

Summary of Finland's proposal for a community initiative EQUAL programme

1. Background

Finland was severely affected during the economic recession of the 1990's, more so than the other OECD countries. During the period 1990-1994, the net loss of jobs was over 440 000 and the total unemployment rate rose to 16.6%. Since 1994 the unemployment rate has fallen steadily but at a slow rate, despite strong and favourable economic growth, at 9.6% in November 2000. The total employment rate which was over 70% in the 1980's, dropped by more than 10% during the recession years. In 1999, the total employment rate increased to 66.0% and also rose steadily in 2000. Female unemployment rate has decreased more slowly than the male unemployment rate. The current trends in the labour market seem problematic with regards to women. It appears to be more difficult for women to become integrated into the permanent labour market. Temporary employment contracts are more common for women than for men and in all age groups.

About 175,000 unemployed are estimated to experience difficulty in accessing the labour market. This refers to people who have not been employed in the open labour market during the past three years.

As in other Member States, the employment rate of the disabled and the disadvantaged is about 20-30 per cent lower than that of the rest of the active population. In 1999, there were approximately 39,000 disadvantaged, unemployed job seekers, which is about one tenth of all unemployed job seekers.

The average unemployment rate among the foreign population was at 38 %. The unemployment rate of immigrants has decreased as the general employment rate has increased. Refugees in particular who have come to Finland still suffer from a high rate of unemployment.

2. Strategy

Building on the experiences gained during the earlier programming period, the operational strategy may be called a strategy of empowerment and social partnership. The aim is to promote the activity of the individual by developing local forms of service and operation based on the partnership of the public, private and third sectors so that they promote the employability of the individual. The programme aims at increasing the acceptance of diversity and multiculturalness in working life and at open dialogue taking into account individual needs.

The measures are concentrated on the main problems relating to discrimination, inequality and exclusion and other problems in the labour market, with a considerable added value generated by transnational co-operation. The implementation is based on the proactivity of the partners, the strengths and the situation of the target groups and the identification of special problems and needs, also in respect to gender. The social partners are made aware of the factors leading to discrimination, inequality and exclusion of certain groups. The promotion of equality between women and men is an essential part of the operation, based on the principle of gender mainstreaming, and it is highlighted using special measures giving priority to Equality.

EQUAL provides opportunities for mapping and anticipating changes as well as creating new tools for monitoring, preventing and solving the problems detected. The aim is to improve the the labour market's efficiency and to reduce the gap between the supply and demand for labour. A precondition for this is increased interaction between employers and employees, the business sector and the target groups. The development of working life and the recruitment practices and ethical guidelines of companies play a significant role in the promotion of equal opportunities at work and in society.

With regards to exclusion, there is a problem which society and its various organisations are not equipped to solve due to the lack of structural and economic resources, information and skills. Success in preventing exclusion and stopping the process leading to it, requires co-operation between various sectors of society and development of their structures and methods. The prevention of exclusion has become a multisectoral activity during the 1990s.

For some of the potential EQUAL target groups, special support such as training closely linked to working life and other support measures aimed at overcoming the barriers to working life, rehabilitation and intermediate organisations may open doors into the open labour market. A greater capacity to manage daily life, at the individual level may also later lead to employment or entrepreneurship.

The changes and the increase of diverse transitional stages in the labour market and the individualisation of life situations require new kinds of approaches and measures to support the management of transitions and changes. The development of transitional labour market has been suggested as a model that enables the creation of new types of employment along side the traditional permanent and full-time paid work and to provide individual support in different life situations by for instance combining open labour markets with social economy. The empowerment of individuals, the development of the transitional stages so that they help the individual to access permanent employment and income and the development of flexible models for co-operation and local networks with the new partnership models between public and private actors are considered essential for the development of functional transitional labour markets.

The development of the information society may not take into consideration the needs and capacities of all EQUAL target groups, which may cause inequality and exclusion. Therefore, active measures are needed to develop lifelong learning, new learning methods and aids as well as to secure the availability of information society services for all, as part of basic services. The development of Finland as an information society requires the promotion of the information society capacities among the whole population as well as an equal access to information networks.

The programme aims at supporting entrepreneurs and working communities within enterprises undergoing structural economic change, paying attention in particular to the development of technology, the principle of lifelong learning and the improvement of the capacities of the most difficult-to-place groups. The goal is to create new resources and opportunities for co-operation, maintain jobs and create new quality jobs for the most vulnerable groups as well.

The programme aims at encouraging innovation, which is one of the key factors for the implementation of the programme. Actions must be focused on the essential current and regional problems of each programming period. Unemployment and changes in occupational structure vary from region to region, which means that diverse measures are needed to deal with them.

The aim of the measures is to ensure that the implementation benefits those who experience discrimination and inequality in the Finnish labour market. The aim is to include the most vulnerable groups in the labour market. According to the analysis of the operating environment and public hearings held for the target groups, such groups include:

- long-term unemployed with a low educational level
- active older women and men who have low educational level and outdated occupational skills
- young people without any vocational training or with a low educational level or multiple problems
- young people belonging to special groups, such as ethnic minorities and from rural areas
- the disadvantaged and the disabled
- people undergoing mental health rehabilitation or with alcohol or drug abuse problems
- refugees, ethnic minorities and other immigrants
- employees in sectors affected by structural economic change, especially the older age groups, and
- specific groups of women, e.g. immigrants or women living in the rural areas or in the archipelago.

The measures may also be targeted at women and men in order to improve the horizontal and vertical desegregation of education and the labour market. Moreover, the programme aims at developing the reception of asylum seekers whose application has not yet been accepted. The objective is to enhance the self-motivation of asylum seekers and to prevent social exclusion.

The importance of empowerment has been highlighted during the public hearings organised for the target groups during the preparation of the programme. Empowerment means participation of target groups and their real power to influence matters concerning them. Participation should also be secured in transnational co-operation. Development Partnerships emphasise partnership and equality. The programme is expected to have a positive impact on employment, and also on life-management skills. Special attention should be paid to women belonging to specific groups. In addition, the participation of small actors should be secured by way of financial support.

The programmes and measures funded by the ESF must take account certain horizontal emphases. They must be visible in the work programmes of the DPs. These emphases include gender equality, supporting local development, the social dimension of the information society and the employment aspect and sustainable development. Other horizontal emphases included in EQUAL in Finland are anticipation and the promotion of good ethnic relationships.

3. The themes/measures chosen in the Finnish CIP

Facilitating entry and re-entry into the labour market for those who experience difficulty in entering or re-entering the labour market

The objective is to develop new methods and solutions for those who experience difficulty in entering the open labour market. In the spirit of partnership, co-operation is promoted particularly among employers and enterprises, authorities and the educational sector as well as the representatives of the target group to encourage participation in working life and the unprejudiced recruitment of new employees.

With the aid of the value added generated by co-operative partnerships and transnational co-operation, the aim is to develop models taking into account the special needs, involvement and regional characteristics of the groups that face discrimination, inequality and a threat of exclusion in the labour market. The employability and life-management of individuals are increased, when their strengths, activity and participation are encouraged. In this way, their integration into working life and society is facilitated and social exclusion is prevented.

Possible experimental fields:

- development partnership model utilizing international and local cooperation and networking as well as integrated measures – a new action model and new kinds of combinations may even lead to innovation, provided that at least the social partners and enterprises as well as the target groups as their equals will also actively participate in the development partnership and in the planning of the activities as a means of motivating and inspiring employers and enterprises to hire the “hard core” who are difficult to employ.
- workplace practices and integrated subsidized schemes (for example as tried previously , work trial periods, back-up people, work coaches, peer instructors etc.) implemented in joint co-operation with employers in order to provide entry or return to the open labour market for those with the poorest labour market status – to cross the threshold to working life so that it results in the jobseekers’ remaining in the open labour market.
- overall support for integrating those with the poorest labour market status into the open labour market especially during different kinds of individual transition periods of training, working life, and when outside the labour market. Therefore attention is paid not only to the improvement of individual needs but also to the development of new supportive structures and systems, e.g. the development of service systems for the work coaches of disabled and other special needs groups in a particularly difficult situation.
- means for promoting activity, participation and continuous training in order to recognize the reasons for difficulties to learn and negativity towards training and for affecting these things e.g. by flexible forms of learning and becoming competent, considering the possibilities of IT technology - methods and action models which, for example, young people experience as their own and which motivate them, as well as means for anticipating interruption.

Combating racism and xenophobia in the labour market

The objective is to improve the preconditions for employment of immigrants and traditional ethnic minorities in co-operation with the social partners and the business sector.

The objective is to promote ethnic equality and equal opportunities as well as to facilitate the integration of the ethnic minorities into working life by supporting positive practices in which multiplicity and multi-culturalness are valued and by promoting the know-how of ethnic minorities both in working life and in society in general. Transnational experiences and the involvement of ethnic minorities are used for attaining this target.

Possible experimental fields:

- the labour market status of immigrants and Romanies is improved by utilizing the strengths of multiculturalism and ethnic minorities as well as reciprocal networking – in addition to the target groups, success in these measures also requires the participation of social partners in development partnership;
- enhancing the competitiveness of entrepreneurs (especially those of SMEs), supporting internationalization and creating permanent jobs for the representatives of ethnic minorities by developing working life, work communities and workplace practices that accept multiculturalism and multiplicity, utilizing the expertise and know-how of ethnic minorities;
- promoting the positive attitudes of actors within working life and training and promoting tolerance and multiculturalism by means of overall measures including . training;
- developing systems for identifying and monitoring working life discrimination and its consequences, as well as experimenting with methods promoting good ethnic relations;
- special need groups include women from ethnic minorities, who may experience double discrimination; young people living between two cultures; illiterate immigrants.

Strengthening the social economy (the third sector), particularly the services of interest to the public sector while emphasising the improvement of job quality

The objective is to contribute to the creation of a strategy for the social economy at a national level. The measure seeks to develop Finnish models for the social economy and social enterprises and to ensure that the special features are taken into account by the authorities, concerning legislation and in the form of support.

The objective is to develop entrepreneurship, companies and the operational preconditions of the companies in the third sector. The aim is to raise the level of know-how of the actors in the social economy so that new methods, quality services and jobs are created and the opportunities for employment are improved particularly in the new branches. The possibilities of the social economy to develop sustainable operational and employment models will be improved through the utilisation transnational experience, local and regional partnerships and networking.

The objective is to improve the life-management, involvement, participation and employment especially of those experiencing difficulty in becoming integrated into the open labour market due to discrimination or exclusion, or who have no resources for normal entrepreneurship. With the aid of tailored support, by way of measures taken by the social economy, special needs groups will be encouraged to set up companies, it will be possible for example to encourage the transition of special groups from the social economy into normal entrepreneurship. In new branches, new models of entrepreneurship and business operations will be developed for those who have difficulties in becoming integrated into the labour market. The special needs groups include, for example, women living in rural areas, young people, immigrants and other ethnic minorities as well as the disabled and disadvantaged persons.

Possible experimental fields:

- defining community economy and its role by utilizing international experiences (the “Finnish model”);
- networking between entrepreneurs and the actors of different kinds of community economies by means of development partnerships, and new kinds of combinations and action models at international as well as regional and local levels;

- supporting the working conditions of community economy actors and creating high-quality workplaces by utilizing e.g. the development of social enterprises and their products and services;
- creating bridges for special needs groups via community economy and normal entrepreneurship especially in new fields. This is done by providing support to community economy actors in obtaining occupations by means of networks, tailor-made services and other individual transition periods. Support is also provided for the adaptability of enterprises and employees to the structural changes in the economy and for use of information and other new technologies.

Supporting the adaptability of firms and employees to structural economic change and the use of information technology and other new technologies

The objective is to assist the entrepreneurs and employees in the SME sector who have lack of knowledge and capability with regards to the demands of the information society and to help them adjust to the structural changes concerning employment and economy.

The objective in particular is to expand information technology skills as well as exploitation of the new technology in new areas in order to help maintain and stimulate the creation of new jobs. The aim comprises of integrated efforts to experiment and develop training schemes and plans of action for entrepreneurs and employees as well as for working communities that will lead to better productivity and competitiveness as well as to increased competence and participation of employees. In workplaces, the special target group constitutes employees who are in the weakest position and have the least capabilities with regards to the demands placed on them by the information society and the rapid internationalisation of working life.

Possible experimental fields:

- supporting entrepreneurs, upgrading the skill of enterprise staff and developing work communities in the process of structural change and internationalization on the basis of the needs of entrepreneurship by utilizing anticipation and added value through international cooperation, e.g. networking and joint product development, as well as new technology – possibly networking based on sub/sector-specific needs, where the social partners are important partners;
- developing human capital and creativity in order to improve competitiveness and productivity as well as to retain jobs, focusing special attention on the upgrading of the qualifications of staff in a poor position;
- those with the poorest labour status in enterprises (e.g. ageing workers whose skill is outdated), whose employability and occupational qualifications are promoted by the principle of lifelong learning and continuous training, taking into account information technology and other new technology;
- flexible forms of training and further vocational training for enterprise staff in order to obtain a qualification;
- developing work organization and working conditions by taking account the needs of entrepreneurs and staff (examples of special needs groups worthy of consideration: ageing workers; the mentally handicapped and disabled; those who have family obligations etc.)

Narrowing of the gender gap and dispersion of the traditional gender division at work

The objective is to test new methods and solution models with the aid of a new comprehensive approach to eliminate features of gender segregation prevailing in training and workplace communities by encouraging both sexes to make non-traditional choices and by supporting them in these choices with the aid of learning, working-life practices and partnerships. The promotion of women into management positions traditionally held by men is supported. The measure emphasises the working life approach and the role of social partners. Companies are encouraged to seek measures promoting desegregation within their personnel policies.

The objective is the development of equal working communities, family-friendly jobs and work practices and development of services to support them, also new models for reconciling work and family life with special emphasis on the role of the father. Furthermore, the objective is to increase opportunities for female entrepreneurship and expansion of activities to non-traditional branches.

Possible experimental fields:

- new solutions for dissolving the horizontal and vertical segregation of the labour market, including the promotion of women in management positions, by looking at international experience not only from the Nordic model, in order to enhance women's position in the labour market;
- promoting women's entrepreneurship especially in new fields and in new technology in the countryside, the archipelago and the cities;
- measures to reconcile work and family life and to create a more balanced division of family responsibility by paying attention especially to men and male-dominated fields and their enterprise culture;
- concrete measures within systems affecting vocational guidance and the choice of training for the promotion of non-traditional choices (e.g. the development of an experts' network for teacher education through international co-operation) and support in working life and work communities in co-operation with the social partners for those who have made a non-traditional choice.

Social and occupational integration of asylum seekers

The objective is to support asylum seekers and persons seeking temporary protection in maintaining their ability to function, to manage their own lives and prevent discrimination, and depending on whether a residence permit is given or not, prepare them for either repatriation or integration.

Furthermore, the aim is to increase the understanding of the native population concerning the situation regarding asylum seekers and persons seeking temporary protection and thus improve ethnic relations in the community.

Possible experimental fields:

The development of the reception system for asylum seekers concentrates mainly on job and study activities with the following specific emphasis:

- equal opportunities for women and men as asylum seekers;
- children and young people as clients of the authorities, both as trainees and users of other services;
- possibilities given to young asylum seekers and young persons under temporary protection who are beyond the statutory school leaving age and are between 14-17 years of age, for developing and specifying their plans for the future and preparing themselves for adulthood and assuming responsibility for their own lives;
- identify the rehabilitation needs of traumatized and other asylum seekers in order to increase their resources; and
- preparation of asylum seekers and persons needing temporary protection to return to their country of origin by improving their chances for employment in their own countries, among other things, with the aid of skill mappings and associated vocational and entrepreneurial training programmes.

4. The implementation system of the EQUAL programme

The programme is implemented in the whole area of Finland with the exception of the Province of Åland. Åland has, on the basis of its autonomy, has decided not to make a programme. The Ministry of Labour will act as the managing as well as the paying authority. National law (1353/1999) and Regulation (1354/1999) pertaining to national management of the structural fund programmes will direct the programme's management and implementation.

Efforts are made to ascertain the initiative's co-ordination with other ESF and nationally financed measures. Co-ordination between ESF measures and NAP is organised as part of the preparation carried out by the management of the Ministry of Labour as well as the co-operation between different sectors of administration and other partners. The initiative will be co-ordinated by a co-ordination group whose task is to comprise co-ordination of the ESF policy frame of reference, objective 3 programme and regional Objective Programmes on the central administration level. The Monitoring Committee of the programme monitors the connections and implementation of the programme and employment strategy.

Technical assistance is aimed at being used for promotion of programme implementation, management, monitoring, evaluation and dissemination of results. A national support structure is hired with technical assistance for these tasks. As with the previous programme period the NSS will work in connection with the Ministry of Labour.

The selection proposals of the DPs are prepared centrally per application round in the selection committee and are confirmed in the Monitoring Committee. The competent authorities then agree on implementation and final financing of the DPs and make the necessary decisions. At least the following government authorities participate in the financing of the initiative: Ministry of Labour, Ministry of Education and Ministry of Social Affairs and Health, to whose estimates of expenditure the national co-funding is allocated in the government's budget.

Relevant regional authorities like the Employment and Economic Development Centres and the Provincial State Offices are linked to the measure through the appointment of contact persons, chiefly among national policy makers. The objective is the efficient transfer of good practices to employment, educational and social policies also at regional level.

5. The financial allocation of the Finnish CIP

During the new programming period the initiative will receive ESF funding, (68 million euros, i.e. about FIM 404,3 million). By including in the calculations the financial portions of the national, public and private sectors, the financing framework for the entire programming period is about FIM 983 million.

The EU's financing allocation from public financing remains the same in the whole implementation area of the programme and in all priorities as well, i.e. 50%. No distinction is made between the areas of the objective 1 programme and other areas. Private funding is estimated to be small when taking into account the emphasis of the EQUAL Programme on persons in the most exposed and vulnerable labour market position. For the Adaptability priority the portion of private funding has been estimated at 30%. The major part (20-50 %) of national financing comes from government funds and the minority (0-5 %) from the municipalities.

The indicative ESF financing allotment is presented in order of priorities as follows:

- Employability: 38 % i.e. 25,6 meuro (FIM 152,1 million),
- Entrepreneurship: 20 % i.e. 13,5 meuro (FIM 80,3 million),
- Adaptability: 30% i.e. 20,2 meuro (FIM 120,1 million),
- Equality: 10% i.e.6,7 meuro (FIM 39,8 million) and
- Asylum seekers: 2 % i.e. 1,3 meuro (FIM 7,7 million).

Priority Employability is divided so that the first measure (labour market open for all) is 20,2 meuro, 30% of the financial frame (FIM 120,1 million), and the second measure (combating racism) is 8 %, i.e. 5,4 meuro. The indicative ESF financing of technical assistance supporting the implementation of the programme is 7 % from the total financial frame and allocated as follows:

Activity	Indicative budget
Support activities “specific to the content and approach of EQUAL” such as thematic <i>networking, dissemination of results, and mainstreaming</i> , and support to the DPs	2.5 %
“Basic TA activities” as specified in rule N° 11.2, common to all mainstream programmes, including <i>preparation, selection, appraisal and monitoring of operations, meetings of monitoring committees, and audits and on-the-spot checks of operations</i>	2.5%,
“Complementary TA activities” as specified in rule N° 11.3, common to all mainstream programmes, including <i>studies, seminars, information actions, evaluation, and the acquisition and installation of computerised systems for management, monitoring and evaluation.</i>	2 %

Among the different actions, the indicative allocation from the total budget is estimated to have 3% of the budget for Action 1, 80% for Action 2 and 10% for Action 3. Technical aid which has 7%, is a separate priority which will finance the Action 4. About 20% of the DPs budget is estimated to be reserved for the transnational co-operation. Considering the two selection rounds, the financing is emphasised so that the first round is estimated to cost about 50% per cent of the total financing. About 30 development partnerships are estimated to be selected on the first round.