

LABOUR MARKET

This package contains information about Central Baltic 2014-2020 project results that support employability and entering into labour market of more vulnerable groups.



Students at a project ChangeMakers bootcamp on Åland. The project created cross-border mini-companies to enhance a sustainable entrepreneurial mindset among youngsters. Photo: Jana Lemberg.

What are result packages?

Result packages are part of the 2014-2020 programmes' capitalisation strategy. They promote programme achievements in logical entities by providing summaries of results and examples of good practices. They are all structured in the same way.

In total, there are 10 packages that summarise different thematic areas addressed by the Central Baltic programme. The themes of the different packages are:

- Export
- *Labour market*
- Sustainable management of the coastal and marine areas
- Vocational education
- Sustainable tourism
- Integrated urban planning
- New business development
- The development of transport corridors
- Small ports development package
- Water

The **Gardens** project offered persons in risk of lifelong exclusion to take part in gardening activities. Through practical work in the garden together with individual counselling, the project improved individual competences and created new possibilities on the labour market and in the society in general. Photo: Susanne Hamilton.



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Scope of the package

This package contains information about Central Baltic 2014-2020 project results that support employability and entering into labour market of more vulnerable groups.

In Central Baltic Programme 2014-2020, labour market issues were not directly addressed. However, several projects financed from specific objective ‘**More people benefiting from stronger Central Baltic communities**’ (SO 4.1) supported the access into labour market of different risk groups. In addition, specific objective ‘**More entrepreneurial youth**’ (SO 1.2) projects helped young people to develop entrepreneurial mind-set and gave them business experience.

In specific objective ‘More people benefiting from stronger Central Baltic communities’, only small projects (maximum duration two years and maximum budget 200 000 € ERDF) were financed. Those projects were designed to use ‘people to people’ approach and support the target groups in very practical way. For example, special training courses and IT tools were developed and tested by the target groups, support methods and guidance materials created and administrative staff trained to use them.

Each project was working with a specific group of people and the developed methods were based on the needs of that group. It was required that the members of the target group participate in project activities and thereby benefit from the project already during its implementation.



Projects that were supporting participation in labour market planned to involve 2355 persons in project activities.



By March 2021, already 3181 persons had benefitted from the projects.

Specific objective ‘**More entrepreneurial youth**’ projects provided training and mentoring activities as well as inspiration and encouragement to young people, in order to increase their entrepreneurial skills and mind-set. In all projects, cross border student companies were created to give participants experience of developing and implementing their business ideas in international environment.



According to the project applications, projects have planned to involve all together 2440 young people in project activities and thereby give them

Project **ActiveAge** developed social well-being of locals aged 55 and upwards by improving practical skills and knowledge to improve employment and income.



Background¹

The labour market situation in Central Baltic countries reflects their economic situation and is thereby somewhat different. 2007-2008 economic crisis had strong impact in all the Central Baltic countries but since 2010, the employment rate started to increase in all regions. Throughout the programme period 2014-2020, the employment rate has been highest in Sweden reaching 77,1% in 2019, compared to 72,3% in Latvia at the same time.

During the period 2014-2020, labour market of Central Baltic countries was affected by several global trends. Based on Eurostat data, the employment rate in all Central Baltic countries grew steadily during 2014-2019. The growth was especially noticeable in Estonia and Latvia where the employment rate grew by 5,7 and 6 percentage points, reaching 75,3% and 72,3% in 2019 respectively. During the Covid-19 pandemic, unemployment rate grew and employment rate declined in all Central Baltic countries. Unemployment rate increased the most in Estonia, from 4,4% in 2019 to 6,8% in 2020 and the least in Finland (from 6,7% to 7,8%).

Covid-19 crisis has an especially strong impact on sectors such as tourism, culture, entertainment, catering/restaurant, creative industries and event organising. In addition, during general economic and employment crisis, the unemployment tends to increase most among the more vulnerable groups of society such as youth, older workforce, women, low-skilled workers, people with special needs, minorities.

After the European immigration crisis starting 2015, especially in Finland and Sweden the issue of social inclusion and employment of immigrants became more acute. In addition to measures implemented on national level, also several projects addressed the problem.

Constant relatively high youth unemployment rate means that young people have difficulties entering the labour market. Youth unemployment increased considerably in Central Baltic area during Covid-19 pandemic and was in 2020 above EU-27 level (16,8%) in all Central Baltic countries except Latvia, where it was 14,9%. Youth unemployment rate was especially high in Sweden at 23,9%.

Employment rate of men is higher than that of women in all Central Baltic countries. In some cases, it can be explained by women taking care of children and other family members. However, not being employed for longer periods can cause difficulties to (re)enter the labour force and find suitable employment.

Structural unemployment (mismatch of skills of people and the needs of the labour market) is a problem in all Central Baltic countries and affects the chances of unemployed to find a job and employers to hire suitable employees. To better balance labour market demand and supply, forecasting and analysis of labour market needs is carried out and educational institutions are adjusting their training programmes to provide labour force suitable skills.

Long-term unemployment rate rose during the Covid-19 crisis but remains below EU -27 level. However, long-term unemployed usually need special support measures in addition to work

¹Statistical data is taken from Eurostat Employment and unemployment (LFS) database: <https://ec.europa.eu/eurostat/web/lfs/data/database>

related training to re-enter the labour market.

To tackle the labour market problems, measures are being implemented by national, regional and local authorities, employers and employee organisations as well as other actors on labour market. Cross-border projects add innovative approach and new solutions developed in cooperation with organisations from other countries facing the same issues with including the risk groups into labour market.

Timeline

Projects from all 5 Calls of Central Baltic programme 2014-2020 are included in this package, first projects started in 2015 and the 5th Call projects will run until 2022.



Timeline of projects

Achieved results and effect

For programme result indicators, the projects financed in specific objective **‘More people benefiting from stronger Central Baltic communities’** indicated the community or target group whose social inclusion will be increased by the project. Out of 24 projects financed under this specific objective, about half directly targeted problems their target groups were facing when entering into labour market. In most projects, entering labour market and finding suitable employment was considered most important for ensuring successful social inclusion of the target group.

In specific objective **‘More entrepreneurial youth’** the result indicator was measured by the number of established joint student companies. That way, it was ensured that students participating in project activities gained a real experience in working in international teams and developing their business idea into realistic business.

For improving labour market situation in Central Baltic region, projects addressed different problems faced by their target communities, developed and implemented methods and tools to support their access into labour market. Below are given some examples from the projects:

In specific objective **‘More entrepreneurial youth’** projects DigiYouth, RIBS, CBEWB, Teaming UP, BE the future, ChangeMakers and GirlPower developed trainings for students but also for teachers and mentors. Various learning materials were created and events organised for young people to give them skills, tools and encouragement to increase their entrepreneurial thinking and ease entering into labour market.

In addition, in the project Youth-Sport-Vol, young people were given work experience via volunteering to prepare them for employment.



One bigger group of people supported by Central Baltic projects to access to labour market have been people who have been unemployed because there are no jobs matching exactly their skills.

For example, TheatreEX supported artists involved in the performing arts sector to find suitable employment opportunities as freelance artists. Projects such as Act Local, Gardens and Active Age developed and implemented measures to help people who have been **out of employment for a long time or live in areas with very few job opportunities.**

Training courses were developed to suit the needs of each individual target group. In addition, people got work experience which gave them confidence and ideas for finding more permanent employment. In some cases, counselling and advice about how to use their already existing skills to access labour market was the main tool for helping unemployed.

Projects CROSS, PRIME and ARC supported unemployed persons with **immigrant or refugee background.** For that target group, language and cultural awareness trainings were considered useful in addition to providing the participants vocational skills needed on labour market. Mentoring, voluntary work and participation in networks helped people to integrate into community and provided preconditions for finding employment.



It is difficult for young people to enter labour market and find their first jobs, especially for those who have history of mental health issues or learning difficulties.

Both can cause difficulties for performing certain job tasks but also cause stigma. Due to stigma, it might be extremely difficult to find a job, even if the person has suitable skills for working in a certain work position. To support youth with special educational needs, project SENSationalSTEM designed courses to help them to develop their entrepreneurial and job-related skills. To assist youth with mental health background, measures were developed in project RETHINK to provide the youth belonging to the risk group with suitable tools for entering employment. In addition, project PAD implemented awareness raising activities to reduce the stigma and prejudice of employers towards the target group.



Several projects supported women entering labour market.

Project ActiveMoms focussed measures on young mothers belonging to ethnic minorities and project FEM for Estonian women immigrating to Finland. Young mothers were provided knowledge, experience and ideas for starting their own business via trainings. Women moving to Finland for work were given much needed information about living and working in foreign country by peer counselling and networking.

Experiences and lessons learned

Projects were working with very different target groups, and it was evident that in some cases more personal approach was required. Also the number of target group members addressed by each project varied a lot.



In general, it can be noted that the farther a person is from labour market, the more resources are needed to support their social inclusion and finding employment.

The ultimate objective of the projects was to support persons entering labour market and finding employment. Yet, in several cases the participants were not employed at the end of the project. However, they were more aware of their possibilities, had new competences, were more confident and knew what tools they can use to find employment. As a result, the participants of project activities were better prepared and more ready to enter labour market.



It was also observed that similar target groups still had somewhat different problems in different countries.

Therefore, also the support measures such as trainings, mentoring, guidance materials etc. needed to be adjusted to the concrete situation and legislative regulations in each country.

Even though most of the projects working with social and labour market inclusion issues were small projects with limited number of partners and duration, the role of strong partnership was very important. Limited duration (maximum 2 years including 3 months closure period) meant that the projects had to be well prepared and start implementing activities without delay.



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Most projects included measures for both direct target group people with social inclusion problems as well as for staff who was working with the target group during the project and is expected to use the same methods after the project end. Good guidance materials and training of the staff ensured the sustainability of project results and possibility to use the developed methods in the same but also other similar organisations.

Development after the projects ended

Most projects have reported that the developed measures will be used and further developed by the partner organisations while working with the same or similar target groups.

For sustainability of the results, well planned partnership proved to be very important: if the project partners are directly working with the target community or the organisations who are offering services to the target group are involved in implementing the activities, it is more likely that the developed methods and services are designed according to the target group needs and will be used in the future.

Participating projects

Unemployment & long-term unemployment:

- **Act Local** - community-based tourism services in rural areas, <http://database.centralbaltic.eu/project/100>
- **TheatreEX** - raising competitiveness of freelance artists, <http://database.centralbaltic.eu/project/35>
- **Active Age** - skills for 55+ unemployed in rural areas, <http://database.centralbaltic.eu/project/44>
- **Gardens** - including long term unemployed via gardening activities, <http://database.centralbaltic.eu/project/71>

Inclusion of immigrants into labour market

- **CROSS** - inclusion of Russians in Estonia and Estonians in Finland, <http://database.centralbaltic.eu/project/46>
- **PRIME** - language and cultural training programmes for young refugees, <http://database.centralbaltic.eu/project/69>
- **ARC** - inclusion of immigrants and refugees via gardening and other activities, <http://database.centralbaltic.eu/project/74>

Young people with mental health background & special educational needs

- **PAD** - reducing social exclusion and stigma of youth with mental health problems, <http://database.centralbaltic.eu/project/2>
- **RETHINK** - methods to include young people with mental health problems, <http://database.centralbaltic.eu/project/111>

- **SENsationalSTEM** - entrepreneurship training for students with special educational needs, <http://database.centralbaltic.eu/project/124>

Employment of women

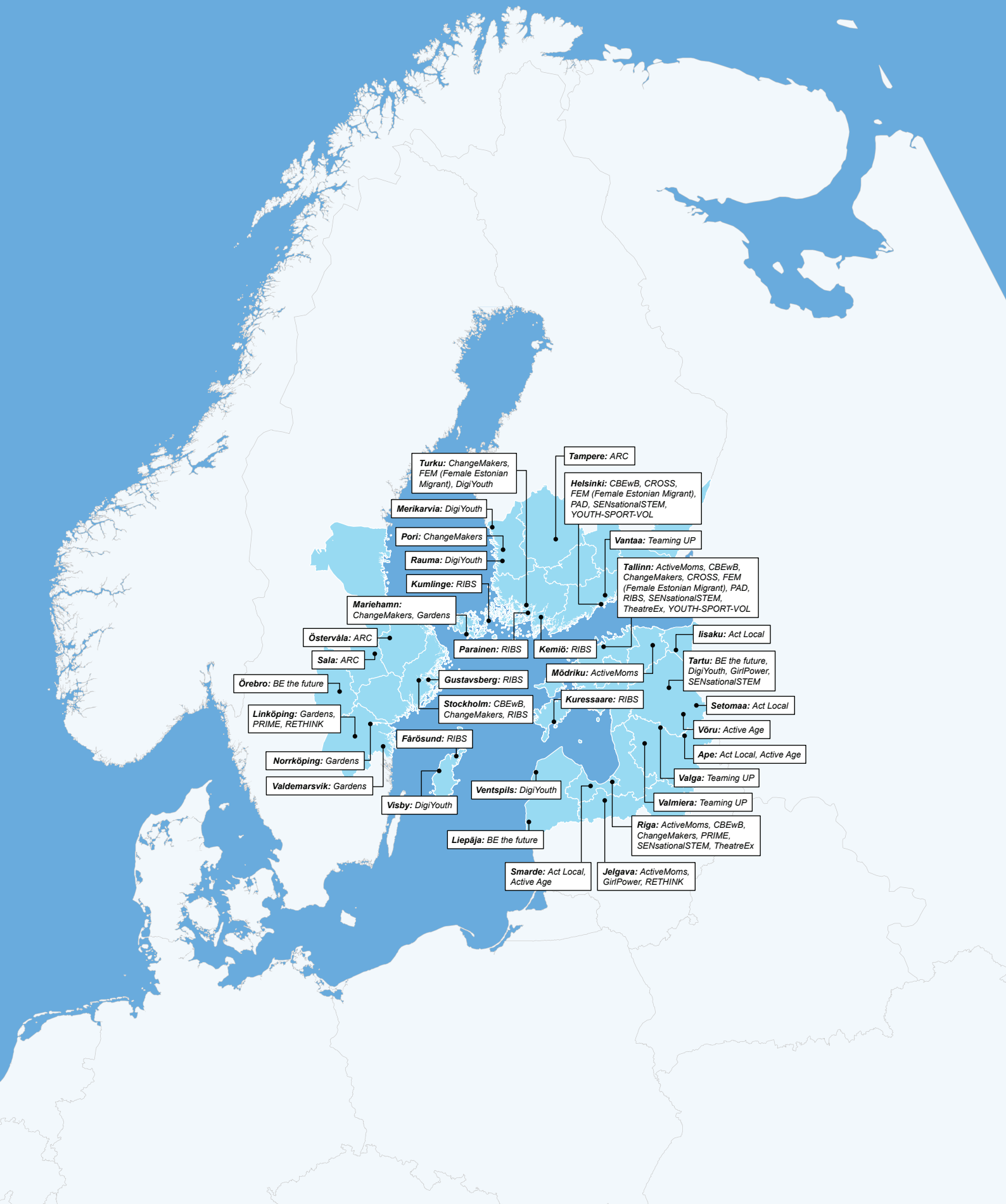
- **FEM** - better information for Estonian women working in Finland, <http://database.centralbaltic.eu/project/47>
- **ActiveMoms** - entrepreneurship for young mothers belonging to ethnic minorities, <http://database.centralbaltic.eu/project/113>

Youth employment & entrepreneurship

- **Youth-Sport-Vol** - sport volunteering model for work experience for youth, <http://database.centralbaltic.eu/project/45>
- **RIBS** - youth entrepreneurship and creativity, <http://database.centralbaltic.eu/project/113>
- **CBEwB** - student companies, <http://database.centralbaltic.eu/project/37>
- **DigiYouth** - start-up companies focussed on digital products, <http://database.centralbaltic.eu/project/86>
- **GirlPower** - model to support girls' entrepreneurship, <http://database.centralbaltic.eu/project/133>
- **BE the future** - entrepreneurship and leadership skills for girls, <http://database.centralbaltic.eu/project/115>
- **Teaming UP** - international business skills for youngsters, <http://database.centralbaltic.eu/project/131>
- **ChangeMakers** - sustainable entrepreneurship skills for young people, <http://database.centralbaltic.eu/project/116>



Map of project partner locations: labour market field



YOUNG ENTREPRENEURIAL MINDS

In ChangeMakers and RIBS youngsters from the Central Baltic region got together to help solve the big problems of the future by means of entrepreneurship

Students from five different regions in the Central Baltic area joined international bootcamps to tackle real societal challenges. Real companies and municipalities turned to these young minds to help them solve actual sustainability issues they struggle with.

One group got to develop ideas on how to best give new life to potato leftovers. After some extensive research and a bit of brainstorming, the students found that potato juice contains good nutrients for haircare and created a prototype of a potato juice shampoo.

Tilde, who then tested the shampoo claims that *“it felt like I had used regular shampoo. It’s definitely a slightly different thing to do, but fun to see what happened. The hair did not feel differently so it worked well!”*

COMMUNICATION IS KEY

The participants also identified that language, networking, and negotiation skills are key in becoming a successful entrepreneur. *“I want to get to know new people from these different countries and get better at languages, and I want to learn more about entrepreneurship and what is really needed to start a business of your own”*, says Laura from Eurajoki High School.

Project RIBS facilitated business simulations to prepare and educate youngsters for entrepreneurship. Photo: Ester Laurell.



FUTURE VISIONS AND REAL OPPORUNTITIES

In the Rolling Images in Business Startups (RIBS), more than 1000 12-18-year-olds in sparsely populated archipelago areas in Finland, Sweden, Estonia and Åland got to participate in workshops, courses and students exchanges with the aims of bolstering entrepreneurship.

In RIBS the hope is to encourage and inspire the youth to become the regional entrepreneurs of tomorrow, thus helping keep scarcely populated archipelago areas vibrant and attractive places to both live and visit.

But the project has managed to create hope for the future more at large.

“If anything, this project have cemented my beliefs and showed me that the adults of tomorrow can surpass my expectations by light years. The only thing we - you and me - have to do is give them the tools to succeed and the space needed to do so”, Oliwer Bäcklund summarises.

As an entrepreneur himself, Oliwer found RIBS to be a safe and helpful place to develop his own business. His involvement in the project later landed him the position of project leader for RIBS Finland.

DISSOLVING BARRIERS

Both the participants of ChangeMakers as well as those of RIBS highlighted how rewarding and important they found the cross border element of these projects to be.

“I thought there would be country borders, but everybody talks to everybody. If you feel comfortable with the person you are talking to and working with, you can talk more freely and discuss all ideas.”, says Sofia Lahtinen who partook in RIBS.

Her summary of RIBS reflects the same sentiments as those expressed in ChangeMakers

“It’s about connecting countries, establishing contacts and encouraging creativity”.

RIBS involved more than 1000 youngsters in 158 workshops and courses to develop entrepreneurial skills and give them a positive attitude towards entrepreneurship.

Duration: 01.09.2015 - 30.11.2018
ERDF: €1 396 710

ChangeMakers aims at nurturing a sustainable entrepreneurial mindset by way of involving students under 18 to develop cross-border start-up simulations based on environmental challenges.

Duration: 01.03.2020 - 30.11.2022
ERDF: €1 080 723