

**Speech by Tarja FILATOV,
Chair of the Employment and Equality Committee of the Eduskunta of the
Republic of Finland at the Meeting of the Chairpersons of the Committees on
Social Affairs and Labour "Employment Incentives to Implement the Europe
2020 Strategy"**

11 November 2013, Vilnius

Finland's youth guarantee rests on three pillars. It is aimed at strengthening young people's employment and education and preventing social exclusion.

The first pillar is a social guarantee, which applies to unemployed job seekers under the age of 25 as well as recent graduates under the age of 30 who have not yet found work. Services and support measures are provided to improve their job prospects.

The second pillar is an educational guarantee, which promises to help every young person who has completed comprehensive school to find a place in further education or training and to offer a special programme for young adults lacking secondary education.

The third pillar is aimed at helping "inactive" young people, meaning those who are not in employment, education or training. These are targeted in outreach youth work.

The social guarantee for unemployed young people was launched by the labour administration in 2005. The idea was that an employment plan should be prepared within one month for every unemployed job seeker under the age of 25. The timetable is now being tightened, and the objective is to prepare an employment plan within two weeks. A young person must be offered a job, a traineeship or a place in a workshop within three months at most.

Young people can obtain an employment voucher to help them find work. This offers an employer around 700 euros in support for ten months to cover the costs of hiring an employed young person.

Even in its original form the social guarantee reduced long-term unemployment and stimulated administration to develop services for young people.

The new youth guarantee that came into effect at the beginning of this year is broader and has a better operating model. It coordinates measures aimed at

unemployed young people and expands the obligation to recent graduates under 30 years of age.

The objective is

- to increase the efficiency of service processes for young people and prevent prolonged unemployment
- to improve networking among actors who arrange services for young people
- to promote placement in education and the labour market and the achievement of sustainable solutions
- to identify factors linked to exclusion and promote early intervention on a cooperative basis.

Lack of education often lies behind prolonged unemployment, and for this reason the guarantee was expanded to include education and training for young people. Rehabilitative measures were also added to the mix.

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Every young person who has completed comprehensive school is guaranteed access to a place in upper secondary or vocational education, a traineeship, a workshop or some other programme.

Vocational education is being increased in fields where there are too few places in relation to the size of different age groups.

Admission criteria are being developed to improve access to further studies for young people who have just completed comprehensive school.

Traineeships are being developed by improving the compensation that employers receive for training. Education to improve young immigrants' study and language skills is also being expanded in folk high schools.

A separate programme has been designed for young adults who have not received secondary education. It is important to encourage these young people to seek education, since research shows that without vocational education, young adults are likely to have much shorter careers than people in the same age group who have received training.

Measures are also being taken to keep young people from dropping out. Getting a place in education is not enough: a young person must complete studies to do any good.

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A more challenging group is young people who are "off the grid". Some of these are not in ledgers and files for a good reason. They may be at home taking care of small children, for example. Others, however, are outside the system and in danger of throwing away their lives. These are provided help in the form of outreach youth work and workshops.

Outreach youth work actively looks for young people in need of help. If they have dropped out of education, it seeks to get them back in school. Outreach youth work is the responsibility of local authorities and is not nationwide. The state supports local authorities in this work and is striving to get the system expanded to the whole country.

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The social guarantee for young people has clearly strengthened services for young people.

The guarantee has made it easier for young people in a relatively good position to find work, since it has speeded up services processes and strengthened the guidance of active measures.

When it comes to young people who are in a more difficult situation or have multiple problems, there is still room for improvement.

The challenge for the expanded youth guarantee is to offer meaningful services that meet young people's individual needs and help them make real progress and find jobs.

One challenge here is to ensure that measures are of a high quality and effective. It is not enough to meet service deadlines; services must also be targeted according to young people's own needs.

To achieve a sustainable solution it is crucial to increase demand for labour and to motivate employers to offer young people real jobs after subsidies have ended.

Another challenge is to develop education and supporting services so that young people will not drop out. Different forms of learning by doing are of key importance in this respect.

A third challenge is to ensure health, mental health, substance abuse and other rehabilitation services for young people and to reduce queues in service systems.

Every young person is special. Young people with intellectual or other disabilities require special support, however.

In Finland someone has calculated that each socially excluded young person costs society over a million euros. The question is not whether we can afford to invest in young people's employment: We can't afford not to.

We can't afford to fail in integrating young people in education and the labour market. The guarantee does not work perfectly, but it imposes an obligation to develop government functions and service systems.