

Opetusministeriö

Ministry of Education

Education

Research

Culture

Sport

Youth



EDUCATION CULTURE

MINISTRY OF EDUCATION | ANNUAL REPORT 2005





VISION

Finland is a Nordic welfare society, where education and training, culture and science are the key factors for the citizens' well-being, as well as for the Finnish economy and modern civilisation.

THE OPERATION IDEA

As part of the Government, the Ministry of Education is responsible for developing education, science, cultural, sport and youth policies, and international co-operation in these fields. The Ministry promotes education and culture, creates favourable conditions for the production and diffusion of knowledge, for lifelong learning and creativity, and for citizens' participation and well-being.

STRATEGIC KEY AREAS OF THE MINISTRY OF EDUCATION STRATEGY 2015

- Securing educational and cultural equality
- Promoting intellectual growth and learning
- Increasing opportunities for participation
- Supporting the educational, cultural and economic competitiveness of Finnish society
- Diversifying Finland's international influence
- Improving performance in the Ministry of Education sector

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IN THE HEADLINES IN 2005



January The EU Ministers of Education convened in Paris: education the key in rebuilding the Asian disaster areas | Network of regional centres of dance expanded by the addition of two new centres | The amount of the state subsidy to sports organisations increased

February The Universities Act will be amended to include regulations on the study rights of university and polytechnic degree students | 80 athletes received sports grants

March Polytechnic degree programme changes: postgraduate degrees are to be established | Introducing fees to cover costs arising from higher education for foreign students investigated | The government grants for theatres

increased by more than half a million euro

April Skills demonstrations in vocational training change student practical skills evaluation | A bill on amending youth legislation was brought before the parliament The objective of the Youth Act is to create favourable circumstances for young people's leisure activities

May The Finnish Science Award to Professor Bjarne Holmbom | Minister of Education and Science Tuula Haatainen: School summer holidays will start as before | WorldSkills 2005 Helsinki, the World championships in vocational skills, attracted almost 120,000 spectators to the Helsinki Fair Centre 26–29 May. A total of 696 competitors and 636 experts

from 38 different countries took part in the event. Finland was represented in all 39 categories by a total of 44 competitors. The Finnish national team for vocational skills received 4 gold medals, 1 silver, 3 bronzes and 17 diplomas

June Increase in student financial aid, and study loan deductions introduced | Committee proposes an electronic joint application system to universities | Minister of Culture Tanja Karpela: change in government funding brings an extra €30 million to culture sector annually starting from 2008

July Number of research student posts and graduate schools increases | Struve Geodetic Arc made a UNESCO World Heritage Monument



T54 category 1,500 metre wheelchair race in the IPC Open European Championships in Athletics on 26 August 2005 in Espoo.

August Haatainen promises more resources for supporting the marginalised and school dropouts | The degree reform brings changes to universities | The IAAF World Championships in Athletics 2005 in Helsinki 6–14 August | International Paralympic Committee (IPC) Open European Championships in Athletics, held 22–27 August 2005, were the year's biggest sports event for the disabled in Finland

September Antti Kalliomäki appointed Minister of Education and Science, Tuula Haatainen Minister of Social Affairs and Health | Two-tier degree system for universities | Ministry of Education focuses on cultural exports. A new division for cultural exports was established within the Ministry's Department of Cultural, Sport and Youth Policy on 1 September 2005

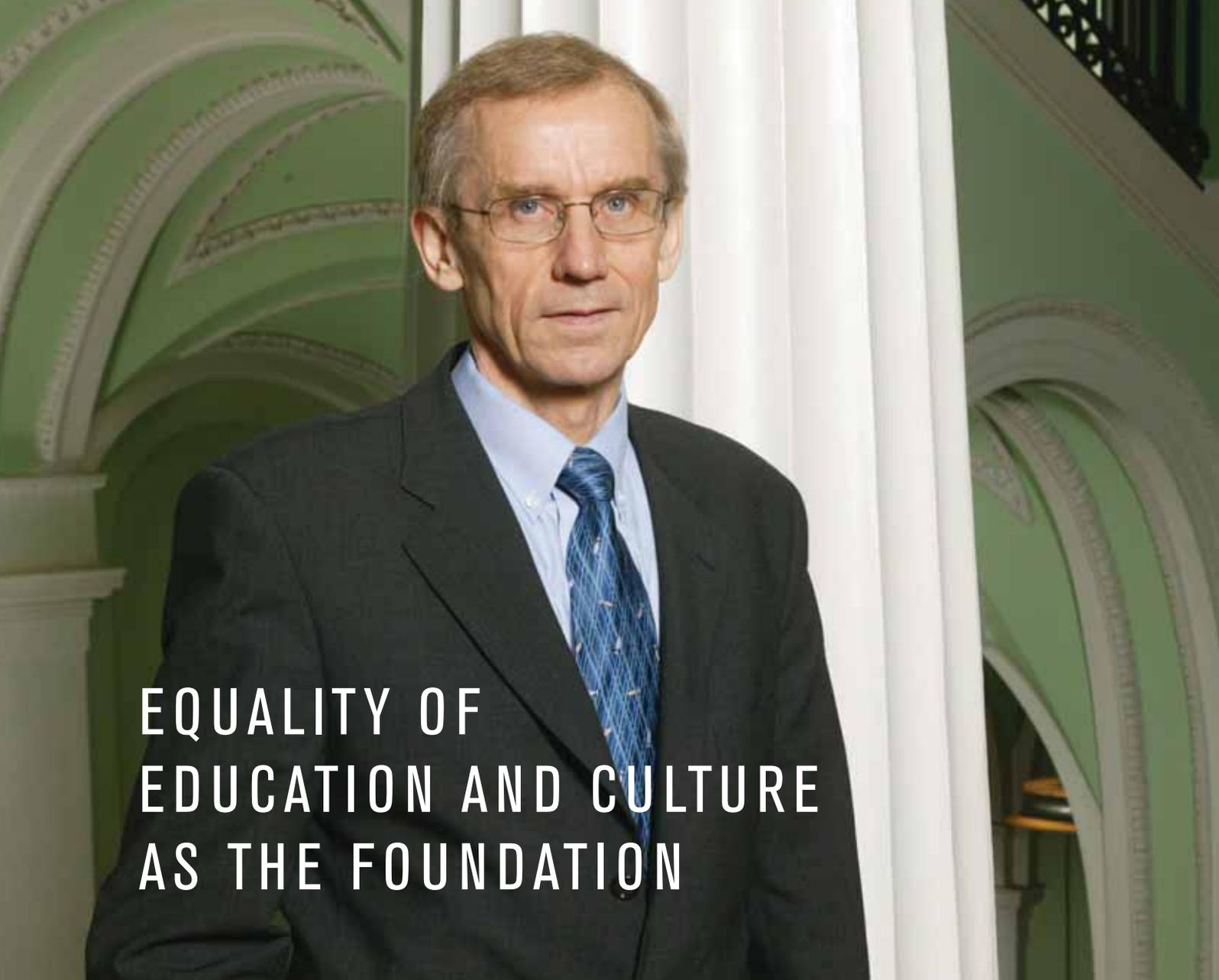
| Minister of Culture Karpela signed a co-operation agreement on culture and arts with Russia

October Minister of Education and Science Kalliomäki: school welfare needs commitment across administrative boundaries | Copyright legislation amendments came into force from the beginning of 2006 | The Minister of Culture suggests that the operations of the Finnish Board of Film Classification be widened to include media education, research and information dissemination.

November Minister of Education and Science Kalliomäki proposes that the polytechnics network be compacted | Universities and the Ministry of Education to reform university structures and admin-

istration | Children's Day Awards presented to a youth home and a music event | The reports of the three creative strategy working groups – Creative human being, Creative environments, Creative economy – were submitted

December Quality awards in vocational education and training to the Forssa vocational institute and the Helsinki Diakonia College | President Halonen and Minister of Culture Karpela presented Avartti Awards | Minister of Culture Karpela presented 2005 Finland prizes The prizes were awarded to Eero Aarnio, designer; the band Galaxy; Arto Halonen, director; Sampo Karjalainen; Aapo Kyrölä; Susanna Mälkki, conductor; Sirkku Peltola, director; Juha Siltanen, author; Salla Susiluoto, poet; and the band Värttinä



EQUALITY OF EDUCATION AND CULTURE AS THE FOUNDATION

In international comparison, Finland has been found to be fairly competitive. A strong investment in research and R&D is made in order to ensure international competitiveness and the growth potential of the economy. The level of education of the population, particularly of the young people, is high. The central challenge in the coming years is to ensure the growth of well-being and the sustainability of the public economy.

Globalisation and the ageing population present demands for reform throughout the innovation system. The Ministry of Education sector is in a central position to answer these social challenges. Finland's international success will in-

creasingly be based on a high standard of education and research, creativity and a distinctive national culture. In 2005, the Ministry of Education promoted through its operations educational and cultural equality, educational and economic competitiveness, as well as the population's mental and physical well-being and social involvement and participation.

Furthermore, during the year under review, progress of studies and the completion of degrees were promoted in all educational sectors with the aim of ensuring the availability of a competent workforce and extending work careers. The university degree reform, which came into force in the autumn of 2005, has for its

part supported the achievement of these goals. 2005 was the theme year for promoting vocational skills, which brought publicity to vocational education and training and helped increase its attractiveness and reputation. The activities emphasised the well-being of children and youth, prevention of marginalisation and promotion of a positive attitude toward school.

Education opportunities for adults were promoted by increasing the availability of self-motivated education and the funding of the Noste programme with the aim of raising the educational level of adults and getting underrepresented groups to participate in education. A key focus in the Ministry of Education



agenda is the development of research and innovation activities. The creativity strategy work aims at finding new solutions and operational models to enhance the prerequisites of creative work and competence.

The operational resources of institutions of art and culture were bolstered to promote cultural equality. The availability of art and cultural services was enhanced. The availability of the varied library services was supported, for example, by the creation of joint library portals. One of the focus areas during the year under review was the promotion of cultural exports and the autumn saw the launch of a development programme for the purpose. A com-

prehensive reform of copyright legislation with regard to issues concerning digitalisation and information networks was completed.

To ensure children's mental and physical well-being, preparation for an action plan aiming at restricting violent entertainment targeted at children got under way. Prerequisites for the young people's active participation and the improvement of their growth and living conditions were supported through the amendments to the Youth Law. The health-enhancing sports activities of the population were promoted by continuing the related physical activity and the Fitness for Life programmes in collaboration with the Ministry of Social

Affairs and Health.

The productivity programme of the Ministry of Education for 2007–2011 outlined the key measures to increase productivity in the Ministry of Education sector. Increased productivity will be founded on an improved efficiency of the administration of offices and on concentrating on the core tasks of the Ministry.

In May 2006,

Antti Kalliomäki,

Minister of Education and Science,

Tanja Saarela,

Minister of Culture,

Markku Linna,

Permanent Secretary

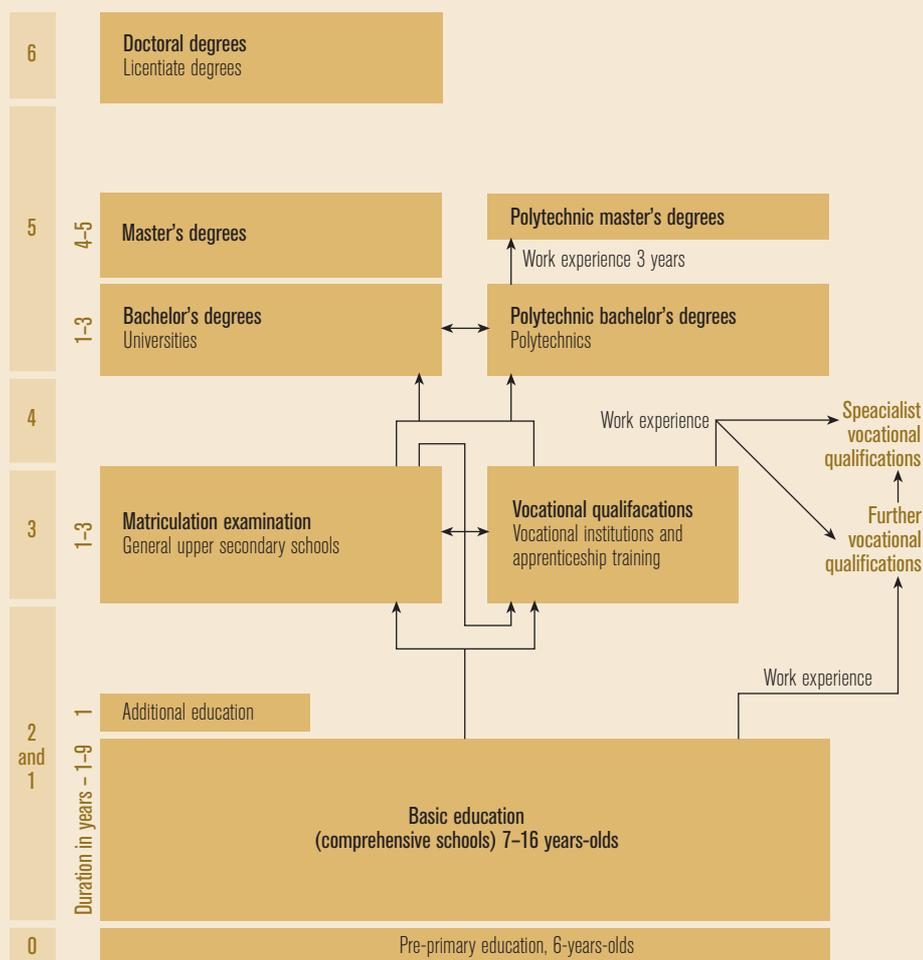


Basic educational security was increased during 2005. The guidance aimed at encouraging young people to continue from one level of education to the next was developed. Activities aimed at battling marginalisation were promoted at all levels of education. The progress of studies and completion of degrees were promoted with the aim of ensuring the availability of a skilled labour force and extending work careers. The university degree reform, which came into force in autumn 2005, supports the achievement of these goals. The educational opportunities for adults were increased. The development of research and innovation activities was a focus area. The share of research and development activities in the gross national product was among the highest in the OECD countries.

EDUCATION AND SCIENCE POLICY



The Finnish Education System



ISCED-classification

- 0 Preprimary education
- 1-2 Primary education or first stage of basic education
- 3 Lower secondary or second stage of basic education
- 4 (upper) secondary education
- 5 First cycle of tertiary education
- 6 Second cycle of tertiary education

Education and training guarantee increases the basic security of youth

The share of young people continuing on to the secondary level of education after basic education has been increasing steadily and was 95% in 2004. It is estimated that this positive development will continue in 2005. The focus was on the development of guidance and counselling during the final stage of basic studies. The aim is to guarantee that by 2008, 96% of all pupils finishing comprehensive school will continue their education.

From education to employment and further education

The higher the level of education, the better the employment prospects of an individual. Employment rate after graduation was lowest among those entering the labour market with only basic education degrees. According to the latest statistics, the employment rate after graduation among those with vocational qualifications has improved while the situation for those with higher education degrees has slightly deteriorated. A similar trend is also evident in the aggregate share of those who either find employment or continue on to further education.

Approximately a third of the upper secondary school graduates who passed their matriculation examination in 1999 started their university studies the same year. After two years, 70 per cent of the graduates had commenced their higher education studies and, in 2004, that is five years after their graduation, 80 per cent.

There have not been significant changes in the dropout rates. The rate was at its highest in vocational education and training, where it has, however, started

to decline. In 2004, overall 9.7 per cent of students dropped out of vocational education while 6.3 per cent dropped out of polytechnics and 4.3 per cent out of universities.

The mean age of graduating from polytechnic education was 25,1 whereas for higher education it was 27.3 in 2004.

Projects linking educational sectors in 2005

The Information Society Programme for Education, Training and Research 2004-2006 was being implemented. Sustainable development in education was promoted on the basis of the Baltic 21 agenda adopted by the Ministers of Education from the Baltic Sea States. The national trial stage 2002-2005 was assessed and the vision and the strategy for sustainable development of the whole education sector were prepared. Entrepreneurship education, entrepreneurs' vocational skills, change of generation for entrepreneurs as well as business and business know-how were promoted by various measures.

In line with the Civil Participation Policy Programme, youth workshop activities were continued, schoolchildren's afternoon activities were supported and the Participating Student - Co-active School project to enhance participation opportunities for young people and children was launched.

Basic education focus on special education and student welfare

A total of 42,100 children took part in the morning and afternoon activities for schoolchildren. Altogether 379 municipalities received government subsidies for morning and afternoon activities.

Pupils, qualifications and degrees ¹

	2003	2004	2005	Change 04-05
Pre-school education				
Number of pupils	59,850	58,400	57,600	-800
Perusopetus				
New pupils	61,300	59,830	57,600	-2,230
School-leaving certificates	60,830	63,830	66,500	2,670
Number of pupils	583,130	581,080	576,000	-5,080
General upper secondary school				
New pupils	42,610	40,590	40,000	-590
Number of matriculated students ²	35,170	34,650	35,000	350
Number of pupils	120,870	118,530	117,000	-1,530
Initial vocational education ³				
New pupils	60,090	60,350	61,300	950
Number of qualifications	36,040	36,600	38,500	1,900
Number of pupils ⁴	142,020	143,780	146,000	2,220
Further vocational education and training ⁵				
New pupils	23,910	24,620	25,250	630
Number of qualifications	12,450	13,080	14,500	1,420
Number of pupils	31,440	43,030	44,760	1,730
Basic polytechnic education ⁶				
Aloittaneet	32,840	32,690	33,260	-400
Number of qualifications	20,500	20,670	21,140	570
Number of pupils	96,120	96,420	96,630	210
- of whom foreign students	3,480	3,730	3,930	200
Postgraduate polytechnic education ⁷				
Aloittaneet	310	240	630	390
Number of qualifications		60	180	120
Number of pupils	350	370	490	120
University education ⁸				
New pupils	20,940	20,970	20,760	-210
Number of qualifications	15,290	15,310	15,830	520
Number of pupils	147,090	149,170	151,582	2,412
- josta ulkomaalaiset opiskelijat	2,890	3,050	3,150	100
University doctoral education ⁹				
Number of qualifications	1,260	1,399	1,422	23
Number of pupils	22,960	22,110	22,200	90
- of whom foreign students	1,490	1,580	1,650	70

The source is Statistics Finland unless otherwise stated | 1 - Education under the auspices of the Finnish National Education Board. 2005 figures for new students in basic education, general upper secondary education and initial and further vocational education; pupils presented with school-leaving certificates in basic education; numbers for qualifications in initial and further vocational education; and foreign students are estimates. The numbers of students in pre-school, basic, general upper secondary and initial vocational education and apprenticeship training leading to further vocational qualification, as well as basic and postgraduate polytechnic education are numbers of students according to the state funding system. | 2 - Does not include IB or Reifeprüfung examinations | 3 - Includes school-based and apprenticeship training leading to a vocational qualification and also curriculum-based education and training preparing for a competence-based qualification. | 4 - Also includes students not aiming at a qualification | 5 - Includes school-based and apprenticeship training leading to a vocational qualification or special vocational qualification | 6 - Data on entrants and graduates from the AMKOTA database | 7 - Source: AMKOTA database | 8 - Includes both Bachelor's and Master's students and degrees, source: KOTA database | 9 - Includes all postgraduate students (also licentiates); source: KOTA databas

Public expenditure on education	2002	2003	2004
Public expenditure on education, mill. euros	8,934	9,359	9,721
Share of GNP	6.4 %	6.5 %	6.5 %

Placement in further education directly after basic education, %	2002	2003	2004
Vocational education and training (%)	37.6	37.0	38.4
General upper secondary education (%)	54.8	55.1	54.1
Voluntary additional basic education (%)	2.6	2.4	2.5
Aggregate percentage	94.2	94.5	95.0
Students, total	57,900	57,550	60,400

Employment of people with qualifications, % ¹	2002	2003	2004
Basic education	16.8	15.7	15.8
Matriculation Examination	37.4	37.9	38.6
Upper secondary vocational qualification	65.1	67.3	67.6
Polytechnic degree	86.1	85.6	85.5
Master's degree	87.6	86.7	85.8
Doctorate	85.0	89.2	89.5

1 - Employed within a year of completing their qualification

Dropping out of education leading to qualification, % ¹	2002	2003	2004
General upper secondary education	2.2	2.0	1.9
Initial vocational education and training ²	10.8	10.2	9.7
Polytechnic education	6.0	6.2	6.3
University education	4.8	4.5	4.3

1 - Education under the auspices of the Finnish National Board of Education. Situation of those studying in September in the September of next year. Those dropping out of education and not relocating elsewhere in the education system. | 2 - The statistic does not include training preparing for competence-based qualifications in vocational skills, apprenticeship training or education organised in special-needs education schools.

Percentage of 25- to 34-year-olds having completed a qualification after basic education, %	2000	2002	2004
Post-compulsory qualification	83.5	84.4	85.2
No qualification after basic education	16.5	15.6	14.8

Mean age of higher education graduates	2002	2003	2004
Polytechnic degree	24.9	25.0	25.1
Master's degree	27.1	27.3	27.3

Employment of people with qualifications and placement in further studies, % ¹	2002	2003	2004
Matriculation examination	70.1	68.5	70.0
Vocational qualifications	73.2	72.3	73.4
Further vocational qualifications	85.3	84.9	85.0
Polytechnic degree	87.2	87.1	89.0
University degree ²	92.4	91.1	92.1
Doctorate	91.9	91.0	91.2

1 - Refers to employment and placement in further studies at the end of the year. Includes qualifications completed by the beginning of July of the year in question and during previous three years. | 2 - Of those with master's degree

The new basic education core curriculum is being implemented in stages during 2003–2006. In the first and second grades the implementation mostly took place in 2003. At least 65% of education providers had introduced the new curriculum to all grades of the primary education by autumn 2005.

Particular attention was paid to the development of early intervention and preventive measures as well as school welfare. In autumn 2004, a total of 40,000 pupils were in special-needs education, which is approximately 7 per cent of all the pupils in basic education. The number of pupils transferred to special education increased by approximately 8 per cent from the previous year. The number increased most among pupils suffering from learning difficulties caused by disorders in linguistic development. Two thirds of pupils in special-needs education were boys.

According to a survey by the University of Jyväskylä, student welfare teams felt that all sectors in the operational culture of schools functioned well on the whole. The co-operation between school and home, and the assessment of pupils' learning results were considered the best-functioning practices. The survey revealed that less than 70% of the guardians thought that the support provided by the school was sufficient.

An evaluation by the State Provincial Offices studied the effectiveness of the amendments to the regulations on student welfare in the Basic Education Act. The overall assessment of the amendments was positive. It was felt that the new regulations clarified the activities and guidance as well as improved the legal protection of teachers and pupils. A plan to protect students from violence, bullying

and harassment had been issued or was in the process of being issued in almost all municipalities.

Guidance and counselling practices were developed in co-operation between basic education, upper secondary education, vocational education and training, work life, public employment services and youth work.

New curricula to be implemented in general upper secondary schools

The implementation of the new general upper secondary core curriculum started gradually on 1 August 2005. In 2004, 18.5 per cent of all students who completed their general upper secondary school degree spent more than three years in their studies. The share remained at the previous years' level. The figure also includes mature students, who as a norm spent more than three years in their studies. The matriculation examination was developed to better measure the general knowledge and the competency for further education produced by the general upper secondary school.

According to the Finnish Education Evaluation Council, approximately 5 per cent of general upper secondary school students are in need of special-needs education based on the narrower definition (a disability or a permanent or temporary disorder). Two thirds of the cases were related to dyslexia. According to the wider definition (which takes into account cognitive and study skills) 10–11 per cent of the students were in need of support.

Co-operation between vocational education and training and work life was enhanced

In order to ensure the vocational skills required by work life, it was decided that the competence-based qualifications in vocational skills be included in the basic vocational education. The national material for competence-based qualifications in vocational skills was completed and the support programme for them was launched.

In 2005, approximately 100,000 students in initial education and training took part in on-the-job learning. In March 2005, the representatives of the state, the municipalities and labour and employers' organisations signed a recommendation strengthening the co-operation between vocational education and work life. The recommendation promotes on-the-job learning by way of training periods, apprenticeship training and competence-based qualifications.

The numbers of people participating in the initial and further vocational education organised as apprenticeship training has been increasing slightly. In 2005, on average 35,400 students took part in apprenticeship training, of which 12,700 studied in initial vocational training. Approximately 22,600 students took part in further education in apprenticeship training. A total of 2,320 students took part in the apprenticeship training for entrepreneurs, 83% of which was in further training.

The year 2005 was a theme year dedicated to the promotion of vocational skills. The aim was to increase the attractiveness and appreciation of vocational training. The theme year culminated in WorldSkills 2005 Helsinki – the World Championships in vocational skills held in the Helsinki Fair Centre 25 May–1 June.

A total of 696 young competitors from 38 countries took part in the championships.

European co-operation was enhanced due to the Copenhagen process promoting vocational training in the EU.

The quality and impact of education was rewarded with quality awards and incentive funding. In 2003–2005, financial incentives were granted for measures to improve the attractiveness and effectiveness of education, update its content and improve its image and make student recruitment more efficient in fields that are important to the national economy in anticipation of future labour shortages. In 2005, incentives were granted to 65 providers of education. The focus for the quality awards was on how well diverse learners' needs were observed.

The compilation of the vocational education provider network was continued. At the end of 2005, the number of initial vocational education providers was 177. During the year under review, there were five mergers between providers of vocational education and training.

The availability of special-needs vocational education was increased and diversified and its regional accessibility was enhanced. In 2005, two new permissions to provide instructing and rehabilitating education for the disabled were granted. The overall volume of those in special education grew from 14,000 students to 15,080 students.

Polytechnic studies were developed – postgraduate degrees were established

The number of students in polytechnics remained at the previous year's level but 2.3% more degrees were completed than in 2004. Polytechnics adopted a two-tier

degree system with the establishment of post-graduate degrees.

The funding system for polytechnics was reviewed. From the beginning of 2006, the number of degrees completed has an effect on funding. The structural reform of polytechnics commenced. The polytechnics proposed that ten units should be closed down and changes made to the degree programme structure.

Studies were developed to increase the number of completed degrees and lower the graduation age. The aim has been to promote the smooth progression of study processes and to provide varied study options and methods.

The availability of virtual studies increased, with polytechnics surpassing their targets for 2004–2006 by almost 24 per cent. The differences between individual polytechnics were, however, great. The first e-learning option in teacher training was begun. Over 70% of head teachers were doctors or licentiates, which surpassed the target (70%) set for the contract period.

The joint networks aiming at developing polytechnic studies, as agreed on for the contract period 2004–2006, contin-

ued their operations. The aim is to promote the smooth progression of study processes and provide sufficiently varied study options and methods.

As part of the integration into the European Higher Education Area, polytechnics have switched to the European Credit Transfer System, ECTS. This has meant an extensive review of the study contents and a long-term commitment to reforming the curricula.

The research and development work carried out in polytechnics benefits not only teaching but also the regional business and other areas of work life, as well as regional development. When measured with expenditure, the amount of research and development grew by 32.8% from the year 2004. The polytechnics' share of the R&D expenditure of the whole higher education sector is 8.5%.

The number of courses taught in foreign languages increased in polytechnics. Foreign-language modules and orientation alternatives were added to the Finnish language degree programmes. The number of foreign degree students increased, as did the number of exchange students coming to Finland whereas the student exchange from Finland showed signs of decline.

Five polytechnics were audited in 2005. Audits support quality assurance work in higher education and the improvement of the quality of operations. In 2005, a total of 16 polytechnics submitted an application to be designated as a Centre of Excellence in Regional Development for the years 2006–2007. The Finnish Higher Education Evaluation Council (FINHEEC) implemented follow-up evaluations on language teaching, study guidance and counselling, and mechanical engineering.

Two-tier degree structure for universities

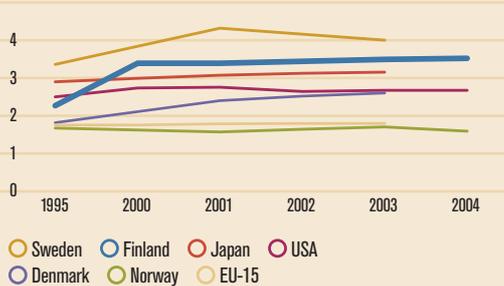
The number of new students enrolled in universities decreased by one per cent whereas the overall number of students grew by 1.6%. The number of completed university degrees increased from the previous year and most of the degree targets were met and in some of the universities even surpassed. The number of completed doctoral degrees was close to the target set for 2004–2006, which was 1,450 completed degrees. A total of 1,422 degrees were completed.

Universities improved their quality assurance systems. The Finnish Higher Education Evaluation Council (FINHEEC) implemented field-specific and thematic evaluations. The performance-based management system between the Ministry of Education and the universities for the contract period 2007–2009 was prepared with special emphasis on quality and impact considerations. The KOTA performance-based management system portal was developed to promote the management process and electronic services.

The university sector took measures to shorten study times and to make studying more effective. The universities transferred to a two-tier degree structure on 1 August 2005 in all fields except medicine and dentistry. Target time limits were set for Bachelor's and Master's degrees and individual study plans were introduced. The Universities Act stipulates that the target time for the Bachelor's degree is two years and for the Master's degree three years.

On average, Master's degrees were completed in 6.0 years in 2004 (6.0 in 2003). The number of people dropping out has remained relatively constant.

R&D spending as a percentage of GNP (%)



OECD, STATISTICS FINLAND

The development of the joint student selection system of the universities progressed. The student selection process was simplified and the field of economics adopted a joint student selection process. The share of students passing their matriculation examination and starting their university studies the same year rose to 36.5% in 2005 (32.5% in 2004). In the fields of technology and natural sciences, half of the new students had passed the matriculation examination the same year. Of those accepting a study place last year, 27% were 19-years old or younger. A total of 682 students were accepted as degree students on the basis of their studies in the Open University (678 in 2004).

Internationalism increased both in education and research. It is now possible for universities to offer full degree programmes taught in languages other than Finnish or Swedish. Degree programmes were also organised for the first time in international co-operation. According to advance information, approximately 4,800 foreign students entered Finland to pursue a first or postgraduate degree.

The dissemination and applicability of the knowledge produced by universities is supported by the decision taken during the year under review to found companies or own shares in enterprises the purpose of which is to transfer knowledge and commercialise innovations. It is moreover possible to nominate members from outside the university to university senates.

The prerequisites for research and teaching were enhanced. Appropriations for university operating expenses increased in real terms by €20 million. The extra funding was exclusively allocated to basic funding. Project funding was allocated to information society projects, to

the development of learning processes and environments, and to the improvement of the research environment.

In order to improve productivity, all universities started drawing up facilities strategies and projects for structural development. Three structural development projects of universities and polytechnics were launched with pilot funding.

Universities developed their information and communication technology infrastructure and e-learning. Moreover, the universities participated actively in the operation of the Finnish Virtual University, which enables distance learning and flexible adult education.

More stability to the operational resources of adult education

In the budget, €604 million were allocated to adult education and training in the Ministry of Education sector, of which 63% went to maintaining and raising competence levels, approximately 33% to education promoting equality and civic society, and approximately 5% to the continuing education of teaching staff and other development work. In addition, some of the available initial vocational education and university degree education is aimed at adult learning needs.

The number of courses in adult education under the auspices of the Ministry of Education increased, as did the number of participants in self-motivated adult education. The increase was greatest in polytechnic studies, in adult vocational preparatory training for competence-based qualification, in the subject-based studies of general upper secondary schools for adults and in liberal adult education. The number of Master's programmes in universities increased. The number of people

participating in continuing education at university decreased, as did the number of degree students at general upper secondary schools for adults.

The number of students completing degrees in adult education increased, especially in initial and further vocational education and training. In 2003, adult education governed by the Ministry of Education produced a total of about 30,000 degrees and about 10,000 partial degrees. The largest part of the training performed in the self-motivated adult education sector, however, is concerned with maintaining and complementing skills, and does not lead to a degree.

The Noste programme aimed at 30- to 59-year-old adults without post-compulsory qualifications was expanded. By the end of 2005, a total of 11,500 people started studies with funding from the programme. Of these, 55% studied for a vocational qualification and 45% towards a diploma in computer literacy. An important measure improving the competence level of the adult population as well as the co-operation between adult education and labour policy-making was the establishment of the Council for Labour and Training Affairs.

Studying institutions for liberal adult education increased compared to the previous year in study centres and summer universities. A total of 1,400 students participated in general upper secondary distance learning, 80% of which were in studies leading to a degree. The number of students taking part in open polytechnic studies grew in 2004 by approximately 4,000 students when compared to the previous year. The number of students participating in Open University studies decreased by a little over a thousand students from the previous year.

Adult education ¹

	2003	2004	2005
General upper secondary education			
New students ²	5,830	5,900	5,500
Number of students ³	10,330	9,500	8,500
School based vocational training preparing for qualification			
New students ⁴	8,430	6,000	6,500
Number of qualifications ⁴	3,900	3,900	4,200
Number of students	11,420	14,500	14,500
Apprenticeship training for competence-based qualification			
New students/entrants ⁴	6,210	6,400	6,500
Number of qualifications ⁴	2,800	2,500	2,800
Number of students	17,800	17,500	17,600
Further vocational education leading to a further and specialist vocational qualification			
New students ⁴	10,820	12,120	12,750
Number of qualifications ⁴	7,050	7,640	8,500
Number of students	14,720	24,090	25,000
Apprenticeship training leading for a further and specialist vocational qualification			
New students ⁴	13,090	12,500	12,500
Number of qualifications ⁴	5,400	5,440	6,000
Number of students	16,720	18,940	19,760
Basic polytechnic degree			
New entrants	7,040	6,280	6,200
Number of graduates	4,450	4,270	4,300
Number of students ⁵	14,920	14,990	14,900
Postgraduate polytechnic degree			
New entrants	310	240	630
Number of graduates ⁴	-	60	150
Number of students	350	6,000	1,050

1 - The source is Statistics Finland unless otherwise stated | 2 - Figures for 2005 are estimates | 3 - Entrants over 18 years age | 4 - Figures for 2005 are estimates | 5 - Includes data on curriculum-based education

Approximately 22,000 people took part in continuing education for teachers provided by the state in accordance with the focus areas of the educational policy. In addition, funds were allocated to national continuing education programmes in vocational education and training and liberal adult education (TUKEVA, VSOP) and to providing training for support and advisory staff who educate citizens in information society skills.

The participation of underrepresented population groups in liberal adult education was promoted with the help of guideline steering. The availability of language and cultural education for immigrants, basic information society skills education and education enhancing capabilities to participate in the civic society was increased.

Extra investment in research ensures a national competence base

The development of research and innovation activities was a focus area for the Ministry of Education operations in 2005. The extra investment in research and development funding in 2003–2005 strengthened the infrastructure supporting basic and applied research. Investment has moreover been made in the international co-operation on research funding, researcher education has been strengthened, graduate schools have been made more international and the mobility of researchers has increased. Internationalisation and the development of the quality of research have also progressed.

The government drew up a resolution on the structural development of the public research system, which enhances the prerequisites for competence and innovation activities. The information services for research and other support services

for science were consolidated.

The added investment in research activities secures the national competence base and societal well-being. The proportion of research personnel in the total labour force is the highest of all OECD countries, at about 2%. The future sufficiency of researchers in terms of quantity and quality has been assured by making a long-term investment in researcher education. Based on gross national product (GNP), the proportion that Finland spends on R&D is amongst the highest in the OECD countries (3.4% in 2004). Public funding of R&D as a share of GNP is also at the top level internationally.

The demand for research funding from the Academy of Finland has grown and research projects have been assessed to be of high quality. Only 17% of research projects seeking funding received a positive decision and only 10% of funding sought could be granted.

Increase in student financial aid and tax relief on study loan introduced

The government student loan guarantee for students in higher education was increased, as was the maximum sum of housing costs taken into account in the housing supplement. The reforms came into effect in the latter part of the year.

Tax relief on study loan was introduced as a new form of financial aid. It applies to the students who started their higher education studies in the autumn of 2005. The aim is to improve the social circumstances of university and polytechnic students while they are studying, speed up the rate at which studies are completed and increase the take-up of the student loan.

The total expenditure on student financial aid in 2005 amounted to €736.3 million. The overall expenditure on student grants and housing supplements amounted to €660.7 million, which is €4 million (0.6%) less than the previous year.

The maximum amount of student financial aid for students in higher educa-

tion increased in real terms by 14.5%.

Due to the hike in rent limit, the maximum monthly aid for upper secondary level students living on their own grew in real terms by approximately 5%.

The number of students receiving student financial aid decreased. The number of students who had received the government loan guarantee was 135,543, which is 41% of all aid recipients. The average loan amount for polytechnic graduates is €5,700 and for graduates with a higher university degree €6,400. A total of 327,041 people had student loans. The total sum of loans guaranteed by the government amounted to €1,299.8 million by the end of 2005, of which €103.3 million were 'old student loans'.

There was no significant change in the number of general upper secondary and vocational education students receiving a school transport subsidy when compared to the previous year. A total of 64,068 people received a school transport subsidy, the total expenditure on which was €27.9 million, which is 8.6% more than the previous year.

Recipients of student financial aid and their % share of total student numbers

	2002	2003	2004	2005
General upper secondary schools	34,095 (27%)	31,830 (26%)	29,355 (24%)	27,382 (23%)
Vocational institutions	101,330 (80%)	100,720 (78%)	98,764 (75%)	96,775 (73%)
Polytechnics	96,640 (86%)	98,589 (85%)	97,894 (89%)	97,043 (82%)
Universities	93,819 (63%)	96,534 (63%)	96,604 (61%)	96,737 (60%)

CULTURE, SPORTS AND YOUTH POLICIES



The preconditions for arts and culture improved in 2005.

The focus areas were the improved access to arts and cultural services and the development of cultural export. With the help of the creativity strategy work included in the Government Programme new solutions and operational models are sought to enhance the prerequisites of creative work and competence. The reform of copyright legislation was completed. The health-enhancing physical activities of the population were promoted. The Youth Act, which came into effect in December 2005, supported the active participation by the young and the improvement of their growth and living conditions.

New initiatives in arts and culture policies

Funding for arts and culture has increased in the 2000s. Particularly during the last few years, it has been possible to launch new initiatives in the field of arts and culture. The social impact of art and artist policies was increased and working pre-conditions of artists were developed in accordance with the decision in principle by the Government programme on art and artist policy.

On the basis of the international evaluation of the Finnish system of arts councils, several new working groups were established according to the recommendations of which the operating methods of the Finnish system of arts councils will be clarified and made more effective. The aim is to bind regional arts councils more closely with the Arts Council of Finland.

The creativity strategy aims at recognising the effects of creativity on all levels of society and activating measures connected with its promotion. Three expert groups presented their reports, which provide the basis for drawing up the strategy.

A joint Cultural Export Project will be drawn up by the Ministries of Education,

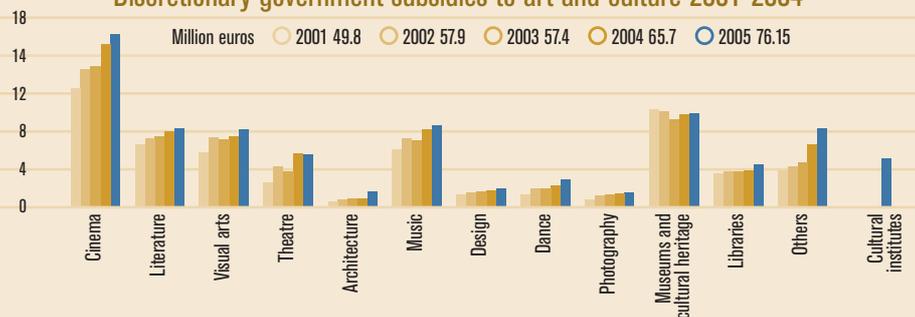
Foreign Affairs and Trade and Industry. On 1 September 2005, a division for cultural exports was established in the Ministry of Education, the tasks of which include promotion of cultural exports, development of a support network, raising the level of expertise, promotion of cultural tourism and the evaluation of culture's significance to the national economy and the ethical effects of cultural policy.

The aim of the Cultural Heritage in the Knowledge Society strategy is that by 2010 the foremost cultural heritage will have been digitised and stored in information networks accessible to all as provided in prioritisation plans. However, the project has not advanced as quickly as expected but, for example, the development of joint information retrieval systems (Finnish Museums Online, Muus@net) and cross-departmental co-operation (eKam co-operation) have gone ahead as planned.

The accessibility and availability of culture and art services was promoted

The accessibility programme of arts and culture for 2006–2010 was completed. It improves the opportunities of the dis-

Discretionary government subsidies to art and culture 2001-2004



abled, language and cultural minorities, and other special groups to access art and cultural activities, and enhances their possibilities for self-motivated cultural activities. In the autumn of 2005, the National Board of Antiquities began preparation for its own accessibility programme.

The Ministry of Education Culture Committee for the Disabled ended its three-year term at the end of 2005. The Committee has created an active dialogue between various parties in the field of culture, organisations for the disabled and different administrative sectors. The national Culture for All service operating under the Finnish National Gallery has consulted cultural establishments and other actors in the field of culture on accessibility issues.

The aim of developing theatre services in sign language is to annually produce at least two theatre productions in sign language, with approximately 40 performances. Simultaneously, employment of people using sign language in the field is promoted.

Regional cultural activities were supported

In order to improve the operative and economic resources of children's culture, the implementation plan of the policy programme on children's culture was realised, for example, by subsidising the operation of the children's cultural centre network Taikalamppu ('Magic Lamp').

A total of 360 performances and 450 other events took place in the activities of regional centres of dance, attracting 29,000 spectators and participants. The regional centre model promoted the equal accessibility to dance art, improved work opportunities and the co-operation between parties in the field. The effects were evident in the offering of dance art, the development of the structures of the field and high quality performances.

Operational prerequisites of theatres, orchestras and museums were improved

It is estimated that the funding of cultural establishments will increase by approximately €30 million by 2010. A change in legislation will considerably improve the operational resources of art and cultural establishments. The cost basis of the unit prices used as the grounds for government subsidies for theatres, orchestras and museums will in the future be assessed every four years on the basis of realised operating expenditure, in accordance with the legislation.

The reform will be implemented in stages from 2008 to 2010. At the same time, the annual index-based increase in the unit price of theatres will be reinstated. An amendment was made to the Theatres and Orchestras Act, which allows for granting discretionary government subsidies to separate theatre and orchestra

development projects in addition to the statutory government funding.

The amount of person-years in theatres increased by 46, which brings the total up to 2,459. A total of 57 theatres received government funding. The government subsidies increased by approximately € 530,000 and discretionary government subsidies by € 600,000. The attendance in theatres decreased slightly.

The person-years in orchestras increased by 16, bringing the total up to 1,027 person-years. The government funding increased by approximately € 450,000. The Hyvinkää Orchestra was accepted as a new orchestra to receive government funding. Discretionary subsidies remained at the 2004 level. Audience size grew from the previous year especially domestically.

The planning for the renovation of the main stage of the Finnish National Opera progressed to the tender stage. The committee on regional access to music handed in its report, the most important proposals of which were increasing appropriations to already existing forms of support, granting fixed-term person-years to orchestras and reserving new appropriations for organising live music events and supporting local folk music activities.

The person-years in museums increased by 56 and the government funding increased by over € 1.1 million. Five new museums were accepted to receive government subsidies: Espoo City Museum, Kierikki Stone Age Centre, Lieto's Old Castle (Liedon Vanhalinna), Mission Museum and Särestöniemi Museum. In total, 137 museums received government subsidies. The number of visitors grew slightly.

The aim of the new Museums Act is to improve the quality of museum work

Government funding for art and culture



by emphasising the importance of the vocational training of the museum personnel and adequate operational resources connected with storing and maintaining the collections, work premises and exhibition activities. In addition, museums are expected to define their own sector and to show that their operations are target oriented and planned.

Public library services promoted access to information and culture

Public libraries realise the basic rights in a democratic society by promoting access to knowledge and culture, and by supporting citizenship skills in the information society. The impact of libraries is evident in all learning, social participation, mental development of people and well-being. Municipalities invested approximately € 230 million in the operating expenditure of libraries, of which the government subsidy covered approximately € 94 million. In 2005, a total 105.6 million loans were taken out, there were 62.4 million visits to libraries and the library web pages were visited 47.1 million times.

The functionality of the library network and the availability of services were improved by establishment project funding. Funding decisions for five library buildings and 14 mobile libraries (in all € 5 million) were made in 2005.

In order to consolidate the operational and economic foundation of the library services, the libraries turn increasingly to regional co-operation. Such co-operation has brought new services to the users. Moreover, joint municipal libraries have been established. Even then the services are provided as local services.

User rights to the national databases maintained by the National Library of Fin-

land and bibliographic listing rights were acquired for all public libraries. In order to improve the information retrieval opportunities, the development of search portals was supported. In accordance with the government's Information Society Programme, the acquisition of public computer terminals was supported and continuing education for the library personnel in web services was arranged in all regions.

The Library for the Visually Impaired focused on the development of the digital library and web services.

Cinema, media education and audiovisual content production as focus areas

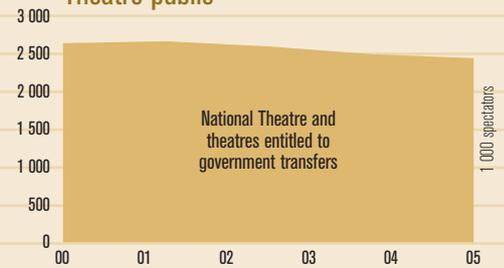
The strengthening of the production conditions in the field was continued in line with the targets set out in the Government Programme and the Ministry of Education strategy audiovisual policy – Audiovisualisen politiikan linjat 2010. However, the rise in production costs has reduced the number of films produced annually.

Society can contribute to the creation of a safer media environment for children. The Children and Media action plan launched projects to develop a safe media environment, the most important of which are the promotion of media education in early childhood education and evaluation of the Internet filter systems.

The plan for expanding the duties of the Finnish Film Archive to include archiving radio and television material was completed. It is in line with the strategy set out in the audiovisual strategy of the Ministry.

Product development of culture and entertainment, and cultural information network projects were supported during the year under review, as well as the launch of production and distribution pilots

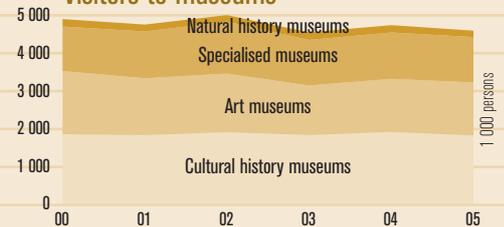
Theatre public



Music audience: symphony orchestras and the National Opera



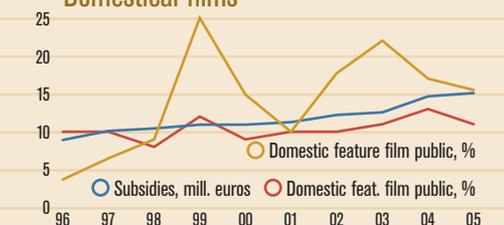
Visitors to museums



Library lending



Domestic films



benefiting the sector. These projects improve the availability of cultural content both in distribution channels currently in use and those under development. Moreover, the Finnish Film Foundation supported projects aimed at developing legitimate services for distributing films over the Internet and protecting domestic films from illegal copying.

Copyright legislation amendments came into force from the beginning of 2006

The amendments to the Copyright Act, Chapter 49 of the Penal Code and the Copyright Decree came into effect in the beginning of 2006. Legislation required for the approval of WIPO (World Intellectual Property Organisation) agreements was passed. In conjunction with the amendments to the Copyright Act, the Parliament passed three resolutions, the most central of which stipulates the follow-up on the possibilities of protection technology and private copying and the promotion of voluntary measures to make private copying possible.

The government bill on the amendments required by the EU resale right directive on graphic and plastic arts was presented to the Parliament.

Co-operation projects promoting knowledge and competence in copyright matters were launched in order to, among other things, provide basic teaching materials. A comprehensive charting of the training needs and the planning of training were also commenced.

Health-enhancing exercise for all ages

In the sports and exercise sector, the aim was to promote the well-being of the whole population, increase participation and chances of participating, consolidating the ethical foundation of sports as well as the preconditions for physical activities and top-level sports, and to emphasise children's and young people's right to a mentally and physically safe growth environment. Furthermore, the aim was to further develop the performance-based state subsidy system and to increase the co-operation between various authorities in the field of health-enhancing physical activities. In order to achieve these goals, the Ministry steering emphasised the importance of health-enhancing physical activities in the development of physical activities for all age groups.

Core criteria for a results-based subsidy system to national sports unions were drawn up in 2005. The core criteria are to be implemented from the beginning of 2007.

In 2005, the national sports institutes delivered a total of 333,000 study-days of liberal adult education, which represents a growth of one per cent compared to the previous year. The volume of regional sports institutes was 73,300 study-days, which meant a 7% drop from the previous year.

To promote the well-being of the pop-

ulation at large, funding was granted in particular for the renovation of communal indoor swimming pools and the creation of facilities for local sport, paying particular attention to developing the sporting facilities for children and young people and to enhance health. The Ministry of Education and State Provincial Offices granted a total € 16.8 million for the construction of sports facilities.

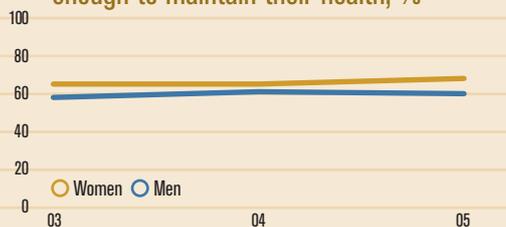
Government subsidies to sports organisations increased by approximately € 1.8 million in 2005. The Ministry of Education distributed a total of € 30 million of government subsidies to 131 sports organisations. In 2005, the most central development project of sports organisations was the Good Club Project of the Finnish Sports Federation. The Young Finland Association, Suomen kuntourheiluliitto, the Finnish Olympic Committee, regional sports organisations, and over 20 sports unions participated in the project.

The ethical principles of 'Reilu Peli' (Fair Play) drawn up under the guidance of the Finnish Sports Federation in 2004 were implemented. During the year under review, 2,179 doping tests were performed, in addition to which 804 tests were taken during the IAAF World Championships in Athletics 2005 in Helsinki. The successful organisation of the IAAF World Championships in Athletics and the IPC (International Paralympic Committee) Athletics Open European Championships was also supported. A survey into the social and economic effects of the IAAF World Championships in Athletics was started.

Co-operation between various authorities increased particularly in health-enhancing physical activities. The Fitness for Life Programme provided Ministry of Education funding for 164 projects.

Development work for sports-oriented

15- to 64-year-olds who exercise enough to maintain their health, %



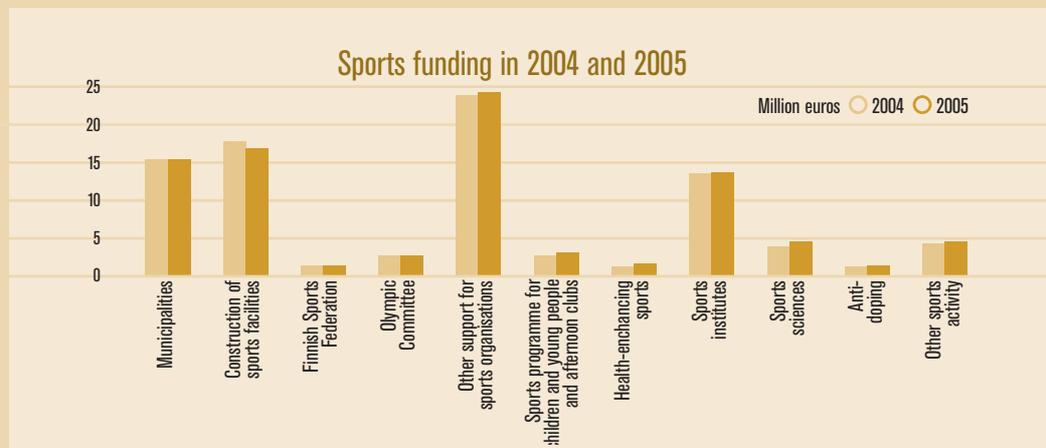
afternoon activities focused particularly on encouraging those third to ninth graders who do not exercise, or who exercise very little, to participate. The State Provincial Offices granted funds for 82 sports-oriented afternoon activity development projects. All in all, 12,600 school children participated in the activities. In addition, the Ministry of Education granted funds to support local sports clubs in 354 projects, in which 35,000 children and young people participated. The projects aimed at developing the quality of sports club activities and youth sports, and at offering children a diverse range of leisure activities.

Youth legislation amended

The comprehensive reform of the previous Youth Work Act was passed in the Parliament in December. The new Youth Act came into effect in the beginning of March 2006. The purpose of the Act is to support the growth and independence of young people, promote their active citizenship and the social reinforcement as well as to improve their growth and living circumstances. The Act also includes regulations on municipal youth work and policies, and the participation and hearing of the young people. A significant reform included in the Youth Act is the youth policy development programme, which the Government confirms every four years and which is drafted in the Ministry of Education in cooperation with other relevant ministries.

During the year under review, the new premises of the Art Centre for Children and Young People in Hyvinkää and the Finnish Youth Info House in Helsinki, built with funding from the Ministry of Education, were opened.

2005 saw a significant increase in

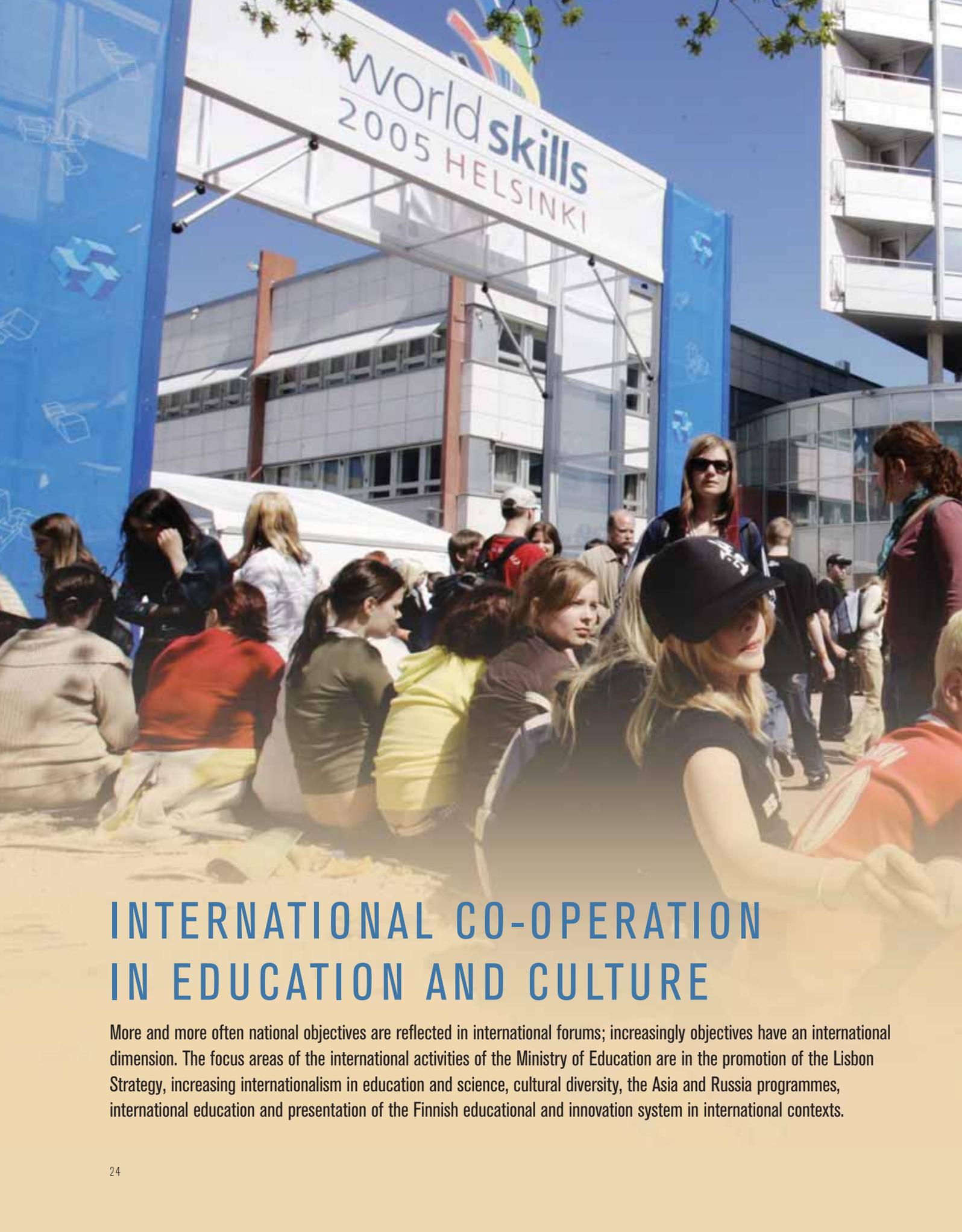


Funding and statistics concerning youth work

Functions	Participants/number			Appropriations (mill. euro)		
	2003	2004	2005	2003	2004	2005
Municipal youth work				6.00	6.00	6.10
Youth organisations and associations doing youth work	815,000	830,000	850,000	7.90	10.40	11.20
Youth workshops	7,100	8,000	8,000	0.80	1.40	2.00
- youth unemployment, persons	35,500	34,800	30,500			
National youth centres (number of days in youth use)	148,000	150,000	160,000	2.40	3.80	4.30
Afternoon clubs for school-children	1,200	1,500	1,550	0.60	1.00	1.10
Youth research, projects	12	15	15	0.50	0.80	0.85
Information and advisory services	27	40	70	0.10	0.50	0.70
Drug prevention, projects	70	50	50	0.84	0.84	0.84
Regional development, projects	-	55	73	-	0.70	0.90
Avartti programme, number of young people	600	700	750	0.20	0.20	0.30
Youth culture						
- Culture groups (GIMO), number of young people	1,349	1,411	1,400	0.10	0.10	0.13
- Youth culture events	6,350	7,400	21,000	0.40	0.40	0.35

the level of development appropriations for national youth organisations and organisations involved in youth work, national youth centres, youth workshop activities, Avartti activities, as well as for information and advisory services for young people and regional youth work. Thus, the volume, impact and quality of activities were correspondingly increased.

Particularly in the latter part of the year, the decline in youth unemployment was rapid: youth unemployment decreased by approximately 12.3% during the year. However, on average 30,500 young people were still out of work.



INTERNATIONAL CO-OPERATION IN EDUCATION AND CULTURE

More and more often national objectives are reflected in international forums; increasingly objectives have an international dimension. The focus areas of the international activities of the Ministry of Education are in the promotion of the Lisbon Strategy, increasing internationalism in education and science, cultural diversity, the Asia and Russia programmes, international education and presentation of the Finnish educational and innovation system in international contexts.

The development of strategy for international activities

A Ministry of Education committee drafted policies concerning the Finnish cultural and scientific institutes and the Ministry's institute strategy, and drew up strategies for supporting the institutes.

Preparation work for the Asia action plan of the Ministry of Education was started. The Ministry of Education has actively participated in the organisation of the summit of EU and ASEM countries to be held in Finland during Finland's EU presidency 2006. During the year under review, the Ministry of Education accepted the first Russia Programme on arts and culture and agreed on co-operation with the Russian Federation's Ministry of Culture and Mass Communications. The aim of the programme and co-operation is to promote the development of a multilateral northern cultural partnership, to increase the co-operation between the cultural parties of the two countries and to enhance the culture forum activities.

The Ministry of Education committee, in collaboration with the Ministry for Foreign Affairs, drew up a proposal for a national action programme on global education.

The EU commenced the re-evaluation of its strategy on sustainable development, which is to be completed by summer 2006. Simultaneously, the Finnish strategy on sustainable development is being renewed. The Ministry of Education is participating in the strategy process.

The Ministry also participated in the drafting of the 2007–2013 EU funding framework. The Ministry of Education actively prepared the content of the programmes belonging to its sector (the Seventh EU Framework Programme on research, the Integrated Action Pro-

gramme in Lifelong Learning, Culture 2007 Programme, Youth Programme, and A Citizen's Europe programme). A provisional political agreement was reached in most of the programmes, that is to say, the main lines of the contents were accepted, even though the funding questions were left undecided.

In order to promote the objectives of the Lisbon Strategy, the EU Member States drew up national Lisbon action programmes in 2005. The aim of these action programmes is to highlight the most essential challenges to growth and employment in each country and the means to combat these challenges. The Ministry of Education participated in drafting the national Lisbon action programme for Finland. The duration of the programme is 2005–2008 and it compiles the Finnish measures for achieving the Lisbon Strategy objectives as effectively as possible.

Internationalising research and education

During the year under review, international science policy co-operation was developed in line with the Finnish strategy on international research and development.

It was decreed that universities could use languages other than Finnish and Swedish as degree study languages. The number of international degree students as well as out- and inbound exchange students grew, and international visits by teachers and researchers increased. The Ministry provided funding for Finnish language studies for exchange students.

European co-operation in vocational education and training was also promoted. The credit transfer system proceeded to the experimental stage and the implementation of the Europass system reform was

A total of 700 young professionals from 38 countries took part in the WorldSkills 2005 Helsinki – the World Championships in vocational skills.

begun. The internationalisation of vocational education and training was promoted by supporting studying abroad and by making the credit transfer system more efficient.

The Ministry of Education and the National Board of Education participated actively in the management and development of the European Schools system administered jointly by all EU Member States. In order to develop the education and cultural activities of expatriate Finns, a comprehensive survey of the Finnish schools abroad, clubs providing supplementary teaching in Finnish/Swedish, was conducted.

In order to promote the preservation and revival of Finnic languages and cultures, prerequisites for a Kindred Peoples Programme supporting the languages and cultures of Finno-Ugric peoples in Russia were charted. The conclusion was that the central aims of co-operation with kindred people were still topical. The Ministry continues to administer and develop the programme on the basis of the survey.

The Finnish success in the OECD's international education comparison spawned a record number of contacts. In 2005, educational experts from 35

countries (including South Korea, Japan and Australia) visited Finland. The Ministry of Education alone received 80 delegations. Similarly the WorldSkills vocational skills programme brought many ministerial-level and educational authority visitors to Finland alongside the competitors.

Multilateral government co-operation

The 33rd general assembly of UNESCO adopted the Anti-Doping Convention, a declaration on the norms for bioethics, the OECD and UNESCO policy in cross-border university education and the widely supported Ministry of Education co-ordinated initiative on the evaluation of scientific programmes. The Convention on the Protection and Promotion of the Diversity of Cultural Expression adopted by the general assembly is the first comprehensive international agreement on cultural policy. It consolidates the nations' right to cultural policies and measures. The aim is that the agreement provides a foundation for a wide-ranging international co-operation and supporting of developing countries.

The WSIS (World Summit of Information Society) meeting held in Tunisia

brought forward the questions pertaining to the information society on the international development agenda. Finland emphasised the importance of freedom of speech in the information society, without which the development of information and communication technologies will remain meaningless. Finland's strong reputation as an information society brings many inquiries from abroad, particularly from Asia, Africa and South America.

During the year under review, the Council of Europe focused increasingly on questions of human rights and democracy. The 50th anniversary of the European Cultural Convention was celebrated at the ministerial meeting held in Faro, Portugal in October. One of the most important achievements of the year in the field of culture was the Framework Convention on the Value of Cultural Heritage for Society, which was adopted late in 2005. In the field of sports, Finland was extremely active in anti-doping work.

The Ministry of Education participated actively in Nordic co-operation and the activities of regional councils (Arctic, Barents Sea, Baltic Sea).

The Ministry of Education handles EU matters related to education, research, youth, culture, copyright and the audiovisual field. The Minister of Education represents Finland on committees dealing with education and research, and the Minister of Culture on committees dealing with youth, audiovisual matters and cultural affairs.

To further the recognition of Finnish arts, culture and research, the Ministry of Education supports foundation-based independent institutes of culture both in Finland and in 12 overseas countries. These institutes are located in Paris, London, Berlin, Tallinn, Tartu, Copenhagen, Antwerp (operational area for the three Benelux countries), Stockholm, St Petersburg, Madrid, Oslo, New York, Budapest and Hanasaari in Espoo. It also supports four Institutes of Science promoting

research and education situated in Rome, Athens, Tokyo and, in the Middle East, Amman and Palestinian Beit Jala.

The Finnish Institutes are tasked with promoting cultural exchange with the host country and the creation of social and economic relations. Many of them also develop co-operation in the fields of education and science and provide information about Finland.

CHURCH AFFAIRS

The aim of the church administration sector of the Ministry of Education is to secure the positions of the Evangelical Lutheran Church and the Orthodox Church by developing their rights and other operating conditions on the basis of uniformity. In the same way, it handles the legal rights and operating conditions of religious communities. In addition, the general administration of funerary services comes within the sphere of Church Affairs.

In 2005, legislative work on the comprehensive legislation reform regarding the Orthodox Church continued on the basis of the proposal by the legislation reform committee and comments received. The reform aims to consolidate the autonomy of the Church in matters related to its internal operations and administration. The committee on the government subsidy system for registered religious communities published its report. Government subsidies are aimed at promoting the actual opportunities for expressing religious beliefs and exercising one's religion as well as the impartial treatment of religious communities.

At the moment, the State does not subsidise the Evangelical Lutheran Church or registered religious communities. The Synod of the Orthodox Church is a government office, the labour and other operating expenses of which are paid from government funds.

THE FINANCING OF EDUCATION AND CULTURE AND ADMINISTRATIVE DEVELOPMENT

In 2005, the Ministry of Education promoted with its operations and objectives educational and cultural equality, educational and economic competitiveness, as well as the population's mental and physical well-being and social involvement and participation. The share of the expenditure of the sector of the Ministry of Education in the state budget in 2005 was € 6,100 million. This represented an increase of 2.3% over the previous year. During the year under review, the Ministry participated in the reform of the government funding system. The Ministry's planning and reporting systems were also developed in line with the government budget and accountability reforms.

The Ministry of Education implements the Government's education, science, culture, sports and youth policies. The values that the sector adheres to are civilisation, equality, creativity and well-being. The aim is to promote civilisation, on which the sustainable growth of the economy and Finland's intellectual and material well-being are founded.

The social impact of the appropriations in the sector are evident, for example, in the rising educational level of the population, employment and further education placement of students upon graduation, the effect of R&D in international competitiveness and the equal access of citizens to diverse educational, cultural and sports services.

The targets of the Government Programme and the Government Strategy Document were met in accordance with the 2005 state budget. The year's targets were specified in the Ministry of Education performance forecast and in the performance targets of the administrative offices and departments. Some of the Ministry's discretionary government funding was granted on the basis of performance.

The Ministry of Education took part in the implementation of the Employment, Entrepreneurship, Information Society and Civil Participation Policy Programmes. The Ministry of Education activity has also been outlined in the Ministry of Education strategy document 2015, the development plan for education and research 2003–2008, which has been approved by the Government, the decision in principle by the Government Programme on Art and Artist Policy and the Regional Strategy Document 2013 of the Ministry of Education.

Of the appropriations in the sector,

THE FINANCING OF
EDUCATION AND CULTURE
AND ADMINISTRATIVE DEVELOPMENT

Comprehensive schools, general upper secondary schools and libraries are mostly maintained by the home municipality. The municipalities, joint municipal authorities and private education providers take care of vocational and polytechnic education.

There are 3,450 comprehensive schools, 435 general upper secondary schools, 177 providers of vocational education and training and 29 polytechnics in Finland. The number of comprehensive schools decreased by 337 between 1999 and 2004.

Finland's 20 universities receive their funding mostly from the state budget.

Every municipality has a main library. There are slightly fewer than 1,000 local libraries, mobile libraries and other library service points.

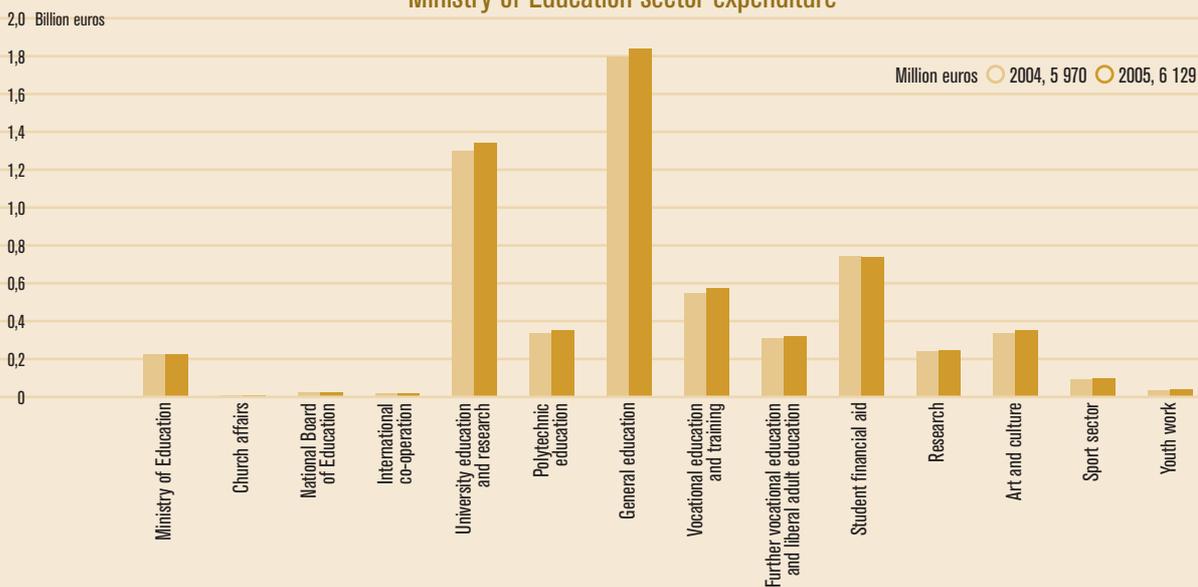
From the beginning of 2005, there are 431 municipalities in Finland, of which 44 bilingual and 19 are completely Swedish speaking.

The size of the age group entering the labour force has, since 2003, been smaller than the age group leaving it. The number of children in primary education decreased in 2005. The number in the young people's age bracket remained at the previous year's level. The overall student numbers in primary and general upper secondary education, as well as pre-primary education, decreased.

It is anticipated that the Finnish population will keep increasing until 2020. At the same time, the age structure will change significantly. The proportion of young people will decrease and the proportion of the population over the age of 55 will increase. The size of the labour force will diminish. It is estimated that the number of people who have been born abroad will increase from the current 130,000 to approximately 200,000 by 2010.

The number of children of comprehensive school age will decrease nearly 10% in the period 2000–2010, after which the rate of decrease will slow down. The number of young people will increase until 2010, after which it will gradually start to decline.

Ministry of Education sector expenditure



approximately € 3,027 million were granted as statutory government funding to municipalities, joint municipal authorities and private communities. The government funding for operating expenditure increased by € 116.6 million (4%). During the year under review, 75% of the index-based increases were implemented.

The reform of the government funding system applied to government funding for basic education, vocational education and training, polytechnic education, adult education, theatres, orchestras, museums and libraries. The legislation came into effect on 1 January 2006.

The development of education and research networks and co-operation were funded through EU Structural Fund programmes. The focus areas in the cultural sector were regional and local entrepreneurship and new sources of livelihood; in the sports sector regional and local employment and construction projects; and in youth work. By the end of 2005, a total of 2,177 projects had received funding from the European Social Fund and 797 projects had received funding from the European Regional Development Fund. By the end of the year, € 701 million of national and EU funding had been invested in these projects. The Ministry of Education funded an evaluation project assessing the programme period 2000–2006.

The productivity programme of the Ministry of Education for the years 2007–2011 outlined the key measures to increase productivity in the Ministry of Education sector. Productivity in the sector will be increased by making the administration more effective and concentrating on the core tasks. As part of the implementation of the productivity programme, the Ministry launched a

service centre project for the financial and human resources management in the sector.

The implementation of the Ministry's web service and Internet strategy was continued particularly by redesigning the Ministry website and developing the electronic service processes.

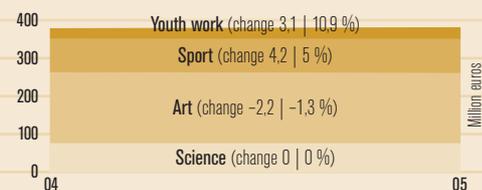
In 2005, the Ministry of Education appointed a committee to study the activities of the Ministry from the point of view of social impact, strategy, core duties and organisational development. The Ministry's planning and reporting systems were also developed in line with the government budget and accountability reforms. During the year under review, the Ministry's work-time management was developed and follow-up on the resources used on various operational processes of the Ministry was introduced.

The organisation of the Ministry of Education was readjusted by establishing a new division for cultural exports within the Ministry's Department of Cultural, Sport and Youth Policy. As for the Ministry's facilities, the year 2005 was still a year of changes. The renovation of the premises in Meritullinkatu 10 began at the beginning of the year and the Ministry of Education moved to temporary premises in Sörnäistenkatu 1.

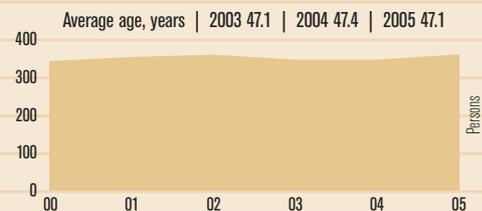
State funding for education and culture change



Use of lottery funds



Ministry of Education personnel



ADMINISTRATIVE OFFICES AND DERPARTMENTS OF THE MINISTRY OF EDUCATION SECTOR

MINISTRY OF EDUCATION

Arts Council of Finland

Centre for International Mobility (CIMO)

Research Institute for the Languages of Finland

Library for the Visually Impaired (CELIA)

Finnish Film Archive

Episcopal Meeting of the Finnish Orthodox Church

Finnish Board of Film Classification

Repository Library

Finnish Institute for Russian and East European

Studies

Matriculation Examination Board

Appeal Authority for Student Financial Aid

UNIVERSITIES

Helsinki School of Economics

University of Helsinki

University of Joensuu

University of Jyväskylä

University of Kuopio

Academy of Fine Arts

University of Lapland

Lappeenranta University of Technology

University of Oulu

University of Oulu

Swedish School of Economics

University of Art and Design Helsinki

Tampere University of Technology

University of Tampere

Theatre Academy of Finland

Helsinki University of Technology

Helsinki University of Technology

University of Turku

University of Vaasa

Åbo Akademi University

NATIONAL ARCHIVES

NATIONAL BOARD OF ANTIQUITIES

NATIONAL BOARD OF EDUCATION

ACADEMY OF FINLAND

GOVERNING BODY OF SUOMENLINNA

FINNISH NATIONAL GALLERY

STATE-OWNED COMPANIES

Veikkaus Oy

CSC Scientific Computing Ltd

Suomenlinnan Liikenne Oy
(owned jointly by the state and
the City of Helsinki).

THE ORGANISATION OF THE MINISTRY OF EDUCATION

Minister of Education and Science
Antti Kalliomäki

Minister of Culture
Tanja Saarela

Permanent Secretary
Markku Linna

DEPARTMENT FOR
EDUCATION AND SCIENCE POLICY
Director-General Arvo Jäppinen
Sakari Karjalainen from 1st June 2006

- General Education Division
- Vocational Education Division
- Polytechnic Division
- University Division
- Division for Adult Education and Training
- Science Policy Division

Internal Administration

- Finance Service
- Secretariat for International Relations
- Information Management
- Communications and Public Relations

DEPARTMENT FOR CULTURAL,
SPORT AND YOUTH POLICY
Director-General
Riitta Kaivosoja

- Arts and Cultural Heritage Division
- Culture and Media Division
- Cultural Exports Division
- Sports Division
- Youth Policy Division
- Division for Cultural Legislation and Finance



OPETUSMINISTERIÖ

Undervisningsministeriet

MINISTRY OF EDUCATION

Ministère de l'Éducation

Ministry of Education publications
2006:28

