

Country factsheet: long-term unemployment in Finland

Between 2005 and 2014, the long-term unemployment rate⁽¹⁾ in Finland decreased from 2.2% to 1.9%, after reaching its lowest at 1.2% in 2008. The 2014 long-term unemployment rate in Finland is 3.2 percentage points (ppt) lower than the EU average. During the same period (2005-2014), the very-long term unemployment rate⁽²⁾ decreased to reach 0.9% in 2014, 2.2 ppt below the EU average.

| | | 2005 | 2008 | 2014 | 2005-2014 change (ppt) | | | |
|--|---------|------|------|------|------------------------|--|--|--|
| Long-term unemployment rate (in %) | Finland | 2.2 | 1.2 | 1.9 | - 0.3 | | | |
| | EU | 4.1 | 2.6 | 5.1 | 1.0 | | | |
| Very long-term unemployment rate (in %) | Finland | 1.0 | 0.6 | 0.9 | - 0.1 | | | |
| | EU | 2.4 | 1.5 | 3.1 | 0.7 | | | |
| Long-term unemployment share (in %) | Finland | 25.8 | 18.4 | 22.4 | -3.4 | | | |
| | EU | 45.9 | 37.2 | 49.5 | 3.6 | | | |
| Very long-term unemployment share (in %) | Finland | 11.7 | 9.2 | 10.6 | -1.1 | | | |
| | EU | 26.9 | 21.5 | 30.1 | 3.2 | | | |

| | | 2005 | 2008 | 2014 | 2005-2014 change (thousands) |
|--|---------|------|------|------|------------------------------|
| No. of long-term unemployed people (in thousands) | Finland | 56.3 | 31.4 | 51.3 | - 5.0 |
| No. of very long-term unemployed people (in thousands) | Finland | 27.1 | 16.3 | 23.5 | - 3.6 |

Source: Eurostat.

Support provided to the long-term unemployed in the Member State

The support provided to the long-term unemployed in **Finland** includes, inter alia:

- Multi-professional joint service which enhances the employability offered by public employment services. Working
 together with municipal authorities and social security and aimed at providing comprehensive, tailor-made support
 services (up-skilling, social and health services, rehabilitation)
- · Wage subsidies focusing on the elderly and people with disabilities
- · Vocational education and training

New EU recommendation

The EU recommendation proposes 3 steps to improve the services for long term unemployed:

- 1. Registration of unemployed people with an employment service;
- 2. Individual in-depth assessment at the latest at 18 months of unemployment;
- 3. Job integration agreement at the latest at 18 months of unemployment.

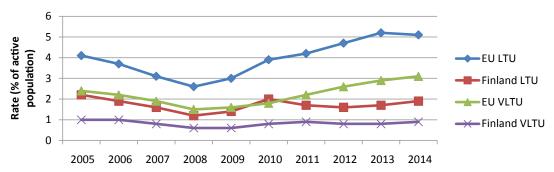
A Job integration agreement can include, depending on the existing services in each Member State: mentoring, help with the job search, further education and training, as well as support for housing, transport, child and care services or rehabilitation. It should be delivered through a single point of contact to ensure the continuity and consistency of the support.

^{1/} The long-term unemployment rate (LTU) is the share of unemployed persons since 12 months or more in the total number of active persons in the labour market. Active persons are those who are either employed or unemployed.

^{2/} The very long-term unemployment rate (VLTU) is the share of the unemployed persons since 24 months or more in the total number of active persons in the labour market.

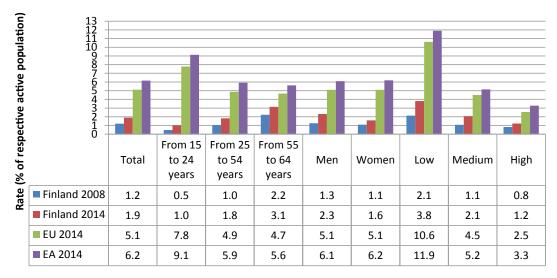
The recommendation also calls on Member States to review and adapt their policies with a view to further involve employers to bring back the long-term unemployed into the labour market, through a better cooperation with the social partners, well targeted financial incentives, and strengthened service provision.

1. Long-term and very long-term unemployment <u>rates</u> of the active population aged 15-74 years from 2005 to 2014 (in %)



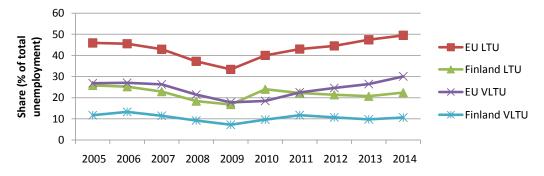
Source: Eurostat.

2. Long-term unemployment <u>rates</u> by age, gender and level of education⁽³⁾ in 2008 and 2014 (in %)



Source: Eurostat.

3. <u>Share of long-term and very long-term unemployment of total unemployment of the active population aged 15-74 between 2005-2014 (in %)</u>



Source: Eurostat.

^{3/} Low skilled = Less than primary, primary and lower secondary.

Medium skilled = Upper secondary and post-secondary non-tertiary.

High skilled = Short-cycle tertiary, bachelor or equivalent, master or equivalent and doctoral or equivalent.