



Education and Training Monitor 2016

Finland

Volume 2 of the Education and Training Monitor 2016 includes twenty-eight individual country reports. It builds on the most up-to-date quantitative and qualitative evidence to present and assess the main recent and ongoing policy measures in each EU Member State, with a focus on developments since mid-2015. It therefore complements the existing sources of information which offer descriptions of national education and training systems.

The structure of the country reports is as follows. Section 1 presents a statistical overview of the main education and training indicators. Section 2 briefly identifies the main strengths and challenges of the country's education and training system. Section 3 looks at expenditure on education, and demographic and skill challenges. Section 4 focuses on early school leaving, early childhood education and care, and basic skills as important areas related to tackling inequalities and promoting inclusion. Section 5 deals with policies to modernise school education, covering, inter alia, the teaching profession and digital and language skills. Section 6 discusses measures to modernise higher education. Finally, section 7 covers vocational education and training, as well as adult learning.

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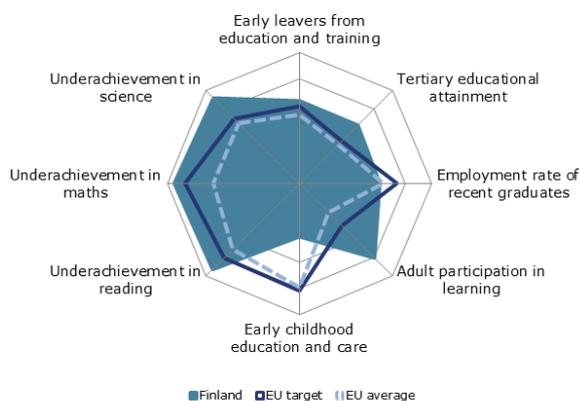
Additional contextual data can be found online (ec.europa.eu/education/monitor)

1. Key indicators

		Finland		EU average		
		2012	2015	2012	2015	
ET 2020 benchmarks						
Early leavers from education and training (age 18-24)	Total	8.9%	9.2%	12.7%	11.0%	
Tertiary educational attainment (age 30-34)	Total	45.8%	45.5%	36.0%	38.7%	
Early childhood education and care (ECEC) (from age 4 to starting age of compulsory education)		74.0% ¹¹	83.6% ¹⁴	93.2% ¹¹	94.3% ¹⁴	
Proportion of 15 year-olds with underachievement in:	Reading	11.3%	:	17.8%	:	
	Maths	12.3%	:	22.1%	:	
	Science	7.7%	:	16.6%	:	
Employment rate of recent graduates by educational attainment (age 20-34 having left education 1-3 years before reference year)	ISCED 3-8 (total)	80.7%	75.5%	75.9%	76.9%	
Adult participation in lifelong learning (age 25-64)	ISCED 0-8 (total)	24.5%	25.4%	9.2%	10.7%	
Other contextual indicators						
Education investment	Public expenditure on education as a percentage of GDP	6.4%	6.4% ¹⁴	5.0%	4.9% ^{14,P}	
	Expenditure on public and private institutions per student in € PPS	ISCED 1-2	€7.529	€7.512 ¹³	:	: ¹³
		ISCED 3-4	€6.540	€6.502 ¹³	:	: ¹³
ISCED 5-8		€13.585	€13.223 ¹³	:	: ¹³	
Early leavers from education and training (age 18-24)	Native-born	8.7%	8.7%	11.6%	10.1%	
	Foreign-born	14.9% ^u	18.1% ^u	24.9%	19.0%	
Tertiary educational attainment (age 30-34)	Native-born	47.0%	47.2%	36.7%	39.4%	
	Foreign-born	33.0%	32.7%	33.8%	36.4%	
Employment rate of recent graduates by educational attainment (age 20-34 having left education 1-3 years before reference year)	ISCED 3-4	77.4%	72.0%	69.7%	70.8%	
	ISCED 5-8	85.4%	81.1%	81.5%	81.9%	
Learning mobility	Inbound graduates mobility (bachelor)	5.1% ¹³	5.4% ¹⁴	5.5% ¹³	5.9% ¹⁴	
	Inbound graduates mobility (master)	8.9% ¹³	9.5% ¹⁴	13.6% ¹³	13.9% ¹⁴	

Sources: Eurostat (see section 9 for more details); OECD (PISA). Notes: data refer to weighted EU average, covering a different number of Member States depending on the source; b= break in time series, d= definition differs, p= provisional, u= low reliability. Further information is found in the respective section of Volume 1 (ec.europa.eu/education/monitor).

Figure 1. Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG Education and Culture calculations, based on data from Eurostat (LFS 2015) and OECD (PISA 2012).

Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the figure).

2. Highlights

- The Government identified six key 'knowledge and education' projects in its strategic 'Vision: Finland 2025' and has to implement these in a fiscal consolidation environment.
- The educational outcomes of 15-year-olds are still some of the best in the EU, but have decreased recently across all groups.
- Curricula are being modernised at all levels of education.
- The tertiary educational attainment rate is amongst the highest in the EU. Higher education is undergoing reform to increase its efficiency and relevance.
- The proportion of students in vocational education and training, and of adults in lifelong learning, is amongst the highest in the EU.

Box 1: The 2016 European Semester country-specific recommendation on education and training

The 2016 European Semester country-specific recommendations to Finland (Council of the European Union 2016) included a recommendation on education and training:

Take measures to reduce regional and skills mismatches

3. Investing in education to address demographic and skill challenges

In 2014 general government expenditure on education as a proportion of GDP (6.4 %) ¹ was among the highest in the EU, and was also above the EU average as a proportion of total general government expenditure (11 %). Finland's education budget was consistently both high and stable over the past decade, but has declined markedly in recent years. Finland has seen a reduction in education expenditure in real terms since 2011, with the biggest drop in 2012 (-0.7 % in 2011, -3.0 % in 2012 and -0.8 % in 2013). In 2014 the national education budget of EUR 6.59 billion was 0.2% smaller than in 2013. The need for budgetary consolidation meant that previous governments had already cut education expenditure by EUR 0.8 billion. The current Government envisages similar savings of EUR 0.5 billion up until 2020. ²

Upper secondary education expenditure fell by over 4 % in 2013 alone. 2016 is a difficult year for higher education that is faced with up to 4 % budget cuts, and significant cuts in public funding of every university.

Under the Government's 'Vision: Finland 2025', EUR 300 million is being invested in six knowledge and education key projects. These are well targeted investments which need to be seen in the context of past and current overall cuts in educational expenditure.

These education budget cuts are not supported by demographics. Finland has seen a continuous but small population increase since 2009 by about half a per cent to 5.42 million in 2015. The number of under-15s has increased annually over the past 4 years. But the number of 15 to 19-year-olds continued to decrease more rapidly by about 2 per cent per annum.

¹ General government expenditure on education as a proportion of GDP remained relatively stable at 6.4 % between 2012 and 2014, a slight decrease compared to 6.6 % in 2010. This shows that the education budget shrank in line with GDP on account of the very weak Finnish economy. Source: Eurostat, General government expenditure by function (COFOG) database.

² The Prime Minister's Office (2016) action plan for implementing key projects and reforms set out in the Strategic Government Programme.

Employment rates have been slipping recently. For the low-qualified they fell from 59.8 % in 2011 to 53.1 % in 2015, but have remained relatively stable over the past three years. Medium qualifications do better but have also lost about 5 percentage points (pps), dropping to 72.7 %. Employment rates for tertiary graduates fell from 87.8 % in 2008 to only 81.1 % in 2015.

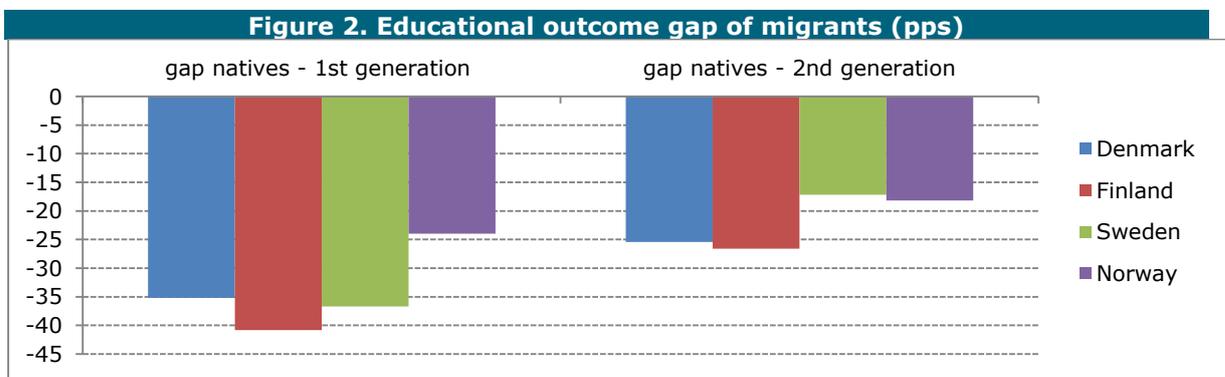
4. Tackling inequalities and promoting inclusion

The early school leaving rate has decreased from 10.3 % in 2010 to 9.2 % in 2015, which is below the 11 % European average. Finland has therefore reached its Europe 2020 national target of 10 %. Foreign-born early school leavers however significantly outnumber those born in Finland (18.1 % and 8.7 % respectively). Women continue to outperform men by 2.7 pps, which is close to the European average of 2.9 pps.

Participation in early childhood education and care in Finland has traditionally been lower than in other EU countries. Due to a change of methodology in the statistics, the percentage of children aged over 4 increased considerably between 2011 and 2014 from 74 % to 84 %, compared to an EU average of 94.3 %.

Growing differences in educational outcomes were one of the main findings for Finland in the 2012 OECD Programme for International Student Assessment. Even though Finland remains among the EU top performers, its overall performance worsened compared to 2009, particularly in numeracy and in terms of increasing differences in learning outcomes between pupils. One of the reasons researchers are finding worsening educational outcomes is because Finnish society is becoming more heterogeneous.

PISA 2012 showed a skills gap of about two years for first-generation immigrants, depending on the subject.³ This is one of the largest performance gaps between native-born and first-generation migrants of participating EU countries. Second-generation migrants however perform significantly better than first-generation migrants, but there is still a gap of one and a half years. Studies not related to PISA show that the main reason for this might be the lack of parental resources (Kilpi-Jakonen 2012).



Source: OECD PISA (2012)

14.4 % of Finnish teachers responded to the study on training in teaching in a multicultural/multilingual environment (OECD 2014). This is on par with Italy and the Netherlands. However, research shows that educational practices are still mainly monolingual and that unprepared, overloaded teachers lack the motivation to deal with immigrants by adapting their approach (Sunni and Latomaa 2014; Voipio-Huovinen and Martin 2014).

The 2016 report 'Finnish as a second language syllabus learning outcomes in the 9th grade of basic education in 2015' from the Finnish Education Evaluation Centre (FINEEC), showed that the language proficiency of both migrants and refugees is only fairly good. 66 % of the 1 530 pupils participating in the study had received additional or special support.

³ <http://www.oecd.org/pisa/keyfindings/pisa-2012-results.htm>; see also Harju-Luukkainen et al. (2014).

Measures taken to prevent underachievement include strengthening early childhood education and care (ECEC). The new National Core Curriculum for ECEC will be finalised in 2016 with implementation starting in August 2017. As of August 2016 the child-educator ratios for children aged over 3 will be increased. The new locally developed curricula for pre-primary education will be implemented from August 2016.⁴

Box 2: Integrating refugees into the education system

Educating newly arrived refugees is also a challenge for the Finnish education system. The basic principle of the Finnish Constitution to provide equal access for every child to free, high-quality education extends to refugees or immigrants.⁵ Finland saw the arrival of 32 500 refugees in 2015. This is about 9 times the figure for 2014 and equates to 10 % of the number of immigrants already resident in Finland.

In line with the Finnish bottom-up system, how the reception of refugees in education is organised is largely up to the education providers and schools. Municipalities receive additional public funding for a maximum of one year per person to set up preparatory classes or organise additional support in regular classes. Preparatory education for attending general upper secondary education for migrants and refugees was introduced by law in 2014.

For instance, the City of Helsinki has established preparatory classes with a specific curriculum for immigrants and refugees. They provide instruction in the Finnish/Swedish language and all other core school subjects for one year. Those under 10 receive 900 hours of instruction and those over 10 receive 1 000 hours of instruction (City of Helsinki 2016; Demos 2016). At national level the programme “The educational tracks and integration of immigrants – problematic areas and proposals for actions”, was launched in 2016. A report identifies 56 actions to be undertaken.⁶

As regards Finnish teacher education, it had already become increasingly important to integrate immigrants into mainstream education even before the refugee crisis of 2015. Many programmes based on multicultural and intercultural issues, social justice and/or global teacher education aim at preparing teachers for working with and for immigrant students (Dervin and Hahl 2015; Jokikokko 2010).

The working group on immigration of the Ministry of Education, established in 2016, has identified the needs and costs of immigrants in education to be around EUR 80 million for 2017-2020. EUR 2 million annually is to be used to advance them along the education path. A major part of these costs is targeted at teacher training (2017: EUR 2.4 million per year; 2018: EUR 3.2 million and EU 3.9 million for each of 2019 and 2020).

5. Modernising school education

Finland continues a comprehensive curriculum reform. The aim of the curriculum reform is to modernise teaching and learning through new pedagogies, a new learning environment as well as a new school culture.

The national core curriculum for pre-primary and basic education was renewed in 2014, and involved all stakeholders, particularly education providers and educational personnel. That for general upper secondary schools was renewed in 2015. The national core curriculum provides strategic guidance for developing local curricula that determine the exact education content. For

⁴ The local curricula are based on a core curriculum that was updated under the wider curriculum reform in general education adopted in December 2014.

⁵ The Basic Education Act and the Early Childhood Education and Care Act stipulate that immigrants and refugees are entitled to free access to ECEC and education. The National Curriculum Guidelines on Early Childhood Education and Care of 2005 take into account children’s diverse cultural backgrounds. Each child’s culture, customs and background are valued and supported in ways that are specified in an individual plan drawn up jointly by parents and ECEC staff.

⁶ http://www.minedu.fi/OPM/Julkaisut/2016/maahanmuuttajien_koulutuspolut_integrointi.html?lang=fi

example, the reform for upper secondary education aims to achieve broad-based general knowledge and ability acquired through:

- teaching and learning activities that support the development of broad competences;
- familiarising students with science beyond single school subjects;
- capacity-building for sustainable lifestyles, lifelong learning and active citizenship.

The curriculum development process at local level in 2015/2016 involved preparing local curricula and was intensive. Again these were developed with all local stakeholders and teachers, and will be implemented from August 2016. The Finnish National Board of Education established the so-called Lighthouse network to support the local curriculum work at municipality level through meetings and a web platform.

The design of the new curricula takes into account the EU's key competences.⁷ The Finnish approach to key competences is holistic and takes place through the study of individual subjects. Some competences, such as digital literacy and collaborative skills, have been developed in much more detail than in the previous national core curricula. Learning goals for transversal competences are also described in seven competence areas (Soby 2015).

While developing the new local curricula, teachers are presented with questions such as: (1) what will education mean in the future; (2) how can education prepare young people for the future; and (3) what competences will be needed for work and for everyday life. This should enable them to teach the learning of 21st-century competences across various school subjects. Schools will become learning communities, where pupils and adults learn from each other. The core aim of the curriculum is to help pupils grow both as human beings as well as citizens. Publishing houses are designing teaching and learning materials in a way to help teachers to personalise teaching and to integrate subjects beyond their traditional competences and to increase interdisciplinary teaching.

The Government's strategic 'Vision: Finland 2025' has identified five priority areas, one of which is knowledge and education (Prime Minister's Office 2016). It describes six key projects: (1) New learning environments and digital materials for basic education; (2) Reform of vocational upper secondary education; (3) Accelerated transition to working life [in higher education]; (4) Access to art and culture [for children and young people]; (5) Intensified cooperation between higher education and business life to commercialise innovations; and (6) Youth guarantee towards community guarantee.

The first key project is 'New learning environments and digital materials for basic education schools'. By international comparison, only 18.8% of students reported using ICT for projects or class work (OECD 2014: table 6.1). This compares to 73.9% in Denmark or 44.7% in the Slovak Republic. A recent government report⁸ shows that 70 % of basic education school teachers have a positive attitude to ICT. About half of teachers feel they have basic digital skills and 20 % report significant shortcomings. About half of teachers use ICT on a weekly basis, but students use it less often for educational purposes. Digital literacy is well embedded in the curriculum reform.

Teacher education in Finland remains very competitive and is one of the most attractive educational programmes at tertiary level.⁹ For example, at the University of Helsinki only 7 % of applicants were accepted onto the primary school teacher programme in 2016. Teachers are key implementers of the important quality processes and policies devolved to local level in the country.

⁷ Official Journal L 394 of 30.12.2006.

⁸ Report on Digitalisation in the learning environments of comprehensive schools and teachers' skills in exploiting digital learning environments (2016), http://valtioneuvosto.fi/en/article/-/asset_publisher/10616/selvitys-perusopetuksen-digitalisaatiosta-valmistunut

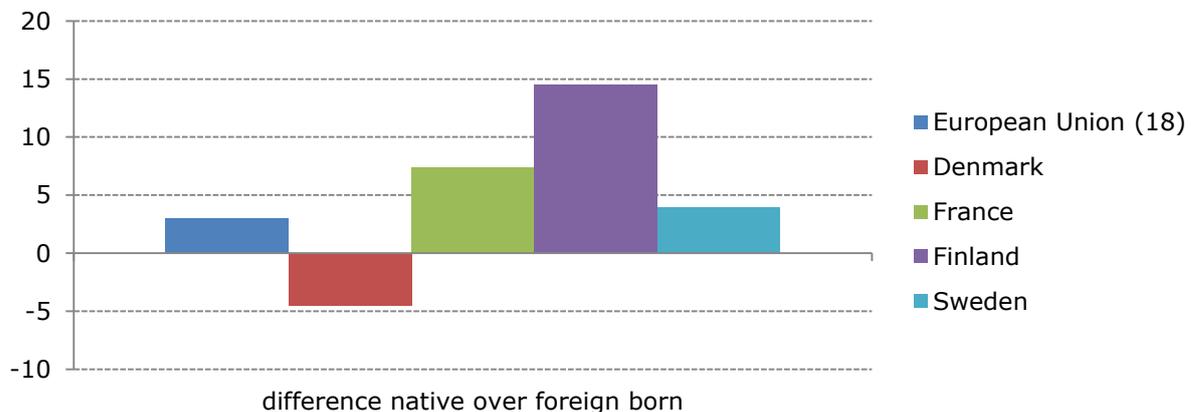
⁹ Teaching remains an attractive profession even if teachers earn only between 70 % (pre-primary and primary) and 90 % (upper secondary) of similarly educated workers in Finland. This is the OECD average for upper secondary teachers and close to the average for primary and primary teachers (OECD 2015, Table D3.2a).

A Finnish Teacher Education Forum established in February 2016 will help in renewing teacher education at all levels by preparing a development programme for teachers' pre- and in-service education, and support its implementation. It will, in particular, support teacher education institutes to create courses to enable student teachers to become familiar with new pedagogy, learning environments and digitalisation of teaching, as well as learning for life-long professional development. Renewing curricula and investing more in teacher education is a forward-looking approach. The final results will also depend on the reforms aimed at making schools more effective and efficient, and available funding.

6. Modernising higher education

At 45.5 % in 2015, Finland has one of the highest tertiary educational attainment rates in the EU. Women clearly outnumber men. The 15.3 pps advantage of women in attainment rates is well above the EU average of 9.4 pps. Foreign-born students attend higher education significantly less. 31 % of foreign-born students obtain a tertiary degree compared to 46.9 % of native Finns (see figure 3 below). The economic slump in Finland caused the employment rates of tertiary graduates¹⁰ to drop from 87.7 % in 2008 to 81.1 % in 2015.

Figure 3. Difference in tertiary attainment between foreign-born and native-born students



Source: European Commission extraction of Eurostat data. Online data code: *edat_ifs_9912*.

The main goal of the current government reform in the area of higher education is to make the system more efficient and effective while increasing the transfer of research output to business opportunities. An important objective is to shorten the time it takes to enter higher education and to move from graduation to work. Higher education institutions will reform their student selection procedures in order to have students faster admitted after secondary education. The system of study grants was reformed in August 2016. The indexation of allowances has been changed — the entitlement time has been reduced by 10 months and support for studying abroad tightened. This should also result in savings in higher education.

The higher education institutions reacted in many different ways to the recent cuts to public budgets. The University of Helsinki, that was one of the hardest hit with a budget cut of nearly 20 % by the year 2020, is massively reducing its staff (a reduction in staff of up to 1 000 staff out of 7 000 by the year 2017). The University and the University of Applied Sciences in Tampere are preparing to merge operations.

The latter is in line with the currently discussed policy aimed at increasing efficiency and effectiveness by concentrating on a number of larger higher education institutions, including perhaps even universities and polytechnics (universities of applied sciences), and developing more distinct research and teaching profiles. The main tool is periodic performance agreements that, in particular, support a clearer strategic focus and development of their study processes.

¹⁰ People aged 20-34 who left tertiary education one to three years before the reference year.

Institutions are also invited to develop clearer profiles of the fields of study they offer. Universities Finland (UNIFI) and the Rectors' Conference of Finnish Universities of Applied Sciences (ARENE) facilitate this process.¹¹

An important trend at universities is the emphasis on learning generic skills at bachelor level. These types of skills are needed in working life and support employability and the learning of new skills. As part of this, bachelor-level studies are becoming more general and suited to several careers, with specialisation taking place at master's level. The bachelor degrees granted by universities of applied sciences continue to prepare graduates directly to working life.

The main challenge currently for Finnish higher education reform is whether the envisaged increases in efficiency will outbalance the recent major budget constraints while also supporting better outputs in terms of graduate skills, research and innovation.

7. Modernising vocational education and training and promoting adult learning

Close to one third of Finns between the ages of 15 and 19 were 2014 enrolled in an upper secondary vocational programme. The number of participants in vocational programmes which combine school- and work-based learning has traditionally been relatively low in Finland. The minimum percentage of learning at a real work place is about 20 %, but can be much more in some cases. 14.5 % of vocational students participated in such programmes in 2014, down from 15.3 % in 2013.

The level of adult participation in lifelong learning in 2015 is the third highest in the EU (25.4 %), well above the EU average of 10.7 %. Participation rates for older and low-skilled adults are also higher than the EU average, but considerably lower than those of the general adult population¹². Unlike many other Member States, participation rates of people born outside Finland were actually higher (28 %) than those born in Finland (24.3 %).

Finland is an exception to the general EU trend of the labour force becoming more highly qualified. By 2025, the proportion of Finland's labour force with high-level qualifications is forecast to fall to 37.1 % from 39.2 % in 2013, but it will still be higher than the 34.9 % recorded in 2005. The employment rate of recent upper secondary graduates¹³ (71.6 % in 2014) is above the EU average, but significantly lower than in 2012 (77.4 %).

The amended Vocational Education and Training Act, which entered into force on 1 August 2015, was aimed at strengthening the learning-outcome approach of vocational qualification. Furthermore it strengthened a modular structure to support the creation of flexible and individual learning paths and to promote the validation of prior learning. The workplace was given a more important role, e.g. in the learning process and assessment of the students. The new legislation now requires all vocational qualifications to have at least 30 instead of 20 credits of work-based learning (out of a total 180 credits). There is however still scope to further increase work-based learning opportunities, such as apprenticeship schemes, which have been efficient in providing the skills needed in the labour market. This will become more difficult in the future as the vocational training budget will be cut by EUR 190 million from the beginning of 2017. Reducing funding available per capita reduces funding available to vocational upper secondary education and training by EUR 59 million in 2016 alone. Apprenticeship training faces budget cuts of EUR 19 million.

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¹¹ For more information, see <http://www.unifi.fi/in-english/> and <http://arene.fi/en>

¹² The estimated participation rate in 2015 for those aged 55-64 was 15.6 %, and 12.8 % for the low-skilled.

¹³ People aged 20-34 who left upper secondary education one to three years before the reference year.

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9. Annex. Key indicator sources

Indicator	Eurostat online data code
Early leavers from education and training	edat_lfse_02 + edat_lfse_14
Tertiary educational attainment	edat_lfse_03 + edat_lfs_9912
Early childhood education and care	educ_ipart (2011), educ_uoe_enra10 (2014)
Employment rate of recent graduates	edat_lfse_24
Adult participation in lifelong learning	trng_lfse_01
Public expenditure on education as a percentage of GDP	gov_10a_exp
Expenditure on public and private institutions per student	educ_uoe_fini04
Learning mobility	educ_uoe_mobg03

Comments and questions on this report are welcome and can be sent by email to:
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