

ALTERNATIVE APPROACHES TO FINANCING LIFELONG LEARNING:

COUNTRY REPORT

SWEDEN

1998

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1 The Overall Perspective

1.1 INTRODUCTION

The foundation of Swedish educational policy is that all regular education should be accessible to all independent of gender, place of residence and financial and social conditions. This means that the education should be qualitatively equivalent irrespective of where it is organised in the country and free of charge for the individual. Swedish education for adults has long-standing traditions. The right for adults to take leave of absence in order to study is regulated in law and combined with generous opportunities for study support. Comprehensive measures in terms of education and work practice are carried out for the unemployed so they can upgrade their knowledge and skills. In companies major investments are made in terms of personnel training and competence development at work in order to raise the competence of employees.

At the same time many employees participate in regular education and in other forms of education outside the company which are financed by companies. Popular adult education in study circles and in folk high schools is extensive and plays a vital role in the level of public education in Swedish society.

1.2 DEFINITION OF LIFELONG LEARNING

Lifelong learning is a multidimensional concept. In Sweden it is used to describe an attitude to learning which goes further than the concept of recurrent education. Lifelong learning covers both the formal educational system, from pedagogical measures in the early years of the pre-school up to studies at university and popular adult education for both young people and adults. But the term also covers opportunities for learning at work, the creation of learning organisations and new tasks to be carried out and at the same time develop individuals who make up the work team. Lifelong learning must be based on each individual's opportunity to learn something new every day. The great challenge is to create amongst all citizens a desire to learn and also the opportunities for realising this.

The foundation for this attitude to lifelong learning must be built during the child's early years in pre-school and later permeate the formal educational system, as well as attitudes to competence development in working life and opportunities for participating in study circles during leisure time.

1.3 LIFELONG LEARNING IN A POLITICAL CONTEXT

Swedish educational policy is based on an understanding that education is perhaps the strongest driving force for economic growth and personal development and a means of deepening Swedish democracy. The educational system has thus a threefold task. It should prepare pupils for a continuous process of development during their working lives, for further studies and active citizenship.

Against this background responsibility in recent years has been moved from the domain of family policy to educational policy, in order to emphasise that pre-school constitutes the first stage in the educational system. Work is in progress on reinforcing the pedagogical role of the pre-school. Pre-school activities for six year olds, available to all children, will be more closely linked to the compulsory school and will thus become part of a coherent ten year pedagogical activity.

The upper secondary school is changing from being an "elite" form of education to a basic education for all citizens. Around 98% of pupils from the compulsory school go on to attend the reformed upper secondary school where all educational programmes, both theoretical and vocationally oriented programmes, are three years in length. All pupils study a common core of general subjects which cover in total one third of the education. Successfully completing any of the national programmes in the upper secondary school provides general eligibility for higher education. The broad theoretical base of the vocationally oriented programmes is a foundation for continuous learning in working life since it provides flexible pathways to further studies thereby avoiding professional deadends.

The reformed upper secondary school also creates conditions for broadening recruitment to higher education. The Government in order to strongly increase the proportion of persons with higher education is implementing a substantial expansion of university colleges and universities.

The reforms in youth schooling are, however, not sufficient in themselves to satisfy the increasing demands for knowledge that will be required in the future. An increasing number of adults must also have the opportunity to acquire not only a broader theoretical base, but also the vocational skills required by the labour market today. This is the reason a comprehensive programme is being implemented to raise the knowledge and skills of adults, known as - The Adult Education Initiative. The investment involves a significant development of adult education at the upper secondary school level for the unemployed or employees at risk of becoming unemployed. This is coupled with investments to reform and raise the quality of education.

The explicit reason for the investment programme is that Sweden will not compete on the basis of low salaries, but with a highly skilled, competent labour force. The Adult Education Initiative is financed via a transfer of funds from unemployment benefits to active educational measures.

1.3.1 Companies, trade unions and lifelong learning

There is a high degree of unity underpinning the decisions being made on investments in education and raising the level of ambition in all parts of the educational area. Both trade unions and organisations from working life emphasise the importance of a longer and broader upper secondary school education for all young persons, more investments in competence development and in-service training both in normal education and in working life, as well as the need for developing key competencies.

1.3.2 Co-operation between working life and education

Contacts between schools and working life need to increase if the education provided by schools is to better match the requirements of working life. Closer contacts between school and local communities can, in addition, increase the motivation of pupils, as they become aware of the knowledge and skills needed in modern working life. Working life can in its turn make greater use of the specific competencies that exist in the Swedish school for young people.

Local working life has good opportunities to exercise influence over the vocational orientation of national and specially designed programmes in the upper secondary school, both in terms of educational content and workplace training. A new form of apprenticeship training is also under development, supported by the active participation of working life. The goal of apprenticeship training is to create a bridge between working life and schools and thus facilitate the transition of pupils to the labour market.

Within the framework of the Adult Education Initiative, adult education will be modernised as a result of increased co-operation and interaction between local and regional working life.

In recent times new educational programmes have been developed as a result of co-operation between working life and educational organisers. One example that can be mentioned is a pilot project for advanced vocational education at post-upper secondary school level which is planned, implemented and financed in conjunction with working life. In addition, greater co-operation takes place between working life and higher education, not least as a result of the Government's emphasis that educational institutions will focus on the "third task" where apart from providing - basic undergraduate courses and research - they are to actively promote increased co-operation with their local communities.

1.3.3 Changes in society impose new demands for a holistic political perspective

Development in the direction of an increasingly technological and knowledge intensive society means a higher rate of change than in the former industrial society. The traditional sectoral division between education, labour market and industrial policy is based on old structures and is being replaced by

increasing co-operation where education and competence development become central focal points for all sectors of society. Flexibility, co-ordination of resources in society, decentralised decision making processes and increased opportunities to adjust to local and regional needs and conditions are becoming increasingly important.

1.4 LIFELONG LEARNING IN A FINANCIAL CONTEXT

The Swedish labour market is characterised by a high tempo of change with greater emphasis on making better use of knowledge in production. The number of unskilled workers is rapidly declining. New jobs often require higher qualifications. This imposes great demands on the competence of individuals and their capacity for lifelong learning. The foundations for this are established in the pre-school and the school. No one should leave school with incomplete basic knowledge. It is very costly both in terms of human and financial resources to remedy such shortcomings later on. The compulsory and upper secondary school must provide a base that is sufficiently good and broad to stimulate the labour market and prevent educational deadends.

Adults should have the opportunity to acquire new knowledge and supplement deficiencies in their earlier education in order to increase their competence. Independent citizens with good self-confidence helps to create a flexible labour market and good development opportunities for individuals, companies and society. An investment in education at all levels reduces the risk of exclusion from the labour market and helps to counteract widening gaps in society.

In terms of education Sweden occupies a strong position. Despite this, educational levels need to be raised in order to meet the requirements of society and working life. In addition there is the need to remedy the relative shortcomings in education resulting from stagnation in higher education and upper secondary school education in the 1970s and 1980s. The need is particularly significant in the area of natural sciences and technology.

1.5 COSTS AND BENEFITS OF EDUCATION

Investing in all education and lifelong learning is a long-term process. Costs are immediate, but both direct and future returns are difficult if at all possible to measure. Developing methods for assuring and monitoring quality thus become increasingly important at all levels of education, especially if resources are to be used effectively.

Given the scale of the public commitment, it is also possible to impose demands on greater individual responsibility for education and competence development. The responsibility does not in the first instance relate to repaying the study loan, but rather to taking personal responsibility for one's own lifelong learning and that of one's children. For society, employers and employees, in-service training, competence development and organisational development is in many respects a common interest.

The responsibility for competence development in working life rests primarily with employers, but trade union organisations also take responsibility and the initiative for raising competence and lifelong learning. These issues are becoming an increasingly important area in wage negotiations between the parties, and many central collective agreements contain recommendations for competence development. In recent years discussions about the distribution of responsibility and financing of competence development between the individual, the state and working life have accelerated. The issue has been dealt with in a number of commissions and the Government has recently invited representatives from the labour market to discuss possible alternatives that would facilitate competence development measures in working life.

1.6 LIFELONG LEARNING FROM A SOCIAL AND CULTURAL PERSPECTIVE

One of the tasks of the educational system is to prepare individuals for participating as citizens in social and cultural life. Society is becoming increasingly complex and imposing greater demands on knowledge. This is true not only in our role as citizens and active participants in the democratic process both nationally and internationally.

But also in our role as private individuals, we need more knowledge to be able to safeguard our rights and live a rich cultural and social life. We must increase our understanding of different cultures and the world around us, as well as making greater contributions to increasing gender equality. These aspects of learning will become increasingly important in working life. Social and cultural competence, in combination with purely vocational competence requirements, are today important factors in Swedish working life when recruiting new persons.

1.6.1 Lifelong learning for equality and democracy

Sweden has changed from being a relatively homogeneous to a more multi-cultural society today. Ethnic conflicts and racial prejudice are often a result of pure ignorance. Lifelong learning is important as a counterweight against racism and xenophobia.

Labour market participation rates of women in Sweden are amongst the highest in the world, Women as a group have lower incomes than men. There is far too great a shortage of women in leading positions in industry and in the financial world. Women work part-time to a greater extent than men. In order to counteract current gender distortions on the labour market and increase equality, there will have to be changes in educational patterns, changes in attitudes and organisational development in working life.

Sweden has an educational and study support system which in principle makes it possible for everyone to study in higher education, irrespective of their financial position. Families from different social groups and with different educational backgrounds have varying attitudes to higher education. Providing increased access for adults to study is one instrument for counteracting socially distorted access to higher education.

1.6.2 Libraries, culture and the mass media

In a world with a continuously increasing flow of information and input from the mass media, there is a greater premium on knowledge that will enable people to navigate and master the huge flow of information in a meaningful way. There is a high correlation between level of education and participation in cultural activities. Lifelong learning broadens participation in cultural life and provides tools and opportunities that make for deeper cultural involvement.

One of the cornerstones in a modern knowledge society is a highly developed system of libraries. The goal is that the individual, at no cost and irrespective of place of residence, should have access to libraries and information. In order to develop the libraries' role, the Government has taken the initiative to connect libraries to the IT structure which is being built up by university colleges and the universities.

Popular adult education with its multi-faceted range of cultural activities is developing new ways of using IT through co-operation with libraries.

1.6.3 A highly differentiated education system

The Swedish educational system consists not only of the regular education system with pre-school, youth school, municipal and state adult education as well as higher education, but also popular adult education with adult education organisations and folk high schools, different types of vocational training as well as labour market training programmes. In addition to aesthetic education programmes in the regular educational system and higher education, there are also municipal music schools and cultural schools for children and young people.

1.6.4 Non governmental organisations

The long standing traditions of popular adult education with its adult education organisations and folk high schools means that the needs of different popular movements and other organisations for special education are well catered for. The Free Church movement, the Temperance movement, the Labour Movement and various sports associations are all examples of organisations with their own folk high

schools and adult education associations. They provide a wide range of study circles, as well as short and longer courses directed to both their own members and for the general public.

2 Estimating public costs of implementing lifelong learning

2.1 INTRODUCTION

Pre-school activity, of which the *pre-school* is an important part, but which also covers other forms of activities such as *family nurseries* and *open pre-school*, has in Sweden traditionally been a part of family policy. The majority of children attend compulsory school between the age of 7 to 16. Parents may if they wish start their children's schooling at the age of six. In 1998 new curricula were introduced for both the pre-school and for children between the ages 6-16 with national goals for children's learning. The pre-school and school will thus become more closely integrated both pedagogically and in their working structures.

A small number of children with serious physical or mental handicaps attend *special schools* and *schools for mentally handicapped*. Education in these schools can be extended if needed. Most children with physical or other difficulties receive their schooling in the integrated compulsory school. Education for children in minority groups is provided in the *Sami school* which has its own administration. The Sami school is, however, often integrated with the compulsory school and covers only a small number of children.

The compulsory, integrated compulsory school is thus equivalent to the primary and lower secondary levels (ISCED 2).

Upper secondary school education (upper secondary, ISCED 3) is organised in three year national and specially designed programmes as well as individual programmes. In the latter a pupil studies courses in combinations or at a rate that differs from the norm in the national programmes. National programmes cover both broad-based preparatory programmes for further studies (general) and vocational education. Parts of the education can be carried out at workplaces and can be organised as apprenticeship training programmes.

Higher education is provided at *University Colleges/Universities* at a "tertiary level". There are a number of formal qualifications at the basic undergraduate level: higher education qualifications - diplomas (at least two years of studies, normally classified as ISCED 5), general qualifications (ISCED - level 6); bachelor's, master's as well as different vocational qualifications (e.g. doctor, teacher, engineer). In postgraduate education (ISCED 7) there are licentiate and doctoral qualifications. Higher education also provides, at least since the beginning of the 1970s, opportunities for many adults to study individual courses for in-service training or for further education often without the aim of obtaining a degree and largely as part-time and distance education programmes.

The Adult Education Initiative, is a huge ongoing investment programme for *adult education* which started on July 1st 1997, involves both a renewal and expansion of Swedish adult education, is covered separately in Chapter 5.

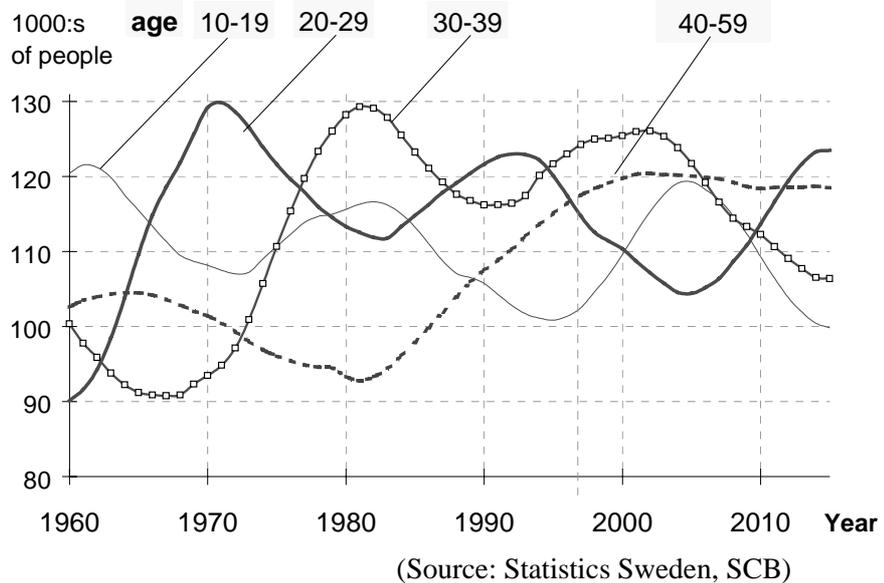
Education for adults covers municipal adult education, national schools for adults, education for intellectually handicapped adults, Swedish for immigrants as well as different individual educational programmes under state supervision, mainly in aesthetic and handicraft areas. One of the forerunners of current adult education in Sweden is popular education, which at the very beginning of its development was connected to folk high schools. Since the beginning of the 1900s, popular education has gradually expanded into study circle activities at different study associations.

The State is responsible for labour market training programmes, which are a part of labour market policy and provide education for the unemployed or those at risk of becoming unemployed. In-service company training of personnel, job-related training for employed, is financed by employers and run either internally or procured by employers from different private or public educational organisers.

Demographic changes and the population's interest in studies are two basic starting points for an analysis of lifelong learning. According to Statistics Sweden, SCB's forecast (fig. 2.1) the number of

persons in the age range 20-29 are expected to decrease from the middle of the 1990s until some years after the turn of the century. Over the same period the age groups between 30-59 years will become relatively large. If interest in studying remains unchanged in these age groups, the number of persons over the age of 30 requiring education will increase over the next few years.

Fig 2.1 Average number of persons per age group in Sweden year 1960 - 2015. Forecast from 1997

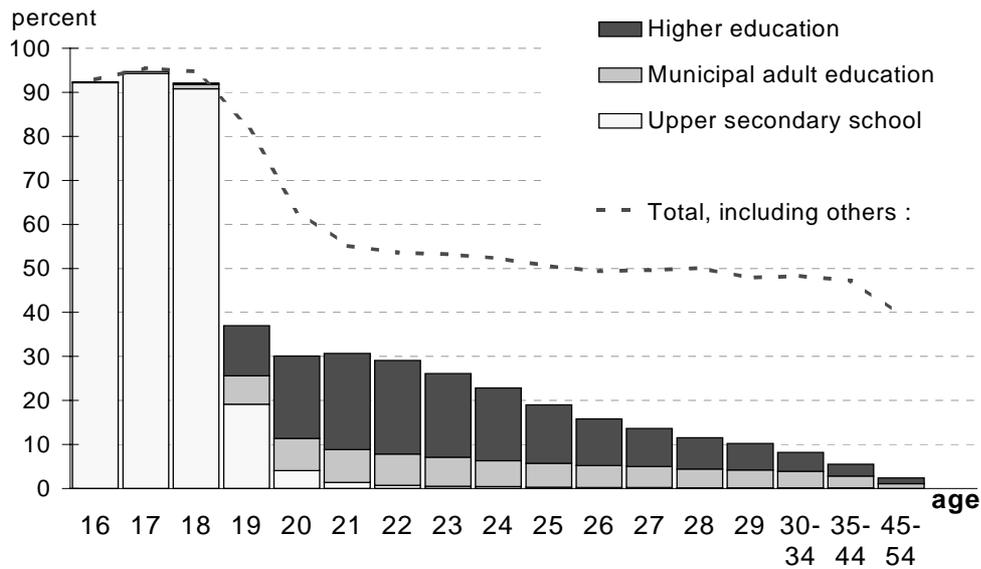


2.2 CURRENT ENROLMENT PATTERNS

Most young persons complete their studies in upper secondary school during the spring term in the year they become 19 years and they can then try to get a place in higher education the following autumn, or study in some other educational programme. Many boys aged 19-20, however, start their military service. In autumn 1995 more than a third of all 19 year old boys started their military service. For persons above this age, in addition to higher education, there are many types of education financed via public funds or by employers. Of all the age groups between the age of 20-44 in the population, on average approximately 50 % have participated in some form of education in the autumn 1995 (fig 2.2).

The term educational participation in diagram 2.2 covers everything from short one-day courses to full time studies, but nevertheless provides an overall picture of the interest of higher age groups in studying.

Fig 2.2 Share of the population participating in education in Sweden, autumn 1995



“Total“ in the diagram covers:

Upper secondary school,
 Municipal adult education
 Higher education,
 Folk high schools,
 In-service training (refers to spring 1995),
 Studies abroad supported with state study grants,
 Labour market training and
 Military service (majority 19-20 years).

The following educational programmes are not included:

study association,
 Swedish for immigrants
 National schools for adults, SSV,
 special school for adults,
 Police College,
 Armed Forces Staff and War
 College and
 some private education programmes.

(Source: Statistic Sweden and Conscription Board)

2.2.1 Foundation learning

2.2.1.1 Pre-school

Pre-school activity, of which the *pre-school* is an important part, but which also covers other forms of activities such as *family nurseries* and *open pre-school*, has in Sweden traditionally been a part of family policy. The aim has been to implement public support for the care and development of children with the dual purpose of providing parents with the opportunity to combine parental roles and work and to give children good opportunities for learning and development. Today the pre-school covers approximately 57 percent of all children aged 1–5 years. A further 13 percent are in family nurseries. The municipalities are obliged to provide pre-school activities for children whose parents are working or studying or if the child has needs of its own. All children with special needs have the right to a place in pre-school, irrespective of family situation. On July 1st 1996 responsibility for pre-school and child care was transferred from the Ministry of Health and Social Affairs to the Ministry of Education and Science. A curriculum for the pre-school has been built up.

2.2.1.2 Compulsory school

The municipalities are the principal organisers for most schools at the compulsory level. The compulsory school system has a national curriculum. For each subject there is a national syllabus stating the general orientation and content of the subject. The academic year in the compulsory and upper secondary school comprises 178 school days and begins in August and finishes at the latest in June. The school has a five day week and the maximum length of the school day is eight hours. In the first two school years (7–8 years) the maximum school day is six hours. In the academic year 1995/96 there were more than 4 900 compulsory schools in Sweden with over 900 000 pupils, of which 20 000

attended independent schools. This year nearly 100 000 pupils completed the ninth and last year of the compulsory school.

Most municipalities run parallel to the compulsory school, non-compulsory music schools or cultural schools for children and young people. In 1995/96 around 300 000 pupils attended various activities in the municipal music and cultural schools. Around 90 percent of the costs of music schools are covered by municipal funds. The total appropriation nationally was SEK 1.2 billion. The remaining 10 percent was covered by attendance fees. These vary between SEK 400 and 1 400 per pupil per year.

2.2.1.3 Special school

Education in the special school aims at providing children and young persons with visual, hearing and speech impairments, or deafness with special individual training, which as far as possible corresponds to the education provided in the compulsory school. 766 pupils attended the eight state special schools in 1995/96. The number enrolled in 1996/97 was 789 pupils.

2.2.1.4 School for mentally retarded

The school for mentally retarded aims at providing mentally retarded children and young people with access to education that as far as possible corresponds to the education in the compulsory and upper secondary schools. All pupils who have completed compulsory schooling in the compulsory school for mentally retarded should be provided further education in a four year programme at the upper secondary school for mentally retarded. 13 417 pupils attended the school for mentally retarded in the academic year 1995/96. In the academic year 1996/97 the number of pupils attending the school for mentally retarded increased by 500.

2.2.1.5 Sami school

In Sweden there are six Sami schools for pupils with Sami as their mother tongue. In 1995/96 the Sami schools had a total of 132 pupils.

2.2.1.6 Upper secondary education

Swedish upper secondary education was radically reformed between 1992 and 1996. From being divided into two year vocational and three year preparatory studies (general), all upper secondary education is now three years with 16 national programmes. All upper secondary school programmes contain eight core subjects, Swedish, English, social studies, religious studies, mathematics, natural science, sports and health as well as aesthetic activities. These core subjects make up around one third of total study time.

All young people who have completed the compulsory school are entitled to go on to upper secondary school. The education must begin before the pupil becomes 20. Municipalities should provide all young persons with education in a broad range of national programmes, either in an upper secondary school in the pupil's home municipality or in other municipalities with which they have co-operation agreements. Pupils who do not wish to attend such programmes, or who do not fulfil the admission requirements should be provided education in an individual programme, which is based on the specific needs of the pupil. The pupil's home municipality is responsible for meeting the costs of upper secondary education.

In order to start on a national programme or a specially designed programme, the pupil must have pass grades in the final certificate from the compulsory school in Swedish or Swedish as a second language, English and Mathematics.

Of the pupils leaving the compulsory school, an increasingly large proportion go directly to the upper secondary school. In 1996 and 1997, this proportion was 98 percent.

Fig 2.3 Share of pupils from the compulsory school continuing to upper secondary school in the following academic year Started upper secondary school

<u>Year</u>	<u>school, percent</u>
1975	66
1985	87
1995	97
1996	98
1997	98

(Source: The National Agency for Education and Statistics Sweden)

An academic year in Sweden covers two terms, autumn and spring. This means that normally pupils complete their upper secondary education in the spring, the same year as they become 19, and start other activities in the autumn. In autumn 1995, around one fifth of all 19 year olds and more than 90 percent of the age group 16-18 years were still in the upper secondary school (fig 2.4). Smaller proportions were also found in the age group 20-25 years.

Fig 2.4 Enrolment in upper secondary education October 1995.

Age	Population		Number of enrolled		Enrolment rate, per cent		
	Women	Men	Women	Men	Women	Men	Total
16 yrs	49386	51802	46030	47220	93.2	91.2	92.2
17 yrs	47832	50164	45048	47354	94.2	94.4	94.3
18 yrs	49101	51942	44497	47258	90.6	91.0	90.8
19 yrs	50709	53222	8965	10916	17.7	20.5	19.1
20 yrs	53778	55964	1954	2474	3.6	4.4	4.0
21 yrs	56905	59273	757	858	1.3	1.4	1.4
22 yrs	56813	58808	390	378	0.7	0.6	0.7
23 yrs	58129	60369	278	274	0.5	0.5	0.5
24 yrs	58918	61214	241	204	0.4	0.3	0.4
25 yrs	57701	59290	172	141	0.3	0.2	0.3

Source: SCB, The Register on Enrolment in Education
(OECD's notes on data requests: Table 2.1)

2.2.1.7 Advanced post upper secondary vocational education

In order to satisfy the needs of working life for a skilled labour force, a pilot project has been run since July 1st 1996 with new advanced post upper secondary vocational education (KY). The education should provide students with the more advanced theoretical and practical knowledge they need to carry out skilled work tasks so that they are able to work independently and in teams using modern methods for the production of goods and services. For this reason educational programmes in KY have strong foundations in science and working life.

One third of the education is based on advanced application of theoretical knowledge at a workplace. Educational programmes are organised in close co-operation between working life and different educational organisers - upper secondary school, municipal adult education, higher education and companies. Pilot activities have been gradually expanded and will as a result of a Government decision provide 8 800 educational places in autumn 1998.

2.2.2 Higher education

Today in Sweden there are around seventy universities and university colleges with state, municipal or individual organisers. Everyone who has completed education in a national or specially designed programme in the upper secondary school with at least a passing grade in at least 90 percent of the courses fulfils the basic admission requirements to higher education. Admission requirements may

also be fulfilled through equivalent educational attainments or if an applicant is a minimum of 25 years of age and has worked for a period of at least four years (the 25:4 rule).

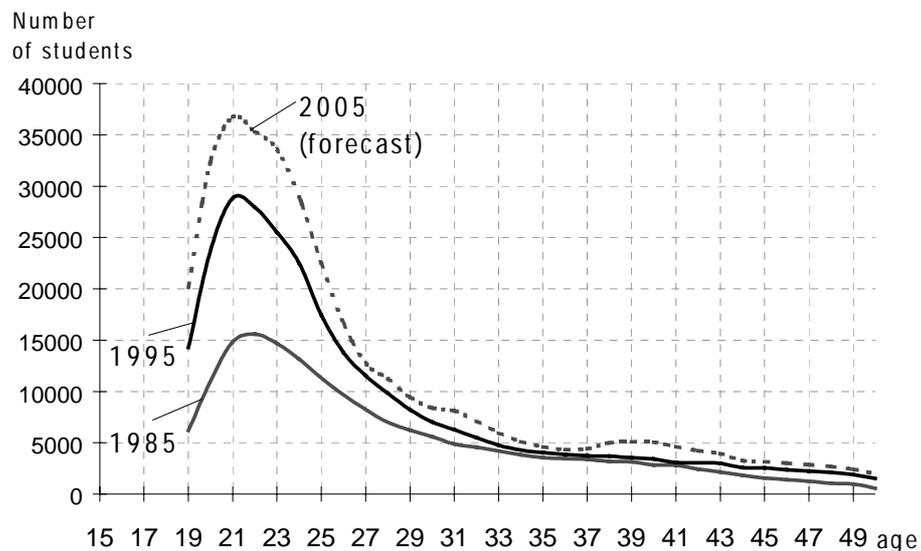
In addition there are special requirements for admission to some higher education programmes, e.g. special requirements for grades in mathematics from the upper secondary school. Selection takes place on the basis of grades and the results attained on a special higher education test (scholastic aptitude test) which is open to anyone.

In the 90s higher education has expanded substantially and this will continue over the next few years. According to the Government Budget Bill in 1997, higher education will be expanded by 60 000 permanent places until year 2001. A forecast indicates that the number of students in higher education between the ages 19-24 will treble between the academic years 1985 and 2005 (fig. 2.5). The number of older students in higher education will also increase.

In this forecast the age distribution in higher education is assumed to remain the same until year 2001, and it is also assumed there will be no further expansion thereafter and that the age distribution will mirror expected demographic changes between 2002-2005.

This should, however, only be regarded as an illustrative example. Age structure can change in different ways for various reasons.

Fig 2.5 Participants in basic higher education per age group, academic year 1985, 1995 and 2005 (forecast)



(Source: Statistics Sweden, as well as a forecast from the Ministry of Education and Science for students per academic /calendar year)

The inflow of new students in recent years has been limited due to longer study periods amongst those already registered in higher education. A number of educational programmes have become longer. More students study supplementary and advanced courses. Changes in these patterns or an increased throughput into higher education should lead to an increase in places for new entrants, which would then have a different effect on the age structure of students from that shown in diagram 2.5.

Participation in higher education is evidently high in the older age groups, also when we exclude students in postgraduate education. The main explanation for this is that higher education, as a result of the introduction of the 25:5 rule in 1969 (now 25:4), has been open to older persons who have taken part in in-service training and further education.

Fig 2.6 Participants in basic higher education in autumn term 1995.

Age	Population		Number of enrolled		Enrolment rate, per cent		
	Women	Men	Women	Men	Women	Men	Total
16 yrs	49386	51802	1	2	0.0	0.0	0.0
17 yrs	47832	50164	7	3	0.0	0.0	0.0
18 yrs	49101	51942	149	133	0.3	0.3	0.3
19 yrs	50709	53222	6755	5093	13.3	9.6	11.4
20 yrs	53778	55964	11952	8530	22.2	15.2	18.7
21 yrs	56905	59273	14292	11156	25.1	18.8	21.9
22 yrs	56813	58808	13392	11292	23.6	19.2	21.3
23 yrs	58129	60369	11597	10972	20.0	18.2	19.0
24 yrs	58918	61214	9841	10034	16.7	16.4	16.5
25 yrs	57701	59290	7493	8098	13.0	13.7	13.3
26 yrs	56947	59440	5888	6491	10.3	10.9	10.6
27 yrs	60474	62754	5042	5494	8.3	8.8	8.6
28 yrs	63727	67383	4453	4795	7.0	7.1	7.1
29 yrs	64716	68445	3828	4105	5.9	6.0	6.0
30-34 yrs	306599	324146	14289	12545	4.7	3.9	4.3
35-44 yrs	575678	598639	20815	11207	3.6	1.9	2.7
45-54 yrs	617769	638261	11076	4657	1.8	0.7	1.3
55-64 yrs	434971	424941	1768	921	0.4	0.2	0.3
Total	2720153	2806057	142638	115528	5.2	4.1	4.7

Source: SCB, The Register on Enrolment in Education
OECD's notes on data requests: Table 2.2)

Given this background, the inflow since the 1970s of older students, who have not previously studied in higher education or who have longer or shorter study breaks, has been relatively large. More than 10 percent of all entrants to higher education in the academic year 1996/97 were over 35 years of age (fig 2.7). It is worth noting that international statistical reports usually present figures referring to the autumn term. During an academic year there are, however, on average more individuals registered in higher education.

Fig 2.7 Participants and entrants to basic higher education academic year 1996/97

Age	Population		Number of enrolled		Enrolment rate, percent			New entrants			
	Women	Men	Women	Men	Women	Men	Total	Women	Men	Women	Men
19-24	326667	340340	81641	66203	25.0	19.5	22.2	24725	19827	7.6	5.8
25-34	612648	643330	50825	45558	8.3	7.1	7.7	7384	6410	1.2	1.0
35-44	574328	597635	25142	10396	4.4	1.7	3.0	3057	1617	0.5	0.3
45-54	624511	644082	12903	4281	2.1	0.7	1.4	1320	514	0.2	0.1
55-74	861952	794538	2077	981	0.2	0.1	0.2	211	103	0.02	0.01
Total	3000106	3019925	172588	127419				36697	28471		

(Source: Statistics Sweden, data not yet published)

2.2.3 Adult education

There have been quite noticeable changes in educational levels of the adult population since the middle of the 1980s (Fig 2.8). The share of persons with only elementary or compulsory schooling (ISCED 2) has decreased. Amongst women the decrease has been approximately 17 percent units over ten years, which is a faster reduction than amongst men.

Fig 2.8 Educational level in age groups 25-64, 1986, 1996 and 1997.

Year	per cent							Total	
	Data unavail	Folk Comp. Sch ISCED 2	Upp. Sec Sch. ISCED 3	Higher Educ less than three yrs ISCED 5	at least three yrs ISCED 6	Research education ISCED 7	%	population	
1/1 1986									
women	4.9	40.6	36.6	9.1	8.5	0.3	100	2093910	
men	6.4	38.7	37.7	7.0	9.4	0.8	100	2131231	
Total	5.6	39.6	37.1	8.1	9.0	0.6	100	4225141	
1/1 1996									
women	1.3	24.7	46.8	15.2	11.7	0.3	100	2238582	
men	1.5	27.9	45.7	12.3	11.5	1.1	100	2303299	
Total	1.4	26.4	46.2	13.7	11.6	0.7	100	4541881	
1/1 1997									
women	1.4	23.8	47.0	15.6	12.0	0.3	100	2252300	
men	1.6	27.1	46.0	12.7	11.5	1.1	100	2318356	
Total	1.5	25.4	46.5	14.1	11.8	0.7	100	4570656	

(Source: Statistics Sweden, Educational register)

Even though the decrease in the group with education shorter than upper secondary school (below ISCED level 3) has been replaced by an increase in upper secondary and higher education, in 1995 this group covered around one fourth, more than 1 million, of all persons aged 25-64 (fig 2.9). A relatively large part of this population group, around 85 percent, was in the labour force, but more than 10 percent (94 192 persons) were unemployed, which was a high figure compared to other educational groups. Amongst women with shorter education aged 25-34 years, unemployment was almost 20 percent (8 696 persons).

Fig 2.9 Characteristics and labour force status of adults with low level of educational attainment. 1995.

	Population	Number of people below ISCED level 3 qualifications	As per cent of the total population	Labour force (number)			Not in the labour force (number)
				in the labour force, total	employed	unemployed	
Men+Women							
Age 25-34	1226100	147137	12	120488	98886	21602	26649
Age 35-44	1170600	222417	19	200139	177845	22294	22278
Age 45-54	1197900	371338	31	347674	322993	24681	23664
Age 55-64	705700	338747	48	264335	238720	25615	74412
Total 25-64	4300300	1079639	25	932636	838444	94192	147003
M+W 65+	1543300	925999	60				
Women							
Age 25-34	584900	64337	11	44495	35799	8696	19842
Age 35-44	574900	91990	16	77924	69313	8611	14066
Age 45-54	582600	168942	29	153167	143418	9749	15775
Age 55-64	356500	167541	47	121079	110942	1137	46462
Total 25-64	2098900	492810	24	396665	359472	37193	96145
W 65+	890600	534358	60				
Men							
Age 25-34	636900	82800	13	75993	63087	12906	6807
Age 35-44	592900	130427	22	122215	108532	13683	8212
Age 45-54	613300	202396	33	194507	179575	14932	7889
Age 55-64	356700	171206	48	143256	127778	15478	27950
Total 25-64	2199800	586829	27	535971	478972	56999	50858
W 65+	652700	391641	60				

Source: SCB, educational level in municipalities, counties and nationwide 1997-01-01.

The table is derived from the Swedish LFS annual data for 1995.

(OECD's notes on data requests: Table 2.3)

2.2.4 Information about participation of poorly qualified adults in various learning programmes

2.2.4.1 Municipal adult education (*komvux*)

Municipal adult education, which has the same curriculum and the same qualification requirements as the upper secondary school for young persons, is the largest organiser of adult education and focuses on persons needing compulsory and upper secondary school education. Municipal adult education should above all provide education to those in the society that have received a relatively small proportion of educational resources. Another important target group is adults who need to supplement their earlier education in order to develop their competence and/or qualify for further studies or higher education or who need to supplement their vocational skills.

A key feature of municipal adult education is that it exists throughout the country. It is open to all and sets no upper age limits for admission. The educational system provides great flexibility through a

large number of independent courses and is individually oriented. Students can continue from one level to another and can combine studies at different levels. Students often study at the compulsory school level (ISCED 2) in municipal adult education in order to achieve compulsory school competence in a number of subjects and sometimes to raise their educational level to the upper secondary school level. Others study in order to improve their basic knowledge in individual subjects, e.g. immigrants studying Swedish, who may already have achieved upper secondary school competence in other subjects. The number of students at compulsory school level accounted for approximately one fourth (around 40 000 pupils) of all students in municipal adult education in autumn 1995. More than half of the group studying at the compulsory school level had an upper secondary or higher education (fig. 2.10)

Fig 2.10 Enrolment ¹⁾ in the basic level of municipal adult education by age and highest level of educational attainment, October 1995.

Age (women+men)	Educational attainment of students					
	Below ISCED level 3		ISCED 3 or higher		Missing	Total
	number	percent	number	percent	data	
16-24	3003	44	2923	43	836	6762
25-29	2497	39	3358	52	627	6482
30-34	2490	36	3863	56	539	6892
35-44	3734	37	5737	56	752	10223
45-54	1611	38	2351	55	305	4267
55-64	456	39	511	43	213	1180
Total	13791	39	18743	52	3272	35806

(Source: Statistics Sweden)

¹⁾ excluding around 5000 pupils who the same terms studied other courses at the upper secondary school level in municipal adult education.

Students studying at the upper secondary school level in municipal adult education often study with the aim of supplementing an incomplete upper secondary school education or to improve grades from individual upper secondary school subjects. Many of these students have e.g. already started a higher education course and need to supplement or raise their grades in order to change to another higher education course with specific initial knowledge requirements. The majority of those studying courses at the upper secondary school level have in other words already studied in the upper secondary school, i.e. they have already attained level ISCED 3 or higher. In autumn 1995, almost 85 percent (90766) of all students at the upper secondary school level in municipal adult education had as a minimum an upper secondary school education (fig 2.11). There were approximately twice as many women as men in these programmes.

Fig 2.11 Enrolment in the upper secondary level of municipal adult education by age, gender and highest level of educational attainment, October 1995 ¹⁾.

Sex	Age	Educational attainment of students				Missing data	Total
		Below ISCED level 3 number	Below ISCED level 3 percent	ISCED 3 or higher number	ISCED 3 or higher percent		
Men	16-24	2305	15	12694	84	167	15166
	25-29	1140	14	6803	84	144	8087
	30-34	840	15	4484	82	113	5437
	35-44	998	18	4570	81	69	5637
	45-54	412	18	1851	81	14	2277
	55-64	97	18	445	82	2	544
Men Total		5792	16	30847	83	509	37148
Women	16-24	4052	17	19753	82	191	23996
	25-29	2385	17	11357	82	137	13879
	30-34	1879	16	9476	83	91	11446
	35-44	2511	16	12834	83	99	15444
	45-54	1123	17	5597	83	22	6742
	55-64	203	18	902	81	6	1111
Women Total		12153	17	59919	83	546	72618
M+W	16-24	6357	16	32447	83	358	39162
	25-29	3525	16	18160	83	281	21966
	30-34	2719	16	13960	83	204	16883
	35-44	3509	17	17404	83	168	21081
	45-54	1535	17	7448	83	36	9019
	55-64	300	18	1347	81	8	1655

Source: Statistics Sweden - The Register on Enrolment in Education 1995

¹⁾ Student numbers have increased rapidly between 1995 - 1997

2.2.4.2 Popular adult education

The number of folk high schools has increased since the 1980s. At the beginning of the 1980s there was a total of 100 folk high schools in Sweden. In 1997 the number had increased to 147. Most of these come from folk high schools run by different popular movements and non-commercial organisations.

Folk high schools offer a broad range of courses. They may be general courses at compulsory and upper secondary school levels, vocationally oriented courses and also vocational courses for specific types of work. There are also courses at higher educational level. The range of courses covers courses running over a maximum of two weeks, and also educational courses, which usually cover at least fifteen weeks full-time studies. In the academic year 1995/96, approximately one fifth of all folk high school students participated in longer courses.

It is difficult to specify with any degree of accuracy the levels of all courses provided, but based on students' initial educational background, it is possible to get an approximate understanding of their educational character. In the academic year 1995/96, around 36 000 pupils participated in longer folk high school courses (fig 2.12). A little over 40 percent of these students had less than a two year upper secondary school education (below ISCED level 3). According to estimates from a number of educational organisers, it is likely that around half of this group, i.e. around 20 percent of all students

on longer courses are studying at levels equivalent to the compulsory school. More than half of all students participating in longer folk high school courses were 25 years or more.

Fig 2.12 Participants in longer courses at folk high schools, academic year 1995/96¹⁾

Educational attainment of students					Total	
Below ISCED level 3 number	percent	ISCED 3 or higher number	percent	Missing data		
15121	42.2	20715	57.8	803	36,639	
					Age	
					- 17	713
					18-24	15,726
					25-29	5,960
					30-45	10,266
					46-60	2,806
					61 -	1,168
						36,639

(Source: Statistics Sweden: Folk high school 1995/96)

¹⁾ Long courses at folk high schools are usually at least 15 weeks. The majority of general and vocationally oriented courses run over a whole academic year. A total of 210,000 pupils studied shorter courses at folk high schools in the academic year 1995/96.

Study associations

The study circle is an interesting form of education for adults with its traditions stretching back almost one hundred years in the Nordic countries. A study circle consists of a group of people, normally six to twelve persons, who meet on a regular basis to study or for cultural activities. Circle activity is based on the members' own work and personal activity, teachers in a traditional sense are not a part of this, instead there is usually a circle leader. It is estimated that more than 20 percent of all adults in Sweden participate in at least one study circle over the course of a year. Today almost all study circle activity is planned and administered by the 11 study associations.

The educational association of the labour movement, ABF, is one of the largest study association and is responsible for almost 30 percent of all study circles, followed by the Adult Schools' Educational Association (Vuxenskolan) with 17 percent. Other associations are Studieförbundet (The Association for the Promotion of Adult Education), Folkuniversitet (the Folk University), Frikyrkliga studieförbundet (Free Churches Educational Association), KFUK-KFUM's studieförbund (Educational Association of the YMCA and YWCA), Studieförbundet Medborgarskolan (Adult Educational Association affiliated to the Moderate Party), Nykterhetsrörelsens bildningsverksamhet (Temperance Movement's Educational Association), Svenska idrottsrörelsens studieförbund (Educational Associations from various sports organisations), Sveriges kyrkliga studieförbund (Swedish Church's Educational Association) and Tjänstemännens bildningsverksamhet (Salaried Employees' Educational Association). The largest number of circles are arranged in arts and crafts, civics, information and languages.

Study circle activity is a form of education which it is not possible to classify in terms of level. There are circles which carry out advanced studies at higher education level and there are beginners' circles which are more hobby oriented.

According to the annual report of the Council for Popular Adult Education, 340 000 study circles were arranged with approximately around 1.5 million participants (net) in 1997. This volume has remained relatively constant over a number of years. (One person may participate in many circles and including double counting there were 2.8 million study circle participants in 1997. The total number of study hours amounted to 12 327 476).

Fig 2.13 Circle participants in study association activity in 1995/96¹⁾

Age	Number of students		
	Women	Men	Total
- 24	190980	125373	315000
25-34	124137	76314	210000
35-44	133686	76314	210000
45-54	143235	81765	225000
55-64	105039	49059	150000
65 -	257823	136275	390000
Total	954900	545100	1500000

¹⁾ Source: The Council for Popular Adult Education. The information/data is a rough estimate of the academic year based on a survey carried out by Statistics Sweden amongst study circle participants in autumn 1995.

2.2.4.3 Education for mentally handicapped adults (*särvux*)

Education for mentally handicapped adults can provide them with knowledge and skills equivalent to those attainable by young persons in the compulsory and upper secondary school for mentally handicapped. A total of 3 620 pupils participated in education for the mentally handicapped adults in 1994/95. Average student age was 34.

2.2.4.4 National schools for adults (*SSV*)

The National schools for adults complement municipal adult education by offering similar study courses in the form of distance education. The activity is carried out by two school units, one in Härnösand, and the other in Norrköping. The education is carried out either as distance education where pupils study at home with support from teachers or in the form of sandwich courses providing a combination of studies at home and periods of teacher-led courses, normally one week, at the school. The education is almost without exception at upper secondary school level. In the academic year 1995/96 the share was around 98 percent (fig 2.14).

Fig 2.14 Participants in the National schools for adults, SSV, in academic year 1995/96

	Level of education				Total number
	Below ISCED level 3		ISCED 3 or higher		
Age	number	percent	number	percent	
- 19	0	0.0	358	100	358
20-24	26	0.9	2,895	99.1	2,921
25-29	27	1.0	2,799	99.0	2,826
30-34	45	2.3	1,944	97.7	1,989
35-44	79	3.0	2,533	97.0	2,612
45-54	21	1.7	1,198	98.3	1,219
55-64	9	2.2	393	97.8	402
Total	207	1.7	12120	98.3	12,327

(Source: National Agency for Education, Report No. 128 page 50.)

2.2.4.5 Swedish for immigrants (sfi)

Swedish for immigrants aims to provide adult immigrants with basic knowledge and skills in the Swedish language and knowledge about Swedish society. Each municipality is obliged to provide Swedish tuition to persons over 16 years who lack a knowledge of Swedish. The education is free of charge. Tuition should be geared to students' needs and be based on their circumstances and past experience. Refugees are normally referred to the reception office for refugees where they can apply for Swedish tuition. The application is preceded by an introduction plan, carried out by a refugee co-ordinator with the individual refugee. Immigrants who do not have the status of a refugee can enrol themselves or via the employment agency with an educational organiser.

In the majority of cases municipal adult education is responsible for assessing the language levels of course participants and providing the education. In the academic year 1995/96 around 50 000 pupils participated in Swedish tuition (fig 2.12).

Fig 2.15 Participants in Swedish for immigrants, sfi academic year 1995/96

Age	Number of students		Total
	Women	Men	
- 19	836	644	1480
20-24	4232	2761	6993
25-29	6013	4257	10270
30-34	5661	4589	10250
35-44	7470	6748	14218
45-54	2836	2681	5517
55 +	1399	1359	2758
Total	28447	23039	51486

(Source: Statistics Sweden)

2.2.4.6 Retraining programmes for unemployed

Labour market training is a part of active labour market policy and concerns training programmes for unemployed or for persons at risk of becoming unemployed.

If it is considered that labour market training may lead to a job, training may be granted to anyone who is either unemployed or at risk of becoming unemployed; has reached the age of 20 and is looking for work through the State employment agency.

The largest educational organiser is the State run AMU-gruppen AB which in 1996 accounted for 48 percent of all labour market training procured. Over a period of 18 months from 1/7 1996 - 31/12 1997, around 183 000 persons started labour market training (fig 2.16). Approximately half of these were women.

Fig 2.16 Number of persons starting labour market training over an 18 month period 1/7 1995 - 31/12 1996.

Educational attainment of students				Total number	Total	
Below ISCED level 3	ISCED 3 or higher					
number	percent	number	percent	Women	Men	
42124	23	141025	77	183,149		
Age						
				363	416	779
				15,551	18,260	33,811
				36,359	32,882	69,241
				25,132	22,690	47,822
				13,967	12,719	26,686
				2,082	2,370	4,452
				157	201	358
				93,611	89,538	183,149

(Source: The Swedish Labour Market Board, Measures dependent on the State of the economy. Annual report 1995/96).

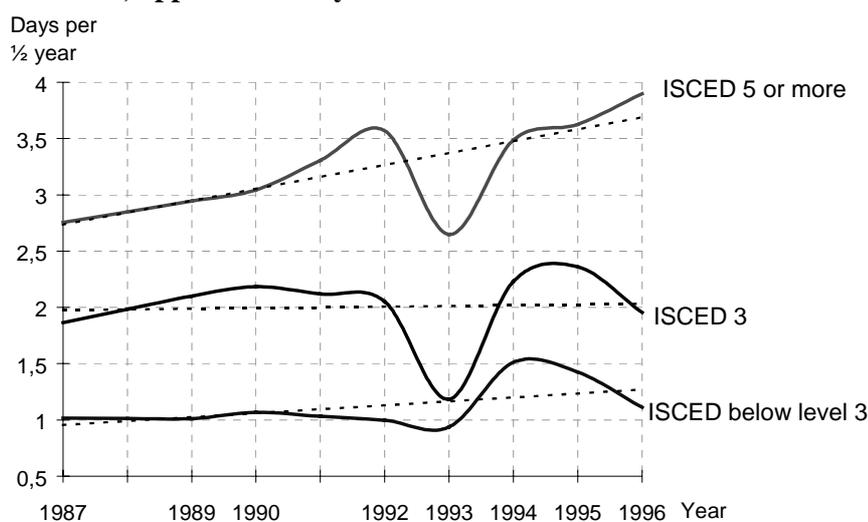
2.2.4.7 Job-related training for employed workers

In Sweden it is mainly the state, municipality or county council which has the main responsibility for basic theoretical and vocationally oriented education. Responsibility for in-service training and competence development in working life in the first instance lies with employers. The trade union organisations also have an explicit responsibility for in-service training.

Competence issues have also become an increasingly important area of co-operation between the partners on the labour market. An agreement over competence development between certain employers and trade union organisations has existed for some time. Trade union organisations representing members in the Paper, Graphic and Metal industries, amongst others, have made an agreement on competence development for their employees. In SACO (the Swedish Federation of Professional Associations) and TCO (the Swedish Confederation of Professional Employees), a number of member organisations have expressed the need for stimulating the development of competence. The most recent agreement between the Teachers' Association (Läraryrket), the National Federation of Teachers (Lärarnas Riksförbund), and the Association of Municipalities (Kommunförbundet) gives teachers the right to competence development during working hours, covering on average 104 hours per employee per year.

A number of political initiatives have been taken to support the labour market partners and stimulate learning in working life. Structural Funds Objective 4, which is jointly financed by the Swedish State, the EU and companies, is a development programme aiming at promoting the competence development of employees in connection with organisational change in companies. The programme primarily focuses on small and medium-sized companies. There is a broad degree of unity amongst company owners regarding the importance of competence development. The number of participants is relatively large, but the educational programmes are usually no more than a week. During the first half of 1996, 3.5 million employees participated in a total of 10 million days of in-service training. This means an average of less than 6 working days per year per employee for those participating in in-service training, which is equivalent to less than 3 days of studies per employee (fig 2.17).

Fig 2.17 Number of in-service training days per employee with higher education, upper secondary school education and shorter education.



(Source: Statistics Sweden - In-service training statistics 1987-1996, Labour force survey supplement, LFS)

The major part of this training takes place internally within the company, organisation or authority, but a significant share, estimated at around 5-10 percent of all in-service training in Sweden (converted to annual equivalents), is run in the form of contract education organised by higher education. A large part of contract education provided via higher education relates to in-service training for teachers and supplementary training for nursing staff. A smaller part is carried out for employees in industry.

The long-term trend indicates that the volume of in-service training is increasing and that the increase is largest amongst personnel with higher education. If this trend continues, it could be said that in-service labour market training of personnel will probably contribute to increasing differences between different groups of employees.

More than half of all employees in the public sector participated in in-service training in spring 1996 (fig 2.18). Amongst employees in the private sector, this share was 35 percent, i.e. considerably less. A larger share of public sector employees participated in longer educational programmes. Of males employed in the private sector with short education (below ISCED level 3), 27 percent participated compared to 35 percent of males employed in the public sector with a similar educational background. For women the corresponding shares were 21 and 38 percent.

Fig 2.18 Job-related training for employees first 6 months 1996

		Educational attainment of students						Total		
		Below ISCED level 3			ISCED 3 or higher			Missing data	number	percent in training
		Not in training	In training 1-5 days	In training 6 days or more	Not in training	In training 1-5 days	In training 6 days or more			
PUBLIC SECTOR										
Age	Sex									
25-34	Men	4569	1097		30865	17681	8911		63123	43.9
	Women	5518	4470		105863	65524	15529		196904	43.4
35-44	Men	6736	4511	565	38310	35977	17935		104034	56.7
	Women	14176	4887	1446	101214	104050	37071	482	263326	56.0
45-54	Men	7486	4312	1070	39928	45689	14317	561	113363	57.7
	Women	24741	12394	1974	90740	127183	41350		298382	61.3
55-64	Men	12973	3695	1614	13310	19668	7743		59003	55.5
	Women	28063	15879	2587	49297	43384	10211	502	149923	48.1
Total, 25-64, M+W		104262	51245	9256	469527	459156	153067	1545	1248058	53.9
PRIVATE SECTOR										
Age	Sex									
25-34	Men	44098	17493	3166	241533	110859	40295	1032	458476	37.5
	Women	28067	4701	1041	141453	64693	14542		254497	33.4
35-44	Men	68675	17842	3873	187339	103714	28322		409765	37.5
	Women	38104	10545	2977	97712	40653	14367	1015	205373	33.4
45-54	Men	107006	43000	2138	176783	93323	22888		445138	36.2
	Women	67567	17965	2997	75177	51968	10432	511	226617	36.8
55-64	Men	92844	24391	2120	70064	30493	6784		226696	28.1
	Women	50606	9897		33846	15036	2091		111476	24.2
Total, 25-64, M+W		496967	145834	18312	1023907	510739	139721	2558	2338038	34.8

(Source: Statistics Sweden - In-service training statistics June 1996, LFS)

2.3 ESTIMATES OF PARTICIPATION GAPS

The goals of the compulsory and upper secondary school and municipal adult education are described in the Education Act, curricula, syllabi and local school plans. In different bills, ordinances and curricula guidelines and ambitions are laid down for i.a. the National School for adults, labour market training and higher education. Popular education sets its own goals. The labour market partners draw up the goals for learning in working life. Characteristic of the goal descriptions for different educational programmes is that they often lack precise, explicit quantitative goals and instead focus on aims as guidelines for their activity. Emphasis is often put on qualitative goal descriptions. Equality aspects are important. Education and lifelong learning are intended for all, irrespective of gender, age, place of residence, ethnic and religious affiliation. The State and municipality provide educational places whilst choosing, taking initiative and responsibility for educating oneself ultimately rests with the individual.

The figures below should be regarded as purely illustrative and are not based on political standpoints in either the Riksdag or the Government.

2.3.1 The share of young persons completing an upper secondary school education

As a general guideline the OECD propose in this project that a possible goal could be that 90 percent of an age group of 18 year old pupils should have completed an upper secondary school education. The nominal age amongst pupils who complete the three year upper secondary school in Sweden is 19. Some pupils, however, take a break from studies, e.g. between compulsory and upper secondary school, to study abroad during their upper secondary schooling etc. Some pupils study full time for more than three years. In this context an age of 20 would be more relevant for Sweden.

In January 1997 around 87 percent of all 20 year olds had completed upper secondary schooling. The share was somewhat higher amongst those aged 21 and 22, which could be an indication that interruptions in studies have increased and that the throughput may be on the point of decreasing. This could also be an indication that more pupils than earlier, e.g. due to retaking a year, are just taking longer to complete their education.

The cost of achieving a 90 percent goal is thus hardly a question of increasing the number of pupils in the upper secondary school, it is rather a question of effective measures, which are aimed at stimulating more pupils in the upper secondary school to complete their education.

Fig 2.19 Percentage of an age-group that has reached at least a level of educational attainment at ISCED level 3, 1997-01-01

Age	number		percent				at least		missing		summa	
	Total		below ISCED level 3		other		ISCED 3		data		women	men
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men		
16	50076	52644	0.3	0.1	94.3	91.9	0	0	5.4	8.0	100.0	100.0
17	49459	51878	0.7	0.3	95.9	95.8	0.4	0.3	3.0	3.6	100.0	100.0
18	47981	50280	1.7	0.9	93.2	94.2	1.8	1.3	3.3	3.7	100.0	100.0
19	49326	52032	1.7	1.1	19.7	23.3	75.1	72.3	3.5	3.4	100.0	100.0
20	50962	53290	2.7	1.3	8.3	10.2	85.7	85.5	3.4	3.0	100.0	100.0
21	53995	56046	3.3	1.7	6.3	7.8	87.3	87.7	3.1	2.8	100.0	100.0
22	57128	59349	3.5	2.2	7.8	10.5	87.0	86.1	1.7	1.3	100.0	100.0
23	56971	59020	3.8	2.2	9.3	12.3	85.0	84.1	1.8	1.3	100.0	100.0
24	58285	60603	3.3	1.8	10.9	13.5	83.8	82.9	2.0	1.8	100.0	100.0
25	59107	61412	2.1	1.1	11.1	12.9	84.7	83.9	2.1	2.1	100.0	100.0
26	57845	59448	2.1	0.9	10.7	12.3	84.9	84.7	2.2	2.2	100.0	100.0
27	57065	59618	2.0	1.0	10.5	11.6	85.4	85.1	2.1	2.3	100.0	100.0
28	60511	62867	2.0	0.8	10.7	12.5	85.3	84.3	2.0	2.4	100.0	100.0
29	63749	67423	1.6	0.7	11.1	13.4	85.5	83.7	1.8	2.2	100.0	100.0
30	64661	68452	2.3	1.0	10.5	13.9	85.4	83.0	1.8	2.2	100.0	100.0
31	65094	69007	1.8	0.8	11.2	15.0	85.1	82.0	1.9	2.3	100.0	100.0
32	65561	68943	1.4	0.6	12.4	16.2	84.4	80.9	1.8	2.3	100.0	100.0
33	60708	64595	1.1	0.4	13.7	17.1	83.5	80.1	1.8	2.4	100.0	100.0
34	58347	61565	0.6	0.3	14.2	17.9	83.4	79.5	1.8	2.4	100.0	100.0
35-39	284438	297919	1.3	0.5	15.2	20.2	82.0	77.2	1.6	2.1	100.0	100.0
40-44	289080	299716	0.8	0.3	18.2	24.9	79.9	73.2	1.1	1.6	100.0	100.0
45-49	311791	319836	0.7	0.3	21.6	28.0	76.9	70.6	0.8	1.2	100.0	100.0
50-54	312720	324246	0.2	0.1	29.1	33.7	69.9	65.2	0.8	1.0	100.0	100.0
55-59	234263	236566	0.1	0.1	38.9	41.7	59.9	57.2	1.1	1.0	100.0	100.0
60-64	206550	196743	0.1	0.1	48.0	48.2	50.2	50.4	1.7	1.3	100.0	100.0

* Refers to a rough estimate of the no. of participants in calendar year 1997, with less than 2 years upper secondary schooling and who studied in municipal adult education or Folk High School.

Source: SCB and calculations from the Ministry of Education and Science

At the same time there are well-developed complementary opportunities, via e.g. municipal adult education and folk high schools, for persons who wish to go on to study in higher education, but who do not satisfy the eligibility requirements provided by normal upper secondary schooling. If we include students from ISCED level 2, studying in municipal adult education and at folk high school in order to achieve upper secondary school competence in subjects necessary for satisfying the entrance requirements to higher education, it is probable that the total share (satisfying higher education requirements) in 1998 would be around 90 percent in the age groups 20-22 years (fig 2.19). The cost of achieving this variant of the goal is thus already budgeted for via costs for municipal adult education and the folk high schools.

2.3.2 The share of the population completing a course in higher education

A target for higher education, in accordance with the OECD proposal, could be that 30 percent of the age group in their 30s should have completed at least a shorter course in higher education (ISCED 5) of which 13 percent should have completed a longer course in higher education of at least three years (ISCED 6/7).

In Sweden it would appear to be more relevant to analyse a number of different levels of ambition and to specify a limited time period, e.g. up to year 2005.

The transition to higher education directly after upper secondary schooling is in international terms not particularly high. The throughput in higher education has decreased somewhat since the 1980s. One ambition level could be that e.g. *at least 35 percent of the age group of 25 year olds by the year 2005 should have completed a short course in higher education, and have achieved at least 20 points in courses (ISCED 5)*. In January 1997 this share was **28.2** percent (fig 2.20). Such a level of ambition presupposes an increase in direct transfers from the upper secondary school or an improvement in admissions to higher education and that the level corresponds roughly to the results which can be expected from the investments currently being made in higher education by the Government.

The median age amongst students admitted to postgraduate studies in Sweden is just below the age of 30 and for those with doctorate degrees almost 36 years old. These relatively high ages seems to be on the point of heading downwards over the next few years, but in order to strengthen postgraduate studies (ISCED 7) in a relevant way, an ambition level should also be set for the age group that is more than 30 years. In summary, we could formulate the ambition as e.g. *at least 15 percent of the age group 35 years olds should have at least a three year higher education (ISCED 6 or 7) by year 2005*. In January 1997 this share was **12.9** percent (fig 2.20). The results of the Government's current investments in higher education probably correspond fairly accurately to such a level of ambition (fig 2.20).

There are many reasons why ambitions in higher education should also cover the age group over 35 years old. Around 10 percent of all entrants to higher education were over 35 years old. This is probably in international terms a remarkably high figure and evidence of an explicit political ambition. Adult education in Swedish higher education results in i.a. an ongoing equalisation between the share of older and younger persons in higher education. This to some extent would counter the trend that younger generations, from a historical perspective, always achieve higher educational levels than their predecessors. Ongoing changes in the educational levels of specific age groups in the population e.g. from ISCED 3 to ISCED 5/6, also take place in groups over 50 years old. If, for example, *at least 30 percent of the population in the age group 25-54 years have completed some form of higher education (ISCED 5, 6 or 7) by the year 2005*, this would imply a level, that will probably be exceeded as a result of current investments in higher education and adult education. In January 1997 this share was **28.5 percent**.

In view of the current ambitions in higher education policy, it is thus most likely that all three goals will be achieved (fig 2.20). One precondition is that resources already planned for the period up to the turn of the century are not reduced over the following period 2000–2005. On the other hand, additional resources would of course mean that the levels of ambition could be set at an even higher level.

Fig 2. 20 Percentage of an age-group that has reached at least the highest level of educational attainment at ISCED level 5 and 6 or 7, 1997-01-01, including a forecast until 2005.

Age	1997 number Total population (1997)		percent				2005 (FORECAST) percent			
	Women	Men	At least ISCED 5		At least ISCED 6		At least ISCED 5		At least ISCED 6	
			Women	Men	Women	Men	Women	Men	Women	Men
19	49326	52032	0.2	0.1	0	0	0.3	0.1	0	0
20	50962	53290	8.5	5.8	0	0	9.4	6.4	0	0
21	53995	56046	16.9	12.4	0.4	0	19.7	14.4	3.2	2.0
22	57128	59349	23.6	18.8	1.4	0.2	29.0	23.0	6.8	4.4
23	56971	59020	27.3	24.0	3.1	0.8	32.1	28.2	7.9	5.0
24	58285	60603	29.0	25.6	5.4	2.1	36.5	32.2	12.9	8.7
25	59107	61412	29.7	26.9	7.3	3.7	37.0	33.4	14.6	10.2
26	57845	59448	29.1	27.1	8.5	5.5	34.8	32.3	14.2	10.7
27	57065	59618	29.5	27.6	9.7	7.1	37.0	34.6	17.2	14.1
28	60511	62867	29.1	27.6	10.3	8.4	34.4	32.5	15.6	13.3
29	63749	67423	29.1	27.8	10.8	9.7	30.8	29.5	12.5	11.4
30	64661	68452	29.1	27.6	11.1	10.4	30.6	29.0	12.6	11.8
31	65094	69007	28.7	27.3	11.1	10.9	31.3	29.8	13.7	13.4
32	65561	68943	29.2	26.9	11.8	11.6	32.4	29.8	15.0	14.5
33	60708	64595	29.6	27.3	12.1	11.9	34.4	31.9	16.9	16.5
34	58347	61565	29.6	27.3	11.9	12.5	36.2	33.4	18.5	18.6
35	56880	59797	30.5	27.3	12.8	13.1	36.3	32.6	18.6	18.4
25-54	1811487	1885047	30.2	26.9	12.1	12.6	32.4	28.9	14.4	14.6

Forecast based on increase in no. of educ. places decided on by Govt. up to year 2001, 70 % throughput for future students and distribution by age based on demographic principles.
Figures derived from SCB data.

2.3.3 The share of persons participating in adult education

The OECD propose as examples of goals that over a year:

- 20 percent of adult persons with particularly short education (ISCED level 2 or below) participate in basic education,
- 100 percent of long-term unemployed participate in labour market training and
- 40 percent of the employed participate in personnel training or 20 percent in personnel training corresponding to at least 60 hours education.

In regular and publicly financed adult education in Sweden, the ambition is to provide people with the opportunity to acquire education corresponding to that provided in the school for young persons. Persons with only elementary school have the right to acquire compulsory school competence. Persons without a 3 year upper secondary school education should have the opportunity to study and acquire such a qualification to fulfil the eligibility requirements for studying in higher education. Adult education should also provide the opportunity to study at more advanced levels or broaden existing knowledge. Adult education should in addition provide the opportunity for vocational training or studies preparing for vocational training.

The Adult Education Initiative, described in more detail in Chapter 5, leads to a significant increase in the number of educational places and a substantial raising of educational levels in society. This investment in adult education will be implemented over a five year period and aims in the first instance at raising educational levels up to the level attained from three year upper secondary schooling. Persons with the lowest education are given priority.

In quantitative terms this programme now underway in Sweden, means that the OECD proposal as regards ambition levels in the area of adult education will be exceeded.

2.3.4 Labour market training

An important task of labour market policy is to make it easier for companies to recruit a skilled labour force in areas where there is a shortage. These labour market policy measures mainly cover labour market training carried out in vocational areas where there is a specific need for qualified labour. The volume of labour market training thus varies and is related to the labour market situation and the current state of the economy.

Extensive measures are being carried out in the labour market area. The Government has i.a. decided to grant additional funds for vocational training. In 1998 this means an additional cost of SEK 2 billion, which it is estimated will provide around 20 000 additional places in vocationally oriented labour market training. In addition, the Government is investing in IT training for the unemployed in co-operation with companies in the industry.

An explicit ambition is that unemployed youth should not have to be unemployed for more than 100 days without being offered education, work practice or some other form of labour market policy measures from the national employment agency.

2.3.5 In-service training, job-related training

Comparisons between the private and public sectors, men and women, high and low educated, show it is the group of low educated men and women in the private sector who are the least favoured groups for job-related training.

In Sweden job-related training is an area of responsibility for the labour market partners. In co-operation agreements, the importance of competence development and education is emphasised, and in some agreements there are quantitative goals established by the partners. As a result the State is not establishing quantitative goals for job-related training, and at present the preconditions are not sufficiently good for the state authorities to formulate ambitions other than those the labour market partners have themselves agreed on.

2.3.6 Estimating the costs of achieving participant goals

The quantitative goals that have been estimated and discussed in this Chapter appear to be broadly attainable and the goals themselves correspond fairly closely to the political ambition levels formulated by the Government for the next few years. Costs of different packages of measures in the educational sector have already been calculated within the framework of the Government's work. An overall report on the financing of lifelong learning in Sweden, different types of costs and cost trends, is presented in Chapter 3.

3 Costs and benefits of lifelong learning

3.1 FINANCING

The funding of **school level education** is shared between central and local government. Municipal tax revenues are the main source of income for local government. As a supplement to this municipalities receive a state grant, made up of two elements consisting of both pure grants as well as tax and structural equalisation. The structural equalisation component is determined by several underlying factors, i.e. population and structurally related cost differences. Each municipality has the right to decide on the allocation of resources and the organisation of activities, within its field of responsibility.

State funding, is not directly linked to school organisation; the municipalities are free to use the grant for educational services or activities they choose. In a growing number of municipalities, the committee allocates to each school an overall budget for salaries, cost of teaching materials and equipment, rent and income from, for example, letting school premises. However, if a municipality seriously disregards its obligations under the Education Act, or under regulations issued on the basis of the Act, the Government has the right to intervene. Government intervention has, however, so far never been necessary.

In addition, there are still special state grants for research and development, in-service training for school staff and measures for mentally handicapped pupils, and for a number of independent upper secondary schools.

Teaching materials and school meals in compulsory and upper secondary school are usually free of charge to the individual in most municipalities. The municipalities are obliged to provide free school transport for compulsory school pupils, but not for pupils who choose to attend a school different from that proposed by the municipality.

3.1.1 Compulsory school and the School for mentally retarded

In 1996, the costs for all schools at the compulsory school level was SEK 49 929 million, including costs of school transport. Costs of independent schools amounted to just two percent of the total. Over the last six years costs in municipal compulsory schools have decreased by ten percent per pupil in fixed prices. Savings have been made principally in the area of teaching, where costs per pupil have declined by 19 percent between 1991 and 1996. The highest cost categories are those for teaching and premises. Changes in the distribution of costs between 1995 and 1996 were small.

Fig 3.1 (Major components of costs) Current costs of education in the compulsory school

	School admin	Tuition	Premises inventories	School meals	Teaching materials, equipment, library	Pupil welfare, study vocational guidance	Others	School transport	Total
1996									
Per pupil ¹	1 800	24 000	12 400	3 100	2 100	1 100	5 600	1 500	51 600
Share per pupil	3.5 %	46.5 %	24 %	6 %	4 %	2.1 %	10.9 %	2.9 %	
Total, SEK mill.	1 663	22 789	11 766	2 954	2 000	1 067	5 349	1 405	49 020
1995									
Per pupil, SEK	1 800	23 400	12 300	3 000	2 100	1 200	4 900	1 500	50 300
Share per pupil	3.4 %	46.5 %	24.5 %	6 %	4.2 %	2.4 %	9.7 %	3 %	
Total, SEK mill	1 643	21 756	11 437	2 816	1 906	1 173	4 510	1 357	46 622

Source: The National Agency for Education

The school for mentally retarded and the special school have considerably higher costs per pupil than the compulsory and upper secondary school, mainly depending on the high teacher pupil ratios. In 1996/97 the special school had no more than 800 pupils. The cost per pupil amounted to SEK 430 000.

Fig 3.2 Costs of education in the school for mentally retarded

School mentally retarded	1992/93	1993/94	1994/95	1995/96	1996/97
No. pupils	11 925	12 395	12 850	13 417	13 922
No. teachers/100 pupils	34.1	31.7	30.1	28.4	26.9
Costs total in current prices, SEK mills	2 145	2 285	2 532	2 535	
Cost, SEK per pupil	179 874	184 349	197 043	188 939	

Source: The National Agency for Education

3.1.2 The upper secondary school

Average cost for society in 1996 for an upper secondary pupil, including school transport and study grant, amounted to SEK 71 000.

Costs for the upper secondary school in 1996 amounted to SEK 20 452 million, which corresponds to SEK 65 700 per pupil. These include costs of school transport and travel allowances. Over the period 1991 and 1996, there has been a marginal reduction in total cost per pupil. The largest cost item in the upper secondary school were teaching costs.

Fig 3.3 Principal organiser's cost per pupil per academic year in the upper secondary school (SEK)

	Municipality	County council	Independent	All ² . Current prices
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¹ Rounded to nearest hundred SEK.

1985/86				38 600
1989				49 800
1991				61 200 ³
1995	58 700	89 000	70 300	61 000
1996	60 900	100 400	70 400	63 200

Source: The National Agency for Education

Variations in total cost per pupil between municipalities for the upper secondary school are large. 10% of the organisers had “unit costs“ per pupil over SEK 100 000, 10% below SEK 50 000. This is largely connected with the type of education organised in each municipality and the large differences associated with different types of education for machinery and premises. The number of pupils related to a set of fixed costs - e.g. premises - is also important.

School transport and travel allowances are not included in these average costs.

Fig 3.4. Cost distribution in the upper secondary school (Major components of costs)

	School admin.	Tuition	Premises, inventories	Teaching materials, equipment, library	Pupil welfare, study vocational guidance	School meals, school transport, travel	Others	Total costs
1996								
Per pupil, SEK	2 100	26 300	17 000	5 500	1 500	5 400	7 800	65 700
Share	3.2 %	40 %	25.9 %	8.4 %	2.3 %	8.2 %	11.9 %	
Total, SEK mills	658	8 182	5 290	1 701	463	1 697	2 440	20 452
1995								
Per pupil, SEK	2 100	25 400	16 600	5 300	1 400	5 200	7 300	63 300
Share	3.3 %	40 %	26.2 %	8.4 %	2.2 %	8.2 %	11.5 %	
Total, SEK mills	652	7 863	5 159	1 635	436	1 575	2 248	19 591

Source: The National Agency for Education

3.1.2.1 Salaries of teachers in compulsory and upper secondary school

Detailed statistical data is available for teacher salaries by occupational category. The categories have changed during the years. Until 1990 teacher salaries were paid by the government. From 1993 new statistics on salary provide more detailed occupational categories and also salaries for part-time employed teachers.

The data in table 3.5 refer to three frequent categories. For the years 1994-1996, the data are also based on part-time employment transformed into full-time equivalents. For the previous years the data refer only to full-time employed teachers.

² The available data sources for 1991 and 1995 are comparable. Earlier the costs for the schools were reimbursed by the government according to a detailed “price list“, which meant that the follow-up system for costs was more closely linked to the state budget and government decisions than priorities in the municipalities. During this earlier period total costs, excluding capital costs, were estimated by level of education.

³ In the comparison between 1989 and 1991: There is a note in the source that there were extraordinary costs for salaries and pension costs 1990 and 1991.

Fig 3.5 Monthly salaries for full-time employed teachers (SEK). Including contracted additional pay, but excluding over-time compensation:⁴

Year	Men			Women		
	Junior level teacher	Intermediate level teacher	Subject teacher	Junior level teacher	Intermediate level teacher	Subject teacher
	(Primary school, grade 1-3)	(Primary school, grade 4-6)	(Secondary school, grade 7-12)	(Primary school, grade 1-3)	(Primary school, grade 4-6)	(Secondary school, grade 7-12)
1985	8650	10130	11880	9840	9760	11180
1987	9931	11570	13513	11263	11180	12716
1989	11424	13124	15395	12698	12660	14388
1991	13672	15547	16785	15844	15374	16541
1993	14911	16606	18454	16666	16272	17750
1995	16883	18210	20386	18261	18077	20334
1996	17100	18507	20664	18909	18612	20852

Fig 3.6 Relative teacher salaries in real terms 1985-1996 for selected categories. Salaries deflated by the net price index. 1995=100

Year	Men			Women		
	Junior level teacher	Intermediate level teacher	Subject teacher	Junior level teacher	Intermediate level teacher	Subject teacher
	(Primary school, grade 1-3)	(Primary school, grade 4-6)	(Secondary school, grade 7-12)	(Primary school, grade 1-3)	(Primary school, grade 4-6)	(Secondary school, grade 7-12)
1985	79%	85%	89%	83%	83%	84%
1987	84%	91%	95%	88%	88%	89%
1989	85%	91%	95%	88%	88%	89%
1991	91%	96%	92%	97%	95%	91%
1993	91%	94%	93%	94%	93%	90%
1995	100%	100%	100%	100%	100%	100%
1996	101%	102%	101%	103%	103%	102%

Source: Annual Statistical Yearbook 1990-1994, "Primary Municipality Personnel 1996" (Statistical Messages AM 52 SM9701)

Detailed salary statistics by occupational category for 1996 are available in the report "Primary Municipality Personnel 1996" (Statistiska Meddelanden Am 52 SM9701). Table 3.7 shows the categories of teachers covered in 1996. The salaries reported are the average salary for different categories in November 1996 including contracted additions, but excluding overtime compensation. Average salaries are transformed into full-time equivalents. In most cases the annual salary can be estimated as 12 times the monthly salary.

Fig 3.7. Salaries for some teachers that are specified in the annual report on salary statistics 1996

Teacher category	Number		Salary, full-time equivalent (SEK)	
	Men	Women	Men	Women
Subject teacher	9384	11657	20 664	20 852
Junior level teacher	464	18319	17 100	18 910
Intermediate level teacher	5038	11998	18 507	18 612

⁴ Source: Statistical Yearbook 1990-1994, "Primary Municipality Personnel 1996" (Statistical Message Am 52 SM9701)

All teachers	28270	67631	20 042	19 797
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Source: Statistics Sweden. Primary Municipality Personnel 1996, Statistical Messages No. Am 52 SM 9701

Fig 3.8 Number of students and teachers (full-time equivalents) and student-teacher ratio in primary and secondary schools 1992/93-1996/97

Year	Compulsory school, grade 1-9			Upper secondary, grade 10-12		
	Students	Teachers, full-time equivalents	Teachers per 100 students	Students	Teachers, full-time equivalents	Teachers per 100 students
1992/93	887 325	76 110	8.6	310 261	22 564	7.3
1993/94	893 932	73 882	8.3	313 662	22 547	7.2
1994/95	916 661	73 514	8.1	309 952	22 422	7.2
1995/96	938 540	75 401	8.0	312 375	23 660	7.6
1996/97	958 972	73 666	7.7	309 661	23 012	7.4

Source: The National Agency for Education, Report no 130, The School in figures 1997 Part 2

3.1.2.2 Capital costs of school buildings

The method for estimating cost of premises varies between municipalities. Some municipalities calculate nominal costs, others real costs. Internal rents may be based on actual costs or on market prices. In addition property maintenance, cleaning and capital costs are also included in the rental costs of premises.

Fig 3.9 Cost of premises 1991-1996, upper secondary school

	1996	1995	1994	1993	1992	1991
Per pupil, SEK, current prices	17 000	16 600	15 600	14 700	14 500	14 000
Share of total costs	26%	27%	27%	26%	25%	23%

Source: The National Agency for Education Report 104 and 133. Comparative figures for the School sector 1991.

In the municipalities which have chosen to write off new equipment over more than 3 years, e.g. computers, these write-offs are reported under capital costs for premises and equipment/ inventories.

The capital costs for school buildings also depend very much on the year of construction. Many municipalities, especially the largest, use short depreciation periods or may even write off the whole construction cost through the annual budget. The main explanatory factors are migration and periodic changes in the total size of an age-group that might call for investments in school-buildings. If a school building is rented, the part of the rent that is capital cost is not reported separately.

3.1.2.3 Class size

The number of pupils per teacher has increased over the last five years in all types of schools with the exception of the upper secondary and special schools.

Fig 3.10 Number of pupils per teacher

	Compulsory school	Special school	School for mentally retarded	Upper secondary school
1992/93	11.6	2.6	2.9	13.7
1993/94	12	2.6	3.2	13.9
1994/95	12.3	2.8	3.3	13.9
1995/96	12.5	2.8	3.5	13.2
1996/97	13	2.7	3.7	13.5

Source: The National Agency for Education Report 135

3.1.2.4 Follow up and evaluation of costs and quality

The steering system for the school has been transformed from a highly developed resource steering system based on regulations to a decentralised system based on goals and result oriented steering. Both steering, goals, results and financing are now a joint responsibility for the state and municipalities. Independent schools are responsible for their own activities, but their costs are covered either by municipalities (independent schools, compulsory schools and some upper secondary schools) or by the State (some upper secondary schools).

Each school and municipality should in the same way as the State, formulate goals for their area of responsibility, evaluate results and make the changes required to maintain quality.

The task given by the State to the central school authority, the National Agency for Education, now focuses on monitoring results achieved. National follow up and evaluation is designed to provide an overall picture of school activity, both in terms of educational goals and results achieved, as well as the organisational, personnel and financial conditions under which the school works.

The evaluation and follow up procedures carried out by the National Agency for Education aim to provide a broad and sound basis for use by all interested parties needing up-to-date information and facts.

The Government report 1996/97:112, "The Development plan for pre-school, school and adult education - quality and equivalence", states that the work of evaluating and ensuring quality of education is a key issue. The follow-up on how the school system uses resources, its conditions and qualitative results attained should be developed and made more efficient. The quality of education will be subject to specific scrutiny by national educational inspectors in accordance with special Government directives.

3.1.2.5 Study assistance

State study assistance is paid out to all students aged 16–19 years.

Study assistance consists of a study grant, an additional supplement and a board and lodging allowance. The study grant is the same as the general child allowance.

In 1996 the study grant was SEK 640 per month over nine months or SEK 5 760 per year. In 1998 it was raised to SEK 750 per month. The grant is paid out irrespective of the parents' financial situation. The board and lodging allowance, which is paid by the municipality if a pupil in upper secondary school studies far from the parental home, may vary, but is a minimum of SEK 1 320 per month for nine months.

Fig 3.11 Size of the study grant 1990 - 1998

	1990	1991	1993	1994	1995	1996	1997	1998
SEK, current prices	6 720	9 000	7 500	7 500	6 750	5 760	5 760	6 750

3.1.3 University colleges and universities.

3.1.3.1 Public expenditures and per student expenditures

Since 1993 each higher educational institution has been given an educational commission decided on by the Riksdag. The task involves i.a. providing education programmes for a minimum number of specific degrees and diplomas. In addition, frames were set up for orienting the supply of education. For each budget year a maximum remuneration figure is specified for the number of annual students and annual performance achievements. The majority of institutions also receive special commitments specified in their educational task. This means that each institution receives state funds based on the number of students they have and how successfully students manage their studies. Before the reform, allocation was based on resources that were planned for annual study places. The idea underlying the new financing system is that it should encourage higher education to better adjust its supply to student

demand. By connecting resource allocation to student performance, higher education is stimulated into making more efficient use of resources. The remuneration amount for undergraduate education varies between different educational areas.

Fig 3.12 Remuneration amount for undergraduate programmes in higher education.

Educational area	1997		1994/95	
	Remuneration for annual student (SEK)	Remuneration for annual performances (SEK)	Remuneration for annual student (SEK)	Remuneration for annual performance (SEK)
Humanities, theological, law, social sciences	13 329	13 953	14 024	14 349
Natural sciences, technical, pharmaceutical, health care	35 998	32 917	38 036	33 850
Odontology	32 688	40 876	34 734	42 035
Medicine	43 978	57 678	46 840	59 314
Tuition	25 754	32 622	27 362	33 547
Others	30 241	26 039	31 939	26 777

Producing a “unit cost“ figure for an annual student in undergraduate programmes in higher education by taking total costs for basic education and dividing this by the number of students is more an exercise in arithmetic than a means of determining useful cost data.

Each higher education institute is responsible for allocating the resources it receives to different areas of activity and departments. This means that costs for e.g. an educational place in technology vary depending on which university or university college provides the course. As shown in the table above, average costs vary widely in different educational areas.

The number of annual students in basic higher education 1995/96 was 224 550, excluding contract education (Annual report of universities and university colleges 1995/96). The number of students registered in the same year was 286 000. We have chosen to estimate average costs from the average number of full-time annual students and the registered number of students, SEK 225 000 per student.

The cost of basic education this year was SEK 12 071 million. The average cost per student per year is thus SEK 50 000 (rounded to nearest SEK 10 000). The cost to society of education for a student over a year is, however, higher. In addition to the costs of basic education, there is an additional SEK 18 000 which is the grant component of the study assistance (see below) and which is allocated to the vast majority of full-time students over the study period. Finally there are the state costs to be added for the loan component of the study assistance over the period of study, as well as the costs for writing off loans. Average cost for a student per academic year (educational cost and cost of the grant component of the study loan) is SEK 68 000.

3.1.3.2 Major components of public costs

The total costs of the higher educational sector including funds for research amounted to approximately SEK 34.8 million for the calendar year 1996, and this was allocated to the following sectors.

State university and university college education	SEK 25.8 billion
Individual educational organisers	2.1 ..
County council-municipal higher education	1.0 ..
Central authorities	0.2 ..
Study assistance	5.7 ..

Fig 3.13 Costs of basic education by type of cost SEK 1 000⁵

	Personnel	Premises	Clinical Training.	Other . Running costs	Depreciation.	Interest costs	Total
1994/95	6 562 203	2 090 611	227 955	2 100 996	370 027	87 909	11 448 701
Share of total	57,3 %	18,3 %	2 %	18,4 %	3.2 %	0.8 %	
1995/96	6 235 636	1 879 306	690 660	2 185 652	459 542	84 226	12 070 670
Share of total	51.6 %	15.6 %	5.7 %	18.1 %	3.8 %	0.7 %	

3.1.3.2.1 Staff

Fig 3.14 Changes in teaching staff and all staff in higher education 1984-1996.⁶

Year	Teaching staff	All staff
	Full-time equivalents	Full-time equivalents
1984	15714	33076
1986	15904	32535
1988	16886	33180
1990	17846	33365
1992	19616	35958
1994	22217	38722
1996	24259	40981

Source: Personnel at Universities and University Colleges 1996, Statistical Messages No: U23 SM 9701.

3.1.3.2.2 Capital cost of buildings

The cost of premises includes rental costs, cost of electricity, heating and cleaning, as well as any refurbishment costs not met by the owner of the building. At most of the smaller and medium-sized state university colleges as well as the university colleges of art, the cost of premises was lower in 1996 compared with previous years.

From autumn 1996 and onwards state universities and university colleges have had to face significant reductions in appropriations from the Government based on the assumption that it should be possible to negotiate reductions in rental levels.

⁵ Source Annual Report for universities and university colleges 1994/95, 1995/96. Budget year 1995/96 was 18 months. Costs are converted to a period of 12 months to create comparability with previous years.

⁶ Table 3.13 does not include non-governmental university colleges of health sciences. The number of teachers in these colleges in academic year 1995/96 was estimated at 17 000 full-time equivalents.

Fig 3.15 Undergraduate education - cost of premises at universities and university colleges

	1994/95	1995/96
Cost of premises in SEK 000s	2 090 611	1 879 306
Share of compulsory school's total costs	18.3 %	15.6 %

Source: Annual report of The National Agency for Higher Education

3.1.3.2.3 State study funds, study financing system

A Swedish higher education student may obtain state funds in the form of study assistance. The size of this is independent of parental income or wealth, but may be reduced, if the student earns an income. The present system was introduced in 1989 and consists of two parts, grants and loans. In 1997, the grant component for full-time students was SEK 1 967 and the loan component SEK 5 111 per month over nine months. Most students fulfilling the criteria laid down for completing courses apply for and receive study financing. Foreign citizens may receive study funds if they have been living in the country permanently for two years (and have residence and work permits).

State study funds have rules concerning lowest study achievement per term. If a student does not attain a certain number of points, he/she loses the right to receive study assistance.

The actual costs for the state of providing study assistance for a given year, is made up of both the number of grants in a given year, and also the costs of loans in the given year and from previous years. In 1995 these costs were approximately SEK 13 billion.

The student after completing studies repays the loan component plus interest on the outstanding study loan. Repayment of the loan is at an annual rate of 4 percent of income up to the age of 64. One proposal for reforming and making the study financing system more coherent, has been put forward by the Commission on Study Financing 1996.

3.1.3.2.4 Private costs

A higher education student also has private costs to meet for tuition and study materials as well as student fees during the period.

3.1.3.3 Factors explaining cost trends in the higher education sector.

The main cause of cost increases in basic higher education over the last ten years is the increase in the number of students. Over the period 1985-1995 the number of students increased by around 55 percent. The major part of this increase occurred during the 1990s.

The expansion of smaller and medium-sized university colleges has also contributed to the increase in costs.

3.1.3.3.1 Cost reductions

The share of premises in total costs will probably continue to decrease somewhat. It is difficult to state the extent to which distance education may lead to cost reductions in areas other than the rental of premises. New pedagogical methods and new learning technologies are often costly, at least in the initial phases.

3.1.3.3.2 Follow up and evaluation of costs and quality

One of the main tasks of the National Agency for Higher Education is to examine and assess the quality of work in universities and university colleges. Over a three year period (starting 1995/96) the quality output at 36 Swedish universities and university colleges will be evaluated.

Providing a sound basis for Government allocation of resources to higher education presupposes a uniform and comparable approach to financial reporting from higher education. In this area improvements are also being made.

3.1.4 Adult education

3.1.4.1 Adult education at the upper secondary level

The total cost of municipal adult education⁷ in 1996 was SEK 3 739 million, an increase since 1995 of 15 percent in fixed prices. The unit costs for specific levels of education in municipal adult education were at about the same level as in 1996. Most costs are overhead costs that have been redistributed through standardised estimates. The unit costs have been recalculated into full-time equivalents.

Fig 3.16 Costs of the main organiser for municipal education and supplementary adult education 1995

Cost category	Total cost 1995, SEK	Unit Cost 1995 SEK/student	Cost 1995, %
School administration	123 300 000	1 600	5,2
Tuition	1 229 702 000	16 300	52,2
Premises	448 654 000	6 000	19,0
Library, student material	155 915 000	2 100	6,6
Welfare and guidance	65 446 000	870	2,8
Other	334 410 000	4 500	14,2
Total	2 357 428 000	31 300	100

Source: National Agency for Education Report No. 104, Table 5.1A.

⁷ Includes costs for compulsory, upper secondary and supplementary education.

Fig 3.17 Costs of main organiser for upper secondary and supplementary adult education 1996

Cost category	Total cost 1996, SEK	Unit Cost 1996 SEK/student	Cost 1996, %
School administration	147 592 000	1 700	5,2
Tuition	1 359 039 000	15 600	47,7
Localities	531 324 000	6 100	18,6
Library, student material	161 178 000	1 900	5,7
Welfare and guidance	81 113 000	930	2,8
Other	570 065 000	6 600	20,0
Total	2 850 310 000	32 800	100

Source: National Agency for Education Report no. 133, Table 5.1 A.

Fig 3.18 Average distribution of costs for 121 folk high schools

	Average value folk high schools in percent			Average value county council folk high schools in percent		
	1991/92	1994/95	1996	1992	1995	1996
Tuition	43 %	48 %	47.2 %	43 %	49.9 %	48.4 %
Administration	9 %	9.3 %	9.9 %	7 %	7.3 %	8.1 %
Catering	17 %	13.2 %	15 %	18 %	13.9 %	13.7 %
Premises	18 %	16.8 %	16.1 %	21 %	23.1 %	24.9 %
Other costs	5 %	6.3 %	4.5 %	6 %	3.8 %	2.6 %
Interest	3 %	4.2 %	4.7 %	2 %	1.6 %	1.7 %
Depreciation	5 %	2.4 %	2.6 %	3 %	0.6 %	0.6 %

Source: The Council for Popular Adult Education.

The major costs are those for tuition. The greatest difference in the costs between folk high schools run by the national association and county councils are in the costs of premises/property. Whilst the share of property costs for national folk high school has declined during the year, the corresponding cost categories for county council folk high schools have increased.

Costs per student vary depending on the course, length of course, and size of the group. For instance, some aesthetic courses with a high teacher-student ratio have higher costs than general courses without a specific focus. It is not unusual that folk high schools have small working groups. The average cost per full-time student in 1996 was somewhat higher than in municipal adult education, around SEK 35 000.

In addition to tuition costs, there are public costs for different forms of study support and introductory compensation or social assistance for those studying Swedish for Immigrants. During autumn 1997, a student in adult education may receive the following study assistance :

- study support
- special adult study support (svux)
- special adult study support for unemployed (svuxa)
- educational grant for labour market training
- special education grant

Study support can be granted for studies at compulsory and upper secondary school levels for three years. A precondition for receiving study support is that students are successful in their studies. For students at the upper secondary level, normally there is a requirement that courses be completed by the

time stipulated in the study programme. Study support consist of a grant component (in 1997 this amounts to SEK 1 967 per month) and a loan component (maximum SEK 5 111 per month).

Special adult study support (svux) is in principle intended to compensate for lack of income in connection with studies and is granted mainly for education at the compulsory and upper secondary school levels. Resources for svux are limited and if the number of applicants is greater than the amount of study support available, funds are allocated on a selective basis. Those who have the greatest need for education receive support. Svux consists of both a grant and a loan component. The grant corresponds to 65 percent of the student's unemployment benefit and may vary from SEK 1 645 up to SEK 8 065 per month for a person with the highest daily allowance (1996). The grant is liable to tax.

Special adult study support for the unemployed (svuxa) may be granted for studies at the compulsory school level and for a maximum of two terms at the upper secondary school level. Svuxa also consists of a grant and loan component. The grant component varies between SEK 3 289 and SEK 8 065 per month. Applications for svuxa are treated in the order received and support is granted until all available funds have been used. During 1994/95 approximately 59 000 adult students received svuxa. This year the grant component has been increased to SEK 2 544 million. On average each grant recipient obtained SEK 43 000 per academic year or SEK 4 800 per month. Normally svux and svuxa is paid out over 9 months of the academic year.

The educational grant is equivalent in size to the unemployment benefit.

The special educational grant was established in 1997 and concerns study support in the first instance for the unemployed wishing to study under the Adult Education Initiative. The grant has the same design as the education grant, but is available for studies in regular education at compulsory and upper secondary school levels.

Fig 3.19

	Svux	Svuxa	Study support	Educational grants	Total
Number	7 500	59 000	49 000	11 800	127 300
Grant in SEK mills	459	2 543	583	499	4 084
Grant, average	61 000	43 000	12 000	42 000	32 000

Source: Compilation of Study Support, SOU1996:90.

Costs of study support for adult students varies in accordance with amount of study support paid out. The average cost is SEK 32 000.

3.1.4.1.1 Private costs

The private costs that can arise for adult students are those connected with the state study loans, which a student can obtain in order to supplement the grant component, svux or svuxa. Certain teaching material expenses can also occur for adult studies.

3.1.5 Basic literacy programmes

3.1.5.1 Basic adult education

Fig 3.20 Cost of basic municipal adult education 1995 and 1996

Cost category	Total in SEK (ths)		Unit cost, full-time student, SEK		Cost, %	
	1995	1996	1995	1996	1995	1996
School administration	53 632	52 451	2 000	2 000	6.2 %	5.9 %
Tuition	463 348	448 947	17 400	17 400	53.2 %	50.5 %
Localities	140 807	148 832	5 300	5 800	16.2 %	16.8 %

Library, student material	41 791	37 876	1 600	1 500	4.8 %	4.3 %
Welfare and guidance	27 745	29 989	1 040	1 160	3.2 %	3.4 %
Other	143 848	170 133	5 400	6 600	16.6 %	19.2 %
Total	871 170	888 227	32 700	34 400	100 %	100 %

Source: The National Agency for Education

3.1.5.2 Swedish for immigrants (sfi)

Fig 3.21 Municipal costs for sfi

1993	1994	1995	1996
SEK 458 mill	SEK 714 mill	SEK 944 mill	SEK 711 mill

The total cost of the municipalities for sfi reached a peak of SEK 944 million in 1995. This is some SEK 230 million more than 1994 in current prices. The increase is mainly due to the large number of new immigrants the preceding year. The reduction in 1996 to SEK 711 million is in its turn related to a decline in the number of new sfi students.

The cost per student hour during 1994/95 is estimated at almost SEK 50. The time students study sfi can vary from just a few hours up to a couple of years.

The average costs per student studying 425 clock hours over a year:

1995	1996
21 000 kr	29 200 kr

The cost increase per student is due to smaller teaching groups as a result of declining numbers of refugees.

3.1.5.3 Adult education for mentally retarded (särsvux)

Fig 3.22 Municipal organiser's costs for adult education for mentally retarded

Cost category	Total cost in SEK 000s		Unit cost/student, full-time		Cost %	
	1995	1996	1995	1996	1995	1996
School administration	3 483	5 764	1 300	1 600	4,8	6,4
Tuition	45 376	59 358	17 000	16 300	62,9	65,8
Localities	9 084	10 697	3 400	2 900	12,6	11,9
Library, student material	2 660	3 072	1 000	800	3,7	3,4
Welfare, guidance service	942	1 146	400	280	1,3	1,2
Other	10 575	10 144	3 900	2 800	14,7	11,2
Total	72 119	90 182	27 000	24 800	100	100

Average cost for a full time student 1996 in basic literacy - municipal adult education, Swedish for immigrants and adult education for the mentally retarded - was SEK 32 300.

3.1.6 Study Associations

Fig 3.23 Costs of the 11 Study Associations⁸

Costs (SEK 000s)	1993/94	%	1994/95	%	1995/96, 12 months	%
Circle activities	1 243 822	39.1	1 409 284	41.6	Personnel costs	57.4

⁸ Changes in reporting and activity years means that the information concerning activities in 1995/96 are not directly comparable with earlier years.

Culture programmes	203 128	6.4	225 459	6.7	Study material	290 313	8.7
Oth. Pop. Adult educ.	178 098	5.6	186 690	5.5	Premises	661 562	19.7
Joint costs.	1 554 994	48.9	1 566 348	46.2	Other costs	477 235	14.2
Total	3 180 042	100	3 387 781	100		3 355 254	100

Study Associations receive state grants for their activities, but charge participants a fee for study circle activities. Cost of participating in a study circle varies between subject and place. Some examples: A 30 hour study circle in English at ABF in Dorotea costs SEK 350 excl. course literature. A 20 hour course in English at the Folk University in Stockholm costs SEK 970 excl. material. Computer circles in the same municipalities cost SEK 650 and SEK 2 700 respectively. Due to the non-comparability of these, an average cost cannot be given.

3.1.7 Retraining programmes for unemployed

3.1.7.1 Labour market training

Labour market training is a form of adult education that is given priority on labour market policy grounds and directed towards the unemployed. It is a form of retraining for those who need to update their knowledge and skills to be able to continue working in their professional area or who need new vocational training to change their occupation. Labour market training consists of specially procured training in the regular educational system and labour market training from the regular education system.

The costs of labour market training during the budget year 1995/96 including educational grants was SEK 12.4 billion, of which the specially procured component accounted for SEK 11.4 billion.

In the last few years a large number of changes have taken place in labour market policy which has also had effects on the scope, orientation and costs of labour market training. Earlier there was a State agency, the AMU group, which provided and had overall responsibility for labour market training. In 1993 a wholly owned state company AMUgruppen AB was established. Following reorganisational changes and financial reconstruction, the company has been divided into four different business areas. These areas focus on customer demand for competence development services. The new organisation, which also involves a reduction in the number of employees, is one stage in the reorientation of AMUgruppen AB's activities to the demands of the labour market and also to increasing productivity, at the same time as other parts of the business are developed to increase flexibility and reduce business risks.

Fig 3.24 State contribution to the AmuGruppen AB in SEK⁹

1995/96	Expenditure	26 009 000	
Of which 1996		16 800 000	
1997	Appropriation	14 917 000	23 710 000 Expenditure estimate
1998	Proposed	9 514 000	
1999	Estimated	7 538 000	

3.1.7.2 Total costs and unit costs

Labour market training costs can be divided up into two parts, costs for the purchase of labour market training, and costs for educational grants¹⁰ to participants.

⁹ From the 1998 Budget Bill

¹⁰ From the 1998 Budget Bill.

Fig 3.25 Development of total costs for purchases of labour market training during 1991/92 to 1995/96 (current prices)

	1991/92	1992/93	1993/94	1994/95	1995/96, 18 months	12 months
Cost in SEK millions	5 816	6 304	5 137	5 627	5 892	3 928

Fig 3.26 Changes in total cost of educational grants 91/92-95/96 (current process)

	1991/92	1992/93	1993/94	1994/95	1995/96, 18 months	12 months
Cost in SEK millions	7 859	8 630	5 699	6 297	6 521	4 447

Total costs of educational grants are affected by the earlier incomes of participants, and possible eligibility for benefits, but also to a large extent by changes in regulations and the volume of education. In 1995/96 the level of unemployment benefits was reduced at the same time as labour market training also covered fewer participants on average.

3.1.7.3 Unit costs per person per month

There are two different cost concepts relating to the average costs of labour market training, unit costs for procured labour market training and the price per participant. The unit cost relates to the cost per person per month, which is incurred when a person participates in labour market training. The costs thus contain both the education grant and course costs. Price per course participant week is the cost the labour market board pays when procuring labour market training.

Irrespective of the actual cost concepts used, average costs have declined in recent years.

Fig 3.27 Unit costs in labour market training 1992 - 1995:

1992/93	1993/94	1994/95	1995/96
SEK 19 421	SEK 18 299	SEK 18 321	SEK 16 783

3.1.7.4 Costs for each programme

Fig 3.28 Price per course participant per week by different education organisers. Current prices, SEK

Educational organiser	1991/92	1992/93	1993/94	1994/95	1995/96
AmuGruppen	2 624	2 618	2 290	2 296	2 259
Higher education	1 721	1 508	1 747	1 728	1 819
Municipal adult educ.	1 275	1 177	1 245	1 196	1 163
Upper sec. school	1 066	1 097	1 143	1 254	1 284
Pop. Adult educ.	1 027	1 854	1 257	1 414	1 246
Companies	2 544	1 991	1 902	1 545	1 375
Individual places	2 068	2 068	1 687	1 648	2 279
Total	2 204	1 996	1 881	1 744	1 628
Total in fixed prices	2 204	1 887	1 751	1 582	1 470

Source: AMS Annual Report 1995/96

3.1.7.5 Other public costs

Apart from course costs, there are also the costs of educational grants to course participants. The educational grant is equivalent in size to the unemployment benefit. Also for regular education (municipal adult education and similar) a student in labour market training receives an education grant. The education grant is subject to tax and counts towards a pension. It is paid five days a week (22 days a month)

Fig 3.29 Education grant before and after tax per month 1996

	Lowest grant SEK 230 /day	Highest grant SEK 564 /day
Daily allowance	5 060	12 408
Tax (table 30)	1 498	3 840
Net grant	3 562	8 568

Fig 3.30 Average education grant paid out per month before tax

	1992/93	1993/94	1994/95	1995/96
SEK per month	10 757	7 568	7 056	7 401

Average costs 1996 per student per month in labour market training was SEK 16 800

3.1.7.6 Private costs

There are no educational fees connected with labour market training.

3.1.7.7 Cost reductions

The average duration of education in 1992/93 was somewhat more than six months and during 1995/96 was shortened to 130 days, i.e. approx. 4 months. This is due to a number of factors such as i.a. the transition from compulsory to supplementary and specialist education, a general increase in the efficiency of educational production, as well as the fact that programmes were shortened to provide more unemployed persons with the opportunity to take part within the same resource frame.

The average cost per course participant for procured labour market training has continued to decline. From many labour market administrative boards, there are signals that prices cannot reasonably sink any further, without serious consequences on the content of education and its quality.

3.1.8 Job-related training for employed workers

The pilot studies carried out by Statistics Sweden, SCB into calculating the costs of job related training, covering a limited number of large companies have not given any definitive answers. From the figures on number of participants, length of courses, SCB has estimated the costs of job related training.

Fig 3.31 Total costs for in-service training the first half 1994 based on SCB estimates.

Type of cost	Cost estimate, 1000 MSEK	Percentage
Labour cost	11.5	50
Tuition cost	5.7	25
Accommodation	1.9	9
Premises	1.4	6
Administration	1.1	5
Travel, material, food	1.0	4
Total	22.7	100

Source: In-service training costs first half 1994, Statistics Sweden, Background facts for Labour Market and Educational Statistics 1996:7.

The largest costs are those resulting from loss of production, and these are estimated to amount to approximately half of the total costs for companies. Food and travel are estimated at 4 percent. For labour market training, other forms of adult education and higher studies, the cost of food and travel are not included in the average cost of education. Nor are any possible socio-economic alternative costs included.

To make it possible to compare costs of different forms of education presented in this report, costs involved in production losses, food and travel are not included in the average cost figures.

Fig 3.32 Education costs for job related training, first half year 1994, SEK millions

	Half year 1994	Share of costs
Teachers	5 669	64%
Premises	1 413	16%
Administration	1 119	13%
Material	613	7%
Total	8 814	100%

Number of education days per year estimated at 10 333 000 days.

Source: SCB Staff training costs first half year 1994

Education costs for job related training 1994, per participant per day, exclusive production losses, are around SEK 1 700

3.1.8.1 Other costs

In certain cases additions must be made to educational costs for temporary employees or production losses. These vary between industry and different types of personnel. The size of the production shortfall or the cost of a replacement employee is thus related to the extent to which the education takes place during working hours and how much time is lost in direct production. The SCB estimates for production losses are based on interviews carried out in some larger companies. The alternative cost of 10 333 000 education days is estimated at SEK 11 500 million. For each education day, the average cost thus amounts to SEK 1 100.

3.1.8.2 Factors explaining changes in costs

One factor making job-related training more expensive than other forms of in-service training is that in many companies, it is only run in larger groups in exceptional cases. Often this is probably because it relates to individual training even though it may be internally provided. For individual employees participating in external training, hotel costs and food costs make the education more expensive.

3.1.8.3 Cost reductions

Company reports specifying what is regarded as job-related training and competence development are ambiguous, but in any case provide a picture showing that costs per day and participant are very high, especially in comparison to other educational costs.

Improvements in reporting and evaluation which could then be used as a basis for future investments in education would be highly desirable. If competence development and employee needs for education is not just to be a small part of employee benefits in the future, unit costs per education day must decrease.

3.2 INCENTIVES AND ENABLING MECHANISMS

3.2.1 Measures for assuring quality

3.2.1.1 School and adult education

Municipal responsibility for the national school system presupposes that each municipality fulfils the demands on follow-up and evaluation as well as takes the necessary steps to ensure the quality of education in accordance with national goals. The principal organiser for each school should regularly institute quality audits as a complement to the annual reports which in accordance with the Municipal Act are carried out by the municipalities. As a phase in quality assurance, popular adult education has been subjected to thorough review in recent years. This applies not only to adult education organisations and circle activities, but also folk high schools.

3.2.1.2 Higher Education

In recent years issues concerning the quality of higher education have been increasingly focused on. The reasons for this can be found in the increasing awareness of the crucial importance of higher education for economic, social and cultural development as well as the costs these activities contribute. Higher education must be able to show that the funds invested produce good results.

Higher education in Sweden generally maintains a high level of quality. This is not to suggest there is no scope for further improvements. All university colleges have in recent years initiated intensive work on developing and assuring quality in education and research. This covers not only students, teachers and the management in higher education. The National Agency for Higher Education which has ultimate responsibility for scrutinising the quality performance of university colleges has been examining and assessing quality in a number of higher education institutions since 1995. A number of different forms of education have also been reviewed. Changes related to this examination have been made in a number of different areas and the work of assuring quality in education remains an ongoing activity.

3.2.2 Measures to gain greater control over costs

3.2.2.1 School and adult education

From a rule and resource-based steering system, the school has since 1991 been transferred into a goal and results oriented steering system. As a result of deregulation, the municipalities received total responsibility for running these activities. The intentions were amongst others to use resources more efficiently as well as decentralise decision-making.

The deteriorating financial position of the municipalities in recent years has forced savings to be made within the school sector as well. In the compulsory school, savings have been made by increasing group size, and by integrating child care and leisure activities, which provides co-ordination gains, mainly in terms of premises and personnel. To the extent that savings have been made in the upper secondary school, this has often been done through larger teaching groups and a reduction in the range of courses and programmes. The reduction in the number of municipal administration units as well as cutbacks in administration are other measures that have been taken to achieve control over costs.

Concerning pedagogical changes: The new national curricula from 1994 have led to the introduction of a course system in the upper secondary school. Each course provides a number of upper secondary school points. Teaching in a specific course has to be based on the needs of pupils, leading to variations in the number of teaching hours/lessons from those stipulated in the national timetable. The national timetable guarantees pupils a minimum number of teaching hours in subjects, but pupils can also choose to study a specific course with a different number of lessons. Each pupil has an individual study plan which shows i.a. choice of courses.

The course system provides greater opportunities to combine courses from different programmes and to make individual study combinations.

3.2.2.2 Higher Education

Within higher education, measures have also been taken to reduce costs. In recent years substantial savings have been made by reducing the cost of premises. Group sizes have increased. Each year there is a significant excess of students in different basic courses.

An important cost factor in higher education is the extent to which students carry out their studies within a normal period of time.

3.2.2.3 Labour market training

In order to reduce costs and give more unemployed persons access to education, the length of courses has been reduced in recent years. Greater emphasis is currently being placed on customising education, since this is part of an individual action plan which each job applicant has. Overall this helps in making better educational choices, both for the individual and with respect to demand for different skills on the labour market.

4.1 INTRODUCTION

4.1.1 Financing education

In Sweden all regular education is in principle publicly financed and free of charge to the individual. Funds for education are paid by the county councils and municipalities to the educational organiser, whilst in certain cases grants to support the individual during studying are paid out via a special body, the National Board of Student Aid. In addition to public financing described in greater detail for each sector later in this chapter, the educational organiser may receive income from e.g. contracted education. This is a form of education which is commissioned and procured by an external commissioning organisation and designed in co-operation with the educational organiser. Companies turn to municipal education for in-service training. Municipal adult education also provides the county labour board with education for the unemployed.

A municipality on the other hand may subcontract or commission private educational companies to provide education and/or services connected with the maintenance of premises, school meals etc. Only a small proportion of municipalities provide education on a sub-contract basis in upper secondary schools, on the other hand it is an explicit aim of the Adult Education Initiative to test solutions which aim at providing upper secondary education for adults.

- Pre-school, compulsory and upper secondary school as well as municipal adult education are all a municipal responsibility. The State supports the activities of the municipalities with state grants. These grants are general and not ear-marked for specific activities or volumes of courses.
- Folk high schools and study associations activities are paid not only by state funds via the Swedish Council for Popular Adult Education which allocates funds to the different folk high schools and study associations, but also by grants from the county councils and from municipalities.
- Labour market training is state financed. Funds for labour market training are allocated by the Riksdag and the Government via the National Labour Market Board to the County Labour Boards which then procure the education.
- Higher education is mainly state financed.
- In-service training is paid by the individual or public employers.

4.1.2 State grants, course fees

All publicly financed education is free of charge. For study circle activities in study associations, participants in municipal music schools and some private schools receive state grants, participants, however, pay course fees. For an education course to receive a state grant (or municipal and county council-municipal grants) certain demands in terms of goal descriptions and examinations must be fulfilled.¹¹

4.1.3 Finance mechanisms

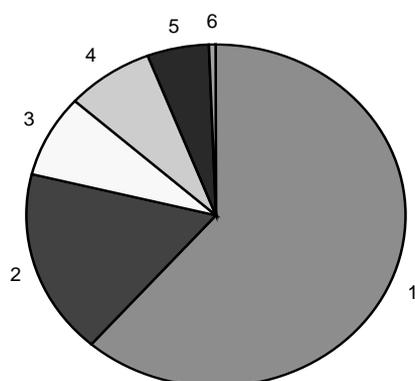
The principle for financing education is that funds are provided by the financing body to the educational organiser. However, funds for student expenses during the study period are paid by the financier (the state) to the individual. The only situation where funds for education can be said to go to the student and not to the organiser of the education are the research appropriations which research students and/or teams receive for their own projects from various research councils.

¹¹ Private educational providers arrange courses in a variety of subjects. Goals and contents are not regulated. These courses are privately financed and based on fees and do not receive except in exceptional circumstances, state funds. The certificates or grades issued by course organisers cannot in general be used to satisfy the requirements for further studies within the state educational sector. Many individual course organisers focus on providing in-service training. Education from this sector is only covered in the report when procured by public educational organisers e.g. for labour market training or in-service training paid by companies.

4.1.4 Funds allocated to lifelong learning

No more than 6 percent of total education costs are financed individually, by companies, families or students. This does not take into account the general living costs of families or students, nor company costs for production losses arising from in-service training. Neither are individual study loans and the state's costs in writing off loans included.¹²

Fig 4.1



1) Publicly financed education	61 %	2) Study support and child allowance	17.4 %
of which via		3) Labour market training	7.6 %
compulsory school	27.3 %	4) In-service training, public employer	7.6 %
upper secondary school	12.8 %	5) In-service training, private employer	5.2 %
Undergraduate higher education	7.6 %	6) Private fees	1.2 %
mentally retarded, spec schools,			
Swedish for immigrants	2.4 %		
Popular adult education	4.6 %		
Teaching in child care	5.8 %		
Central costs	0.6 %		

4.1.5 Equity/ inequity considerations

A guiding principle of Swedish educational policy is that all persons have the same right and opportunity to education and lifelong learning. Two important conditions for this principle to be implemented are that education is free of charge and that accessibility is satisfactory.

Publicly financed education, (free of charge for the individual) has contributed to ensuring equivalent opportunities for lifelong learning. As late as at the beginning of the 1960s, fees per term were charged in certain girls' schools, lower secondary schools and upper secondary schools in Sweden, but these disappeared with the reform of the upper secondary school in 1970. Accessibility to education is another important factor when a prospective upper secondary school pupil, adult student or student decides whether to start an education programme or not. Today there is upper secondary and municipal adult education in the majority of municipalities with home municipalities paying for students who for different reasons attend an upper secondary school in a municipality other than their own. The fact that the school and education are open to all and should try to satisfy the pupil's first

¹² Data on education is obtained from the Budget Bill 1998, SCB report "Educational costs", as well as the Adult Education Council. Estimates on Study support and child allowance come from the Budget Bill 1998. In-service training is based on SCB data on participation.

Concerning Labour market training, see Chap 2. Private fees are estimated on the basis of data from adult education associations on participant fees whilst costs for course literature are estimates.

choice of upper secondary programme, are reasons why youth schooling should provide the foundation for the lifelong learning of all.

The increase in the number of smaller and medium-sized university colleges has helped to make it possible for higher education to increase its intake. Increasing accessibility to higher education has been marked by a reduction in the social bias of recruitment patterns to higher education.

Publicly financed education, accessible to all, has probably had a positive effect in terms of narrowing educational cleavages. Comparative international studies of the knowledge levels of the population show that measured in qualitative terms, the educational level of the Swedish population is high in international terms. From Education At a Glance, EAG-97, it appears that the adult population in the age groups 25-64 has higher skills in terms of reading comprehension, interpretation of texts and arithmetical skills than other countries studied.

As a result of higher participation in the Adult Education Initiative, educational levels will also rise amongst that part of the population which left youth schooling before the upper secondary school reform. (See Chapter 5.)

4.1.6 Inefficiencies associated with the financing arrangements

4.1.6.1 Study financing

In principle it is possible to obtain study grants for each publicly financed study place. Conditions for different study forms of study support vary depending on the level and type of education. A legal right to leave of absence for studying is available to everyone (Act on Leave of Absence for Studies, SFS 1973:349).

The study system is on the point of being reformed. The aim is to achieve a more coherent study support system, a better balance between total amounts and grant levels and to review the loan system and conditions of repayment.

4.1.6.2 Equivalence between men and women

National financing of all education and the focus of educational policy has probably contributed to the high degree of equivalence in educational levels between men and women in Sweden.

In Chapter 2 from the report on the educational level of the population, it appears that women generally have a higher level of education than men up to ISCED 6. Amongst research students, however, the proportion of men is higher than that of women. Most noticeable is the imbalance in gender distribution between professors in Sweden. Only eight percent of all professors are women. To improve gender distribution amongst professors, the Government has thus provided special resources to establish new professorial chairs, to which women will have preferential access.

4.1.6.3 Positive discrimination

The public system of financing education aims at providing the same opportunities for everyone. There are, however, certain exceptions where positive discrimination takes place. This applies particularly to vulnerable groups such as immigrants and handicapped persons. For example, the state grant to municipalities is based on the number of different factors, one of these is the number of immigrants in relation to the number of inhabitants in a municipality. Even though state grants are not ear-marked - since the municipalities are themselves free to decide what the money should be used for - they are important for the financing of certain types of education. State support for the handicapped which also includes the right to a personal assistant, technical aids for communication etc plays an important role in enabling handicapped persons to participate in lifelong learning.

4.2 FUNDING ARRANGEMENTS BY SECTOR

4.2.1 Compulsory and upper secondary school

4.2.1.1 Financial arrangements

The municipalities have the responsibility for organising the pre-school, compulsory school and upper secondary school for children and young persons. In some cases this also applies to the special school and the compulsory school for the mentally handicapped (Chapter 2).

Municipal revenues consist of municipal taxes, municipal fees (however not for teaching) and the general state grant. The resources to be allocated to different forms of education are determined each budget year by the municipal councils. The municipalities have different models for allocating resources to each school unit. A model commonly used is a type of "voucher" system, that is a specific cost per pupil as well as additional resources for pupils with special needs.

The school management should ensure that education is run in accordance with the relevant curricula and local school plans. The school management/head is responsible for the school budget.

4.2.1.2 Safeguarding access

The municipality is obliged to provide education until the pupils have completed upper secondary school. If there isn't an upper secondary school in the pupil's home municipality, the municipality pays the inter-municipal fee (based on agreement between the municipalities) for the pupil who then receives upper secondary schooling in a different municipality.

Pupils choose which of the upper secondary programs to attend. The choice is made in the spring and school starts in August. The school draws up its plans on the basis of the choices made by pupils. If a pupil has chosen a program which is not available in the home municipality, the home municipality pays the municipality of the school the pupil is attending. As far as possible pupils should have their first choices satisfied. The board which signs the agreement can, however, decide not to pay for the pupil but instead recommend enrolment on a different upper secondary education.

4.2.1.3 Financing arrangements at the level of the learner

For all children up to the age of 16, child allowance of SEK 640 per month is paid out until the 31st of December 1997, and after January 1st 1998 SEK 750 per month. If the pupil continues studies after becoming 16, an equivalent study grant can be obtained for an academic year of nine months. The study grant is payable until the pupil reaches 20. Both child allowance and study grants are state grants.

Students in the upper secondary school who have been accepted for studies in a municipality other than their own, may obtain a board and lodging grant and/or travel allowance. The board and lodging allowance is paid by the home municipality. It should be at least 1/30 of the base amount for the whole month during the studying period. In the autumn term 1997, this was SEK 1 210 per month.

Child allowance, study grants and board and lodging allowance are paid to the pupil's parents or custodians. Child allowance, study grants and study support are all general forms of state support and thus not means related. Child allowance and study grants complement parental financial responsibility up to the age of 20. If special reasons exist, the level of support may be increased.

4.2.1.4 Inequities associated with the financing arrangements

It is the responsibility of municipalities to provide compulsory and upper secondary education in accordance with the national goals set up by the Government and the Riksdag. The state grant to municipalities and county councils is general. Other municipal revenues consisting mainly of municipal taxes vary greatly between municipalities. The municipalities themselves decide on how they should allocate their resources to different municipal activities. At the same time the school is steered by goals where the emphasis is put on equality. This should not lead to any quality differences between an upper secondary school in a small rural municipality and in a large urban municipality.

4.2.1.5 Reporting costs

The National Agency for Education together with Statistics Sweden compiles each year annual reports with detailed descriptions of school costs, results, number of pupils, personnel etc. The reports show the different types of costs and comparisons with earlier years. The annual reports are based on information from the municipalities. The Municipal Act contains provisions setting out the responsibility of the municipalities to produce financial reports for all their activities.

As is shown in Chapter 3, for example, on the cost of premises, it may be difficult to achieve full comparability between municipalities because of differences in their budgeting and accounting procedures.

4.2.1.6 Quality reports

The National Agency for Education publishes a series of reports covering the school's quality with data compiled from all schools in the country on the qualifications of teachers, grades, educational outcomes etc. Apart from these annual reports, the National Agency for Education publishes in-depth analyses of the qualitative aspects of schooling.

In spring 1997 the Government presented a document "A Development Plan for Pre-school, School and Adult Education - Quality and Equivalence" which dealt with the development of quality in education. Achieving equivalence in education requires that the work of assessing, evaluating and developing quality in the school must be enhanced at all levels. The follow-up and evaluation carried out by municipalities and schools needs much more than today to be directed towards implementing regular assessments of quality in the school's activities. For this reason, each school and municipality will now produce annual, written reports on quality which will provide an insight into the ambitions and results obtained. Guidelines for assessing quality on an ongoing basis at the national level will also be developed. The supervisory tasks of the National Agency for Education will be complemented by quality assessments carried out by the national educational inspectors.

4.2.2 Undergraduate education at universities and university colleges

4.2.2.1 History

Higher education was reformed in 1975 and 1993. The 1975 reform introduced basic higher education for all education after upper secondary school, different forms of teacher training, health-care education (nursing education), arts education etc. all these now became a part of higher education. A uniform rule and planning system was introduced for universities and university colleges. To facilitate educational planning, the country was divided into six higher education regions.

The earlier division of appropriations for teacher salaries and running costs was discontinued. Instead, funds were allocated under what could be called "goal appropriations", one for each of the five educational sectors (education for technical professions, for administrative, financial and social professions, for the nursing professions, teaching professions, and culture and information professions). Educational programs within a sector were connected in terms of resources to each other by receiving funds from the same appropriation. Resources could only be reallocated between programs in the same sector. Appropriations set maximum levels. In principle no further funding was available, but on the other hand there would be no reduction. Funds not used in one budget year could be carried over to the following budget years. Premises, refurbishing and equipment were paid from special appropriations and premises were "free" for universities and university colleges.

4.2.2.2 Financial arrangements

4.2.2.2.1 The higher education reform of 1993

The most recent higher education reform carried out in 1993 introduced a radical change in the approach to financing. The main features of the resource allocation system, which to a large extent is still being applied are the following:

After proposals from the Government, the Riksdag makes a decision on the resources to be allocated to universities and university colleges. Each educational institution receives a three-year educational

commission. Appropriations are allocated to different university colleges to enable them to fulfil their educational commission and are given for undergraduate education and research separately.

The allocation principle is that the appropriation is given in the form of a "ceiling" amount which specifies the maximum payment for a specified number of annual students and annual performance targets, and in certain cases for carrying out specific commissions. The concept of an annual student is a norm which corresponds to one place for a full time student over an academic year. Annual performance is a financial concept for results corresponding to the targets set up for a full-time student, usually 40 study points in an academic year.

4.2.2.2 High degree of independence

Each university and university college decides and plans itself which educational programs and courses it will provide. The exception to this is certain qualifications which are in short supply where the Riksdag has established special goals to be achieved. All universities and university colleges receive the same funding for courses within the same educational area. No account is taken of differences in the costs between different places, in running costs or the disadvantages of operating on a small scale etc.

Funds are allocated for undergraduate education under a specific appropriation for each institute of learning. These funds (allocated to universities and university colleges) are to be used in the way the institution considers most appropriate for it to fulfil its educational commission.

The educational commission and the ceiling amount were designed in the reform of 1993 on the basis of existing activities at different institutions of learning and the costs of their activities. As in 1977 when appropriations were restructured, all earlier conditions were incorporated into the new system.

4.2.2.3 Per capita remuneration

Central to the design of the resource allocation system is the per capita remuneration for each annual student target and performance target. Characteristic features are:

- Per capita remuneration is the *price*, which the state authorities pay, and is not payment for costs incurred.
- Per capita remuneration is *not a norm* for local resource use.
- Per capita remuneration is an *average figure* for the whole area of education.

4.2.2.3 Inefficiencies in financing methods

The resource allocation system is designed to favour normal rates of studying. The study support system with its requirements for meeting student performance targets helps to prevent too long being taken over studies or undesirable study outcomes. In all educational areas there are both expensive as well as cheaper forms of education. Per capita remuneration is calculated at the national level so that in overall terms it provides a reasonable level of remuneration for the whole area. Focusing on more expensive subjects such as languages in the humanities area is not possible if at the same time, it is not matched by a move towards subjects which have costs lower than the average. This method of financing education thus steers local resource allocation and influences the composition and supply of education. The design of the system contains what could be called a "normalisation" function operating on the supply of education at universities and university colleges.

Fig 4.2. Higher education incomes in financial year 1996, SEK 000s

Compulsory education appropriation	9 713 411
Other appropriations	1 237 062
Contracted education	614 102
Funds from other universities and univ. Colleges	172 729
Grants for regular undergraduate programmes	531 669
Financial revenues	110 054
Total	12 379 027

Part of the income to higher education, apart from the appropriation for undergraduate education, is obtained from providing contracted education, which is paid for by the organisation commissioning it. According to the annual report of The National Agency for Higher Education, income from contracted education in 1996 totalled SEK 614 million. State authorities were the major commissioners, closely followed by municipalities and county councils. Swedish companies accounted for around 18 percent of commissioned undergraduate education.

Fig 4.3 Higher education incomes from contract education in financial year 1996, SEK 000s

State authorities/agencies	201 283
Public utilities	8 569
Municipality/County council	197 976
EU	4 435
Swedish companies	109 579
Swedish organisations (non-profit)	24 985
Foreign companies	2 385
Foreign organisations (non-profit)	4 058
Others	60 832
Total	614 102

4.2.2.4 Quality issues, follow-up and evaluation

The rapid expansion of higher education during the 1990s as well as the performance based financing system introduced in July 1993 has contributed to a greater focus on quality in higher education.

In certain quarters concern has been expressed that the resource allocation system would induce university colleges to invest in simple forms of education for which there would be many applicants, and a large throughput and that this system would not provide sufficient incentive to develop new courses, distance education or more advanced courses at higher levels. The many quality follow-ups carried out have not, however, shown any tendencies in these respects.

In autumn 1993 a special Commissioner was appointed to follow up the reforms. The National Audit Bureau drew attention to the new resource allocation system at the start. The National Agency for Higher Education has since the reform carried out a number of special evaluations in different areas. The work on quality at different university colleges has been subject to particularly close examination. In its annual reports, the National Agency for Higher Education presents current information on the number of students, applicants, qualifications, examination procedures, personnel and finances etc.

4.2.2.5 Municipalities as principal organisers

Not all health care education comes under State mandatorship as do the universities and the general university colleges. Instead they have municipal or county councils as principal organisers. For these university colleges a ceiling amount under the current state grant system is not fixed for each municipality or county council. Instead a maximum number of annual study places entitled to state grants is specified for each municipality or county council.

Health care education during 1998 will go over to state mandatorship.

4.2.2.6 Small and medium-sized university colleges

From the middle of the 1970s, the number of university colleges has increased rapidly in Sweden. Today there are around 15 small and medium-sized university colleges with strong regional and local affiliations in addition to two new university colleges in Malmö and Gotland under construction. From the annual reports of the National Agency for Higher Education, it appears that "regional" university colleges have led to an increase in recruitment, since the number of university college admissions in relation to a region's population has increased. This is especially noticeable in the County of Norrland as well as in the south-eastern parts of the country.

Proximity and accessibility to higher education is undoubtedly important in increasing the educational level of the population. The university colleges have also functioned as the engine of development in local and regional industrial life. Often this has led to an increase in investments in higher education in the region through a mobilisation of resources from county councils, municipalities and industry. The infrastructure has been built up around these university colleges which will also be of use in other activities of the municipality.

4.2.2.7 Links between public and private funding

Commissioned education and the role of university colleges in providing in-service training and further education as well as competence development in working life have become increasingly important. Universities and university colleges are permitted to provide their own commissioned education against payment from a commissioner. It is the commissioner who determines which persons will participate in the education. The commissioner may be a state or municipal authority, a county council, a company or an organisation. The commission relates to in-service training and in certain cases education needed for labour market training or aid policy.

From 1998 commissioned education can also provide higher education points, if the courses fulfil the same quality requirements as undergraduate education.

4.2.2.8 Higher education in the future

The role of higher education in lifelong learning has grown and will in the future be of increasing importance as the number of higher education places increases, particularly in the smaller and medium-sized university colleges. New rules for admission to higher education and a number of measures to accelerate development in the direction of increased equivalence will also contribute to lifelong learning. The rate of transfer over three years from the upper secondary school to higher education in the academic year 1987/88 was approximately 20 percent, but increased to 35 percent in the academic year 1992/93. Reform of the upper secondary school (see Chapter 2) and the increase in the number of higher education places probably means that at least 50 percent of today's 20 year olds will have studied in higher education by the time they reach the age of 35.

4.2.2.9 Funding arrangements for students

Those who are studying in higher education have the right to apply for state study support.

Fig 4.4 The number of students in higher education receiving study support and the amounts paid :

	1993/94		1994/95		1995/96		1996/97	
	Number	SEK mill.						
Grants	203 800	2 899	212 000	3 131	225 100	3 392	244 000	3 610
Loans	147 300	5 642	158 700	6 120	165 000	6 843	190 900	7 546

Source: CSN

Study funds can be obtained for a maximum of 12 terms of studying. At the end of the study period, both the loan component and interest must be repaid. Repayment is set at a maximum of 4 percent of annual income. The right to study funds is regulated in the Study Support Act.

The education as mentioned earlier is free of charge. Students at universities and university colleges, however, pay a term fee to the student union. The size of the fee may vary but is approximately SEK 200 per term.

Occasionally studying may be financed through bank loans. The reason this is unusual is that the study support system is generally regarded as being advantageous, since it is not related to parental income or wealth and also that the State does not require any security for the loan, other than the achievement of desirable study results.

For some higher education courses, special study support is available for adults (Svux). Svux also consists of a grant and loan component. The amount is related to income earned earlier.

Fig 4.5 Number of students in higher education receiving special adult study support and amount :

	1993/94		1994/95		1995/96		1996/97	
	Number	SEK mill.						
Grants	2 860	206	2 240	121	3 830	220	6 280	352
Loans	820	14	1 035	19	2 300	48	4 110	84

4.2.2.10 Reporting costs of the higher education sector

The National Agency for Higher Education compiles and presents each year the costs and incomes of universities and university colleges in a special annual report. Amongst other things, this covers numbers of students and qualifications, educational commissions and results, quality work, international contacts, and personnel information of various kinds.

Work is continuing on further developing the reporting systems of universities and university colleges. A special report to the Government (National Agency for Higher Education report series 1996:27 R) presents the views of the National Agency for Higher education and the National Audit Bureau on how financial reporting on higher education can be improved.

4.2.2.11 Number of educational places

The number of applicants to higher education places is always greater than the number of admissions. Also during the most recent round of admissions to universities and university colleges (September 1997), many qualified applicants did not get a study place. This year's budget thus proposed educational funds be allocated earlier for the spring term of 1998 and provide 10,000 higher education places and 1000 places for advanced vocational education.

4.2.3 Adult Education

4.2.3.1 Municipal adult education (*komvux*), Swedish for immigrants (*sfi*), Adult education for mentally retarded (*särvux*)

All municipalities receive a general state grant in addition to municipal taxes and fees. These are used to finance different municipal activities. The municipality is the principal organiser of municipal adult education and is responsible for the finance and activities of the education. From 1st July 1997, the State, however, allocates additional funds to municipal adult education through the Adult Education Initiative. (See Chapter 5.)

The county councils may also act as a principal organiser for adult education. The county councils account for around 8 percent of the total supply of municipal adult education at the upper secondary level. Municipal adult education can also receive income from commissioned education, i.e. specially arranged education which is paid by the commissioning organisation. For example, this may be another municipality, the County Labour Board (for labour market training), a company in the private sector or a public organisation.

No course fees are payable by participants in municipal adult education, as it is free of charge for the individual. Participants may, however, have to pay for teaching materials. Participants themselves are financially responsible for travel to and from school as well as for their own board and lodging during the studying period. The different state grants available to students during their studying are presented in Chapter 3.

In 1996 municipal adult education was provided in 281 of the country's 288 municipalities. In 86 of these municipalities, the county council also arranged municipal adult education. The number of schools was in total 427. Since students have great freedom to choose courses, the number of courses, the rate at which students study in upper secondary adult education as well as the number of courses varies greatly, due to these factors calculations on the number of annual students (a student studying full-time for a whole academic year) in municipal adult education can never be exact. In 1996 week 42, municipal adult education schools had a total of 174 000 students. Each student studied on average 3.6 courses.

As in other forms of public education, costs, participation and the results of adult education are reported in the National Agency for Education's annual reports. A special evaluation has been carried out into the Swedish language programs for immigrants by the Centre for Bilingual Language Research at the University of Stockholm, commissioned by the National Agency for Education. The evaluation was published in April 1997.

The financial mechanisms used in municipal adult education vary from municipality to municipality since they are a municipal responsibility. In general terms, the municipalities have an interest in providing education to groups who are outside the labour market so that they will then be able to support themselves.

The study support system for municipal adult education is presented in Chapter 3.

There are indications that the take-up of student loans for adult studies is lower, the lower the educational background of the applicant. Uncertainty over whether adult studies will lead to work, fear about not being able to pay back the study loan etc. mean that many are reluctant to take a study loan and thus, if they are not granted other forms of financial support for their studies, do not participate in adult studies.

Adult students may finance their studies in different ways even though participating in the same education. In the same group of participants, students may either have "svuxa", an educational grant or a study loan with a grant component. The different forms of study support provide different amounts and this can be experienced as being unfair.

As is the case for undergraduate education, the National Agency for Education presents an annual series of reports on all municipal adult education activities in the form of data compiled from all schools in the country on teacher qualifications, grades, educational results and costs.

Public procurement of education has in recent years become increasingly common. Education is a complex process subject to the influence of many factors. This applies particularly to adult education where differences in educational background, age, social situation and the motivation to study make it impossible to carry out simple measurements and comparisons of quality and results. (For immigrant education, the issue is further complicated by the great differences in students' mother tongues, cultural backgrounds, psychological and physical health, as well as language skills in Swedish when starting a course.) When procuring education, the purchaser - the municipality - faces a range of problems connected with the difficult of drawing up adequate specifications, comparing and assessing price, quality, reliability and reasonableness of the offers received, and evaluating the outcomes from different programmes. Many municipalities have, however, been able to overcome these problems and achieve some success in procuring municipal adult education. Amongst the advantages have been the

opportunities of broadening supply, renewing pedagogical development and getting new ideas and contacts with the labour market.

4.2.3.2 Popular adult education

Popular adult education is mainly financed by the state. The Government and the Riksdag allocate each year an appropriation to the Adult Education Council, a non-commercial organisation made up of organisations from various popular adult education movements. The appropriation is allocated by the Adult Education Council to study associations and folk high schools. The Adult Education Council is a non-commercial organisation which makes decisions on the allocation of resources. The Council submits each year to the Government an appropriation request for state grants (and every third year a detailed appropriation request).

Fig 4.6 The State grant for popular adult education, SEK millions

1995/96	Grant	3 801 (18 months)
1996	Grant	2 467
1997	Appropriation	2 358

Of the state grant, 57.7 per cent was allocated to folk high schools and 42.3 per cent to study associations, which are based on the existing state grant proportions 1st July 1991.

In 1997 the grant to the *folk high schools* was SEK 1 936 million. The financing for both groups of folk high schools, those run by the National Association and county council folk high schools are in principle the same, but differ marginally in terms of the size of the grant to the main organiser, i.e. the incomes which schools receive from their principal organiser. The grant to the folk high schools affiliated to the Folk High School national association is in overall terms less than that for the county council folk high schools.

Approximately 50 percent of the incomes of the folk high schools come from the state grant. In addition, there is the grant from the county councils, the grant from the principal organiser as well as to a certain extent the municipal grant.

Fig 4.7 Folk high school income 1991/92 (1992), 1994/95 (1995) and 1996

	average value folk high schools in %				average value county council folk high schools in %			
	1987/88	1991/92	1994/95	1996	1987/88	1992	1995	1996
State grant	42	48	52.3	53	37	41	47.3	46.9
County council grant	17	13	10.2	8.9	3.5		1.4	1.2
Main organiser grant	1	2	2.2	2	40	37	28.8	30.2
Municipal grant	2	1	0.5	0.8	0	0	0	0.4
Student income ¹³	20	13	13	11.4	12	12	10.4	9.4
Personnel income	4	3	2.9	2	1	1	1	0.9
Conference income	5	7	5.9	8.1	0.5	2	2.6	2.4
Contracted education	2	5	6.1	4.1	2	4	5.2	4.4
Other incomes	7	8	6.9	9.7	4	3	3.3	4.2

Source : National Swedish Federation of Adult Education Associations

¹³ Income from students refers not to tuition fees, but fees for board and lodging for residential folk high schools.

Of the 136 folk high school supported by the State in 1995/96, 88 were affiliated to the National Association of Folk High schools. The county councils and municipalities operated 48 folk high schools.

The folk high schools have a relatively small amount of commissioned education. On average they receive a little more than 4 percent of their income from commissioned education.

Study support given to folk high school students is shown in Chapter 3.

The State appropriation to folk high schools is independent of whether the number of these schools is increasing or decreasing. The appropriation is given as a lump sum to the Adult Education Council which then allocates resources to the different schools. The Adult Education Council also approves applications to set up new folk high schools. In the last five years a number of new schools have been given grants. The amount given to the old schools is shrinking as new schools (with new profiles) come into existence.

The competitive advantage of the folk high schools lies in their different profiles and orientation. They thus compete over the range of courses they offer. Residential folk high schools do have a competitive opportunity, which they could exploit by having low fees for board and lodging in order to attract more students.

The state grant for the 11 *study associations* is allocated by the Adult Education Council. In 1997 the grant amounted to SEK 1 107 million. The state grant accounts for approximately 30 percent of their financing. In addition they also receive grants from the municipalities and county councils. The municipal grant per inhabitant to study associations varies between municipalities (from 0 to 144) and is on average SEK 57.

As can be seen from the table below, the grant from the county councils and municipalities has declined in recent years.

Fig 4.8

Income	1993/94	%	1994/95	%	1995/96	%
State grant	1 066 962	32.4	1 070 098	31.3	1 085 213	33.1
Municipal grant ¹⁴	570 108	17.3	560 293	16.4	443 117	13.5
Income from participant	777 813	23.6	873 988	25.6	872 086	26.6
Other grants	394 124	12	413 986	12.1	396 440	12.1
Other incomes	485 754	14.7	499 317	14.6	211 080	6.4
Contracted education					271 369	8.3

Popular adult education provides an annual financial report. Reports on the folk high schools cover the number of courses, participants and participant weeks, as well as for the long courses - participant ages, educational background, gender and nationality. The Adult Education Organisations' report to the National Swedish Federation of Adult Educational Associations covers information on the number of study circles, cultural programs and other educational activities carried out by the new organisation, activities in sparsely populated areas, number of participants as well as their age, gender and nationality. Not only folk high schools, but also study associations provide annual reports on the subjects they cover. The reports can be obtained from the publishers, SCB, Statistics Sweden. In the last 10 years popular adult education has been the subject of a number of state commissions and has itself carried out a number of full-scale evaluations. The most recent, the Commission for State evaluation of popular adult education (SUFO 96) submitted its final report in November 1996 (SOU 1996:159)

¹⁴ Grants from both county councils and municipalities

4.2.3.3 Labour market related training

Chapters 2 and 3 describe the aims and goals of labour market training.

The State - through the Ministry of Labour - within the framework of the funds allocated to labour market policy measures, commissions labour market training via the labour market boards and the county administration boards/national employment office from the AmuGruppen AB and other educational organisers. (See Chapter 3.)

Municipalities and county councils as major employers are in a position to purchase competence development or in-service training from educational organisers in the sector of labour market training, e.g. AmuGruppen AB or municipal adult education. On the other hand, the municipalities do not finance in-service training for other employers.

Amongst the educational organisers providing training directly related to the labour market, both private companies and public activities can purchase education or courses for their own company or organisation.

Empirical investigations into the effects and/or usefulness of labour market training are not unanimous in their findings. A summary¹⁵ of current research in the area shows that results at the individual level are better for those with comparatively little schooling than for the higher educated. Labour market training in the same professional area appears to have better effects on an individual's salary than education for a new profession.

Individual action plans, i.e. the combination of education and job-seeking strategies, drawn up jointly by the job applicant and the national employment office appear to produce good results in terms of counteracting long-term unemployment.

Compared to in-service training, labour market training has no alternative costs i.e. the unemployed undergoing education do not cause any loss in production.

In periods of low unemployment the usefulness of labour market training appears to be greater than in periods of high unemployment. Education with highly specific goals for certain groups achieves better outcomes than more broadly based programs.

The number of individuals who are considered to be in need of labour market training varies over time and between different parts of the country. Unexpected closure of a workplace in a particular area can lead to major needs for education being unsatisfied since resources allocated for labour market policy measures in the region may have already been assigned.

The Labour Market Board as well as the county labour boards and the national employment office report on contents, costs and income in their annual reports.

The Labour Market Board reports each year on planning and procurement, participants in labour market training, experiences prior to and during participation, outcomes and costs. Also reported are the annual results from the national quality follow-up system, which county labour boards have been providing since 1996.

The national employment offices in the municipalities decide which unemployed persons are considered to be in need of labour market training. After planning this together with the unemployed person, the national employment office proposes a training program. The employment office uses the state funds it receives from the county labour boards to procure and pay for the training program.

The unemployed who are assigned labour market training by the national employment office receive an educational grant whilst taking part in the training. The educational grant is described in more

¹⁵ Active labour market policy. Expert appendix SOU 1996:34

detail in Chapter 3. The educational grant is a state grant paid out by the National Social Insurance Office to the student.

Joint financing of competence development in companies - private as well as public - occurs as a result of special state support under the Grant for education in companies. In-service training in companies aims not only at developing the competence of personnel, but also promoting employment. Responsibility for competence development of employees rests with the employer. The support should be a complement to the company's own programmes and only granted when there is an explicit labour market policy need over and above the specific needs of the company. Support may e.g. be relevant when there is a change in working organisation, the company is expanding its activities or is experiencing temporary difficulties in finding work for its staff. Training should be vocationally oriented and separate from ordinary production processes. A grant of SEK 60 per hour is available for training and salary costs, with a maximum of 920 hours per participant. In-service training support is primarily intended for small companies. Average training time per participant amounted to 171 hours during 1995/96. During this period around 48 400 persons took part in some form of in-service company training.

4.2.3.4 In-service training

Joint financing between state and private funds occurs in certain cases e.g. Structural funds Objective 4 projects, or as described above as support for competence development in smaller companies.

The overwhelming proportion of in-service training and competence development is, however, financed by employers. As mentioned earlier, there are no aggregate figures on the costs of in-service training. Discussions and research into new/existing needs of companies - for competence development, in-service training and organisational changes, difficulties in reporting companies' investment in human resources and financing responsibility etc. - are taking place in a number of different contexts.

5.1 INTRODUCTION

Education and learning are the driving forces in economic growth and employment. Education gives the individual enhanced self-confidence, improved knowledge and broader competence, which increase the opportunities for getting a new job or keeping the existing one. Education also provides a necessary basis for learning at work, in a labour market which demands the ability and willingness to change. Today a foundation corresponding to a three year upper secondary school competence is needed for those who wish to work in and participate in the development of a modern work organisation and to change profession and educational direction. In industrial life a well-educated and competent labour force is an important basis for the development and competitiveness of companies and organisations.

If Sweden is to continue to develop as an equitable welfare society and maintain its position as a developed industrial nation, education and learning must be accessible to all, irrespective of gender, socio-economic position, place of residence and national origin. Past experience shows that it is much easier to reach out and offer education to those who are already well-educated, have positive memories from their school or have experienced that studies and education are enriching. The most difficult category to reach are individuals with short education, in or outside the labour force, who have negative experiences from their schooldays or who have experienced failure in educational situations.

The case studies show how flexibility, co-ordination of resources, decentralised decision-making and increased opportunities to adjust investments to local and individual needs and conditions, create new opportunities for lifelong learning. The first study describes a unique investment programme in adult education to be carried out in Sweden over the next five years. Despite an already well-developed education system for adults, the Government and the Riksdag are implementing a massive investment in adult education in order to counteract today's unemployment and give people education that will better match the needs and challenges of the future. The second study shows how co-operation and joint financing has made it possible for personnel with short education on shift work in the paper and pulp industry to acquire outside working hours upper secondary school education in subjects that are important for their future work in the company.

5.2 THE ADULT EDUCATION INITIATIVE

The Adult Education Initiative is a five year investment in adult education that started July 1st 1997. In the first instance it will not only increase the scope of upper secondary school education, but also better adjust adult education to the shifting demands that individuals, working life and society have today and will have in the next millennium. The investment involves the creation of more than 100 000 new annual places in education for adults, mainly at the upper secondary level. In the framework of the Adult Education Initiative, there will also be an additional 10 000 places in folk high school education, 5 000 places in municipal adult education at the compulsory level, and 5 000 places in pilot projects for advanced vocational training.

When fully developed the Adult Education Initiative will create 140 000 annual places corresponding to 3.5% of the total labour force. The Adult Education Initiative is a part of the Government's strategy to halve unemployment by the year 2000.

The Adult Education Initiative has four important perspectives – renewal of adult education and labour market policy, a more equitable distribution and increased growth.

5.2.1 The goals and aims of the Adult Education Initiative

5.2.1.1 Equitable distribution

Adults who have the greatest need for education and who so far have received least from society in terms of educational resources, will have the opportunity to develop new knowledge and skills. The main target groups for the Adult Education Initiative are in the first instance adults who are unemployed and either completely or partially lack a 3 year upper secondary school competence, but it also focuses on the needs of employees with short education.

5.2.1.2 Reform of adult education

The Adult Education Initiative should contribute to the development and renewal of adult education both in terms of content and working methods. New ways of satisfying needs for adult education will be tested in practical development work. Teaching approaches and methods appropriate to adult education will be developed. Exchange of ideas and experiences between municipalities, the State and industrial life will revitalise this development work. Over the five year period, adult education will be reformed and developed - so that it is better adjusted to the requirements that the individual, working life and society will be facing in the new millennium.

5.2.1.3 Renewal of labour market policy

Education will be the instrument for creating opportunities to get or change work. It will also make it easier to be involved when the work place imposes higher demands as working tasks change. The unemployed who lack upper secondary school competence need education in order to acquire a stronger position on the labour market. For this reason they have access to educational opportunities in the first instance, and not unemployment benefits. Within the framework of the Adult Education Initiative, opportunities for co-operation and joint utilisation of resources at the national employment offices and municipalities will be improved. The Adult Education Initiative is particularly important for men and women in occupations and industries that are adversely affected by the market and structural changes, e.g. in offices, health care and manufacturing industry. The Adult Education Initiative will also contribute to changing the gender distribution of work on the labour market.

5.2.1.4 Economic growth

The Adult Education Initiative will contribute to the renewal and development of working life. New ways of organising work impose new demands on employees. Jobs that disappear are often the simpler ones, whilst new jobs require longer education and higher competence. As a result of increased access to a skilled labour force, the opportunities for economic growth and increased employment will be reinforced.

5.2.2 Renewal through the Adult Education Initiative

Educational opportunities for adults in Sweden are described in Chapter 2. They cover basic, upper and supplementary education, municipal adult education, Swedish tuition for immigrants, folk high schools and study circles in popular education, the National schools for adults, advanced vocational education for adults, labour market training and a whole range of individual courses in higher education, part-time courses and distance education courses.

The Adult Education Initiative does not replace existing education, instead it provides an additional opportunity for adults to acquire education at the same time as other educational alternatives are still open. The Adult Education Initiative means that the total volume of education for adults will increase over the five year period, the supply of courses will increase, the content of the courses will vary and the training will be carried out by different educational organisers under the overall planning and organisation of the municipalities.

5.2.3 A new role for the municipalities

The municipalities have been allocated a new role, as co-ordinators and made responsible for creating an infrastructure for adult education, but not necessarily as organisers of all education. In the Adult Education Initiative, municipalities are responsible for the organisation, planning and implementation of education, and can choose between organising the education themselves or in co-operation with

other municipalities, or together with other educational organisers and local companies. For this reason emphasis is put on the need for co-operation with study associations, trade unions, folk high schools, the AMU group (Vocational Training Centre) or private educational organisers. With the exception of the education provided by folk high schools, the syllabi and grading criteria in municipal adult education (komvux) will apply, also when educational organisers other than municipal adult education are carrying out the education.

In the Adult Education Initiative, the municipalities have great freedom to start projects to develop adult education. In many municipalities interest in and need for education amongst citizens has been mapped, as well as the requirements of local industrial life. In this way education can be adjusted to individual needs and at the same time create new forms of co-operation with industrial life.

Close co-operation has started in all municipalities with the national employment offices, popular education, trade union organisations, local industrial life and different educational organisers. A number of municipalities have, for example, started "infotek" or "knowledge centres" with personnel both from the employment office and the municipality, where other educational organisers also have the opportunity to work together under a single structure.

5.2.4 Putting the individual in the centre

Individual desires, needs and preconditions should be instrumental in steering and shaping the form and content of the activity. The education must thus be planned and organised to provide great scope for individual solutions in terms of orientation, structure and accessibility in time and place. Municipal adult education's (komvux) traditional supply of general theoretical subjects is supplemented by a major increase in vocational courses. Education and practice are weaved together i.a. in the form of workplace training for adults. Continuous admission over the whole year is implemented in many municipalities, as well as an increased use of distance education, part-time studies, evening courses, studies over the summer and during school holidays. Preparatory courses for higher education are also organised i.a. in the form of a basic year.

5.2.5 Financing

In autumn 1997 as well as in 1998 (around 18 months) a total of SEK 5 billion in the form of a special state grant has been allocated to the municipalities. The state grant corresponds to the costs of 111 500 full-time study places during autumn 1997 with a gradual increase up to 140 000 places by the year 2000. Of these, 10 000 places are in the folk high school and a maximum of 9 000 places in advanced vocational training. A state grant covering 5 000 study places in basic adult education has also been allocated to a limited number of municipalities. The resources have been distributed to different municipalities who have submitted project applications for implementation under the Adult Education Initiative.

The state grant amounts to on average SEK 32 000 per annual study place. The resources are distributed to the municipalities involved as a total sum and may be used freely for recruitment measures, counselling and education.

Three requirements are connected to the state grant. In the first place, the municipalities must produce the volume of education for which they have received a state grant. Secondly, the municipalities should in principle implement the qualitative development measures they have themselves described in their application for funding. Thirdly, the municipalities should participate in a follow-up and evaluation of the investment in education. A precondition for the state grant to be paid out is that municipalities maintain the volume of upper secondary school education, which they finance. The municipalities should present the results twice a year, starting at the beginning of November 1997.

5.2.6 New study financing

A new form of state study assistance - a special educational grant - has been introduced as part of the Adult Education Initiative. This is addressed to the unemployed with short education or adults who are

employed and intend to study at the compulsory or upper secondary school level. The special educational grant can be applied for by persons in the age group 25-55 years. The grant covers an amount corresponding to the unemployment benefit. For an employee to obtain the special study grant, the employer must employ an person who has been long-term unemployed during the period the employee is studying. The unemployed person should be registered at the national employment office.

5.2.7 Other forms of study financing

Other ways of financing studies in the Adult Education Initiative apart from the special study grant, is specific support for unemployed (svuxa), specific support for adult studies (svux), state study support and short-term study assistance.

The condition for receiving specific support for unemployed (svuxa) is that the applicant is unemployed and registered as searching for work at the national employment office. The basic rule is that the applicant should have worked at least three years and be between 21 and 50 years of age.

Svuxa consists of a grant and a loan component. The grant is 65% of the unemployment benefit and the loan tops the amount up to the unemployment benefit level.

Svux is in the first instance intended for persons with short education who have taken leave of absence from work in order to study. In order to apply for the grant, the applicant must have been working for at least four years and not be over 50 years. Svux consists also of a grant component which is 65% and a loan component of 35%. The size of the study grant is based on the unemployment benefit the applicant would receive.

Study support can be applied for in the first instance by students in higher education, but also by adult students at compulsory and upper secondary level, and folk high schools. The study support consists of a grant and loan component. At present (January 1998) the maximum amount is SEK 7 098 per month for full-time studies, of which SEK 1 973 is a grant component.

Short-term support can be applied for by employees who have lost income from work due to studies. Support is granted for each hour that the student needs to take off from work in order to participate in education and as a result of this loses income. Support can be granted to students who are not more than 64 years during the calendar year when the education starts.

5.2.8 Co-operation

The Adult Education Initiative is a large co-operation project. The most important players are the municipalities, the Government's Delegation for the Adult Education Initiative, the National Agency for Education, the Council for Popular Adult Education, and the Commission for the Adult Education Initiative.

5.2.8.1 Municipalities

All 288 municipalities in the country participate in the Adult Education Initiative. The municipalities are responsible for the organisation, planning and implementation of education and can choose between organising the education themselves or in co-operation with other municipalities or educational organisers. The focus should be on the needs of the individual and the task of the municipalities is to map out student requirements in terms of the range of courses to be provided. The municipalities are also responsible for producing regular reports of the activities. Some municipalities have home pages where they supply information on the educational programmes they run under the Adult Education Initiative.

5.2.8.2 The Delegation for the Adult Education Initiative

A special delegation prepared and monitored the work of the Adult Education Initiative during the first 18 months. The delegation consisted of representatives from five Ministries - Education and Science, Labour Market, Finance, Interior as well as the Ministry of Industry and Trade. The delegation was responsible for providing information to the municipalities and the general public. It also submitted proposals to the Government on the distribution of funds to municipalities.

5.2.8.3 The National Agency for Education

As for all education in the public school sector, the National Agency for Education is responsible for the follow-up, evaluation, development and supervision of both the Adult Education Initiative and

regular education for adults. The Delegation for the Adult Education Initiative has had the responsibility for setting the Adult Education Initiative in motion. From July 1st 1998 the National Agency for Education will take over the work of the Delegation.

5.2.9 The Council for Popular Adult Education

The Council for Popular Adult Education is a non-commercial organisation with three members, the National Swedish Federation of Adult Education Associations, The Swedish Federation of County Councils and the Folk High School representative organisation. The Swedish Council for Popular Adult Education allocates state grants to study associations and folk high schools. In the Adult Education Initiative there are special funds allocated to ten thousand folk high school places. These funds are allocated by the Council for Popular Adult Education. The Council for Popular Adult Education will also monitor the role of the study associations and the folk high schools in the Adult Education Initiative.

5.2.10 The Commission for the Adult Education Initiative

The Commission for the Adult Education Initiative is a Parliamentary Commission and was appointed by the Government in 1995. The Commission follows the Adult Education Initiative and has been given responsibility by the Government to evaluate the investment programme. It is the task of the Commission to identify what lessons can be learned from the Adult Education Initiative and submit by the year 2000 a proposal for reforming the structure of adult education that will be put in place after the Adult Education Initiative.

This type of co-operation, unique in Swedish public administration, where a joint investment programme is developed in a continuous dialogue between the State and municipalities has made it easier to implement rapid changes to the framework and regulations.

5.3 FOLLOW -UP AND EVALUATION

5.3.1.1 The National Agency for Education

The National Agency for Education has been given the task to follow-up and report on the Adult Education Initiative every six months. The reports should deal with the volume of investment expressed in activity points, number of pupils, financial follow-up, information on participants, results at an individual level as well as information on educational organisers and it should be based on information received from municipalities when they submit data for the National Agency for Education's regular follow-up system for municipal adult education.

5.3.1.2 Evaluations carried out by the Commission for the Adult Education Initiative

During the life of the Adult Education Initiative, the project will also be evaluated by amongst others independent researchers and other professionals. The Commission for the Adult Education Initiative, which has the responsibility for co-ordinating national evaluation of the project, has been commissioned by the Government to initiate the evaluation studies that will deal with many different aspects of the Adult Education Initiative. These will cover its organisation, recruitment to courses, pedagogical development, student influence and how the municipalities adjust educational programmes to the requirements of the labour market. In addition, the evaluation will show the effects of the Adult Education Initiative on the local labour market and whether it is easier for course participants to get a job after their studies. The cost incurred by the municipalities in the Adult Education Initiative will be included in the evaluation. 51 municipalities are participating in this study and will submit information on how costs and performance in terms of upper secondary school points and activity points are distributed over different courses, course organisers and activities.

The evaluation also covers the Adult Education Initiative as a model for co-operation between State and municipalities. The evaluation will focus on selected municipalities in order to find out how municipalities evaluate the dialogue between them and the secretariat at the Delegation for the Adult Education Initiative. The state organisation around the Adult Education Initiative is unusual in that the Adult Education Initiative is organised by a delegation with members from different ministries and authorities and with a secretariat that has a direct link to the municipalities.

Part of the co-ordination responsibility which the Commission for the Adult Education Initiative has is to follow up the evaluation measures initiated and financed individually or jointly by municipalities. The Commission for the Adult Education Initiative will support and stimulate the development of local evaluation projects and function as a national discussion partner for the municipalities. The Commission for the Adult Education Initiative also runs pilot projects in around fifty municipalities.

5.3.1.3 The Delegation

In terms of local evaluation work, the Delegation for the Adult Education Initiative took measures to stimulate the development of evaluation activities in the municipalities. Informational material "Evaluating the Adult Education Initiative" has been produced and distributed to municipalities. The Delegation also organised a number of seminars and themes around the Adult Education Initiative.

5.3.2 The Adult Education Initiative after six months

The major part of the Adult Education Initiative is carried out as upper secondary adult education. The investment has placed funds corresponding to 104 000 full-time places at the disposal of the municipalities. Preliminary statistics indicate that the municipalities during the second half-year of 1997 have carried out education corresponding to 97 600 full-time places, in addition to the 37 000 financed from their own resources. The total number of participants in October was 185 000. A large number of municipalities plan to increase their activity during the first half of 1998.

In addition to upper secondary adult education, the Adult Education Initiative provided in autumn 1997, 10 000 places in the folk high school, corresponding to 3 800 full-time places in basic adult education as well as 5 000 full-time places in advanced adult education.

Activities in Adult Education Initiative are a part of the normal follow-up work carried out by the National Agency for Education and Statistics Sweden into municipal adult education. In addition, the Delegation for the Adult Education Initiative receives information about activities carried out related to the state grant component. An independent national evaluation is co-ordinated by the Commission for the Adult Education Initiative.

5.3.2.1 Volume of education

Of those pupils registered as studying in upper secondary school, around 100 000 were admitted in the Adult Education Initiative.

5.3.2.2 Men and women

Of the pupils in the upper secondary school Adult Education Initiative, 67% are women and 33% men. 45% of the women and 55% of men are below 30 year of age. 17% of women and 22% of the men were born abroad.

5.3.2.3 Educational background

Those who participate in the Adult Education Initiative have different educational backgrounds. In the upper secondary Adult Education Initiative, 2% of the pupils have a folk high school education, 19% compulsory school education, 45% upper secondary school education maximum 2 years, 22% upper secondary school more than 2 years, and 11% have a post-upper secondary school education.

5.3.2.4 Share of students registered in AMS (the National Swedish Labour Market Board)

Of the pupils in the Adult Education Initiative 70% have been registered as unemployed some time during 1997. In other upper secondary school education, the corresponding figure was 48%.

5.3.2.5 Financial support

Of pupils participating in the upper secondary Adult Education Initiative, 35% receive a special educational grant (UBS). The share of pupils receiving UBS varies from 22% in large cities to 54% in rural areas. 30% of students finance their studies without using study support and study grants.

5.3.2.6 Form of education

90% of teaching in upper secondary education for adults is located in schools. Only one percent is carried out in the form of work-place training.

5.3.2.7 Time taken for studies

In the upper secondary school Adult Education Initiative, 64% of the participants study at least full-time compared to 33% in other forms of upper secondary education for adults. The highest number of full-time students in the Adult Education Initiative, 68% range in age from 25-29 years.

5.3.2.8 Educational organisers

The majority (82%) of upper secondary adult education is organised by the municipalities or county councils. The folk high schools cover 2%, study associations 4%, and other external organisers 12% of the upper secondary adult education.

5.3.3 Range of local variation

The municipalities have received state grants for education in the Adult Education Initiative after submitting proposals for projects. Projects are based on local conditions and needs, and both the organisation and contents of the activity reveal a wide range of variation.

All 288 municipalities run some form of education within the framework of the Adult Education Initiative. The municipalities have great freedom when choosing the orientation and organisation of the Adult Education Initiative. Local conditions and needs vary as a result of different factors such as educational levels of municipal inhabitants, industrial structure, population density and age structure. After six months, the municipalities show a wide range of variation both in terms of the supply of courses and the organisation of the Adult Education Initiative, as well as choice of educational organisers.

Jokkmokk, a typical sparsely populated municipality far up in the north of Sweden with 6 500 inhabitants has an industrial life dominated by forestry, hydropower and reindeer husbandry. Unemployment is high and traditional industries have a declining need for labour. By means of IT technology and under the slogan "Let's move knowledge, not people", a large part of the education in the Adult Education Initiative was carried out as distance education. The ambition is to make high quality education accessible to all people in the non-coastal areas of Norrland.

In the municipality of Nässjö with around 30,000 inhabitants, the wood industry is dominant. Small enterprises are the foundation of industrial life, but the municipality is the largest employer. The wood industry is slowly and steadily changing from manual to computerised production. In Nässjö, industrial life from the beginning has been an important partner in the Adult Education Initiative. A special Council of Industry consisting of representatives from Nässjö Näringsliv AB, the Educational Centre in Nässjö, the employment office as well as the municipality will together increase quality and flexibility in education, produce educational plans adjusted to the educational needs of companies and municipal employees.

Approximately one fourth of the students in the Adult Education Initiative are employed, a figure which is significantly higher than the national average.

Malmö in the south of Sweden is the third largest city with almost 240 000 inhabitants. One fourth of these have immigrant backgrounds. In order to reach the right target group for the Adult Education Initiative, an Infotek was established in the centre of Malmö and run as a joint project between the City of Malmö, the employment office and the University College of Malmö. The Infotek has a key function in terms of recruitment and the provision of counselling. The Adult Education Initiative has also purchased visiting services from LO (the Trade Union Organisation), SIF (the Swedish Industrial Salaried Employees' Association) and the Commercial Employee's Union. The trade union organisations have a number of full-time employees working on recruitment activities for the Adult Education Initiative in the City of Malmö. The municipality has a large proportion of inhabitants receiving social assistance. As part of the work of motivating people to study, the municipality has decided to let people who are dependent on social assistance study and retain their social assistance, and in addition get textbooks and other teaching material cost-free.

In the upper secondary school for health sciences in Sundsvall, the Adult Education Initiative provides education in the upper secondary school health care programme for 20 persons with low education

who work in the social services and 20 long-term unemployed. When the employees are sitting at their school desks for one month, the unemployed join their work teams and perform their work tasks. After one month they change, those who have been studying go back to work and those who have been working go back to studies. Normal salary is paid out during working time, during studies a special educational grant is paid out plus an additional contribution from the municipality. The average age is 40 which is considerably higher than the average age in the Adult Education Initiative.

In Norrköping, different educational organisers are co-operating over a project called the Knowledge Ring. Under the direction of the folk high school in Marieborg and in conjunction with study associations, the National Schools for Adults in Norrköping, and the municipality, education is organised for low educated persons in a housing area with a high density of immigrants, various types of social problems and a high incidence of ill-health. In the Knowledge Ring an environment has been created which is particularly suited for low educated persons. As a result of special resources for basic education in the Adult Education Initiative, it is possible to carry out education at that level and allow popular adult education teaching approaches to achieve a breakthrough.

5.4 FORESTRY PROJECTS - DISTANCE EDUCATION FOR LOW EDUCATED PERSONS

5.4.1 Background and conditions

Technological and organisational development in industry, technology and increasing decentralisation of working methods impose greater demands on responsibility, breadth of competence and expertise amongst employees. This is very largely the picture of the Swedish forestry industry. Investments in education and other forms of competence development are key factors for productivity improvements and competitiveness in companies. A broad consensus exists today on this standpoint which is strongly supported by research.¹⁶

Characteristic of the modern paper and pulp industry is a high concentration of capital and highly automated and computerised production. For the employees in the forestry industry, it is vital to be able to take advantage of developments in technology and have an understanding of the increasing importance of environmental work.

Competence development or in-service training carried out in the industry is largely based on the assumption that the personnel to receive further training should have completed upper secondary schooling. Shortcomings in basic knowledge in subjects such as mathematics, Swedish, English, chemistry and physics thus result in difficulties for employees to benefit from competence programmes. A large part of the personnel in the forestry industry are today responsible for advanced, computer-aided monitoring of the manufacturing process and yet have only an outdated compulsory school background.

Most company leaders and trade union organisations realise the importance of lifelong learning and that the company or organisation is a learning organisation. The problem lies in planning educational and development measures which in conjunction with an extensive motivation process, creates conditions for learning that are directly linked to work and become a natural part of the work.

The Forestry project, a co-operation project between employees, the trade union and employers in the Swedish forestry industry and a State educational organiser, the National Schools for Adults (SSV), demonstrates how it is possible to develop and implement education for employees. The idea behind the project was born at the end of the 1980s when the National Schools for Adults in Härnösand (SSVH) and "Skogsindustrins Utbildning AB i Markaryd", organised education in operations and maintenance for personnel in shift-work. The result was very good and the course participants' willingness to pursue further studies was stimulated. Many course participants also realised that they would have managed the course with much better results if they had better basic knowledge.

¹⁶ See e.g. Adler (1992), Osterman (1991), Rumberger (1994)

Based on existing needs and conditions and with the help of new study methods - distance education mediated by modern information technology - opportunities were created for employees to acquire further education. The project has been implemented as a result of joint financing between the Foundation for Knowledge and Competence Development, employers and the employees taking part in the education.

5.4.1.1 Aims and goals of the project

The aim of the project is to give shift-working personnel in the forestry industry education at an upper secondary level in the core subjects mathematics, chemistry, physics, Swedish and English. Tuition would be carried out mainly through distance education and with the support of supervisors and new technology in the form of computers and interactive video.

Education would take place mainly outside working hours, but in close connection to the work place or home.

Pulp and Paper is a processing industry with production that is highly computerised and automated. Working as an operator imposes great demands on technical knowledge. Companies have great difficulties in recruiting personnel with a three year upper secondary education, which in practice is the lowest theoretical educational background needed to manage the technology of the manufacturing process. Employees must also have good basic knowledge to acquire the necessary competence development and technical education in the work. By educating existing personnel in core subjects at the upper secondary level, the companies solve their problems and are able to get personnel with sufficient basic knowledge, at the same time as they retain the skills which the employees already have. Employees in the paper and pulp industry work shifts and have working hours that makes it impossible for them to carry out part-time studies in traditional adult education at the same time as they work. Socio-economic factors also make it more difficult to stay away from work and family too long. Longer absence from work would result in the loss of their current skills.

A long-term goal is to create good opportunities for employees to benefit from vocationally oriented modules and inputs in the education.

5.4.1.2 Steering group

The project is managed by a steering group consisting of representatives from:

- Educational organisers SSVH, the National Schools for Adults in Härnösand.
- SUM, Skogsindustrins Utbildning AB i Markaryd, an educational company owned by the forestry industry.
- The Swedish Pulp and Paper Workers' Union.
- ARBIO, the employers' association in the forestry industry.

SSVH are the educational organisers and the education is carried out in the form of contract education. Included in the school's project group are technicians, administrators and 7 teachers.

In January 1998, twelve paper mills are participating in the project. The paper mills are located all over Sweden and are typical of the industry in terms of capacity and number of employees.

The Swedish Pulp and Paper Workers' Union is participating in the project steering group. Local union sections participate in recruitment work via study representatives in each company, together with union representatives from the local reference groups in the companies participating in the project.

5.4.1.3 The recruitment work

The procedure for recruitment varied from factory to factory. Some have approached all personnel by sending out an application form and articles in personnel magazines. Others have given to the union, works managers, group leaders and work-shift leaders the task of disseminating information to their colleagues. The extent to which these methods of recruitment have influenced the selection of course participants or their impact on the results of the studies has not yet been evaluated.

5.4.1.4 Participants, students

In January 1998, 231 persons from twelve paper mills participated in the project. Out of a total of 360 participants from the start, 77 have completed a course in mathematics, 5 have completed a course in English and 3 in Swedish. New courses start during spring 1998. Up to January 1998, 45 course participants have dropped out of the programme. Most of the drop-outs were in English, 23 percent of those who started studies have stopped. The courses in mathematics have the lowest number of drop-outs, 6 percent. 85% of course participants are men and 15% women. The majority of the men study mathematics and chemistry, the majority of women study Swedish and English.

Distribution by age

24 years	25-34 years	35-44 years	45-54 years	55-64 years
3 %	29 %	40 %	24 %	4 %

5.4.1.5 Planning of education, premises etc

Included in the agreement with the participating factories is that the companies take responsibility for providing suitable premises in connection with workplace. The technical equipment consists of computers with multimedia capabilities, fax, telephone, Internet subscription with FirstClass video conferencing equipment. Computers, fax internet are intended for communication between course participants and teachers/supervisors between regular meetings, which in addition to a first personal contact between teachers and course participants, takes place via video conferencing.

Premises or “learning centres“ should be located close to the factory area so that the employee has access to premises with equipment and other teaching aids 24 hours a day. Each company has appointed a contact person who runs administrative contacts between company, course participants and SSVH. In addition each company should have one or more supervisors who can assist if any technical or computer problems occur.

5.4.1.6 Financing and costs

The Foundation for Knowledge and Competence Development granted SEK 1.4 million per year over three years to the project. These grants are paid out to SSVH who are organising the education.

The companies pay for the technical equipment and are responsible for premises and supervisors. The cost of this varies but amounts to around SEK 100 000-150 000 per company. Some companies have more course participants than agreed on at the beginning¹⁷ with the educational organiser and for these, the company pays a fee of SEK 5-6000 per course participant to the educational organiser (SSVH).

Since the employees study outside working hours, they help to keep down the cost of the training compared to what would have been the case if the education took place during working hours. In some companies persons who complete a course satisfactorily receive a bonus.

5.4.1.7 Evaluation

An activity and financial report is submitted to the Foundation for Knowledge and Competence Development within a month at the end of each activity year.

5.4.1.8 Benefits for the employed

There are many advantages for the students in this project compared to normal adult education. Course participants keep their work and study during their leisure time. They don't lose income from work or have to take a study loan. Distance education means that they can live at home during the study period and proximity to the learning centres means that they don't need to spend time travelling. After the education, they have better opportunities to participate in the in-service training supplied in the industry. They have a better opportunity to keep their jobs, get more satisfying work or new work

¹⁷ Max 15 course participants in each subject per user. Financed by the Foundation for Knowledge and Competence Development.

tasks with higher salaries. Many say that the personal satisfaction is great and that the studies result in better opportunities to support their own children in school work.

5.4.1.9 Benefits for the company/paper mill

Although different companies in the forestry industry are competing with each other, they have been co-operating for many years via SUM over in-service training, certified education and other competence raising measures for employees.

Company investments in computers, interactive video and educational premises, initiated by this project, will also be used for other forms of education or conferences. As a result companies when designing training programs do not incur alternative costs in terms of lost production or salary costs as happens with other forms of training.

The direct effects of investing in training are difficult to measure, but the general view is that training investments have provided good results. Not participating in training is also itself a cost, as a representative of one of the larger companies stated. Another company considered that if the training investments made it possible e.g. to reduce the costs of negative environmental effects or increased productivity, the financial return could be extremely great.

6 Development trends

The Swedish educational system is experiencing an intensive phase where reforms and development measures create opportunities for renewal at the same time as opportunities for both formal and informal learning are being significantly improved. The goal of these reforms is to bring about co-operation between policies for education, the labour market and industry in order to develop a coherent infrastructure in the area of education and lifelong learning. The most important elements of this development are:

- Pre-school currently being integrated into the educational system received its own curriculum in 1998.
- The reform of the upper secondary school from 1992-1996 has led to major changes. Almost all young people now continue to the upper secondary school where all programmes have been transformed into three year programmes and organised to provide basic eligibility to higher education. Co-operation with working life has been intensified, and a new form of apprenticeship training is under development.
- The number of places at university colleges and universities is being rapidly expanded. The Government has in recent times also put greater emphasis on the third task of higher education, so that in addition to research and education, it will also actively contribute to the development of the surrounding society.
- The Adult Education Initiative is a five year investment programme designed to give adults, mainly the unemployed but also employees and others, the opportunity to study at the compulsory and upper secondary school level. On an annual basis the programme corresponds to more than one cohort of individuals (100 000). The investment is a part of the Government's programme for halving unemployment by the year 2000. It is the individuals' need for education which is to steer the organisation of the education. The municipalities have the main responsibility for its implementation. Co-operation between municipalities, the labour exchange, the labour market partners and local industrial life is encouraged as well as the renewal of teaching methods.
- A smaller part of the Adult Education Initiative consists of a special programme for advanced vocational training and this is carried out by a commission. This programme provides further education at post-secondary level. It takes place through co-operation between educational organisers and one or more employers. Pilot projects have been underway during the period 1996-1999.
- Other important pilot projects run within the framework of the DUKOM commission in the area of distance education. On the basis of their evaluations of the pilot projects, the commission recently proposed measures for the future development of distance education mainly in higher and adult education.
- Structural Funds Objective 4 is an EU programme in the Social Fund which receives up to 50% financing from the Swedish State and the EU, and 50% from participating companies and administrations. The main aim is to develop in-company working organisations and the competence of personnel in small workplaces. The project will continue up to 1999.
- Labour market training which has been developed to provide specialist education to match supply and demand on the labour market, not least in the area of IT.

Financing for all these projects has been provided despite the fact that the Government has put into operation a sweeping programme for reorganising and strengthening public finances. Important redistribution has taken place by transferring funds from unemployment benefits to active educational investments.

The Government and the Riksdag carefully monitor the development, and the results from the different pilot projects are evaluated by different authorities and committees. The Commission for the Adult Education Initiative has, for example, the task of monitoring development in the area of adult education and lifelong learning and providing regular reports to the Government before presenting its proposals in a final report in year 2000 on how adult education and lifelong learning should be designed. The task of the Committee is to "decide on the responsibility to be placed on publicly financed education and working life for different types of educational programmes and formulate a proposal on the responsibility each individual should have for their own competence development".

Regarding the different types of study assistance which have traditionally existed in Sweden and which have been further diversified during this period of pilot projects, the Government has stated the policy that will be applied to study support until the year 1999/2000. The aim is to achieve a more coherent study allowance system involving i.a. a greater balance between total amount and grant levels for different groups of students and students at different educational levels.

The Government recently appointed a working group to draw up proposals on how the work jointly carried out by the labour market partners on increasing competence development in working life can be supported. The labour market partners are included in this group and the work should be finalised by 1998.

Based on the results of current pilot projects and the proposals which can be expected from the commissions appointed, it should be possible to move rapidly towards a genuine system for lifelong learning. With the current public resources already available in the different subsystems for education and learning, the financing of such a development should not be an insuperable obstacle.

6.1 CLOSING THE GAPS

The gaps identified in Chapter 2 are marginal. This means that:

- For those participating in upper secondary school, the age cohort will increase from 86% to 90%, which means that 4 000 additional annual places will be needed each year.
- In higher education the share of the population in the age group 20-54 with at least ISCED 5 will increase from 28% to 35%, that is 290 000 more persons should achieve this educational level. On the basis of decisions already made and budgeted for, this share will probably amount to 34% in year 2000.
- In adult education the share of the population in the age group 20-54 with at least ISCED 3 will increase from 52% to 60%, that is 340 000 more persons will achieve this educational level. On the basis of decisions already made and financed, the Adult Education Initiative will probably reach this level within the timetable of the project.

6.2 MECHANISMS

Even if the move towards a system for lifelong learning does not give rise to any insuperable financial obstacles, it is of course important that resources are used in the best way and that there are mechanisms to encourage high quality and effective utilisation of resources.

From a Swedish viewpoint, mechanisms which require further development include the following:

Active discussions on learning and changes in the conditions for learning in addition to satisfying new learning needs. In order to be successful the idea of lifelong learning must be deeply rooted in society. Media, schools, workplaces, popular movements and non-commercial organisations are important fora where this discussion must continue and policy be firmly established.

- Infrastructure. To effectively satisfy the need for education, learning and competence development, and provide genuine access to these, a number of requirements must be fulfilled regarding both the

supply of educational places and their financing so that individuals can take advantage of these opportunities without suffering financially. These include:

- Guidance, visiting activities and individual study and activity plans. Both in labour market and educational policy, greater attention has recently been given to the need for guidance and support to help individuals establish development plans where they can themselves take responsibility for implementing this.

Validating earlier knowledge - assessment and recognition of prior learning - is needed both when individuals come into the educational system "from outside" so they can be placed appropriately at the right level from the beginning of their studies, in teaching situations and when individuals move from one educational level to another. Validating knowledge could also be important in working life even though it is not directly related to the formal educational system.

- Preconditions for competition and co-operation between different educational organisers at different educational levels. It is important both in terms of teaching approach and organisation renewal, to develop an educational system that is flexible and sensitive to individual needs and where educational costs can be kept down.

- Open learning centres such as The Knowledge House, Direkten, The Study Workshop etc which municipalities have started introducing - often connected to distance education both at basic, upper secondary and post-secondary levels - seem to be a promising development trend.

- Purchasing competence not least amongst public authorities responsible for organising education - municipalities, labour exchanges etc.

- Reporting on the competence of employees. In terms of competence development at the workplace, it is important that there are routines and systems in place to make competence development visible and where personnel are positioned in terms of competence.

- Research and development into the preconditions for learning, teaching approaches, technologies, methods etc.

- Management by goals including national and local follow-up and evaluation as well as quality assurance, quality reports and quality development at all levels. At the national level this relates to the central authorities being appropriate and active discussion partners for educational organisers in their different areas of responsibility. In order to fulfil this function, they must both initiate their own and independent evaluations as well as build up relevant systems for statistics, indicators and reporting. In addition to monitoring and inspection functions.

Evaluations of local players are indispensable components of an effective development system. External evaluations can never in terms of rapidity and specific knowledge of local conditions replace the evaluations of local players.