



Employment Fund and Adult Education Allowance

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Members

13

Trade unions



26 %



74 %

Specialists and experts

in hospitals, in nursing homes, in
factories, in forests, in day care centres,
in agencies, in banks, in insurance
companies, in offices, in churches, in
libraries, in rescue operations, on
ships...

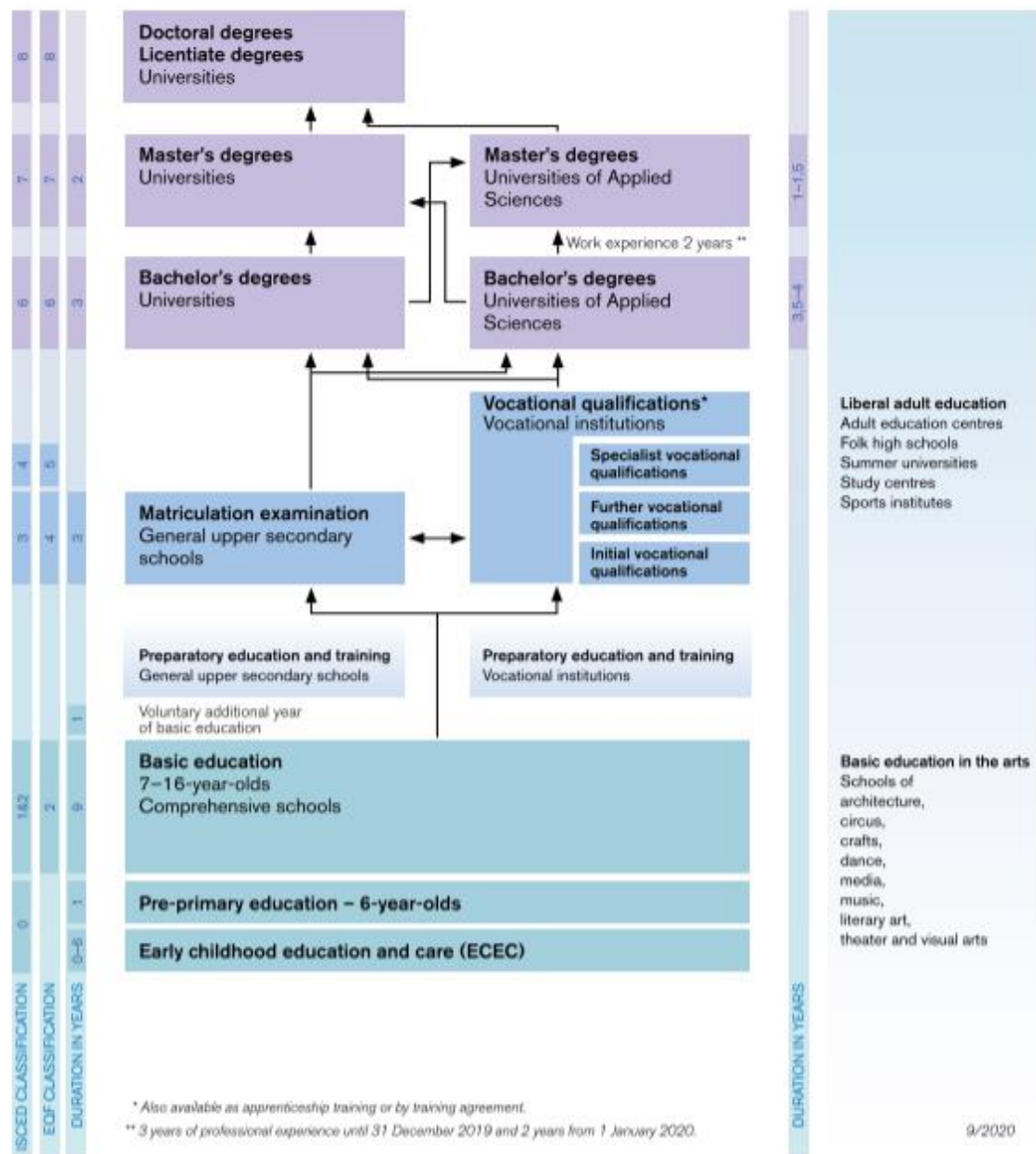
3100 €

average monthly salary

(Vuonna 2019)



EDUCATION SYSTEM IN FINLAND



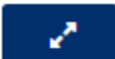
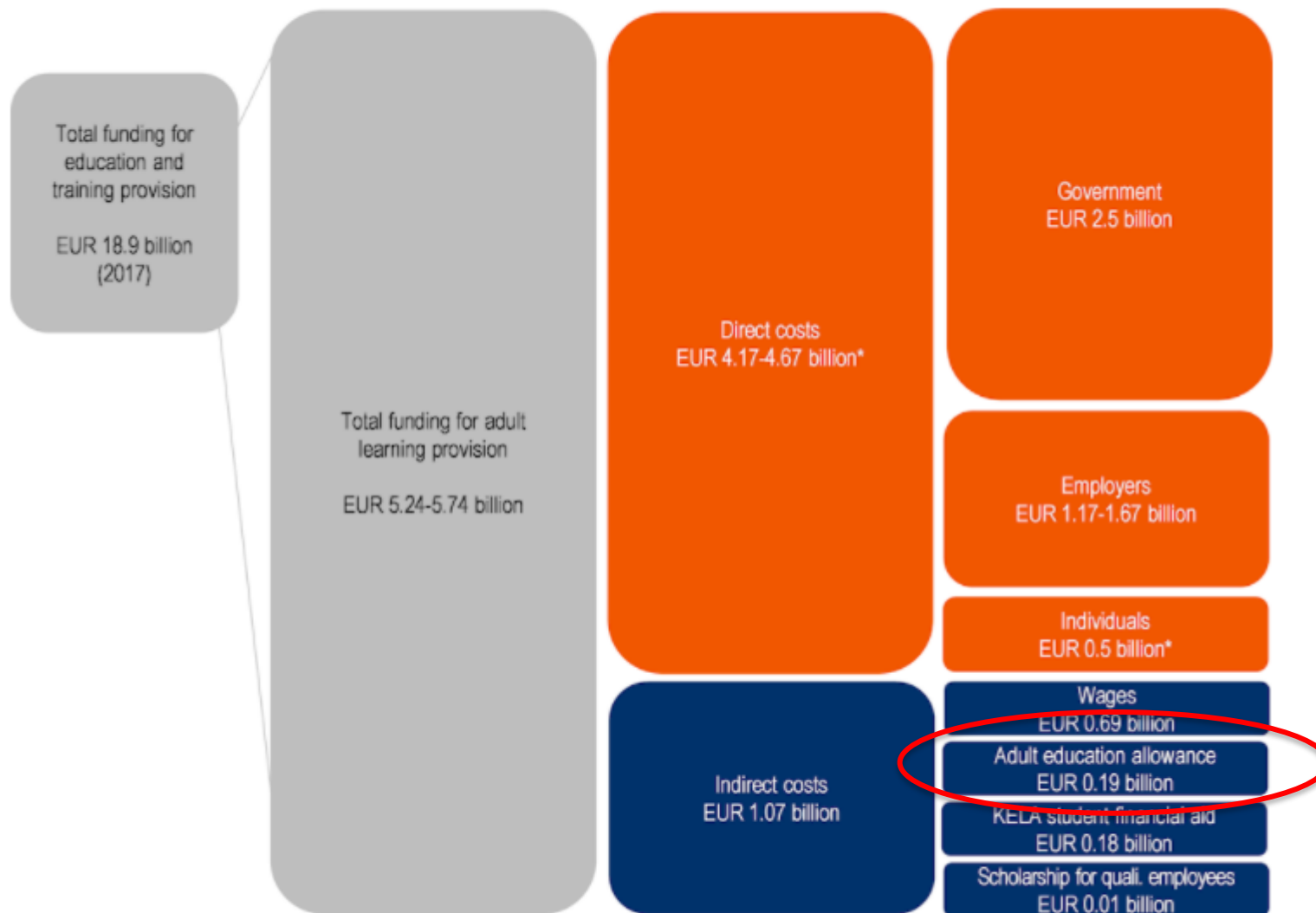


Figure 2.1. **Government is key funder of adult learning**

Estimated funding for adult learning provision, 2017



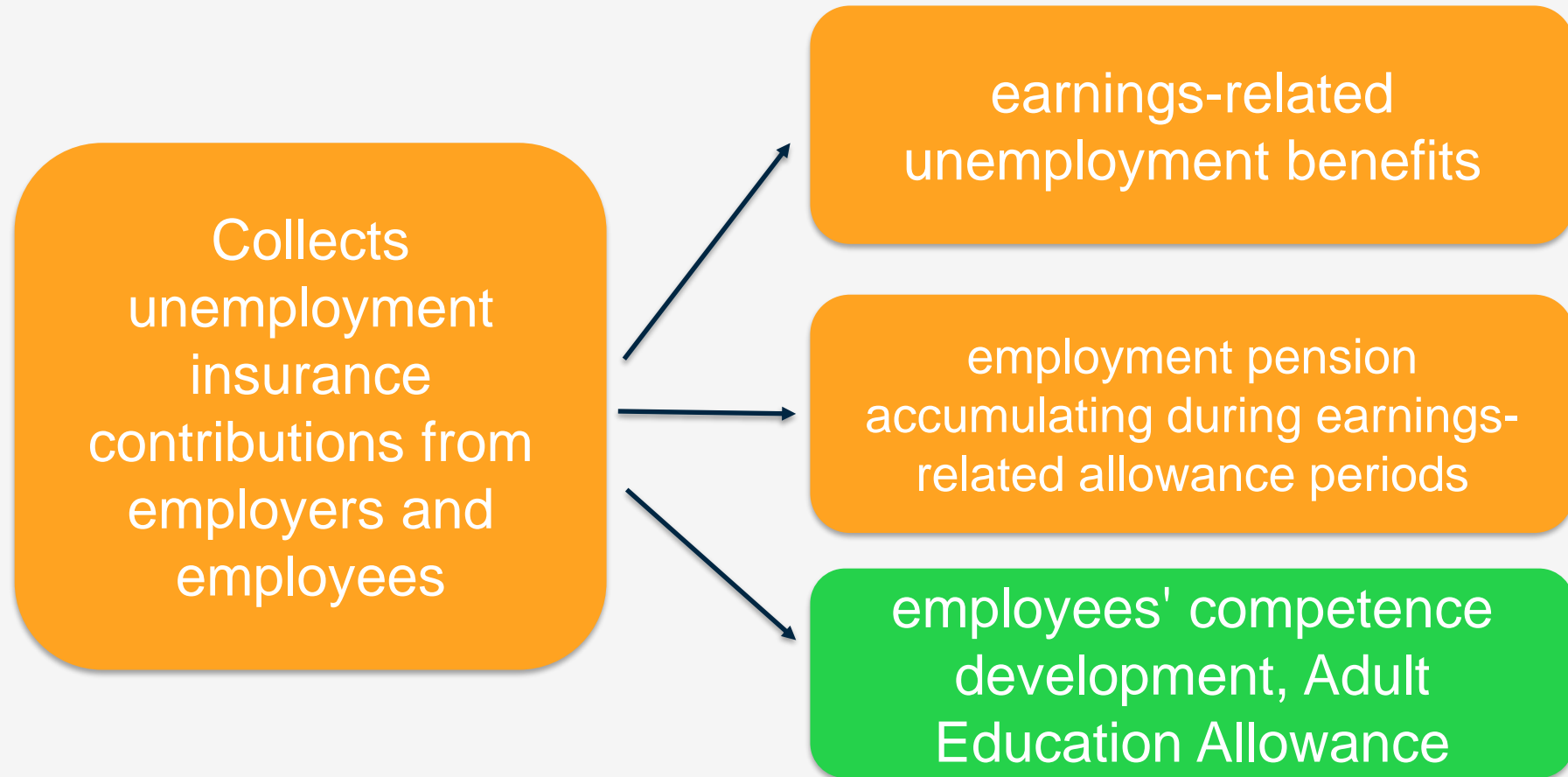
Note: All data are estimates, *includes funds relating to initial education.

Source: OECD estimates based on Aho and Ranki (2018[31]), *Milla Rahalla?*, Sitra, Helsinki and Kauhanen (2018[32]), *Yksilön, yrityksen ja yhteiskunnan vastuu työuranaikaisessa kouluttautumisessa*, No 67, ETLA Muistio, Helsinki, <https://pub.etla.fi/ETLA-Muistio-Brief-67.pdf>.

Getting Skills Right:
Continuous Learning in Working Life in Finland. OECD Report 2020.

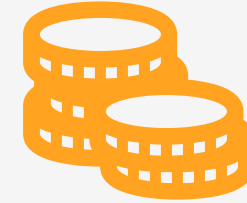


Employment Fund is part of the Finnish social security system





Adult Education Allowance



- Part of the social security system
- Compensates for the loss of salary during self-motivated studies
- Meant for adult students who are employed or act as entrepreneurs
- Adult education allowances are granted based on the Act on Adult Education benefits
- Labour market parties play an active role in developing the adult education allowance system



Conditions related to Adult Education Allowance

Maximum 15 months during working career

Minimum 8 years of working history

Employed by current employer for at least 1 year

Work part-time or on fully unpaid study leave

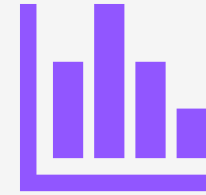
Studies meet the criteria set in the Act on Adult Education benefits

Live in Finland and covered by Finnish social security

Do not receive benefits that prevent the allowance from being paid



Adult Education Allowance Statistics



- In 2020 there were 27 000 beneficiaries and total adult education allowance cost was 186 million euros
- 34 % of beneficiaries' studies were related to social and healthcare occupations
- 42 % of beneficiaries studied in Universities of Applied Sciences
- Majority of beneficiaries are female (76 %)
- 52 % of beneficiaries aged between 31-40 years
- 48 % of beneficiaries' earnings (before getting the allowance) were 2000-3000 eur / month



Effectiveness and effects of the adult education allowance



- Kauhanen, A. 2021. The Effects of an Education-leave Program on Educational Attainment and Labor-market Outcomes. Education Economics, Vol. 29, Issue 3 (2021)
 - The allowance has a positive effect on changing occupation and reaching at a higher educational level
 - The allowance does not seem to increase the level of income or effect employment rate
- **How to help especially low-skilled to adapt to labour market changes through upskilling and re-skilling?**



Ready for Dialogue