

Opetusministeriö

Ministry of Education

Education

Research

Culture

Sport

Youth

EDUCATION AND CULTURE 2004

MINISTRY OF EDUCATION ANNUAL REPORT



The Vision of the Ministry of Education

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 Operational Idea of the Ministry of Education

As a 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 citizen's 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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THE CHALLENGES OF WELL-BEING AND COMPETITIVENESS

The Finnish education system has been a target of great international interest owing to the success of the Finns in the process of international learning evaluation. Furthermore, Finnish culture was presented more visibly than ever around the world.

In a comparison between OECD-countries, the skills of Finnish 15-year-olds in mathematics, the natural sciences, reading and problem-solving were unsurpassed. Equality in skills was a notable feature, and differences between schools and regions were small.

A key factor in this success is thought to be Finnish basic education, which gives every child an equal chance in the field of education. Equality in educational and cultural services ensures that all people have the basic right to an all-round education.

Changes in population structure and migration have an impact on the planning of education. High-quality facilities for culture and sports are significant to the well-being of the nation, as well as being factors which attract people.

Training, culture and science are the key success factors in the education, financial situation and well-being of the people. Education and culture form the base for educational and economic competitiveness. The acceleration of globalisation also sets new challenges for policy-making, both in education and research, and in ensuring a diverse cultural landscape. To ensure competitiveness, the aim is to extend the work lives of people through educational policies.

The target of the sector of the Ministry of Education is to strengthen the position of Finland as one of the world's leading information societies. The development of the educational and cultural information society was promoted in many ways.



The well-being of children and young people was the year's main target. Educational investment to prevent social exclusion of children increased significantly when morning and afternoon activities for the youngest pupils were established as a permanent part of municipal services. The right of pre-school pupils to free transport was also introduced and came into force in the autumn. During the year, emphasis was placed on co-operation between schools and homes and well-being at school. Children's culture, participation of young people, prevention of social exclusion and the protection of children from media violence were also key areas of activity during the year.

2004 was the year on films for children and youth.

Significant in promoting participation and a feeling of belonging was the fact that more young people than ever before voted in the local and EU parliamentary elections. The working life of young people got off to a better start than ever before, with a reduction in youth unemployment.

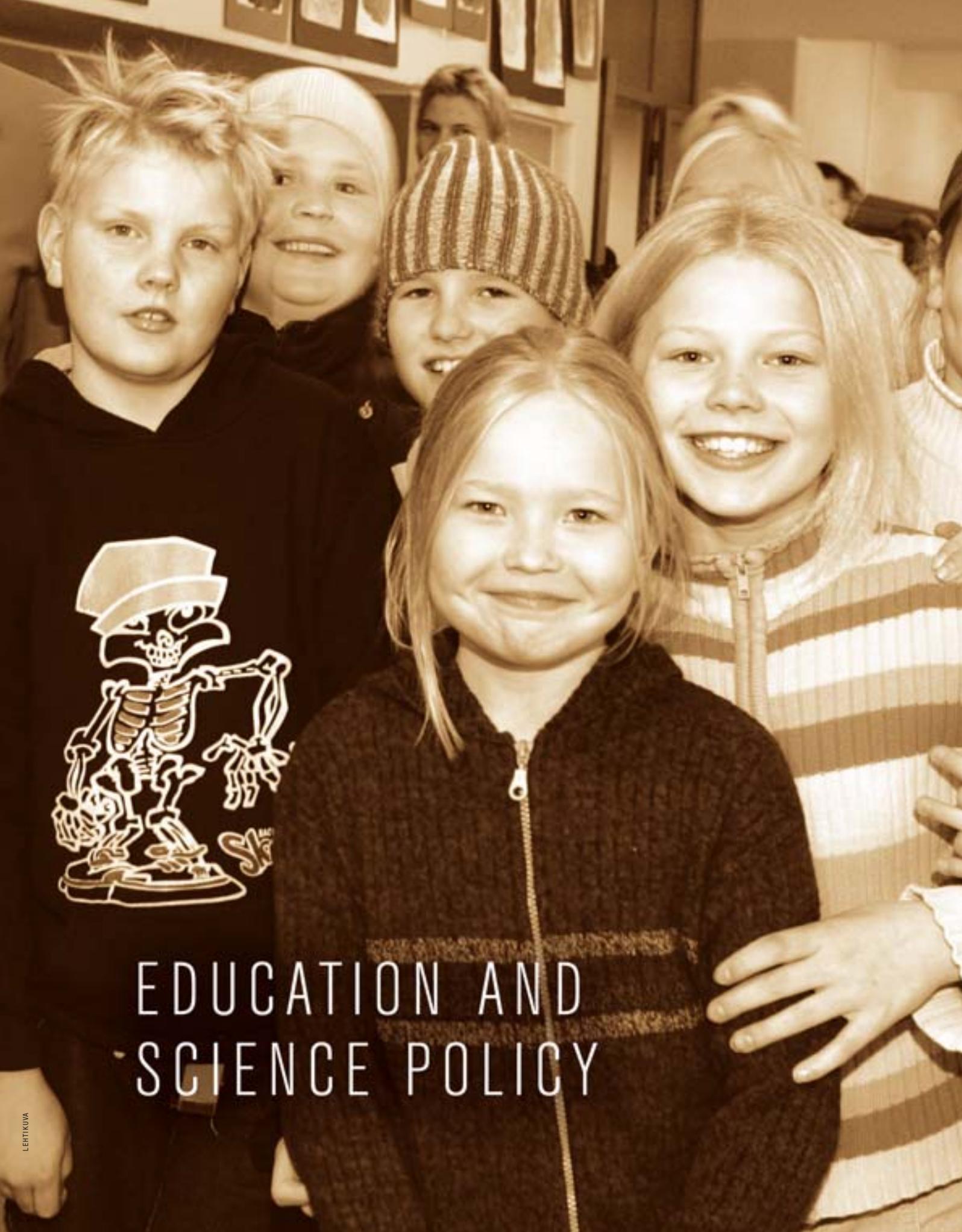
The significance of cultural policy is growing. Investment in arts and culture increased in 2004 and the share of the creative economy in the national economy increased. The export of culture was furthered through a joint project between ministries, and extensive work in nation-wide creative strategy was begun in line with the Government Programme.

Helsinki, April 2005

Minister of Education, Tuula Haatainen

Minister of Culture, Tanja Karpela

Permanent Secretary, Markku Linna



EDUCATION AND
SCIENCE POLICY



The Finnish basic education system produces the world's best results in learning, with only moderate costs. The skills of 15-year old pupils are at the top level in the OECD-countries, according to the OECD's PISA 2003 assessment. Vocational education has been developed to meet to the demand for skills required in working life. The supply of adult education has increased. During the year, preparations were made to transfer to the two-tier university degree system. Funding for science increased and research and development work in polytechnics was developed.

Finland continues to succeed in international student assessment

According to the OECD's PISA (Programme for International Student Assessment) 2003 assessment, the skills acquired by Finnish 15-year old pupils from comprehensive schools are at the top level in the OECD-countries in mathematics, sciences, reading and problem-solving.

Young Finns are the best in mathematical literacy in the OECD-countries. The average results for Finnish pupils in mathematics had improved in comparison with the PISA results in 2000.

The mathematical skills of Finnish pupils were relatively equal. Those with poor skills were fewer in comparison to the other OECD countries. The difference in mathematical skills between Finnish boys and girls was small. The wealth and degree of education of parents was reflected in the results. In Finland, however, the impact of the socio-economic background was clearly less

to a degree or to voluntary additional basic education. This figure showed an increase from 2000.

The aim is to guarantee that 96% of all pupils finishing comprehensive school will move on to general upper secondary, vocational or additional basic education (the '10th grade') in the same year.

The progress of young people to continue their studies was advanced through diverse support measures. Study guidance was developed. Co-operation between vocational institutions and general upper secondary schools increased.

Reform in the structure of the Finnish Matriculation Examination was enacted through a change in the law for upper secondary education. From spring 2005, the only subjects to be compulsorily tested in the Matriculation Examination will be Finnish or Swedish language (depending on the mother-tongue of the student) and literature. In addition, the students will have to select three other subjects from the second official language of Finland (Finnish/ Swedish), a foreign language, mathematics, and humanities and natural sciences. The students can also be tested on additional subjects, if they wish.

The Ministry of Education has set out new guidelines concerning education and training in entrepreneurship, as far as different stages of the school system are concerned, and has drawn up an action programme based on different forms of schools.

The development of vocational education and training to meet the demands for skills in the workplace

A initial vocational qualification can be taken either in an educational establishment or through an apprenticeship. Competence-based qualifications in

Pupils, qualifications and degrees ¹	2001	2002	2003	2004
Pre-school education number of pupils ²	60 550	60 910	59 850	58 400
Basic education				
new pupils ³	65 310	63 570	61 300	61 000
school-leaving certificates ³	63 750	61 450	60 830	61 000
number of pupils ²	581 070	582 230	583 130	581 080
General upper secondary education				
new students ³	42 790	41 020	42 610	43 000
number of matriculated students ⁴	35 270	36 200	35 170	34 620
number of students ²	127 720	124 160	120 870	118 530
Initial vocational education and training ⁵				
new students ³	61 440	60 280	60 090	61 000
number of qualifications ³	33 090	33 210	36 040	38 000
number of students ^{2,6}	131 820	138 130	142 020	143 780
Further vocational education and training ⁷				
new students ³	18 330	20 540	23 910	24 000
number of qualifications ³	12 670	13 150	14 957	15 000
number of students	35 420	36 990	42 120	43 000
Basic polytechnic education ⁸				
number of entrants	31 890	31 420	32 840	32 690
number of graduates	17 960	20 480	20 500	20 670
total number of students ²	95 710	95 810	96 120	96 420
- of whom foreign students ³	2 780	3 130	3 480	3 800
Postgraduate polytechnic education ⁸				
number of entrants	-	160	310	240
number of graduates	-	-	-	60
number of students ²	-	80	350	370
University education ⁹				
new students	20 650	21 010	20 930	20 460
number of graduates	14 040	14 690	15 290	15 310
total number of students	138 260	144 310	147 090	149 170
- of whom foreign students ³	2 560	2 840	2 890	2 900
University doctoral education ¹⁰				
number completing degrees	1 210	1 220	1 260	1 400
total number of students	21 010	21 940	22 960	22 110
- number of foreign students ³	1 430	1 310	1 490	1 500

1) Education under the auspices of the Finnish National Board of Education. The source is Statistics Finland unless otherwise stated. 2) Annual number of students according to the state funding system. 3) The figure for 2004 is an estimation. 4) Does not include IB upper secondary schools or Reifeprüfung examinations. 5) Includes school-based and apprenticeship training leading to an initial vocational qualification; also included curriculum-based education and education leading to a competence-based qualification. 6) Also includes students not aiming at a qualification. 7) Includes school-based and apprenticeship training leading to a vocational qualification or special vocational qualification. 8) Source of information relating to students starting and degrees completed is the AMKOTA database. 9) Includes both Bachelor's and Master's students and degrees, source KOTA database. 10) Includes all postgraduate students (also licentiates), source KOTA database.

particular are directed at adults, irrespective of how the professional skills were acquired.

On-the-job training has become a regular part of vocational training. In 2004, about 100,000 students taking initial vocational qualifications were engaged in on-the-job training.

The number of new students taking initial vocational education and training decreased slightly between 2001 and 2003. About 36,000 courses were completed in

2003. It is estimated that in 2004 this number increased to 38,000. The number of students dropping out of courses has decreased gradually over a three-year period. There has been a slight improvement in employment and progression to further studies for students completing initial vocational qualifications.

In vocational education, the need for special education increased. There was also an increase in the number of students in the training and rehabilitative

Placement in further education directly after basic education, %

	2000	2001	2002	2003	2004
Vocational education and training	36,3	36,1	36,7	37,0	37,0
General upper secondary education	53,7	54,2	54,8	55,1	54,8
Voluntary additional basic education	3,0	2,9	2,6	2,4	2,7
Aggregate percentage	93,0	93,2	94,2	94,5	94,5
Students, total	61 650	59 650	57 900	57 550	61 000

2000 - 2003 actual, 2004 estimated

In 2003, 64.1% of girls went on to upper secondary education and 27% to vocational education. 46.4% of boys went on to upper secondary education and 46.5% to vocational education.

Employment of people with qualifications and placement in further studies, %

	2000	2001	2002	2003	2004
Matriculation examination	68,0	69,1	70,1	70,2	70,2
Vocational qualifications	72,0	72,1	73,2	73,5	73,5
Further vocational qualifications	84,5	85,5	85,3	85,5	85,5
Polytechnic degree	88,5	89,1	87,2	88,0	88,0
University degree*	92,6	92,8	92,4	91,1	91,0
Doctorate	91,9	91,8	91,9	91,0	91,0

2000 - 2002 actual, 2003 - 2004 estimated. *Refers to those passing Master's degree.

A further examination of educational level reveals that the higher the level of educational of the individual the better the employment prospects. There are, however, great regional and disciplinary differences in employment.

Percentage of 25-34 year olds having completed a qualification after basic education, %

	2000	2001	2002	2003
Post-compulsory qualification	83,5	83,9	84,4	84,8
No qualification after basic education	16,5	16,1	15,6	15,2

Percentage of graduates going into employment from, %

	2001	2002	2003
Basic education	17,2	16,8	15,7
Matriculation examination	37,6	37,4	37,9
Vocational qualification	63,5	65,1	67,3
Polytechnic degree	86,1	86,1	85,6
Master's degree	88,9	87,6	86,7
Doctor's degree	89,6	85,0	89,2

Finding employment within one year of graduating

Mean age of graduates in 2003

General upper secondary education (matriculation)	19
Vocational education and training	21
Polytechnic degree (youth education)	25
Bachelor's degree	27
Master's degree	27
Licentiate's degree	35
Doctor's degree	36

education of the disabled. The role of special institutions as educators of the most seriously disabled students is significant.

The adoption of competence-based qualifications in vocational skills and the reform of on-the-job training were implemented through co-operation between providers of education and the world of business.

At the beginning of 2005, including the state, there were 177 providers of basic vocational education, slightly down from the 2004 figure of 185.

Polytechnics consolidate their position

Polytechnics have consolidated their position as part of the higher education establishment. The efficiency of the activities of the polytechnic network has been improved and the quality of education raised. Links with the world of business have been strengthened.

There were 82,000 students in youth education and 15,500 students in adult education.

350 students were taking postgraduate degrees. Preparations for the regularisation of polytechnic postgraduate degrees were begun. The bill was presented to Parliament at the beginning of 2005.

Polytechnics were encouraged to promote student studies by giving financial awards for productivity to those completing over 30 credits per year.

The compilation of polytechnic statistics was developed. For the first time, information on the completion of degrees was available as information based on individual students. The number of students completing their studies will increase following the graduation of those taking a year out and those studying for a longer period. The statistics also contain information on students who applied, were selected, enrolled, but

In 2002, public education expenditure was 8,934 million euros which amounted to 6.4% of GNP. The predicted amount for 2003 is 9,318 million euros or 6.5% of GNP.

It is anticipated that the Finnish population will increase up to 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. 2004 was the first ever year that more people left the labour market than moved into it.

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

Finns are better educated than ever before. In the last 30 years, the level of education has risen by more than 30%.

Based on statistical information of 2003, it is predicted that the level of education of the population rose further in 2004. By the end of 2003, the percentage of over 15 year-olds who had post-compulsory qualifications was 62 %. This is 1% higher than the previous year and 32 % higher than in 1975.

In 2003, 53.4% of the working-age population participated in adult education and it is estimated that this level remained stable in 2004.

Of new university students in 2001, those who had passed the Matriculation Examination the same year accounted for 32.8%, in 2002 they accounted for 32.5% and in 2003, 32.2%. In 2004, they are expected to account for 32.5%.

never started their studies at the school in question, which reduces the result.

The range of virtual courses increased. Polytechnics participated in joint development projects for Internet-based courses, which concentrate on the development of study guidance, career and recruiting services, practical training, theses, international relations and a virtual polytechnic.

The regional impact of polytechnics improved. Polytechnics and universities implemented the regional strategies that they drew up together in 2002. Research and development is a central and fast-developing field of activity for polytechnics. Their share of the R&D expenditure in the total higher education sector was 6%. Targets have been set for polytechnics to increase external funding for R&D work. In 2004, polytechnics updated their R&D strategies.

Teaching in foreign languages increased in polytechnics. The differences between institutes are, however, great. The first teacher-training programme in the English language was started. The number of overseas degree students increased, as did student exchange.

Universities prepare for the new two-tier degree structure

Universities improved the quality of their operations by carrying out external and internal evaluations and developing quality assurance systems. The basic prerequisites for study and research were strengthened.

Appropriations for university operating expenses increased by 20 million euros in addition to cost rises brought about by pay rises.

114,000 people applied to universities of which 20,500 were accepted. In 2004, a total of 149,000 students were studying at university and 15,300 degrees were completed. 1,400 doctoral degrees were completed.

On 1 August 2005, the universities are transferring to a two-tier degree structure, which means that the students must first complete a Bachelor's degree before they may continue on to a Master's degree. To this end, the Universities Act was changed and a new decree was enacted concerning university degrees.

During the year, a Government Bill was prepared to clarify the right to study at university. The method of student selection was developed by such methods as constructing a joint application system, with the aim of rapidly placing students and simplifying the selection system.

The number of students passing the Matriculation Examination and immediately being placed at a university remained at last year's level. The aim is to increase this amount as a proportion of those starting university. As far as this was concerned, the best results were achieved in the field of engineering.

Universities continued to implement their development strategies in student admission by simplifying the entrance examinations, unifying the scoring systems and increasing the number of students on the basis of their certificates. Furthermore, selection units were disbanded and co-operation increased. The universities launched a development project aiming at the joint selection of students in the economics.

The promotion of studies was spotlighted as part of the reform of degree structures, for example, by reconsidering the amount of credits given for each

course, forming set study periods and individual study plans. Development projects to promote university studies included one aiming at graduation within five years. On average, Master's degrees were completed in 6 years.

The range of university courses remained at around last year's level. In accordance with the expansion programme for teacher education, about 2,500 new student places are being created between 2004 and 2006. This expansion is mainly being directed at the fields of mathematics and the natural sciences, language-teaching, special needs teaching and primary school teaching. Since 2002, the annual student intake in medicine has increased and is now 600. Retraining and upgrading of qualifications of nurses to become doctors continued at the University of Turku. The decision was also taken to increase the student intake in dentistry.

Universities strengthened the regional influence of their education and research. Through joint regional strategies, universities and polytechnics increased their co-operation and networking. University centres continued to develop their operations.

Universities developed information and communication technology (ICT) infrastructure and e-learning in accordance with the Strategy for Education, Training and Research in the Information Society 2000-2004. The national flexible study rights agreement (JOO) came into force in 2004.

Universities intensified their international co-operation and networking through such measures as increasing the number of courses in English, promoting possibilities for student exchange, recruiting foreign degree students and improving expertise on Russia. In 2003, the number of foreign degree students grew by 5.8 % from the previous year.

The supply and availability of training and support services for e-learning was increased. Dozens of networks formed by universities are now operating in the virtual university, and these networks can be subdivided into scientific, regional and those of the service providers. In 2004, about 120,000 credits of e-learning courses were carried out in the networks of the universities.

Continuing education in ICT for university teachers continued in 2004.

Science valued in Finland

Investment in science and technology continued strong. 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 on the top level internationally.

The general value placed on research in Finland is high. In 2004, according to the Finnish Science Barometer, 62% of Finns are interested in science and follow it from different sources, and a career in research interests young people as a profession.

Conditions for research were improved by directing a 20 million euro increase in public R&D funding to the research fund distributed competitively through the Academy of Finland and to the basic funding of universities.

The sectors important to Finland and new growth sectors received support through the research funding of the Academy of Finland. In support of the internationalisation of research, a strategy was completed and approved by the Science and Technology Policy Council of Finland, aimed at internationalising Finnish science and technology.

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 investing in long-term researcher education. In the last ten years, the number of doctoral degrees completed has nearly doubled.

A key area in adult education

53.4 % of the working-age population took part in adult education in 2003. It is estimated that this level of participation remained at the same level in 2004.

The amount 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 largest increases were in polytechnic adult education and those taking courses at the open polytechnic, in vocational adult education leading to a competence-based qualification (in apprenticeship training leading to a specialist vocational qualification), in the subject-based studies of general upper secondary schools for adults and in liberal adult education courses at summer universities.

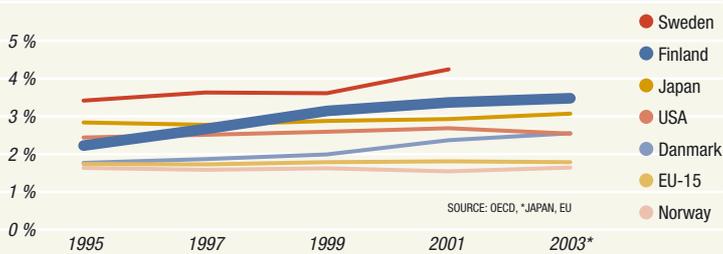
The number of university Master's programmes increased. The number participating in continuing education at university decreased, as did the number of degree students at general upper secondary schools for adults.

The number of students completing degrees in adult education increased, especially in vocational and further vocational education and training and in polytechnics. 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.

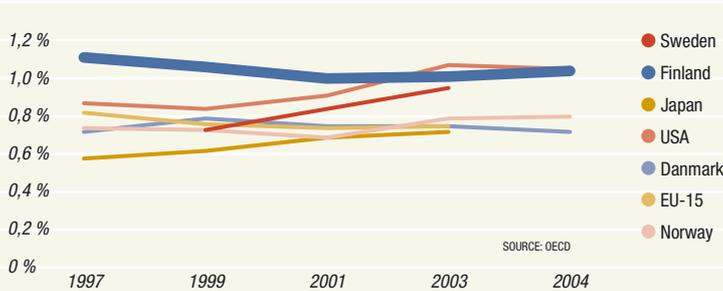
2003 saw the launch of the five-year Noste Programme, which raised the level of education of the less-well educated working adult population. The programme, directed at people between the ages of 30 and 59 without any qualification since leaving comprehensive school, was expanded so that, with the help of funding from the programme, about 6,500 people had started training before the end of 2004, of whom 55% were studying for a vocational qualification, and 45 % for a course in computer literacy.

Students in the Noste Programme received vocational

R&D spending as a percentage of GNP, %



Public sector funding in R&D as a percentage of GNP, %



training, the number of study places was increased, and support was given to the promotion of seeking to study and to study support functions.

Student financial aid granted to 340,000 students

Student financial aid includes a student grant, a housing supplement and the government loan guarantee. In addition, university students receive a meal subsidy. The number of those receiving student financial aid increased in universities but fell in other types of educational institute. The total expenditure on student financial aid amounted to 736.4 million euros.

The student loan guarantee by the government was given to 43% of all supported students. The number of students receiving a loan guarantee increased in universities but fell in other types of educational institution.

337,961 people had student loans. The total sum of loans guaranteed by the government amounted to 1,159 million euros by the end of the year.

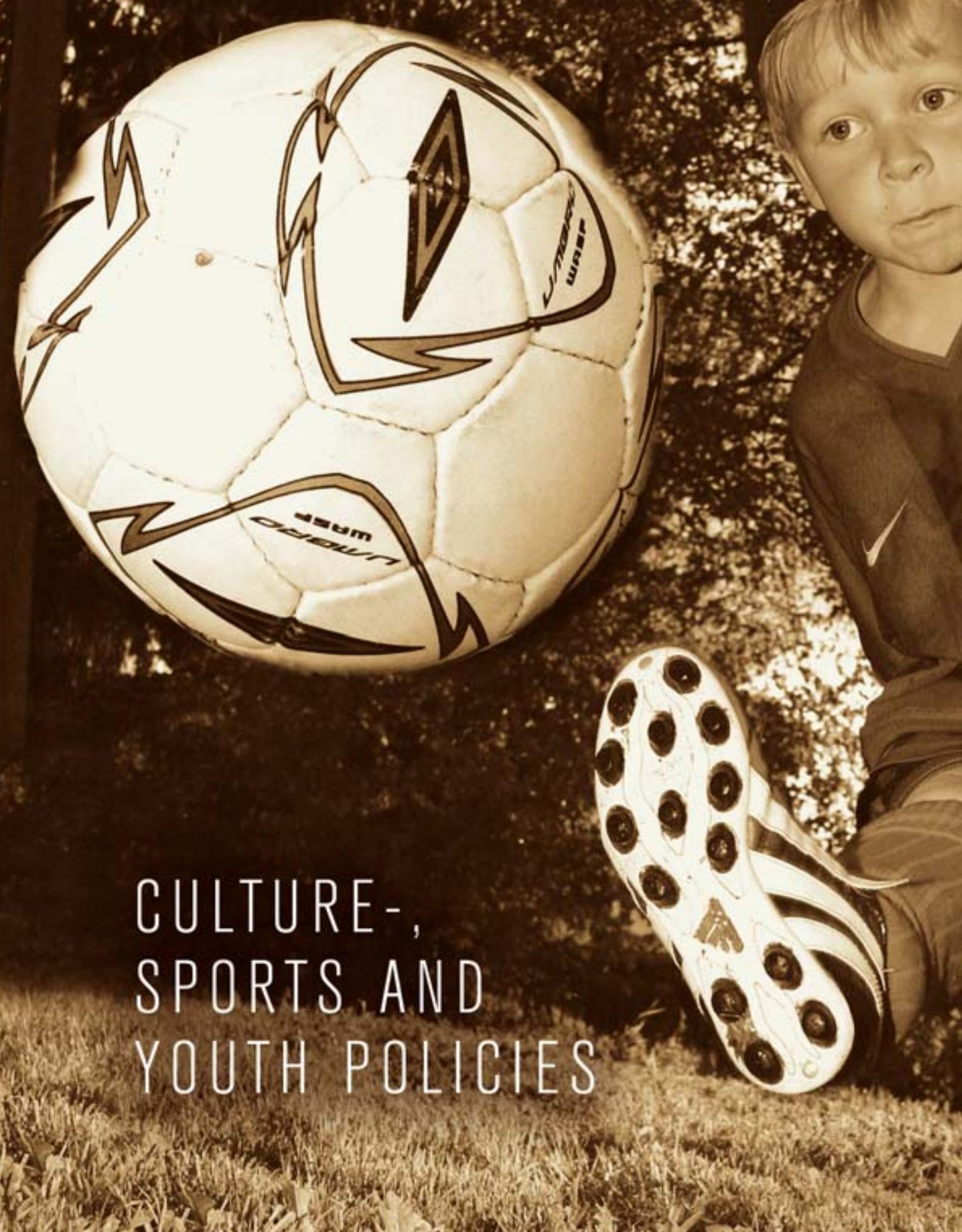
The Ministry of Education is preparing measures to improve the adequacy and effectiveness of student financial aid. The aim of the reform is to improve the social position of university and polytechnic students while they are studying, speed up the rate at which studies are completed and increase the use of the student loan.

Adult education ¹	2001	2002	2003	2004
General upper secondary education				
new students ⁴		5 290	5 830	5 900
number of students ^{2,3}	12 290	11 130	10 330	9 940
School based vocational training preparing for qualification				
new students ⁴	6 060	7 390	8 430	9 200
number of qualifications ⁴	2 490	3 380	3 900	4 500
number of students ²	9 010	10 640	11 420	12 270
Apprenticeship training for competence-based qualification ⁴				
new students ⁴	7 350	6 560	6 210	6 500
number of qualifications ⁴	2 220	2 660	3 070	3 500
number of students ^{2,6}	10 440	11 860	12 490	12 540
Further vocational educational leading to a further and specialist vocational qualification				
new students ⁴	8 830	9 020	10 820	10 500
number of qualifications ⁴	7 840	7 110	7 110	7 100
number of students	13 120	12 950	14 720	14 500
Apprenticeship training leading to a further and specialist vocational qualification				
new students ⁴	9 490	11 520	13 090	14 500
number of qualifications ⁴	4 820	6 040	5 340	6 500
number of students ⁶	13 090	14 710	16 710	18 940
Basic polytechnic degrees ⁷				
number of entrants	6 180	5 480	7 040	6 280
number of graduates	3 860	4 290	4 450	4 270
number of students ²	15 820	14 950	14 920	14 990
Postgraduate polytechnic degree ⁷				
number of entrants	-	160	310	240
number of graduates	-	-	-	60
number of students ³	-	80	350	370

1) Education under the auspices of the Finnish National Board of Education. The source is Statistics Finland unless otherwise stated. 2) Those starting over the age of 18. 3) Annual number of students according to the state funding system. 4) Figures for 2004 are estimated. 5) Also includes information about curriculum-based education. 6) Students beginning courses leading to a vocational qualification before 1st Jan 1999, who, on the basis of funding are included in the statistics for basic education, are here placed with students of further education. 7) Source of information relating to students starting and degrees completed is the AMKOTA database.

Recipients of student financial aid and their share of total student numbers Apart from polytechnics, figures for 2004 are estimations.

	2001	2002	2003	2004
General upper secondary schools				
Vocational institutes	36 196 (28 %)	34 095 (27 %)	32 014 (26 %)	29 489 (25 %)
Polytechnics	104 259 (84 %)	101 330 (80 %)	101 018 (78 %)	100 290 (76 %)
Universities	98 448 (87 %)	98 640 (86 %)	98 462 (85 %)	99 154 (84 %)
	91 424 (61 %)	93 819 (63 %)	96 183 (62 %)	98 146 (62 %)



CULTURE-,
SPORTS AND
YOUTH POLICIES

Funding for culture, sports and youth work increased in 2004. It was possible partially to improve the operational preconditions for the different sectors of the arts. Funding for Finnish film was increased. The central issues of the year were the promotion of children's culture, protection of children from media violence and the encouragement of youth participation. A key area of the year's activities was also health-enhancing physical activity and children's sports. A working group on top-level sports made proposals for such matters as the development of coaching.

Improvement in the operational preconditions for arts and culture

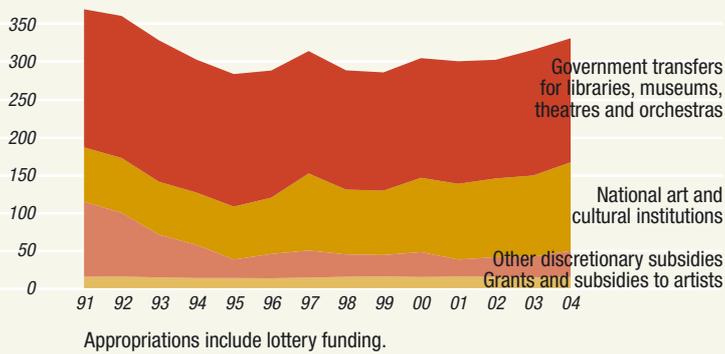
Funding for arts and culture increased by 15.8 million euros, which amounts to 5%. This increase was spread widely over the different art sectors, particularly bearing in mind the government decision in principle on arts and artists policy.

A joint Cultural Export Project was launched by the Ministries of Education, Foreign Affairs and Trade and Industry. The aim is to raise the Finnish creative sector to an international level of competitiveness, along with those of the information and biotechnology sectors. In February 2005, the development of a cultural information network began between the Finnish cultural and scientific institutes abroad, art and culture information centres and export promotion organisations.

During the year, extensive work on a Nation-wide Creativity Strategy was prepared in accordance with the Government Programme. The actual drawing up of the strategy began early in 2005. Creativity will be examined

EDUCATION AND CULTURE 2004

Government funding for art and culture, mill. euros



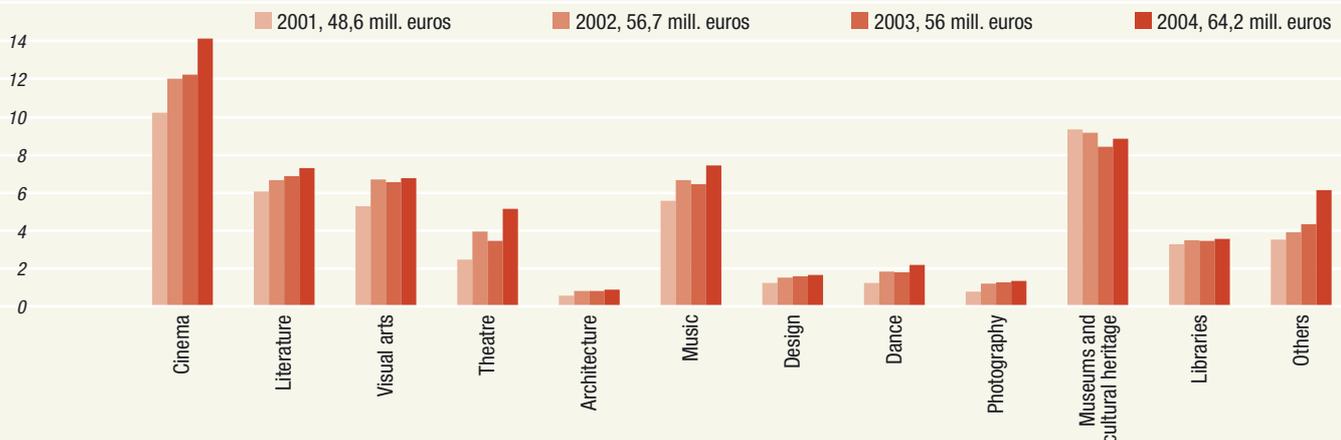
from such angles as self-expression, day-to-day life, creative professions, working life, training and education, community spirit, the state of culture, different operational environmental factors, cultural know-how, creative economy and innovation policy.

The aim of the development of government funding for institutions of art and culture has been to raise the unit price to meet the realistic costs and a return to the index-linked raising of unit prices for theatres.

Government funding for museums was increased, which meant an extra sum of about 1 million euros for museum proprietors.

In 2004, an increase in man-years for theatre staff meant an extra sum of about 150,000 euros for theatre owners. Discretionary subsidies were given to 33 theatre and dance groups. The man-years of those working in orchestras were increased. This increase together with a further index-linked increase meant a total of about 250,000 euros of extra government support for orchestra

Discretionary government subsidies to art and culture 2001-2004, mill. euros



proprietors. Discretionary subsidies was granted to 11 nationally or regionally significant orchestras.

Regional equality was strengthened by establishing three regional centres of dance. In 2004, the operational resources for regional arts councils to promote the arts were increased by 500,000 euros.

The diversity of culture and art and the position of artists belonging to cultural minorities were promoted by planning and preparing supportive measures associated with the Programme on Arts and Artist Policy and children's culture, and with appropriations to both arts and culture. Support was also granted to the preparation of a study of immigrant artists. Cultural diversity was acknowledged through state support for national cultural events. The accessibility of culture and the promotion of creativity for the disabled were improved by implementing a development proposal put forward by the Culture Committee for the Disabled.

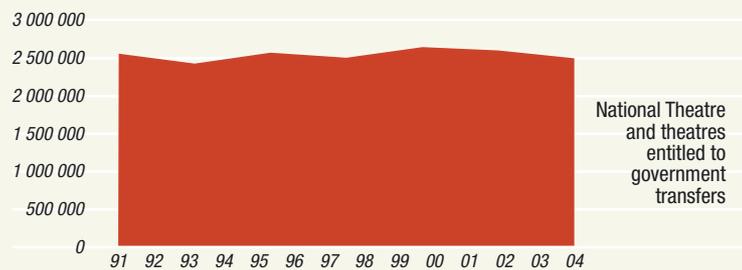
During the year an international evaluation of the Finnish system of arts councils was completed.

The Arts Council of Finland, National Arts Councils and their committees and regional arts councils distributed 1,164 grants as financial aid to artists.

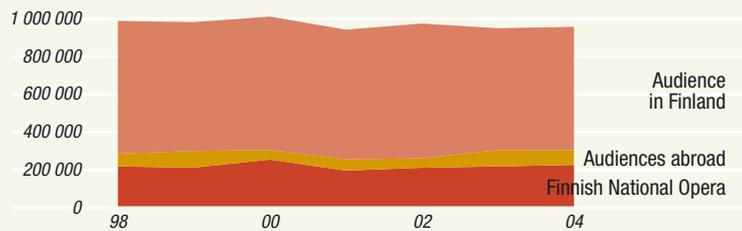
More attention than ever before was paid to the safe environment for children and young people to grow up in. Children's culture, youth participation, prevention of social exclusion and the protection of children from media violence were all prioritised by the Ministry of Education in 2004. During the year a framework was drafted for an action programme for the Government to limit media violence.

200,000 euros was allocated to improve the well-being and quality of life of children and young people, by holding a theme year 'Filmihillo' ('Film jam') to celebrate children's and young people's cinema, and by underlining the significance of media education in an increasingly visual society. 200,000 euros was also allocated to libraries to

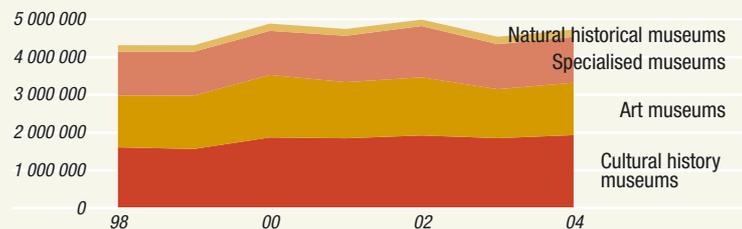
Theatre public



Music audience: symphony orchestras and the National Opera



Visitors to museums



59 theatres, 25 orchestras and 132 museums receive government funding. In 2004, the Didrichsen Art Museum was newly admitted to this list.

encourage children to read as a hobby and improve Internet content for young people.

To increase the diverse offerings of audiovisual culture and the creative industry, public financial aid for Finnish film was increased by 2.1 million euros (up 16.7%). This represents the first stage in the task of guaranteeing the continued production of high-quality Finnish films in the future and of raising its market share. In 2004, the market share for full-length Finnish feature films was 17%. In order to strengthen the diversity of

digital content, support was granted to product development projects aimed at the use of digital terminals.

In the cultural sector, readiness for the information society and culture content on the Internet were improved through support for experimental and development projects.

Promotion of the digitisation of cultural heritage

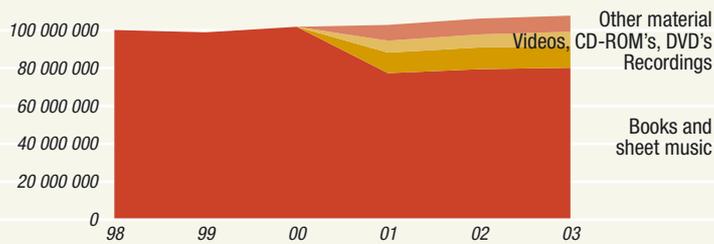
A new appropriation in the state budget was made available for sites inscribed on the UNESCO World Heritage List for restoration, study and information dissemination.

In 2004, the details were completed for a plan to transfer the Maritime Museum of Finland to the city of Kotka. According to this plan, the museum will open in Kotka in 2008.

The digitisation of cultural heritage was promoted in accordance with a target programme and the strategy of the Ministry of Education. The museum database of the National Board of Antiquities Finland's Museums Online was introduced. This was done mainly through funding by the Ministry of Education. The Ministry supported the digitisation and content production projects of various museums through government subsidies.

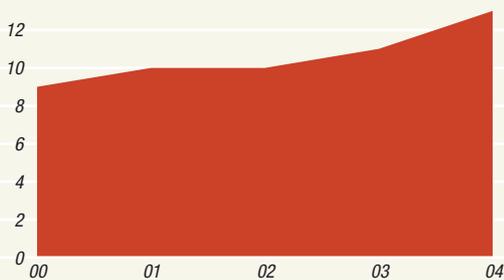
In 2002, about 49% of the collections of museums and about 17% of picture collections were electronically catalogued. About 11% of pictures were digitised. In 2003, the Digitisation of Cultural Heritage Committee (KULDI) calculated that 5 million euros per year would have to be invested over a five-year period, in order to get the key material in museums, archives and libraries digitised and transferred into use through the Internet.

Library lending



Until 2000 all lending is included in books and sheet music. The libraries have a shortfall of about 2,000 computers for public use, based on the target of one or two computers per 1,000 residents, depending on the size of the municipality. Of the 194 mobile libraries in Finland, only 14 are equipped with a computer for public use. In most libraries, Internet connections are extremely fast or quite fast. Over 200 library locations, however, are still without an internet connection. Source: 'Computer terminals for public use in Finland. The need for free-of-charge public computer terminals in Finland in 2004'

Premieres for domestically-produced full-length feature films



Progress in inter-library co-operation

With the help of State Provincial Offices, the Ministry of Education has evaluated the acquisitions and collections of libraries as a part of study into basic services. The acquisition of books has remained at the level of the recession of the 1990's, even though the lending of books is still the most used service.

The joint organisation of municipal libraries and the development of other forms of co-operation have been promoted through the channeling of information and discretionary subsidies. The aim is to guarantee the availability of diverse and high-quality library services. To improve children's reading skills in particular and promote reading as a hobby, libraries have been granted financial assistance to organise events and activities related to literature.

The role of libraries as providers of the basic skills of the information society has been strengthened by targeting discretionary funding at the development of internet services and content production. The Ministry of Education took preparatory steps to increase the number of public computer terminals and broadband connections in libraries.

The Ministry has provided funding for all public libraries to be granted the user rights to the national databases maintained by the National Library of Finland.

95 million euros was targeted at the funding of public libraries. This sum includes government funding for library operations, new library premises and mobile libraries and financial support for inter-library co-operation at municipal level. New and up-to-date facilities were rented out for a library for the visually impaired.

The Launch of reform in copyright legislation

In order to reform copyright legislation and develop the copyright system, a Government Bill was submitted to Parliament in March 2004 concerning a change in the copyright law and the approval of the WIPO (World Intellectual Property Organisation) agreement. Legislation will be enacted to conform to the regulations of the EU information society directive on copyrights and to the stipulations in the WIPO agreements.

A Focus on health-enhancing physical activity and children's sports

The involvement and participation of people in sport was bolstered by providing support for sports organisations and, in particular, by developing activities at grass-roots level.

Government funding to sporting bodies increased by a little under 500,000 euros. The Ministry of Education distributed a total of 27 million euros of government subsidies to 128 organisations. In 2004, in accordance with the focus of Ministry of Education activities, a proposal was made to reform the results-based system of financial support for national sports unions.

Co-operation intensified at local authority level through the 'Health-Enhancing Physical Activity' Project, under the guidance of the advisory committee for the project, and as a form of activity for the Fitness for Life Project. The aim of the Good Club Project is to reform the operating methods of sports organisations, so that they are able to meet the changing challenges of sports participation better than ever before.

During 2004, under the guidance of the Finnish Sports Federation, the ethical principals of 'Reilu Peli' (Fair Play) in sporting culture were set out in order to reinforce

the ethical foundations of sport. Finnish Anti-Doping Agency (FINADA) was responsible for all doping tests performed in Finland from the beginning of the year and for their funding. All together 1,946 tests were carried out, of which eight were positive. These operations received 1.2 million euros of funding during the year.

In 2004, the national sports institutes carried out a total of 330,906 study-days of liberal adult education. The training volume at regional sports institutes was 78,734 study-days.

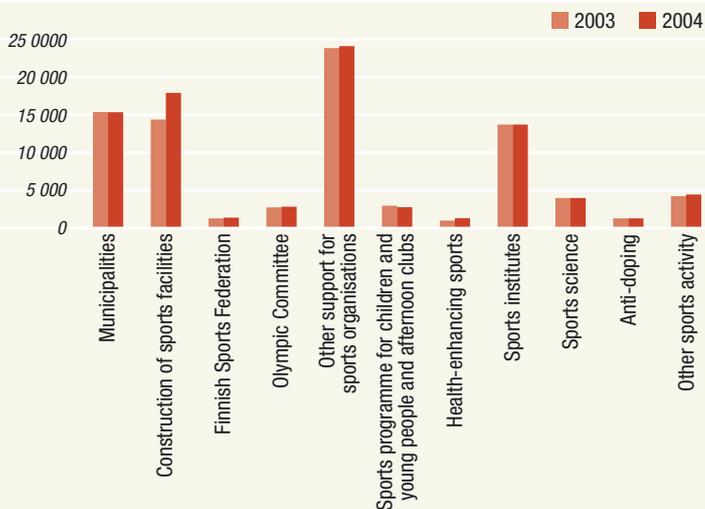
To promote the well-being of the population at large, funding was granted for the construction of sports facilities, in particular for the renovation of in-door swimming pools and the creation of facilities for local sport, paying particular attention to developing the sporting facilities for children and young people and to enhance health.

In 2004, the focus of the sports programme for children and young people was the development of afternoon sporting activities for 3rd to 9th graders. The particular aim is to get the less mobile children and young people to participate in the activity. In 2004, a total of 84 afternoon activity development projects were launched, in which about 6,500 children and young people participated. In 2004, a total of 400,000 euros was granted to 348 projects in support of development activities undertaken by local sports clubs for the physical activity of children and young people. About 32,000 youngsters took part in these projects.

2004 was European Year of Education through Sport.

According to a sports survey completed in 2002, 78% of Finns feel that success at a top-level international sporting competition is important for Finland. During 2004, a working group on top-level sports evaluated the current situation of the Finland's top-level sports, and gave recommendations to increase the efficiency of training for young athletes, and to develop coaching education. The responses of the associations largely supported the proposals of the working group.

Sports funding, mill. euros



An emphasis on youth work

In 2004, the Ministry of Education invested 30.8 million euros in youth work. This sum represents an increase of 37% over the previous year. The increases meant that funding for youth work returned to the pre-recession level of the early 1990's.

Through this financial assistance, it became possible significantly to increase financial support to national youth organisations and other youth work organisations, and to develop the participation of young people in society and

in a diverse range of leisure activities. It was also possible to increase support for the operations of national youth centres and building projects. As a new activity, State Provincial Offices directed resources at the support of regional development plans for youth work.

Development work began for an information and advisory service network for young people. Support was provided for the construction of new premises for the Art Centre for Children and Young People. Support was increased for afternoon activities for school-children, as was support for youth workshops. Furthermore, it was possible to provide more support for youth research than ever before.

Through this funding, it became possible to improve the possibilities for youth involvement and participation, equality in youth culture, the availability of youth services, to develop the service network for cultural and leisure activities, to create a mentally and physically secure environment in which to grow up, to develop children's culture, to diversify international co-operation in this field and to increase its impact. Through youth workshops and drug prevention work, there was a significant impact on the social strengthening of young people.

The comprehensive reform of youth work legislation proceeded according to plan, through such activities as extensive question-and-answer tours.

Funding and statistics concerning youth work

Functions	Participants			Appropriations (mill.euro)		
	2002	2003	2004	2002	2003	2004
Youth organisations (no. of mem.)	800 000	815 000	825 000	7,6	7,9	10,4
Municipal youth work				6,1	6,0	6,0
Youth workshops *	8 500	7 100	8 000	**1,2	1,4	2,4
Youth centres (no. of days)	136 000	148 000	160 000	2,2	2,4	3,8
Afternoon clubs for school-children				0,4	0,6	1,0
Youth research				0,5	0,5	0,8
Drug prevention work				0,8	0,8	0,8
Information and advisory services				-	0,1	0,5
Regional development				-	-	0,7
The International Award Programme for Young People (groups, young people)	500	600	900	0,1	0,2	0,2
International co-operation				0,7	0,7	0,8
Culture				0,5	0,5	0,5
- Youth culture	3 100	6 350	7 400	0,4	0,4	0,4
- Culture groups***	1 365	1 349	1 411	0,1	0,1	0,1
Others				1,9	1,3	2,2
TOTAL				22,0	22,4	30,8

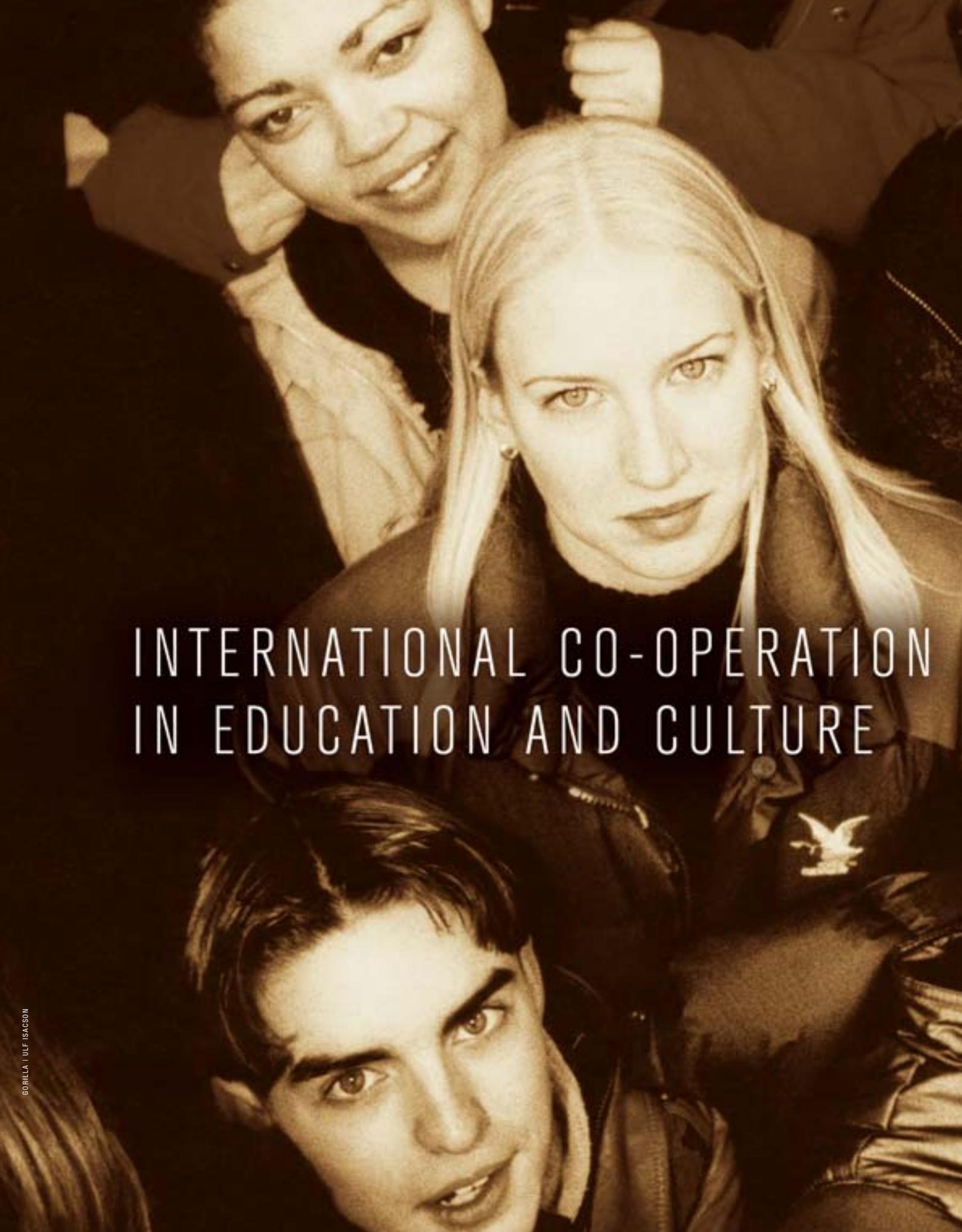
* Youth workshops: 2002 = 300, 2003 = 236, 2004 = 230

** Funds used from clauses 29.99.50 and 29.99.51. Does not include funds from ESF

*** Groups of young foreign performers through the Centre for International Mobility (CIMO).

In November 2004, youth unemployment fell below the figure of 30,000 per month for the first time since the beginning of the recession years of the early 1990's. The annual number of unemployed was about 32,500.

According to some studies, the rise in the use of drugs which was growing strongly at the end of the 1990's, has now stopped and even turned slightly downwards.



INTERNATIONAL CO-OPERATION
IN EDUCATION AND CULTURE



The key areas of the international activity of the Ministry of Education have been cultural diversity, sustainable development and the information society, the consequences of EU expansion and the future of the EU, the preparation of Agenda 2007, the follow-up of the Lisbon Strategy and co-operation with Russia.

Finland was active at the framework stage of the UNESCO Universal Declaration on Cultural Diversity. The international visibility of Finnish science and culture was improved. The Northern Dimension and co-operation with Russia emphasised work with many different organisations.

International co-operation and networking by universities and polytechnics was supported by increasing the number of English language courses and by promoting possibilities for student exchange.

The quantitative targets for university student exchanges and foreign degree students were raised significantly for the period 2004-2006. The Ministry of Education directed project funding at the planning of foreign-language Master's programmes, and distributed results-based funding to universities based on their achievements in internationalisation.

The degree structure reform will improve the comparability between Finnish university degrees and European degrees. Furthermore, the Ministry of Education launched the Cross-Border University Project in co-operation with Finnish and Russian universities.

Finland's co-operation in science policy with the Nordic countries, the EU and other countries continued to intensify.

A treaty on Finland joining the ESO (European Southern Observatory) came into force. Through this agreement, Finnish researchers will have at their disposal top-quality astronomical equipment and instrumentation, and better conditions to influence and participate in high-level international research co-operation.

The internationalisation of vocational education and training was promoted by supporting study abroad and by making the approval procedures for studies completed abroad more efficient. The mobility of those taking vocational education and training and those aiming for a vocational qualification was improved through financial support and the Leonardo Project. There was active participation in the Copenhagen Process, a development project promoting co-operation in European vocational training. The development of the system allowing studies to be taken in different institutes and the acceptance of unofficial and everyday learning proceeded to the

experimental stage. Preparations were begun to reform of the Europass system.

Preparation work was undertaken for the Russia Programme of Arts and Culture. Its chief goal is to promote the creation of Northern cultural companionship.

Finland's views on the general framework of the European sports policy were prepared. During the year, an evaluation was made of added value of the EU's future sports activities in comparison to existing European sports co-operation.

In 2004, the main theme of the EU's Culture 2000 Programme was cultural heritage. Finnish participants in the field of culture were very successful in this period. During the year, a decision was made to continue the Culture 2000 Programme (2000-2004) in its current form until the end of 2006, and preparation work was begun for a framework for a new cultural programme, Culture 2007, which is scheduled to run until 2013.

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. Furthermore, the Minister of Culture represents Finland in unofficial ministerial meetings concerning sport.

To further the reputation 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, Stockholm, St Petersburg, Madrid, Oslo, New York, Budapest and Hanasaari in Espoo. It also supports four institutes of science situated in Rome, Athens, Tokyo and, in the Middle East, Amman and Palestinian Beit Jala. These institutes specialise in promoting research and education.

The latest target of funding is FinnAgora in Budapest which started up in 2004.

The institutes of culture are tasked with exporting Finnish culture, promoting cultural exchange with the host country and the creation of social and economic relations.

CHURCH AFFAIRS

GORILLA | HARRI TARVAINEN

The aim of the church administration 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.

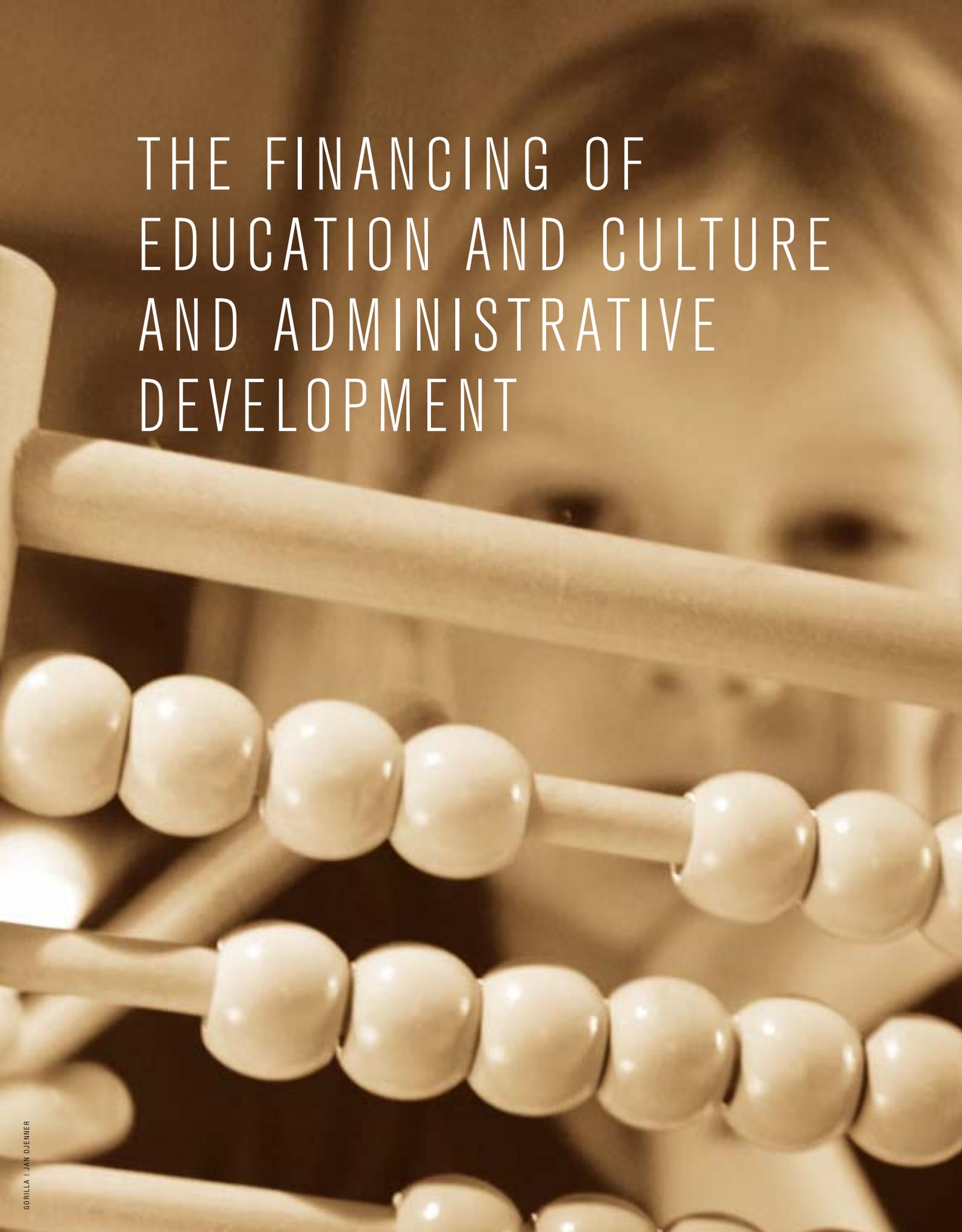
In the same way, it handles the legal rights and operating conditions of religious communities. In addition, the general administration of funerary services comes within the sphere of Church Affairs.

The state funds neither the Evangelical-Lutheran Church, nor the registered religious communities. The church administration of the Orthodox Church is a government office, whose expenses are paid from government funds.

The evangelical-Lutheran and the Orthodox Churches

enjoy a special status under public law. The freedom of religion and conscience is a constitutional basic right.

In 2004, government funding was granted for the commemoration of those fallen in war, for the repair of cemeteries in areas surrendered by Finland, for the upkeep of evacuees' graves and for the Finnish Seamen's Mission, for example for the renovation fund of the Seamen's Mission in London. Support was also granted to some Orthodox Churches and to parishes in financial difficulties.



THE FINANCING OF EDUCATION AND CULTURE AND ADMINISTRATIVE DEVELOPMENT

In 2004, expenditure of the sector of the Ministry of Education was 6,054 million euros. This represented an increase of 3% over the previous year. Particular growth was discernable in the funding of science and youth work. During the year, the sector approved an acquisition strategy and prepared a productivity programme.

The common values of education, science, culture, sports, youth matters and church affairs in the Ministry of Education emphasise civilisation, well-being, democracy and creativity, which the Ministry is promoting through its activities.

A key value of the Ministry of Education is expertise, as is responsibility, openness and co-operation and a focus on the future.

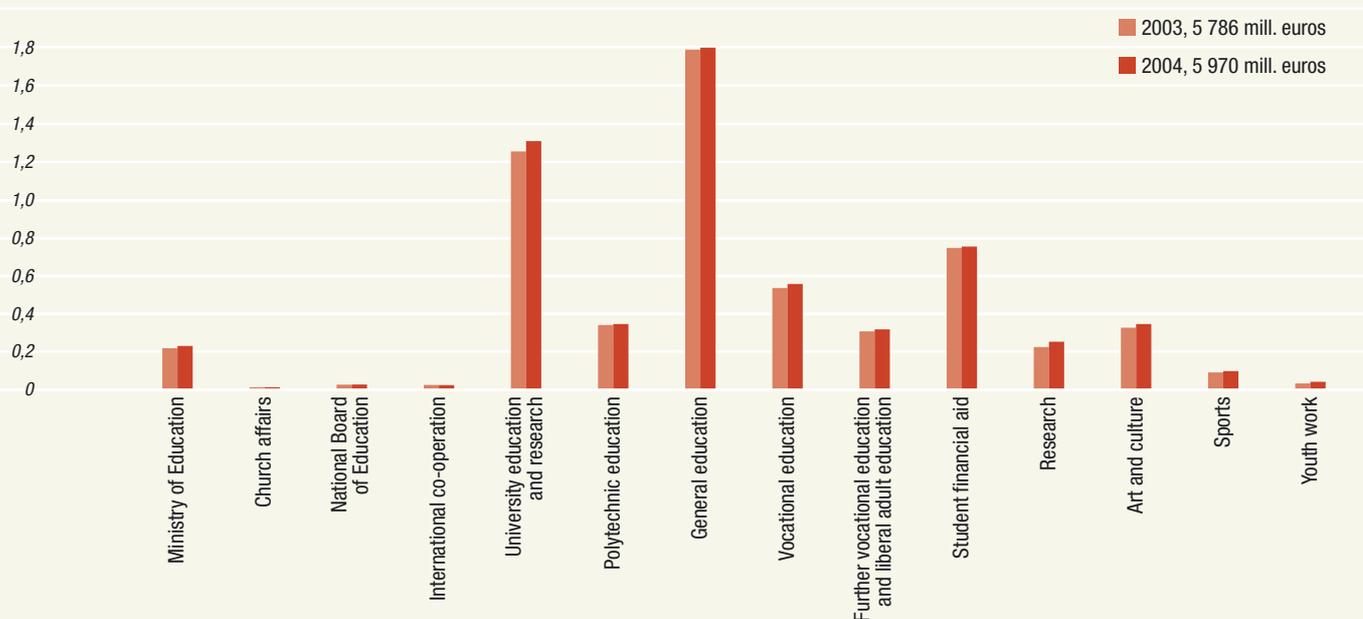
The targets of the Government Programme and the Government Strategy Document were met in accordance with the 2004 state budget. The year's targets were specified in the Ministry of Education performance forecast and in the performance targets of the administrative offices and departments. A part of the Ministry's discretionary government funding were granted on the basis of performance.

The government has initiated four inter-sectoral policy programmes to increase the co-operation between different areas of administration: the Employment, Entrepreneurship, Information Society and Civil Participation Policy Programmes. The Ministry of Education was involved in all these 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

EDUCATION AND CULTURE 2004

Ministry of Education sector expenditure, bill. euros



Discretionary government grants from the Ministry of Education and the Arts Council of Finland, 1 000 euros

	2003				2004				change %
	+	-	total no.	euros	+	-	total no.	euros	
Dep. for Education and Science Policy	981	410	1 391	93 177	764	130	894	91 224	-2 %
Department for Culture, Sport and Youth Policy	1 993	1 015	3 008	168 413	2 021	966	2 987	192 126	14 %
Internal Administration	30	4	34	1 963	20	7	27	1 005	-49 %
Secretariat for International Relations	300	112	412	5 413	288	106	394	5 525	2 %
Pensions for artists and journalists *	55	515	570	700	55	523	578	720	3 %
Ministry of Education total	3 359	2 056	5 415	269 666	3 148	1 732	4 880	290 600	8 %
Arts Council of Finland total	2 766	5 455	8 221	15 532	2 809	5 971	8 780	17 366	12 %
GRAND TOTAL	6 125	7 511	13 636	285 198	5 957	7 703	13 660	307 966	8 %

* Pensions for artists and journalists are decided by the Ministry of Education, but are paid by the Finnish State Treasury overseen by the Ministry of Finance. Artists pensions may be granted as follows: full pension, part pension or part pension increment.

2003-2008 which has been approved by the government, the decision in principle by the Government on Art and Artist Policy and the Regional Strategy Document 2013 of the Ministry of Education.

The Ministry took part in the preparations for the reform of government funding, aiming at ensuring adequate funding for education and cultural services and the just and fair targeting of government funding. The possibilities of delegating tasks of the Ministry and taking care of them regionally were studied.

Of the appropriations in the sector, about 2,910 million euros was granted as statutory government funding to municipalities, joint municipal authorities and private communities. The government funding for education and culture is a part of the calculated government funding of municipalities. The funding for those carrying out the activity is based on student numbers or other performance parameters, and also on calculated unit prices.

Government funding increased by 71.6 million euros (2.5%), through such factors as index increment and new services, which included morning and afternoon activities at school and free transport for preschool children.

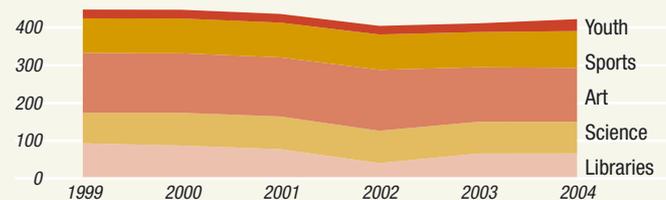
The funding limits for the Ministry's own operations are exceptionally tight, in particular because of the new salary system and increases in rental costs caused by moving to the new premises.

The acquisition strategy for the education and culture administration was completed. The productivity programme 2005-2009 for the sector also requires development of the Ministry's productivity, efficiency and quality systems. The system for monitoring the Ministry's internal costs was improved. As a part of the development of the Ministry's administrative systems, a new information management plan was approved. The project included a

State funding for education and culture, mill. euros

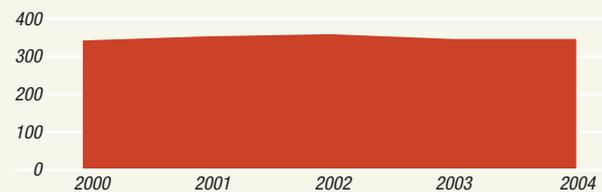
	2003	2004	Change	%
Municipalities	1 218,3	1 226,2	7,9	0,6
Joint municipal authorities	955,9	988,2	32,3	3,4
Private	664,7	696,1	31,4	4,7
Total	2 838,9	2 910,5	71,6	2,5

Use of lottery funds, mill. euros



In 2004, lottery funding supported about 32% of all science, 57% of all art and culture, 98% of sports and 93% of youth activity funded by the Ministry of Education. In 2004, lottery funds accounted for about 32 % of research fundind, 57 % of art and culture funding, 98 % of sports funding and 93 % of youth activity fundind granted by the Ministry of Education

Ministry of Education personnel



In 2004, the average age of the personnel was 47.4 years and in 2003 it was 47.1 years.

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

There are 3,550 comprehensive schools, 480 upper secondary schools, 177 providers of vocational education and 29 polytechnics. The number of comprehensive schools decreased by 260 between 1999 and 2004.

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

From the beginning of 2005, there are 432 municipalities in Finland. 44 of them are bilingual and 19 completely Swedish-speaking

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

The implementation of structural fund projects progressed well in the sector of the Ministry of Education. At the end of 2004, there were 820 structural fund projects receiving funding from the European Social Fund and 267 projects receiving funding from the European Regional Development Fund. By the end of 2004, 565 million euros was tied up in project decisions (including both EU and domestic funding). In 2003, the corresponding amount was 457

thorough study of the Ministry's operating processes.

The Ministry's strategy for electronic services, transactions and networking was carried out with particular emphasis on the development of the Ministry's Internet pages and electronic transaction processes.

Development of the working community and personnel continued. A personnel audit and a barometer of the working climate provided a sound base for the improvement measures, which included discussions of results and development, the introduction and further development of the new salary system, the human resources programme of the Ministry, the so-called 'age' programme, the Ministry's personnel development plan, the 'well-being at work' plan and the equality programme.

In the Ministry's new premises project, activities which had been spread over several sites were brought together in one. Operations were moved to Meritullinkatu 1 and Meritullinkatu 10 was prepared for renovation. The new premises project is paying special attention to health matters, ergonomics and the sense of community.

ADMINISTRATIVE OFFICES AND DEPARTMENTS OF THE MINISTRY OF EDUCATION

MINISTRY OF EDUCATION

Centre for International
Mobility (CIMO)

Research Institute for the
Languages of Finland

Library for the Visually
Impaired (CELIA)

Appeal Authority for
Student Financial Aid

Finnish Film Archive

Episcopal Meeting of
the Finnish Orthodox Church

Arts Council of Finland

Finnish Board of Film
Classification

Repository Library

Finnish Institute for Russian
and East European Studies

Matriculation
Examination Board

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

Sibelius Academy

Swedish School
of Economics

University of Art and
Design Helsinki

Tampere University
of Technology

Theatre Academy
of Finland

Helsinki University
of Technology

Turku School of Economics
and Business Administration

University of Turku

University of Vaasa

Åbo Akademi University

NATIONAL ARCHIVES

NATIONAL BOARD
OF ANTIQUITIES

FINNISH NATIONAL
BOARD OF EDUCATION

ACADEMY
OF FINLAND

GOVERNING BODY
OF SUOMENLINNA

FINNISH
NATIONAL GALLERY

STATE-OWNED COMPANIES

Veikkaus Oy
(National Lottery)

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
Tuula Haatainen

Minister of Culture
Tanja Karpela

Permanent Secretary
Markku Linna

**Department for Education
and Science Policy**

Director-General Arvo Jäppinen

- 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 Kalevi Kivistö,
Riitta Kaivosoja from 1st December 2004

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

CONTACT INFORMATION

PO Box 29, FI-00023 GOVERNMENT, FINLAND

Visiting address: Sörnäistenkatu 1, Helsinki | Meritullinkatu 1, Helsinki

Tel: +358 9 16004 or +358 9 57814 | Fax: +358 9 135 9335 (registrar's office)

opmkirjaamo@minedu.fi | firstname.lastname@minedu.fi

www.minedu.fi

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