

Local government finances

2016

Net costs of municipalities' social and health care activities were almost on level with the previous year in 2016

Corrected on 3 November 2017. The corrected figures are indicated in red.

The net costs of municipalities' social and health care activities amounted EUR 17.9 billion in 2016 and they grew by 0.3 per cent from the previous year. The share of social and health care activities in the net costs of the entire operational economy was 58.4 per cent. The largest share of net costs of social and health care activities were caused by specialised health care, on which municipalities spent in total EUR 6.6 billion. These data appear from Statistics Finland's statistics on local government finances, for which data were collected from all 313 municipalities and all 144 joint municipal authorities.

Operating economy of municipalities in 2016, EUR million¹⁾

	Municipalities			
	Operating costs	Operating income	Net costs	Change %
Social services and health care, total	20 863	2 941	17 922	0,3
<i>Of which: Specialised health care</i>	6 890	297	6 593	-0,6
Educational and cultural activities, total	11 736	1 134	10 602	1,1
<i>Of which: Primary education</i>	5 145	309	4 836	1,7
Other activities, total	11 287	9 127	2 160	1,9
<i>Of which: Fire and rescue activities</i>	705	298	406	-1,6
Operating economy, total	43 886	13 201	30 685	0,7

1) Operating costs include operating expenses, depreciations and reductions in value as well as costs carried forward. Operating income includes operating income and income carried forward, change in inventory of finished products and production for own use. Net costs are the difference between operating costs and operating income. Changes in net costs are calculated compared to the previous year.

Operating economy of municipalities

In 2016, municipalities' combined operating costs amounted to EUR 43.9 billion and operating income to EUR 13.2 billion. Operating costs were on level with the previous year, while operating income decreased by 1.8 per cent from the previous statistical reference year. The net costs of the operational economy amounted to EUR 30.7 billion and they grew by 0.7 per cent from the previous year.

A majority of the net costs of municipalities' operational economy were directed at social and health care activities, whose share of the entire operational economy was 58.4 per cent, or EUR 17.9 billion. Compared to the previous year, the net costs of social and health care activities increased by 0.3 per cent. Specialised health care formed the largest share of municipalities' net costs from social and health care activities, EUR 6.6 billion, and primary health care¹⁾ the second highest share, EUR 3.3 billion.

The second biggest share of the net costs of municipalities' entire operational economy was directed at education and cultural activities, whose share of the operational economy was 34.6 per cent, or EUR 10.6 billion. The combined net costs of education and cultural activities were 1.1 per cent higher than one year earlier. The share of basic education was largest in municipalities' net costs from education and cultural activities, EUR 4.8 billion, and that of early childhood education second largest, EUR 2.7 billion.

EUR 2.2 billion of net costs, corresponding to a share of 7.0 per cent in the entire operating economy, were directed at other activities, which include all other activities apart from social and health care activities, and education and cultural activities. The net costs directed at other activities grew by 1.9 per cent from the previous year.

Operating economy of joint municipal authorities

In 2016, joint municipal authorities' combined operating costs on gross amounted to EUR 14.4 billion and operating income to EUR 14.6 billion. Measured in gross, the operating costs grew by 2.2 (was 5.3) per cent and operating income by 1.8 (was 5.8) per cent from the previous statistical reference year.

A majority of the operating costs of joint municipal authorities were directed at social and health care activities, whose share of the entire operational economy was 72.7 per cent. Compared with the previous year, the gross costs of social and health care activities grew by 2.8 (was 7.3) per cent and operating income by 2.6 per cent.

The second most, or 8.7 per cent of the costs of the operating costs in gross were directed at education and cultural activities. From the previous year, the costs of education and cultural activities in gross decreased by 5.9 per cent and income by 5.4 per cent.

Information on the statistics

Statistics on local government finances contain data on municipalities' and joint municipal authorities' financial statements, operational economy, investments and activities. Data for the statistics are collected from all municipalities and joint municipal authorities in Finland.

The data content and data collection of the statistics on local government finances were revised starting from the statistical reference year 2015, for which reason the data of the statistics on local government finances are not directly comparable with the data of statistics on finances and activities of municipalities and joint municipal authorities published in previous years. In the statistics on local government finances, municipal enterprises are combined with the data on basic municipalities and joint municipal authorities, while this was not done in the statistics on finances and activities of municipalities and joint municipal authorities. The revision also brought changes to the activity classification of municipalities and joint municipal authorities.

1) Primary health care services include outpatient care in primary health care, ward care in primary health care and oral health care.

Contents

Tables

Appendix tables

Appendix table 1. Regional net costs in 2016.....4

Appendix tables

Appendix table 1. Regional net costs in 2016¹⁾

	Municipalities			
	Net costs from social services and health care, EUR million	Net costs from social services and health care, EUR per capita	Net costs from educational and cultural services, EUR million	Net costs from educational and cultural services, EUR per capita
Whole country	17 922	3 257	10 602	1 926
Uusimaa	4 694	2 865	3 328	2 031
Varsinais-Suomi	1 562	3 285	881	1 853
Satakunta	754	3 401	383	1 728
Kanta-Häme	571	3 286	297	1 709
Pirkanmaa	1 632	3 204	997	1 958
Päijät-Häme	681	3 375	352	1 747
Kymenlaakso	661	3 722	340	1 915
South Karelia	455	3 484	223	1 705
Etelä-Savo	586	3 934	252	1 693
Pohjois-Savo	921	3 719	444	1 790
North Karelia	595	3 624	286	1 745
Central Finland	913	3 304	494	1 789
South Ostrobothnia	666	3 473	361	1 880
Ostrobothnia	611	3 369	400	2 206
Central Ostrobothnia	239	3 460	136	1 971
North Ostrobothnia	1 333	3 241	833	2 027
Kainuu	296	3 955	170	2 275
Lapland	699	3 881	350	1 942
Åland ²⁾	53	1 828	74	2 535

1) Data on residents 31 December 2016.

2) The health care of Åland is the responsibility of the Government of Åland.

Inquiries

Karen Asplund 029 551 3611
Director in charge:
Ville Vertanen

kuntatalous@stat.fi
http://tilastokeskus.fi/til/kta/index_en.html
Source: Local government finances 2016. Statistics Finland