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)
Employment Fund is part of the Finnish social security system

Collects unemployment insurance contributions from employers and employees

- earnings-related unemployment benefits
- employment pension accumulating during earnings-related allowance periods
- employees' competence development, Adult Education Allowance

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

  – 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