



Migrant Integration in Finland: Policies and Practices

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Topics

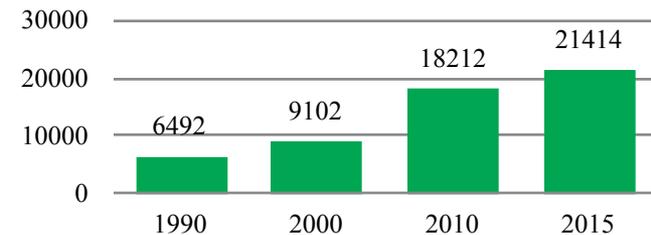
- An overall description of the Finnish integration “model”
- Effectiveness of integration measures in the light of recent research results
- Novel approaches in labour market integration policies and measures in Finland
- Challenges for effective integration policies



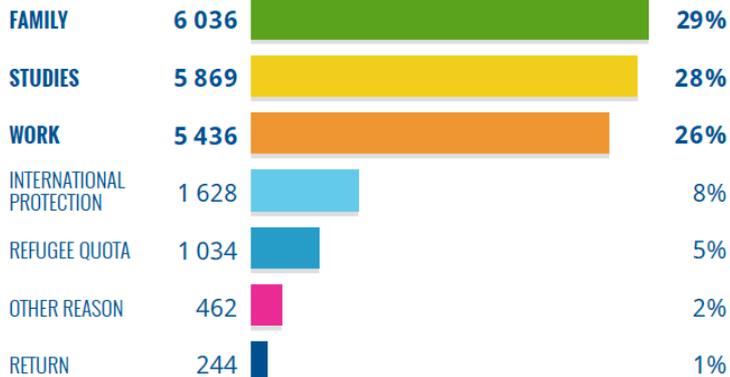
Migration Trends in Finland

- Until 1990 migration to Finland was diminutive
- Immigration doubled from 2000 to 2010
 - Main grounds for immigration: family ties, work and studies

Immigration to Finland,
foreign nationals



Residence permits issued to non-EU citizens in 2015 by reason of immigration:

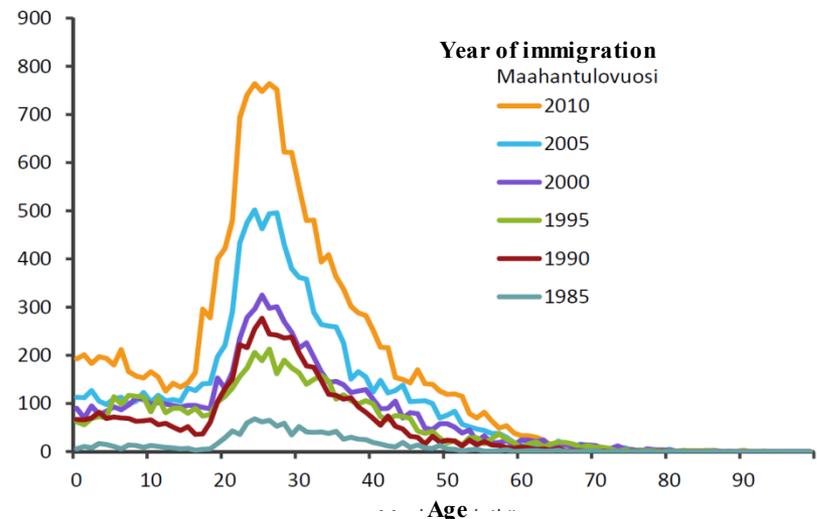


- International protection configured appr. 10 per cent of immigration until 2015
- Currently 230 000 foreign citizens (330 000 foreign language speakers) reside in Finland
- Rapid employment and utilization of migrants' know-how more extensively are of critical importance..
- .. while priority lies in enabling immigrants' extensive participation in Finnish society in all spheres of life



The Finnish Integration 'Model'

- Participation in the labour market is one of the most significant factors favouring long-term integration into society
- The successful labour integration will also counter some of the adverse fiscal effects of population aging
- The Ministry of Economic Affairs and Employment is responsible for the integration of immigrants, integration legislation and promotion of employment among immigrants.
- Legislation on Integration into force in 1 May 1999 (renewed in 2010)





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- The successful labour integration will also counter some of the adverse fiscal effects of population aging
- The Ministry of Economic Affairs and Employment (MEA) is responsible for the integration of immigrants, integration legislation and promotion of employment among immigrants.
- New legislation into force in 1 May 1999 (renewed in 2010)
- **Stage One: Initial Assessment**
 - Assessing migrant's education, work experience and language skills
 - Provides a preliminary assessment of the measures and services promoting integration and employment
 - The initial assessment is started by the municipality (for those outside work force) or the Employment and Economic Development Office (appr. 90% share)
 - Families are provided with counselling on services directed to families in particular



The Finnish Immigration Model

- **Stage Two: Integration Plan**

- Prepared after the initial assessment
- Details the measures that will aid in one's integration
- To be created no later than three years after receiving the first residence permit or registering residence in Finland
- Prepared with a counsellor at an Employment Office or at a Social Office (for those not eligible for labour force, e.g. stay-at-home parents)
- Maximum duration for an integration plan is three years (can be extended on individual grounds)
- Once the integration plan is in force, one can obtain labour market subsidy
- Adherence to the plan and participation in measures agreed in the plan are prerequisites for receiving the labour market subsidy



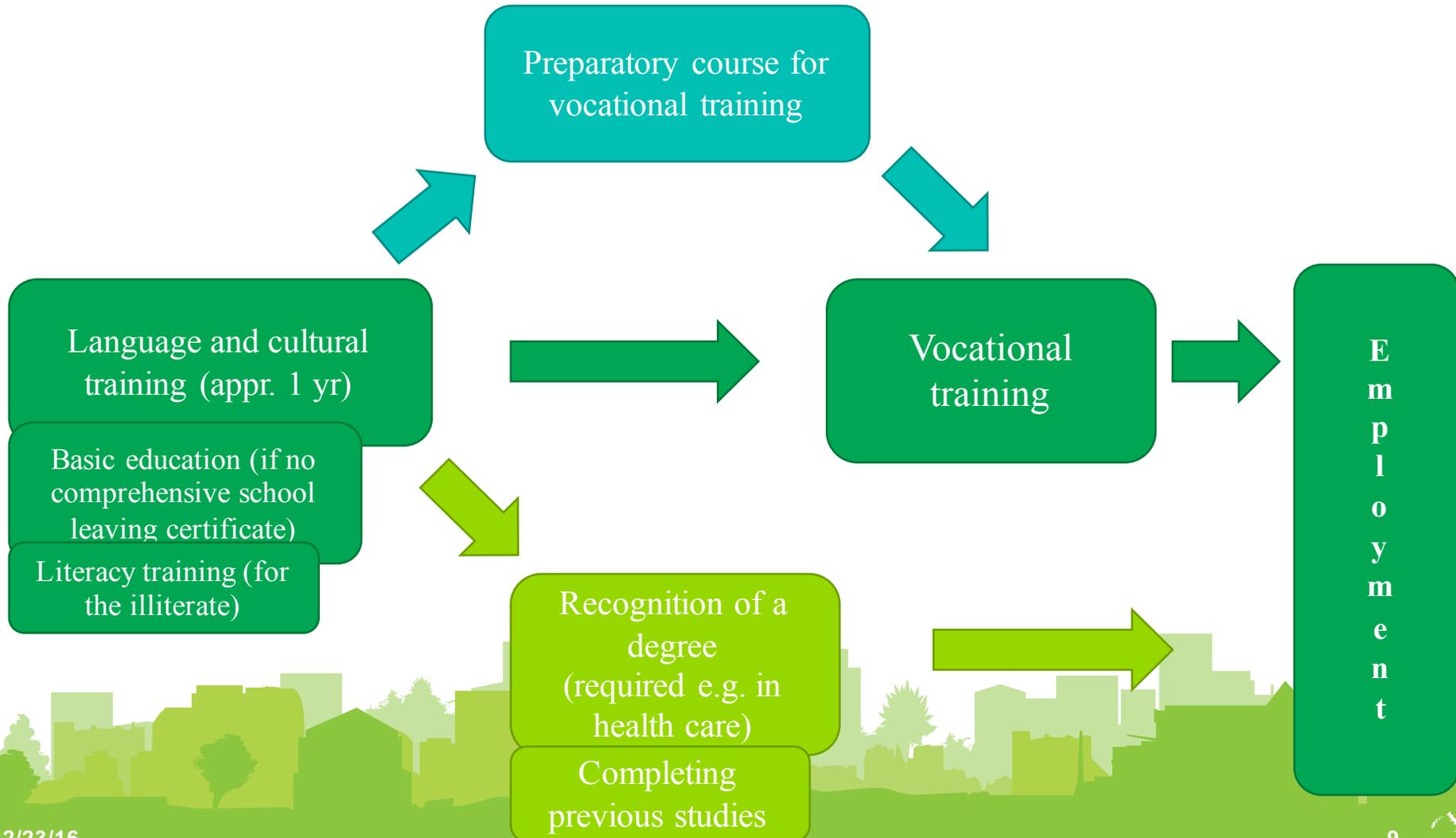
The Finnish Immigration Model

• Stage Three: Integration Training

- Aim is to facilitate fast and smooth employment and provide the immigrant with skills and knowledge for active, participative citizenship
- Integration training includes
 - Finnish or Swedish language training,
 - social, cultural and life-management skills
 - if necessary, reading and writing skills
 - Integration training can also include vocational or practical training, preparatory vocational training, completing previous studies, or a recognition of a degree



Integration Training (rough model)





Integration measures in light of research

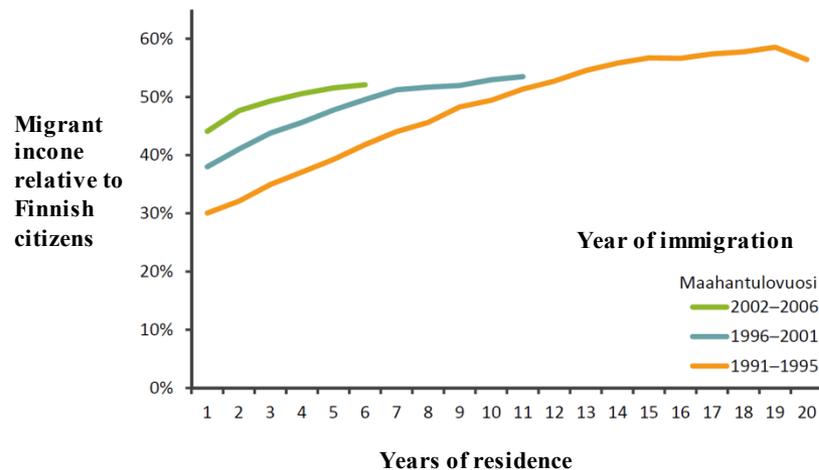
- Due to small number and late arrival of immigrants, research still not extensive
- Quantitative research based on statistical analysis of register data
 - M. Sarvimäki: Integrating Immigrants: The Impact of Restructuring ALMP (2014)
 - E. Kostianen, S. Laakso: Employment and Income of Migrant PES-customers (in Finnish) (2014)
 - J. Tervola, J. Verho: Immigrants as Recipients of Social Benefits (in Finnish) (2013)
- **Key findings**
 - **Employment:**
 - Employment improves significantly over longitudinal period
 - Work experience acquired in Finland the main predictor for employment (more than three years of acquired work experience in Finland increase income by more than 40% over 10-year period)
 - Finnish labour market highly ethnicised and gendered for migrants: Men and migrants from EU and other Western countries much more likely to find work corresponding their qualifications; women and migrants from non OECD-countries considerably less likely
 - Short-term employment significantly increases the likelihood of achieving permanent employment later



Integration measures in light of research

Income:

- Integration legislation introducing integration plans has increased immigrant income by 47% and decreased social benefits received by 13% within 10-year period
 - Effects are interpreted to result from the altered content of integration measures (less traditional job-seeking counseling, more emphasis on language and vocational training)
- Income of those having immigrated on grounds of studying, marriage or spousal employment did not differ from those having arrived on refugee, asylum or family unification criteria when other factors have been controlled for



PES-measures:

- Most effective PES-measure is vocational degree acquired in training in Finland (30% income increase)
- Participating in specific training modules for immigrants has a positive effect on income accumulation, whereas the effect of more general job-seeking counselling is negative



New approaches to integration policies and measures

• Investment Impact Model

- Aim is to expedite employment
- Model based on private funding
- Private service providers will be reimbursed with profit *if* the predetermined employment targets are reached
- Four months of language training (previously one year), then employment (plus simultaneous language training)
- Impact analysis (randomised control group)

• Combining vocational and language training

- Training for e.g. care assistants, car mechanics, bus drivers, construction

• Skills/know-how recognition

- More frequently (to all PES -integration customers)
- More extensively (beyond formal recognition)
- More standardised process

• Regional needs evaluation

- Matching refugees' skills with regional labour shortages
- Assessing the professional skills of asylum seekers at reception centres while they are awaiting their asylum decisions.
- The outcomes of assessment will be taken into consideration when choosing a settlement area that offers education and business opportunities that match their skills



Challenges still remain

- **Work experience acquired in Finland the main factor in immigrant employment**
 - To increase work experience, foreign PES-customers may need to be encouraged accepting work not matching their expertise/qualifications and/or outside their current residence
 - Labour subsidies for employing migrants in early phase of immigration?
 - Apprenticeship an effective path to employment for migrants, yet considerable shortage of apprenticeships (insufficient incentives for small and medium size businesses)
 - Shortage of language courses combining work-oriented activities to expedite transition to employment
- **Foreign degrees have a limited effect on employment**
 - Employers have relatively low regard for foreign degrees
 - Shortage of vocational training targeted for migrants
 - Alternative assessment methods (for prior learning) needed for those without documentary proof of qualifications



Challenges still remain

- **Labour market rigidity**

- Many professions require recognition of the foreign credentials before allowing migrants to be able to perform the job, hindering them from working in the job for which they have been trained
- "Qualification-intensive" labour market (formal qualifications needed even for low entry jobs)
- Controversy on targeted entry subsidies
- Women remain under utilized

- **Process rigidity**

- Long processing periods for permits (esp. asylum seekers) plus lengthiness of the "official integration path" delay employment
- "Grand designs" vs. service execution (grass root experience)
- Beside official recognition and qualifications, need for flexibility to accommodate individual skills (methods of assessing informal learning and work experience)

- **Other challenges**

- Sparsely populated areas have difficulties having migrants stay after the cost-intensive integration period
- Attitudes and discrimination



The Centre of Expertise in Immigrant Immigration



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and Employment of Finland

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