

Combatting long-term unemployment among immigrants beyond the COVID-19 pandemic

Experiences from the
Nordic countries



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Foreword

The Nordic countries have a common challenge in ensuring that refugees and immigrants establish themselves in their new societies. The gap in labour market participation between the native-born population and immigrants is a persisting problem, and it is particularly large for low-educated, non-EU citizens and women.

The recent crises – the COVID-19 pandemic, the war in Ukraine, and the way they affect the Nordic economy – have made the situation worse. During the pandemic, many people with an immigrant background lost their jobs. Immigrants have also been more likely to face long-term unemployment than their native-born peers.

In this report we investigate long-term unemployment among immigrants in the Nordic Region. A need to follow up on the long-term unemployed emerged from our recent reports [Integrating immigrants into the Nordic labour markets – the impact of the COVID-19 pandemic](#) (2021) and [Integrating immigrants into the Nordic labour markets](#) (2019). Targeted measures are necessary for immigrant groups furthest away from the labour market, such as immigrants who have been unemployed for 12 consecutive months or longer.

The report highlights promising examples of successful integration policies and practices and concludes with concrete learnings that can be used as a 'checklist' by policymakers, employers, and education providers. A key challenge is to match the jobseekers' skills with the requirements in the sectors where jobs are available.

The Nordic Welfare states rely on people working and paying taxes. To secure the sustainability of the generous welfare systems and meet the demands of an aging population, initiatives should be taken to boost labour market participation. The Nordic countries need to build a more inclusive working life, where they can use the full potential of the workforce.

It is our hope that the practices, initiatives, and solutions presented in this report will offer inspiration and guidance across the Nordic countries on how actors at national, regional, and especially local levels can support the progress of long-term unemployed immigrants.

This study is a part of the Nordic Co-operation Programme on Integration, a collaboration between the Nordic Welfare Centre and Nordregio, initiated by the Nordic Council of Ministers. We would like to thank the editors Nora Sánchez-Gassen and Åsa Ström Hildebrand and their team of Nordregio researchers for their hard work on the report.

For more information about Nordic co-operation on integration and inclusion, please visit www.integrationnorden.org.

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Executive summary

The COVID-19 pandemic had a strong impact on the Nordic labour markets. Unemployment rates increased rapidly during the first waves of the pandemic, and the number of people experiencing long-term unemployment also grew in all Nordic countries. This report documents and compares how immigrants have been affected by long-term unemployment, and investigates which policies and initiatives policymakers at national, regional, and local levels of governance implemented to support them.

Concretely, this report aims to answer the following research questions:

- Have immigrants in the Nordic countries been more likely to face long-term unemployment during the pandemic than their native-born peers? How has the number of long-term unemployed immigrants developed during the pandemic, and is it an ongoing challenge?
- Which national-level institutions and actors have been involved in supporting long-term unemployed immigrants and which policies and measures have been used?
- Which initiatives have been implemented at regional and local levels in the Nordic countries to help long-term unemployed immigrants in finding new employment? What can we learn from these initiatives?

The report finds that across all Nordic countries, immigrants were more likely to face long-term unemployment during the pandemic than their native-born peers, making this a key integration challenge across the Nordic Region. Nonetheless, the Nordic countries differ in how acute the challenge of long-term unemployment among immigrants was during the early phases of the pandemic, and how rapidly the situation improved afterwards. Overall, Sweden sticks out as having experienced the biggest challenges. Already before the pandemic, more than 140 000 people were registered as long-term unemployed, with immigrants constituting the majority in this group. During 2020, and early 2021, long-term unemployment increased even further. While the situation has improved since mid-2021, the number of registered long-term unemployed so far remains higher than prior to the pandemic, and immigrants continue to constitute a majority in this group.

In all Nordic countries, non-European immigrants and refugees with low levels of

education have been in a particularly vulnerable situation. Their skills and labour market experiences are often not a good match to the Nordic labour markets. Due to traditional gender roles, immigrant women from outside Europe have often gained less work experience and educational attainments than their male counterparts; consequently, these women may face significant challenges in finding employment. All of these obstacles already existed prior to the pandemic but were aggravated when the Nordic economies went into decline in early 2020.

All Nordic countries offered support measures and programmes for long-term unemployed immigrants during the pandemic. However, this report highlights that most of the Nordic countries did not devise new strategies to address the increase in long-term unemployment in 2020. Instead, they largely relied on existing structures, institutions, and policies to support long-term unemployed jobseekers during the pandemic. Iceland is an exception. There, long-term unemployment among immigrants was uncommon prior to the pandemic since most immigrants had a job upon arrival, so no support framework existed for this group. New networks and measures were therefore swiftly put in place after the start of the pandemic. This included the establishment of a task force which contacted all long-term unemployed immigrants individually to offer targeted support. This measure proved to be successful – together with targeted funding to employers who hired long-term unemployed individuals.

National-level policies and programmes to support long-term unemployed jobseekers did not always exclusively target immigrants during the pandemic, but often addressed both immigrants and native-born people. However, at local level, many initiatives did target immigrants, often focusing on those with low levels of education. This includes the Establishment Lift in Stockholm or Delprogram Sysselsetting in Oslo. In Finland, Virtual Reality technology and Nao robots have been successfully used in the Helsinki Skills Centre to help immigrants learn the Finnish language. Several initiatives that are described in this report focus on supporting immigrant women to break out of social isolation and find employment. Examples include the KHRS Academy in Copenhagen and the 'Neighbourhood Mothers' (Bydelsmødrene) initiative that is active in many municipalities in Denmark and has recently been expanded to Sweden and Norway. Many of the described initiatives were started already before the pandemic. Nonetheless, the need for the support and services they offer increased during 2020 and 2021.

A key conclusion of this report is that there are jobs available in the Nordic countries, but these often require higher levels of skills and educational achievements which long-term unemployed immigrants do not always possess. To address this challenge, the report highlights eleven concrete learnings that can be used as a '**checklist**' by policy makers, employers, and **education** providers in supporting long-term unemployed immigrants going forward. All learnings are based on expert interviews and the policies and initiatives described in this report.

Eleven learnings from tested approaches across the Nordics

1. Always consider gender aspects: leave no housewives behind and avoid gender-coded choices
2. Address applicants' entire life situation: use an holistic and individual approach
3. Fight discrimination and prejudice among training providers and employers
4. Ensure effective national – local level collaboration, including state funding for local initiatives
5. Encourage public-private partnerships (PPP) and the use of wage subsidies
6. Strive for a long-term, systematic approach and avoid short-term projects
7. Focus on matching: Employers' needs should define training content
8. Set clear targets for training programmes and employment guarantee for those who graduate
9. Map and build on jobseekers' competencies and commitment – and provide student loans
10. Provide high-quality language training integrated with vocational, on-the-job training
11. Utilize digital tools for language training: language apps, robots, and Virtual Realities

What are the prospects for immigrants' labour market integration in the Nordic countries in the aftermath of the pandemic? Nordic economies have started to recover since early 2021. The number of people experiencing long-term unemployment has declined, even though at the time of writing numbers are still somewhat higher than prior to the pandemic in Finland, Iceland and Sweden. Various industries in the Nordic countries currently report labour shortages, and the number of open positions has increased in several sectors. These may offer opportunities for long-term unemployed people in the Nordic countries, including immigrants, if their skills match the demands and requirements of these sectors.

However, many non-European immigrants and refugees with low levels of education, including many women, are still in a vulnerable position and face obstacles in finding employment. These groups will almost certainly require further support going forward, irrespective of future labour market developments. The eleven learnings proposed in this report could be used as a checklist by any actor – public, private, research or civil society – to design or improve programmes and policies that can help increase the chances of individuals to find work in the aftermath of the pandemic.



Introduction

Soon after the COVID-19 pandemic hit the Nordic countries in the spring of 2020, economic activity started to decline, both as a reaction to interrupted global supply chains and due to the rapidly introduced containment measures such as social distancing, travel bans and isolation rules (Hansen, Sørensen and Andersen 2021). As an increasing number of people reduced their mobility and social interactions, started to work from home and avoided public spaces, the demand for many products and services dropped. As shown in Figure 1, these changes led to an increase in unemployment in the Nordic countries, especially during 2020 and early 2021.

The unemployment rates for foreign born were already higher than those of their native-born peers before the pandemic but rose even further in 2020 (Hansen, Sørensen and Andersen 2021, Sánchez Gassen and Penje 2021). Particularly in Sweden and Iceland their unemployment rates increased strongly, at least during the first parts of the pandemic (Figure 1, panel a).

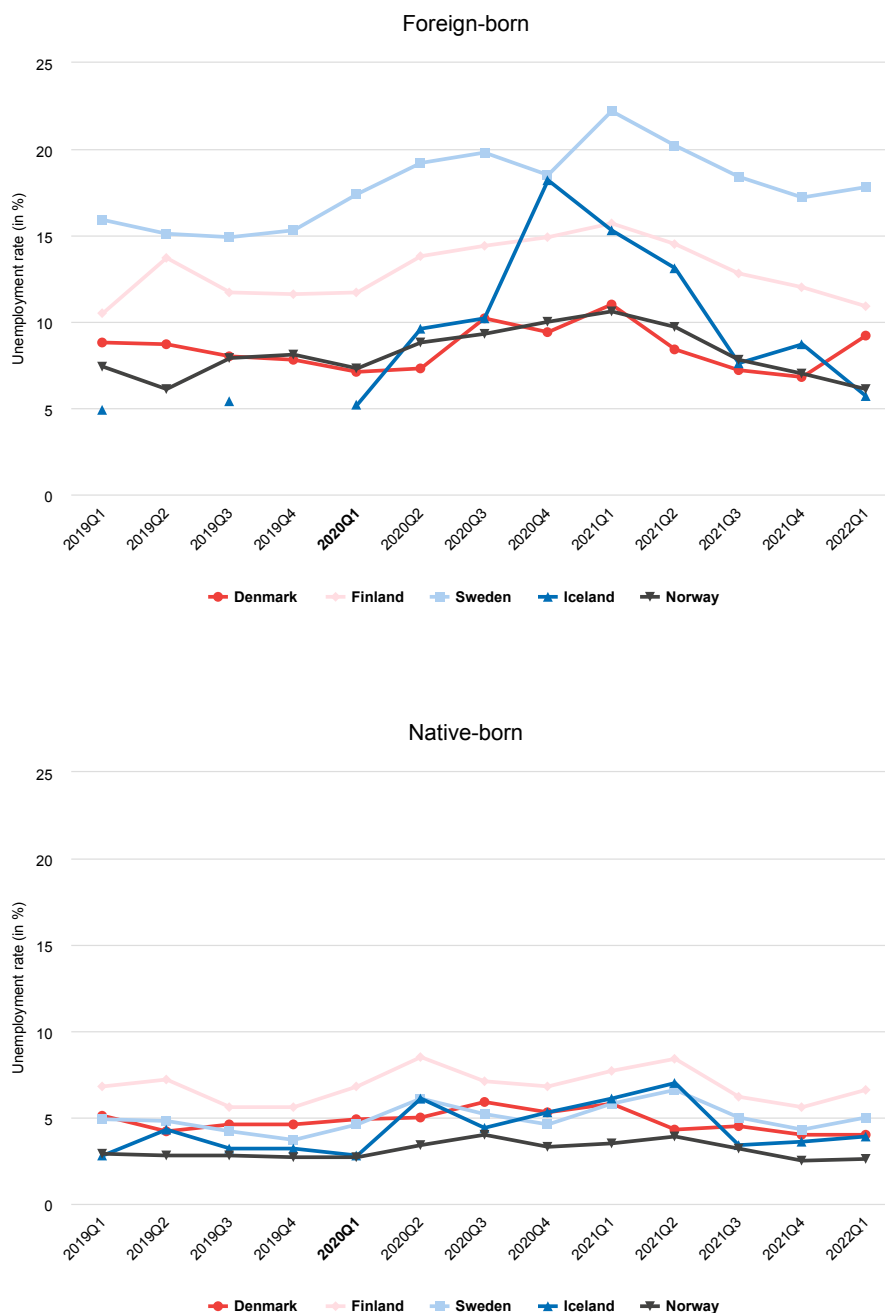


Figure 1. Unemployment rate among foreign-born and native-born people by quarter, 2019–2022

Source: European Labour Force Survey (LFS), Eurostat.

Note: The unemployment rate is defined here as the number of unemployed people as a percentage of the labour force (i.e. the economically active population, which includes both employed and unemployed people). Bolded font indicates the start of the pandemic in the spring of 2020.

In 2021, this trend was reversed, and unemployment rates decreased again in all Nordic countries. In the spring of 2022 (first quarter of 2022, 2022Q1), the unemployment rate among native-born people ranged between 3% in Norway and 7% in Finland, similar to levels prior to the pandemic (Figure 1, panel b). With the exception of Sweden, unemployment rates for immigrants had also largely declined again to pre-pandemic levels in early 2022 (Figure 1, panel a). The economic recovery following the pandemic has therefore also benefitted immigrants. Nonetheless, unemployment among the foreign-born population was still higher in early 2022 than among native-born people, with rates ranging from 6% in Iceland and Norway to 18% in Sweden.

It is important to note that labour market prospects did not deteriorate in all sectors during the pandemic, nor among all groups (Andersson and Wadensjö 2022). In some sectors, such as health care, information and communication, and electricity, gas, steam and air conditioning supply, the number of jobs increased during the first pandemic year 2020. This often benefitted immigrants who found work in these sectors (Sánchez Gassen and Penje 2021). Recent studies also found that the employment rates for some immigrant groups increased between 2019 and 2020, for example among foreign-born women in Denmark and Finland, and among immigrants from Africa and Asia in Sweden (Sánchez Gassen and Penje 2021, Andersson and Wadensjö 2022). Overall, however, unemployment did increase more markedly among immigrants than natives during the first phases of the pandemic (Sánchez Gassen and Penje 2021, OECD 2020a, Jokinen and Norlén 2022), and even in the wake of the COVID-19 pandemic, their labour market situation remains more precarious than for their native-born peers.

During the pandemic, not only unemployment but also the number of people experiencing long-term unemployment increased. **Long-term unemployment is here defined as unemployment spells that last for 12 consecutive months or longer.** Many individuals who were already out of work in spring 2020 or lost their jobs during the early phase of the pandemic encountered difficulties finding new employment, given that many companies put hirings on hold due to the economic uncertainty (Sánchez Gassen and Penje 2021). In countries such as Iceland and Finland, long-term unemployment began to rise particularly rapidly in the spring of 2021, 12 months after the initial increase in unemployment at the start of the pandemic (Eurostat 2022a). First evidence suggested early on that immigrants were among the groups most at risk of experiencing long-term unemployment, given their often weaker labour market attachment and overrepresentation in occupations that were particularly hard hit during the early phases of the pandemic (OECD 2020a).

Fact Box 1: Definition – Who is an immigrant?

In this report, we define immigrants as people who live in a country other than their country of birth (Bolter 2019). This also encompasses people born in one Nordic country but living in another. Other terms that are commonly used include 'foreign-born' and '(international) migrants' (OECD 2022). In this report, we use these terms interchangeably. The terms 'native-born' or 'native' populations are used here to refer to people who live in their country of birth.

This report has three main objectives:

First, to describe the extent of the challenge posed by long-term unemployment among immigrants in each Nordic country before, during and after the COVID-19 pandemic. Does this represent an on-going challenge? To provide an overview of the most recent trends, we draw primarily on administrative data from national employment services and national statistical institutes.

Second, to elucidate how long-term unemployment and labour market inactivity among immigrants has been discussed and approached at the national level in each Nordic country during and after the pandemic. We also aim to identify key policy measures, institutions, civil society actors, and initiatives that have been used to address the situation. For this, we have conducted semi-structured interviews with officials from public employment services, researchers, and other labour market experts. Interviewees were predominately recommended by the Nordic Expert Group on Labour Market Integration, which is coordinated by the Nordic Welfare Centre on behalf of the Nordic Council of Ministers. Members include officials from national governments as well as regional and local authorities (see Fact Box 2). In each interview, the experts were asked to reflect on the current labour-market situation in their countries and how the pandemic has impacted long-term unemployment or labour market inactivity among immigrants. Interviewees were also asked to describe the national policies and measures that have been implemented to bring immigrants back into employment and improve matching with employers' needs. Between one and five interviews were conducted in each Nordic country.

Third, to highlight innovative, local practices that have proved successful in helping long-term unemployed, non-European, often poorly educated immigrants improve their skills and find work – and analyse what these practices have in common and what we can learn from them. These initiatives were brought to our attention during the interviews and many of them could be scaled up or applied in other Nordic countries.

The report is structured as follows:

The following chapter compares overall trends in long-term unemployment in the Nordic countries. Next, five country chapters describe long-term unemployment levels among immigrants in greater detail and key policy responses and practices at national or local level separately for each Nordic country – Denmark, Finland, Iceland, Norway, and Sweden. The final section of the report consists of a synthesis, comparing the five countries' approaches, and a 'checklist' of key learnings that could be useful for any stakeholder tasked to develop a program for long-term unemployed individuals.

Fact Box 2: Members of the Nordic Expert Group on Labour Market Integration

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Lars Larsen	LG Insight
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Linda Grönqvist	Kuntaliitto - Association of Finnish Local and Regional Authorities
Varpu Taarna	Ministry of Economic Affairs and Employment

Iceland

Linda Ros Alfredsdottir	Ministry of Welfare
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Norway

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Audun Kvale	KS - The Norwegian Association of Local and Regional Authorities

Sweden

Anna-Maria Lundkvist-Monroy	County Administrative Board Norrbotten
Arild Vågen	Swedish Public Employment Service
Arja Kallo	City of Stockholm
Lotta Dahlerus	Swedish Association of Local Authorities and Regions



Long-term unemployment trends

1. Who is affected?

Across Nordic countries, immigrants are at a higher risk of experiencing long-term unemployment, making this a key integration challenge throughout the Nordic Region. Figure 2 shows long-term unemployment as a percentage of total unemployment, with separate panels showing trends for foreign-born and native-born populations in each Nordic country. Even before the pandemic, the proportion of unemployed people who are long-term unemployed had been higher among immigrants than native-born populations. Between 2020 and 2021, the proportion of long-term unemployed increased even further, ranging from 20% in Finland to just over 30% in Norway and Sweden among the foreign-born.

Among the native-born unemployed, the share experiencing long-term unemployment also increased between 2020 and 2021, particularly in Iceland, Sweden, and Finland. Nonetheless, this share has remained at moderately lower levels than for immigrants. This suggests that natives overall had better opportunities to find a new job after becoming unemployed during the pandemic and that fewer of them experienced prolonged periods of unemployment. Finland is an exception, where the proportion experiencing long-term unemployment has been higher for native-born unemployed people than for their foreign-born peers in 2021.

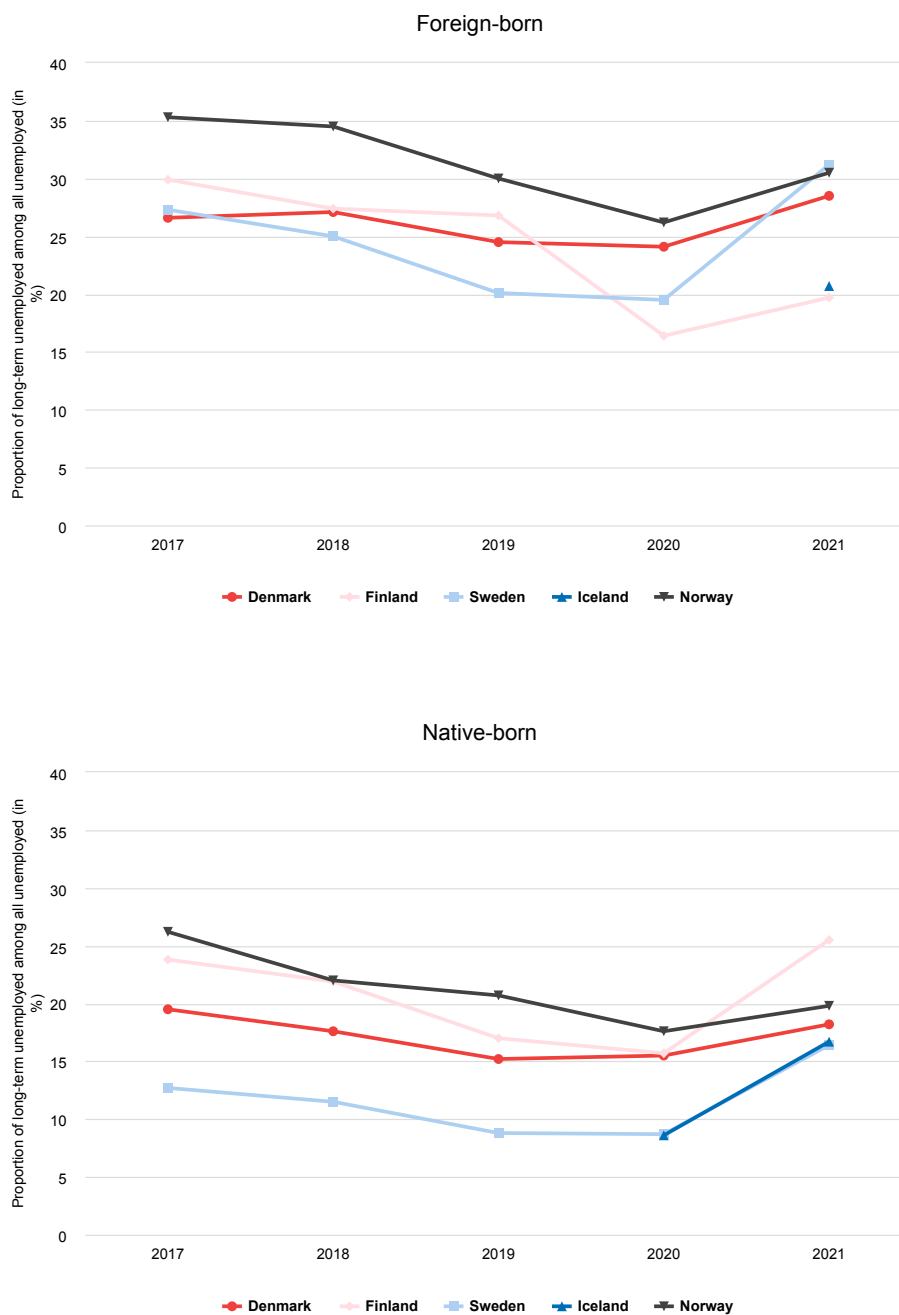


Figure 2. Long-term unemployed as a percentage of all unemployed foreign-born and native-born populations (2017–2021)

Source: European Labour Force Survey (LFS), Eurostat.

Note: Long-term unemployment refers to people who are out of work for at least 12 months.

2. Why is long-term unemployment a problem?

The increases in long-term unemployment are concerning. Existing research shows that the probability of finding a new job decreases the longer a spell of unemployment lasts (Andersson Joona 2020a). Long-term unemployment can thereby become an entrenched phenomenon. Those who experience long-term unemployment are also at risk of permanent disconnect from the labour market, often via early retirement or permanent disability schemes (OECD 2002a). Even when long-term unemployed people succeed in finding a new job, extended periods of unemployment can have other lasting effects, for example in terms of lower income trajectories, devaluation of skills and qualifications, declines in motivation and self-esteem, and overall lower levels of mental and physical health (OECD 2013, 2016). It is therefore crucial to support long-term unemployed people in the Nordic countries in finding new employment, to prevent their exit from the labour market and combat their social and economic marginalisation (OECD 2002a).

Unemployed immigrants are often in a more disadvantaged position on the labour market than native-born (Calmfors and Sánchez Gassen 2019). They may have greater difficulties finding new employment as they often have less work experience in the host country, limited language skills, and/or smaller professional networks. Immigrants – especially women – from countries outside Europe are also less likely than natives to have an advanced education (high-school diploma or higher). This further inhibits their employment opportunities as the Nordic labour markets have few jobs for people with lower educational attainment (see Figure 3). According to recent data from Eurostat, around 6–7% of employees worked in elementary occupations in Finland and Iceland in 2021, which is a lower share than in many other European countries. In Sweden and Norway, the figure was even lower at around 4%. There is, in other words, only a limited number of low-skill jobs available in the Nordic Region. Denmark is an exception among the Nordic countries, where around 10% of jobs are in this category. In the other Nordic countries, however, labour market opportunities for those with low levels of education are more limited. During the pandemic, this challenge became even more pronounced as many sectors which had provided entry-level jobs for immigrants, such as tourism or the hospitality sector, were those hardest hit by official mitigation measures with many jobs disappearing, albeit temporarily (Sánchez Gassen and Penje 2021, Jokinen and Norlén 2022).

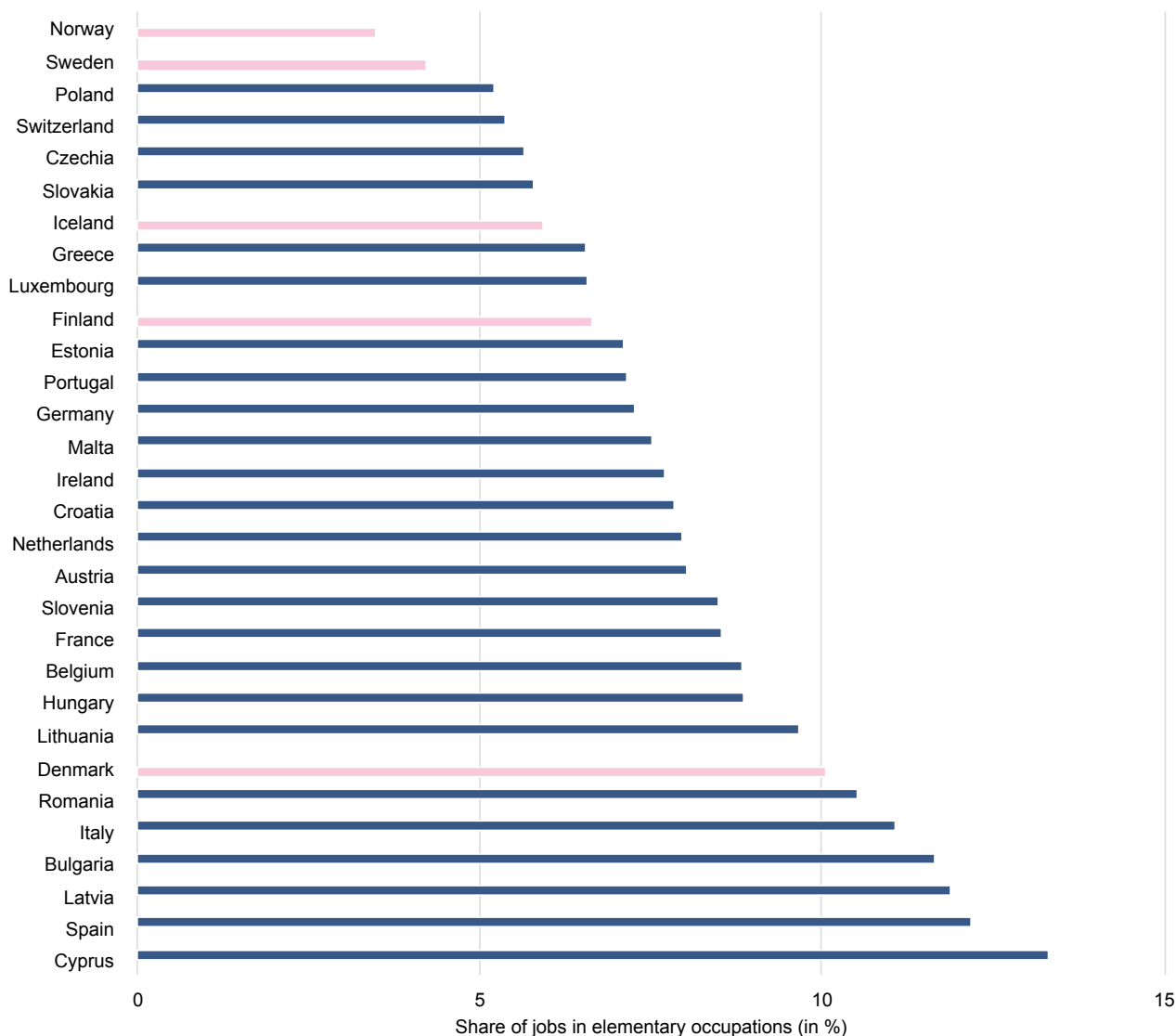


Figure 3. Share of employees working in elementary occupations, 2021 (in %)

Source: Eurostat.

Note: Elementary occupations are those where only routine and simple tasks are required, often performed under the supervision of other workers (ILO 2004).

Targeted support may be required to facilitate the labour market (re-)integration of immigrants with lower education who are experiencing long-term unemployment before or following the COVID-19 crisis. Indeed, many initiatives have already been implemented during the pandemic to support long-term unemployed immigrants in finding a new job. Information about good practices, initiatives and government responses are being described by various sources and websites. As a result, taking stock of the policy landscape and comparing experiences across the Nordic countries can be challenging.

The following chapters aim to contribute to filling this gap by highlighting local practices that were used during the pandemic to address long-term unemployment among immigrants in each Nordic country. This report also distils some key learnings on their basis.

Fact Box 3: Defining and measuring long-term unemployment

In this report, we define long-term unemployment as spells of unemployment lasting for a continuous period of at least 12 months.¹ Unemployed people, in turn, are defined by Eurostat (2020b) as those without work but available to start a job within two weeks and who have actively been seeking employment at some time during the last four weeks.

In order to measure long-term unemployment in the Nordic countries, two types of data sources are available, the European Labour Force Survey (LFS) and national register-based unemployment statistics. Häkkinen Skans (2019) has compared the reliability of these two data sources within the Swedish context. She argues that using both data sources contains certain advantages and drawbacks.

The LFS is the largest European household sample survey with 35 nations taking part, including the Nordic countries. It is a continuous survey which measures key socio-economic indicators in each quarter of the year and spreads interviews with the sample population uniformly across all weeks of each quarter (Eurostat 2016). The participating countries are responsible for collecting the data via face-to-face interviews, telephone or web interviews, or questionnaires. The European statistical office Eurostat processes the survey data centrally. Concepts and definitions are harmonised as much as possible across countries. Countries also follow common guidelines and classifications (Sánchez Gassen and Penje 2021). LFS data can therefore be compared across countries. One challenge of the LFS is that the response rate has decreased in recent years, affecting the reliability of the statistics. A second drawback is that it is difficult to analyse the labour market situation of subgroups of the population. Since the LFS is a survey, only a limited number of people participate. The more specific the groups of interest are, the fewer respondents fall into each category, increasing the uncertainty of the statistics. Newly arrived refugees are also not included in the LFS sample (Häkkinen Skans 2019).

Register-based data, by contrast, have the advantage of capturing all those who are registered as unemployed. In Sweden, the Public Employment Service (PES) publishes statistics on the number of registered unemployed people and the reliability of the data is high (Häkkinen Skans 2019). The other Nordic countries have comparable register-based statistics. There are a number of caveats, however. For one, PES statistics tend to underestimate unemployment among young people. This is because this group often does not qualify for unemployment benefits or income support and therefore has no incentive to register as officially unemployed. In addition, register data may also overestimate unemployment for some groups. Not everyone who is registered as unemployed at PES is actively looking for work.

1. Several European and international organisations, such as Eurostat (2020a), the OECD (2002b) and the International Labour Organization (2022) as well as many statistical institutes and labour market agencies use the same definition of long-term unemployment. Nonetheless, in the Nordic countries, different definitions are occasionally applied. For example, Jobindsats (2021), a Danish data portal that is operated by the Danish Agency for Labour Market and Recruitment (STAR), classifies all people who have been unemployed, or part of activation programmes, for at least 80% of the foregoing 52 weeks (including the last week of the selected period) as long-term unemployed. The Norwegian Labour and Welfare Administration (NAV, Norway's employment agency) defines long-term unemployment as unemployment that has lasted for a period of at least 26 continuous weeks (NAV 2022a). Unemployment that lasts for 12 months or more is defined as 'very long-term unemployment'. In this report, we use the definition of long-term unemployment as lasting for 12 months or more, also in the chapter on Norway.

According to European definitions as used by the LFS, such individuals would be classified as inactive. In the PES statistics, they fall into the category of unemployed.

Despite differences in definitions and data range, Häkkinen Skans (2019) finds that both register data and LFS data indicate similar levels and trends when considering total unemployment. For the foreign-born population, however, the PES statistics shows higher unemployment levels than the LFS statistics in Sweden. Häkkinen Skans asserts that the register-based data are probably more reliable, since in contrast to LFS statistics, they capture unemployment among recently arrived immigrants with refugee status. Häkkinen Skans (2019) concludes that LFS data are appropriate to use for comparisons between countries. For analysis of individual countries, register-based statistics may give a more comprehensive picture of unemployment among immigrants. Consequently, in the country chapters in this report, we primarily use register-based statistics to describe trends and levels in long-term unemployment among foreign-born population groups.



Denmark

Text: Alex Cuadrado and Diana Huynh

1. Long-term unemployment among immigrants

Long-term unemployment has traditionally been lower in Denmark than in other European countries (OECD 2021). During the last ten years, for example, approximately 25% of all unemployed people in Denmark had been unemployed for more than one year. In the EU27 area, by contrast, this proportion had been above 35% during the same period, even reaching 50% in 2014 and 2015 (Eurostat 2022b). The relatively low level of long-term unemployment in Denmark has been attributed to favourable macroeconomic developments in recent years and a high turnover on the labour market (Andersen 2021). During the COVID-19 pandemic, however, long-term unemployment also increased markedly in Denmark.

Figure 4 (panel a) displays the total number of long-term unemployed people in Denmark before and after the COVID-19 pandemic broke out. During 2019, the total number of long-term unemployed had decreased from 28,200 in January to 25,600 in December, a reduction of almost 10%. This trend reversed with the onset of the pandemic. From March 2020, the number of unemployed people went up, reaching a peak in April 2021 when 42,000 people were registered as long-term unemployed. Since then, the number of long-term unemployed has steadily declined. In June 2022, almost 16,400 people were long-term unemployed, the lowest number during the time period shown in Figure 4. In contrast to some of the other Nordic countries, the impact of the COVID-19 pandemic on long-term unemployment therefore seems to have been overcome in Denmark. Nonetheless, challenges remain with the labour market integration of some immigrant population groups, and these are often related to lack of language proficiency or insufficient education or training (Calmfors and Sánchez Gassen 2019).

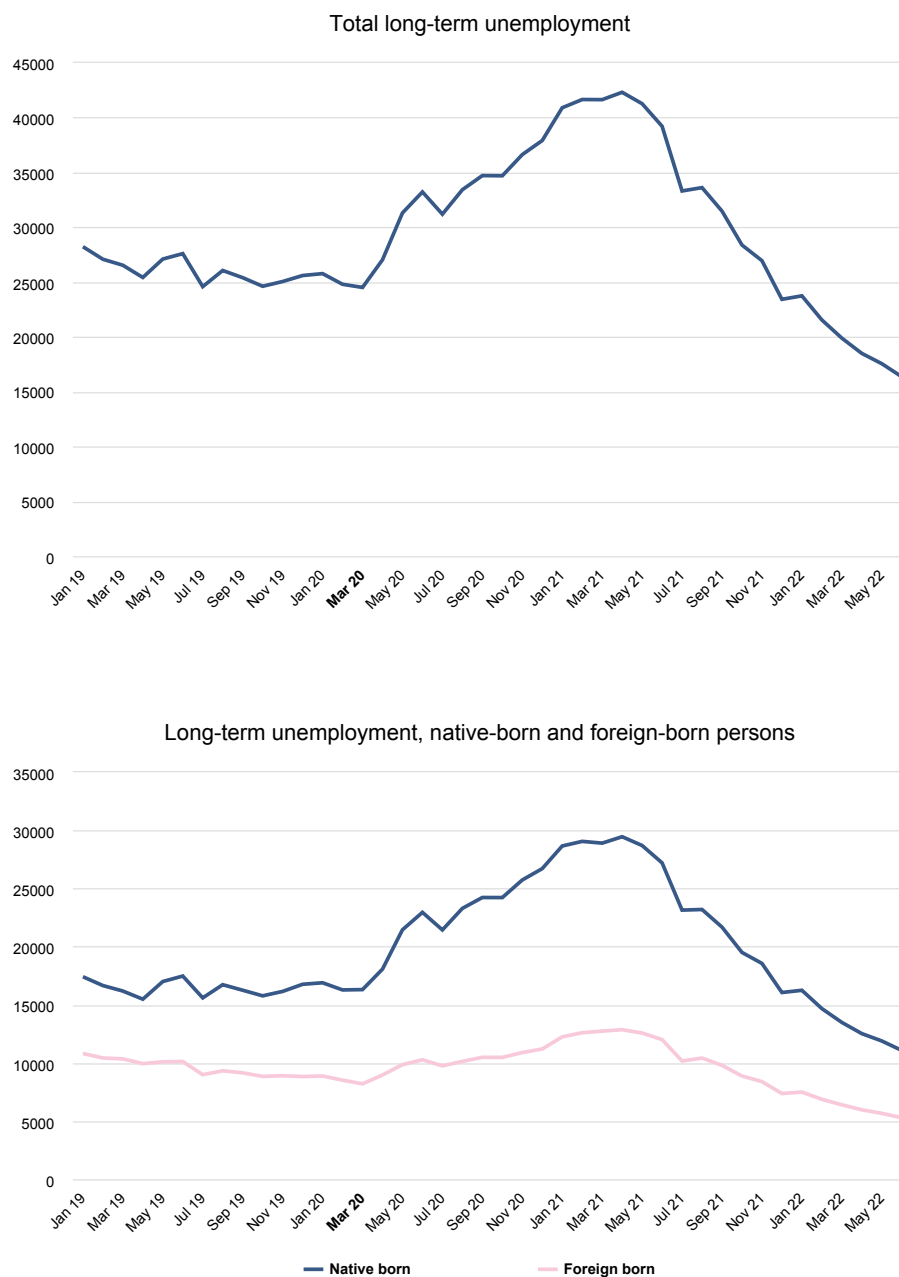


Figure 4. Long-term unemployment by month (2019–2022)

Source: Styrelsen for Arbejdsmarked og Rekruttering (2022).

Note: Bold font indicates the start of the pandemic. The Danish Agency for Labour Market and Recruitment (STAR) defines long-term unemployed people as those who have been unemployed or on special labour market schemes for at least 80% of the preceding 52 weeks.

The overall long-term unemployment trend appears similar for native-born and foreign-born people in Denmark (Figure 4, panel b). For both groups, the number of long-term unemployed rose during the first months of the pandemic, peaked during the spring of 2021 and declined again after that. In June 2022, almost 5,300 immigrants and around 11,100 native-born jobseekers were still registered as long-term unemployed, less than half of the number registered during the same month of 2021. Throughout the pandemic, foreign-born jobseekers have been overrepresented among the long-term unemployed in relation to their population size. While roughly 30% of all people experiencing long-term unemployment were foreign-born, this group only constitutes around 12% of the overall population in Denmark.

Interesting differences emerge between the native-born and foreign-born population when the gender ratio of the long-term unemployed, i.e., the ratio of men to women, is considered (Figure 5). If the ratio is larger than one, more men than women are registered as long-term unemployed. Conversely, a ratio lower than one indicates that women form a majority among the long-term unemployed. As Figure 5 shows, men have been overrepresented among the long-term unemployed when the native-born population is considered, and this gender imbalance has increased during the pandemic. Among the foreign-born population the opposite is the case. The gender ratio was previously relatively balanced (i.e., close to 1) during large parts of 2019 and 2020 but dropped below one in late 2021 and early 2022. This indicates that more foreign-born women than men are currently registered as long-term unemployed, despite the fact that their employment rates tend to be lower than those of their male peers. In other words, they are less likely than their male counterparts to participate in the labour market, and those who do are more likely to experience long-term unemployment. As described in the following sections, several initiatives – often at local level – have emerged in Denmark to address these challenges and support foreign-born women in finding employment and counteract traditional gender norms.

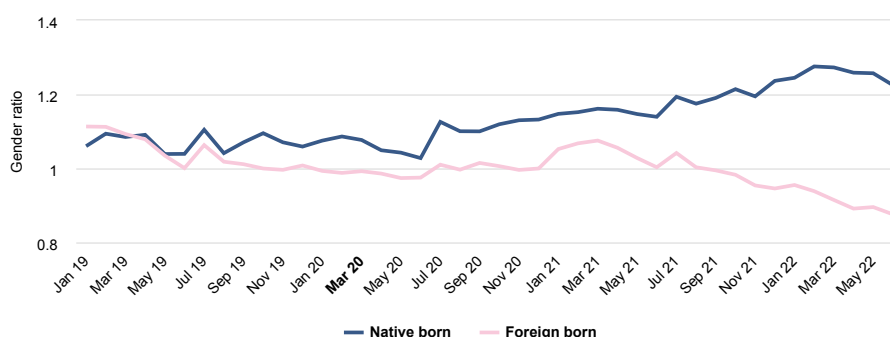


Figure 5. Gender ratio in long-term unemployment (2019–2022)

Source: Styrelsen for Arbejdsmarked og Rekruttering (2022).

Note: The figure shows the gender ratio in long-term unemployment, i.e., the ratio between the number of men and women among the long-term unemployed. If the ratio equals one, there are an equal number of men and women registered as long-term unemployed. Ratios above one indicate that there are more men than women among the long-term unemployed, and vice versa for ratios below one. Bold font in the figure indicates the start of the pandemic. The Danish Agency for Labour Market and Recruitment (STAR) defines long-term unemployed people as those who have been unemployed or participating in labour market programmes for at least 80% of the preceding 52 weeks.

2. Tackling long-term unemployment – National policies and interventions

As shown in the previous section, long-term unemployment has declined steadily since the spring of 2021 and is currently at a lower level than prior to the pandemic. Similarly, employment rates have increased in Denmark, and employment rates among immigrants are higher than they were in 2019 (Eurostat 2022c). It would appear that the labour market in Denmark has recovered from the impacts of the pandemic. Indeed, **shortages of labour in different sectors have become a challenge in the aftermath of the pandemic.** The Confederation of Danish Industry, for example, reports that companies need approximately 32,000 qualified employees and often have difficulty filling positions (Rasmussen and Jørgensen 2021).

In response to this situation, in May 2021, the Danish parliament approved the agreement 'Aftale om tiltag målrette langtidsledige under coronakrisen' (Agreement on measures targeted at the long-term unemployed during the corona crisis, in English), which allocated DKK 159 million to improve access to the labour market for long-term unemployed people – including upskilling and training programmes to help jobseekers meet the demands of employers looking for staff (Danish Ministry of Employment 2021). This agreement, however, did not target immigrants specifically, despite research showing that they face more obstacles on their route towards employment than native-born Danes (VIVE 2021).

Aside from the measures described above, the government has proposed new ways to increase incentivisation of immigrants of working age to work, or at least become active in society, while improving their language skills, which in turn will hopefully lead to better job opportunities later. These measures were not motivated by the COVID-19 pandemic but were intended to address the persistently lower employment rates among certain groups of immigrants. Some proposals were presented in the report 'Danmark kan mere' in September 2021 (Danish Ministry of Finance 2021). The report states that six out of ten female immigrants and descendants from the Middle East, North Africa, Afghanistan, Pakistan, and Turkey are housewives or long-term unemployed. A mandatory, 37-hour 'work week' was suggested as part of the package. This measure would require long-term unemployed immigrants in Denmark to work or engage in civic service for at least 37 hours per week to be eligible for benefits. The target group includes individuals who have been on welfare for three to four years, and who have not yet reached a certain level of proficiency in Danish. This measure has so far not been adopted since a political agreement could not be reached between the leading parties.

In addition, the Danish National Agency of International Recruitment and Integration facilitated a program called 'Integrations- og beskæftigelsesambassadører' (Integration and Employment Ambassadors, in English) from 2018 to 2021, in collaboration with 36 municipalities. The aim was to strengthen labour market integration among refugees and their family members. Many of the initiatives launched in the municipalities put a special emphasis on job-related guidance and on-the-job training in companies, which would also improve refugees' language skills and understanding of Danish work culture. A key focus of the program was to increase the employment level amongst refugee women and provide them with the skills needed to enter the Danish labour market, for example

by arranging courses on how to use a computer and other IT-based appliances. Final results have not yet been reported (Schramm Danielsen, project interview, 2022).

Moreover, the Danish government has increased efforts to help women to improve their ability to empower themselves. In 2019, a four-year initiative started with the purpose of increasing the employment rate of refugees and immigrant women who have been in Denmark for more than five years but have not yet entered the labour market. Fifteen municipalities participate in the initiative which is still ongoing. They are supported by the Danish Agency for International Recruitment and Integration in their efforts (Schramm Danielsen, project interview, 2022).



Six out of ten female immigrants and descendants from the Middle East, North Africa, Afghanistan, Pakistan, and Turkey are housewives or long-term unemployed.

3. Local initiatives/practices to combat long-term unemployment and increase employment

In Denmark, the general active labour market policies (ALMP) are decentralised to the municipalities in a more clear-cut way than is the case in Sweden and Norway. They used to set their own targets and indicators in their local employment plans (although these will cease to exist from January 2023), but their efforts were monitored and compared at national level (Peters 2021). Municipalities have emphasised that employer-oriented approaches are the most effective in bringing long-term unemployed immigrants back into the workplace and improving matching on the labour market. Combining language courses with internships has proven to be particularly successful, at least in the short term (VIVE 2021). However, it remains unclear how these municipal programmes – especially the access to internships – were affected by the pandemic – and by the additional national funding for initiatives targeting refugees, as mentioned above.

What is clear though, according to the Danish representatives in the Nordic Expert Group for Labour Market Integration, is that multiple private initiatives have emerged and become permanent across Denmark. Many of these aim to engage with and upskill long-term unemployed and non-working immigrants – especially women – so that they are better able to meet the requirements of the Danish labour market. Several of these initiatives, for example, 'Neighbourhood Mothers' ('Bydelismødrene')² work with peer-to-peer mentoring to break women's isolation and are managed by local civil society organisations with the support of the Fund for Social Responsibility. Others are run by social enterprises or companies with a strong social commitment. Most are run in partnership with public sector actors.

Below we describe one such intervention in more detail to illustrate success factors and learnings when it comes to working with these specific target groups who often

2. For more information see <https://bydelsmor.dk/english>

face multiple obstacles and need holistic personal support, language training, and peer-to-peer mentoring to be able to start or resume employment. The example has been selected in dialogue with the Danish representatives in the Nordic Expert Group for Labour Market Integration because of its core focus on immigrant women, who – as outlined above – are overrepresented among the unemployed or inactive.

KHRS Academy in Copenhagen – a cleaning company that trains and employs immigrants with limited language and work experience

Theory and knowledge

The KHRS Academy is the corporate social responsibility division of KHRS, a company providing cleaning and cooking services to hotels and school canteens. The training is based on the Gribskov teaching model initiated in 2006 by Gribskov municipality, and intended to upskill primarily immigrant women through a programme consisting of 44 learning points (<https://khrs.dk/projects/projekt-gribskovmodellen-point-44/?lang=en>). The model was developed in partnership with the Ministry of Integration and is accredited by the Danish Standard Authority, 'Dansk Standard' (KHRS 2022).

Target group

The model targets predominately long-term unemployed, immigrant women who have low levels of formal education or are illiterate. Clients often have limited Danish language skills and little or no experience on the Danish labour market (LG Insight 2007).

Description of activity and expected results

During the training, students attain the skills and professional standards necessary for employment in the cleaning and hotel industries (LG Insight 2007). They are taught 44 different tasks during 12 weeks of training by using a smart phone language app available in seven main immigrant languages. **This E-learning and upskilling platform is called E-asylearn** and has been created by KHRS to enable students to quickly learn Danish words for essential items and concepts related to cleaning and other service functions. By utilising online gaming logic, users are encouraged to improve their Danish and learn more. Students also receive peer-to-peer mentoring in their native languages. The mentors play a key role in creating a safe learning environment, understanding their mentee's entire life-situation (ambitions, resources, and obstacles), adjusting schedules, and encouraging further progress. For each job task or function learned, the students obtain one point and, upon completion of all required points – plus four weeks of internship – they are given regular jobs with KHRS (KHRS 2022).

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By utilising online gaming logic, users are encouraged to improve their Danish and learn more. Students also receive peer-to-peer mentoring in their native languages.

Spreading the model

According to KHRS Academy, Local Government Denmark (KL) has distributed information about the E-asylearn platform to all 98 municipalities in the country. The Academy is currently working with 14 municipalities and one other organisation. The model has also served as an inspiration for other integration efforts such as the Industry Package ('Branchepakke'), which has been adopted by several Danish municipalities (Foreningen Nydanske 2022). The Industry Packages target refugees and immigrants with limited attachment to the labour market. The concept is based on four key ideas: the courses must address the needs and requirements of specific industries; all training elements must be understood and meaningful for participants; they must include the shortest route to the labour market; and there must be a strong recognition of employee rights and obligations (Foreningen Nydanske 2022).

Research/Evaluation

According to KHRS, the model has proved very effective. Since 2006, 192 women have started working for the company as soon as their training was completed, and 111 women still remain on their team (KHRS 2022).

Participants' view

In general, students who passed the KHRS Academy training modules report higher levels of self-confidence and a better understanding of Danish society. They feel increasingly integrated within their local Danish community – particularly in their workplace – which provides a sense of both independence and belonging.

More information

<https://nordicwelfare.org/integration-norden/en/exempel/khrs-aps-en-servicevirksomhed-inden-for-integrationsområdet/>

[E-asylearn KHRS Academy](#)

Gribskov model: <https://khrs.dk/projects/projekt-gribskovmodellen-point-44/?lang=en>

4. Conclusions

According to the most recent labour market statistics, it can be argued that long-term unemployment has ceased to be a major concern in Denmark. As indicated in this chapter, the number of long-term unemployed people has fallen below pre-pandemic levels, including among immigrants. Nonetheless, 16,400 people were still registered as long-term unemployed in spring 2022, among them many immigrant women. Long-term unemployment, among all groups, has severe consequences for both the individual and society and, therefore, needs to be addressed. The good practice initiatives highlighted in this chapter offer insights into promising strategies to help vulnerable groups find jobs, including among the long-term unemployed or non-working women from outside the EU.

Learning Danish language is necessary, but not in itself sufficient to find work in a highly skilled labour market such as the Danish one. In addition, close co-operation between employers, unions, civil society, and national and local government actors is essential in identifying the needs of jobseekers and employers and increasing and matching immigrants' skills to local labour market demands. Adult education and on-the-job skills and language training are cornerstones of this approach, as the work of the KHRS Academy shows. Denmark is also exploring new ways of improving the economic incentives for non-working immigrants to take jobs or join local vocational training programmes. Reaching out to isolated immigrant women through female mentors from similar backgrounds – and the co-creation of safe, local activities – are essential first steps towards full integration. The 'Neighbourhood Mothers' initiative is a good illustration of this ambition in practice.

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Long-term unemployment, among all groups, has severe consequences for both the individual and society and, therefore, needs to be addressed.

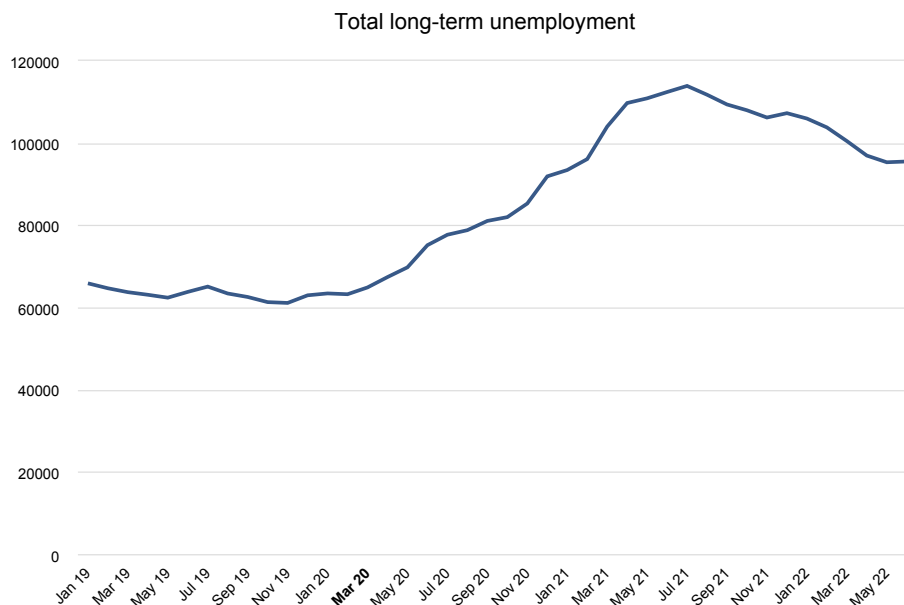


Finland

Text: Johanna Carolina Jokinen

1. Long-term unemployment among immigrants

In Finland, long-term unemployment figures revolved around a level of approximately 60,000 people throughout 2019 and early 2020 (Figure 6, panel a). Soon after the pandemic reached Finland in spring 2020, however, the number of long-term unemployed people began to increase rapidly. It peaked in July 2021 when almost 114,000 people were registered as long-term unemployed. Since then, long-term unemployment has started to fall, albeit slowly.



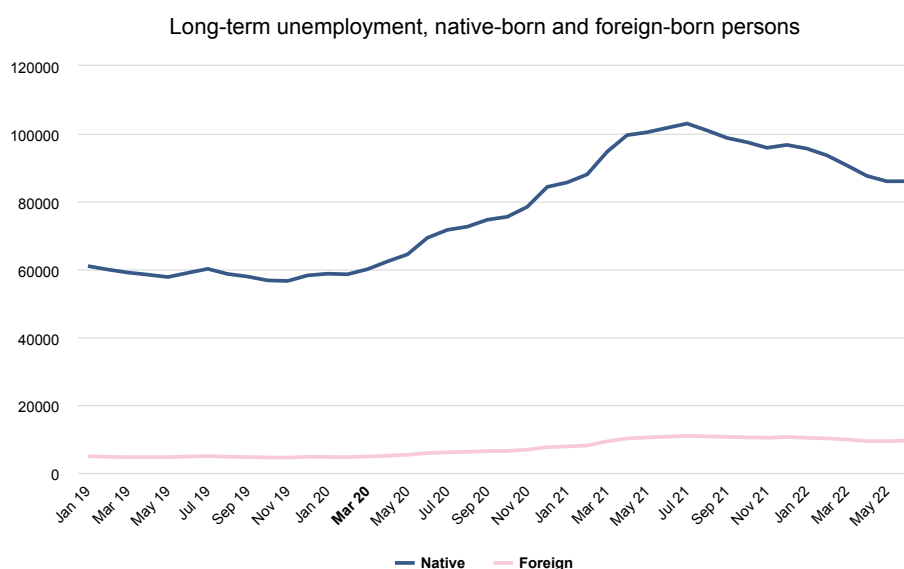


Figure 6. Long-term unemployment by month (2019–2022)

Source: Statistics Finland (2022a and 2022b).

Note: Bold font indicates the start of the pandemic.

Native-born Finns have constituted the overwhelming majority (around 90% to 92%) of long-term unemployed jobseekers during the time period shown in Figure 6, including during the pandemic. This may explain why the public discussion on long-term unemployment in Finland has mostly focused on aging native-born Finns with outdated skills or reduced ability to work (Jauhiainen, project interview, 2022). Long-term unemployment among the native born increased from around 59,000 persons in January 2020 to 103,000 in July 2021, before slowly declining again (see Figure 6, panel b).

The number of foreign-born people who were registered as long-term unemployed remained substantially below these levels throughout the time period shown. Nonetheless, foreign-born people have been more likely to be long-term unemployed than natives in relation to their population size. In July 2021, when long-term unemployment peaked, 8% of the foreign-born labour force belonged to this category. Among the native-born, this figure was only 4%. According to the most recent data from July 2022, the proportion of the labour force experiencing long-term unemployment had declined to 6.6% among the foreign-born, and to 3.4% among the native born. While the absolute number of long-term unemployed immigrants is, therefore, comparatively low in Finland, they are nevertheless more likely to be out of work for extended periods of time than natives, as is the case in the other Nordic countries.

There are two main reasons that may explain why the number of foreign-born facing long-term unemployment has been low in Finland, especially prior to the pandemic: First, until recently, immigration flows to Finland have been smaller than to the other Nordic countries (Heleniak 2020, Kaihovaara, project interview, 2021). As recently as 2010, only 4% of the population in Finland was foreign-born. In the other Nordic countries, this proportion ranged from 9% in Denmark to 14% in Sweden

during the same year (Eurostat 2022d). In the last ten years, immigration to Finland has increased, but the proportion of immigrants among the total population remains at a relatively low level in comparison to the other Nordic countries. In 2021, only 7% of the population in Finland were foreign-born (Denmark: 12%, Sweden: 20%). The largest immigrant groups in Finland consist of people born in the former Soviet Union, Estonia and Sweden, followed by immigrants from Iraq, Russia, China, and Somalia (Statistics Finland 2022c).

A second reason why so few immigrants were registered as long-term unemployed in Finland prior to the pandemic is that, at that time, many of them were still participating in different forms of integration programmes and labour market schemes (e.g., language studies, societal orientation courses, education, internships, work trials, vocational training). They were not counted as unemployed jobseekers in the labour market statistics.³ Due to the comparatively low number of long-term unemployed immigrants, supporting this group was not considered a pressing policy issue pre-pandemic. Yet, it is important to note that many employed immigrants have been in a rather weak labour market position as well, since they are often part-time or temporarily employed (Kaihovaara, project interview, 2021).



The proportion of immigrants among the total population remains at a relatively low level in comparison to the other Nordic countries. In 2021, only 7% of the population in Finland were foreign-born (Denmark: 12%, Sweden: 20%).

From the onset of the COVID-19 pandemic, long-term unemployment among immigrants increased. The number of long-term unemployed foreign-born people more than doubled from 4,700 people in January 2020 to almost 11,000 in July 2021 (Figure 6, panel b). One reason for this rapid increase was that many immigrants worked in the accommodation and restaurant industry as well as in other types of service sector jobs, which were strongly affected by COVID-19 restrictions (Jokinen and Norlén 2022, Sánchez Gassen and Penje 2021, Kaihovaara, project interview, 2021, Winstén, project interview, 2022). In addition, many immigrants live in the capital region of Finland where unemployment rose more strongly than in other parts of the country (Kaihovaara, project interview, 2021). Since the summer of 2021, long-term unemployment among foreign-born people has again declined, albeit at a slow pace. In June 2022, 9,520 immigrants were still registered as long-term unemployed (native-born people: 85,996). Long-term unemployment remains a challenge in Finland, therefore, even in the aftermath of the pandemic.⁴

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3. Immigrants who are attending services offered by Employment and Economic Development Offices (TE Offices) during their period of integration are registered as unemployed and thus fall into the widely defined category of unemployment, even if they are not visible as unemployed jobseekers in the statistics (Kaihovaara, project interview, 2021).
 4. Despite continuing high long-term unemployment in Finland, several sectors of the economy suffer from shortages of labour as a consequence of the pandemic. These include the social welfare and healthcare sectors as well as the hospitality and construction sectors. Some of these sectors already faced staffing difficulties before the pandemic, but these challenges increased as parts of the workforce reoriented themselves and changed job sector (Ministry of Employment and the Economy 2022). In addition to long-term unemployment, the labour market in Finland therefore faces challenges with mismatches between labour demand and supply.

Prior to the pandemic, the gender distribution among long-term unemployed immigrants had been comparatively balanced. Nonetheless, during 2020 and 2021 more immigrant men than women were registered as long-term unemployed (Statistics Finland 2022a). This indicates that immigrant men were more likely to lose their job and remain unemployed during the pandemic (Sánchez Gassen and Penje 2021). In addition, some women may have dropped out of the labour market when they became unemployed by instead focusing, for example, on childcare duties. In this case, they would not appear in the long-term unemployment statistics. Nonetheless, European labour force statistics suggest that this did not happen at a large scale in Finland. On the contrary, inactivity rates among foreign-born women declined between 2019 and 2020 and activity rates increased during the pandemic (Sánchez Gassen and Penje 2021). This suggests that more immigrant women entered the labour market, possibly in an attempt to buffer household income during a time of crisis, even though not all of them were successful in securing employment.



During 2020 and 2021 more immigrant men than women were registered as long-term unemployed.

2. Tackling long-term unemployment – National policies and interventions

As outlined in the previous section, long-term unemployment is a significant challenge in Finland – not just for immigrants but for the population as a whole. The increase in long-term unemployment caused by the COVID-19 pandemic is particularly disquieting since jobseekers' skills tend to deteriorate with increasing length of unemployment, their self-esteem may decrease, and their motivation to actively search for a new job may decline (Akava Works 2022, Statistics Finland 2022d). While long-term unemployment remains at relatively high levels in Finland, several sectors have begun to report shortages of labour and the number of available jobs is currently higher than at any time over the last two decades (Kaihovaara, project interview, 2021).

It is likely that prevailing labour force shortages cannot be completely resolved by hiring the long-term unemployed due to mismatches of geographical location, education or skills (Kaihovaara, project interview, 2021). Nonetheless, upskilling the long-term unemployed, particularly immigrants, is considered an important part of the solution and has been a central focus of different initiatives during the pandemic.

In Finland, the Ministry of Economic Affairs and Employment is responsible for supporting long- and short-term unemployed jobseekers. The municipalities are responsible for working-aged people outside the labour force, such as housewives, students, and individuals with health issues (Kaihovaara, project interview, 2021). The municipalities also participate in the cost of long-term unemployment by paying fines to the Social Insurance Institution of Finland (Kela) after an unemployment period of 300 days (Kela 2022, Jauhainen, project interview, 2022). In practice, so

called Employment and Economic Development Offices (TE Offices⁵), which operate under the Ministry of Economic Affairs and Employment, offer different kinds of measures and supports to unemployed people. These include job search coaching, work trials, internships, training, wage subsidies⁶, and education. Based on several studies, **wage subsidies have been the most effective intervention** in combatting long-term unemployment among immigrants and other groups (Kaihovaara, project interview, 2021).

At the beginning of the COVID-19 pandemic, service provision by TE Offices was reduced due to lockdown and social distancing requirements but has now been restored to pre-pandemic levels. Finnish authorities did not introduce any special pandemic-related measures, apart from slightly increasing the budget of the TE Offices. This measure enabled the use of digital education resources linked to promoting integration services allowing, among other things, immigrants to borrow a computer to be able to use digital services. Overall, the pandemic has increased the challenges faced by those long-term unemployed people who already found themselves in a disadvantaged position before the pandemic, e.g., immigrants with limited digital skills (Kaihovaara, project interview, 2021).

An alternative approach to improve matching and skills provision was trialled in Finland before the pandemic: The **Kotouttamisen Social Impact Bond** (Koto-SIB) project, launched in 2017 by the Ministry of Economic Affairs and Employment. By following principles of social impact investment, employers could invest in a service which matched jobseekers with sectors experiencing labour shortages, e.g., in construction, manufacturing, transport, trade, and services. The programme offered customised vocational training and Finnish language practice for unemployed immigrants who had a residence permit but who had not yet gained full citizenship. The intervention period was until 2019, followed by a three-year follow-up. A detailed impact evaluation of the programme will be conducted through a controlled trial in which 30% of the service users have been randomised into a control group (GO Lab 2022, see also Koto-SIB 2022).

As in many other Nordic countries, **non-working immigrant women have been identified as an important target group** for national employment policy, especially post-COVID. Local TE Offices seek to engage these women by using various means to identify, reach and explain to them the services available. Many civil society organisations have similarly targeted unemployed immigrant women before, during and after the pandemic. There is an ongoing discussion – similar to the Danish debate described above – on how to best incentivise immigrants to work. One key question is whether inactive immigrants such as housewives should be obliged to participate in integration programmes in order to receive financial support (Kaihovaara, project interview, 2021). These immigrant women are counted as inactive, since they are outside the labour force and not included in the statistics on unemployment (Jauhiainen, project interview, 2022).

5. There are 15 local TE Offices and approximately 120 branches in Finland (TE-Palvelut 2022a).

6. Wage subsidy is an economic support that partially (up to 50%) covers employers' pay costs when employing a person who is registered as a long-term unemployed jobseeker (TE-Palvelut 2022b).

3. Local initiatives/practices to combat long-term unemployment and increase employment

In 2021, the Finnish Government decided to continue preparations for the transfer of all Employment and Economic Development Services (TE services) to the municipalities by 2025 (Työ- ja elinkeinoministeriö 2022a). This reform aims to speed up the process of finding work for jobseekers and create new jobs, by introducing an incentive-based funding model, among other initiatives. Municipalities will receive economic benefits if they manage to shorten periods of unemployment. This planned localisation of employment services has been supported by the municipalities. Practical examples from Denmark and Germany were used as reference points in the reform's preparatory stages (Valtioneuvosto 2022). While the TE Offices will continue to exist, most of the TE Office employees will be transferred to the municipalities, as analysing labour demand and supply and matching employers and employees is often easier at local rather than national level. The aim of the reform is also to improve co-ordination between national and local employment services and other municipal services (Kaihovaara, project interview, 2021, Jauhiainen, project interview, 2022). As a first step of this reform, 118 municipalities participate in a local government pilot on employment between 2021 and 2024. Long-term unemployed jobseekers with immigrant background have been an important target group of these pilots (Työ- ja elinkeinoministeriö 2022b, Jauhiainen, project interview, 2022).

Like the other Nordic countries, Finland has many local projects engaged in combatting long-term unemployment among immigrants and improving matching. While several studies have been published about the results of individual projects, comparing and assessing their long-term impact is still difficult (Kaihovaara, project interview, 2021).

The local intervention selected and described below is a public-sector initiative that has been evaluated as delivering positive results for the target group of this report – long-term unemployed immigrants – as well as inactive immigrants. Although the Helsinki Skills Centre opened before the pandemic, it was adjusted to comply with pandemic restrictions by using digital language training tools complemented with more pro-active, personal engagement with long-term unemployed immigrants, especially those facing severe challenges during the pandemic.

Helsinki Skills Centre – a multi-disciplinary approach using digital tools for language training

Theory and knowledge

In addition to the TE Offices/Services mentioned above, there are **eight Skills Centres** across Finland which follow the overarching goal of providing rehabilitation, education, and employment services to immigrants to make them employable. These centres are located in cities that have the highest shares of immigrant population.

The Helsinki Skills Centre (Stadin osaamiskeskus) was established in 2016 as a response to the European migration crisis. In that situation, the Helsinki municipality invited different actors to discuss together and find ideas on how it was possible to speed up the newly arrived immigrants' transition into working life. The Helsinki Skills Centre was thus created, functioning as a bridge between unemployed immigrants, the labour market, and education providers, enabling clients to achieve a smoother integration and sustainable transition to employment. These supporting actors work in close cooperation and often in shared physical spaces (Winstén, project interview, 2022).

The same operating model was later expanded to centres in Vantaa, Espoo, Turku, Tampere, Jyväskylä, Lahti, and Oulu. The following text is focusing on the Helsinki Skills Centre, and it is noteworthy that the other centres may function in a slightly different manner than described here (Winstén, project interview, 2022).

Target group

The Helsinki Skills Centre offers services aimed primarily at immigrants who are unable to access similar customised services through TE Offices, mainly because their formal period of integration has ended. Many clients are long-term unemployed. To date, **approximately 50% of clients are women**, and the most represented languages include Arabic, Somali, Kurdish, and Russian (Winstén, project interview, 2022).

Description of activity – expected results

The main idea behind the Helsinki Skills Centre is to provide a versatile service package including employment services, language teaching, and vocational training. Clients can access these services in their own language and their individual needs are taken into account (Helsingin kaupunki 2021).

At the Centre, students practice language skills by using **Virtual Reality technology or seven NAO robots⁷ that teach Finnish**. VR glasses are practical, as they can put students in fictional but realistic job situations where they can practice job-related language skills and other work tasks, including customer interaction. The NAO robots will also, in the future, be used to assess students' language skills. The robot-based language learning technique has been developed by an employee, Johanna Hemminki, who has received the European Promotion Award "Next Generation" for her development work on robot-based learning (Winstén, project interview, 2022).

During the COVID-19 pandemic, the number of clients increased who encountered

7. NAO is a humanoid robot created by SoftBank Robotics in France and designed to interact with people. It can walk, talk, and recognise faces (Robots 2022).

greater obstacles to employment, such as financial barriers, physical and mental health concerns, poor life management skills, limited learning ability, incomplete education, and work experience that did not match requirements of the Finnish labour market. Clients with limited digital access became increasingly isolated and difficult to reach so staff developed new ways of communicating with them. The digital language tools already in place worked well during the restrictions (Winstén, project interview, 2022).



The main idea behind the Helsinki Skills Centre is to provide a versatile service package including employment services, language teaching, and vocational training. Clients can access these services in their own language and their individual needs are taken into account.

Skills and competences needed

The Helsinki Skills Centre has about 45 members of staff including teachers, work coaches, psychologists, and work ability instructors. Many of the teachers can teach in their clients' native languages, and they have an appreciative attitude towards different cultures because of their own migrant background (Winstén, project interview, 2022).

Spreading the model

In this initiative, a number of different activities and services are built around the basic operating model, including surveying, work coaching and health care-related support measures. The initiative is characterised by easily accessible services and high-quality personal encounters, but it has not been created to reach large numbers of people. The initiative has been continuously evaluated, and it remains flexible since new services can be created in a quick manner if necessary. Based on these characteristics, the operating model could be adopted in the other Nordic countries as well (Winstén, project interview, 2022).

Research/Evaluation

An evaluation of the Helsinki Skills Centre was published in 2021. It shows that the Centre has achieved several positive results in reducing the duration of periods of unemployment, also in comparison to similar services (Helsingin kaupunki 2021). The multidisciplinary approach applied seems to be an effective way to combat long-term unemployment among immigrants. However, there are currently no readily available evaluations comparing the results of the Skills Centres with each other, and with other types of employment services (Kaihovaara, project interview, 2021).

Participants' view

Based on the clients' experiences, the services offered by the Helsinki Skills Centre would appear to have been successful in promoting immigrants' integration (Helsingin kaupunki, 2021). The clients tend to appreciate that the Skills Centre employees have time to consider their entire life situation, think about different alternatives and guide them forward. Evaluations also show that the NAO language robots were popular with language learners because they do not tire of repeated questions nor do they criticise pronunciation mistakes (Winstén, project interview, 2022).

Economy

Funding is provided in an ongoing basis by the Ministry of Economic Affairs and Employment and the Ministry of Education and Culture until 2023. After that point, the Helsinki municipality will take over and the services provided by the Helsinki Skills Centre will be absorbed in the local employment services ecosystems (Winstén, project interview, 2022).

More information

<https://stadinao.fi/stadin-osaamiskeskus/>

4. Conclusions

Before the COVID-19 pandemic, long-term unemployment was relatively uncommon among immigrants in Finland, which can partially be explained by the smaller size of the foreign-born population compared to the other Nordic countries. Nonetheless, long-term unemployment increased rapidly among immigrants during the pandemic. Many of them worked in badly affected service sectors and live in the capital region where unemployment increased more rapidly than in other Finnish regions. A larger proportion of male than female immigrants suffered from long-term unemployment. Although long-term unemployment started to fall slowly in 2022, it remains at a high level and presents a significant challenge in Finland – both for native-born and foreign-born people.

Based on the initiatives described, wage subsidies and upskilling appear to be effective ways to combat long-term unemployment among immigrants. The Helsinki Skills Centre also demonstrates that the provision of a holistic service model is an effective way to facilitate immigrants' (re)entrance to the labour market. Especially during the pandemic, a considerable number of immigrants faced various barriers to gaining employment. It is important to identify these barriers and try to address and remove them. The use of digital solutions in language training – such as virtual realities and NAO robots – and matchmaking between unemployed immigrants and potential employers are also highlighted as particularly well-functioning interventions based on the Finnish experience.



Iceland

Text: Ágúst Bogason

1. Long-term unemployment among immigrants

Large-scale immigration is a relatively new phenomenon in Iceland. As recently as 2000, immigrants constituted only 5.3% of the population. Since then, however, numbers have increased. In 2021, around 18% of the population were foreign-born, with immigrants coming particularly from Poland and other Eastern European countries, the Nordic countries, and the USA (Hagstofa Íslands 2020, 2021, Vinnumálastofnun 2022a). In the Nordic Region, only Sweden had a higher share of foreign-born population in that year (Eurostat 2022d).

In recent years, immigration to Iceland has to a large extent consisted of migrant labour. Indeed, most foreign-born workers already had a job secured when they moved to the country. Due to the strong role played by migrant labour, the unemployment rate among immigrants was relatively low and comparable to that of the native-born population before the COVID-19 pandemic. This sets Iceland apart from the other Nordic countries where challenges with labour market integration of immigrants have been more pronounced (Calmfors and Sánchez Gassen 2019). Given the favourable labour market situation in Iceland, only limited policies and initiatives existed for immigrants as a target group. According to the specialists interviewed for this study, this changed during the COVID-19 pandemic, when travel restrictions and other mitigation measures led to the termination of thousands of jobs and an increase in unemployment, especially among immigrants, moving this topic higher up the policy agenda.

Long-term unemployment in Iceland rose to unprecedented levels during the COVID-19 pandemic. In February 2020, the last month before the start of the pandemic, 1,893 persons had been unemployed for more than 12 months and were, therefore, classified as long-term unemployed (Figure 7, panel a). During the pandemic, long-term unemployment increased rapidly, with a particularly sharp spike during the spring of 2021, one year after the virus had reached the country. In April 2021, the number of long-term unemployed people reached a record high of 6,495, more than three times as high as it had been before the pandemic (Kjarninn 2021, Hagstofa Íslands 2022a). The proportion of long-term unemployed among the total number of unemployed people was 32% at this point.

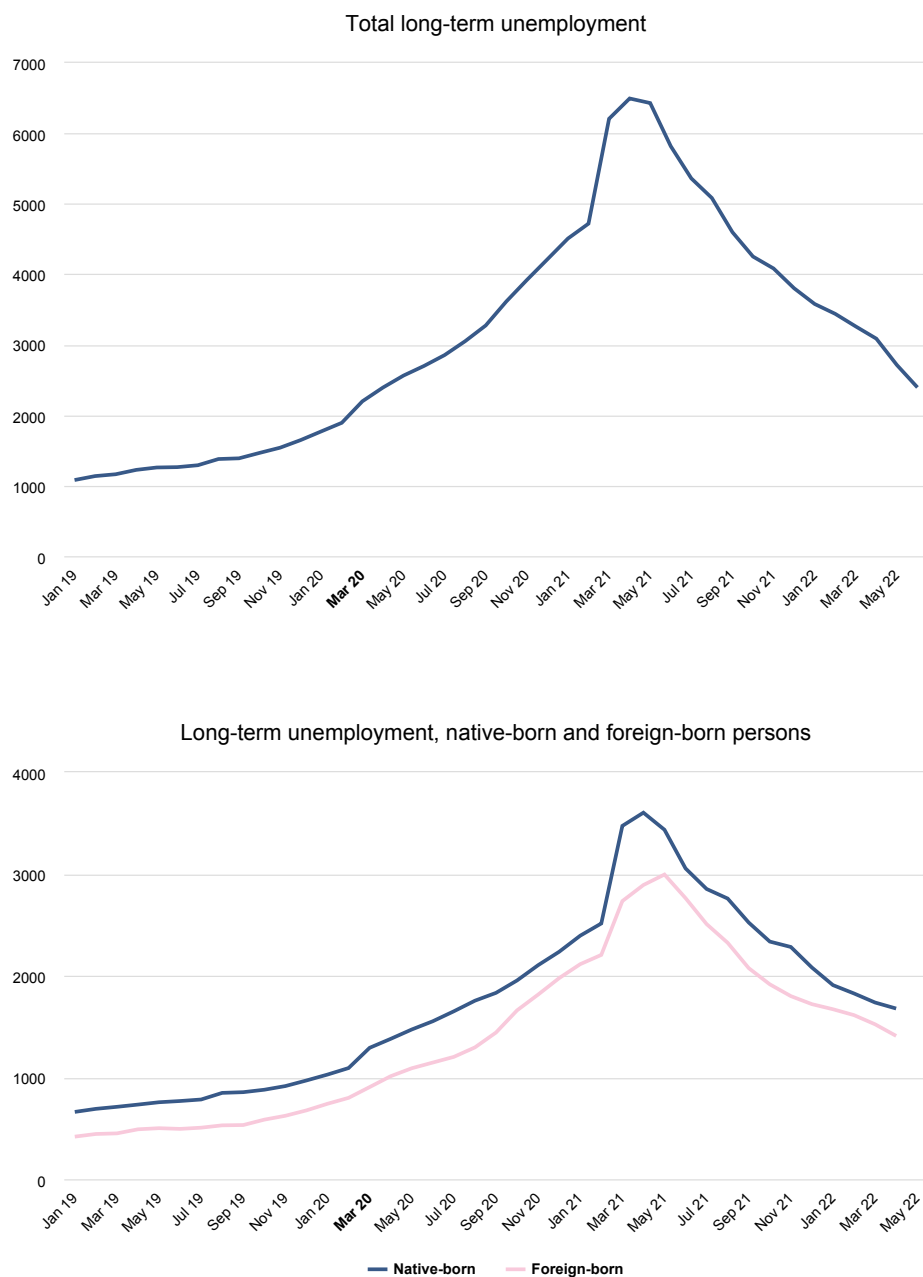


Figure 7. Long-term unemployment by month (2019–2022).

Source: Vinnumálastofnun (2022b).

Note: Bold font indicates the start of the pandemic.

Iceland does not compile statistics on long-term unemployment among foreign-born residents. Nonetheless, data on long-term unemployment by citizenship is available (Figure 7, panel b).⁸ The data show that long-term unemployment among Icelandic citizens and foreign-born citizens followed a similar trend during the pandemic, with numbers first rising slowly in 2020 and then increasing more rapidly during the spring of 2021. The number of foreign long-term unemployed people peaked in May 2021 at around 3,000. Since then, long-term unemployment has declined, both among Icelandic and foreign people. Nonetheless, in April 2022 the number of long-term unemployed foreign citizens was still higher than it had been pre-pandemic, at around 1,400.

While the broader trends in long-term unemployment among Icelandic and foreign-born have been similar during the pandemic, it is noticeable that the latter group has been strongly overrepresented among the long-term unemployed in relation to their population size. Foreign citizens currently constitute around 18% of the total population in Iceland (Hagstofa Íslands 2022b). However, they represented between 40% and 45% of all long-term unemployed people during the pandemic.

One of the reasons for the high level of long-term unemployment among foreign citizens in Iceland is that many of them formerly worked in tourism-related sectors, where exceptionally many jobs were lost during the pandemic (Bogason et al. 2021). Some 30,000 people had been employed in the tourism industry prior to the pandemic, representing 15.7% of the total workforce (OECD 2020b). Relevant public institutions in Iceland reacted and agreed on new measures and policies to support these groups quickly after the pandemic hit and the gravity of the labour market situation became clear.

2. Tackling long-term unemployment – National policies and interventions

Since migration to Iceland is a relatively new phenomenon and unemployment has traditionally been higher among native-born than among foreign-born people, policies and special support programmes for long-term unemployed immigrants in finding employment were few and far between. The COVID-19 pandemic and the ensuing employment crisis, which was the result of lockdowns, did however cause the situation in Iceland to change. Jobs in tourism-related sectors, primarily employing immigrants, vanished overnight causing high unemployment in general, and for the first time also among those born outside of Iceland.

8. Statistics on the number of long-term unemployed persons by citizenship and by country of birth are not completely comparable. Statistics on long-term unemployment among foreign citizens do not include immigrants who were born abroad but obtained Icelandic citizenship after moving to Iceland. This group would, however, be included in statistics on long-term unemployment among foreign-born people. A statistic on long-term unemployed people by country of birth would therefore likely show somewhat higher numbers of long-term unemployed than the statistics on long-term unemployed people with foreign citizenship in Figure 6.



Jobs in tourism-related sectors, primarily employing immigrants, vanished overnight causing high unemployment in general, and for the first time also among those born outside of Iceland.

The Directorate of Labour (Vinnumálastofnun) played an important role in this process of adaptation. It answers to the Ministry of Social Affairs and runs, amongst other things, the employment service for the entire country, the daily work of the Unemployment Insurance Fund, the Maternity/Paternity Leave and Parental Leave Fund, the Wage Guarantee Fund, as well as numerous other projects related to the labour market (Vinnumálastofnun 2021). An important role played by the institution is to manage unemployment support measures, e.g., courses, vocational training, counselling, educational resources, and vocational rehabilitation. When the COVID-19 pandemic struck, this institution had coincidentally just inaugurated a new international department that was especially equipped to support immigrants. From the outset, its workload increased more than originally planned since the pandemic caused rising unemployment among foreign-born workers (Håkansson, project interview, 2021).

A few weeks into the COVID-19 pandemic, the Ministry of Social Affairs, the Ministry of Transport and Local Government along with the Association of Icelandic Municipalities established a special taskforce to collect and disseminate information on the development of social and employment issues during and after the pandemic. Its job was to advise the government and public institutions on national social affairs and employment and follow up on government action in this regard. This taskforce yielded several reports and advisory results, including on immigration issues (Félagsmálaráðuneyti 2020). An analysis of the needs for services for immigrants and options for providing them was launched by the Directorate of Labour, and the project was entrusted to the International Division of the Directorate of Labour. The most vital tasks were deemed to be securing continued activity, breaking social isolation, encouraging people to expand their networks, and ensuring access to information for immigrants who were out of work.

In 2021, the Directorate of Labour decided to establish personal contact with each and every person who had been registered as unemployed for more than 12 months. This new practice was initiated to build trust and ensure that each person received information about available services and support measures. All in all, people from over 55 different countries were contacted and informed about their rights to assistance and courses. The conversations were also systematically followed up. In the process of contacting around 8,000 immigrants that were registered as long-term unemployed, it became clear that many had left Iceland and found employment in other places. Among those still residing in Iceland, most welcomed the offer of assistance in finding work or starting courses to develop their competences. In December 2021, after all long-term unemployed people had been contacted, their number had gone down from around 8,000 to 2,000 individuals. The Directorate of Labour concluded that the one-on-one outreach initiative had

been successful.



In 2021, the Directorate of Labour decided to establish personal contact with each and every person who had been registered as unemployed for more than 12 months.

NGOs, interest groups and the trade union movement also played an important role in responding to the new circumstances. Some of these organisations, e.g. the Icelandic Confederation of Trade Unions, have more recently pointed out that attempts to guarantee continued activity for immigrants as well to break their possible social isolation have not gone as planned. These worries have been put into context by the fact that long-term employment among immigrants increased during the first months of the pandemic, which may have also resulted in greater challenges to re-entering the labour market (ASÍ 2021). Some research has shown that immigrants also have less trust in public institutions, including those connected with labour market issues, which may make them less likely to seek out support (Skaptadóttir, Wojtyńska and Wendt 2020). In addition, they are underrepresented in civil society in Iceland, in union activities and politics (Guðmundsson and Eypórssson 2020). Some have raised concerns that the underrepresentation of immigrants in civil society may become more pronounced if they experience extended periods of unemployment. Foreign-born people could become even more socially isolated according to the interviews conducted. Nonetheless, there are some grounds for optimism. Many of the initiatives that were implemented to support long-term unemployed immigrants appear to have had positive effects and the number has been decreasing, as shown in Figure 7.

In the following chapter, we provide an example of a new initiative that was set up to address the increasing unemployment in Iceland during the COVID-19 pandemic, both among immigrants and the native-born population.

3. Initiatives/practices to combat long-term unemployment and increase employment

The Icelandic support practice described below has been selected in dialogue with the Icelandic expert in the Nordic Expert Group on Labour Market Integration and could provide inspiration to other Nordic countries as it has recorded very positive results in terms of engaging with long-term unemployed individuals and involved different types of employers in creating thousands of new jobs in the midst of a pandemic.

Let's Get to Work (Hefjum störf) – engaging employers in creating thousands of new jobs

Theory and knowledge

At first, the response to the COVID-19 pandemic was aimed at offering digital courses and training activities to unemployed people. English language courses were offered alongside courses in Icelandic, as it was believed this would increase clients' chances of finding work, also outside Iceland. As time progressed, the Let's Get to Work (Hefjum störf) measure was introduced and implemented in early 2021 to improve outreach to the long-term unemployed and create new jobs. It was, in part, similar to a project established after the 2008/09 financial crisis when thousands also lost their jobs. Prior experiences and knowledge were, therefore, valuable tools when developing the Let's Get to Work programme during the COVID-19 crisis.

Target group

The National Directorate of Labour's international department assumed the task of providing services for the many foreign-born and native-born people facing unemployment during the pandemic. The initiative was only partly aimed at long-term unemployed people. Instead, companies of all sizes could apply for employment grants if they were willing to hire unemployed jobseekers, irrespective of the duration of their period of unemployment. Special targeted benefits and assistance were, however, provided when companies hired people defined as long-term unemployed.

Description of activity

Companies of all sizes could apply for grants to hire unemployed jobseekers. Businesses with fewer than 70 employees who hired long-term unemployed people could receive more substantial support if the recruitment increased the total number of staff. Non-profit organisations were also allowed to set up temporary projects and hire staff who would be paid through this national funding facility.

Expected results

The expected results were that more jobseekers who face obstacles on the labour market would, at least for a limited amount of time, become employed, leading eventually to permanent employment. By providing financial support, the project also aimed to encourage employers in both the private and public sectors to hire new staff despite the bleak economic outlook.

Skills and competences needed

The initiative did not aim to create specific skill sets for specific industries or sectors. Rather it was a general remedy where job providers were enabled to employ new staff with financial support from the public purse. It was then up to each job provider to further enhance and develop the skills of those employed to fit their needs.



The initiative was generally considered to be a substantial success. 16,000 new jobs were created and although initial reactions were slow.

Research/Evaluation

The initiative was generally considered to be a substantial success. 16,000 new jobs were created and although initial reactions were slow, many positions have since been filled through the initiative. The 'Let's Get to Work' programme incorporated a time limit, ending in autumn 2021, leading to concerns that many of those who had found work through the programme would return to unemployment benefit after the cessation of the programme. This has proved not to be the case, however. As of autumn 2022, unemployment is still falling and significant labour shortages are developing in certain sectors. Overall, the programme seems to have been successful in getting people into work, despite a substantial initial public outlay. Estimates do suggest that the state will benefit significantly from these investments in the long term.

More information

<https://island.is/covid-adgerdir/hefjum-storf>

4. Conclusions

After reviewing existing policies and practises in Iceland, including those created in response to the labour market crisis during the pandemic, the effective communication and participation of relevant actors and their ongoing co-operation is important to highlight. Since long-term unemployment was not considered a particular challenge in Iceland prior to the pandemic, at least not among the immigrant population, no handbook or policy existed on the subject. Establishing a taskforce and network of qualified experts from both the public and private sectors to address the issue appears to have been a success. Reacting in a rapid fashion to an unprecedented situation to benefit as many people as possible did prove challenging, but with a common purpose, clear leadership, and the political and financial support of the relevant ministries, the blow dealt by the COVID-19 pandemic on the labour market was softer than it might otherwise have been.

The small size of the Icelandic labour market and existing networks of relevant stakeholders may have helped to analyse the most important needs quickly and formulate the necessary recommendations. Iceland's relatively small population and the rather centralised governance structure ensured quick implementation of the necessary actions, supported by the positive cooperation of those most involved. Many companies' use of the national employment grants to hire new staff among the unemployed despite the uncertain times added to the quick turnaround in the employment picture in Iceland.

Building trust, mutual respect, and personal contact with immigrants also seem to have had positive effects. The decision of the Directorate of Labour to contact every long-term unemployed person individually, resulted in a 75% decrease in the number of people registered as long-term unemployed. This indicates that personal contact can be extremely valuable. Although implementing this type of strategy in larger societies with greater numbers of long-term unemployed people may sound difficult, it nonetheless indicates that the human element – being in contact with a specific person who enquires about the personal situation, offers individual help and advice based on specific needs and then follows up on these – can establish trust and ultimately lead to more positive results.

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Norway

Text: Diana Huynh

1. Long-term unemployment among immigrants

During the COVID-19 pandemic, Norway, like many other European countries, saw unemployment rise to historic levels, with the largest increase ever recorded in the country (NAV 2021a). Long-term unemployment also increased substantially, with the strongest spike in numbers occurring during the spring of 2021, i.e. one year after the start of the pandemic (Figure 8). In total, the number of long-term unemployed increased from around 7,300 people in January 2020 to 17,000 in April 2021. Since then, the number of long-term unemployed people has steadily declined again. According to the most recent data, 6,500 people were long-term unemployed in July 2022. Long-term unemployment has, in other words, reached pre-pandemic levels again in Norway.

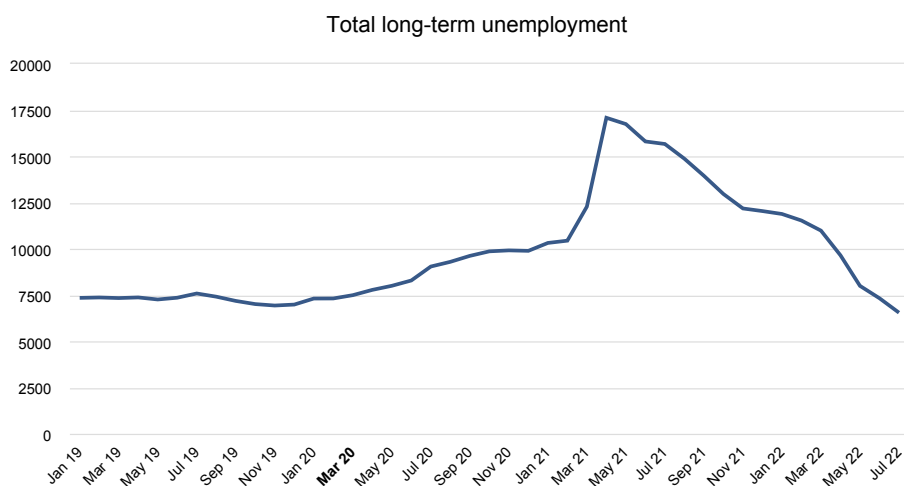


Figure 8. Long-term unemployment by month (2019–2022).

Source: NAV (2022b).

Note: Bold font indicates the start of the pandemic. The figure shows the number of people who have been unemployed and looking for work for at least 53 weeks.

It is worth noting that some people who have been affected by long-term unemployment during the COVID-19 pandemic may have dropped out of the labour market (KS, project interview, 2021). The Norwegian support scheme system provides financial compensation for those who are unable to work due to health issues. By being registered as 'unfit for work', many people may end up staying out of the labour market for extended periods of time. These population groups could also be considered long-term unemployed but are not included in statistics on long-term unemployment (KS, project interview, 2021).

Statistics on long-term unemployment among the foreign-born population in Norway are not available from NAV's online database (2022b). Nonetheless, it is likely that immigrants were at a particular risk of unemployment and long-term unemployment – as in the other Nordic countries – since they were overrepresented in sectors that were hit hardest by lockdown measures (NOU 2022:5). These include the service industries, mobility, and retail (Olsen 2021). Immigrants are also overrepresented in temporary positions and cyclically exposed industries characterised by periods of employment and unemployment (NOU 2019:7). This makes immigrants more vulnerable than the majority population during periods of economic recession – and the recent pandemic – since they are among the first to become unemployed as their contracts are not renewed.

One statistic that is available from NAV (2022b) shows the number of immigrants who have been unemployed for a period of six months or more during 2022. These data show a declining trend from around 10,300 people in January to around 6,900 in July 2022. While these data cover a broader group of unemployed immigrants than is the focus of this report (i.e. also including those who have been unemployed for six to twelve months), the trend suggests that longer-term unemployment is declining among this group.

Despite the overall recovery on the Norwegian labour market, it is likely that some groups of non-western immigrants continue to face challenges (Bratsberg et al. 2021, Bratsberg, Raaum and Røed 2019). Existing research shows that labour market opportunities for immigrants in Norway depend on country of origin, level of education, and number of years spent in the country (IMDi 2021). Labour immigrants in Norway often have a level of education that is close to the native-born population as well as high employment and self-sufficiency rates (IMDi 2022b, Bratsberg, Raaum and Røed 2019). Refugees, by contrast, experience obstacles when trying to find work, especially those who lack education beyond primary school. Consequently, employment and self-sufficiency rates of refugees have been significantly lower than those of the total population and this is likely to be the case in the aftermath of the pandemic as well (Frisch Centre, project interview, 2022).

Some immigrant groups also seem to have greater problems than the general population in returning to work when they become unemployed (Bratsberg et al. 2021). This is concerning, since labour market opportunities tend to decrease the longer unemployment spells last, primarily due to loss of skills, motivation, and other factors (Bratsberg et al. 2021). Despite the promising labour market developments in Norway post-COVID, it remains essential, therefore, to support immigrant groups who face the biggest obstacles on the labour market, both to assist their overall integration process and to avoid negative long-term consequences of exclusion in terms of human capital loss, social exclusion and economic precarity.



Existing research shows that labour market opportunities for immigrants in Norway depend on country of origin, level of education, and number of years spent in the country.

2. Tackling long-term unemployment – National policies and interventions

In Norway, the challenge of long-term unemployment among immigrants during and after the COVID-19 pandemic has been addressed as part of the overall labour market integration efforts (KS, project interview, 2021). In the draft national budget announced before the general election in October 2021, the government suggested allocating approximately NOK 9 billion p.a. to labour market services, reflecting that long-term unemployment is not a stand-alone challenge in labour and welfare policies. Nonetheless, it is acknowledged that long-term unemployment disproportionately affects groups from the immigrant population (KS, project interview, 2021).

In 2019, an Expert Group for Labour Market and Employment (Sysselsettingsutvalget) was appointed to raise employment rates in Norway and to ensure that fewer employees drop out of the workforce. The Group published two White Papers in 2019 and 2021 (Ministry of Labour and Inclusion 2019:7, 2021:2). The latter report observes that long-term unemployment may lead to loss of skills and employers may be hesitant to hire long-term unemployed people due to greater uncertainty surrounding their ability to work. Nonetheless, economic crises in Norway have usually resulted in a reduced labour force participation rather than higher levels of unemployment (Ibid).

Following the pandemic, concerns have been raised by the Norwegian Confederation of Trade Unions (Landsorganisasjonen i Norge, LO) that those who were long-term unemployed before the pandemic, including immigrants, are likely to face even greater challenges to re-enter the labour market after the pandemic (Moe 2021). Key questions that are being discussed among experts and policy makers in this context include the following: How can the existing welfare system effectively invest and build capacity and competencies among the long-term unemployed? How can incentives to search for new jobs be kept up during periods when the unemployed receive cash benefits? Additionally, which measures can help immigrants build more sustainable work-life trajectories, remain competitive, and stay in the labour market until retirement? (Bratsberg et al. 2021). These are central questions that institutions like NAV, IMDi, KS, as well as ministries and directorates have continuously addressed before, during and after the COVID-19 pandemic (KS, project interview, 2021).

A new integration act was passed in 2021 with key aims to improve labour market entry and to prepare companies to employ immigrants (Ministry of Education and Research 2020). The new integration law emphasises the importance of ensuring that immigrants and their families have access to formal education and qualifications, as well as setting firm requirements for Norwegian language skills,

based on the individual's educational background (IMDi 2022b). The amended act should be seen in conjunction with the government's current strategy on integration for the years 2019 – 2022 (Ministry of Education and Research 2019). The strategy states that the main integration challenges in the country are due to low employment rates among immigrants, skills gaps, and exclusion along economic, social, and cultural lines. The strategy does not mention long-term unemployment, but states that, "too many immigrants, particularly refugees and women, remain outside the labour market. In comparison with the rest of the population, immigrants have lower employment rates, less job security, and more part-time work and short-term contracts" (Ministry of Education and Research 2019:7). Large groups of immigrants also stop working before retirement age (Frisch Centre, project interview, 2022).

The labour market and integration programmes devised by the government and public authorities also apply to those who are long-term unemployed. In Norway, the Norwegian Labour and Welfare Administration (NAV) is responsible for labour market measures, whereas the Directorate of Integration and Diversity (IMDi) is the authority responsible for the settlement of refugees and for helping immigrants gain a foothold in the labour market. The actual job of settling refugees, language-training and organizing of the introduction programme is carried out locally by the municipalities. NAV administers a third of the national welfare budget through schemes such as unemployment benefits, work assessment allowance, illness benefits, pensions, child benefit and cash-for-care benefit. Schemes that target long-term unemployed immigrants exist at the local level in some places and are overseen by municipalities, sometimes in collaboration with other local, regional and national stakeholders (see section 3 of this chapter). According to the 2019 White Paper published by the Expert Group for Labour Market and Employment (see above), research shows that **wage subsidies have so far clearly worked best in supporting immigrants' transition to work and securing employment** (Ministry of Labour and Inclusion 2021).

NAV also offers a training programme (opplæringstiltak) which targets all types of unemployment and population groups outside of the labour market. The programme includes short work-oriented courses based on local labour market needs available for those above 19 years old. The content can be theoretical training or a combination of theoretical and practical training that provides formal competence. Other initiatives are academic and vocational training that either follows the curricula for upper secondary school level, higher vocational education, or higher education at a university or college. To undertake the higher education options, participants' ability to work must be reduced, and they must be at least 22 years old and have completed upper secondary school (NAV 2022a). This implies that immigrants can take part in educational activities while receiving unemployment benefits (NAV 2021b). The training and/or education is an activity that the individuals choose for themselves, and is not part of the labour market scheme as such. Since July 2019, the training opportunities for NAV's users have been expanded. For jobseekers with insufficient formal qualifications who have difficulty entering the labour market, the new regulations provided opportunities for, among other things, obtaining formal vocational qualifications (NAV 2021b). During the pandemic, efforts by the government were put into sustaining the training programmes for newly arrived refugees, but the lockdown curtailed the possibility for many to actively participate (see NOU 2022: 418–424).

The Norwegian system aims to support 'everyone', but attention is paid to vulnerable sub-groups of the immigrant population such as newly arrived refugees, young people, and women, as these groups have great potential for making a contribution to society. However, experience during the pandemic suggests that not everybody has equal access to the training programmes and other labour market schemes.



In comparison with the rest of the population, immigrants have lower employment rates, less job security, and more part-time work and short-term contracts.

3. Local initiatives/practices to combat long-term unemployment and increase employment

As mentioned above, NAV supports many local projects and programmes across the country. Most of them were initiated before the pandemic but have been adjusted to meet new demands. A common aim is to teach and train long-term unemployed people and others outside the labour market the skills needed to take existing jobs, especially in rural communities with a lack of skilled labour. Municipal representatives, civil society stakeholders and local employers usually play an important role in providing mentors for students, giving input to improve training modules, and offering work experience.

The two initiatives described below have been selected in dialogue with interviewed experts in the Nordic Expert Group for Labour Market Integration to give an idea of the kind of interventions developed in rural areas to improve matching and in urban areas to combat unemployment and build on clients' existing skills and motivation. Both have been evaluated positively and could be scaled up/tested elsewhere.

Delprogram Sysselsetting and "The Vegetarian Express" (Vegetarekspressen)

Theory and knowledge

Delprogram Sysselsetting (which can mean opportunity for employment, occupation or simply, employment) is one of three sub-programmes that is part of Oslo's area-based initiatives (områdesatsninger) (Oslo Municipality 2022a). It began in 2017 when the government and Oslo municipality developed the partnership around 'Goruddalssatsingen' for a new ten-year period (Oslo Municipality 2022b). A large proportion of those who are not employed or on benefits in the selected districts are people with an immigrant background. Each district varies, some with greater challenges than others.

The programme is led by a board consisting of representatives from the city districts of Alna, Bjerke, Grorud, Stovner, Gamle Oslo and Søndre Nordstrand, the Department of Education in the City of Oslo, NAV Oslo, IMDi East, the Directorate of Labour and Welfare, and Kompetanse Norge. The director of NAV Oslo is the chair of the board.

Target group

Delprogram Sysselsetting aims to provide employment for immigrants who are outside the workforce by addressing the mismatch between peoples' qualifications, their Norwegian language skills, and the general demands of working life.

Description of activity

The Vegetarian Express is a pilot project within the Delprogram Sysselsetting involving #RomsåsJobbskap (part of Sysselsetting), Jobbsjansen NAV Grorud and social entrepreneurs involved with food systems initiatives in Oslo. It was established in the Groruddalen district to support immigrant women living at home to make their own jobs by utilising the resources and skills they already have. When it kicked off, six women received the opportunity to cook their own national recipes and make lunches for 270 students at the local school.

Vegetarian Express continues to expand its customer base within the school sector, develop new products and find new markets and subsequent sales to other customers with the goal of creating jobs and encouraging a healthy diet. **The project demonstrates that despite unemployment and little education, most people are capable of working if the right conditions are in place.**

Some of the main successes so far include the specific models that deal with vocational training and guidance for immigrants with a higher education, as well as new mapping tools to assess jobseekers' pre-existing skills and competencies. Immigrants who have little or no formal education continue to face major obstacles on the Norwegian labour market and labour market services need to become more agile to accommodate the broad range of backgrounds within the target group. Providing people with motivation is a key factor.

Expected results

The goal of Delprogram Sysselsetting is – through the development of new initiatives and strengthening occupational and skills services – to ensure that more immigrants are employed and become part of the general workforce. One important thing that the Vegetarian Express has recognised is the wealth of knowledge and experience people bring with them from other countries. By serving food from other cultures in primary schools, children also acquire greater intercultural awareness and understanding.

The programme also aims to strengthen cooperation and innovation across sectors and stakeholders. Delprogram Sysselsetting can in some ways be considered a public-private partnership that seeks to enhance public sector competencies across a range of areas including integration. Due to the pandemic, the projects have experienced delays over the past years. It is evident that the target groups most removed from the world of work have been the most vulnerable to the effects of the pandemic (Oslo Municipality 2022b).

Skills and competences needed

In terms of coordination and programme management among the stakeholders, breaking down silos has been a focus by the organisers (Oslo Municipality 2022b). Essentially, Delprogram Sysselsetting adopts a practical approach to structural barriers. It is also important to recognise that the approach is bottom-up and that the programme works to create local jobs and utilise local resources while at the same time improving local service provision.

Spreading the model

The state is a partner in the programme and supports the potential for replication to other municipalities and outlines national policy objectives.

Research/Evaluation

What makes Delprogram Sysselsetting stand out is that the programme as a whole works differently than what has been tried before in the public sector, in that it allows for a great range of projects. From a socio-economic perspective, the emerging benefits are clear since new jobs are created, and employment is increasing in groups that were previously long-term unemployed or inactive. The Vegetarian Express has shown that it is possible to organise a workplace in a way that meets the challenges faced by the employees. This adaptation is part of what makes a pilot like this unique. They give a chance to people who would otherwise not get a job.

In terms of scaling, Delprogram sysselsetting is now in its fifth year of a 10-year period. There are ongoing projects in different phases and new applications for projects are received throughout the year. At the moment, a priority is to initiate larger projects which can be implemented within the next 4–5 years. For a pilot like The Vegetarian Express to become sustainable for everyone involved, it is important that changes in the public procurement system take place, otherwise it will be hard to compete in the market for delivering food services.

Economy

Annually, approximately NOK 8 million is allocated to projects, but it is important that projects endure for longer than a year. It takes time to create workplaces, as well as to build relevant knowledge and skills for all stakeholders (Oslo Municipality, project interview, 2022).

More information

<https://www.oslo.kommune.no/byutvikling/omradesatsingene-i-oslo/delprogram-syssetting/#gref>

<https://www.facebook.com/vegetarexpressen/>

The Gloppen Model – vocational training and language practice tailored to local employers' needs

Theory and knowledge (background)

Gloppen in Vestland County has a population of 6,000. Like many other small agricultural and industrial municipalities in Norway, it has faced the challenges of depopulation in recent decades. As a result, the municipality is dependent on immigration to sustain the population and the local labour market – including the private sector as well as nursing and health care sectors. In response to this, the local authority developed a health care-focused vocational education programme with integrated language practice and on-the-job training at a local school in the autumn of 2013. It went on to be known as the Gloppen model.

Target group

During the first year of the programme students were primarily recruited within Gloppen municipality with a focus on long and short-term unemployed individuals – especially immigrant women who found it challenging to enrol in regular upper secondary school because of limited language skills, education gaps, family obligations, and other barriers.

Description of activity

The model is funded through a co-operation agreement between NAV and the county board plus the municipality. Local employers play a central role during the recruitment phase of the model, to ensure students are committed and get to learn the skills needed to do the job they are training for through a mix of theoretical and on-the-job training modules within six different fields: from health care and dentistry to restaurant work, housing construction and plastics industry. Upon graduation, students are awarded certificates and given jobs with the employers who participate in the scheme.

The Gloppen-handbook describes the four steps of the model: 1) Local labour market needs assessment, 2) Establishing a class at a local school, 3) Recruiting interested students, ensuring participation and completion of a course, and 4) Participant-oriented evaluation (Gloppen Kommune 2021).

Expected results

The Gloppen model strives to build motivation within the target group by offering a more flexible schedule and more language training, mixing theory and practice. The goal for the target group is a formal educational certificate and to enter the labour market and gain a lasting connection to working life.

Implementation – Spreading the model

There is a lot of promise in the methodology of the Gloppen-model that could work elsewhere across Norwegian and Nordic municipalities (NORCE 2019). The goal of the project administration now is to ensure that the Gloppen-model becomes more

robust and less person dependent. **A handbook has been produced** for local actors who want to test the model (Gloppen Kommune 2021). While the pandemic has caused some delays, it has not significantly affected demand for the programme. Starting in 2021, all classes at the upper secondary schools in Nordfjord are set up according to this model. The model is also being replicated elsewhere in Norway. In Sunnfjord, two classes were inaugurated in the fall of 2021 and another one was started in Sogn. Voss and four other nearby municipalities are now developing similar initiatives.

Research/Evaluation

Since 2013, the model has brought a good number of immigrants into the local workforce. By 2021, 132 individuals had started training within six different fields and only 18 had quit. The 30 participants who had graduated and received a trade certificate had found jobs and become financially self-sufficient, setting a good example for their children and others in the local community. According to the project coordinator, it has been a steep learning curve for many of the participants, learning the language and new skills over the course of three years. Personal motivation and the promise of a real job have been the main driving factors for those involved in the project, which puts the emphasis on growth, not grades.

To accomplish the good results that the Gloppen-model has yielded, collaboration was needed across the board. This has been challenging considering that NAV, the county board, and the municipality have different regulations that had to be aligned.

More information

<https://nordicwelfare.org/integration-norden/exempel/gloppen/>

<https://www.gloppenmodellen.no/>

4. Conclusions

After reviewing existing policies and initiatives addressing long-term unemployment among immigrants in Norway, it is evident that the biggest concerns are currently directed at those who were severely affected during the lockdown periods or were already in a vulnerable labour market position before the pandemic. Other concerns include lack of social integration, and weak language training which may reduce the opportunity to pass tests for skills and competencies. While national statistics show that many who were unemployed just before or during the pandemic are now re-entering the job market, some groups of low-skilled, long-term unemployed people continue to face challenges in finding employment. Indeed, there are diverse and complex causes why these groups remain outside employment, both before and after the COVID-19 pandemic, such as health burdens, poor language skills, lack of formal competence, limited access to affordable housing, and other structural issues.

Following the labour market turbulence brought about by the pandemic, measures targeting effective communication around support schemes, as well as participation of different relevant actors and their co-operation, vary considerably. As such, more work could be done locally to reach long-term unemployed immigrant groups given that studies and official reports have documented how the cost to society increases, the longer the spell of unemployment lasts. Attention also needs to be paid to the scarring effects for different age groups affected by the pandemic as well as the potential for module-based and flexible training schemes and innovative multi-stakeholder programmes. This has been demonstrated by 'Delprogram sysselsetting' and the Gloppen model – models that effectively improve matching on the labour market, which is another growing challenge in Norway.

At NOK 9 billion in the draft annual budget, Norway spends a considerable amount on labour market measures. This makes the country stand out in a Nordic context. By comparison, Sweden's draft budget for 2022 proposes SEK 1.2 billion for schemes counteracting unemployment, improving job-matching services in the labour market and as a further step in reforming the administrative services of the Swedish Public Employment Service (Arbetsförmedlingen) (Ministry of Employment 2021). Overall, however, there have been no major reforms or programmes in direct response to the pandemic in Norway. It is worth noting that the overall employment level in Norway is still relatively high compared to many other European countries, and based on the current situation, this report suggests that existing structures and the lessons learned from them will continue to be used to tackle long-term unemployment. The system in place might reflect national capacity to respond to the recent labour market shocks, but in a Nordic context, further studies on the long-term unemployed will be needed.



Sweden

Text: Oskar Penje and Åsa Ström Hildestrand

1. Long-term unemployment among immigrants

Sweden faces the greatest challenge in terms of long-term unemployment among immigrants in the Nordic Region. Integration is a bigger task because more immigrants – especially refugees – live in Sweden than in any other Nordic country. Sweden is one of the countries in the OECD that has accepted the largest number of refugees in relation to its population size (Andersson Joona 2020b). This was accentuated during the refugee crisis of 2015–2016, with the large influx of refugees from Syria. Data from the Swedish statistical bureau SCB (2022a) shows that 20% of the Swedish population was foreign-born in 2021. A little more than half of this group, 1.2 million, was born outside of Europe. The employment rate for the foreign-born population is lower than that of the Swedish-born population (Hammarstedt 2019), and one main reason is that asylum seekers and refugees often have lower levels of education than those required on the Swedish labour market. A study by Aldén and Hammarstedt (2016) shows that after seven years in Sweden, only 50% of working-age refugees who had arrived between 2005 and 2007 had established a foothold on the labour market.

Long-term unemployment rose to historically high levels during the pandemic and reached a peak at almost 190,000 people in summer 2021 (Figure 9, panel a).⁹ Since then, the number has gradually been decreasing. Nonetheless, in June 2022 there were still more long-term unemployed people than pre-pandemic. In addition, there is evidence that that the period of long-term unemployment is getting longer. As can be seen in Figure 10, the number of people who have been unemployed for 12 to 18 months fell between November 2020 and November 2021. By contrast, the number of people experiencing very long-term unemployment of 18 months or more rose. The number of individuals out of work for 24 months or more went up until April 2022 and has only started to go down again in recent months (Arbetsförmedlingen 2022, not visible in Figure 10).

9. Due to a slowdown in the economy, unemployment had been on the rise since autumn 2019 and a large proportion of those who became long-term unemployed during the COVID-19 pandemic were already unemployed before it.

Throughout the pandemic, foreign-born people have been strongly overrepresented among the long-term unemployed, both in absolute numbers (Figure 9, panel b) and in relation to their population size. In December 2021, 63% of all long-term unemployed people were foreign-born, even though they only represented 23% of the total population of working ages (16–64 years). Foreign-born women face particular challenges on the labour market. Among long-term unemployed immigrants, a majority (55%) are female (Arbetsförmedlingen 2022).

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Sweden is one of the countries in the OECD that has accepted the largest number of refugees in relation to its population size.

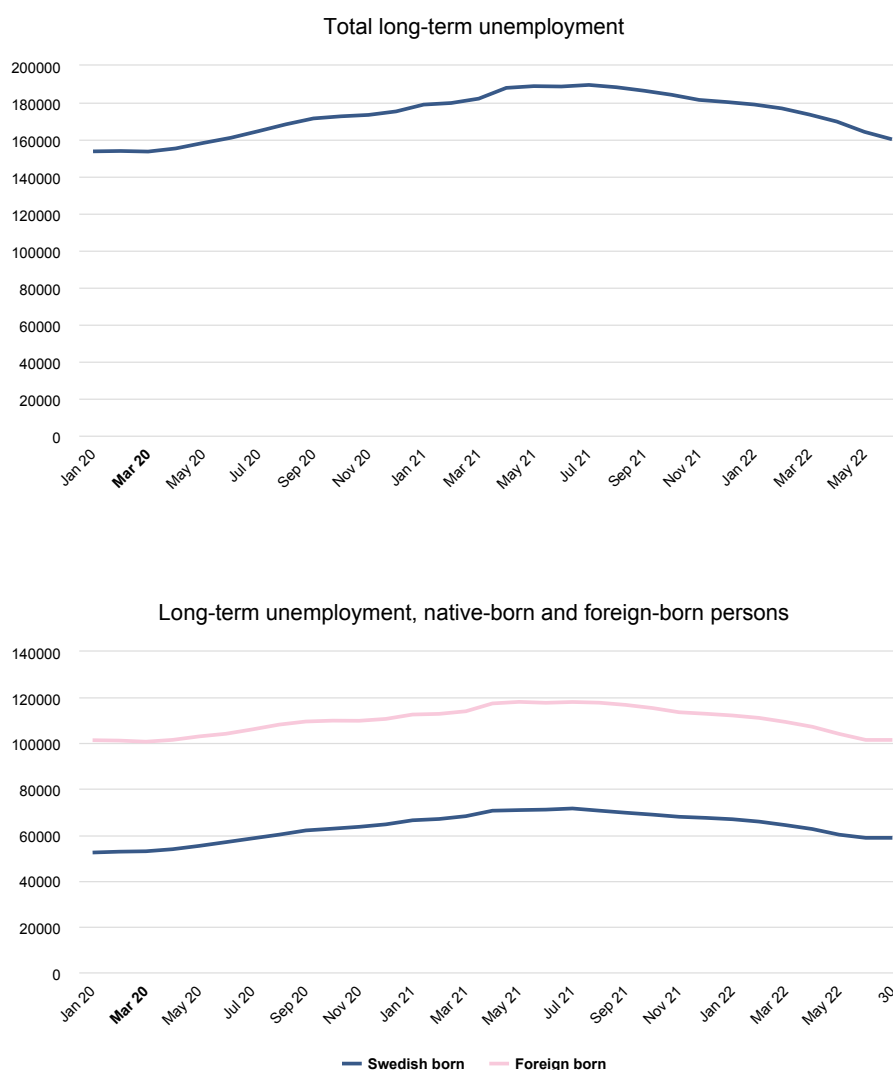


Figure 9. Long-term unemployment by month (2019–2022)

Source: Arbetsförmedlingen (2022).

Note: Bold font indicates the start of the pandemic.

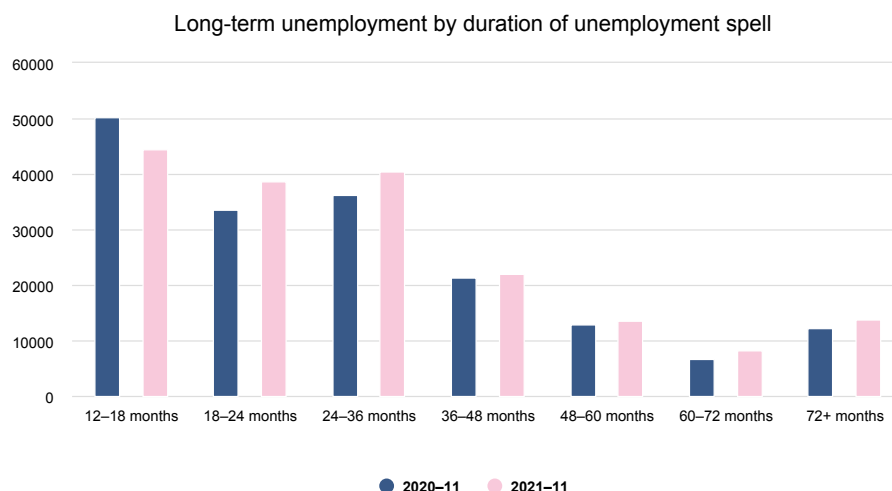


Figure 10. The number of long-term unemployed people by duration of the unemployment spell (November 2021 and November 2020).

Source: Arbetsförmedlingen (2021).

One reason for the rapid increase in long-term unemployment among immigrants during the pandemic is that many had worked in entry-level jobs in retail, the hospitality sector, and tourism before the pandemic. Many of these jobs disappeared in 2020 when people changed their consumption and travel patterns in response to the pandemic and the different types of mitigation measures introduced at that time. Foreign-born people had also been more likely to work on temporary contracts than natives, and they were also among the first to lose their jobs when the economy slowed down in 2020 (Sánchez Gassen and Penje 2021).

New consumption patterns and accelerated digitalisation processes have contributed to structural change in the economy during the pandemic years. Some of the entry-level jobs that existed before 2020 and required only low levels of skills and education may not return, reducing job opportunities for immigrants with low levels of educational attainment (Skedinger 2021). This group, among them many refugees, is already overrepresented among the long-term unemployed. Data from November 2021 shows that 39% of the long-term unemployed had less than nine years of basic education (Arbetsförmedlingen, data received via email in December 2021). In order to improve job opportunities for this group, investments in upskilling and further education are required (Sánchez Gassen and Penje 2021). As will be described in the following sections, many of the labour market initiatives and measures that were implemented during the pandemic focus on these goals.

2. Tackling long-term unemployment – National policies and interventions

Since December 2010, the Swedish Public Employment Service (PES) has not only been responsible for employment services across Swedish regions targeting short- and long-term unemployed people, it has also been tasked with coordinating the labour market integration of newly arrived immigrants and refugees, work previously done by the municipalities. All newly arrived immigrants of working age (20–64 years) are automatically enrolled in the 'establishment programme' to help accelerate their entry into the labour market and avoid increasing the number of long-term unemployed people. Various 'introductory jobs' are also available for immigrant jobseekers to gain work experience and easier access to the regular job market. Generally, these jobs are partly subsidised by the government for two years (Kornerud, Mångs and Olsson 2018).

Given the relatively high number of long-term unemployed people among poorly educated immigrants who arrived in the country as refugees, discussions were held about whether the 'establishment programme' placed a too much emphasis on voluntary participation in upskilling and job seeking activities (Arbetsförmedlingen 2017). In 2018, the government decided to make adult education and Swedish language courses mandatory for immigrants with low levels of education. A special focus on non-European women was also initiated since this group was largely overrepresented among the unemployed but tended to participate less frequently in the job matching activities offered by PES. Traditional gender roles, family responsibilities, and low formal education levels all play a role in the challenges faced by this group. The "Equal Entry" project ('Jämställd etablering') was run by PES between 2018 and 2021 to tackle this imbalance through more targeted matching (Gustafsson, Fabricius and Avdeitchikova 2021, Helgesson et al. 2020, Helgesson et al. 2022a). Results were positive with an 8% higher probability that clients transferred to jobs or studies, compared to clients who received regular PES support – even given the slightly lower cost. But the future of this approach within PES remains uncertain (Helgesson, Ornstein and Rödén 2022).

A third step was taken in 2019 when the parliament voted to reform the PES to enhance its effectiveness. Since then, the agency has been responsible for the skills and needs assessment of all unemployed people and administers their benefits. Job mediation, training and matching activities are gradually being transferred to private actors commissioned by the PES. A key instrument in this new way of working is called KROM (in Swedish: Kundval rusta matcha). Within the KROM service, private matchmaking providers support jobseekers based on their individual profiles, competences, and preferences. The service is built on a performance-based remuneration model with the aim of making market mechanisms contribute to an efficient and effective service. The system has been tested in 32 municipalities throughout the country since March 2020 and is about to reach full national coverage (Arbetsförmedlingen analys 2021).

Although KROM was designed especially for unemployed people in need of substantial coaching and training to enter or re-enter the labour market, there is a cut-off point in eligibility. As many as 40% of jobseekers – many of them long-term unemployed people – have been ineligible because of this threshold (IFAU 2021). Of the participants enrolled, 4 out of 10 have gone on to jobs or started studying after

the programme. The successful participants have certain things in common. Some have managed to obtain skills or experience that match employers' needs through KROM or their period of unemployment was limited. The IFAU evaluation suggest that even if the compensation model for KROM matchmaking actors created incentives to invest more support in men and women who find themselves further away from the labour market, the actual results show an inverted curve, with poorer results for those who are furthest away from finding a job. Perhaps the model needs tweaking, but it could also be an indication that a market-based model is not suitable for supporting long-term unemployed (IFAU 2021).

Unemployment levels are continuing to fall in Sweden and currently stand at the same levels as prior to the pandemic in 2020. However, the number of long-term unemployed people is currently still higher than prior to the pandemic, and the time periods that jobseekers spend in the system has been growing. This begs the question: What paths are being offered to long-term unemployed people with low competitiveness on the Swedish labour market in the wake of the COVID-19 pandemic? In its funding notification for 2022, the government has prompted PES to address some of these issues and describe what measures will be taken to counter the shortcomings in the job-mediation and matchmaking services, in order to shorten the path to employment for those that are furthest away from the labour market. PES is also obliged to ensure that their services are available throughout the country.

Meanwhile, many municipalities continue to develop their own local job matching services and meeting places for local employers and long-term unemployed who receive municipal welfare benefits. These centres typically offer access to adult education programmes combined with language studies and work practice or subsidised employment – especially in remote areas where neither PES nor KROM services are physically available. Some municipalities voice frustration over the current situation since the KROM approach implies that PES is no longer supposed to co-finance local, public job centres but to procure private job mediation services instead (project interview).

In the following section, we dig a little deeper into two local approaches tested in different parts of Sweden which have achieved good results in supporting long-term unemployed immigrants.

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The actual results show an inverted curve, with poorer results for those who are furthest away from finding a job.

3. Local initiatives/practices to combat long-term unemployment and increase employment

As previously mentioned, there are numerous local initiatives across Sweden that address long-term unemployment. Many were initiated following the large influx of asylum seekers in 2016 and have received co-funding from the European Social Fund and work in partnership with PES. The ambition is often to create a local platform or job centre that provides customised coaching and upskilling of jobseekers to better match local industries and public-sector needs, while at the same time utilising existing national wage subsidy programmes and language courses.

This section describes two evaluated, holistic approaches that have been highlighted by the Swedish experts interviewed for this report. Etableringslyftet seeks to enhance local job matching through holistic, individual mentoring and language support at work. Malmökraften 2.0 aims to ensure that vulnerable job seekers receive coordinated support from relevant authorities to help them move forward. Both projects target long-term unemployed people and other non-working (inactive) individuals. These two groups have certain traits and needs in common that are important to consider when designing effective interventions for them. Many are non-European women with low educational attainment and traditional family obligations.

Malmökraften 2.0 – providing paths out of inactivity for people with low competitiveness on the job market

Theory and knowledge

Malmö municipality faces challenges with the labour market integration of parts of its population, especially among refugees and their descendants. 5.6% of the population aged 16–64 years received financial support in 2019, more than twice the national average (SCB 2022b). Statistics from Socialstyrelsen show that 9.4% of national expenditure on financial aid is paid in Malmö, a municipality that only has 3.3% of the total population (Socialstyrelsen 2022).

Regular job-matching activities run by PES have not been efficient enough in providing paths out of inactivity for people with low competitiveness on the labour market. Among these are people that often suffer from a combination of limitations related to mental and/or physical health. The project addresses this group specifically and seeks to enhance the quality of employment services for these people. This project builds on what was learned from the Malmökraften 1.0 project, which emphasised the need to provide coordinated support for clients with special needs and make them fit for the labour market.

Target group

The target group for the project consists of Malmö residents (whether on income support or not) who participate in the 'Job and Development Guarantee' or receive illness benefits. A common problem for these clients is that they have been out of the labour market for considerable time. If they suffer from health or other issues preventing them from participating in the regular activities at PES, they risk being shuttled between different welfare agencies, receiving different responses and recommendations depending on the logic of each separate administration, and not based on their individual needs. They risk "falling between the cracks" as the saying goes.

Description of Activity

Malmökraften 2.0 is a co-ordinated initiative across government agencies intended to identify and provide more efficient individual assessments of the capacity to work of those furthest away from the labour market. The project is a continuation of the first Malmökraften project. Malmökraften 2.0 began in January 2020 and will end in December 2022. Like its predecessor, it has been financed by the PES and the European Social Fund and implemented in Malmö municipality. The Malmökraften projects have developed a novel approach by involving five key actors simultaneously: Arbetsförmedlingen (PES), Försäkringskassan (the Swedish Social Insurance Agency), Malmö municipality, the Skåne Regional Council and the primary health care centre (vårdcentralen).

Malmökraften seeks to offer clients co-ordinated support by employing a multidisciplinary team from these agencies that bring different perspectives but work together with each individual client. This enhances clients' access to a correct health and skills assessment and mediation, and accelerates the process of initiating meaningful activities, either work related, or in educational or rehabilitation form. The overall goal of Malmökraften 2.0 is to prepare participants for employment in

sectors with high demand or continued education. Together with other partners (including local employers), Malmökraften 2.0 can provide access to on-the-job training, internships, study preparation activities, preparatory vocational training, career guidance, and health promotion initiatives.

Expected results

The overarching goal of the project is to facilitate access to employment or regular studies for more job-seeking Malmö residents (whether on income support or not) who participate in the Job and Development Guarantee Programme or receive illness benefit. A quantitative target for the project is to have 5,600 participants over the three-year lifespan of the project with at least 2,500 progressing to work or regular studies. The remaining participants should also have clear individual process plans for what efforts and support are necessary to transition to employment or further studies.

Skills and competences needed

No specific skills are required from an individual case worker's perspective. Nonetheless, the multi-disciplinary concept of bringing professionals from distinct organisations with different approaches and cultures together does entail that the caseworkers must adapt to a partly new work environment. The evaluation shows that this takes time and during the first project period much energy was expended on overcoming various internal barriers to collaboration (SWEKO 2021).

Spreading the model

The project has not yet concluded nor been implemented elsewhere.

Research/Evaluation

The consultancy firm SWEKO (2021) has conducted a mid-way evaluation of the project and is also responsible for the final evaluation after the project's conclusion. These evaluations are primarily based on interviews with project management and the service providers. The project data is administered by PES.

Project results show that compared to clients within the regular 'Job and Development Guarantee', clients enrolled in the Malmökraften 2.0 project had a greater chance of advancing to employment or education. On average, 3.9% of project participants secured employment or continued on to education every month in 2021 and during the first three months of 2022, while the monthly average in the regular programme for jobseekers was only 2.1%.

More information

<https://malmo.se/Sa-arbetar-vi-med.../Arbetsmarknadsfragor/Malmokraften-2.0.html>

<https://arbetsformedlingen.se/om-oss/press/pressmeddelanden?id=95BE40DE892BAC25>

The Establishment Lift – proactive job matching through individual mentoring and language support at work

'Etableringslyftet' is a joint effort between three municipalities in the northern part of the Stockholm Region: Sollentuna, Upplands Väsby and Sigtuna. The project is partly funded by the European Social Fund. PES (Arbetsförmedlingen) is also a partner in this four-year project that has been running since October 2018 in close collaboration with local employers. The project has funding through December 2022.

Theory and knowledge – what is unique about this intervention?

In many integration and employment programmes, the mantra is "language first, then education, then employment". But for clients with a limited educational background, it can be very difficult to learn Swedish without also practicing the language while working. The Establishment Lift model builds on the assumption that job qualifications and a positive attitude weigh heavier than proficient language skills when it comes to work performance. The model also assumes that the Swedish language learning process will be accelerated once clients are part of a real working environment. To incentivise employers to hire immigrants with limited language skills, project staff provide language support to clients and their employers at the workplace. Regular SFI – Swedish language classes – are also offered to those who prefer this option.

Target group

The target groups include newly-arrived immigrants enrolled in the Establishment programme and long-term unemployed immigrants who are in the 'Work and development guarantee programme'. In total, 588 jobseekers have begun the programme since 2018; 52% of them are women. A majority have only elementary education or no formal education at all.

Description of activity

The project team works with active matching between jobseekers and local employers, by carefully mapping skills, competences, and specific interests among their clients – often using native languages – and also building sustainable relations with local employers by understanding their needs. This individual-centred approach aims to create close, trusting relationships between all parties involved.

An initial stage in the programme is the 'introduction to work' week when participants receive general information and discuss what is new and unfamiliar, apart from the language, in Swedish society and the labour market. This can cover cultural norms, social codes, gender equality and work ethics. Another key component is to ensure that everybody involved understands each other's expectations and personal incentives. After this introductory week, workshops are held, first with female clients separately to make sure their voices are heard, and then with women and men together, to reflect on gender roles in Sweden compared to their countries of origin. Individual coaching and language support follow before meetings with employers. Project staff also help participants with health issues, finding accommodation, and

other practical issues like opening a bank account or filling out forms and navigating the requirements and services in the Swedish public welfare system.



The successful results rest on three pillars: on-the-job language and cultural support (...), close co-operation with the Swedish PES, and careful and active matching of jobseekers and employers.

Expected results

The purpose of the project is to create opportunities for long-term unemployed immigrants to find a quicker path to economic self-sufficiency through regular work or formal studies.

Spreading the model

The project team members have been actively sharing their learnings and experiences with media and other municipalities in Sweden and are happy to present their work and the success factors involved to other interested parties in Sweden and beyond.

Research/Evaluation

The project activities and results have been carefully monitored and documented since the project's inception in 2018 and feedback has been provided to the project funders, the European Social Fund, PES and three municipalities.

The results of the project have proved very positive so far. Since 2018, as many as 94% of the 461 participants who completed the Etableringslyftet programme proceeded to financial self-sufficiency, of whom 77% obtained a job and the remainder went on to study. This is an astonishing result, given the circumstances of recent years, including a global pandemic and increasing long-term employment. A recent follow-up study also showed that 68.5% of clients who started employment during the programme period were still in these jobs 13 months later. This can be compared to the goal set by the Swedish PES for the KROM programme participants: to advance 45% of participants into a paid job or formal education.

Participants' views

According to the project managers, the project has been very well received by the target groups and employers. They believe that the successful results rest on three central pillars: the on-the-job language support and cultural support around norms and expectations enabled by careful recruitment of project staff, close co-operation with the Swedish PES, and careful and active matching of jobseekers and employers.

More information

<https://www.etableringslyftet.se/>

Latest project statistics, April 2022: <https://www.etableringslyftet.se/artiklar/ny-statistik-foer-etableringslyftet-visar-fortsatt-mycket-bra-resultat/>

4. Conclusions

Long-term unemployment continues to be a challenge in Sweden, and the pandemic seems to have exacerbated the situation for many jobseekers with limited education and low competitiveness. The duration of unemployment spells is getting longer for many people. Immigrants from outside the EU – especially women with limited formal education – form a substantial part of this group and the challenge is to match jobseekers with a labour market that is increasingly digitalised and knowledge-driven.

It remains to be seen how KROM, the new market-based PES model for matchmaking and upskilling, will help those clients furthest away from the labour market. In the absence of national initiatives specifically targeting this group, municipalities have taken charge and tried to solve local issues of unemployment and mismatch. By working closely with local employers to understand their needs, and by providing individual coaching, job-related language and skills training, and cultural support to the unemployed, they have improved clients' self-sufficiency, as seen in the examples in this chapter. Another important tool in making the target group more attractive to employers is to ensure access to semi-subsidised employment contracts (etableringsjobb).



Synthesis and checklist

Text: Åsa Ström Hildestrand and Nora Sánchez Gassen

In the aftermath of the COVID-19 pandemic, all Nordic countries put considerable effort into increasing employment levels and helping those who had lost their jobs during the pandemic re-enter the labour market. Some groups of immigrants faced particular difficulties in finding employment during the pandemic and have since become long-term unemployed. National employment agencies, local authorities, and civil society actors across the Nordic Region have, therefore, focused on making vulnerable groups more employable by supporting them in a more holistic and individual way – often working closely with employers seeking staff.

This chapter summarises the key learnings presented in this report in three parts: a comparison of the current labour market situation for immigrants in the Nordic countries, an overview of the main approaches that each country has taken to address long-term unemployment among this group, and at the end, a 'checklist' of specific lessons that emerge from the interviews with experts and the policies, initiatives and practices analysed in the chapters of the report.

1. How big a challenge does long-term unemployment pose in the Nordic countries?

The question on how best to integrate immigrants – especially refugees – into the Nordic labour markets was already a key policy question before the COVID-19 pandemic (Calmfors and Sánchez Gassen 2019). During the most recent refugee crisis in 2015–2016, thousands of asylum seekers arrived in the Nordic countries, particularly in Sweden. Once refugee status was granted, these immigrant groups needed to be integrated into Nordic societies and labour markets. Most of the Nordic countries offered integration programmes consisting of language courses, adult education, and work practice as well as subsidised jobs to help refugees find employment (Calmfors and Sánchez Gassen 2019). Probably due to these efforts and to a favourable economic climate, the unemployment rate for foreign-born people fell, with few exceptions, throughout the Nordic Region between 2016 and 2019 (Eurostat 2022e).

With the onset of the COVID-19 pandemic, this trend came to a halt. Unemployment

among immigrants increased again, and a growing number of foreign-born people also became long-term unemployed. Nonetheless, as the chapters in this report show, differences exist between the Nordic countries with respect to the magnitude and novelty of the challenge.

At the time of writing, **Sweden is facing the biggest challenge** in terms of long-term unemployment among immigrants. Despite recent falls, around 160,000 people were still long-term unemployed in June 2022, and a majority of them (63%) were foreign-born. While long-term unemployment has reached new heights in Sweden during the pandemic, the situation is not new. Already during the years 2015–2019, the number of long-term unemployed hovered around 140,000 people, with non-European immigrants constituting the majority of them (Sánchez Gassen and Penje 2021). As such, the pandemic aggravated an already challenging situation for immigrants in the Swedish labour market.

In Iceland and Finland, long-term unemployment among immigrants also increased sharply during the pandemic, but in contrast to Sweden, it was a rather new phenomenon. In both countries, the number of long-term unemployed immigrants had been comparatively low before the pandemic. The reasons for this more favourable situation differ: Before the pandemic, Iceland was a popular destination for labour migrants and many had already secured a job before moving there. As a result, employment rates among foreign-born people were similar to those of the native-born population, and unemployment rates were low (Calmfors and Sánchez Gassen 2019). In Finland, by contrast, the total unemployment rate used to be comparatively high from a Nordic perspective. Nonetheless, long-term unemployment was relatively uncommon among immigrants before the pandemic. Immigration flows to Finland have been low in comparison to other Nordic countries and have only begun to increase in recent years. Many of the more recently arrived immigrants and refugees were still engaged in different kinds of integration and labour market initiatives at the onset of the pandemic and were not counted in the statistics on long-term unemployment. The labour market context for immigrants differed, therefore, in Iceland and Finland, but both countries were similar in that long-term unemployment among immigrants was not considered an urgent policy question. This changed during the pandemic when long-term unemployment among immigrants increased substantially.

In Norway and Denmark, the number of long-term unemployed immigrants also increased during the COVID-19 pandemic. Nonetheless, the challenge is and has been less acute than in the other Nordic countries. Before the pandemic, the labour market situation for immigrants was comparatively favourable in both countries. Even though unemployment rates for immigrants were higher in 2019 than those of their native-born peers¹⁰, they were lower than among immigrants in Sweden or Finland (Calmfors and Sánchez Gassen 2019). In addition, while the number of long-term unemployed immigrants rose rapidly during the pandemic, it has fallen again during more recent months in both countries. According to data from the early summer of 2022, the number of long-term unemployed immigrants has now even fallen below pre-pandemic levels. The most pressing labour market challenge in Norway and Denmark is arguably no longer long-term unemployment, therefore, but shortages of labour in specific sectors as well as mismatches on the labour

10. DK: 8.3% among immigrants vs. 4.6% among the native-born population, NO: 7.4% among immigrants vs. 2.8% among the native-born population

market.¹¹ While the overall labour market situation for immigrants appears to be more promising in Norway and Denmark than in the other Nordic countries, some groups of immigrants – especially refugees – continue to struggle with long-term unemployment and poor labour market prospects.

Overall, the Nordic countries differ in how acute the challenge of long-term unemployment among immigrants was during the pandemic, and how rapidly the situation improved afterwards. Nonetheless, one commonality emerged from all countries as interviewees pointed out that non-European immigrants and refugees without higher education are in a particularly vulnerable situation. Within this group, women with limited work experience due to traditional gender roles often face the greatest difficulties in finding work. Correspondingly, many of the programmes and initiatives that were described in the chapters of this report target immigrants with low levels of education, and several of them focus on helping women to break out of social isolation and find jobs.

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The most pressing labour market challenge in Norway and Denmark is arguably no longer long-term unemployment, therefore, but shortages of labour in specific sectors as well as mismatches.

As stated above, Sweden currently faces the biggest challenge with long-term unemployment among immigrants. This does not necessarily imply that the country is doing worse in integrating immigrants than its Nordic neighbours. Indeed, a recent study found that Sweden, along with Norway, achieves better labour market integration outcomes than Denmark in the longer term, and has good practices for validating and supplementing previous educational attainment during the integration process (Nordic Council of Ministers 2022). Nonetheless, the integration task is bigger in Sweden than in the other Nordic countries, since more immigrants – especially refugees – live there, both in absolute numbers and as a share of the total population. The proportion of immigrants from non-EU countries who only have lower levels of education is also larger than in the other Nordic countries (Eurostat 2022f). Simultaneously, Sweden is second only to Norway in providing the smallest share of jobs in elementary occupations (see the chapter on ‘Long-term unemployment trends in the Nordic countries’). The challenge of matching labour demand with the labour supply that low-skilled immigrants offer is particularly severe, therefore, and successful approaches to speed up the labour market integration of this group could benefit many immigrants in Sweden.

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Sweden is second only to Norway in providing the smallest share of jobs in elementary occupations.

11. Similar challenges are also appearing in Iceland, where the tourism sector has bounced back after the pandemic, and new jobs are emerging.

2. How was the challenge addressed in each country?

When comparing the approaches of the Nordic countries to tackling the increase in long-term unemployment during the COVID-19 pandemic, a few common traits emerge. First, it is notable that most of the Nordic countries did not devise new strategies or approaches to reduce long-term unemployment. Instead, Denmark, Finland, Sweden, and Norway largely relied on existing structures and routines to support long-term unemployed people during the pandemic. These are briefly summarised in the following paragraphs. Second, measures to address long-term unemployment have not always targeted immigrants exclusively. Instead, labour market programmes and policies have often addressed both native and foreign-born long-term unemployed people or those facing exclusion from the labour market.

Historically, the responsibility for labour market support and integration **in Finland** was divided between national and local actors. Coinciding with the pandemic, a major reform was implemented, devolving these services to make them more responsive to local labour market needs. Since 2016, specific 'skills centres' have also opened in major cities to provide language and other skills training for immigrants. These services were adapted during the pandemic. New digital language tools proved useful to students. Nonetheless, many suffered from social isolation due to interrupted courses and lockdowns. Offering wage subsidies to employers to hire long-term unemployed workers also proved effective in Finland. In the aftermath of the pandemic, long-term unemployment remains a challenge for people with little education, both native- and foreign-born, but there are positive signs from recent reforms and new digital solutions.

In Sweden, key actors in labour market integration are the Public Employment Service (PES) as well as private actors. The PES is responsible for labour market assessments and co-ordinates the support provided to unemployed people, while private actors implement job mediation and matching activities. Through the new national PES programme 'KROM/Rusta och matcha,' private actors support job seekers based on their skills and interests and match them with employers in need of workers. The programme has had some success, with around 40% of all participants moving on to jobs or to study. Nonetheless, evaluations suggest that the programme may be less suitable in supporting long-term unemployed people with the lowest formal qualifications. In response to these challenges, several municipalities in Sweden have developed their own local measures to support long-term unemployed or non-working immigrants. This is often achieved with support from the PES. Many of the local approaches showed good results during the pandemic and may have the potential to be scaled up or applied elsewhere.

Norway spends a considerable amount on labour market measures. With NOK 9 billion proposed in the draft annual budget 2022, the country stands out in a Nordic context. Moreover, during the pandemic, additional integration packages and temporary laws were adapted and approved to mitigate the consequences of the outbreak and subsequent lockdowns (NOU 2022, pp. 418–420). Some of the measures include extended participation time in the introductory programme, a strengthened introductory program and career guidance, as well as extended language training courses (IMDi 2022b).

Responsibility for labour market integration is shared between the Labour and Welfare Administration (NAV) and the Directorate of Integration and Diversity (IMDi). While NAV offers general labour market measures such as training and generous financial support, IMDi focuses on the settlement and integration of immigrants. As addressed earlier in the report, the actual measures are carried out locally, either by municipalities or local NAV-offices. The latter consists of a local partnership between state and municipal services. In addition to the two national-level institutions, municipalities and civil society actors at local level have developed different types of targeted efforts – still with national funding – to upskill long-term unemployed immigrants and others and improve matching to meet local demand for labour. While the different programmes and projects achieved some good results during the pandemic, not all groups were reached equally well, leading to unequal opportunities across population groups and municipalities.

In Denmark, parliament allocated DKK 159 million to support measures for people made long-term unemployed during the pandemic, including immigrants. Nonetheless, the government also increased pressure on long-term unemployed immigrants by proposing that those who had been receiving benefits for several years should be required to work 37 hours per week. Tasks and jobs were to be allocated by the local authorities. While this proposal has so far not been adopted, it is possible that the debate alone pushed long-term unemployed immigrants to more actively search for and accept job opportunities. Still, a substantial group of low-educated non-European women remain outside the labour market. They are a core target group for many local matching and upskilling initiatives across Denmark.

Iceland is an exceptional case in the Nordic Region. In contrast to most other Nordic countries, unemployment among the foreign-born population had been low before the COVID-19 pandemic since most of them were labour migrants who had jobs arranged before they arrived in the country. As a result, no policies or tools targeting long-term unemployed immigrants existed. New networks and approaches were swiftly developed when the pandemic broke out in 2020. This included setting up a task force which brought together key actors such as the national Ministry of Social Affairs and the Icelandic Association of Local Authorities. A newly established International Division in the Directorate of Labour in the Ministry of Social Affairs was entrusted to contact and offer support to every single long-term unemployed immigrant in Iceland as well as offering grants to small and medium sized companies to hire unemployed jobseekers. These two interventions had positive results.

In all Nordic countries, policy makers at national level generally took the lead in co-ordinating key measures and policies to reduce long-term unemployment during the pandemic. Nonetheless, the interviews conducted for this report also pointed us to many interesting initiatives that were implemented at local level across the Nordic Region where the social costs of rising unemployment may have been more evident to local decision-makers. These local projects were – or are – often designed with the support and involvement of national agencies and civil society actors and, most importantly, in close collaboration with local businesses and employers in need of staff. Many projects have targeted groups of immigrants who face the largest obstacles on the Nordic labour markets, such as women with limited work experience or individuals with low levels of education. Several of these initiatives have been successful in helping immigrants (re-)enter the labour market and have the potential to be scaled up or applied elsewhere.

In the following section, we summarise key lessons and recommendations that emerge from these interesting initiatives.

3. Checklist – Reflections and learnings from tested approaches across the Nordics

What have we learned about policies and measures to combat long-term unemployment and improve employment levels in the Nordic countries after the COVID-19 pandemic? Below, we identify eleven of the most important lessons that are emerging from the interviews with experts and the analysis of policies and initiatives conducted for this report. These lessons could be used as a **checklist** by any actor – public, private, researcher, civil society, or hopefully a combination of all of these – seeking to design or improve a programme to up-skill immigrants so they can take the many jobs that do exist in the Nordic countries.

We start out with three important perspectives that are fundamental to address in the programme design:

1. Always consider gender aspects: leave no housewives behind and avoid gender-coded choices

All Nordic countries except Iceland voice concerns about certain groups of poorly educated immigrant women risking longer periods of unemployment or simply not gaining a foothold on the labour market, often due to traditional gender roles, family obligations, language barriers, and discrimination. This group can be difficult to reach or enrol in training. At the same time, many initiatives and measures featured in this report specifically seek to break down stereotyping and engage with this target group. For local authorities it can be effective to partner with civil society actors that provide a combination of female community mentors (women empowering their peers, like Bydelismødre in Denmark) and an easily accessible, safe space for job seeking, skills mapping and upskilling. Other success factors demonstrated by e.g. KHRS, Etableringslyftet, and Vegetarian Express in Norway include adjusting schedules to avoid late nights or weekends and assessing women's skills, motivations and needs through personal counselling on work-related issues as well as providing access to healthcare, family planning, and protection against abuse or social control under the guise of the family's honour.

Another objective is to promote less gender-stereotypical career choices. The Nordic labour markets are all gender segregated. This is difficult to change in the short term. Encouraging more men to work in childcare and health care and more women to work in transport, construction, and IT are an important step forward – but gender gaps remain a challenge.

2. Address applicants' entire life situation: use holistic and individual approach

Many of the initiatives featured in this report provide one-on-one support for long-term unemployed people. Project coordinators report that while this approach is costly in the short term, it saves money in the long term since it helps to build trust, understand motivation, and create suitable matches between applicants and employers. A key to managing holistic individual support is to use volunteer mentors through partnerships with civil society organisations or hire programme staff who can provide some of the support to clients in their native languages. Optimally, programme staff should try to address a client's entire life situation, including pressing family issues, housing, health or financial issues and cultural concerns. When personal challenges have been solved, it is easier for students to move on and focus on employment and education.

From the employers' side, a common model is to involve peer-to-peer support, appointing an experienced co-worker to teach the new recruit all the tools in the box, sometimes in their native language. This can make the introduction to workplace routines considerably easier and ensure that the newcomer learns all the soft skills and norms as well.

3. Fight discrimination and prejudice among training providers and employers

Last but not least, discrimination remains a challenge for non-European applicants in the Nordic labour market. Men with Muslim names and women wearing the hijab are among the most affected. Surveys reveal that these men receive fewer responses to job applications while women report that some employment agency staff presume that they will drop out of training due to pregnancy and family obligations and refrain from enrolling them despite their long-term unemployed status or willingness to join a programme (MUCF 2021).

Programme managers need to keep discussing prejudice and how to keep an open mind. The focus should be on applicants' resources and motivation and not their gender or ethnic background. Programme staff also have an important mission to improve local employers' attitude towards immigrants and encourage them to hire people despite their 'different' background. Using open-minded and successful multi-ethnic businesses or workplaces as role models or examples is one way forward. Confidence building among local employers by using programme staff as references for immigrant jobseekers is another common model as shown, for example, in the Etableringslyftet programme in Sweden.

Following the three vital perspectives above, the 'checklist' continues with **eight more lessons** formulated as concrete actions or aspects for the programme designer to consider:

1. Ensure effective national – local level collaboration (including state funding for local initiatives)

Multilevel governance requires clear mandates and steering models and open channels for dialogue, accountability, and review. Employment policy is usually funded by the government and steered from the national level but needs to be executed locally where the employers and jobseekers operate, supported by local authorities and civil society actors. All of the Nordic countries have well-developed models for national-local level co-operation through state agencies which coordinate the work. In Norway this is done by NAV in collaboration with the counties (fylkeskommuner) and municipalities across the country. Denmark probably has the most independent local execution of the national labour market policy, while Finland is progressing toward more local responsibility and services. In Sweden, multiple

reforms and recent downsizing of the national Public Employment Service (PES), have created difficulties for remote municipalities where PES has closed their local offices and not been able to continue co-financing municipal job matching centres.

2. Encourage public-private partnerships (PPP) and wage subsidies

Private sector companies are key to addressing long-term unemployment while helping themselves find much needed staff. As KHRS in Denmark, the Gloppen model in Norway, Etableringslyftet in Sweden, and other examples show, many local authorities work strategically to match interested companies and other employers with long-term unemployed people who are interested in on-the-job training to acquire desired skills. Some companies focus more than others on social sustainability and have developed their own trainee programmes for immigrants who are long-term unemployed. These initiatives often show positive results since employers are part of the matching procedure and endeavour to employ and train candidates who are motivated to work for them. Working with civil society actors has been another success factor when it comes to engaging local mentors and recruiting unemployed or non-working individuals to activities and training.

Using semi-subsidised wages or the Icelandic-style employment grants help authorities find more employers willing to invest time and energy to employ jobseekers with the right attitude but limited language or other skills. The small number of simple or entry-level jobs requiring only basic education remains a challenge in the Nordic countries and adds to the mismatch and the large proportion of those who have little in the way of qualifications who are long-term unemployed. Again, wage subsidies can make it more attractive to hire these individuals.

3. Strive for a long-term, systematic approach and avoid short-term projects

Project-based approaches are often a mixed blessing. Many projects that have been sponsored by external actors like the EU Social Fund have had positive results but can be difficult to scale up or sustain at the local level once external funds have dried up. More needs to be done in the project design phases to ensure sustainability once EU funding runs out. Joining forces with private companies (see point 2. above) and adjacent municipalities and the regional authority is one way forward. National policymakers need to allocate sufficient funds so that programmes targeting the long-term unemployed entail enough hours for one-on-one coaching, training, and mentoring, in native languages if needed. Regional and national actors could also do more to share results and success stories with each other and between municipalities. These investments pay off since long-term unemployment costs much more for the individual and society in the long term than the efforts to support jobseekers in finding work or start studying in the short term.

4. Focus on matching: Employers' needs should define training content

All of the national chapters in this report signal that the greatest labour market challenge across the Nordic countries beyond the COVID-19 pandemic is the poor match between available jobs and the skills levels of some groups of jobseekers. Hence, the best way to reduce long-term unemployment is to motivate individuals to upskill to better match labour-market demand, with a focus on the industries and sectors with the worst labour shortages. This is, of course, best achieved in close collaboration with local industry organisations and employers, private or public. Examples mentioned in this report show that when employers co-design the training modules and offer on-the-job training or practice between the theoretical modules, they are more satisfied with the acquired skills levels of participants and more likely to employ them long-term. Some initiatives featured in this report also offer language support staff to lower the pressure on employers who added new staff with limited language skills to their teams. This has been much appreciated by employers (see for example Etableringslyftet, Gloppen model, and KHRS).

5. Set clear targets for training programmes and employment guarantees for those who graduate

High dropout rates and challenges in recruitment of long-term unemployed people to participate in available and effective training programmes is often voiced as a concern among training providers. Here, our examples point to the need to provide clear information about programme content, employers' expectations, and the conditions for the position or job to which the training will lead. This should include well-defined training modules (theory and practice), flexible working hours for those with family obligations, integrated language practice, and clear end goals: preferably an industry certificate and continuous employment after passing an exam. Using alumni as ambassadors for programmes in their respective ethnic communities has also worked well in some cases.

Another recommendation from Gloppen and KHRS is to avoid lengthy programmes. Shorter and more intense courses usually generate faster learning results and thus motivate students to continue and keep the end goal in sight.

6. Map and build on jobseekers' competencies and commitment – and provide student loans

In addition to employer engagement and clear training targets, successful programmes start with a careful and open mapping of applicants' existing skills, work experience, and motivation. A relationship based on trust and understanding should also be built between mentors/teachers and mentees/students. It is important to find out what the jobseekers want to learn and engage with and how to complement this to fit employers' needs. Employers should also be encouraged to meet and give the candidates a chance. Many find that a curious mind and positive attitude are more important than a perfect skills-match from the outset.

An additional measure to nurture motivation and commitment is to ensure that students can sustain themselves and their families while studying. This can be done either by providing study grants and loans or by letting them keep their unemployment benefit during their period of study.

7. Provide high-quality language training integrated with vocational, on-the-job training

A lack of Nordic language skills is often a barrier for immigrants looking for work. Providing quality language training for immigrants is a fundamental step to improve their labour market opportunities (Foged 2022). Examples in this report (Gloppen, KHRS, Etableringslyftet) show that language practice on the job is particularly successful in enhancing the ability to use the new language. By contrast, taking full-time, formal language courses such as Swedish for immigrants (SFI) before starting vocational, on-the-job training can be less motivating for participants since they get fewer chances to practice their new vocabulary.

Different models have evolved in recent years for integrating formal language education into on-the-job training programmes – with or without support from native language helpers. Karlstad Adult Education in Sweden has taken Combination Education to the next level by letting language teachers and skills teachers plan their courses together – in close collaboration with employers. This way, language modules match the skills modules and key vocabulary can be practiced during practical sessions at the workplace. This motivates students to learn more and gain confidence in using the language. Finding experienced teachers can be a challenge though, and it is helpful if municipalities work together on this, as Etableringslyftet and the Gloppen model show.

8. Use digital tools for language training: language apps, robots, and Virtual Realities

Several up-skilling programmes for immigrants described in this report point to the value of using basic language training apps and robots to improve results – especially for low-educated students. Using digital tools enables them to rehearse intensively but at their own pace without a teacher. In Denmark, the KHRS Academy language app E-asylearn uses pictures to illustrate relevant words for cleaning work or canteen services. In Finland, language robots at the local skills centres can repeat a word an endless number of times until students learn it and simultaneously improve their pronunciation. 'Virtual Reality technology' is another effective tool used in Finland to place a student in a fictional but realistic job situation where they can practice their language skills and various work tasks.

This report and checklist showcases the wealth of tried and tested practices that already exist across the Nordic countries to combat long-term unemployment, especially among poorly educated immigrants. We see many common trends but also different approaches and solutions that could inspire pan-Nordic learning.

What are the prospects for integrating immigrants into the Nordic labour markets post-pandemic? On the one hand, research suggests that long-term unemployment can lead to the deterioration of skills, motivation, and mental health, all of which reduces the prospects of work. We also face an uncertain situation in Europe with the war in Ukraine still raging and an unresolved refugee situation. Inflation driven by energy and food price hikes will probably also continue to affect the Nordic economies and potentially curb consumer spending going forward, with possible implications for the Nordic labour markets.

At the same time, increased longevity and an ageing population in all of the Nordic countries will further increase demand for workers in healthcare and elderly care, transport, and other services. In addition, various industries in the Nordic Region are currently reporting labour shortages and the number of unfilled positions has increased in several sectors, which may offer opportunities for long-term unemployed people, including immigrants. One important precondition is that their skills match the demand for labour and requirements in these sectors. The practices, initiatives and solutions described in this report may offer inspiration and guidance on how actors at national, regional, and especially local level can support long-term unemployed immigrants going forward.

More material on effective integration practices across the Nordic countries:
www.integrationnorden.org

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Finland

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Iceland

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Norway

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