

Youth Guarantee country by country

*Finland*October 2020





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Introduction and context

The Youth Guarantee has become a reality across the EU. It has facilitated structural reforms and innovation in policy design across EU Member States.

This document provides extracts from official Commission documents on the implementation of the Youth Guarantee in Finland. It contains extracts from:

- The country report drawn by the Commission for Finland in the context of the European Semester;
- The conclusions of the thematic multilateral surveillance review of the Employment Committee (EMCO).
- Results from the data collection on Youth Guarantee schemes.

A section at the end of the document is devoted to the assessments made by the Commission the previous year.

Finland presented a Youth Guarantee Implementation Plan on 16 May 2014.



Commission's assessment

From the 2020 country report (EN - FI - SV):

"After four years of economic growth, the employment rate is historically high, but a slowdown is expected. The employment rate (2064 years) increased by 2.1 pps in 2018 to reach 76.3% (see Graph 3.3.1)."

"The still relatively high unemployment suggests structural bottlenecks in the labour market. Youth unemployment decreased substantially in 2018 but remains above the EU average."

"The education system fares relatively well in terms of inclusiveness, although challenges remain for some groups. The early school leavers' gap between pupils with disabilities and other pupils is higher than the EU average (15.6 pps vs the EU average of 10.1 pps). In parallel, the early schoolleaving rate for non-EU born pupils stood at 13.6% in 2018, being 5.5 pps higher than that for native born pupils."

"Reaching the new tertiary education attainment target will require taking into account the availability of study places. The government plans to raise the proportion of young adults (2534 year-olds) with a tertiary education degree to 50% by 2030. This could require an increase of study places in certain regions."

"The recent VET reform pushes for more responsiveness to the labour market needs. The key components of the reform were to provide individualised and flexible study pathways and to integrate separate funding strands into one coherent funding system. One of the objectives is to open up more possibilities for VET organisers to provide modular, not degree related, reskilling and upskilling trainings for adult learners."

"While the overall employment rate is above the EU average, it falls short of Finland's Nordic peers. The employment rate of working-age men is even below EU average. The female employment rate is better than the EU average, for all age groups except 30-34 year-old, and it is better than the male one for young (15-24) and old (50-64) cohorts."

For further youth-related matters please refer to the country report.



EMCO's assessment

Conclusions of the Employment Committee's multilateral surveillance review on youth employment, October 2019:

Finland has a well advanced Youth Guarantee scheme, based on a system of very effective one-stop shops and strong partnerships that have recently been further developed, especially at local level. Strong focus is also being maintained on personalised guidance and a holistic approach.

Outreach to young people in Finland starts in schools and serves as a means of prevention. However, the share of NEETs reached has been decreasing the past few years. It is therefore important for Finland to implement its plans to improve outreach, especially to the vulnerable, by increasing cooperation between all the relevant actors. Noticeable progress has been registered in the delivery of personalised guidance and activation, nonetheless the Finnish government is developing new measures to further improve services in this field.

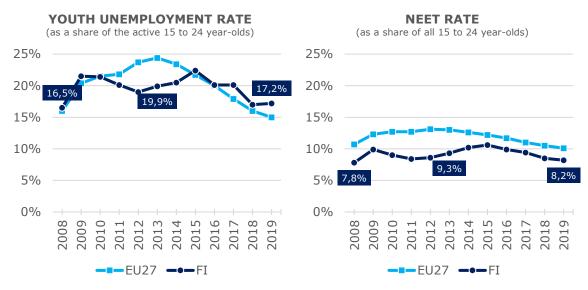
The impact of the planned reform that will shift some services from PES to municipalities should be carefully monitored.

On the whole, work trials have proved effective in improving job and education opportunities for young people. However, for NEETs belonging to more vulnerable groups, they proved quite ineffective. In addition, there is a risk that work trials are replacing normal jobs. These issues should be taken into account and could be addressed with specific measures.



Youth Guarantee monitoring - Key data¹

1. Main trends in young people's labour market performance



Source: Eurostat, LFS (une_rt_a, edat_lfse_20)

2. Youth Guarantee delivery

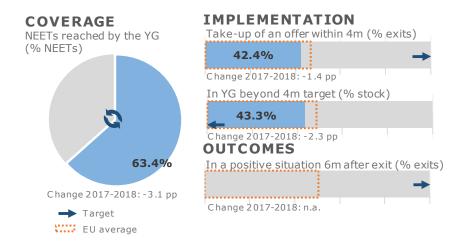
Preparation for the implementation of the Finnish Youth Guarantee scheme began in 2011 with the appointment of a dedicated working group. The scheme was launched in 2013 and combines a previous "social guarantee", implemented since 2005 by the employment services, with an education guarantee. It is open to all young people aged under 25 and recent graduates aged under 30. Importantly, the Finnish YG scheme quarantees an offer within 3 months rather than 4 months as per the Council Recommendation.

Further information is available in the Finnish Youth Guarantee Implementation Plan of May 2014 and on the dedicated Youth guarantee website.

The information below is taken from the country fiche related to the Youth Guarantee Data collection (full results can be found on http://ec.europa.eu/social/main.jsp?catId=1143&langId=en#YGIF).



YG monitoring data 2017-18



Source: DG EMPL, YG monitoring database, data extracted 09 December 2019. NEETs data were extracted from Eurostat, Labour Force Survey on 21 June 2019.

43.3% of young people aged 15-24 remained in the YG preparatory phase beyond the national 3-month target, a result that is below the EU average for the 4-month target (48.6%).

Two fifths (42.4%) of those leaving the YG in 2018 took up an offer within 3 months of registration, down 1.4 pp compared to 2017 and below the EU average for the 4month target (46.7%).

The Finnish YG scheme covered nearly two thirds (63.4%) of all NEETs aged under 25 in 2018, despite the fact that monitoring data cover only young people registered with the PES and miss those benefitting from YG services delivered by municipalities. Although this represents much better coverage than the EU average of 38.9%, it is reduced compared to 2017 (- 3.1 pp).

Follow-up data are not available to assess the sustainability of outcomes.



Previous year

From the 2019 country report (FI - SV - EN):

"The labour market has started to reap the benefits of the recovery." Employment and activity rates are nearing pre-crisis levels."

"Youth unemployment has slightly decreased but remains above the EU average. In the second quarter of 2018, youth unemployment was 17.5 % (EU average 15.1 %). However, the rate of young people not in employment, education or training is lower than the EU average (10.9 % compared to the EU average of 13.4 % for the age group 15-29 in 2017). The Finnish Youth guarantee scheme reached 66 % of young people not in employment, education or training aged 15-24 in 2017 (European Commission, 2018f). The onestop quidance centres for young people were made permanent, with financial support secured until 2021. There are more than 50 one-stop-shops. The first national results from year 2016 were promising, showing that more than 13 000 people were directed to services or measures by the guidance centres (Kohtaamo, 2018). The test phase and the extension of the service model were cofinanced by the European Social Fund."

"Early school leaving increased slightly. It amounted to 8.2 % in 2017 compared to the EU average of 10.6 % with differences between young people in rural areas (10.1 %) and those in cities (7 %). Foreign-born pupils drop out of school almost twice as often as pupils born in Finland (15.2 % compared to 7.9 %) and the gap between these groups on baseline levels of proficiency in all main domains (literacy, mathematics, science) is significant (42 percentage points compared to the EU average of 22 percentage points) (Organisation for Economic Cooperation and Development, 2018f). This is compounded by the worsening performance of pupils with a migrant background."

For further youth-related matters please refer to the country report.



Links to further information

Youth Guarantee Knowledge Centre - Including promising examples from Finland

http://ec.europa.eu/social/main.jsp?catId=1327&langId=en

Youth Guarantee Implementation Plan

http://nuorisotakuu.fi/en/frontpage

Where to register for the Youth Guarantee?

http://ec.europa.eu/social/main.jsp?catId=1218&langId=en

Youth Wiki Finland

https://eacea.ec.europa.eu/national-policies/en/content/youthwiki/overviewfinland