



FEANTSA

“Multiple barriers, multiple solutions: Inclusion into and through employment for people who are homeless in Europe”

National Report Finland - Annual Theme 2007

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Introduction

Employment and occupational activities are an important element of social integration. The lack or loss of employment is often one of the trigger factors that lead to homelessness. At the same time, the (re-)integration into employment or occupational activities can play a key role in bringing a person who is homeless on a pathway out of poverty and social exclusion. It helps establishing a social network, gaining experience, improving skills, developing self esteem and moving towards financial independence. This has a positive effect on other areas of life as well, such as the mental well being of the person.

People who are homeless very often belong to the people furthest away from the labour market. They face multiple barriers in accessing employment. These obstacles are personal such as lack of work experience, mental ill health or a history of substance abuse. In addition, there are many structural barriers such as lack of affordable housing, lack of public transport, lack of training possibilities etc. Finally, people who are homeless are confronted with societal barriers such as stigmatisation, prejudices and racism.

Quality services are needed that address their multiple barriers to work in a holistic way and help people who are homeless to move towards employment or related activities. Services working in the area of employment for people who are homeless have to closely cooperate with housing, training and health services in order to provide for effective solutions.

Although many people who are homeless want to work, not everybody is ready to be integrated into regular employment on the mainstream labour market or in the social economy. Some people who are homeless need extra time and training, more flexible working hours or other forms of support also after a job has been taken up. Some, such as people who have a history of substance abuse or suffer from mental ill health, might not - even not in the long-term - be able to take up a job without personal support.

Employment for people who are homeless therefore goes beyond the (re-)integration of an individual into the mainstream labour market or into the social economy. Employment is closely linked to the active involvement of people who are homeless in all kinds of occupational activities that will develop the employability of the individual. Improving employability is the development of skills and competencies that allow a person to connect with the labour market. It includes employment schemes such as supported employment or meaningful occupation.

Focusing on employability allows measuring the positive outcomes of employment schemes for people who are homeless not only in quantitative but also qualitative terms. This has proved to be more suitable for the people that are furthest away from the labour market.

FEANTSA members have gained a breadth of expertise in the area of employment for people who are homeless over the past years. To pool this expertise and further develop effective approaches to help people who are homeless moving towards employment, FEANTSA decided to dedicate the annual theme in 2007 to the topic “Multiple barriers, multiple solutions: Inclusion into and through employment for people who are homeless in Europe”.

FEANTSA’s special focus on employment and homelessness during the course of the year 2007 is in line with the clear commitment made at EU level to bring more marginalised people into employment and to treat the phenomenon of homelessness as priority on the European anti-poverty agenda.

The following questionnaire aims to collect the necessary information from all FEANTSA members that are working in the area of employment in all Member States. This information will be the basis for the national reports and the European report on this topic.



Structure of the questionnaire

Introduction2

Structure of the questionnaire3

1. Employment profiles of people who are homeless3

2. Barriers to employment for people who are homeless8

3. Policy and legal context.....9

4. Employment schemes/tools for people who are homeless.....16

5. Training for employers or public administration19

6. Cooperation between different stakeholders19

7. Funding of employment services for people who are homeless20

8. Indicators and success factors.....21

9. Data collection and research.....22

10. The right to work of people who are homeless.....22

🔔 Annex: Working definitions – only for guidance!.....23

Reference to ETHOS: Over the last years, FEANTSA has developed the European Typology on Homelessness and Housing Exclusion. ETHOS classifies people experiencing homelessness into four categories: roofless, houseless, people living in inadequate housing, people living in insecure housing. When answering the questions of this questionnaire, it may be useful to refer to these categories in order to ensure clarity and comprehensiveness. For more information, see [FEANTSA Ethos Leaflet](#).

Answers from Finland by Y-Foundation:

1. Employment profiles of people who are homeless

What are the most common employment profiles of people who are homeless in your country?

ETHOS: Do these profiles differ according to the ETHOS categories and/or within these categories? If available, please provide any figures on this. (See also 9.)

Gender dimension: Do profiles differ between men and women who are homeless? If yes, what is different?

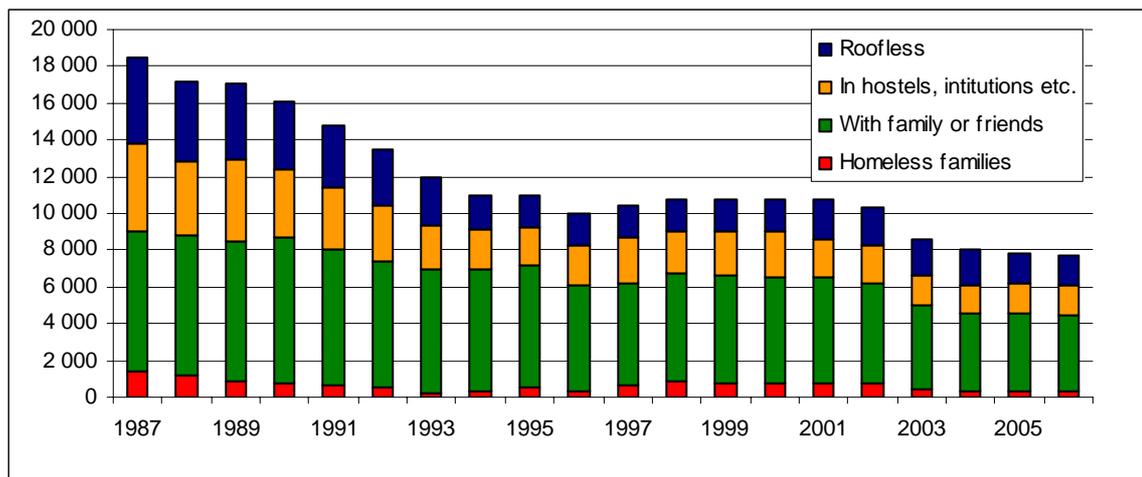
- Economically inactive🔔
- Unemployed🔔
- Student/attending educational institutions
- Participation in life skills training🔔 or meaningful occupation🔔
- Participation in vocational training🔔
- Supported employment🔔
- Work in the social economy🔔
- Work on the alternative labour market🔔
- Part time employment
- Full time employment
- Temporarily employed
- Long-term job contract
- Other, please specify:

1.1 Approximately, of the homeless people who are economically inactive, unemployed or are involved in non-paid activities, how many are actively seeking regular work on the mainstream labour market or in the social economy?

To understand the challenges met in the field of employment of the homeless people in Finland it is necessary to introduce shortly the measures taken so far in tackling homelessness. Homeless strategies in Finland have for several years targeted in building and buying homes for the homeless. Financial preconditions for building rental housing for special groups have been developed and also the meaning of support services is recognized. Combating homelessness has been a target in the programmes of several previous governments and there have been action plans both on the national and regional level (Helsinki Metropolitan Area).

Figure 1. Development of homelessness in Finland since 1987

(Source: Statistics by the Housing Fund of Finland):



The number of homeless people has declined considerably in recent years in Finland (Figure 1). At the end of the year 2000 there were some 10 000 homeless single people across Finland as well as 800 homeless families. In 2006 some 7400 households in Finland were listed homeless. This development has led to a situation where the focus is now on the long-term homelessness and homeless people with multiple problems.

In 2005 it was estimated, that only one third of the homeless people living in Helsinki Metropolitan area (where most homeless people live in Finland) can be helped by arranging a home for them. The great majority of the homeless needs special services: health services, mental health services, rehabilitation, services for intoxicant abusers, supported accommodation etc. (Asunnottomien asumispalvelujen kehittyminen 2005, 11).

This observation tells something about the prospects of the homeless people in the labour market, too. There certainly are homeless people in Finland, who have ended up homeless or are vulnerable to homelessness but really need only a home; otherwise they are perfectly capable of supporting themselves. Yet there are even more homeless



National Report Finland -Annual Theme 2007

“Multiple barriers, multiple solutions:

Inclusion into and through employment for people who are homeless in Europe”

people, who could benefit from a more comprehensive service concept matching their multiple needs of help and support. It is urgent that we can improve the living conditions of this hard core of homeless people and find ways to arrange decent housing and services suitable for their needs. For this group employment is not the main worry: labour markets are far beyond reach for these homeless people because of their vulnerable life situation.

In the long run employment can be an important part in the process of empowerment but the traditional forms of employment services or vocational training have not so far been able to respond to the needs of excluded people. Without new forms of services and alternative paths to employment the gap remains and we are facing a contradictory situation in the society: there is a growing demand for labour but simultaneously also a large group of long-term unemployed with no hope of entering the mainstream labour market.

The effectiveness of the traditional employment services and activation measures has been criticized since it has been difficult to find employment from the mainstream labour market after taking part in activation measures. Repetitive participation in activation measures has been very common. Of those who ended a measure in 2002, 77 % had participated at least once earlier during the preceding 10 years (Aho & Koponen, 2007, 2). The possibility to find employment could, however, be the only way to really improve economic situation after long rehabilitative processes.

City of Helsinki is used here as an example to describe the labour market participation of homeless people. The special situation of the capital city must be recognised. The results of the annual housing market survey in 2006 show that almost half (3065) of the single homeless people in Finland lived in Helsinki (Tiitinen & Ikonen 2007, 1, 9). 20 % of the homeless in Helsinki are women, 5 % immigrants and 15 % young people (under 25 years of age).

The social welfare services for the homeless in the city of Helsinki are the responsibility of the special social welfare office Asso. All homeless people in the city are not clients of Asso, but the statistics of the clientele give some kind of overall picture of the challenges met in the field of employment. In 2005 about 4 % of the clients were employed, 43 % had unemployment benefits as the main source of income, 14 % were retired and about 5 % were studying. About 30 % had only social assistance (the guaranteed minimum income). Most of the clients had only basic education without any vocational training. (Statistics by the welfare office Asso).

Even though the percentage of the clients living with unemployment benefits was rather high (43 %) it is difficult to estimate the amount of those actively seeking work. The actual working capacity of many of the unemployed was limited because of alcohol or drug abuse, mental health problems or other health issues.

1.2. How easy is it for people who are homeless to gain paid employment on the mainstream labour market or in the social economy? Please include any figures/national statistics that may help to describe the situation (e.g. unemployment rate, rate of long-term unemployment etc.).



National Report Finland -Annual Theme 2007

“Multiple barriers, multiple solutions:

Inclusion into and through employment for people who are homeless in Europe”

Employment was one of the main themes in the political arena in Finland during spring 2007 as the new government was formed after parliament elections in March. Employment Policy Programme was also one of the four policy programmes included in the agenda of the previous government in 2003-2006. During that period new activating measures were introduced to lower structural unemployment and to increase supply of labour. These reforms are described in part 3.3 since they focus on disadvantaged groups such as the homeless.

Also the new government programme for emphasises employment and new targets have been set to improve labour force participation rate and to reduce unemployment permanently. Labour market measures are connected to a reform of the social security system. The aim is to create incentive labour markets and to guarantee welfare services to the ageing population (Työn, yrittämisen ja työelämän politiikkaohjelma 2007).

Also the challenges to help the most excluded homeless people outside the labour market are recognized: in May 2007 the Minister of Housing appointed a working group to find new ideas and innovative solutions especially to long-term homelessness. The government programme requires that a policy programme to reduce long-term homelessness is made for the period of 2008-2011.

Finland has since the last decade suffered from high unemployment (above EU average) and slow recovery from a major depression in the beginning of the 1990ies (Figure 2). Despite of good economic growth rates (above EU average) unemployment and long term unemployment diminished only very slowly for several years (Figure 3).

Figure 2. Unemployed job-seekers in Finland in 1991-2006

(Source: Ministry of Labour)

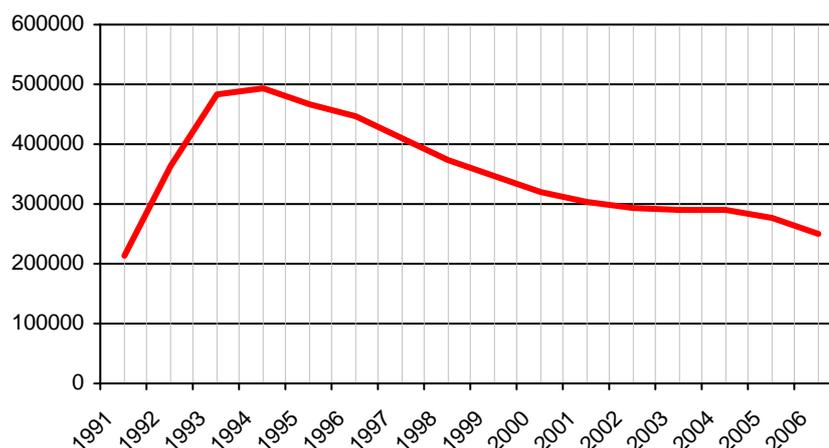
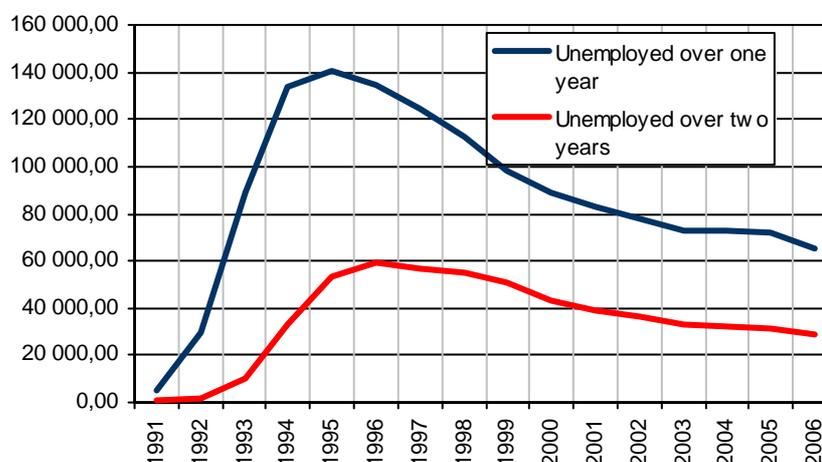


Figure 3. Development of long-term unemployment in Finland in 1991-2006

(Source: Ministry of Labour)



In April 2007 the unemployment rate was 7.2 % (8.6 % in April 2006) which means 191 000 unemployed job-seekers in the country. The labour force participation rate has been rising (69.2 % in April 2007) although it still is significantly lower than in many other European countries. 53 % of the unemployed job applicants were men and 47 % were women. The number of people placed under employment subsidy measures arranged by the labour administration covered 3.6 % of the labour force.

Although the employment situation is improving there are vast structural challenges to be overcome in the labour market in the near future. The number of population in the best working age has started declining rapidly. The big “generation change” due to demographics has started in Finland in full force (Arnkil & all 2007, 6). By the year 2015 approximately one million of those currently belonging to the work force will retire or leave the world of work for other reasons (An overview of vocational development services 2005, 4).

The growing demand for labour does not, however, necessarily improve the possibilities of the homeless or other disadvantaged groups in the labour market. Working life is changing rapidly in many ways: new skills and competences are required also in the traditional tasks and employees are expected to update their knowledge constantly. It is difficult to get a job without vocational training and work experience.

At the same time a major change is taking place in the structures and services of municipalities. This is a key factor affecting welfare services since local authorities are responsible for arranging social and health services as well as the basic education. Improving employment is crucial for the sustainable financing of a welfare state and offering services to the ageing population.

There are also large regional differences between the local labour markets: growth is mainly focused on southern Finland and major urban areas. This affects also housing markets: there is a growing demand for housing in centres and problems with empty



houses in other areas. As the construction of rental housing has been very limited during several years there is a risk that the increasing labour mobility will soon reduce the possibilities of homeless people and other vulnerable groups to get a home in the growth centres.

2. Barriers to employment for people who are homeless

What barriers to employment do people who are homeless in your country face?

ETHOS: Do these barriers differ according to the ETHOS categories (roofless, houseless, inadequate housing, insecure housing)?

Gender dimension: Do barriers to employment differ between men and women? If yes, what is different?

The barriers to employment for people who are homeless are linked to the general development in the labour market, to the ability of the labour and welfare services to support people to employment and also to the barriers caused by the life history and situation of an individual homeless person. Differences between ETHOS categories can be found, but the picture is multidimensional. Time and other factors (health problems, addictions, criminal background etc.) are also important.

The barriers for a roofless person with multiple problems and long lasting experience of homelessness are certainly high. In Finland this group of homeless people are the most visible but also most challenging part of homelessness. After all measures taken so far to improve the situation of homeless people in the country it is also a relatively large group. In principle there are services and options available, but personal barriers and stigmatization make it impossible to benefit from them. Employment can be an option, but first low threshold services, rehabilitation and improvements in living conditions are more current issues.

Houseless people live often in temporary or unsatisfactory circumstances or shelters, which do not offer good opportunities for working. Experiences from Lafos-centres (described in more detail in part 3.3) suggest that rehabilitative work periods are an effective way of improving the employability of houseless people, especially of those living in supported accommodation (Erkkilä & Valjakka, 2007). There are not enough options of rehabilitative work available and also not enough links to mainstream labour market where to get employment after the rehabilitative process. The transitional labour markets do not yet offer enough suitable job opportunities for people with social or health disadvantages. Many people could benefit also from more flexible labour markets, where part-time work could be a real option either as a gateway to fulltime work or as an acceptable solution on a regular basis.

Also the personal preferences of homeless people must be taken into account to avoid stereotyped ideas when planning services. Is it possible to choose your way of life or is there only one accepted model on which you are expected live in the society? In an ethnographic study on the life of roofless people living in the parks and forests of Helsinki it was discovered, that the lives of these homeless people were well organized (Suvanto & Suvanto 2004, 36-38). These men can be labelled as excluded since they live in self



made cabins almost outside the society. At the same time these residents in terrain are described as initiative and economically independent and they were not willing to move or change their way of life.

2.11. In many countries, a significant number of people who are homeless have a paid job but are still homeless. What are the main barriers to housing for people experiencing homelessness that have temporary or full time employment in your country?

Especially in the Helsinki metropolitan area there is a constant lack of small and reasonably priced rental housing. The construction of rental housing is minimal at the moment and the costs of living are high. Rents are high in the private market and together with a security deposit (with maximum of three months rent) this can also be an economic obstacle.

Another barrier to housing for people who have a paid job are problems with credit data, especially earlier unpaid rents or evictions. According to the law on government subsidised housing the non-payment of rents or evictions should be a valid excuse only for the same landlord in the selection of tenants. In practice the landlords have a much stricter line, also other problems in credit data can be regarded as an obstacle. For people with low income it is a huge challenge to pay back old debts and qualify as a potential tenant.

During the past few years the terms in the selection of tenants have been altered in the state-subsidized housing, which covers one half of the rental dwellings in Finland. The rules on the level of income and assets have been made more liberal to improve work force mobility in the country. By law, the tenants in state-subsidized rental housing are selected on the basis of social and financial need. But with less regulated rules on the selection there is a threat, that the most vulnerable low-income groups such as the unemployed and the homeless people are excluded since there are more and more “good” applicants in the housing market.

In Helsinki the city social welfare office for the homeless has in its disposal also normal rental housing for the clients. The target is to offer a dwelling for all who can live independently. Especially in situations when a person is employed the social services try to guarantee help in getting a home. By social assistance or preventive social assistance it has also been possible to help in other necessary costs (transportation, furniture etc.).

3. Policy and legal context

What is being done in your country to overcome the barriers to employment for people experiencing homelessness?

3.1. Right to work



Does a ‘right to work’ exist in your country? Is there any form of legal obligation to help people finding a job, changing jobs, accessing vocational training schemes etc.? If yes, please describe in more detail.

The Finnish constitution (11.6.1999/731) includes the right of work and the freedom to engage in commercial activity. Everyone has the right, as provided by an Act, to earn his or her livelihood by the employment, occupation or commercial activity of his or her choice. The public authorities shall take responsibility for the protection of the labour force. The public authorities shall promote employment and work towards guaranteeing for everyone the right to work. Provisions on the right to receive training that promotes employability are laid down by an Act. No one shall be dismissed from employment without a lawful reason.

The law does not enforce public authorities to arrange work or training for everyone. The obligation is regarded as a general target of the state. There is, however, a comprehensive network of employment office services (a state function) available all over the country (over 200 outlets) offering information about work opportunities and labour market training. Employment offices offer individual customer service and self-service computer terminals with internet access. Information about vacancies is available also on TV text-pages and in a job-line telephone service.

3.2. Mutual support between employment, homelessness and prevention policies

3.2.1. Integration of employment dimension into homelessness strategies

Do homelessness strategies in your country have integrated an employment dimension?

Does a specific employment policy for people experiencing homelessness or marginalised/disadvantaged groups exist in your country? If yes, do you think it is useful and implemented correctly and explain why? (See also 3.3.)

In Finland homelessness strategies are focused on arranging housing and support services for the homeless. Employment dimension is not integrated in a specific way in these programmes. During the past few years the employment of disadvantaged groups has, however, been a part of the Finnish employment policy programme. The general employment policies include new approaches in dealing with these groups such as the long term unemployed people. These new service constellations for customers in need of multi-professional and multiple services are expected to match the needs of the homeless people, too. Suggestions have been made that prevention of homelessness and evaluation of housing options should be a part of the individual activation plans made in the employment services (Kaakinen & all 2006, 41).

3.2.2. Prevention of housing exclusion and exclusion from the labour market

Since different types of homelessness often appear together with the exclusion from the labour market, does a policy exist that combines both, the prevention of housing exclusion and the prevention of exclusion from the labour market? If yes, do you think it is useful and implemented correctly? What can be improved?

There is not certain a policy combining the prevention of housing exclusion and the prevention of exclusion from the labour market in Finland. The general social security



system is built in a way that one can get help in case of unemployment to cover housing costs (housing allowance, social assistance). Social rental housing is an important possibility for people in urgent need of housing.

Developmental projects combining these both areas have been successful. The Catch-project in the city of Vantaa has been able to integrate young homeless people into labour market by combining training in a youth work shop and housing by Y-Foundation (Catch - Creative Approach To Combating Homelessness 2006).

The options of rehabilitative work or sheltered employment have also proved to be an important precondition in arranging housing for homeless people suffering from mental health problems.

3.3. Employment schemes for people who are homeless

Are there any employment schemes or programmes in your country that specifically target people who are homeless? If yes, please describe in more detail.

If not, are there any employment schemes or programmes that generally target socially disadvantaged groups? Can people who are homeless participate in these schemes? How effective are these schemes?

There are no special employment schemes for the homeless but homeless people are entitled to use the same employment services as everyone else. The traditional employment services have not been enough for customers in need for a more individualised and holistic service to address multiple coping challenges in their life situations (Arnkil & all 2007, 6). In order to improve employment services a reform of the public labour force service structure was implemented in 2004-2006. A new joint service and one-stop-shop called **Labour Force Service Centres (LAFOS)**, in Finnish Työvoiman palvelukeskus (TYP) have been set up.

In LAFOS the resources of public employment service (a state function), social service (a municipal service) and the National Pensions Institute are all allocated to the same service centre. LAFOS uses also health services provided by municipalities and subcontracts specialised help for the customers. At the beginning of this year there were 39 centres all over the country and in 2006 they had an average of 19 000 job-seeking customers every month (Ministry of Labour, Annual Report 2006, 12).

In the Helsinki Lafos-centre Duuri there are over 100 professionals “under the same roof” working with 3000 clients. Employment offices and social welfare offices can guide clients to Duuri, where they get an activation plan and help from the various professionals according to their needs. Case management is the key thing when the activation process is planned. Very often it includes health care, rehabilitation, subsidised work, training and debt counselling.

The work of Lafos-centres is evaluated and developed all the time. It seems, that also for homeless people this kind of service can be more effective than the traditional services in employment offices (see part 2). Right timing in guiding the clients to Duuri is essential for the success of the process. Also building connections to the open labour market is important so that there are real opportunities to work after rehabilitation. In 2006 over one



National Report Finland -Annual Theme 2007

“Multiple barriers, multiple solutions:

Inclusion into and through employment for people who are homeless in Europe”

half of the completed activation processes led to a more permanent solution: employment (33%), training (13 %) or pension (7 %) (Toiviainen 2007, 4).

Another activation measure introduced in 2005 is the **Social Guarantee for young people** (under 25 years of age). Its objective is to promote access to education, training and the labour market for young people, to prevent prolonged unemployment and promptly intervene in order to prevent the development of exclusion among young people (Ministry of Labour, Annual Report 2007, 22). The guarantee means, that the employment office shall prepare a job-seeking plan together with the young unemployed person as soon possible after the person has registered as an unemployed jobseeker. Also vocational training is encouraged. In practice this guarantee also limits young persons possibilities to get unemployment benefits (see part 3.5.)

Also the **reform of labour market subsidies** and the **changes in the finance structure of the benefits** carried out in 2006 (see part 3.6) has targeted in developing activating labour market measures. As the municipalities are now taking part in expenses they are encouraged to develop rehabilitative work and job opportunities for people difficult to employ. This reform seems to have positive effects: an increase in employment (Kauppi & Sumuvuori 2006, 24). Yet it must be admitted that the good economic development has also helped the situation.

The effectiveness of active labour market measures can be evaluated from different viewpoints: employment effects of various activation measures can be calculated from the point of view of cost-effectiveness but the effects on promoting welfare and social inclusion and creating social stability are more challenging to measure. Also time-span must be taken into account, since some evidence suggests that positive training effects e.g. can materialise only several years after the measure (Kauppi 2006, 9). The evaluation is also a societal matter: are we targeting to full employment or are the investments in human capital and active social policy important results as well since improvements in capabilities can lead to decreases in the need for social or health services and their costs.

The new activating schemes can help effectively also homeless people by offering new integrated services and individual case management. If we succeed in developing transitional labour markets and links to the mainstream labour market these interventions can be a way back to normal life for many unemployed homeless people. But also critical questions are at place: are the effects of activation measures evaluated only from the point of view of the labour markets (“cleaning the statistics”) or are the effects on welfare and inclusion appreciated as well? Is it possible to take individual differences into account when planning the activation processes or is there a risk of new kind of exclusion, where some people are entitled to employment services and others sent back to social welfare services? And how can social workers maintain hope of these drop-outs and will there be resources improve the rehabilitation and welfare of these people?

3.4. Definition of employment

Does an official definition of “employment” exist in your country? If yes, what is the definition?

Are all employment schemes targeting people who are homeless included in this definition?



If a scheme is not recognised as employment (e.g. meaningful occupation), are there any negative consequences for the person participating in this scheme (e.g. person does not acquire right to pension etc.)?

The main negative consequence in taking part in activities not recognised as employment (no normal employment contract) is that from that period of time you are not entitled to earnings-related pension which safeguards the maintenance when the income from work ends due to old age, incapacity for work, long-term unemployment etc. The national pension system secures minimum income during retirement for those who do not receive earnings-related pension or whose pension is low, but the level of the payment is lower. This is an important question on the individual level: can one improve economic prospects by taking part in active labour market measures such as rehabilitative work. But this is also an important societal question in developing transitional labour markets since the earnings-based schemes are an essential part of the welfare system.

What is the legal and funding context of organisations providing these activities that are not officially recognised as employment? Are there any negative consequences for the organisation providing these services (e.g. less funding available for these schemes)?

According to the legislation on rehabilitative work the local authorities (municipalities) are obliged to arrange rehabilitative work for long-term unemployed people. There are also numerous NGOs organizing activities for their members, but it happens very often in cooperation with employment services.

3.5. Social benefits

What social benefits are people who are homeless entitled to in your country? Please indicate in how far entitlements vary according to the status of the person (national, EU national, third-country national, refugee) and evaluate their effectiveness in helping people who are homeless to move towards employment.

The Finnish social protection system is based on the Nordic Welfare state model including the basic principles of universal services and adequate social protection. Social security is residence based: the benefits are the same for all people living permanently in Finland (there are some exceptions to this general rule in some of the benefits). Homeless people are entitled to same benefits as all others. For a long-term unemployed or for a person with no work experience the level of benefits is lower than the earnings-related benefits, but the minimum income is always guaranteed. During the past years, however, the levels of most minimum benefits have fallen below general income development in the country.

- Unemployment related benefits

The basic income of an unemployed job seeker is guaranteed by **unemployment benefit** and the **labour market allowance**. Unemployment benefit is paid either in the form of a basic allowance or earnings related allowance. They are paid on the same basis but to receive the latter one must be a member of an unemployment fund. You receive the basic allowance continually during your period of unemployment as a job seeker. This requires that you satisfy a condition relating to the length of previous employment (‘employment



condition’). The basic allowance is paid for a maximum period of 500 days. The labour market subsidy is paid to unemployed job seekers who do not meet the employment condition or who have received the basic allowance for the maximum period.

There are special rules for young unemployed people (under 25 years of age). Without vocational training a young person can get labour market subsidy only during labour market measures (training, on-the-job practice etc.). The target has been to guarantee vocational training to everyone and to prevent the exclusion from labour market. Also critical remarks are heard since this obligation has led to a situation where young people apply for education but do not necessarily complete their studies.

In order to be able to register as a jobseeker at an employment office, one must have a residence permit entitling to a continuous stay in Finland (Working in Finland, 14). EU citizens and their family members who have obtained the status of an employee in Finland can be registered as jobseekers. Citizens of the Nordic countries can be registered as jobseekers as soon as they have arrived in Finland. Registered jobseekers have the right to receive personal employment services and the related benefits. Unemployed jobseekers have the right to a job-seeking plan or an integration plan as well as unemployment security.

For homeless and for people vulnerable to homelessness the rules and obligations by the employment services can be too rigid to follow. If you miss the appointment at the employment office the payment of unemployment benefits stops and you must apply for social assistance. For a person with low income and vulnerable life situation these bureaucratic procedures can mean uncertainty and threaten the payment of rents.

- **Disability or sickness related benefits**

The sickness allowance and the rehabilitation allowance secure income during ill health or rehabilitation. Sickness allowance covers temporary work incapacity and it is based on taxable earnings. It is usually granted once up to a 60-day period and altogether no more than 300 working days. If working incapacity persists over 300 days it is possible to apply for a disability pension.

- **Housing benefits**

Housing allowance is paid to help low-income households with their housing costs. If a homeless person lives in shelters etc. the costs are usually covered by social assistance. When a homeless person gets a home, housing allowance helps with the costs and also low-income groups can afford good quality housing.

- **Minimum Income benefits**

Social assistance is the last resort form of assistance available when an individuals or family’s income is not enough to manage on a daily basis. The payment of the benefits is stipulated by the Act on Social Assistance and it is handled by the municipalities. Also preventive social assistance can be granted, for instance to support activation efforts or to ensure housing security.



- Other, please specify

In addition to the general welfare benefits guaranteed by the public authorities there are also other institutions in the Finnish welfare-mix offering valuable help for homeless people. The diaconal work of the Evangelical Lutheran Church of Finland helps people in crisis situations and organises many kinds of support activities for unemployed, ex-prisoners and people with addiction problems. Food banks, supported accommodation and also financial help can be a last resort help in a hopeless situation.

Also the strong NGO sector must be mentioned since these organisations are an important partner for the public authorities as service providers. Many NGOs also supplement the official system by their services (see part 4). In Helsinki the activities organised by VVA ry (No fixed abode) offer practical help for homeless people in most vulnerable situation.

Also possibilities to debt counselling and financial advice offered by many municipalities and NGOs are important for the homeless since debts can be an obstacle in getting a home. Recovery of a debt by enforcement order can also lower the motivation to be employed although some improvements to the regulations have been made.

3.6. Compulsory participation

Are social benefits payments linked to compulsory participation in activation schemes? If yes, what kinds of obligations exist for which benefits? Do obligations differ according to the different ETHOS categories? Are the obligations effective for homeless people or are there any negative spin-offs in relation to this?

From the beginning of the year 2006 the financing shares of labour market support were changed as a part of an activation reform of the labour market measures. Earlier labour market support was a passive (state) support for the long-term unemployed. Now the state and the municipalities share the costs of the labour market support and income support for people who have been unemployed over 500 days. The target of this reform was to encourage the municipalities to organize active measures for people who have been unemployed for long periods. At the same time the conditions of taking part in active measures for the jobseekers were made more stringent. The unemployed are obliged to take part in activation measures or they lose the right to labour market support. After that they are “dropped” to social assistance.

If a person without a good reason refuses to take an offered job or does not take part in activation or integration measures or rehabilitative work it is also possible to cut the amount of the basic social assistance by 20 % or 40 % for a limited period of time (maximum of two months). According to the law this can be done only if the reduction does not lead to an unjust situation. As the level of social allowance is low and the costs of living high it can be argued, that this necessarily causes negative effects on people with low income level.

There are also special limitations concerning the right of young job-seekers to get labour market subsidy as described in part 3.5.



3.7. General context and trend

Do you think the political, economic and social context for people who are homeless in gaining employment has become more difficult/easier recently? If yes, what has changed and why?

The good economic development during recent years has improved the possibilities of gaining employment. Also various labour market measures have created job opportunities or at least made the access to rehabilitative work easier. The main problem for the homeless as well as other disadvantaged groups is the weakness of transitional labour markets and more flexible opportunities for employment after the rehabilitative work period. Activating measures can not be effective without efficient links to open labour market.

Real efforts have been made to improve activation measures in the labour market but on the other hand only a part of homeless people can benefit from these options. A relatively large group of homeless people in Finland are suffering from multiple problems (see part 1.1.) and their major concern is getting treatment, rehabilitation and decent conditions of living.

4. Employment schemes/tools for people who are homeless

Which employment/activation tools or services are available to people experiencing homelessness in your country? Please describe and evaluate their effectiveness for people who are homeless. Are they mainstream schemes or are they tailored for people experiencing homelessness? Can you give a “good practice” example?

The basic principle of universal services implies that all people living permanently in the country are entitled to services and benefits described in parts 3.3 and 3.5. Activation measures developed in employment services seem to be effective to some groups of homeless people. There are, however, a large group of homeless who can not benefit from these options because of heavy substance abuse and mental health problems.

Besides the services arranged by the public sector the importance of the Finnish NGO sector must be recognised also in the field of developing employment opportunities for the disadvantaged groups. There are a large variety of services such as meaningful occupation, life skills training, supported employment and support after job placement carried out by various NGOs for people with special needs.

Opportunities for supported work are developed especially for mentally handicapped and as a part of mental health services, too, these options are very important. There are several NGOs running club houses and developing alternative paths to employment. The National Workshop Association has 162 member organisations (local authorities, NGOs and companies) running about 250 workshops for people having difficulties in finding employment (www.tpy.fi). In prevention of exclusion from the labour market these workshops have an important role since they function as gateway to employment and training also for young people.



National Report Finland -Annual Theme 2007

“Multiple barriers, multiple solutions:

Inclusion into and through employment for people who are homeless in Europe”

One “good practice” example is the work model of the Youth Service Department in the city of Vantaa (mentioned in part 3.2.2). It has been possible to integrate young unemployed homeless school drop-outs effectively into the labour market by making them an offer good enough: intensive case management, workshop activities, training and suitable good quality rental housing.

One major problem for a large group of homeless people in Finland is the lack of suitable employment services for people with intoxicant abuse. There are detoxification services and rehabilitative services available but not enough supportive structures after that. Yet even meaningful daytime activities with low threshold could improve the life management of many homeless people. This could be the first step to employment but it can work only if also living conditions are improved at the same time and if the services tolerate relapses and have patience for a slow change of habits.

For the homeless in most vulnerable situation employment can be a distant goal and not realistic in the near future – if at all. The evaluation of health problems and other restrains is challenging since multiple problems require multi professional expertise and time and that costs money. For example the Järvenpää Addiction Hospital by A-Clinic Foundation has developed programmes to evaluate and improve the working capacity of people suffering from both intoxicant abuse and mental health problems. It is not, however, easy for homeless people to attend this kind of services because of the costs: many municipalities including the city of Helsinki do not give financial obligations to the clients.

4.1.1. Support schemes that help homeless people to find a job (internet access, job ads etc.):

Please provide a brief description of what this entails:

See above & part 3.1

4.1.2. Support after job placement (counselling, helping to set up a bank account etc.)

Please provide a brief description of what this entails:

See above & part 3.3

4.1.3. Supported employment

Please provide a brief description of what this entails:

Supported employment has been one of the traditional measures by labour administration to support unemployed people to labour market. The main weakness of the system has been the limited duration of the work period which could end up in unemployment again and not have positive effects on the future labour market situation of the participant. In 2006 there were about 68 000 people taking part in on-the-job training or preparatory training for working life on employment subsidies and labour market support (Employment Report 2006,46).

4.1.4. Social economy or social enterprise

Please provide a brief description of what this entails:

The Act on Social Enterprises came into effect in 2004 and at the end of 2006 there were 75 registered social enterprises in the country (Työllisyyskertomus 2006, 46). Social



enterprises and normal enterprises except that 30 % of the employers are disabled or long-term unemployed and the organisation must be registered into the register of social enterprises held by the Ministry of Labour.

Implementation of the Act was evaluated in 2006 and some improvements were made in 2007 to the financial support of employing people who have difficulties to find work from the mainstream labour market. The target has been to encourage the creation of new, permanent opportunities for work. In May 2007 the number of social enterprises was 100 but the demand of job opportunities of this kind is much higher than the supply.

For a group of homeless people capable to rehabilitative work social enterprises could be a suitable way to take part in the labour market.

4.1.5. Vocational training:

Please provide a brief description of what this entails:

Vocational training is one of the main tools of active labour market policy by the state. Training can be preparatory labour force training (immigrant training, IT-skills, orientation training) but most resources are used to vocational training for adults. The primary goal of vocational labour force training is to improve the participants' possibilities of staying at work or returning to labour market. In 2006 there were about 70 000 people in labour market training in Finland. 77 % of them had been unemployed and 9 % outside labour force (Employment Report 2006, 39).

Labour administration purchases training services from adult education centres, other vocational training institutes, universities and other suppliers of education and training services. Suitable training opportunities seem to be an important gateway to employment e.g. for homeless people recovering from addictions problems (Jauhiainen 2006, 12).

4.1.6. Life skills training and meaningful occupation

Please provide a brief description of what this entails:

See above.

4.1.7. Other, please specify

Please provide a brief description of what this entails:

4.2. Participation of service users

Do service users participate in the design of services that aim to promote the employability of people who are homeless? If yes, how do service users participate and is this participation effective? Is this participation compulsory in order to benefit from a service? If there is no participation of service users, how does this affect homeless individuals' employment success?

In Lafos-centres e.g. individual case management always means that the activation plan is made together with the client and it is based on his/her own targets. The main strength of the work model is respecting the individual, there are no mass solutions suitable to everyone (Toiviainen 2007, 5).



4.3. Geographical distribution of services

Is there an adequate geographical distribution of employment services for people who are homeless in your country? Are there any areas which are insufficiently covered by employment services that target people who are homeless?

Homelessness is in Finland mainly a problem of Helsinki and other growth centres. The principle of universal services means that homeless people are everywhere in Finland entitled to same services as all other residents.

5. Training for employers or public administration

5.1. Are you aware of any training schemes or projects in your country that target employers or public administrators to raise awareness about the situation of people who are homeless and their specific needs in relation to employment? Could you describe and evaluate them shortly?

-

5.2. Do you know of any projects to offer training for employers so in the future? If no, do you think that this would be a useful initiative?

-

6. Cooperation between different stakeholders

Do you work together with stakeholders in the field of employment, skills or training?

If yes, please state which ones, and provide a description and evaluation of the type of cooperation you have with them.

Gender dimension: Does cooperation differ between organisations working with men and organisations working with women? If yes, please describe in more detail.

- Private companies
- Trade Unions
- Job-Centres
- Local or regional government departments or agencies
- National government departments or agencies
- Social enterprises
- Other NGOs
- Schools and universities
- Other, please specify.

Possibilities for life skills training, occupational activities and supported work are always evaluated when new supported housing solutions are planned for various disadvantaged groups. The experience from supported accommodation for people suffering from mental health problems has shown that safe and good quality housing is an important precondition for recovery and welfare. But “the walls are not enough”. In proper circumstances the tenants can also benefit from meaningful activities and training. For



National Report Finland -Annual Theme 2007

“Multiple barriers, multiple solutions:

Inclusion into and through employment for people who are homeless in Europe”

some this can mean activation to keep up daily routine but in the course of time also possibilities to vocational training and employment are important. Y-Foundation works in cooperation with various NGOs arranging these options.

7. Funding of employment services for people who are homeless

How are employment services for people experiencing homelessness funded in your country?

The general employment services are mainly financed by the state (taxation) and local authorities (municipalities) take part in the costs of employment services for the long-term unemployed. Homeless people are entitled to same services as everyone else.

Many NGOs working in the field of health and welfare are organising work skills training, coaching for working life and supported work for their clients. They can get funding for developmental projects from the Ray (Finland's Slot Machine Association). These projects can be organising meaningful day-time activities but also more targeted work opportunities are created in cooperation with employment offices and TE-centres (Employment and Economic Development Centre), which coordinate the use of ESF-funds in Finland.

7.1. What is the relation of the respective funding source to the overall budget? Please indicate to which service you refer to.

- State funding (other than Structural Funds/ESF)
- European Social Fund
- Community Initiative EQUAL
- Other EU funds/projects (please specify)
- Income through work force/products that were sold
- Fundraising
- Charitable Foundations
- Membership fees
- Other, please specify

In 2007 the national state budget includes €516,71 million for employment, training and special measures. Municipalities take part in the expenses of the long-term unemployment.

EU-funding for ESF-activities for the period 2007-2013 will be €615 million.

RAY, The Finnish Slot Machine Association grants funds for NGOs working in the field of health and welfare for developmental projects. In 2006 €473 million were granted for various projects, also for purposes improving employability.

7.2. How secure is the majority of your funding for employment related activities?

- Less than 1 year
- Secured for 1-3 years



- Secured for more than 3 years

7.3. Are services financed in a way that they can actually deliver the necessary support for people who are homeless? If not, what problems exist in relation to the funding of the services? Please describe in more detail.

The main problems in financing the services in Finland are linked to the weakness of transitional labour markets.

8. Indicators and success factors

Have employment services for people who are homeless been successful in bringing people experiencing homelessness back into employment?

8.1. Are you aware of any indicators that exist in your country to measure the positive outcomes of employment schemes for people experiencing homelessness and could you describe them?

There are positive outcomes as described in part 3.3, but the statistics from various services often describe the general outcomes, it is not possible to distinguish homeless people as a separate group. Some of the activation measures have been implemented quite recently and there are not yet results of evaluations available.

8.2. What are they key factors for the success of employment projects? What are the main challenges that remain? Are success factors:

- **Project/scheme related (holistic approach, personalised approach, assessment of needs and aspirations of service user, financial resources available, length of a project/scheme, cooperation with other actors...)? Please describe in more detail.**

The experiences from Lafos-centres suggest that a holistic approach, personal case management and assessment of needs and aspirations of the services user are of vital importance. In practice time-factor is also important: a scheme should be flexible enough to take individual differences into account. Cooperation between employment offices and social welfare authorities is crucial to improve the persons living conditions during the rehabilitative work.

- **Service user related (motivation and skills of service user, health situation of service user...)? Please describe in more detail.**

The Lafos-work e.g. seems to be rewarding for those homeless people who have had some kind of work history in the past. It seems to be much more challenging to motivate middle-aged people without any kind of work experience or vocational training to activation schemes (Erkkilä & Valjakka 2007).

- **Context related (institutional context, political context, socio-economic context, funding context...)? Please describe in more detail.**



9. Data collection and research

9.1. Is data on the employment situation of people who are homeless collected in your country? If yes, who collects this information?

The main source of information about homelessness in Finland is the annual housing market survey conducted by the Housing Fund of Finland. This survey concentrates on housing and does not include information about the employment situation of the homeless.

Social services and other services providers collect information about their clients.

9.2. Do you know of any research undertaken on employment for people experiencing homelessness by academic or other bodies in your country? If yes, please describe in more detail.

-

10. The right to work of people who are homeless

10.1. Do you know of any examples where a rights-based approach has been adopted in relation to the right to work for people who are homeless or other vulnerable groups, whether in the form of court cases or campaigns?

-

10.2. Is the work situation of people who are homeless a political issue in your country? Could it be a useful campaigning point? Why? Why not?

The work situation of homeless people has not been a political issue in Finland. The lack of suitable housing and support services have been the key questions and still are: it is difficult to work or take part in training without decent conditions of living.

The national target to raise labour force participation rate requires new measures when efforts are made to integrate the long-term unemployed and other disadvantaged groups to the mainstream labour market. The development of transitional labour markets and also more flexible ways to take part in the labour market are current issues and thus could be a goal worth campaigning since also homeless people could benefit from these options.

Annex: Working definitions – only for guidance!

For most of the following concepts, there is **no common definition at European or international level**. Concepts vary from country to country; there is no clear-cut distinction between the concepts and the list is not exhaustive. The **aim of this guidance note** therefore is only to give you **an idea about what different terms used in the questionnaire may refer to in order to help especially non-native speakers translating and responding to the questionnaire**. On the basis of your input, FEANTSA will further develop these concepts.

In alphabetical order

Alternative labour market (“informal economy”): economic activities are not regulated under national labour law. Employment on the alternative labour market may involve illegal dealings, such as direct cash payments or the lack of a legal job contracts. A person working on the alternative labour market usually does not benefit from the same rights and benefits as a person employed in the mainstream labour market (e.g. does not acquire pension rights etc.)

Economically inactive (national definitions may vary considerably from this definition – see also “unemployed”): Persons between 16-65 who are without work or without paid work and who are not actively seeking work.

Employability: development of skills and competencies that allow a person to connect with the labour market

Life skills training: Aim of the training activity is to allow a person to live independently and to develop essential life skills that people need to function in the community, such as budgeting, personal hygiene, assertion not aggression etc.

Mainstream labour market: labour market where workers are employed on the basis of their skills and compete with other workers without discrimination. The labour market is regulated under the national labour law.

(Social criteria may apply if an employer chooses to do so, e.g. in the context of its Corporate Social Responsibility scheme.)

Meaningful occupation: helps the person moving away from a homeless lifestyle and to rejoin the wider community through finding something purposeful to do. The main aims are to build the persons self confidence and self esteem. Meaningful occupation is often organised within a shelter. The activity is usually unpaid. Meaningful occupation may make a social or economic contribution. Possible examples of meaningful occupations are: photography, art, crafts, furniture making, computing.

Occupational activity: Activities that will develop the employability of the individual

Seeking work: take specific steps to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land, building, machinery or equipment to establish own enterprise; arranging for financial resources; applying for permits and licences, etc.

Social economy: businesses that are “not –for - personal-profit” but offer employment which is regulated under the national labour law; Principles such as solidarity, participation are more important than a personal financial benefit. However, social enterprises may be competing with conventional businesses on the same market. Social enterprises may include: community owned businesses; local self help organisations engaged in trading activities with social, economic or environmental benefit. Social



National Report Finland -Annual Theme 2007

“Multiple barriers, multiple solutions:

Inclusion into and through employment for people who are homeless in Europe”

enterprises may have the status of cooperatives and mutual benefit societies. They may be linked to associations and foundations.

Supported employment: the person is placed (most often temporarily) in a work setting on the mainstream labour market (in the private or public sector) or in the social economy but receives ongoing support. This support may be **financial**. For example, the salary may be paid by a third party (e.g. public funding) or there is a guaranteed replacement for the employer in case of no-show of the employee. There may also be **personal support** in the form of counselling, ongoing evaluation of job performance etc. Ongoing **vocational training** may also be a form of supported employment.

Unemployed (ILO definition – national definitions may vary considerably from this definition)

All persons above a certain age (usually between 16-65 or similar) who are:

- without work (i.e. are not in paid employment or self employment)
- currently available for work (i.e. are available for paid employment or self-employment)
- seeking work ☞ (i.e. have taken specific steps to seek paid employment or self-employment)

Vocational Training: the person participates in training courses in order to develop essential job skills that will help the person to find a paid job on the mainstream labour market or in the social economy. Possible examples: CV writing, computer trainings, mechanical trainings etc.

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“Multiple barriers, multiple solutions:

Inclusion into and through employment for people who are homeless in Europe”

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More information:

www.a-klinikka.fi (A-Clinic Foundation)

www.ara.fi (Housing Fund of Finland)

www.catch-eu.org

www.environment.fi (Finland’s environmental administration)

www.esr.fi (ESF in Finland)

www.evl.fi (Evangelical Lutheran Church of Finland)

www.finlex.fi (legislation)

www.hel.fi (city of Helsinki)

www.kela.fi (The Social Insurance Institution of Finland)

www.mol.fi (Ministry of Labour)

www.ray.fi (Finland’s Slot Machine Association)

www.stakes.fi (National Research and Development Centre for Welfare and Health)

www.stm.fi (Ministry of Social Affairs and Health)

www.tpy.fi (National Workshop Association)

www.vn.fi (Finnish Government)

www.vvary.fi (NGO No Fixed Abode)

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