

Youth employment policies
in Sweden – the Swedish
response to the Council
recommendation on A Bridge
to Jobs – Reinforcing the
Youth Guarantee



Innehållsförteckning

| | |
|-------------------------------------------------------------------------------------------|----|
| 1. Introduction | 4 |
| 2. Youth unemployment statistics | 4 |
| 2.1 NEETs..... | 7 |
| 3. Strategic policy for promoting youth employment | 11 |
| 3.1. Labour market policy initiatives should target those whose need is greatest | 11 |
| 3.2. The municipalities' responsibility for young people..... | 14 |
| 4. Labour market measures for young people..... | 15 |
| 4.1. The work of the PES..... | 15 |
| 4.2. The Job Guarantee for Young People | 17 |
| 4.3. Measures for newly arrived immigrants | 20 |
| 4.4. Measures through the ESF and ESF+ | 21 |
| 5. Supportive measures for labour market integration | 22 |
| 5.1. Reduced social security contributions for young people..... | 22 |
| 5.2. New Start Jobs..... | 22 |
| 5.3 Introductory Jobs | 22 |
| 5.4 Specific labour market initiatives for people with disabilities | 23 |
| 6. Evaluation of labour market measures..... | 25 |
| 7. Education | 26 |
| 8. Involvement of the social partners | 28 |

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1. Introduction

This document is an updated description on how Sweden addresses and considers the Council Recommendation of 22 April 2013 on establishing a Youth Guarantee which has been replaced by the Council Recommendation of 30 October 2020 on a Reinforced Youth Guarantee.

Youth unemployment is low in Sweden. In 2020, the NEET rate for young people aged 15–29 in Sweden was 7.2 percent, the second lowest rate among Member States and well below the EU rate of 13.7 percent. To address youth unemployment in the early 2000s effectively, the Government introduced major reforms in several areas to improve the resilience of the Swedish economy, addressing both structural and cyclical challenges. A number of measures have been undertaken in recent years to increase youth employment: reforms have been made in the areas of education, labour market, and tax policy.

More specifically, the aim of the measures for young people is to support their entry into the labour market or to find a way to pursue and complete an education. In this context, it is important to acknowledge that young people are not a homogeneous group, and it is therefore important to meet every individual's needs.

This paper presents, against the background of the Recommendation on a Reinforced Youth Guarantee, the Swedish strategic policy for promoting youth employment and the measures the Government has implemented. The measures presented here should be seen as complementary and mutually reinforcing the Government's broader enacted and planned labour market, tax, and education policies. The individual measures should, in other words, not be interpreted in isolation from one another.

It is the Government's view that labour market policies as well as education policies in Sweden well reflect and are in line with the Council Recommendation on the Reinforced Youth Guarantee.

2. Youth unemployment statistics

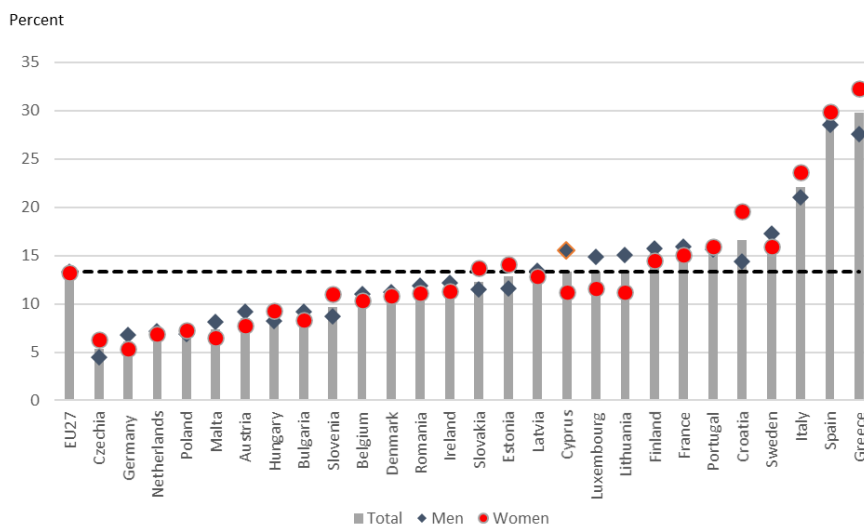
In 2020, 16.6 percent, or 203 000 young people aged between 15 and 29 were unemployed – see Figure 1. This was above the EU average at 13.2 percent, and compared with total unemployment in Sweden, which was 8.3 percent 2020, youth unemployment is relatively high. Between 2014 and 2019 the NEET rate for those aged 15–29 in Sweden fell 1.5 pp from 7.8

percent to 6.3 percent, an improvement that largely derives from the unemployed part of the NEET population rather than the inactive part (Figure 4). During this period, the NEET rate in Sweden was consistently among the three lowest across the EU (together with Luxembourg and the Netherlands) and was about half the rate seen at the EU level.

Results show that, on average in 2020, about three fifths of the NEET population aged 15–29 in Sweden (62.2%) was covered by the youth guarantee scheme, well above the EU average of 40.3 percent. Data for the 15–24 age-group shows that coverage has improved significantly compared to 2019 (from 47.5% to 62.0%). Not surprisingly, given that the Swedish Youth Guarantee scheme covers only young people that register for unemployment benefits, the NEET coverage rate of the scheme is clearly linked to the proportion of unemployed in the overall NEET population. As the share of unemployed NEETs increased from 36.0 percent in 2019 to 44.7 percent in 2020, the coverage rate was expected to increase.

Sweden provided data for the 25–29 age group for the first time in relation to reference year 2020 so there are no historical data for the new wider coverage of the Reinforced youth guarantee. To assess the impact of COVID-19, therefore, comparisons are restricted to the 15–24 age-group. The COVID-19 pandemic caused a clear disruption of the progressive improvement, with the overall NEET rate rising by 0.9 pp to reach 7.2 percent, the highest level since 2015. The recent increase derives mainly from the unemployed part of the NEET population rather than the inactive. Notably, those aged 20–24 have been impacted more than the other age groups.

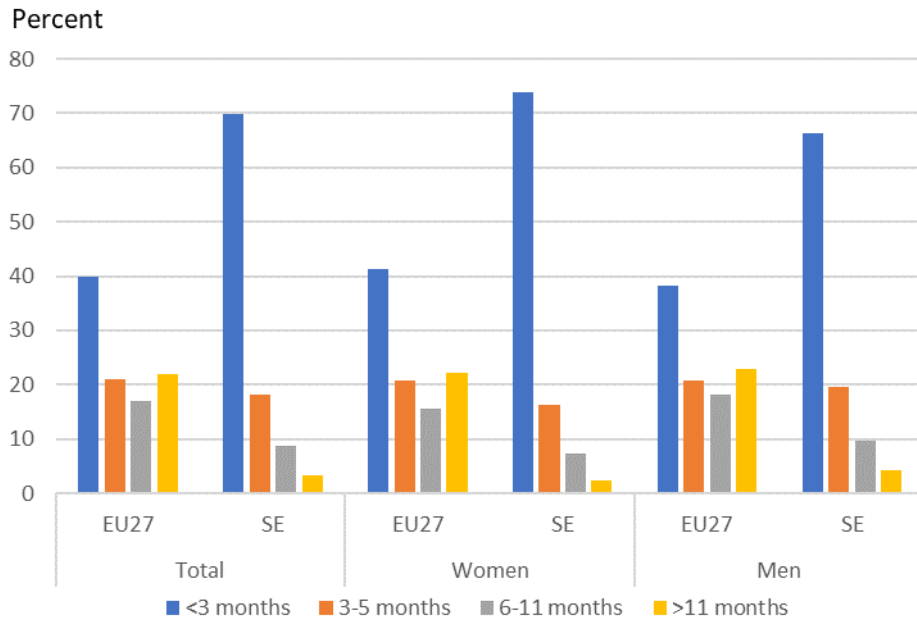
Figure 1: Youth unemployment rate aged 15–29 2020



Source: Eurostat.

However, compared with other age groups, unemployed young people generally have good opportunities to find employment, and, as a group, young people find new jobs after a recession relatively easily. This means that most young people experience relatively short periods of unemployment. In 2020, 66 per cent of unemployed young people were unemployed for less than three months – see Figure 2.

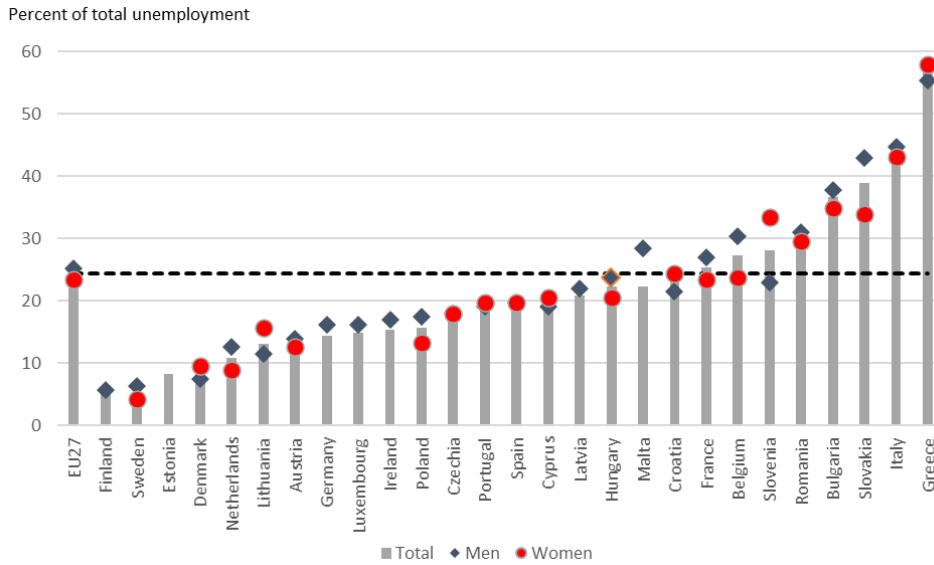
Figure 2: Duration of unemployment among young people, aged 15–24, 2020



Source: Eurostat.

The youth long-term unemployment in Sweden is among the lowest in the EU. However, for certain groups of young people, it often takes a considerably longer time to gain a firm foothold in the labour market than for young people on average. This is particularly true for young people with incomplete grades from primary or secondary education, young people with disabilities, and for young people born outside Europe. The large number of newly arrived young people that Sweden has had in the latest years has likely affected the number.

Figure 3: Long-term unemployment (12 months or more) as a percentage of the total unemployment aged 15–29, 2020



Note: Missing values for Finland, Estonia, Germany, Luxembourg, Ireland, Latvia and Malta.

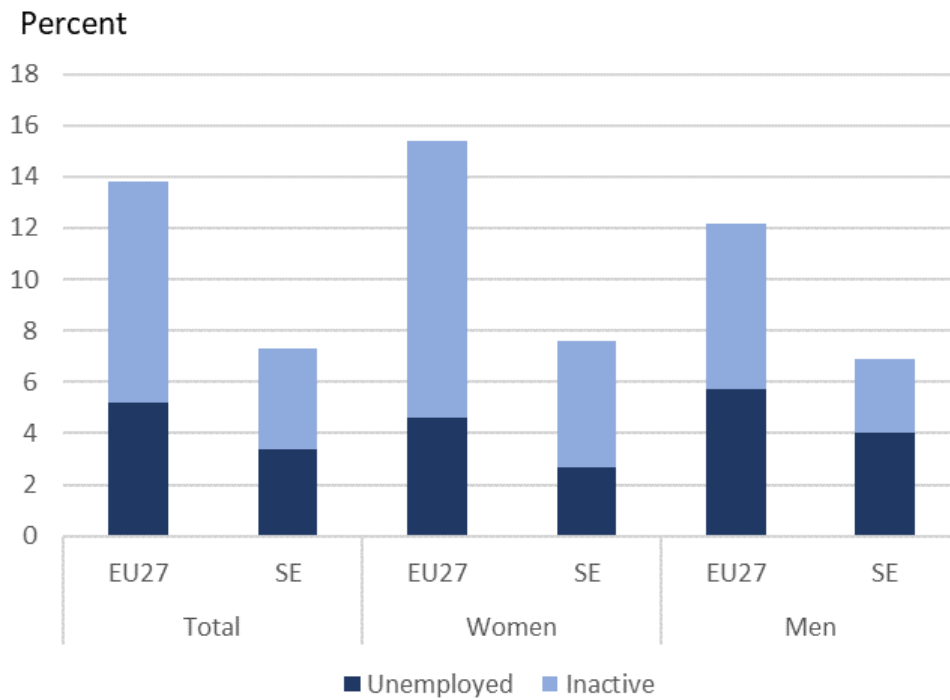
Source: Eurostat.

2.1 NEETs

In 2020, the NEET rate for young people aged 15–29 in Sweden was 7.2 percent, the second lowest rate among Member States and well below the EU rate of 13.7 percent (**Fel! Hittar inte referenskölla.**). Compared to 2019, the overall NEET rate increased by 0.9 pp, a change that derives entirely from an increase in the unemployed NEET rate.

Unemployed NEETs accounted for just 3.4 percent of the population aged 15–29 compared to 5.2 percent at EU level, while inactive NEETs accounted for a further 3.9 percent (8.6 percent at EU level). At both EU level and in Sweden the NEET rate is higher among women than among men. But the difference between men and women is much lower in Sweden, 0.7 percentage points compared to 3.2 percentage points. The rate of inactive people is significantly higher than the rate of unemployed in all groups, especially at EU level, except men in Sweden where the rate of unemployed is higher.

Figure 4 – NEET rate 15–29 (%) by labour market status, Sweden, 2020



Source: Eurostat.

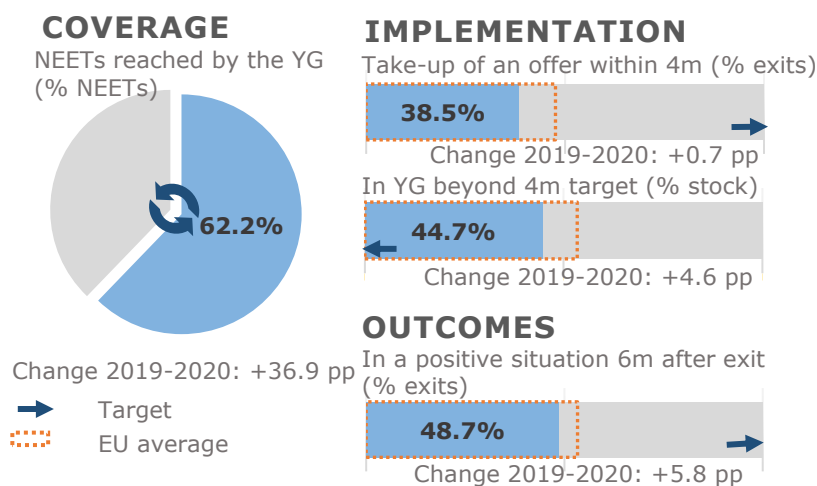
Between 2014 and 2019 the NEET rate for those aged 15–29 in Sweden fell 1.5 pp from 7.8 percent to 6.3 percent, an improvement that largely derives from the unemployed part of the NEET population (-1.2 pp) rather than the inactive part (-0.3 pp) (Figure 6). During this period, the NEET rate in Sweden was consistently among the three lowest across the EU (together with Luxembourg and the Netherlands) and was about half the rate seen at the EU level.

Results show that, on average in 2020, about three fifths of the NEET population aged 15–29 in Sweden (62.2%) was covered by the Youth Guarantee scheme, well above the EU average of 40.3 percent. Data for the 15–24 age-group shows that coverage has improved significantly compared to 2019 (from 47.5% to 62.0%). Not surprisingly, given that the Swedish Youth Guarantee scheme covers only young people that register for unemployment benefits, the NEET coverage rate of the scheme is clearly linked to the proportion of unemployed in the overall NEET population. As the share of unemployed NEETs increased from 36.0 percent in 2019 to 44.7 percent in 2020, the coverage rate was expected to increase.

Key results

- Sweden provided data for the 25–29 age-group for the first time. Comparison through time for the wider age-group supported by the Reinforced Youth Guarantee (15–29) is thus not yet possible.
- In 2020, 44.7 percent of young people remained in the youth guarantee preparatory phase beyond the 4-month target, a better (lower) result than the EU average of 53.4 percent.
- Almost two in five (38.5%) of those leaving the youth guarantee in 2020 took up an offer within 4 months of registration, below the EU average of 47.6 percent.
- The Swedish Youth Guarantee scheme covered around three in five (62.2%) of all NEETs aged under 29 in 2020, well above the EU average of 40.3 percent.
- Data for the 15-24 age-group shows that coverage has improved significantly compared to 2019 (from 47.5% to 62.0%), most likely reflecting the difficult labour market conditions resulting from the COVID-19 pandemic that will tend to result in more young people needing help to find work and registering with the PES.
- Almost half (48.7%) of those leaving the scheme in 2020 were known to be in a positive situation 6 months after exit. This rate is below the EU average of 53.3 percent.

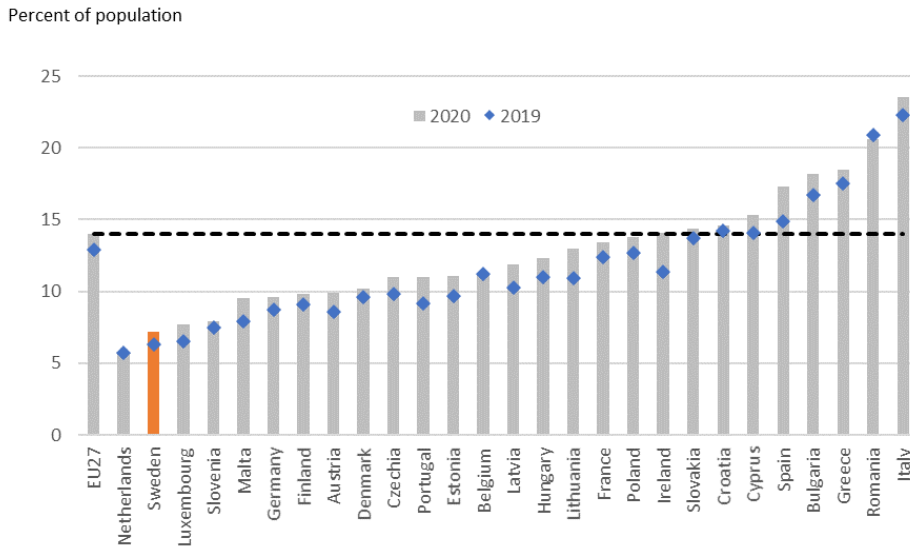
Figure 5 – Key results, 15–29, Sweden, 2020



Source: DG EMPL, YG monitoring database, data extracted on 05 October 2021.

Notes: Change between 2019 and 2020 not applicable as reference data are different (15–24 in 2019 vs 15–29 in 2020).

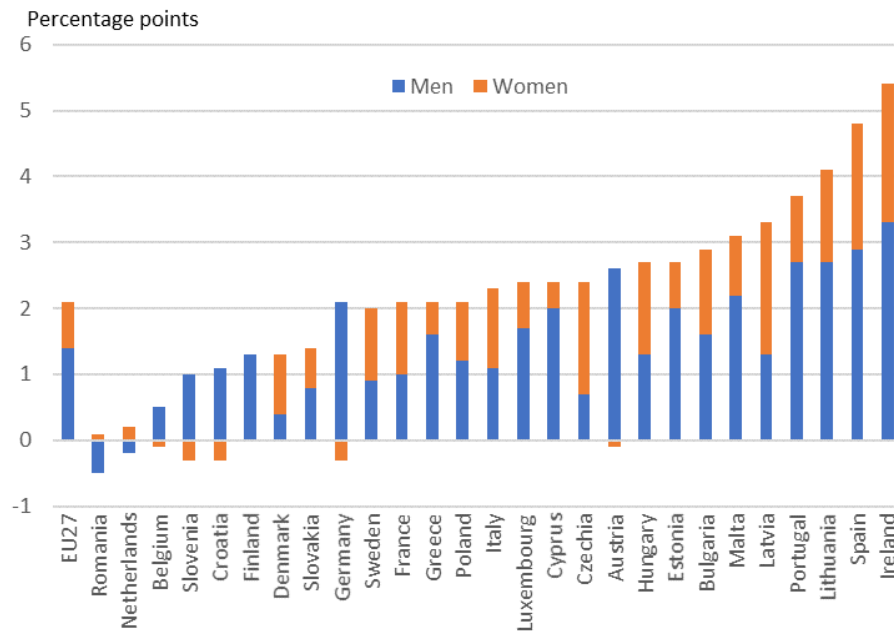
Figure 6: NEET rate in the EU, 15–29 years, 2019–2020



Source: Eurostat.

For most of the MS the NEET rate has increased between 2019 and 2020 among both men and women. In 18 MS the NEET rate have increased more among men than among women. In five MS the NEET rate show a decrease among women and in two MS the NEET rate among men has decreased.

Figure 7: Change in NEET rate in the EU, 15–29 years, 2019–2020



Source: Eurostat.

Education is one of the most important factors for young people's future opportunities. Young people who have dropped out of, or never started, upper secondary education often find themselves in a very vulnerable position. Young people who lack upper secondary education have a greater risk of unemployment and other destructive factors in both the short- and the long-term.

Continued education offers include three ALMPs that do not lead to qualifications, and one measure implemented by municipalities that supports re-entry to the regular education and training system where qualifications up to EQF level 4 may be obtained. In the latter case, training takes place in adult education centres run by the municipalities and participants can receive support through the normal student aid system ("Centrala studiestödsnämnden, CSN"). Two ALMPs – Preparatory Training Courses and Labour Market Training – last up to 6 months and participants may be eligible for financial support in the form of activity support or development allowance, whilst the remaining measure consists of a 3-month course to motivate young jobseekers with low level of qualification to pursue further studies.

3. Strategic policy for promoting youth employment

3.1. Labour market policy initiatives should target those whose need is greatest

Since 2006 Sweden has had a certain strategic policy for promoting youth employment, in line with the Council Recommendations of 2013 and 2020. The main reform of the new strategy was the establishing of a Job Guarantee for Young People ("jobbgarantin för ungdomar") in December 2007.

The Job Guarantee for Young People is directed towards young individuals who have been unemployed and registered as jobseekers at the Public Employment Service (PES) for at least three months. The initial focus in the Job Guarantee for Young People is on support and job search activities.

The Government believes that labour market policy initiatives should target those whose need is greatest, i.e., the long-term unemployed. However, some measures can be taken early in a period of unemployment in order to prevent people at risk from becoming long-term unemployed. Young people are often unemployed for a relatively short time, but those who have not completed upper secondary school, for example, are at risk of becoming long-term unemployed.

2007 launch of the Job Guarantee for Young People
 2008 launch of New Start Jobs (NSJ)
 2010 launch of study motivation courses within the Job Guarantee for Young People
 2011 launch of the higher study grant for unemployed young people
 2013 strengthening of NSJ for long-term unemployed young people
 2014 clarifications in the legislation to ensure that young people receive the support and assistance they need to return to education
 2014 launch of the 90-day Guarantee (Fully implemented in 2017, goal reached in 2018, Guarantee ended in 2019.)
 2014 established the Delegation for the Employment of Young People (DUA)
 2015 appointment of a national youth NEET coordinator
 2015 The Fast Track Initiative for newly arrived immigrants
 2017 Additional instructions to DUA to foster cooperation for newly arrived migrants, (the Delegation for the Employment of Young People and Newly Arrived Migrants)
 2020 Summer jobs for young people
 2021 Youth Policy Letter
 2021 Summer jobs for young people in socio-economically disadvantaged households

Between 2015 to 2018, the Government appointed a national youth NEET coordinator, with the task of promoting improved collaboration between authorities, municipalities, county councils and organisations at national, regional, and local level around initiatives for NEETs. The coordinator based the work on four strategies with accompanying proposals. The first strategy is preventive work that is central to reducing the influx to the group and deals with both risk and protection factors. The second strategy, quality in efforts, concern strengthening the conditions so that young NEETs receive high quality support. The third strategy, developed collaboration, concerns the need for enhanced collaboration at all levels, which requires work on structures, cultures and relationships. The fourth strategy is a systems approach, which is a prerequisite for achieving a strategic management that goes beyond sector and organisational boundaries. Governance must include the support of society as a whole, which includes public, private and civil society organisations, and be based on the individual and their needs.

In May 2020, the Swedish Agency for Youth and Civil Society (“Myndigheten för ungdoms- och civilsamhällesfrågor, MUCF”), together with several other authorities, was commissioned by the Government to develop coordinated support for young NEETs. The assignment resulted in seven proposals and ten assessments that the authorities believe should be prioritised in future shared work. The seven proposals for shared work are as follows: i) long-term mission for a national coordination, and continued assignment to MUCF to support local actors; ii) a website for knowledge and skills development; iii) a stronger responsibility for the target group at regional level; iv) more initiatives financed by the coordinating organisations for NEETs; v) a stronger presence of cross-sectoral school attendance teams; vi) mandatory to offer pupils guiding calls in case of risk of dropping out of school; and vii) investigate an extension of a coordinated individual plan. In 2021, the Government prolonged the commission for MUCF to continue to provide coordinated support for actors working with the establishment of NEETs at both national and local level.

In March 2021, the Government adopted the Youth Policy Letter (“Ungdomspolitisk skrivelse”, Skr. 2020/21:105). In the Policy Letter, the Government provides an account of the development towards the youth policy goal that all young people should have good living conditions, the power to shape their lives and influence over the development of society. The youth policy goal was presented in a Government Bill (prop. 2013/14:191). An associated action programme with over 100 initiatives to promote development towards the youth policy goal is included in the Policy Letter. Also, in the Policy Letter, the Government presents four new priorities for achieving the goal: i) mental health among young people must increase; ii) social inclusion and establishment in the labour market must increase; iii) all young people should have meaningful leisure time, and iv) all young people must be involved in the building of society. Great emphasis has been placed on developing an in-depth analysis of young people’s living conditions. Key areas that are reported are young people’s mental health, living habits, educational results, and housing situation. The Policy Letter also describes international and intergovernmental collaborations in the field of youth policy.

The public authority in charge of managing youth employment measures in Sweden is the Public Employment Service (PES). The PES is a single authority which means that all PES offices in Sweden are governed by the same rules and regulations. This ensures that the service offered is the same all over the country. Factors such as local differences in labour demand will

affect the education/training available, but in general all measures are offered on a national level. The Ordinance on labour market policy activities¹ states that labour market policy should be conducted in collaboration with other actors in the labour market, such as social partners, government agencies, municipalities, private businesses, and organizations.

Besides the Job Guarantee for Young People and other measures for youth managed by the PES, some municipalities have their own labour market measures for unemployed young people. Further, the Government has taken other general initiatives to open new and broader paths to working life for young people through support to Vocational Introduction Jobs, investments in education, apprenticeship, and vocational programmes, and reduced social security contributions. The European Social Fund (ESF) is providing opportunities to complement and strengthen national and local employment policies with a variety of measures targeting young people. All these measures together should be seen as Sweden's strategy for promoting youth employment and thus the response to the Council Recommendation on a reinforced Youth Guarantee.

3.2. The municipalities' responsibility for young people

Sweden has a local self-government, which means that the municipalities run local and regional affairs, acting on their own responsibility and in the local population's interest. Since 1991, schools in Sweden are run by the municipalities.

In 2019, an average of 136,000 young people of the population (15–29 years), 7.2 percent, did not work or study according to Eurostat. Since January 2015 municipalities are required to keep themselves informed of the occupation of young people who are not in upper secondary school and are under the age of 20. The purpose of this is for the municipalities to be able to offer these young people measures that will strengthen their prospects of returning to education or moving on into work. Under the Education Act, municipalities are required to maintain a register of the young people covered by the municipal responsibility to ensure activity. The municipality must also document the measures taken. All young people covered by the municipal responsibility to ensure activity and any measures that young people take part in during the second half of the year are to be reported to Statistics Sweden. The municipality should keep up to date on how young people in the municipality are covered by the municipal responsibility to

¹ Förordning (2000:628) om den arbetsmarknadspolitiska verksamheten (Ordinance 2000:628)

ensure activity and offer them individual measures. These measures should first and foremost aim to ensure that young people start or resume an education or training programme. The alternative is to offer them another form of activity, such as a job.

The municipalities' work with school dropouts is one of many measures that should be seen as Sweden's response to the Council recommendation on the reinforced Youth Guarantee. The Swedish National Agency for Education has issued general guidelines for national follow-up of NEETs under the age of 20 and offer support for the municipalities' work with this target group.

4. Labour market measures for young people

4.1. The work of the PES

As shown by the statistics presented above, most young people in Sweden are unemployed for only a short period of time (Figure 2) and in order to avoid 'lock-in' effects, the initial focus for most unemployed young people is on support and job search activities. However, individuals who face a high risk of long-term unemployment may take part in early activation measures, as early intervention and activation measures seek to tackle the problem even before it exists, such as enhanced support and placement assistance, study motivation courses, education, or work experience. These are basically the same activities as within the Job Guarantee for Young People (see below), but the choice of activity should always be based on the needs of the individual.

Since 2020, the PES has been using an automated assessment support on a limited scale for two different services. The assessment support is an automated tool that analyses large amounts of data about the jobseeker and the labour market. The assessment support is used to carry out profiling of jobseekers, after which a labour market policy assessment is made. By weighing together some thirty factors – including education, professional experience and place of residence – the temporal distance between the jobseeker and the labour market is assessed, along with which support he or she requires to enter the labour market. The aim is for jobseekers to receive an accurate and more uniform assessment, which will hopefully lead to a more appropriate and more effective measure.

Those without a high risk of long-term unemployment may participate in educational and vocational counselling and jobseeker activities.

A study motivation course (described below) is also available for those with incomplete grades from primary or secondary education, irrespective of the result of the assessment tool.

Individual action plan

Each new individual registered with the PES is to have an individual action plan within 30 days of registering and even earlier for young people. The action plan is an agreement between the unemployed person and the advisers about what the individual should do to find a job and what support the PES can offer. The plan may contain an agreement to contact a number of employers, a CV update, activities the jobseeker is to take part in, etc.

Activity report

All persons registered with the PES and participants in a Labour Market Programme must document all activities carried out to find a job and the jobs applied for in an activity report. The activity report was launched in September 2013 and is based on the idea that the more active the unemployed are while looking for a job, the greater the chances are to find one. Carefully documenting all the jobs applied for and everything else done in order to leave unemployment enables the individual to receive better support in looking for work. Between the 1st and the 14th of each month, the activity report must be completed/updated. This is managed through a digital application. In September 2019, the PES introduced an automatic and risk-based review of activity reports. Together with the action plan, the activity report provides good support for the unemployed as well as for the adviser when planning how to proceed in order to find work.

Requirement to register for PES measures

Every young unemployed person in Sweden is offered individual support and financial compensation after (at the latest) three months of registration at the PES, to help them get a job or begin or resume education as quickly as possible. However, to be guaranteed PES support and measures, the individual must register with the PES. This is partly because the PES documents and compiles statistics on its participants (individual characteristics, follow-up, etc.) and partly because the individual receives financial support while registered in a measure at the PES. The system does not exclude anyone; it just requires each person who wants to participate in a measure offered by the PES to register with the PES. It is possible to access information and support services in PES offices and to use web-based services on the PES website without being registered.

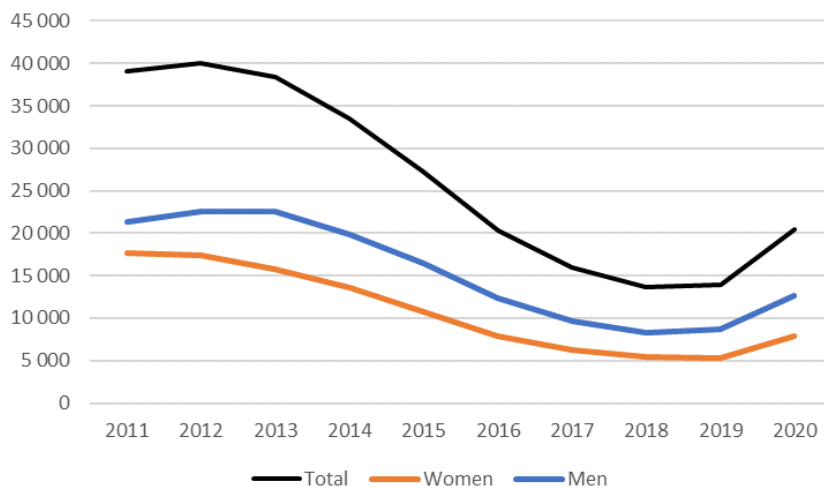
It is a challenge to establish contact with young people who have not previously been in contact with the PES. In order to reach young people and to enhance confidence in the agency, the PES arranges information campaigns at schools and other venues. The PES also has special instructions to collaborate with schools to ensure and facilitate the transition from school to work for young people with disabilities. Everyone is welcome to register with the PES and registration is required to be guaranteed active support from the PES. At the same time, it is important to emphasise that the PES does not have an outreach assignment.

4.2. The Job Guarantee for Young People

In December 2007 the Labour Market Policy Programme the Job Guarantee for Young People was introduced in Sweden. The purpose of the Job Guarantee for Young People is to offer young people individual employment measures at an early stage in order for them to get a job or begin or resume education as quickly as possible.

The Job Guarantee for Young People is directed towards young people (aged 16–24) who have been unemployed and registered as jobseekers at the PES for at least three months over a four-month period. In 2020, the programme had an average of 20,487 participants per month, which was an increase of nearly 6,500 participants on average per month compared to 2019, the main cause of which can be explained by the COVID-19 pandemic. A majority of the participants are young men. One explanation for the fact that unemployment among young men is higher than among young women may be that a larger proportion of young men have not completed upper secondary education.

Figure 8: Number of participants on average per year in the Job Guarantee for Young People 2011–2020



Source: The Swedish PES.

Upon entering the programme, the focus is generally on in-depth assessment, educational and vocational counselling in order to assess the need for activities and support together with the jobseeker. Based on the in-depth assessment, the jobseeker will be offered individually designed activities such as jobseeker activities with coaching, work practice, education or training, study motivation courses, business start-up support, employability rehabilitation, etc. The activities chosen must aim at strengthening the jobseeker's position in the labour market to achieve the goal of work or education as quickly as possible. The activities are planned together with the jobseeker and are described in the jobseeker's action plan.

It is important that participants actively look for work while participating in the Job Guarantee for Young People and that advisers are kept informed about which jobs each individual has applied for. It is also important for participants to comply with their part of the agreement in the action plan and that they accept suitable work offered.

Education opportunities in the Job Guarantee for Young People

Young people with incomplete grades from primary or upper secondary education have a higher risk of long-term unemployment and future labour market-related problems. It is important to enable them to gain the qualifications they are missing. A person who lacks a school-leaving certificate from compulsory or upper secondary school may take part in a motivation course arranged at a folk high school ("folkhögskola"). The aim of the course is to motivate participants to complete or continue their education.

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

Further, participants in the Job Guarantee for Young People who have reached the age of 20 are entitled to take part in the Guarantee on a part-time basis, to allow them time to participate in municipal adult education courses or study Swedish for Immigrants. The aim is to increase study motivation, clarify the role of education in the labour market and encourage more participants to choose full-time studies.

An Education Entry Grant (“studiestartsstöd”) is a grant that unemployed people aged 25–60 (as from January 2022 age limit is raised from 56 to 60 years) may be able to receive for a limited period of time in order to study at compulsory or upper secondary level. The initiative targets those who have been unemployed for a total of at least six months, are registered at the PES, have not received student aid in the past three years, and studies at least 50 percent of full-time for at least three weeks. Education Entry Grants can be granted for 50 weeks for full-time studies.

Financial support

Participants who have reached the age of 18 receive financial support while participating in the Job Guarantee for Young People. The support is paid by the Swedish Social Insurance Agency (“Försäkringskassan”). An individual can participate in the Guarantee until they begin full-time work or start studying outside of the Guarantee, for example, at a higher education institution. The maximum period in the Job Guarantee for Young People is 15 months. After 15 months in the programme the person is enrolled in the Job and Development Guarantee Programme (“jobb- och utvecklingsgarantin”).

Challenges in the Job Guarantee for Young People

In 2020, the Guarantee had an average of 20,487 participants per month. The ambition with the Job Guarantee for Young People is to give all young people individual support in order for them to enrol in work or education as quickly as possible. Given the high volumes in the programme, not all young people have been able to obtain the measures that best meet their individual needs. For example, competition for workplace activities is hard when individuals from other vulnerable groups (newly arrived immigrants, disabled, long-term unemployed, etc.) are also in need of this measure. However, all young unemployed people receive support and financial compensation after three months of registration at the PES. Starting a couple of years ago, the Government and the PES have made efforts to increase the level of activity and the proportion of work-based activities in the Guarantee. Further, actions funded by the ESF (including the Youth Employment Initiative, YEI) have provided a good opportunity to both reinforce and complement the Guarantee.

A Government mission on summer jobs for young people targeting socio-economically disadvantaged households.

The Government allocated SEK 100 million in 2020 and SEK 180 million in 2021 to offer summer jobs for young people in municipalities. The initiative in 2021 was aimed at young people who had completed compulsory education, pupils in upper secondary education and those covered by the municipal responsibility to ensure activity. The PES should strive to distribute half of the funds with regard to the number of young people in the municipalities living in households with socio-economically low status, as they may be less able to establish themselves in the labour market compared with young people with a stronger socio-economic background. Socio-economically low status refers to households where earned income is less than 60 per cent of the median in the country.

4.3. Measures for newly arrived immigrants

Act on introduction activities for certain newly arrived immigrants

Since December 2010, the PES has been responsible for coordinating the Introduction Act for newly arrived immigrants (“lag om etableringsinsatser för visa nyanlända invandrare”). Through the reform to speed up the introduction of newly arrived immigrants in work and community life, Sweden offers measures targeting newly arrived young immigrants aged 20 and up. Newly arrived immigrants are refugees and other persons in need of protection, and their family members.

The reform involves the following features:

- *Central government responsibility, with the PES as coordinating agency.*

The PES has been given a central role and primary responsibility to underline the importance of a fast introduction to the labour market.

- *Individual introduction plan.*

An introduction dialogue between the PES and the newly arrived immigrant should lead to an introduction plan that is based on a mapping of the newly arrived immigrant’s educational background, previous work experience and need for training and other measures.

- *Individualised benefit.*

Newly arrived immigrants who take part in activities under an introduction plan are entitled to a benefit.

- *Civic orientation and Swedish for Immigrants.*

The aim is to foster a basic understanding of Swedish society and provide a foundation for continued knowledge acquisition. In February 2020, civic orientation was increased from 60 hours to 100 hours. Swedish for Immigrants for basic skills in the Swedish language is offered by the municipalities.

New regulations from 2018

A new set of rules was introduced in the Introductory Programme for newly arrived immigrants in January 2018 (“etableringsprogrammet för visa nyanlända invandrare”). Mandatory compulsory education was introduced at the same time for those with a short educational background. The Introductory Programme is a Labour Market Policy Programme aimed at newly arrived immigrants who have reached the age of 20 but not 65 and who have been granted a residence permit as refugees or people in need of protection and some of their relatives. The purpose of the Introductory Programme is to facilitate and accelerate the participants’ establishment in working life and society.

4.4. Measures through the ESF and ESF+

As a complement to the national measures managed by the PES and local measures managed by the municipalities, the ESF has had an important role in promoting employment for young people and will continue to have so in the future ESF+ programme. A number of projects financed by the ESF have been in operation, with a special focus on early intervention and activation measures for NEETs. Youth and measures for young people were prioritised in the ESF programme for 2014–2020. The ESF, including the Youth Employment Initiative (YEI), have contributed to the national policy for promoting youth employment by making it possible to complement and strengthen the existing Swedish schemes. The programme proposal for ESF+ contains continued opportunities for measures for young people.

5. Supportive measures for labour market integration

5.1. Reduced social security contributions for young people

No employers' social security contributions for young people aged between 15 and 18

As of 1 August 2019, employers are only required to pay the old age pension contribution for employees aged 15–17 earning less than SEK 25,000 per month. If the wage is higher, the employer pays the full employers' social security contributions of 31.42 per cent in total.

Lower employers' social security contributions for young people aged between 19–23

As of 1 January 2021, the employers' social security contributions have been reduced to 19.73 per cent for persons born between 1998–2002 earning up to SEK 25,000 per month.

Between January 2021 and March 2023, employers pay a lower employers' social security contributions for persons aged between 19–23. The reduction was further increased so that only the old age pension contribution of 10.21 per cent was paid in June-August 2021. The reduction applies to earning of up to SEK 25,000 per month. The same reduction will also apply in June, July and August 2022, i.e. only the 10.21 per cent old age pension contribution is paid by employers employing young people.

5.2. New Start Jobs

An employer may hire a person between 20 and 25 years old who has been unemployed or absent from work for at least six months for a New Start Job (“nystartsjobb”). This entails a temporary financial reduction for the period 1 April 2022 to 31 December 2023 corresponding to two, two and a half or three times the employer's social security contributions up to a monthly salary of SEK 20,000 for this group for full-time work, depending on for how long time the individual been absent from work. The financial reduction is available for as long as the employee has been out of work, but a maximum of one year.

5.3 Introductory Jobs

A young person who has reached the age of 20 and has participated in the job guarantee for young people for at least 200 benefit days qualifies for an Introductory Job (“introduktionsjobb”). Introductory Jobs were introduced in May 2018 and replaced five forms of support. Introduction Jobs are made

available to the long-term unemployed and new arrivals who need additional support to enter the labour market. For a full-time position, an employer may receive compensation amounting to 80 per cent of the wage cost up to a ceiling of a monthly wage equivalent to SEK 20,000. For the first six months, the employer may, if necessary, receive compensation for supervision or upskilling initiatives for the employee. The supervisor contribution is SEK 2000 per month for employment above 50 per cent of full-time hours and SEK 1000 per month for employment below 50 per cent of full-time hours. The participant can combine their work with education and training.

5.4 Specific labour market initiatives for people with disabilities

In addition to the general labour market measures, a large number of labour market measures and programmes are specifically aimed at jobseekers with disabilities. If necessary, these people may be entitled to both vocational rehabilitation and/or special assistance in the form of subsidised employment or other support. This may include assistive devices in the workplace, a personal assistant, a special support person (a SIUS consultant), measures for people with impaired sight and hearing, and special support to start a business. Jobseekers with disabilities may also be offered subsidised employment in the form of Wage Subsidies, and Sheltered Employment. The individual's work capacity determines the size of the Wage Subsidy. In certain cases, provider allowances are also paid. These different forms of employment within wage subsidies are linked to the employee and his or her disability, but the support is paid to the employer. The employee receives a salary and has an employment relationship with the employer. The subsidy, its impact on the type of wage subsidy and its size is a matter between the PES and the employer.

Wage Subsidised Employment

A Wage Subsidy ("lönebidrag") is a financial contribution to the employer as a compensation for the employer adapting the job and the workplace to a person's circumstances. There are three types of Wage Subsidies:

Wage Subsidy for development in employment ("lönebidrag för utveckling i anställning") – to develop the persons competence and ability to work to make it easier to get a job or start studying in the future. The employment may last for a period of 12 months with a possibility of extension for one year.

Wage Subsidy for employment (“lönebidrag för anställning”) – to increase the persons chances of getting and keeping a job that suits his competence and skills. You can usually receive compensation for up to eight years. The first decision on Wage Subsidies for employment covers a maximum of one year. If the employee continues to need adjustment the PES extends the decision.

Wage Subsidy for security in employment (“lönebidrag för trygghet i anställning”) – for those with a need for long-term support in order to get and keep a job. The aim is to offer individuals an opportunity to try to develop their work capacity through work and a range of development initiatives. The employment is subject to the Employment Protection Act.

The person can work for both private and public employers. He or she can have permanent or temporary employment and can work either full-time or part-time. In the long run, the goal is that the person’s employment will be converted to employment without financial support for the employer.

Protected work

The PES may also decide on protected work for a person whose ability to work is so impaired that the person cannot get another job and whose needs cannot be met through other efforts. There are two types of protected work:

Sheltered Employment with a public sector employer

Protected work is available as Sheltered Employment with a public employer (“skyddat arbete hos offentlig arbetsgivare”). The employment aims to promote rehabilitation of the individual, develop, and enhance work capacity and improve opportunities of finding a regular job. The target group consists of people with (socio-medical) disabilities and substance abusers. The employment may be decided for a maximum of 2 years at a time.

Protected work at Samhall

The target group may also be offered employment at Samhall, a Swedish state-owned company, whose aim is to produce goods and services in demand and, by doing so, create meaningful and stimulating work for people with disabilities (“skyddat arbete hos Samhall”). The goal for Samhall is that in the long run the person should be able to get a job with another employer. The PES is responsible for all referrals for sheltered employment within Samhall AB.

The PES also has other measures to support persons into employment. Examples of such efforts are the following:

Assistive devices

Assistive devices in the workplace (“hjälpmedel på arbetsplatsen”) can be excellent tools and are often all that is needed in a new job. This may entail adapting the workplace or acquiring a particular product, and support may be given to both the employer and the employee. Employers and employees may each receive support of up to SEK 100,000.

Personal assistance

An employee may sometimes need to ask a colleague for help with certain tasks. In these cases, the employer may receive a contribution to offset any extra costs (“bidrag för personligt biträde”). Employers may also receive compensation if they take on a young person with disabilities for practical vocational orientation and if they are providers of labour market programmes. Self-employed people may also receive this support. The support is a maximum of SEK 60,000 per year.

Individual support from a SIUS consultant

If a person needs a great deal of individual support to learn to perform their work tasks, employers can receive personal introduction assistance from a specially trained employment officer, known as a special introduction and follow-up support consultant (a SIUS consultant, “särskild stödperson för introduktions- och uppföljningsstöd”). This support is gradually decreased over the support period and will end completely when the person is able to perform their tasks independently.

6. Evaluation of labour market measures

Youth unemployment can have long-term effects on individuals’ job prospects and can thus be costly not only for individuals but also for society as a whole. Therefore, the Swedish Government has put great emphasis on measures that promote youth employment. As this paper shows, many reforms have been implemented in recent years. The reforms are under continuous review to ensure that effectiveness and improvements are made.

The PES collects and reports monthly data on participants in labour market measures managed by the PES. Through the data set, it is possible to follow up on the participants by sex, age, region of birth, educational background, disability, and time with the PES. The result of the measure can be evaluated

by the status of the participant 1, 90 or 180 days after leaving the intervention. The different statuses used for participant follow-up include “employed without support”, “studies”, “in New Start Job”, “in Subsidised Employment”, “still unemployed but not in a measure” or “in the Job and Development Guarantee”. The collected data is analysed for use in continuous improvement of labour market policy measures.

Further, a research institute under the Swedish Ministry of Employment, the Institute for Evaluation of Labour Market and Education Policy (“Institutet för arbetsmarknads- och utbildningspolitisk utvärdering, IFAU”), has the objective of promoting, supporting, and carrying out scientific evaluations. IFAU has been given four tasks by the Government: follow-up and evaluation of labour market activities; evaluation of the effects of measures in the education system; evaluation of the effects of social insurance on the labour market; and studies of the functioning of the labour market. IFAU has published many working papers and reports regarding labour market policies for young people. Some of these are:

- W.P. 2019:12 Unemployment insurance and youth labor market entry
- W.P. 2013:25 Adolescent predictors of unemployment and disability pension across the life course – a longitudinal study of selection in 49 321 Swedish men.
- W.P. 2020:17 Lost opportunities: Market work during high school, establishment closures and the impact on career prospects.

7. Education

Education is one of the most important factors for young people’s future opportunities. The Swedish Education Act stipulates that all children and young people must have access to education of equal value, irrespective of gender, place of residence and social and financial circumstances. Also, in accordance with the Education Act, pupils in all school forms in Sweden except preschool and the preschool class must have access to study and vocational guidance. In Sweden, compulsory schooling lasts for nine years, and children have a right to education from the age of seven. Upper secondary school is divided into 18 three-year national programmes, 12 of which are vocational programmes and six of which are preparatory programmes for higher education. The preparatory programmes for higher education provide basic eligibility for further studies in higher education at

undergraduate level. Pupils in vocational programmes can obtain eligibility for higher education by taking some extra courses.

Young people lacking upper secondary education need special attention, risk unemployment and a range of other destructive factors in both the short- and the long-term. Assisting young people under the age of 20 who are outside upper secondary education is therefore highly important for both individuals and society. A young person may drop out of upper secondary education for various reasons, for example, illness, to start working, travel abroad or to start some other form of education.

In many cases, young people not in education, employment, or training (NEETs) are in complicated situations. They may have a background of social problems and educational failure. Such backgrounds may lead to poor self-esteem and difficulty in dealing with simple everyday activities. A large proportion of these people were born abroad, and this group includes newly arrived immigrants in Sweden, as well as young people with different disabilities. The target group therefore has a need for flexible, individually adapted and in some cases long-term measures.

The Government has taken many initiatives in recent years to improve the education system.

The Government has launched a major education initiative to strengthen and promote adult education and lifelong learning. The so-called Knowledge Boost (“Kunskapslyftet”), in place since 2015, involves state-funded training places in vocational adult education programmes on upper secondary level, higher vocational education, education at folk high schools as well as at universities and colleges.

The Government is proposing to introduce a new Student Finance Scheme for Transition and Retraining from 2023, for people with work experience in need of further or new education to strengthen their position in the labour market. The new Student Finance Scheme aims to ensure that professionals can participate in education for both up- and reskilling purposes. The support is aimed at adults who are established on the labour market, and ensures that the vast majority of those who are granted the support will be able to study with at least 80 percent of their previous salary for 44 weeks, including loans and grants. A prerequisite for participating is that the scheme strengthens the applicant’s position in the labour market.

Municipal Adult Education

Municipal Adult Education (“kommunal vuxenutbildning”) is offered at basic and upper secondary level to help adults gain the knowledge they need to take part in society and working life. It is also meant to prepare adults for further study. Municipal Adult Education at upper secondary level aims at giving adults knowledge corresponding to the levels set for pupils at upper secondary school. Also, Swedish for Immigrants (“sfi”) is offered, as well as special-needs adult education.

Higher education

Sweden has a long tradition of free higher education paid for by the taxpayer. However, tuition fees have been introduced for citizens from countries outside the EU, the EEA and Switzerland. Education gives people the opportunity to shape their own lives and to influence their own situation and is thus very valuable at individual level. Higher education is also of strategic importance for the future. Sweden’s ability to maintain and develop welfare depends to a large extent on our country's ability to manage knowledge.

8. Involvement of the social partners

The social partners play a key role in creating conditions for sustainable growth and full employment. The Swedish labour market has a high degree of organisation, broad collective bargaining agreement coverage and a well-developed social dialogue. The social partners in Sweden traditionally resolve many issues by means of collective bargaining agreements, without central government intervention in the form of legislation or the involvement of public authorities.

Regular consultations take place between the Government and the social partners on matters associated with EU matters that concern the social partners. These consultations, which take place both at the political level and with senior civil servants, provide opportunities to discuss important EU issues in relation to the Government’s actions and national policies.