Youth employment measures

Sweden has introduced major reforms in several areas to improve the resilience of its economy, addressing both structural and cyclical challenges.

A number of measures have been undertaken in recent years to increase youth employment: reforms have been made in the areas of education, the labour market and tax policy (for more information see previous National Reform Programmes (2014 [1], 2015 [2], 2016 [3]). The overall aim of the measures for youth is to support their entry into the labour market or to find a way for them to pursue and complete education.

In the Swedish response [4] (2014) to the Council’s Recommendation on establishing a Youth Guarantee, it is stated that Sweden has had a strategic policy for promoting youth employment in line with the Council’s Recommendation since 2006. The main reform of the new strategy was the establishing of a Job Guarantee for Youth.

Below is a list of examples from the Swedish response document of implemented and improved employment measures in line with the Youth Guarantee:
• 2007 launch of the **Job Guarantee for Young People** ([5]). The Job guarantee for young people is directed towards those between 16 and 24 years of age who have been unemployed and registered as jobseekers at the PES for at least three months over a four-month period. The purpose of the Job guarantee for youth is to offer young people individual employment measures at an early stage in order for them to get a job or begin or resume education as quickly as possible.

• 2008 launch of New Start Jobs (NSJ). An employer may hire a person between 20 and 26 years old who has been unemployed for at least six months for a new start job. This entails a financial reduction corresponding to twice the employer’s social security contributions for this group. The financial reduction is available for as long as the employee has been out of work, but a maximum of one year. Further, employers who hire a young person who has been out of work for at least twelve months can receive support equivalent to four times the employer’s social security contributions for the age group.

• 2009 individualised coaching for the unemployed aimed at supporting a high level of job search activity.

• 2010 launch of study motivation courses within the Job guarantee for young people. A person who lacks a school-leaving certificate from compulsory or upper secondary school may take part in a motivation course arranged at folk high school (folkhögskola, an educational institution). The aim of the course is to motivate participants to complete or continue their education.

• 2011 launch of the higher study grant for unemployed youth. The higher study grant in the system of financial support for studies was made available to participants in the Job guarantee for youth aged 20–24 who lack a school-leaving certificate from compulsory or upper secondary school, for participation in municipal adult education or for studies at a folk high school. The higher level of support can be received for three years or until a certificate is obtained.

• 2011 study motivation courses available from day one of unemployment.

• 2012 launch of profiling tool. The tool is a web-based questionnaire mapping factors that affect the risk of long-term unemployment. The factors include age, disabilities, place of birth, education, history of unemployment, profession, etc. Jobseekers with a relatively high risk of long-term unemployment are identified at an early stage and can receive activation measures from the first day of unemployment.

• 2012 launch of activation measures from day one of unemployment, such as on-the-job training, study motivation measures or education.

• 2013 strengthening of PES possibilities to support youth from day one of unemployment.

• 2013 strengthening of NSJ for long-term unemployed youth.

• 2013 launch of the activity report. All persons registered with the PES must document all activities carried out to find a job and the jobs applied for in an activity report. The idea is that the more active the unemployed are while looking for a job, the greater the chances are to find one. The activity report must be updated every month.

• 2014 clarifications in the legislation to ensure that young people receive the support and assistance they need to return to education. This includes measures aiming to bring young school drop-outs back into education, new tasks for municipalities for compiling statistics and documenting the measures they provide for school drop-outs and a duty for head teachers of secondary schools to notify the municipality of a student who without valid reason is frequently absent from school.

• 2014 launch of the support for vocational introduction jobs. The employment may be temporary or permanent but must last for a period of at least six months. The employment should be a vocational introduction job or equivalent to that according to the collective agreement for the sector. The administration of the support (applications for support, etc.) is handled by the PES.

(Source: **Youth employment policies in Sweden – the Swedish response to the Council**
The Job Guarantee for Young People

The Job Guarantee for Young People is an important part of the Public Employment Service's work to counter youth unemployment and shorten young people's time in open unemployment. The purpose of the job guarantee for young people is to offer young people special labour market policy initiatives at an early stage so that they can get a job or start or return to education as quickly as possible.

The job Guarantee for Young People can be offered to young job seekers who have been unemployed and reported to the Employment Service for a total of 90 days during a four-month frame period. The programme is normally full-time. For reasons such as part-time parental leave, illness or a disability, it is possible to take part in the programme part-time.

Participation in the programme is voluntary but a person who joins the programme must be active and follow the plan that they have agreed on.

The job guarantee for young people has no qualification period for job seekers between 16 and 25 years who:

- Have participated in establishment efforts for newly arrived immigrants or the job guarantee for young people for the maximum period but are still unemployed.
- Have been sentenced to imprisonment and have been granted leave from prison or are on probation but have not completed one year of the probationary period.

An average of 24% of all young people enrolled in the Employment Service 2019 participated in the job guarantee scheme for young people. The total number of unique individuals who participated in the job guarantee for young people in 2019 amounted to just under 33,700 (Arbetsförmedlingens återrapportering 2019. Arbetsmarknadspolitiska program).

A basic idea with the job guarantee for young people is that the efforts should be made in close collaboration with authorities, municipalities, companies, social partners and others. Financial support may be provided to the organisers training as well as to a municipality which provides study and vocational guidance. The Employment Service decides on and pays the support.

Content of the Job Guarantee for Young People programme

The programme begins with a compulsory in-depth survey that complements the individual action plan and describes what activities the participant needs and what support the Employment Service should provide.

The activities in the job guarantee for young people shall cover the participant's entire range of work and include in-depth mapping, study and vocational guidance, job seeker activities with coaching, work experience placement, education for up to six months, support for starting a business, vocational rehabilitation, job training at a workplace. It is also possible for participants in the job guarantee to study Swedish for immigrants (SFI) for up to 6 months.

Those who take part in the Job Guarantee Programme for Young People can receive benefit from Försäkringskassan (The Swedish Social Insurance Agency). To receive the benefit the young person...
needs to take part in the agreed activities.

A 90-day guarantee for young people

In the Budget bill for 2015 [9], the then newly elected government explained that addressing high youth unemployment was one of its top priority labour market policy challenges. The government therefore formulated a target of a 90-day guarantee. The guarantee aims to limit the time for how long a young person can be unemployed before he or she is offered a job, or an effort that leads to a job or an education.

In order to enable the 90-day guarantee, the government has undertaken a series of measures: among other things, introducing training-contracts and trainee-jobs. Both of these labour policies are based on close collaboration between the Public Employment Service and municipalities. Furthermore, the availability of higher contributions within the student financial aid programme for young people between 20 and 24 years of age who resume upper secondary education have been expanded, and the option to take study-motivating courses at folk high schools has been extended.

The objective of the 90-day guarantee has been reached

Ever since the 90-day guarantee was introduced in 2015, the number of young people who have been openly unemployed without having been offered a job, education or training has gradually decreased, according to a study [10] of the Public Employment Service. At the end of November 2017, the number of young people who did not receive such an offer was just around 400. What more, by the beginning of 2015, it took in average 80 days until a young person was in work, study or training. In October 2017, the period had decreased to 53 days.

Therefore, the Public Employment Service assesses the objective of the 90-day guarantee to be reached. However, there is still space for improvements. The most common reason why a young person did not get an offer within 90 days was that the person did not show up to a planned visit, or that efforts to contact the person had failed. Other common reasons of not getting an offer was that the person had planned (or ongoing) studies, alternatively was about to start working.

Youth Employment Delegation and the European Social Fund

An important step in the 90-day guarantee was that the Government established the Delegation for the Employment of Young People and Newly Arrived Migrants (Delegationen för unga och nyanlända till arbete [11]). The remit the delegation is to ensure that labour market policy initiatives for youth unemployment have greater impact at the local level, facilitate central and local government cooperation and develop new forms of partnership. Since February 2017, enabling newly arrived migrants to become more effectively established in work is also a part of the delegation's task.

Local agreements between municipalities and the Public Employment Service on initiatives to reduce unemployment among young people and newly arrived migrants is a central part of the task. As of October 2017, 287 out of the 290 municipalities [12] in Sweden have drafted agreements with the local public employment service office. The agreements contain measurable goals, action plans for attaining the goals and identifying young people in NEET situations in the municipality.

In addition to national youth employment measures, the European Social Fund (ESF) has an important
role in promoting employment for youth through the financing of ESF projects with a special focus on early intervention and activation measures for those in NEET situations.

Specific target groups

There are groups of young people who have it harder than others to get a job. Young people with disabilities generally have a more vulnerable position in the labour market than those without disabilities. The same goes for those lacking upper secondary education or being born outside of Europe. Therefore, the Public Employment Service emphasises the importance of targeted efforts that are adapted to the individual's needs. The key is to prioritize cooperation and early individual and qualitative support. Here, the 90-day guarantee for young people is an important tool for keeping unemployed young people active (Arbetsförmedlingen 2017 [13]).

Sweden has one of the lowest NEET rates in the EU. In the age group 15 to 29 years, the share was 4.5% in 2019, compared to the average of 10.3% for all 28 EU countries (Eurostat [14]). The government’s approach to labour market policy is however that measures should target those whose need is the greatest. Young people in NEET situations are therefore a specific target group. Therefore, in November 2015, the government presented a strategy for young people who neither work nor study: Ways Forward – A Strategy for Young People who neither Work nor Study (Vägar framåt – strategi för unga som varken arbetar eller studerar [15]). See section 4.3 [16], Strategy for the social inclusion of young people, for more information.

Flexicurity measures focusing on young people

Flexible employment agreements for young people

The Swedish National Reform Programme 2016 [3], aimed at improving the conditions for full employment and inclusive sustainable growth up to 2020, states that a number of agreements have been established to boost youth employment in recent years. Some agreements involve the government while others are between the social partners. In these cases the government supports its partners through different support structures.

Examples of agreements include:

Vocational introduction agreements

The common target group for different agreements is young people with no relevant job experience. The construction of the agreements varies between industries, but common to all of them is that idea that work is to be combined with education (the education component is restricted to a maximum of 25% of working hours).

The education component can be either at the workplace or supplied by an external provider. The education period does not result in any wage entitlement. The agreement is signed independently between the social partners and is based on collective agreements.

The government supports the parties’ signing of vocational introduction agreements through following support structures for the agreements:
• wage subsidy equivalent to an ordinary employer’s contribution (31.42%)
• supervisor support equivalent to SEK 2 500 (about 255 euros) per month and employee
• financial support for special information campaigns on vocational introduction jobs and student employee jobs.

**Student employee jobs**

In 2014, a collective agreement on student employees was signed in the private, municipal and central government sectors. The private sector agreement refers to the property industry. The agreements vary but target students at universities, other higher education level institutions or those in post-secondary education, and refer to qualified work with a clear link to ongoing studies.

These jobs are temporary positions of varying durations, ranging from employment for a single term (Swedish Associations of Local Authorities and regions) to a maximum of four terms (central government), with the maximum weekly working hours of 10 to 15 hours per week on average.

For employees, the agreement provides an opportunity to work with qualified tasks and facilitates the transition from studies to working life. Employers gain the opportunity to utilise the competence of students from tertiary education, while at the same time, have the chance to show-off their business in order to attract a competent workforce.

**Security provisions for young unemployed**

Unemployed young people are, like any other workers, entitled to compensation from unemployment insurance. However, in order to receive benefits, two conditions must be met. First, the individual must have been employed for at least six months during a period of 13 months. Second, the individual must have been/be a member of an unemployment fund.

However, because of the changes on the labour market, combined with extended training periods and less stable employment conditions, young people often have difficulties to qualify for unemployment benefits. Many young people are therefore dependent on additional financial aid support.

The age group 18–24 represents almost a quarter of the recipients with social security benefits. The proportion of young people having unemployment as their main reason for social security benefits is significantly higher compared to middle-aged and elderly people.

What divides the conditions for young people seeking financial assistance from other age groups is the fact that social services have a stated right to condition the support with participation in internship or competence-raising efforts.

• Supervisor support equivalent to 2 500 Swedish kronor (255 euros) per month and employee.
• Financial support for special information campaigns on vocational introduction jobs and student employee jobs.
Reconciliation of private and working life for young people

There are no youth specific policy measures or initiatives supporting the balance between work and family and responsibilities.

Funding of existing schemes/initiatives

Funding of youth employment measures is mainly through the state budget, expenditure area labour market and working life. Various budget lines exist which finance different schemes within the budget area. Costs for labour market programmes and interventions, in which many youth is participating, are for example presented in the Budget bill for 2017 [17].

The Ministry of Employment administers the labour market budget and allocates appropriations to the Public Employment Service and the Swedish ESF Council.

According to the Budget bill of 2017, the amount of funding earmarked for the EU funds was 1 181 070 Swedish kronor (123 000 euros).

Quality assurance

All youth employment schemes and measures are monitored and quality assured on a continual basis in order to ensure effectiveness and improvements are made.

The Public Employment Service conducts their own evaluations and presents regularly on its website the results of their monitoring and statistics from Statistics Sweden. Universities play an important role in labour market policy research. Social partners, different interest organisations and government agencies also contribute to changes and progress in labour market policy.

Presented below are two public authorities with a quality assurance function (see section 3.3 [18], Skills Forecasting, for information on other actors).

The Swedish National audit Office [19] (Riksrevisionen) is part of the central control power of the Swedish Parliament. Their task is to contribute to the efficient use of resources and efficient management of the state through an independent audit of all government operations.

The Swedish Agency for Public Management [20] (Statskontoret) has the government task of analysing and evaluating state-funded activities. The agency has conducted a large number of studies among others about the Public Employment Service's work and the labour market programmes.