of Prime Minister Sanna Marin's Government concerning the development of sparsely populated areas.

The parliamentary group on sparsely populated areas has established four themes to guide the work during its term (October 2020 to June 2023). A total of EUR 12 million in funding is available for work under these themes to develop the vitality and wellbeing of the sparsely populated rural areas. Funding can be used to promote the objectives included in this action plan. The measures, experimental projects and follow-up actions will be specified in further detail later on.

The objectives of the working group are in line with the objectives set in the Government Programme. The future actions will be coordinated and streamlined with other funding channels for regional and rural development and the activities under these. The working group also supports the use of scientific knowledge in decision-making.

The coronavirus situation has increased the uncertainties and concerns about the future, but quite surprisingly it has also brought new kind of appreciation and boost for the sparsely populated areas. Because of the restrictions and lockdowns, people have sought spaces of their own and pure natural environments in forests and holiday homes. This has increased the use of sparsely populated areas and discussion on their future. In the future people's lives and mobility may be divided even more broadly between different types of areas, from urban environments to sparsely populated rural areas.

The measures to be introduced by the working group aim to support the declining areas and help them find their strengths. A new kind of approach will be needed to develop areas that are losing population where not only economic indicators but also matters such as wellbeing, vitality, communities, safety and other prerequisites for a good life are taken into account. This approach is called smart shrinking, and it will bring new perspectives to sparsely populated areas.

Vitality

The vitality of regions arises from work and livelihoods, expertise, education, renewal, accessibility and inclusion. A viable area is not only capable of retaining its present residents but it also attracts new ones.

Under the vitality theme the working group decided to support projects concerned with the natural environment, fishing and hunting, independent cultural activities round the year and strengthening the capability to retain residents and attract new ones. The group will also commission a study on the possibilities to apply the Japanese hometown tax system in the Finnish conditions.

Promoting tourism

- Objective: Developing nature, food, and fishing and hunting tourism in sparsely populated rural areas. The focus is on implementing Finland's Tourism Strategy 2019-2028, Finland's Food Tourism Strategy 2020–2028 and the product recommendations for food tourism by Visit Finland.
- Means: Funding of projects to develop tourism.

Cultural activities

- Objective: Independent and local cultural activities are promoted in sparsely populated rural areas round the year.
- Means: Forms of cooperation are examined together with actors in the culture sector. Local cultural activities, heritage, environments and landscapes are highlighted and people are encouraged to make good use of these. The potential and added value related to culture is recognised in the efforts to develop sparsely populated rural areas. Projects related to the theme are supported.

Strengthening the capability to retain residents and attract new ones

- Objective: Factors that are known to enhance the capability of regions to retain residents and attract new ones are highlighted and strengthened.
- Means: Communication in various channels. Projects related to the theme are supported.

Study of the Japanese hometown tax model

- Objective: Study of the possibilities to use a mechanism such as the Japanese hometown tax model in Finland to strengthen the vitality of sparsely populated rural areas.
- Means: A follow-up study is commissioned on introducing the hometown tax model in Finland on an experimental basis.
- Timetable: Study conducted in 2021–2022.

Education

The working group has been worried about the trend where growing numbers of small local schools are being closed down. The working group considers it important that every child has the opportunity to go to a school that is within a reasonable distance from their home. Neighbourhood schools have a well-recognised, important and broader role in maintaining the wellbeing of communities and vitality of regions.

Under the education theme the working group decided to support the continuation of neighbourhood schools and the opportunities to go to school in diverse ways, including on a part-time basis in another location or via remote connections.

Neighbourhood schools

- Objective: Small local schools continue to operate, thus securing reasonable distances to schools. Highlighting the role of neighbourhood schools in maintaining the wellbeing of children, families and communities and ensuring the vitality of regions. Ensuring the availability of qualified school staff. Realisation of the child's interests in decisions concerning pre-primary, primary and lower secondary education.
- Means: Enhancing knowledge base to support decision-making. Increasing cooperation between municipalities with respect to schools and teachers. Different kinds of cooperation projects, preparation with different stakeholders.

Different forms of education provision and learning

- Objective: Increased opportunities to go to school on a temporary basis, including outside one's own municipality of residence. Increased opportunities for diverse forms of education provision and learning.
- Means: Same as above. Study of the impacts of multi-local basic education would have on the organisation and financing of education, learning, support for learning and pupils' wellbeing. Strengthening cooperation between the municipal and regional level.

Multi-locality made visible and possible

Multi-locality is an old phenomenon which has gained new momentum during the coronavirus situation. People are dividing their time more and more between different places, such as the locations of their permanent and holiday homes. Work has become increasingly independent of location.

Under the multi-locality theme the working group decided to support multi-local work and living by providing tools and means that will enable these. The working group wishes to stress the role of connections in reaching these objectives.

Services, increasing multi-local work

- Objective: Providing tools for multi-local work.
- Means: Providing opportunities for remote work either by municipalities or by local associations. Making wider use of communal spaces. Promoting transport service innovations through experiments, cooperation between public and private stakeholders and digitalisation. Supporting projects related to these.

Connections

- Objective: Raising awareness on the role of better connections.
- Means: Communication in various channels.

Needs for changes over the long term that require wider legislative processes

Some of the objectives of the working group are broad-based and extend beyond the term of the working group.

The working group will examine the possibility to apply measures used in the Norwegian model in the Finnish conditions, including student loan compensation to those moving to the sparsely populated areas, and various kinds of tax reliefs, payments and subsidies to promote employment and the supply of skilled labour in sparsely populated areas. The working group will examine the possibilities to introduce municipal e-residency in Finland.

Student loan compensation

- Objective: Study of the student loan compensation used in the Norwegian model and possible experiment in Finland
- Means: Prestudy on the preconditions for implementing the possible experiment, followed by an assessment of the preconditions for legislation on the experiment and for launching the experiment.

Taxes, payments and subsidies

- Objective: Measures in line with the Norwegian model are promoted to introduce different kinds of means that will boost employment and economic activities in sparsely populated areas.
- Means: Promoting studies with other ministries responsible for the theme.

Municipal e-residence

- Objective: Studying how municipal e-residence could be promoted in Finland. Developing different kinds of electronic channels for participation, influence and services that will serve both permanent and part-time residents of municipalities.
- Means: Studies and other promotion efforts in line with the decisions of the Government's mid-term policy review in cooperation with the ministries responsible for the matter.