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## Executive summary

The implementation of the youth guarantee in Finland was started in 2013, in accordance with the Government Programme. In 2011-2012 the Ministry of Employment and the Economy, the Ministry of Education and Culture and the Ministry of Social Affairs and Health initiated measures to implement the youth guarantee. The Ministry of Defence and the Ministry of Finance, the key social partners and non-governmental organizations were also involved in the planning work of the youth guarantee.

The Finnish youth guarantee is based on jointly agreed policy statements, new regulations and cooperation between administrative branches. To provide for the implementation of the youth guarantee, a total of EUR 60 million per year has been added to the state budget for the duration of the current Government Programme.

The objective of the youth guarantee in Finland is to ensure and improve the training and employment opportunities of young people after basic education. The youth guarantee requires that each person aged under 25, and each recent graduate under 30, be offered work, a traineeship, or a study, workshop or vocational rehabilitation place, within three months of becoming unemployed. By preventing social exclusion of young people through early support, the youth guarantee aims to increase the well-being and participation of youth in society, and ensure a more competent labour force in the future.

The Rehabilitation Foundation and the Research Centre for Social and Health Economy at the Diaconia University of Applied Sciences undertook a research and support project for the youth guarantee programme. Research support provided monitoring and evaluation of the implementation of the youth guarantee during its first year, as well as development of the indicators to be used in evaluating the effectiveness of the programme. The results are based on analysis of written documents, register research, questionnaires and interviews, as well as, development workshops.

The results show that the concept of the youth guarantee has good public awareness, but both young people and employers need more substantial information about its contents and opportunities. On average, the implementation of the youth guarantee is considered achievable to a fairly high degree, and even more so in the near future. Implementation of the educational guarantee policy is considered more plausible than implementation of other services and measures proposed in the programme. The programme has been most successfully implemented within municipal youth services, including workshops and outreach youth work, whereas implementation within social, health and rehabilitation services has fallen short. The programme has improved internal co-operation within organizations providing services for young people and co-operation with educational institutions and employers has also increased. There is, however, still a need to develop multi-professional practices for co-operation, and co-operation with employers.

Most of the young people and employers participating in the study considered the youth guarantee generally beneficial for young people, and young people are better catered for in terms of services offered to them. The programme has resulted in improved resources for youth services, has improved the selection of services for young people and contributed to better referral practices. Youth participation in planning the services has not increased to any notable degree. The youth guarantee programme has also had an effect on the practices of organizations providing youth services, but further adjustments of the practice models are still required. The effects of the programme are expected to become stronger in the future. In implementing the programme, focus should be placed on co-ordinated, mutually agreed and adaptable region-specific models for co-operation. In order for the indicators used in monitoring

the effects of the youth guarantee programme to be applicable it is vital that relevant data collection continues and is regularly updated. The financial evaluation of the programme did not provide a comprehensive view of the economic effects, since the existing statistics and monitoring of grants, resources and services did not provide sufficient information. In order to evaluate the economic effects, a revised method of statistical analysis and access to information is required.

## 1. The labour market situation in Finland

Rapid changes in society, the labour market, production and business, high skill requirements and increasing competition have affected the career prospects of young people, making them a vulnerable group as they move from education into the labour market. As structural change in the economy progresses towards more and more added value production, requirements for skills and competencies increase. At the same time, lower added value manufacturing requiring fewer vocational qualifications and competencies is disappearing. Vocational choices and access to working life have become more uncertain for young people, even for those who have higher education, because there are too few job opportunities overall.

For most young people, the transition phases from basic education to vocational training and further on to employment run smoothly. However, despite this, more than 11% of those young people in Finland who completed their basic education in 2013 were left without a place of study leading to a qualification in upper secondary education. To get labour market support, young people have an obligation to apply for education. There is a sufficient number of study places for young people, but they are not all appealing enough for the youngsters. Leaving without a place in secondary education is mainly due to drop out. Furthermore, an estimated 3.3% of students drop out of general upper secondary education and some 8% fail to complete their initial vocational training every year. Having said that, the completion rate in vocationally oriented secondary education has improved in recent years. The Finnish Government aims to have more than 90% of 20–24 year-olds complete a post-basic qualification by the end of this decade. At present, the most challenging target group is young men. Among women under the age of 25, the share of those without a post-basic qualification is less than 14%, while the corresponding share of men is greater than 20%.

As the majority of young people are engaged in studies, the employment rate of young people is low compared to the employment rate among adults. The employment rate of people aged 15–64 was 68.6% in 2011 and the aim of the Finnish Government is to raise it to 72%. This requires diverse measures. It is important that career extension should also occur in the early stages of one's career. Young people in Finland enter working life relatively late. The median age of people graduating from universities of applied science (education of young people) is 25.1, and the median age of people who complete a higher education degree is 27.3. The Finnish Government aims to lower the median age of people graduating from studies targeted at young people at universities of applied science to 24.1 years, and the median age of higher education graduates to 26.33. In addition, 55% of students work alongside their studies, which is a complex issue. Working alongside studying is necessary for financial reasons and it often prolongs the studying periods, but through this work young people also gain work experience that supports their future career choices and prospects.

In Finland approximately 16% of wage earners work in a fixed-term employment relationship. In 2010, the number of new employment contracts totaled 393,000, of which 56% were concluded for a fixed term. For young persons this is a typical way of entering working life. The average age of entrepreneurs in Finland is relatively high. The percentage of young entrepreneurs within their age group is low: the share of young people aged 25 and under taking up entrepreneurial activities varies between 0.1% and 1.8%, while the share of 25 to 29 year-olds varies between 2.1% and 3.7%.

The youth unemployment rate began to climb in Finland as a result of the recession in 2008. Since then the rate has remained at a higher level than before the recession. The youth unemployment rate stood at 19.9% in 2013. Compared to the rest of the EU, Finland is close to the average unemployment rate, measured as the rate of the unemployed in the labour force. Approximately every one young person in ten in Finland is unemployed. The youth unemployment rate varies significantly in various counties of Finland. The highest rate of youth unemployment and flow of young unemployed jobseekers into prolonged unemployment is found in the Northern and North-Eastern regions, and in certain regions which have been affected by difficult economical structural changes. The lowest youth unemployment rate can be found in the Helsinki metropolitan area.

Approximately one-third of all young unemployed jobseekers have completed only basic education. In the long run, the competence requirements of working life in Finland have changed to the effect that, whereas in 1987 nearly 40% of employed people lacked vocational training, in 2010, the amount of employed people without vocational training was just 17%. At present in Finland, there are approximately 99,300 young people, 14.7 % of the whole age-group 20–29, who do not have a post-basic vocational qualification. The lack of a secondary education qualification is the single most significant factor behind exclusion from the labour market and society. The number of socially excluded young people aged 15-29 outside the labour force without an upper secondary education qualification (NEET) is approximately 40,000. The number of those missing from the statistics of PES and educational organizations is estimated to be around 25,000.

Those who are in a particularly weak position in the labour market are people without training, people with reduced working capacity, those who have difficulties with employment due to long-term unemployment, as well as adolescents and young adults with mental health problems. Every day in Finland, five young people retire on a disability pension on account of mental health problems. The key issue is the way in which school welfare services and youth health services can help to reduce the socio-economic health gap that emerges at a young age and manifests later in life as early retirement, for example. Rehabilitation services are also an effective method of preventing young people with mental health problems from moving from education more or less directly to a disability pension. Another underlying factor in the social exclusion of young people and youth unemployment may be discrimination. In particular, immigrants, members of other minority groups, as well as young people with disabilities, are faced with prejudice, racism and discrimination.

Vocational training and employment of young people has been promoted by a variety of programmes, projects and measures in Finland. Since the 1990s there has been a number of legislative changes in vocational education and training, public employment services and the activation of young people. A youth guarantee was introduced for the first time in 2005. The aim of the reform was to support young people under the age of 25 in their career planning, encourage them into education, training and the labour market, and to prevent long-term unemployment by all available means. According to an evaluation study, the 2005 Youth Guarantee improved and facilitated the service processes for young people in the PES offices. It also improved the co-operation between various actors delivering services for young people. Since then, the youth guarantee has evolved further.

## 2. The policy measure

### 2.1 Outline and Objectives of the Youth Guarantee

The youth guarantee was introduced in the beginning of 2013 as one of the key programmes of Prime Minister Jyrki Katainen's Government Programme. Its objective is to help young people gain access to education and employment. Successful implementation of the youth guarantee requires cooperation among national and municipal authorities, the business sector and non-governmental organizations. Methods of implementing the guarantee include measures related to the educational guarantee, the skills programme for young adults, employment and economic development services for youth (PES) and rehabilitation services, including municipal social and health care services and other individual services for young people, such as youth outreach work and youth workshop activities. One of the principles of the youth guarantee is that young people are heard and allowed to influence the course of their life. The youth guarantee supports growth, emancipation and life management of young people.

The objective of the youth guarantee is to support young people in gaining a place in education and employment, to prevent prolonged youth unemployment, to identify factors contributing to the risk of social exclusion and to offer support at an early stage, in order to prevent the social exclusion and marginalization of young people.

To provide for the implementation of the youth guarantee, a total of EUR 60 million per year has been added to the state budget for the duration of the current Government Programme. No specific legislation has been passed in relation to the youth guarantee; existing legislation has instead been amended and updated to provide for its implementation. The key legislative updates affecting the youth guarantee were specified by a memorandum prepared for the parties concerned. The memorandum highlighted that the effective utilization of current services provided for in the existing legislation (which are considered not to have been exploited to their full extent), is vital for the successful implementation of the youth guarantee.

The youth guarantee applies to all persons under the age of 25 who lack employment or vocational training, and to those aged 25–29 who have recently graduated. For these purposes, 'recently graduated' refers to a person within 12 months of their graduation date. The new educational places provided by the skills programme for young adults become available in 2013–2016. These study places are available for 20–29-year-olds without vocational training.

### 2.2 The Education Guarantee

An important component of the youth guarantee is the education guarantee that secures every basic school graduate a place in general upper secondary education, general vocational education, an apprenticeship, a workshop or vocational rehabilitation place, or a place in some other form of study. The aim is to provide all young people with realistic opportunities to pursue and complete a post-basic qualification and find employment. The number of vocational study places for young people was increased in the autumn of 2012. From the beginning of 2013, in areas where fewer places exist in relation to the number of young people compared to other areas, the number of places has been increased. This increase has created a total of 1,700 new study places. Education and study places will continue to be allocated in relation to the development of the population's age structure, in order to improve the availability of education and ensure access throughout the country.

The implementation of the education guarantee requires that access to education and flexible education paths for young people is ensured. The principles for granting study places for upper secondary and vocational studies were changed to grant priority to applicants who have completed their basic education and do not hold a study place in general upper secondary and general vocational education. Separate application rounds, vocational further education and training, apprenticeships and education and training in competence-based qualification are strengthened for students who are changing their place of education and for students who have completed a degree.

To improve the dissemination of information on educational opportunities a new online service (opintopolku.fi), consisting of a system updated as part of the Learner's Online Service project, is being tested. The Ministry of Education's Learner's Online Service project (2011 - 2015) is developing online-services for the educational sector. The goal is to produce online-services for applying to education, studying, learning and career-counselling based on an ideology of lifelong learning. New search facilities will be implemented in the online service during 2014. These services include preparatory education and pre-training, education provided by special needs education institutes and basic and secondary education for adults. The opintopolku.fi service will reach its full capacity in 2015.

The programme for boosting completion rates in vocational education launched in 2011 and supports the delivery of the education guarantee. Under the programme, project networks created by education providers construct tools for supporting learning and reducing the incidence of dropping out. Expanded on-the-job learning and the development of work-oriented teaching methods also have an important role in the implementation of the education guarantee.

In order to expand apprenticeship training, additional resources for the payment of higher training compensations have been granted to education providers that offer apprenticeship training in the form of vocational basic or further education and training. The increased training compensations are paid to employers for the implementation of such apprenticeship training of students who have completed their basic education or voluntary additional basic education in the same year. The amount of compensation is EUR 800 per month for the first year, EUR 500 for the second and EUR 300 for the third. The goal is that more than 800 apprentices would complete their basic vocational education, although in 2013 less than 200 apprentices were in the target group. The main reason for not achieving the target number of apprentices stems from the economic recession and the weak labour market situation. One reason is also that employers experience apprentices as a bureaucratic burden. There have been demands to change apprenticeship contracts so that they are not employment contracts but are contracts within the education system.

Education providers will also be granted additional resources for subsidized apprenticeship training and for developing apprenticeship training as a form of education for young people. With the help of these subsidies, education providers will be able to arrange teaching and guidance appropriate to the target group of the education guarantee. Employers are also eligible for pay subsidies when they take young people into apprenticeship training (the *Sanssi* card for young people). This pay subsidy is available for employees that hire an unemployed young person into apprenticeship: the training compensation is available for hiring youngsters in spite of their labour market situation.

### **2.3 The Skills Programme for Young Adults**

At present, there are approximately 99,300 people aged 20–29 in Finland who lack an education beyond the basic stage. The youth guarantee's skills programme for young adults exists for these people. Training falling under the scope of the skills programme

for young adults is available in every part of the country and was open to application for the first time in the spring of 2013. The training programme for young adults seeks to extend careers: secondary education has been shown to extend careers by as much as six years on average. The goal is to provide a study place for an estimated 5,000 persons annually by enhancing the basic vocational training system for young people, provide access to preparatory studies for a vocational or specialist vocational qualification in educational institutes for roughly 2,500 students, and to provide apprenticeship training for approximately 1,500 young adults. The objective is to provide a secondary education for approximately 36,000 young adults during 2013–2016 through the skills programme for young adults.

Some vocational training providers have been granted additional resources to support the training of young adults aged from 20 to 29 who lack a secondary qualification. Preparatory training for vocational and specialist vocational qualifications in educational institutes or through apprenticeship training is eligible for the additional funding. The Ministry of Education and Culture has also increased the discretionary government grant for supporting young people in applying for education and succeeding in their studies.

## **2.4 Implementation of the Youth Guarantee in the Employment and Economic Development Administration**

The youth guarantee operating model requires the Employment and Economic Development Administration, the provider of public employment services (PES), to enhance service delivery for young people. Everyone under the age of 25, and recent graduates between the ages of 25 to 29, must be offered an active choice most appropriate to the person's situation, no later than after three months of continuous unemployment. The objective of all youth services is to support sustainable career solutions, instead of merely interrupting the young person's period of unemployment. The support to sustainable career solutions is a goal and there are no specific measures and follow-up for ensuring gaining it. A successful result also requires active participation from the recipient of the service.

### **2.4.1 Services in accordance with the employment plan**

For the PES services to be successful, it is important primarily to focus on evaluating a young person's need for services and on the speed of the service process by making use of the wide range of services in existence. Based on this profiling, the PES office will draw up an employment plan together with the young person as soon as possible after he or she has registered as an unemployed job-seeker. Profiling must be carried out within two weeks of the person registering as a job-seeker. The employment plan will then be specified further, according to his or her service needs, by meeting the young person. The young person must be offered active measures to facilitate employment before he or she has been continuously unemployed for a period of three months. The services agreed on in the employment plan are agreed together by the young person and the PES office, taking the young person's opinion into account, and are mutually binding. If the young person does not have vocational training, the first step is to gain a vocational educational qualification. Methods such as work trials, career coaching and vocational guidance and career planning can be used to help select the appropriate education. Telephone and online services are available to all young persons. The employment plan or equivalent plan must also offer the following services if required: job seeking coaching, work coaching, labour market training, training trials, start-up grant (for those starting their own enterprise) or subsidised work (Sanssi card). Unqualified young people can be referred to work trials to clarify their employment and educational options.

### **2.4.2 Subsidised work and the Sanssi-card**

Wage subsidies can offer young people a crucial foothold in the labour market. Young persons can be issued with a Sanssi card at the PES office to use in for applying jobs. Wage subsidies are granted for work performed on an employment contract or for apprenticeship training. Municipalities, companies and other employers can get wage subsidies provided that the conditions for granting the subsidy are met. Employers can receive a subsidy of approximately EUR 700 per month for a maximum of ten months, with the exception of apprenticeship training during which a wage subsidy can be granted for the entire training period. The employer can get full wage subsidies if the subsidised employee's working hours are equal to at least 85 per cent of regular working hours in the industry. Pay subsidies can also be granted for part-time work. In such cases, the amount of the subsidy is proportional to the employee's working hours. The success of this scheme relies on employers being ready to offer subsidized work for young people. Employees can receive a subsidy for at most 10 months, and in the case of employing a person with partial work ability for at most 24 months. There are no requirements to offer employment after a period of subsidized employment.

### **2.4.3 Cooperation between PES-Offices and other actors**

If a skilled or unskilled young person requires public services other than those offered by the PES, such services will be arranged in cooperation with other authorities. Not all young people can participate in public employment services due to limitations set by the person's ability to work or function. In such cases, the PES will strive to arrange other services for the young person in cooperation with other actors, particularly municipal social and health care services, in order to improve the person's chances of benefiting from PES services at a later date. Services arranged in cooperation can include workshop activities arranged by social services, the opportunity for a young person falling under the scope of the activation condition to participate in rehabilitative work activities, and the rehabilitative services offered by social and health care services. PES offices should have active cooperation with employers and companies and systematically look for employers that are willing to hire young people. It is the duty of PES offices to actively publicise to employers and companies the possibility of receiving pay subsidies (the Sanssi card).

### **2.4.4 The Youth Guarantee as Part of Municipal Youth Services**

Multi-sectoral municipal cooperation according to the Youth Act (2006) requires the municipalities to have a youth guidance and service network for the general planning of cooperation amongst local authorities and for developing its implementation. The network must include representatives from education, social, health and youth services, as well as the labour and police administrations. It is important that vocational training providers who are active in the municipality are also represented in the network. The network may also include other municipal, government or church officials or representatives from other sectors. The network must interact with various service providers for young people. Municipalities may also put together shared networks. The tasks of the youth guidance and service network are:

- 1) to gather information on the growth conditions, living conditions and prospects of young people and using them as the basis for assessing the situation of young people for the purpose of supporting local decision-making and planning;
- 2) to promote the integration and effectiveness of services targeted at young people with the aim of securing the supply, quality and availability of the services;
- 3) to plan and boost shared procedures for steering young people to use services and, if necessary, guide them from one service to the next; and

4) to promote the fluent exchange of information related to the provision of services for young people, through planning shared procedures to be used by various authorities.

Youth services, youth workshop activities and youth outreach work aim to foster the social empowerment of young people. According to the Youth Act, social empowerment refers to actions targeted at young people to improve their life skills and prevent social exclusion. The target group of youth services is young people under 29 years of age. The Ministry of Education and Culture monitors the activities of statutory municipal youth guidance and service networks, youth workshop activities and youth outreach work and provides information and guidance for their development. This task is supported through state subsidies.

#### **2.4.5 Youth Outreach Work**

The Ministry of Education and Culture makes available an annual discretionary government grant for youth outreach work governed by the regulations that entered into force on 1 January 2011. The task of youth outreach work is to help and support young people in receiving the services they require, and in that way enhance young people to grow and gain independence and access education and employment. One of the objectives of the youth guarantee is to cover youth outreach work in the entire country. In 2012, youth outreach work was carried out in more than 270 municipalities (87% of Finnish municipalities), 23,000 young persons were contacted through youth outreach work, and more than 14,000 of these were offered long-term support to gain access to services. Youth outreach work helps to bring young people to the appropriate services according to a "relay" principle. Participation in youth outreach work is voluntary for young people.

The obligations and rights of authorities regarding the disclosure of information on young people have been provided for in legislation. For the purpose of carrying out youth outreach work, authorities must disclose the contact details and personal data of a young person to his or her municipality of residence as follows:

- 1) An education provider must disclose information on a young person who has completed basic education, but has not found placement in post-basic education;
- 2) An education provider must disclose information on a young person under 25 who drops out of vocational education or general upper secondary school;
- 3) The Finnish Defence Forces and the Centre for Non-Military Service must disclose information on a young person under 25 who is exempted from military or non-military service due to lack of fitness for service, or who discontinues military or non-military service.

The Youth Act also provides for the right of other authorities to disclose a young person's contact details and personal data to his or her municipality of residence, for the purpose of carrying out youth outreach work taking account of the young person's overall situation and need for support.

#### **2.4.6 Youth Workshop Activities**

Youth workshops are communal, active and work-oriented learning and growth environments. These workshops support a young person's life skills, social reinforcement, social growth at his or her own pace, and learning by doing. Youth workshop activities are delivered in more than 80% of the country, and 13,000 young persons attend workshops each year. Of the young persons who participate in youth workshop activities, more than 80% lack vocational qualifications, making the most common measure being to direct young people into education. After the workshop period, 75% of young people commence new studies, go into work or apprenticeship, or another meaningful activity.

At youth workshops, young people are given the opportunity to engage in various work-related activities with suitable guidance and support, as well as the possibility of an educational path which can be tailored for each participant. Workshops also support young people in finishing their education, in cooperation with an education provider. Workshops can also open the door to the labour market for young people.

Workshop activities are multi-sectoral by nature. Within the services provided by the public administration, workshops are close to social services and the open labour and education markets. Work coaching carried out at a youth workshop promotes a young person's ability to work and supports his or her professional development. Time at a workshop can clarify a young person's plans and objectives regarding education and work. Personal coaching helps young people develop their life management skills and social skills and competences. Job coaching and personal coaching is provided according to individual needs, and the focus of coaching changes as the young person develops their attributes.

#### **2.4.7 Municipal Social Welfare and Health Care Services and Rehabilitation Services**

The youth guarantee cannot be fulfilled without social welfare and health care services. It includes a promise of the availability of rehabilitation services for young people. The responsibility for organizing social welfare and health care services lies with municipalities. The structure of the legislation that obliges municipalities varies by service. The Social Welfare Act and Health Care Act require municipalities to offer services to residents in a manner that promotes the health, welfare and social security of individuals, families and the community. Municipalities must assign sufficient resources to the services based on justified needs, which form the basis of central government transfers to municipalities for basic services. The promotion of health and welfare is the common responsibility of all administrative branches and actors within the municipality. Risks of social exclusion of children and young persons must be addressed at the earliest stage possible. Preventative work plays a key role in safeguarding the health and welfare of children.

Today, young people are in greater need of health care and substance abuse rehabilitation services than ever. The Mental Health Act and the Act on Welfare for Substance Abusers obliges municipalities to ensure that the provision of mental health and substance abuse services meets local needs with regard to content and scope. When evaluating a young person's overall need for rehabilitation, municipalities are required to cooperate actively with all parties involved in the provision of rehabilitation services. An individual rehabilitation plan is to be drawn up for each young person, in which services are clearly coordinated to provide an integrated service for each young person. The need for active cooperation between municipal actors is emphasized in the implementation of the youth guarantee.

The Act on Rehabilitative Employment Activities provides for the opportunity to offer support for young persons at an early stage, through multi-professional cooperation across administrative boundaries. In accordance with the Act, an activation plan can be drawn up for a young person when what is termed the 'activation condition' is fulfilled. In drawing up the activation plan, the possibility of offering employment or public employment services' assistance must be examined in the first instance. In addition to the above-mentioned measures, the plan may include social, health, rehabilitation and training services that enhance the possibility of finding employment. If necessary, the activation plan can include an obligation to participate in rehabilitative employment activities. It is the duty of the municipality to evaluate which form of employment activity would best meet the rehabilitation needs of the young person. Rehabilitative employment activities can be organized for example at youth workshops or work units of the municipality or non-governmental organizations.

The youth guarantee touches all young people, including immigrants, cultural minorities as well as groups with special needs such as disabled persons. These young persons have various needs for support and rehabilitation. For example, social, health care and other rehabilitative services for disabled young people have a key role in ensuring such young persons' participation in society. Health care services include medical rehabilitation and medical appliance services. Social services and special care services for the mentally disabled organize activities to support finding employment, work coaching and employment activities for disabled young people.

The Social Insurance Institution of Finland (Kela) offers a variety of rehabilitation services for young persons with reduced working capacity and young persons in danger of exclusion who have been referred from health care services to Kela. These young people may lack vocational education or have dropped out of education, or they may be skilled people with low employment prospects for reasons of health. The goal of Kela is to build, in cooperation with other actors, a realistic and timely path towards recovering the ability to work and find employment. If the prerequisites for granting aid, specified in the Act on the rehabilitative services provided by Kela are met, the young person can be supported through vocational rehabilitation such as a vocational rehabilitation course, education or work try-out. The young person's ability to study and work will also be supported through medical rehabilitation such as adaptation training, rehabilitation courses and rehabilitative psychotherapy.

As part of the youth guarantee, Kela has identified legislative amendments needed to promote the organization of timely rehabilitation for young people with a reduced ability to work. The new amendments to legislation were executed in 2014, and their objective is to alleviate the conditions for granting vocational rehabilitation and to dissolve the connection between the medical rehabilitation of the severely disabled and disability benefits.

#### **2.4.8 Cooperation between Actors Providing Services for Young People**

The implementation of the youth guarantee requires close cooperation between various actors both on the national, regional and local level. The key partners are municipal social welfare and health care services and youth and education services, education providers, educational counsellors, youth outreach workers, youth workshops and Kela's rehabilitation specialists. In addition to a common will, the fulfilment of the youth guarantee requires a shared picture of the situation of young people and of the services offered to young people. It also requires new innovative ways of organizing and combining services and creating job opportunities for young people. For this purpose it is necessary that the regional and local actors continue and develop the currently operational cooperation for the good of youth, regardless of administrative branch or municipal boundaries. In addition to the government, regional and municipal authorities, the Youth Guarantee cooperation includes labour market, youth and third-sector organizations. On the national level, the Youth Guarantee Working Group, where all key actors are included, follows and monitors the implementation of the guarantee.

### **2.5 Results**

The Rehabilitation Foundation and the Research Centre for Social and Health Economy at the Diaconia University of Applied Sciences completed a research support project for the youth guarantee programme in 2013-2014. Research support provided monitoring and evaluation of the implementation of the youth guarantee during its first year, as well as development of the indicators to be used in evaluating the effectiveness of the programme. The results are based on analysis of written documents, register research, questionnaires and interviews, analysis of good practices, as well as regional development workshops.

The results of the research support show that the concept of the youth guarantee has good public awareness, but both young people and employers need more substantial and practical information about its contents and opportunities. Most of the young people and employers participating in the study considered the youth guarantee generally beneficial for young people, and young people are better catered for in terms of services offered to them. Youth participation in planning the services has not increased to any notable degree.

On average, the implementation of the youth guarantee is considered achievable to a fairly high degree, and the effects are expected to become stronger in the near future. Implementation of the educational guarantee policy is considered more plausible than implementation of the employment guarantee and other services and measures included in the programme. The follow-up period of one year is considered to be too short, in order to evaluate the success of the programme, as it takes time and effort to get all the actors and services functioning according to the goals of the guarantee. At the same time, with the first year of the youth guarantee, the economic recession has caused setbacks on its implementation, as the unemployment of young people has increased and pathways to working life have become more challenging.

The youth guarantee has resulted in improved resources for youth services, improved the selection of services for young people and better referral practices. The organizations involved in the implementation have allocated and prioritized their resources to a larger extent on the services of young people. Availability of education and training and youth services, especially youth workshops and youth outreach services are the prerequisite of success. New resources have been allocated especially to these services and they are considered to be the most effective ones in the implementation of the youth guarantee.

Questionnaire response from service managers and practitioners show that the youth guarantee has also had an effect on the practices and internal co-operation of the organizations providing services for young people, but further adjustments of the practice models are still required. In particular, the quality of the services and the cooperation between various service providers and employers has improved. The programme has been most successfully implemented within municipal youth services, including workshops and outreach youth work, whereas implementation within social, health and rehabilitation services has fallen short. The programme has improved internal co-operation within organizations providing services for young people and co-operation with educational institutions and employers has also increased. There is, however, still a need to develop multi-professional practices for co-operation, and co-operation with employers.

Good co-operation between the various actors is the most important prerequisite for success of the programme, and there has been a lot of improvement in the cooperation during the first year of implementation. The implementation has proceeded unevenly in various regions of the country. However, the research shows very good examples across the country. Some municipalities have taken strong overall responsibility for the youth guarantee, conducted research on the situation and service needs of young people, prepared policy papers and committed all actors to cooperation, action and service provision and conducted public awareness campaigns and seminars. These municipalities have already earlier adapted a good tradition of cooperation of youth issues initiated by the statutory youth guidance and service network. In order to disseminate these good municipality practices across the country, in implementing the programme, focus should be placed on coordinated, mutually agreed and adaptable region- and municipality-specific models for co-operation and service provision.

Many municipalities have started innovative low-threshold, single-point youth services, which are integrating all services for young people, providing information and counselling and case-management services. The basic idea is that one key person/case manager coordinates and steers the services provided to a young person. This preventive and early-stage service model has turned out to be successful. The government policy is to disseminate this integrated low-threshold service model to all municipalities and regions.

The follow-up of the educational guarantee shows that in 2013 the transition rate of students from basic schooling to vocational education has improved, and the amount of those young people left without a study place has decreased. The service managers and practitioners questioned are relatively satisfied with the availability of education, and student counselling and health care services, however the distribution of study places is considered to be uneven across the country. The results also show that it is important to provide special support in the transitional phases between primary school, vocational training and employment. Such practices have turned out to be successful and they should be disseminated across the country. For example, in some regions the transition of the whole age-group finishing primary school is systematically checked, and necessary support is provided for cooperation amongst all service providers.

The implementation of the skills programme for young adults faced challenges in the beginning in many regions, as it was difficult to reach the target group. In order to be successful, the education providers should have good cooperation networks with youth outreach and PES services and adopt new flexible on-the-job learning and work-oriented training models.

The programme for boosting the completion, and decreasing the drop-out rate, of studies in vocational education has turned out to be successful. In particular, development of student counselling and expanded on-the-job learning and the development of work-oriented teaching methods have brought good results.

The labour survey shows that the unemployment rate of young persons under 25-years of age, and 25-29 years of age recently graduated persons, was higher at the end of 2013 than in 2012, but slightly lower than in 2009-2011. The highest youth unemployment rates were found in the regions of Lapland, Kainuu and Central-Finland. The flow of young persons into prolonged unemployment (3 months) was 26%, which was also slightly higher than a year ago.

The re-organisation of the customer services, office network and PES services hampered the implementation of the youth guarantee during the first six months of 2013. However, the functionality and access to the services improved by 2014. Youth workshops are key actions in the employment support of young persons, who have difficulties of finding employment by themselves or through regular services. During the first year of the youth guarantee there were problems in the referral of customers from PES services to youth workshops, and it is recommended that the procedures of referral should be developed to be more consistent and uniform nationally.

The relevance of social welfare and health care and rehabilitation services in the implementation of the youth guarantee during the first year has been rather low. According to the questionnaires, the availability of and access to substance abuse and mental health services, vocational rehabilitation, social work and rehabilitation work services has not been sufficient. However, the statistics show that the number of young persons in the vocational rehabilitation of Kela has slightly increased since 2012. Amendments in the legislation in 2014 open more access to these services.

In future implementation, it is important to involve social welfare and health care services more closely into the youth guarantee network. The municipalities should

develop new social rehabilitation services in order to reach and support young people who are on social welfare or outside all registers (NEET). The amendment and re-organizing of social welfare and health care services and social welfare legislation is under preparation, and in the long run these reforms will bring new framework and prospects for early intervention, service integration and client-oriented practices.

The research support included also development of the indicators to be used in evaluating the effectiveness of the youth guarantee. The indicators developed give diverse information on the situation of young people and the services available. In order for the indicators used in monitoring the effects of the youth guarantee programme to be applicable, it is vital that indicator data collection continues and is regularly updated. The indicators developed will be found in the internet database of the National Advisory Council for Youth Affairs (Nuora). The financial evaluation of the youth guarantee did not provide a comprehensive view of the economic effects, since the existing statistics and monitoring of grants, resources and services did not provide sufficient information. In order to evaluate the economic effects, a revised method of statistical analysis and access to information is required.

## **2.6 Difficulties and constraints**

One of the constraints in designing and implementing the policy is the difficulty in showing the effects of measures taken in the implementation of the youth guarantee. There are various factors and intervening variables that affect youth unemployment, lack of vocational training and the risk of social exclusion which are not included in the specific measures taken in the youth guarantee. For example, youth unemployment rises easily as a result of the economic recession, and it has had serious impacts on the implementation of the youth guarantee. Some measures, such as the selection criterion for vocational education and vocational rehabilitation, have been introduced only recently. The statistical information is not yet available on all of the measures included in the youth guarantee. It is likely that many changes seen as effects of the youth guarantee in the welfare of youth will emerge only in the long run. For the evaluation of economic effects of the youth guarantee there is not enough comprehensive information available. Both public professionals and youngsters themselves have detected that economic depression, generally high levels of unemployment and the shortage in educational places attractive to youngsters, have constrained the implementation of the youth guarantee.

Another constraints is that the youth guarantee as a concept is recognized and known, but deeper knowledge on its meaning and content is lacking. The lack of knowledge about the youth guarantee is especially strong among youth and employers, but also among professionals in the municipalities. Young people do not have enough information about the services and support measures that they could use, if they need assistance in looking for a job or a place of study. Youngsters need more knowledge about working life and assistance for planning their future, but finding adequate information and support tends to be challenging for them.

One of the difficulties that causes problems encountered in designing and implementing the youth guarantee is scarcity in services available for youngsters. Resources of youth workshops and youth outreach work have increased as a result of the youth guarantee. A problem lies in the availability of rehabilitative services for young people and their role in implementing the youth guarantee. There are insufficient services available for those young people who have severe social and health problems. Services of mental health and substance abuse, rehabilitative work and vocational rehabilitation are scarce and young people do not have adequate access to these services.

The youth guarantee is based on the principle that procedures of organizations implementing the guarantee will be developed so that they enhance better services for youngsters. One of the obstacles in implementation has been organizational changes, reduced resources in the organizations and rigidity of organizations to develop their procedures. At the same time when the youth guarantee was launched, large-scale reforms were made in the PES. The reforms affected the practices inside PES and also the services available for the customers. The reform was so comprehensive and rapid that it weakened service referral and the ability of PES to co-operate with other organizations. The educational guarantee is believed to be more easily gained than the guarantee of offering activation services. In addition, some features in the educational system have been hindering implementation. Organizational mergers, budget cuts and closure of units have occurred in the educational institutions. Also the modes of operation have been more stagnant in the educational institutions than in the PES.

Another basic element in the youth guarantee is cross-sectional co-operation. A key question of functionality is how to avoid difficulties and deficiencies in cross-sectional co-operation at a local and national level. Sufficiency and functionality of cross-sectional co-operation has not yet reached an adequate level, considering implementation of the youth guarantee. Employers are looking for strengthening of co-operation especially with educational institutions, and PES is urged to intensify its co-operation with other professionals in cross-sectional networks providing support to young people. One of the causes that constrains the implementation of the youth guarantee is the wide variation in the functionality of co-operation in the municipalities. There are a lot of municipalities and regions where co-operation between the authorities of public sector, non-governmental organizations and employers function smoothly. On the other hand, some municipalities and regions do not have a shared perspective on the issues which can and should be done at a local level for the youth guarantee. If co-operation does not function well, it is more difficult to provide and develop services for young people. One constraint in the public-private-people-partnership, the baseline of the youth guarantee, is that participation and social engagement of young people has been rather scarce.

One major problem hampering cross-sectional co-operation is the exchange of *information between organizations*. The problems in the exchange and flow of customer information are considered to be a difficult obstacle. It is difficult to get a comprehensive view of the customer's situation and build targeted long-term service entities for the customer. Organizations have their own separate registers and strict rules for data protection. The shared utilization of municipal and state customer information systems should be promoted; because a lot of customers' work time is spent looking up different registers for the basic facts on young persons. The change makes it necessary to introduce meta-databases, which enable customer work personnel to access data stored in different customer registers. The statistical-level merging of customer information would also help municipal and State decision-makers as well as researchers examining the effectiveness of services.

## **2.7 Success factors and transferability**

A challenge, but also an important success factor of the Finnish youth guarantee, is that it is based on a holistic, integrated and comprehensive approach. In comparison to other European youth guarantee models (e.g. 29 pilots), the Finnish model is based on the principle of public-private-people-partnership. The youth guarantee is a national procedure that includes participation and activities of the state, municipalities, non-governmental organizations, public and private employers and young people. The strength of the Finnish model is its cross-sectorality and the aim to get youngsters participating in the development of services. The youth guarantee takes into account all important actors in youth services and seeks to integrate single measures into

more effective integrated service processes. In the holistic model all aspects of youngsters' lives are taken into account: social engagement, well-being with support of social welfare and health care services, if necessary, active participation in the society via youth services, education, and employment (both employed and entrepreneurship).

Some factors have strengthened the vision of the youth guarantee to gain good results via co-operation. These are measures that other countries could also utilize while implementing the youth guarantee. There has been a national guiding and information letter addressed to local and regional actors that gives practical information about implementation of the youth guarantee. One important element enhancing the youth guarantee is the youth guidance and service network, which all municipalities must have according to the Youth Act. According to the reformed Youth Act in 2011, Finnish municipalities are obligated to have a guidance and service network, by themselves or together with other municipalities. The task of guidance and service networks is to develop planning and implementation of co-operation between public authorities and the other actors, and to improve the functionality and effectiveness of the services for young people. Municipal guidance and service networks have been the key statutory forum for discussion and putting the youth guarantee into effect.

Some municipalities have also established new working groups and nominated coordinators for the implementation of the youth guarantee. The National Youth Guarantee Working Group has an important role in the implementation of the programme. This group has representatives from the Ministry of Employment and the Economy, the Ministry of Education and Culture, Ministry of Defence, Migration Department of the Ministry of the Interior, Ministry of Social Affairs and Health, Ministry of Finance, Confederation of Unions for Professional and Managerial Staff in Finland, the Finnish Youth Co-operation Association, Confederation of Finnish Industries, Central Organisation of Finnish Trade Unions, Finnish Confederation of Professionals, Association of Finnish Local and Regional Authorities, Federation of Finnish Enterprises and the Social Insurance Institute of Finland. This wide working group has prepared proposals for the realization of the youth guarantee, the budgetary impacts of the proposals and the potential legislative amendments arising from them to the effect that the enforcement of the guarantee could be launched at the beginning of 2013. The National Working group is working actively in the follow-up and monitoring of the implementation of the programme. Both of these working groups, at the national and local level, and the coordinators that have the responsibility to promote the youth guarantee at the local level, are a model to be applied also in other countries.

Another success factor of the Finnish youth guarantee is that it is not based on separately funded programmes with projects with extra funding, but it is based on intensifying the efficacy of existing normal services for youngsters. An obstacle of this kind of baseline is that it is more difficult to show the results than in the case of separate projects. A benefit of this baseline is that the results are more likely to be enduring. One element that has advanced development of services for youngsters is the 60 million euro extra funding on the budgets for realization of the youth guarantee. The funding has helped to develop particularly youth workshops and youth outreach work. Also other special operations, such as the programme for young adults aimed at providing young people without an upper secondary level qualification the opportunity to complete a vocational qualification, has been an important way to bring attention to the youth guarantee and increase the opportunities for the youngsters to get education. The extra funding has not been the most significant, but an important and utilizable factor in the realization of the programme. There has also been a lot of marketing and public campaigning of the youth guarantee to different stakeholder

groups. As is seen in the current results of the youth guarantee, using the media and targeted marketing for important stakeholders, is a necessary element in putting the programme into effect. The ministries involved carried out road shows and invested significantly in the visibility of the programme in various regions and municipalities across the country. Written materials, e.g. reports on good practices and internet homepage have also been used in the promotion of the youth guarantee.

One further success factor of the Finnish youth guarantee lies in the follow-up and evaluation of it. The Ministry of Employment and the Economy has published monthly follow-up information that enables analysis at the national and regional level. There has also been development of indicators used in the evaluation of the youth guarantee. The indicators consist of input indicators and 30 effects indicators, and 11 of them are defined as key indicators. The indicator model covers all aspects of the youth guarantee: promotion of youth employment, accomplishment of the education guarantee, prevention of youth social exclusion and risk factors of social exclusion of young people. During the first year of implementation of the programme, many studies and evaluations have been conducted on the experiences and effects. All these studies and evaluations have had an important role in bringing up pros and cons in the implementation of the youth guarantee. Follow-up and other studies are recommended in all countries that put the youth guarantee into effect.

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