

# Work in Finland — Government Migration Policy Programme to Strengthen Labour Migration

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— Government Migration Policy Programme to
Strengthen Labour Migration

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#### **Abstract**

The Migration Policy Programme to Strengthen Labour Migration complements the programmes and guidelines that have already been adopted by Prime Minister Sipilä's Government. The Government decided on the preparation of the Migration Policy Programme during the negotiations on the General Government Fiscal Plan for 2018–2021.

The Programme aims to raise awareness of and promote the Government's migration policy. The purpose of the policy is to support migration that strengthens employment and public finances, improves the dependency ratio and enhances internationalisation of the economy. The Programme lays down Finland's migration policy guidelines that promote particularly labour migration, integration to support this, and good relations between people from different groups.

Finland needs migrants to address the labour shortage in different sectors, to improve the weakening of the dependency ratio caused by ageing of the population, and to attract more international talent and entrepreneurs to Finland.

The Migration Policy Programme is based on the Government Resolution on the Future of *Migration 2020 Strategy*, adopted in 2013. The policy guidelines laid down in the Strategy are updated in the new Programme to meet the needs of the current operating environment.

The ministerial working group on migration acted as the steering group for the project. The Programme was prepared by a cross-sectoral working group with representatives from: the Migration Department, Police Department, Border Guard Department, Communications Unit, and Administration and Development Department of the Ministry of the Interior; Ministry of Justice; Ministry of Economic Affairs and Employment; Ministry of Education and Culture; Ministry of Social Affairs and Health; Ministry for Foreign Affairs; Ministry of the Environment; and the Finnish Immigration Service and the National Police Board.

The implementation of the Programme will be monitored by the ministerial working group on migration.

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#### Tiivistelmä

Maahanmuuttopoliittinen ohjelma työperusteisen maahanmuuton vahvistamiseksi täydentää osaltaan jo vahvistettuja pääministeri Sipilän hallituksen ohjelmia ja linjauksia. Hallitus sopi maahanmuuttopoliittisen ohjelman tekemisestä vuosia 2018–2021 koskevan julkisen talouden neuvotteluissa.

Ohjelman tavoitteena on tuoda näkyväksi ja edistää hallituksen maahanmuuttopoliittista linjaa, joka tukee työllisyyttä ja julkista taloutta vahvistavaa, huoltosuhdetta kohentavaa sekä talouden kansainvälistymistä edistävää maahanmuuttoa. Ohjelma määrittää Suomen maahanmuuttopoliittisia linjauksia, jotka edistävät erityisesti työperusteista maahanmuuttoa, sekä sitä tukevaa kotoutumista ja hyviä väestösuhteita eri väestöryhmien välillä.

Suomi tarvitsee maahanmuuttajia vastaamaan eri aloilla olevaan työvoimapulaan, kohentamaan väestön ikääntymisen myötä heikkenevää huoltosuhdetta sekä lisäämään Suomen houkuttelevuutta kansainvälisten osaajien ja yrittäjien silmissä.

Maahanmuuttopoliittisen ohjelman taustalla on vuonna 2013 valtioneuvoston periaatepäätöksenä hyväksytty strategia *Maahanmuuton tulevaisuus 2020*. Nyt julkaistussa ohjelmassa strategian linjaukset päivitetään nykyiseen toimintaympäristöön.

Maahanmuuton ministerityöryhmä on toiminut hankkeen ohjausryhmänä. Valmistelusta on vastannut ministeriöiden välinen poikkihallinnollinen yhteistyöryhmä, johon ovat osallistuneet seuraavat tahot: sisäministeriön maahanmuutto-, poliisi-, rajavartio-, viestintä- sekä hallinto- ja kehittämisosasto; oikeusministeriö, työ- ja elinkeinoministeriö, opetus- ja kulttuuriministeriö, sosiaali- ja terveysministeriö, ulkoministeriö, ympäristöministeriö ja Maahanmuuttovirasto sekä Poliisihallitus.

Ohjelman toimeenpanoa seurataan maahanmuuton ministerityöryhmässä.

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#### Referat

Det migrationspolitiska programmet för att stärka arbetsrelaterad invandring kompletterar för sin del de fastställda programmen och riktlinjerna för statsminister Sipiläs regering. Regeringen avtalade om ett migrationspolitiskt program i samband med förhandlingarna om den offentliga ekonomin 2018–2021.

Syftet med programmet är att synliggöra och främja regeringens migrationspolitiska linje som stöder migration som stärker sysselsättningen och den offentliga ekonomin, förbättrar försörjningskvoten och främjar internationaliseringen av ekonomin. I programmet fastställs Finlands migrationspolitiska riktlinjer som i synnerhet främjar arbetsrelaterad invandring samt integration som stöder den och goda relationer mellan olika befolkningsgrupper.

Finland behöver invandrare för att åtgärda bristen på arbetskraft inom olika sektorer, förbättra försörjningskvoten som försvagas till följd av åldrandet och öka Finlands attraktivitet bland internationella specialister och företagare.

Det migrationspolitiska programmet baserar sig på strategin *Migrationens framtid 2020* som godkändes som statsrådets principbeslut 2013. I det nu publicerade programmet har riktlinjerna för strategin uppdaterats i förhållande till den rådande operativa miljön.

Ministerarbetsgruppen för migration har fungerat som projektets styrgrupp. Ansvaret för beredningen har innehafts av ministeriernas sektoröverskridande samarbetsgrupp, i vilken följande parter har deltagit: inrikesministeriets migrations-, polis-, gränsbevaknings-, kommunikations- samt förvaltnings- och utvecklingsavdelning, justitieministeriet, arbets- och näringsministeriet, undervisnings- och kulturministeriet, social- och hälsovårdsministeriet, utrikesministeriet, miljöministeriet och Migrationsverket och Polisstyrelsen.

Ministerarbetsgruppen för migration följer upp genomförandet av programmet.

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# 1 Finland will promote labour migration, integration to support it, and good relations between population groups

The Migration Policy Programme to Strengthen Labour Migration complements the programmes and guidelines that have already been adopted by Prime Minister Sipilä's Government. These include the Government Programme (2015), the Government's migration policy measures (2015), the Government Action Plan on Asylum Policy (2015), the Government Integration Programme 2016–2019 (2017) and the Government Resolution on the Internal Security Strategy (2017). The Internal Security Strategy identifies migration as a force of societal change.

The Government decided on the preparation of the Migration Policy Programme during the negotiations on the General Government Fiscal Plan for 2018–2021. The need for a programme of this type was already discussed previously in the context of preparing the Government's Action Plan on Asylum Policy. During its preparation process, the ministerial working group on migration reworked the Programme to have a clearer focus on labour migration. In line with this policy choice, the programme was given the title **Work in Finland** — **Government Migration Policy Programme to Strengthen Labour Migration**.

The Programme aims to raise awareness of and promote the Government's migration policy. The purpose of the policy is to support migration that strengthens employment and public finances, improves the dependency ratio and enhances internationalisation of the economy. The Programme lays down Finland's migration policy guidelines that promote particularly labour migration, integration to support this, and good relations between people from different groups. The Programme was prepared in conjunction with the action plan titled Talent Boost – *International talents boosting growth*.

The Migration Policy Programme is based on the Government Resolution on the *Future* of Migration 2020 Strategy, adopted in 2013. The policy guidelines laid down in the Strategy are updated in the new Programme to meet the needs of the current operating environment, addressing the labour migration questions prioritised by the Government.

The ministerial working group on migration acted as the steering group for the project. The Programme was prepared by a cross-sectoral working group with representatives from: the Migration Department, Police Department, Border Guard Department, Communications Unit, and Administration and Development Department of the Ministry of the Interior; Ministry of Justice; Ministry of Economic Affairs and Employment; Ministry of Education and Culture; Ministry of Social Affairs and Health; Ministry for Foreign Affairs; Ministry of the Environment; Finnish Immigration Service; and the National Police Board.

A hearing was organised for NGOs and business representatives on 31 October 2017. Its key results were taken into consideration when preparing the Programme.

The implementation of the Programme will be monitored by the ministerial working group on migration.

# 2 Description of the international and national operating environment

## 2.1 The EU is working to promote legal migration and internal mobility of workers

As a result of the increased mobility seen in recent years, large numbers of asylum seekers and the need for educated labour, migration has emerged as a key theme and policy instrument for the European Union territory. According to Eurostat<sup>1</sup> a total of 4.7 immigrants were registered in the EU Member States in 2015. Of these, an estimated 2.7 million migrated to one of the EU Member States from non-EU countries, while an estimated 1.9 million migrated from one country to another within EU territory following the EU's principle of free movement. This principle, which enables labour mobility, is one of the priorities of the EU's internal market. In 2015, approximately 11.3 million workingage EU citizens were living in another Member State.

The European Agenda on Migration from 2015 identifies a need for skilled migrants. The EU strives to update the current rules, improving the Union's ability to attract skilled non-EU citizens and retain them in the EU territory. Most Member States will also need migrants to balance out the sustainability gap caused by the ageing of their population. The EU is working to improve the possibilities of making better use of the skills of those migrating within the EU<sup>2</sup> as well as circular migration<sup>3</sup>. Circular migration refers to third-country nationals residing in the EU who wish to start an activity in their country of origin (including a business) and third-country nationals who come to Europe on a temporary basis.

<sup>1</sup> Eurostat, Statistics Explained: http://ec.europa.eu/eurostat/statistics-explained/index.php/Migration\_and\_migrant\_population\_statistics (10 August 2017)

<sup>2</sup> New skills agenda for EU: http://ec.europa.eu/social/main.jsp?catld=1223 (14 August 2017)

<sup>3</sup> Circular migration and mobility partnerships: http://eur-lex.europa.eu/legal-content/FI/ALL/?uri=uriserv:l14564 (14 August 2017)

The Commission has also launched a EURES reform<sup>4</sup> making it possible for new members and partners to join the EURES network, which offers international recruitment and job exchange services and other services supporting mobility. Third-country nationals residing legally in EU Member States may also use the EURES network when looking for jobs in another EU state. In addition to internal mobility within the EU, the network seeks to promote the opportunities of third-country nationals to engage in temporary work within the EU or to study there. Finland actively supports European cooperation aiming to develop legal migration.

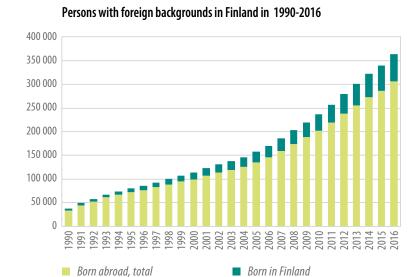
EU Member States' national migration policies and legislation as well as the implementation of such policies and laws are influenced by international obligations as well as the EU's asylum and migration policies. Finland takes an active part in the preparation of these policies. The EU has been working to harmonise the criteria and procedures for entry into its territory, and these efforts continue. EU directives, including the Blue Card Directive, the Seasonal Workers Directive and the ICT Directive, significantly limit the Member States' freedom to regulate labour migration.

# 2.2 The majority of residents with a migrant background in Finland are of working age

According to Statistics Finland, almost 365,000 people with a migrant background were living in Finland in 2016. Of these, 307,000 (84%) were first-generation and 58,000 (16%) second-generation migrants. The number of those with a migrant background has increased steadily over the last two decades. In 2016, they accounted for 6.6% of the total population, while in the Uusimaa region, their proportion was 12%.<sup>5</sup>

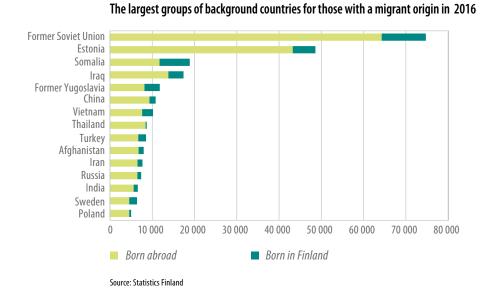
<sup>4</sup> EURES is a recruitment and job exchange service coordinated by the European Commission that covers all EU/ EEA countries. In Finland, this service is offered by the TE Offices' services for employers and jobseekers.

<sup>5</sup> Statistics Finland: https://www.tilastokeskus.fi/tup/maahanmuutto/maahanmuuttajat-vaestossa\_en.html (20 October 2017)



In 2016, the largest country of origin for migrants was the former Soviet Union, followed by Estonia, Somalia and Iraq.<sup>6</sup>

Source: Statistics Finland



<sup>6</sup> Statistics Finland: http://www.stat.fi/tup/maahanmuutto/maahanmuuttajat-vaestossa\_en.html (20 October 2017)

The main reasons for migrating to Finland have included family ties, work and studies. As Finland's economic situation has improved, labour migration has grown by 17 percentage points compared to 2016.

#### First residence permits issued by the Finnish Immigration Service in 2015–2017

Applicant group	2015	2016	2017
Family	8,040	8,171	9,089
Work	5,436	5,770	6,751
Studies	5,869	6,348	5,194
Other	455	676	306
Total	19,800	20,965	21,340

Source: Finnish Immigration Service

In terms of their demographic structure, migrants are younger than the mainstream population. In 2016, 76% of people with a migrant background living in Finland were of working age (between 15 and 64 years), whereas this figure for native Finns was 62%. Boosted by migration, the Finnish population has grown in recent years, whereas the number of deaths in Finland has exceeded the number of births for several years. Boosted by migration has exceeded the number of births for several years.

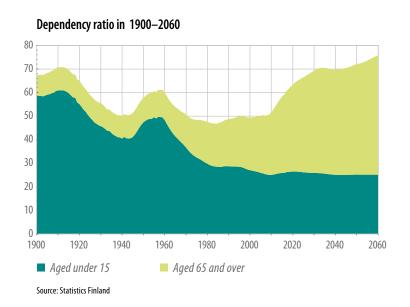
According to Statistics Finland's population projection for 2015, the working age population will have decreased by 75,000 in 2030<sup>9</sup>. A study produced by Statistics Finland for the Finnish Business and Policy Forum EVA <sup>10</sup> indicates that the annual number of migrants should increase to 34,000 to avoid a reduction in the labour force and to respond to the labour needs over the next few decades. The current numbers of employed foreign workers do not have a significant impact on the country's dependency ratio.

<sup>7</sup> Statistics Finland: Immigrants in the population: http://www.stat.fi/tup/maahanmuutto/maahanmuuttajat-vaestossa\_en.html (20 October 2017)

<sup>8</sup> Statistics Finland: Number of births smaller than the number of deaths in 2016 http://www.stat.fi/til/vamuu/2016/12/vamuu\_2016\_12\_2017-01-25\_tie\_001\_en.html (20 October 2017)

<sup>9</sup> Statistics Finland: Share of young people in the population is in danger of diminishing further: http://www.tilastokeskus.fi/til/vaenn/2015/vaenn\_2015\_2015-10-30\_tie\_001\_en.html (28 November 2017)

<sup>10</sup> Myrskylä, Pekka and Pyykkönen, Topias 2015: Tulevaisuuden tekijät – Suomi ei pärjää ilman maahanmuuttoa. http://www.eva.fi/wp-content/uploads/2015/01/Tulevaisuuden-tekij%C3%A4t.pdf (28 November 2017)



Other preconditions for improving the dependency ratio through migration is that migration is well established and continues from year to year, and that migrants have a high employment rate in Finland. Those who work in Finland for less than six months at a time and posted workers do not usually pay tax here and consequently have no impact on the dependency ratio. Migrants who are excluded from the labour market, on the other hand, have an adverse effect on the dependency ratio.

Foreign nationals have a higher unemployment rate than native Finns. In 2016, the employment rate of those with a migrant background was ten percentage points lower than the Finnish population's employment rate; for those who had been living in the country for more than ten years, the difference was five percentage points<sup>11</sup>. In recent years, migrants' employment rate has improved, and their wage levels have increased more rapidly than before: later arrivals have reached the same employment rate and wage level faster than those who arrived in the 1990s. Early contacts with the world of work support migrants' employment. It has also been proven that improved integration measures have a positive impact on employment.<sup>12</sup>

<sup>11</sup> Survey on work and wellbeing among people of foreign origin (UTH), the National Institute for Health and Welfare, and Labour force survey, Statistics Finland.

<sup>12</sup> Hämäläinen, Pesola, Sarvimäki 2015: http://vatt.fi/documents/2956369/3244616/ Kotouttamissuunnitelmien+vaikutukset+maahanmuuttajien+lasten+koulutusvalintoihin+TEM/e6cddee3-20c9-48b2-a570-9b7f38c4515b (24 November 2017)



There are major differences in the numbers of migrants received by the Finnish regions. Whatever a migrant's status on arrival, newcomers mainly settle in cities and growth centres, where they have access to more diverse employment and education opportunities. In 2016, 58% of all those with a migrant background in Finland lived in the Helsinki region, Tampere and Turku. <sup>13</sup> A significant part of the population in major cities will have a foreign background in the future, either because they have immigrated themselves or because their families originated in another country.

<sup>13</sup> Statistics Finland: http://pxnet2.stat.fi/PXWeb/pxweb/en/Maahanmuuttajat\_ja\_kotoutuminen/Maahanmuuttajat\_ja\_kotoutuminen\_Maahanmuuttajat\_ja\_kotoutuminen/007\_ulkom\_osuudet.px/?rxid=dc815f51-a7d0-4aec-a81a-49b8ce399d18 (24 November 2017)

Migration is giving rise to new ethnic, linguistic, cultural and religious groups in Finnish society. Cultural diversification and other phenomena of societal change may, however, exacerbate the risk of inequalities. In terms of unity, it is important that migrants and their children can find their place in Finnish society and feel they are its significant members.

#### 2.3 Labour shortages now and in the future

Currently, the largest migrant group in the labour market is foreigners who are permanent residents in the country (unlimited right to work, tens of thousands). The second largest group is citizens of other EU Member States (free movement of labour, also tens of thousands a year). The majority of them are Estonians who usually only come to Finland to work. The third largest group is seasonal workers, either those who are required to apply for a visa or those who are exempted from the visa requirement, including seasonal agricultural workers (no labour market test, more than ten thousand a year). Additionally, foreigners residing in the country on other grounds than work enter the labour market (including students, family members, asylum seekers). Some also perform telework for Finnish employers from abroad.

A few thousand residence permits are issued to foreign experts every year. Less than 8,000 people work in Finland annually under permits based on work issued following a labour market test (doing manual labour). The distribution of permits for manual labour between different occupations is rather even, with agriculture, catering, construction, cleaning and transport as the largest sectors.

An application for a residence permit based on work is usually processed in a two-stage procedure, which includes a labour market test, checking the employment conditions and examining any requirements related to education, training and other aspects. Another precondition for issuing a residence permit based on work is that the applicant has proved their identity with an authentic travel document. It is also possible for persons who have been refused asylum to receive a residence permit based on work if the criteria for the residence permit are met.

Identifying security risks associated with migration in all phases of the permit process is vital. The Finnish Immigration Service, the Police, the Finnish Security Intelligence Service, the Border Guard and Finnish missions abroad engage in close national and international cooperation with the aim of assessing the risks to internal security arising from migration. Security risks can be prevented through efficient permit administration of a high quality. Promoting national and international information flows between authorities plays a key role in supporting security.

Finland needs both temporary labour force and workers who will settle here permanently in different sectors. The Occupational Barometer 2017 survey indicated that more and more occupations are experiencing a shortage of labour <sup>14</sup>. Labour shortages were observed especially in the social and health care sector and, increasingly, in the construction sector. According to the Finnish Information Processing Association, there will be a shortage of 15,000 skilled workers in the software sector in 2020 <sup>15</sup>. Thanks to the positive structural change on the southwest coast, the labour needs of the car and marine industry and manufacturing will exceed 30,000 workers in the 2020s <sup>16</sup>. Many foreign workers perform seasonal jobs in agriculture and horticulture, and this need is expected to be continuous <sup>17</sup>. Foreign labour will also continue to be recruited for project-type tasks, for example in the construction sector.

According to a recently published report<sup>18</sup>, regional cities are also experiencing a shortage of competent, skilled and motivated labour, regardless of structural unemployment. In particular, there is a lack of metal industry experts, engineers and construction site managers. An increase in the proportion of foreign language speakers, in other words growing migration, could balance out the mainly declining population trends in regional cities.

Labour migration in Finland has taken place with no comprehensive strategic planning and coordination by the public authorities in the areas of directing recruitments, the recruitment measures used, or the placement of the labour to be recruited in different sectors or occupations. In the efforts to anticipate labour needs, the needs for foreign labour have not been separated from general labour needs, which has played a role in slowing down the preparation of an active labour migration strategy. Various interest groups' agendas have in many cases taken centre stage in the debate on needs for foreign labour.

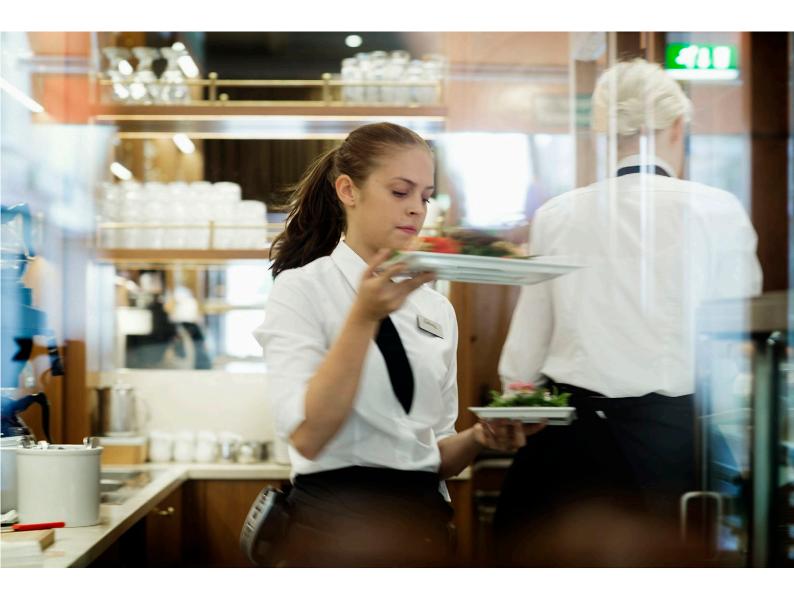
<sup>14</sup> Ministry of Economic Affairs and Employment: Ammattibarometri: Työvoimapula laajenee uusiin ammatteihin: http://tem.fi/artikkeli/-/asset\_publisher/ammattibarometri-tyovoimapula-laajenee-uusiin-ammatteihin (17 October 2017)

<sup>15</sup> Ohjelmisto-osaaminen Suomen talouskasvun ja uudistumisen jarruna – vuonna 2020 Suomesta puuttuu 15 000 ohjelmistoammattilaista http://www.tivia.fi/lehdistotiedote/ohjelmisto-osaaminen-suomen-talouskasvun-ja-uudistumisen-jarruna (17 October 2017)

<sup>16</sup> City of Turku (PPT presentation): Positiivinen rakennemuutos - miten varmistamme tulevaisuuden kilpailukyvyn? (7 June 2017)

<sup>17</sup> Maunu, Tallamaria, Räisänen, Heikki: Minne uudet työpaikat syntyivät vuonna 2016? (Ministry of Economic Affairs and Employment analyses 81/2017)

<sup>18</sup> Elinvoimaa seutukaupungeille. Report by rapporteur Antti Rantakokko. Ministry of Finance publication 38/2017. http://vm.fi/artikkeli/-/asset\_publisher/monimuotoista-kaupunkipolitiikkaa-tarvitaan-tukemaan-seutukaupunkienelinvoimaa



A group known as the foresight consortium, which operates under the leadership of the Ministry of Economic Affairs and Employment and which also counts the Ministry of Education and Culture and the Ministry of Finance as its members, anticipates the needs for labour, education and training. The consortium produces scenarios charting added value and employment in different sectors. Employment trends can be examined as a source of background data to assess the need for foreign labour in different sectors. The Occupational Barometer helps to assess the demand and supply of labour and the balance between them in different occupations and regions. The estimates extend to the near future, or a period of approximately six months from the time of their production. However, the anticipation of labour needs should be developed to cover considerably longer periods than this.

# 3 Government policies for promoting labour migration

#### 3.1 Policy 1: A competent labour force will support Finland's growth

A key starting point for the migration policy is ensuring that migration will be active, controlled and anticipated. The goals of the migration policy will be promoted through efficient permit processes of a high quality. Sufficiently flexible, expeditious and reliable permit practices will be needed to support the goal of attracting talents to the country. The permit administration will also help prevent security risks.

As the working-age population is dwindling, an active labour migration policy is one way of ensuring the availability of skilled and competent labour for companies and the labour market in general. The migration policy should be integrated with both business and innovation policy on the one hand, and employment and education policy on the other.

Diversification in the world of work will expand Finland's innovation and competence base, support our efforts to attract international talents and investments, and promote the internationalisation of companies and educational institutions. Skilled migrants will support the generation of new business and access to new target markets, strengthen companies' competitiveness, resolve skills bottlenecks, attract new investments to Finland and create jobs. Diversity in the world of work will support the creation of innovations. Stronger integration of international talents in innovation will expand the international networks and build up the competence base of these activities. Descriptions and competence base of these activities.

<sup>19</sup> Based on companies' experiences and international comparisons, particular areas in which companies can capitalise on international competence are sales and marketing, product development, target market surveys, deepening of customer relationships and building of partner networks. According to a business survey conducted by the COME project (http://come2.fi/fi/) of the Helsinki Region Chamber of Commerce (January 2017), international talents contribute new contacts, knowledge of the target market and access to new markets, improved customer satisfaction, language skills and new viewpoints on product development. The results of the New Competence survey carried out by the Finnish National Agency for Education indicate that 36% of companies felt they had found growth opportunities in a new market area through an international talent – even if less than one company out of five had recruited the talent for this purpose. Finnish National Agency for Education (2017), New Competence for SMEs survey. http://uuttaosaamista.fi/wp-content/uploads/2016/05/Uuttaosaamista.pdf

<sup>20</sup> The Migration Policy Programme supports the goal of internationalising innovation activities set in the Vision and Roadmap of the Research and Innovation Council.

Companies have identified the availability of skilled labour as one of the greatest challenges to growth and internationalisation. According to a country report<sup>21</sup> recently published by the European Commission, Finland's attraction among highly skilled migrants has been relatively poor, which has contributed to the low levels of labour migration. Other factors have included migration that began later than in the other Nordic countries and the small size of migrant communities in Finland. When companies consider making direct investments in Finland, they take into account not only the existing labour force in the country but also whether or not they can persuade their own key personnel to move to Finland. For this reason, Finland must offer a welcoming living and working environment for the employees of companies locating here and their families. The permit practices for workers coming from abroad should consequently also be sufficiently flexible and fast.

In the world's largest annual country brand report,<sup>22</sup> Finland came 15th out of 50 countries in the area of investment and migration, in other words the country's power to attract people. The respondent countries that gave Finland the highest scores were India, South Korea, Egypt, China, Brazil and Mexico. In European countries, the Polish, the French and the Italians expressed the greatest willingness to migrate to Finland for work. The most significant obstacles set by Finland's country brand to talents' willingness to migrate are the country's location, which is experienced as remote, and seeing Finland as a homogenous living environment that is not particularly international. Images that work for tourism promotion are not necessarily ideal for attracting labour.

Finland's advantages in the competition for international talents include a secure and stable society, well-functioning public services, including our globally known and recognized education system, accessible and versatile cultural services as well as children's day care, healthcare and social welfare. Other identified pull factors for Finland are the effective organisation of daily life, a clean living environment, equality, proximity to nature as well as an interesting and participatory city culture. These factors also persuade talents to stay in Finland.

Large cities play a major role in drawing international talents and helping them settle in. Without attractive urban areas, it is difficult for companies and higher education institutions to draw talents from abroad. Additionally, the cities' strategic policies, the services they provide and their images influence the decision to migrate. Regional cities need skilled labour, too, as smaller cities also have significant manufacturing and high technology industries and investment plans. Many countries have developed programmes to build their country brands and to attract and retain talents. Today's trend is that talents pursue a certain lifestyle and interesting locations rather than purely jobs, and this fact should be addressed in the efforts to attract them.

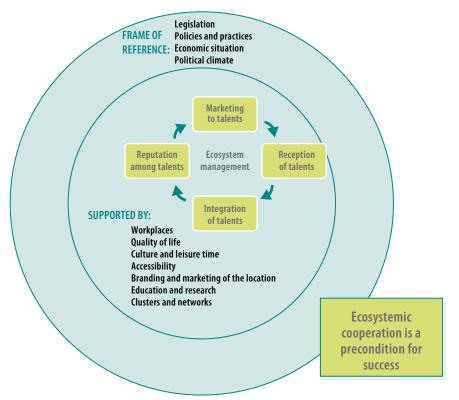
<sup>21</sup> European Commission's country report 1 March 2017 https://ec.europa.eu/info/sites/info/files/2017-european-semester-country-report-finland-fi\_0.pdf

<sup>22</sup> Anholt-GfK Nation Brands Index: http://nation-brands.gfk.com/ (15 August 2017)



Workers also migrate to the country for other than work-based reasons: international researchers, foreigners who have completed a degree and those arriving in Finland to join their spouses should be taken into consideration as a labour and talent resource for Finland, and attention should be paid to channelling their competence to the Finnish labour market. Additionally, we should be able to use the competence of those receiving international protection.

#### **Building blocks for attracting talents**



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#### **GOALS**

Labour migration will be foresighted, active and strategic.

Entering Finland will be easy for foreign workers. Permit procedures can be completed without delay and effort. Reliable permit procedures will be ensured in a rapidly changing operating environment, and decision-making processes will be of a high quality.

Active efforts will be made to recruit talents to Finland from abroad. Country branding will be targeted at international talents, taking skills bottlenecks, target groups and target areas into account.

#### Implementation:

Clear, long-term goals should be set for attracting international talents and using the potential of international talents already in Finland, with cross-administrative commitment to achieving these goals. Essential dimensions of this include marketing, reception, integration and reputation among talents.

Together with other ministries and agencies, the Ministry of Economic Affairs and Employment will produce anticipation data on future labour needs, also taking recruitments from abroad (free movement of labour and recruitments from non-EU/EEA countries) into consideration as a variable. Based on the anticipation data, the structures of the permit and integration system will be updated continuously, preparing for the public administration's role in the recruitment scheme and the targeting of recruitments.

Workers, entrepreneurs, students and researchers will be offered a residence permit process that is as effortless and as quick as possible by examining the procedures, allocating appropriate resources for permit processing and, if necessary, reviewing legislation. The migration administration will have an increasing focus on customer orientation in the residence permit services. The risks and threats associated with migration will be identified better.

The current practices of labour market testing will continue as a rule. Labour market testing related to the permit system for labour migration will be adjusted as necessary

based on anticipation data in connection with modernising other structures associated with the system. In the case of rapidly emerging changes in the need for foreign labour, regional and national work permit policies will be reviewed. In sectors benefitting from a positive structural change with a growing need for labour, targeted international recruitment pilots will be carried out, of which the needs for software developers and tourism sector workers are an example.

The Talent Boost Action Plan will give prominence to Finland's country brand and improve the country's ability to attract growth entrepreneurs and specialists by targeting country branding at strategically important talent groups. In country branding, attention will be focused on promoting the recognisability of Finland as well as Finnish cities and employers among international talents. Investments will be made in setting up online services intended for foreign talents, including WorkinFinland.fi, and creating tools for the Finnish missions abroad. The Government will support cities in attracting international talents through the Talent Boost Action Plan. A system of ambassadors for Finland will be created, in which internationally networking talents systematically take part in spreading information about Finland and in campaign planning. The possibilities of creating a grant system as part of marketing Finnish education will be investigated.

Business services should develop international talents' potential for supporting growth and internationalisation and have an ability to communicate it to companies better. Business Finland, an organisation to be launched at the beginning of 2018, will merge two of the main Team Finland actors: Finpro and Tekes. In addition to merely promoting exports, Business Finland will be a key support channel and route to international networking for Finnish companies. Business Finland's tasks will also include attracting international investments to Finland, and through them both competence and talents.





# 3.2 Policy 2: Well-functioning services that support settling in and integration will help attract skilled labour and enable foreign workers to feel at home

Services that promote settling in and integration will be part of the pull factors for skilled labour and help foreign workers feel at home in Finland. Well-functioning services will also support companies in attracting and retaining skilled labour in Finland.

Services that support settling in, which may even be offered before the workers leave their home countries, will make it easier for them to move to Finland and get their daily lives off to a good start once they have migrated. The Local Register Offices' services and tax-related advice will be part of this package. Settling in can also be facilitated by offering services in English and in other major languages spoken by migrant workers. Such services as international schools are also essential for Finland's attraction.

The settling in of skilled labour can be promoted by improving and gathering together the current services, ensuring that those migrating to Finland as well as employers can access the services they need easily and in a single location. The services that support settling in provided by the authorities will be complemented by private services.

By promoting integration, migrants' active role in Finnish society and social coherence can be promoted. Migrants also bring new influences to the host society and labour market, diversifying them. An increasingly international labour market will make Finland more attractive to talents and investors.

The needs for services that support integration will vary depending on the individual's goals, competence and life situation. While some work organisations and services will operate in English, the smooth running of an individual's and family's daily life and their comfort may be promoted by Finnish or Swedish language skills and knowledge of Finnish society. Supporting the integration of those migrating to Finland for work is also relevant to their future, which cannot always be anticipated. Some of those coming to work in Finland will only settle here on a temporary basis, while others will change their plans and stay for good, for example if they find a spouse and start a family. Some of those who migrate to Finland for work may end up looking for a new job in this country at a later date, in which case not having Finnish or Swedish skills may make it more difficult for them to find employment.

The adjustment to a new society of those who migrate to Finland for work and their family members can be promoted by offering comprehensive, multilingual advisory services, opportunities to study Finnish or Swedish compatible with different life situations, and support for participation in civic life. Integration services can, for example, also clear the way to the Finnish labour market for a spouse that follows a talent to this country. In addition to integration services offered by the authorities, employers also play a key role, especially for those migrants who have jobs. Such elements as leisure activities and the civic society are important for supporting social inclusion. Migrants' successful integration and employment may also offer opportunities for responding to the challenge of Finland's dependency ratio and labour market mismatches.

The Government specified its integration policy priorities in the Government Integration Programme for 2016–2019<sup>23</sup> and the Action Plan on Integration<sup>24</sup> adopted by the Government in May 2016. Shortening migrants' pathways to education and employment is an important goal. This is why it is crucial that the work input of migrants already living in the country — for example, those receiving international protection, spouses and graduates — can be efficiently used in the labour market. Finland should draw more efficiently on the expertise and networks of international students, researchers and other international talents already in the country for business growth and internationalisation as well as innovation activities.

<sup>23</sup> Government Integration Programme for 2016–2019 https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/79156/TEMjul\_47\_2016\_verkko.pdf?sequence=1

<sup>24</sup> Hallituksen kotouttamista koskeva toimintasuunnitelma: maahanmuuttajat kuntiin, koulutukseen ja työhön (3 May 2016) http://vnk.fi/documents/10616/1266558/Kotouttamisen-toimintasuunnitelma-030516.pdf/c600bd8f-7c5c-43b6-aba4-5aade9aafe0d

#### **GOALS**

Good services that support settling in and integration will be a pull factor and facilitate attracting international talents to the Finnish labour market.

Integration and other services that look after the entire family can help migrants feel welcome and stay in Finland. The inclusion in Finnish society and good everyday lives of those in the labour market and their family members will be promoted comprehensively.

The labour and competence potential of migrants living in the country will be identified and used more efficiently in the Finnish labour market.

#### Implementation:

International recruitments and the settling in of international workers can be facilitated by creating smoothly operating one-stop shop services provided by the authorities and putting them on a permanent footing. In the Helsinki region, a pilot project titled International House Helsinki will lay a foundation for developing these activities. The project will bring together the authorities that promote migrants' integration and employment, employers, professional networks and service providers. An e-service for national use will be developed in conjunction with this pilot project. In connection with the Talent Boost Action Plan, the needs and possibilities for extending similar services to other growth centres will be examined.

Services of this type can also operate as a meeting place for companies and international talents through which the expertise and networks of the talents can be channelled to support companies' growth and internationalisation (Talent Boost Action Plan). Efforts will be made to strengthen cooperation between recruiting companies, public services provided by the authorities and private providers of services that promote settling in.

By providing more international schools and children's day care centres as well as teaching delivered in English, migrants can be supported with settling in, and family members who follow them to Finland can be helped feel at home in Finnish society. The authorities will provide more services in English. Services that support settling in will be developed in cooperation with cities.

Integration services will help migrants feel at home in Finland and settle here. The integration of those who arrive as spouses will be promoted, and the education pathways and wellbeing of children and young people with a migrant background will be supported.

Pathways to the labour market or entrepreneurship based on migrants' existing competence will be supported. Higher education institutions and other educational institutions will improve the recognition and accreditation of prior learning and qualifications. The documentation of prior learning will also be developed. The aim is to make full use of any prior learning in the world of work.

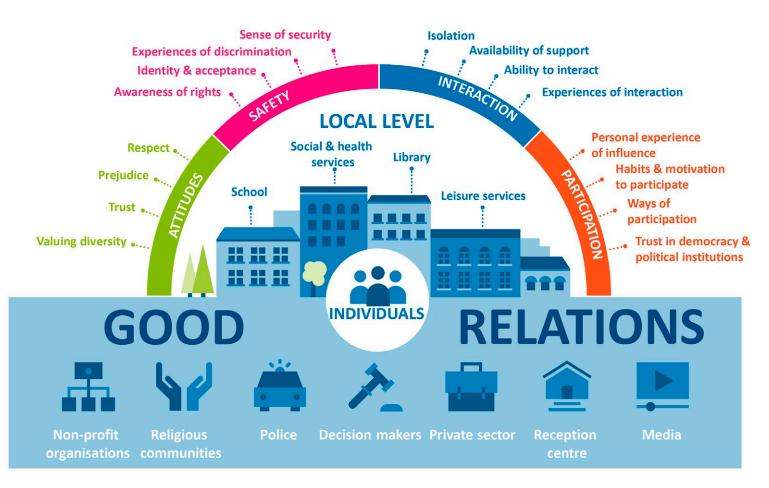
Social inclusion will be supported by increasing the involvement of migrant organisations and communities in the work to promote integration. The Ministry of Economic Affairs and Employment will develop an integration partnership programme and new work forms to intensify cooperation between the public sector, private actors and NGOs. Dialogue with municipalities and migrant groups on what the central government, the municipalities and migrant groups could do to promote integration will be deepened. Cultural, youth and sport services and services provided by civic society actors that promote integration will be offered to migrants more efficiently.



## 3.3 Policy 3: Good relations between population groups will help migrant workers find their place in Finland

Many societal and social factors influence international talents' decisions to migrate and to stay in the country, either directly or indirectly. A positive climate of attitudes and friction-free relations between population groups will make Finland more attractive to talents migrating for work, support the internationalisation of the labour market and secure Finland a stronger position in the competition for labour. On the other hand, racism, discrimination and hate crime will undermine trust in society and restrict the migrant population's possibilities for active participation in society. They will have a negative effect on Finland's country brand and thus the availability of foreign labour. A negative atmosphere may also impel workers who have already migrated to leave the country.

Relations between people from different groups are a cross-cutting issue in society with impacts that are felt in people's daily lives. The purpose of policies for promoting good relations between population groups is to encourage interaction between different groups and influence people's sense of security, attitudes and social inclusion. The Government Integration Programme (2016–2019) undertakes to promote good relations between population groups in addition to other integration measures.



In the context of labour migration, the goals of good relations policies are associated with fostering a positive climate of attitudes, increasing interaction between population groups as well as preventing and resolving conflicts between people from different groups. The creation of opportunities for interaction will promote the establishment of professional and social networks between new workers, including their families, and local people. Channels for civic participation offer migrants an opportunity to influence things that are important for them.

Public discussion in society also affects the climate of attitudes in the workplaces as well as migrants' sense of security and wellbeing. The Government Programme states that a tolerant and humane national discussion culture will be promoted, and racism will not be tolerated<sup>25</sup>.

Research results<sup>26</sup> indicate that attitudes towards migration have become slightly less positive since 2015, even if the majority of the population condemns racism (60%)<sup>27</sup>. Young people are more positive about multiculturalism than their seniors. Women are also more tolerant than men. In a survey of young people's attitudes,<sup>28</sup> the respondents criticised migration policy, while this does not mean that their attitudes towards migrants would be equally negative.

Attitudes play a key role in how well migrants' equality is realised in the workplace. Being able to feel that they belong to their work community and eradication of any discrimination affect migrants' productivity and performance at work and also their wellbeing. According to a report completed in 2014,<sup>29</sup> ethnic origin or nationality and speaking a foreign language were, after state of health, the second most common grounds for discrimination in contacts made with the occupational safety authorities and suspected offences known to the police. Professional and social interaction is particularly significant for a migrant who does not already have social networks in Finland.

The Government Integration Programme sets the target of developing positive attitudes, non-discrimination and diversity management in cooperation with labour market organisations. The national working life strategy *Working Life 2020* also sets strengthening practices based on trust, mutual appreciation, openness and reciprocity in Finnish workplaces as one of its goals.

<sup>25</sup> Meaningful in Finland Action Plan, Action Plan to prevent hate speech and racism and to foster social inclusion (2 May 2016) http://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/75432/Meaningful\_in\_Finland.pdf

<sup>26</sup> Miten meillä menee? Kartoitus väestösuhteiden tilasta Suomessa – painopisteenä vastaanottokeskuspaikkakunnat. Ministry of Justice publication 32/2017 http://julkaisut.valtioneuvosto.fi/handle/10024/80007

<sup>27</sup> Economic Information Office TAT 2015

<sup>28</sup> Finnish Youth Research Society (2014) Youth Barometer 2014.

<sup>29</sup> Työsyrjinnän seuranta Suomessa. Ministry of Economic Affairs and Employment publications 53/2014.

A family's decision to settle in Finland over a longer term is influenced by not only interactive relationships at work but also every family member's experiences of interaction at school, in the playground, in public spaces and in recreational activities. The spouse's possibilities of finding employment play a significant role in how well a family settles in. The employment rate and wage level of migrant women are rather low. The labour market participation of migrant women, in particular, should thus be promoted.

Those who come to Finland for work mainly settle in cities or urban sub-regions. Many international companies offer services that assist migrants with finding housing, but these services are not provided for everyone. When planning new housing estates and infill construction, it is important to ensure that the housing stock and housing options are diversified and especially that affordable housing will be available to meet the demand in different districts of cities.

Both the authorities and NGOs work to promote good relationships between population groups. NGOs have a central role in enabling interaction between cultures and everyday encounters between people. They offer low-threshold activities and services flexibly, complementing public services. As part of the Meaningful in Finland Action Plan, educational, cultural, youth sector and sports organisations have launched an extensive 'I say No to hate speech' campaign that encourages people to intervene in hate speech, especially among young people and on the social media.

#### **GOALS**

Attitudes towards migration in Finnish society will be positive, and relations between population groups will be friction free.

The Finnish world of work will be welcoming, diverse and non-discriminatory.

Migrant women's participation in the labour market will be promoted. Their competence will be identified and improved.

The inclusion of migrants in their local society will be promoted in cooperation by the authorities and NGOs.



#### Implementation:

The authorities and NGOs will implement good relations policies at all levels of administration, especially in areas that are important for daily life.

The creation of a positive climate of attitudes and a non-discriminatory discussion culture will be supported by providing key groups with training on the obligations under the Non-Discrimination Act, implementing information campaigns to combat discrimination and racism<sup>30</sup>, collecting information on manifestations of discrimination in different areas of life, and supporting activities aiming to prevent hate speech.

Funding will be allocated to operating models that encourage interaction to strengthen a community-based integration policy. The opportunities offered by cultural, sports and recreational activities will be used to build social networks. The status of relations between population groups will be monitored regularly as part of the cross-administrative monitoring system for integration and good relations between population groups coordinated by the Centre of Expertise in Immigrant Integration.

<sup>30</sup> Meaningful in Finland Action Plan. Action plan to prevent hate speech and racism and to foster social inclusion

Migrant women's participation in the labour market will be actively promoted through cooperation between the central government and labour market actors. More information about their rights in the world of work will be provided for migrant women.

More information will be provided for migrants about the functioning of the housing market and different housing options in connection with services that support settling in. They will also be offered more information about residents' possibilities of influencing their local environment and Finnish society.

#### **Photos:**

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