Summary: Review and Barometer 2023 of the Field of Education and Research

The publication consists of two parts: a barometer and a industry review. The industry review has compiled some highlights from various statistics. The highlights are mainly from statistics compiled by Statistics Finland (http://www.tilastokeskus.fi/) and the OECD (https://stats.oecd.org/).

THE KEY RESULTS OF THE BAROMETER

The overall outlook for the industry is seen to have weakened more often than improved over the past 12 months. On the other hand, 51% of respondents believe that the overall outlook has remained unchanged. The outlook for the next 12 months continues to deteriorate.

Economy

38 per cent of the respondents estimated that total funding had remained unchanged and 38 per cent had also increased. Fewer than before expect funding to increase over the next 12 months – this is especially the case for liberal adult education.

Public funding has developed as expected, generally maintaining its level. Similarly, other funding has grown slightly as expected. Expectations regarding public funding have weakened over the next 12 months in liberal adult education, basic education in the arts and general education. With regard to the growth of other funding, expectations are moderate, with the exception of liberal adult education, where a decrease in other funding is also anticipated.

For 36 per cent of the respondents, the latest financial statements have been in surplus, 20 per cent in balance and 44 per cent in deficit. Deficits have become more common across the board. Until a year ago, there was no predominant deficit in any form of education.

There is also pessimism about the balance for the current financial year. 19 per cent of respondents expect the surplus to increase or the deficit to decrease. 44 per cent expect the deficit to increase or the surplus to decrease. As a whole, the economic situation appears weaker than one year ago, as anticipated a year ago. The deterioration is also expected to continue. In the future, the struggle with profitability seems to be clearest in liberal adult education in addition to basic education in the arts.

Personnel

35 per cent of respondents report an increase in their number of employees over the past 12 months and 17 per cent a decrease. Expectations for personnel growth over the next 12 months are lower than actual or expected during the past 12 months.

Recruitment problems even seem to have become slightly more common in both personnel groups from one year ago. Recruitment problems are experienced throughout the country. Educational, teaching and research staff feel that recruitment problems have increased, especially in early childhood education and care. In both personnel groups, recruitment problems are expected to continue in all forms of education and in all parts of the country.

Available study places and student numbers

The number of students and children has grown in 35 per cent of the organisation, which is 10 percentage points lower than one year ago. The number of students has grown especially in higher education institutions. Over the next 12 months, the number of students and children is expected to remain unchanged in less than half of the organisations.

One-third of all respondents see an increase in the need for starting places in their form of education or daycare places during the past 12 months, and the same share see the need increasing over the next 12 months. Now there is a need for the growth of starting places less often than a year ago, excl. vocational training.

The desire and readiness to increase the number of starting places is even more common than needed and at the same level as a year ago. Just under 80 per cent of the respondents are ready to increase the number of starting places.

Education export

Of the respondents, 17 per cent said they were engaged in education export. Of these, exports had fallen for 12 per cent over the past 12 months and for 71 per cent had grown. The share of those having received growth has risen clearly and at the same time the share of those that have remained unchanged has decreased. Over the next 12 months, none of the exporters anticipate a decline in education exports and an increase of as much as 71 per cent.

The barometer material has been compiled on a form from private training providers. Each organization has received one link. A representative of the organizers has been asked to evaluate actual and future developments (positive, no change, negative) for certain criteria. The balance figure is formed by subtracting the share of negative assessments from the share of positive assessments. Thus, the balance figure tells the percentage point difference between positive assessments and negative ones. This time, responses were received from 102 private training providers (25 per cent) at the middle of October.

In addition to the themes mentioned above, the barometer has inquired about the situation of the recent past and future regarding co-operation with other education and research organizations as well as companies and other working life and investment.

KEY FINDINGS OF THE INDUSTRY REVIEW

At the end of 2022, there were 685 active education providers with 2,999 educational institutions. Education employed 184,000 persons, which corresponds to 7 per cent of employed persons. Private education providers employ about one-third of the education personnel.

Currently, public investment in education is 5.4 per cent relative to GDP and 9.6 per cent relative to total public finances. Based on statistics, it can be said that nearly 2.5 million Finns participate in education and training each year as degree and adult students. If we take into account education organised by others and more informal forms of studying, such as individual lectures, more than half of Finns receive education each year.

In 2021, 0.6 per cent of comprehensive school leavers did not apply immediately. Altogether, 6.6 per cent did not continue in education leading to a qualification or degree. Of the new matriculation examination students, 83 per cent applied for a place in further studies. However, 63 per cent did not continue in education leading to a qualification in the year of matriculation. In the academic year 2020/2021, 6.7 per cent of students discontinued their studies and did not immediately continue in education leading to a degree.

At the end of 2022, altogether 3,530,300 persons, or 75 per cent, of the population aged 15 or over had completed a post-comprehensive level qualification. The share of attainers of qualifications remained unchanged. There were 1.5 million persons in adult education in 2022 – nearly every second person aged 18 to 64.

Research expenditure in higher education institutions has increased nearly two-and-a-half times since the beginning of the millennium. The development slowed down in 2010 to 2016 but turned to growth in 2017. In 2022, higher education institutions' research expenditure amounted to EUR 1.9 billion. Of this funding, 43 per cent was central government budget funding and 54 per cent other external funding.

As a whole, R&D expenditure amounted to EUR 7.9 billion in 2022. The share of research and development expenditure of gross domestic product was 3.0 per cent. In 2022, a total of 86,936 persons worked in R&D tasks, of whom 41 per cent worked in the higher education sector.

The industry review highlights the latest statistical information, e.g. education providers, funding and personnel, students, access to studies, study progress, level of education, employment and research and development. Four recent studies in the field of education and research concerning evidence on the Finnish education export, R&D and innovation, among others, are also highlighted.