

## Cedefop country factsheet

### Adult population in potential need of upskilling:

# Finland

**May 2019**

This country factsheet is produced by Cedefop as background material to the [Second Policy learning forum on upskilling pathways: a vision for the future](#). This country factsheet is based on preliminary results from Cedefop's project "the potential of WBL in developing upskilling pathways for adults" and will be finalised following outcomes of the Policy Learning Forum.

This factsheet has neither been edited nor proof read by Cedefop's editing service.

Further information:

<http://www.cedefop.europa.eu/en/events-and-projects/projects/adult-learning>

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## Introduction

Analysis of low-skilled status in the labour market to date has been primarily conducted using the level of educational attainment of the population. As widely acknowledged<sup>1</sup>, this definition does not take into account other factors which may lead to low-skilled status, such as:

- long-term unemployment and/or disengagement from the labour market;
- skill obsolescence due to ageing, technological change, changes in production processes and/or work organisation;
- gaps between individual job skills and changing skill demands of the labour market;
- socio-economic factors such as migrant background and gender.

Seemingly, a narrow conceptualisation of being low-skilled also fails to capture the role of skills and competences gained outside formal education environments, such as those acquired through training, informal learning and work experience. Within the limitations of systematic data available across EU countries, the following Cedefop analysis provides a multidimensional view of the phenomenon in a cross-national comparative perspective.

Box 1: Definitions and measure of low skilling used for this analysis

**EU28+:** EU Member States plus Iceland and Norway.

**Adult population / adults:** population aged 25-64.

**Low education:** completed ISCED (2011) levels 0-2 or ISCED 3 programmes lasting less than 2 years (LFS 2016).

**Low use of Internet:** last use of Internet was more than 3 months prior to survey interview or no internet use (CSIS 2015, 2014 for IS).

**Below basic digital skills:** among those with the last use of Internet less than 3 months prior to survey interview, individuals who have carried out activities in at most one of the four digital competence dimensions surveyed: information, communication, content-creation and problem-solving (CSIS 2015).

**Low digital skills:** either low use of Internet or below basic digital skills (CSIS 2015).

**Low literacy/ Low numeracy/ Low problem solving in technology-rich environments (PS):** proficiency levels  $\leq 1$  for literacy and numeracy; proficiency levels  $< 1$  for PS (OECD-PIACC).

**Risk of low skilling:** the probability of being low skilled for different socio-demographic groups. It is calculated as **absolute risk** (share of individuals with low skills among those of the same socio-demographic group); or as **relative risk** (share of low skilled in the socio-demographic group -absolute risk- over the share of low skilled among whole adult population).

**Low skilling gap:** difference between the incidence of the socio-demographic group in the total low skilled population and the incidence of the socio-demographic group in the total adult population.

**Performance index of low skilling:** relative risk of low skilling within the country over the relative risk of low skilling observed on average in EU28+ for the same socio-demographic group.

### Sources and country coverage

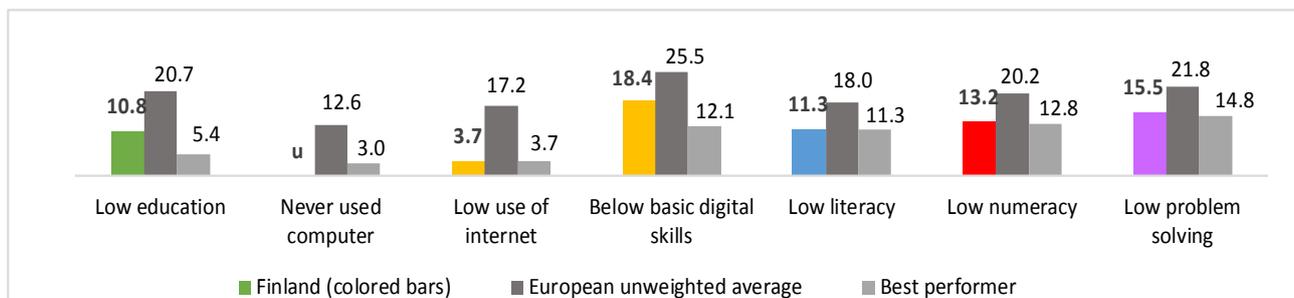
EU-LFS (Labour force survey) 2016 for education: EU28+; CSIS (Community Statistics on information Society) survey 2015 (2014 for IS) for computer, digital skills: E28 and NO; OECD-PIAAC (Survey of adult skills) 2012;2015 for literacy, numeracy (AT, BE, CY, CZ, DE, DK, EE, EL, ES, FI, FR, IE, IT, LT, NL, NO, PL, SE, SI, SK, UK), and problem solving in technology-rich environments (AT, BE, CZ, DE, DK, EE, EL, FI, IE, LT, NL, NO, PL, SE, SI, SK, UK). In PIAAC survey BE data refer to Flanders and UK data refer to England and Northern Ireland.

<sup>1</sup> Cedefop (2017). Investing in skills pays off: the economic and social cost of low-skilled adults in the EU. Luxembourg: Publications Office. Cedefop research paper; No 60. <http://dx.doi.org/10.2801/23250>.

## Magnitude of low skilling phenomenon

Adopting a more comprehensive analysis of low skills, according to a broader set of skills for which data are available, **in Finland the incidence of low skilling among adults is lower than those observed on average in the EU28+ countries in all the skills domains considered, for which reliable data is available**: educational attainment, Internet and digital skills, cognitive skills (literacy and numeracy), problem solving in technology-rich environments (Fig. 1). Moreover, Finland shows the lowest share of adults with low use of Internet among the European countries surveyed by CSIS with reliable data and the lowest share of adults with low literacy skills among the countries surveyed by PIAAC. The country presents also a relatively low share of adults with low educational attainment levels, low numeracy skills and low problem solving in technology-rich environments.

Figure 1 – Incidence of low skilling among adults aged 25-64 by type of skills (%)



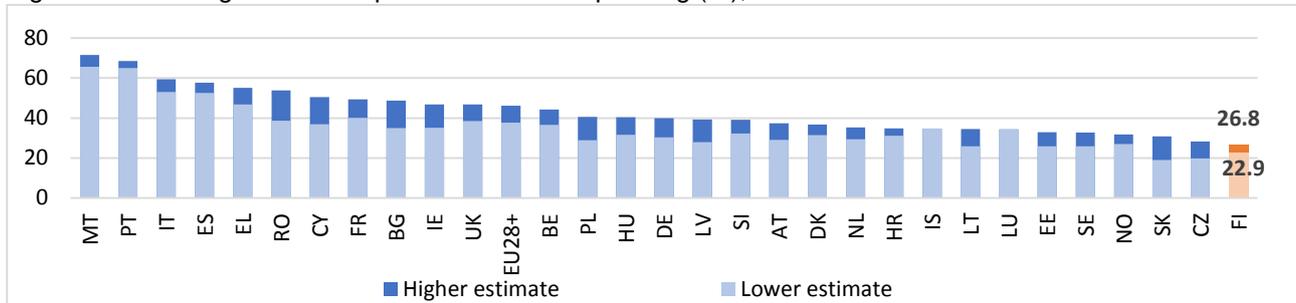
Note: European average: unweighted average of EU28+ countries for which data are available. u: unreliable data. Best performer countries (those with reliable data) with the lowest share of low-skilled adult population aged 25-64. Best performer: Low education (LT), Never used computer (NL), Low use of Internet (FI), Below basic digital skills (LU), Low literacy (FI), Low numeracy (CZ), Low problem solving in technology-rich environments (NO)

## Estimation of the adult population in potential need of upskilling

On the basis of the above data, **in Finland the share of adult population in potential need of upskilling is estimated to range between 22.9% and 26.8% of its total adult population, that is to say from 647 to 749 thousand adults, depending on the measure of digital competences considered**. The estimation of the populations in potential need of upskilling includes adults with very low skill levels in at least one of the following domains: education (attainment), literacy, numeracy and digital competences (considering only those who never used computer for the lower estimate; considering those with low use of internet and those with below basic digital skills for the higher estimate). Moreover, among those in potential need of upskilling are also medium-high educated individuals having a potential risk of skill loss because they work in low skilled occupations (they account for 2.9 percentage points in the total estimate).



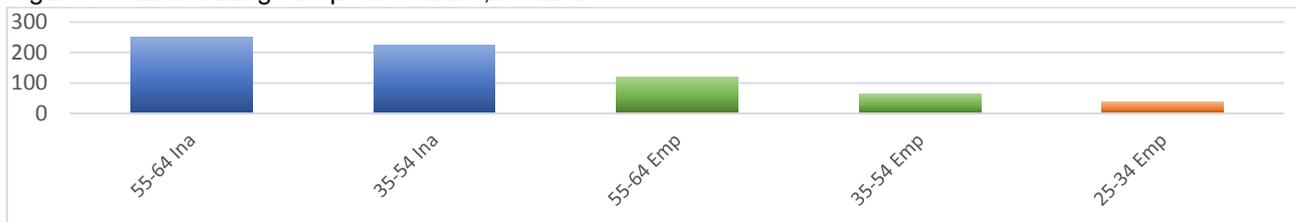
Figure 2- Adults aged 25-64 in potential need of upskilling (%), EU28+



Note: Population in potential need of upskilling (estimate): adults with either: low education; low digital skills (higher estimate) or never used computer (lower estimate); low literacy and/or low numeracy; as well as medium-high educated (ISCED2011 level 3 2-year+ to level 8) at risk of skill loss, working in elementary occupations- ISCO08 level 9). For countries not surveyed by PIAAC (BG, HR, HU, IS, LU, LV, MT, PT, RO), low cognitive skills (low literacy and/or low numeracy skills) is assumed to be equal to the average level observed in surveyed countries. EU28+ EU28+: population weighted average.

**Looking across the population, in Finland low skilling is particularly high among inactive people.** Among the total number of people in need of upskilling for which reliable data is available, the population groups most in need of upskilling are: inactive people aged 55-64 and 35-54, followed by employed aged 55-64. They all present on average the highest share of low skilling in all domains considered: education, digital skills (i.e. low use of Internet or below basic digital skills), literacy and numeracy (all these groups have a composite index above 100, Fig. 3).

Figure 3 – Low skilling composite index\*, Finland



Note: \*Low skilling composite index: calculated as the arithmetic mean of the relative risk of being low skilled in four domains: Low Education; Low Digital skills; Low literacy, Low numeracy. For each skill domain, the relative risk is calculated as the share of low skilled in the socio-demographic group over the share of low skilled among adults aged 25-64 in the country. Values of the index below 100 indicate a lower than average risk; values above 100 indicate higher than average risk. Data unavailable/unreliable for subgroups: unemployed 25-34; unemployed 35-54; unemployed 55-64; inactive 25-34.



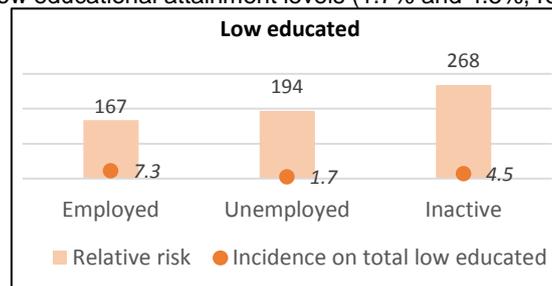
Box 2 – Risk of low skilling among foreign-born adults

According to the EU- Labour Force Survey in Finland foreign-born residents (2016) accounted for 6.9% of the total population aged 25-64, of which 63% were born outside the EU28. Foreign-born adults account for 13.5% of the population with low education. Data for literacy and numeracy skills is not available. Foreign-born people present a higher than average risk of being low educated.

Foreign born aged 25-64	Low education
Incidence on the low skilled population (%)	13.5
Low skilling gap*	6.6
Absolute risk (%)	21.1
Relative risk within the country	195

\* Difference between the incidence on the total low skilled population and the incidence on the total population

The breakdown by employment status shows that the risk of having a low educational attainment level is particularly high among foreign-born people out of the labour force (168% higher than the average level registered in the country) and among unemployed (94% higher). Nevertheless, foreign-born unemployed and inactive people account for a small share of the total adult population with low educational attainment levels (1.7% and 4.5%, respectively).



Box 3 – Risk of low skilling among adult women

In Finland, women account for approximately 40% of the adult population with low education, for about 47-48% of the population with low digital skills and low literacy, and for 52% of the population with low numeracy.

Among adult women, the absolute risk of low skilling is higher for digital skills (22%) as compared to the other skill dimension considered. However, when compared to the average risk (relative risk of low skilling) women show a higher risk of having low numeracy (6% higher).

The breakdown by employment status shows that the relative risk of low skilling is higher among women out of the labour force (inactive) and among unemployed women in all the skill dimensions considered. Low skilled inactive adult women represent between 17% and 23% of the low skilled adult population, depending on the skill dimension considered.

Females aged 25-64	Low education	Low digital skills	Low literacy	Low numeracy
Absolute risk of low skilling among fem 25-64 (%)	8.8	21.6	10.5	13.6
Relative risk of low skilling: total fem 25-64	81 (39.9)	98 (48.5)	94 (46.5)	106 (52.3)
Relative risk: unemployed fem 25-64	120 (3.3)	168 (7.2)	u	137 (1.9)
Relative risk: inactive fem 25-64	178 (18.7)	153 (16.6)	231 (22.7)	234 (23)
Relative risk: employed fem 25-64	49 (17.8)	72 (24.6)	59 (22.6)	72 (27.3)

(incidence of low skilled females 25-64 on total low skilled population in %). u:unreliable data.

## Risk of low skilling and labour market status

The following tables and figures below illustrate the absolute risk and the relative performance index of low skilling across four domains (education, digital skills<sup>2</sup>, literacy and numeracy) by labour market status. The absolute risk for each socio-demographic group shows the probability of being low skilled for the individuals in that socio-demographic group (Tables 1, 2, and 3). The relative performance index of low skilling shows how the socio-demographic group performs (in terms of low skilling) with respect to the European average<sup>3</sup>. The calculated values of this index are represented in Figures 4, 5 and 6 (values above 100 indicate a worse performance of the group with respect the European average; values below 100 indicate a better performance).

### Risk of low skilling among unemployed people

**Among the unemployed, the group most at risk of having low educational attainment level are individuals 55-64** (Tab. 1). Unfortunately, at this level of detail information on digital skills and on cognitive skills (literacy and numeracy) is not reliable for Finland.

The following table (1) presents the **absolute risk** of being low skilled by age for the unemployed and the absolute risk registered by the whole adult population (25-64) in the country and in Europe.

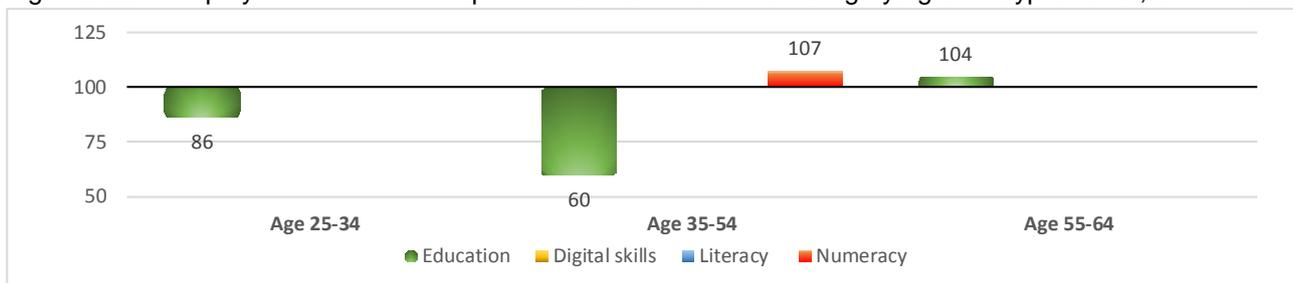
Table 1- Unemployed adults: absolute risk of being low skilled by age and type of skill, Finland

Age	Education	Digital skills	Literacy	Numeracy
55-64	 21,0	u	u	u
35-54	 11,0	u	u	 20,9
25-34	 11,7	u	u	u
Total pop 25-64: Country average	 10,8	 22,1	 11,3	 13,2
Total pop 25-64: European average	 23,2	 43,0	 20,8	 24,3

Note: European weighted average: Education (EU28+); Digital skills (EU28, NO); Literacy and Numeracy (AT, BE, CY, CZ, DE, DK, EE, EL, ES, FI, FR, IE, IT, LT, NL, NO, PL, SE, SI, SK, UK). u: unreliable data.

Unlike the absolute risk, the **relative performance index** of low skilling (Fig. 4) evidences country critical areas (those above 100) for socio-demographic groups as compared to the performance they register on average across Europe. In Finland, for instance, unemployed individuals aged 35-54 have a higher relative risk of having low numeracy as compared to the relative risk observed on average by the same group in Europe, while those aged 55-64 have a higher relative risk of having low education.

Figure 4 – Unemployed adults: relative performance index of low skilling by age and type of skill, Finland



Note: **Relative risk of low skilling within the country over the relative risk of low skilling observed on average in EU28+ for the same socio-demographic group.** Values of the index below/above 100 indicate that the relative risk of low skilling for the specific socio-demographic group in the country is lower/higher as compared to the relative risk for the specific socio-demographic group in the EU average.

<sup>2</sup> Low use of Internet or below basic digital skills (see box 1).

<sup>3</sup> The countries considered in the European average change according to the database and skill considered: EU28+ for education (EU-LFS 2016); EU28 plus NO for digital skills (CSIS 2015); AT, BE, CY, CZ, DE, DK, EE, EL, ES, FI, FR, IE, IT, LT, NL, NO, PL, SE, SI, SK, UK for literacy and numeracy (OECD-PIAAC 2012;2015).



### Risk of low skilling among inactive people

Among inactive adults, the groups most at risk of low skilling are people aged 55-64 and 35-54 in all the skill dimensions considered, when compared to both the country and the European averages (Tab. 2).

The following table (2) presents the absolute risk of being low skilled by age for inactive individuals and the absolute risk registered by the whole adult population (25-64) in the country and in Europe.

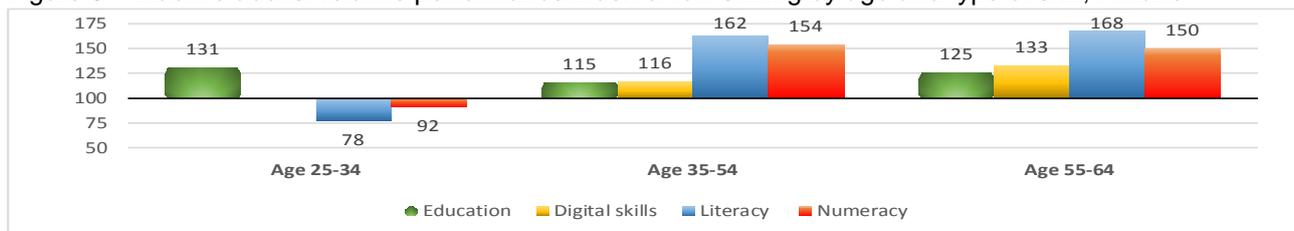
Table 2- Inactive adults: absolute risk of being low skilled by age and type of skill, Finland

Age	Education	Digital skills	Literacy	Numeracy
55-64	24,3	51,7	31,7	32,5
35-54	23,3	36,7	27,9	34,9
25-34	18,5	u	9,6	15,2
Total pop 25-64: Country average	10,8	22,1	11,3	13,2
Total pop 25-64: European average	23,2	43,0	20,8	24,3

Note: European weighted average: Education (EU28+); Digital skills (EU28, NO); Literacy and Numeracy (AT, BE, CY, CZ, DE, DK, EE, EL, ES, FI, FR, IE, IT, LT, NL, NO, PL, SE, SI, SK, UK). u: unreliable data.

Unlike the absolute risk, the relative performance index of low skilling (Fig. 5) evidences country critical areas (those above 100) for socio-demographic groups as compared to the performance they register on average across Europe. In Finland, for instance, inactive adults have a higher relative risk of having low education as compared to the relative risk observed on average by the same groups in Europe. Moreover, those aged 35-54 and 55-64 have a higher relative risk of having low digital skills, literacy and numeracy.

Figure 5 – Inactive adults: relative performance index of low skilling by age and type of skill, Finland



Note: Relative risk of low skilling within the country over the relative risk of low skilling observed on average in EU28+ for the same socio-demographic group. Values of the index below/above 100 indicate that the relative risk of low skilling for the specific socio- demographic group in the country is lower/higher as compared to the relative risk for the specific socio- demographic group in the EU average.

### Risk of low skilling among employed people

Among employed adult, the group most at risk of low skilling are people aged 55-64 in all the skill dimensions considered, apart from numeracy. Whereas, the other two groups show a lower risk of low skilling both compared to the country and to the European average (Tab. 3).

The following table (3) presents the absolute risk of being low skilled by age for employed individuals and the absolute risk registered by the whole adult population (25-64) in the country and in Europe.

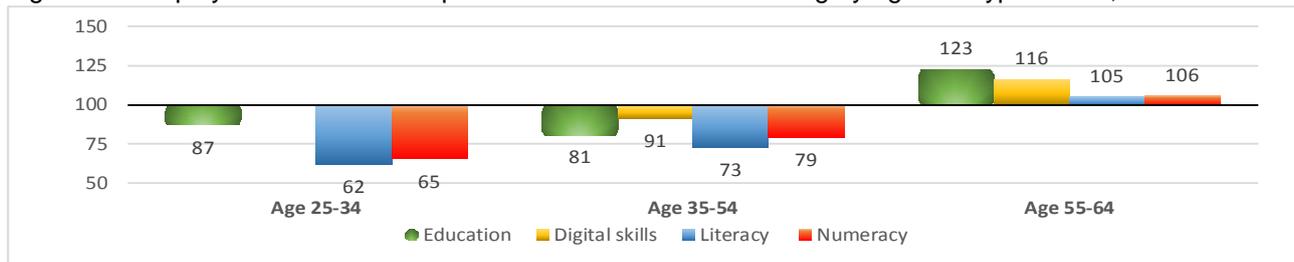
Table 3- Employed adults: absolute risk of being low skilled by age and type of skill, Finland

Age	Education	Digital skills	Literacy	Numeracy
55-64	13,2	29,1	13,1	14,0
35-54	6,7	17,0	6,5	7,9
25-34	5,1	u	4,0	4,8
Total pop 25-64: Country average	10,8	22,1	11,3	13,2
Total pop 25-64: European average	23,2	43,0	20,8	24,3

Note: European weighted average: Education (EU28+); Digital skills (EU28, NO); Literacy and Numeracy (AT, BE, CY, CZ, DE, DK, EE, EL, ES, FI, FR, IE, IT, LT, NL, NO, PL, SE, SI, SK, UK). u: unreliable data.

Nevertheless, the **relative performance index** of low skilling (Fig. 6) evidences country critical areas (those above 100) for socio-demographic groups as compared to the performance they register on average across Europe. In Finland employed adults aged 55-64 have a higher relative risk of low skilling in all skill dimensions considered as compared to the relative risk observed on average by the same group in Europe.

Figure 6 – Employed adults: relative performance index of low skilling by age and type of skill, Finland



Note: **Relative risk of low skilling within the country over the relative risk of low skilling observed on average in EU28+ for the same socio-demographic group.** Values of the index below/above 100 indicate that the relative risk of low skilling for the specific socio-demographic group in the country is lower/higher as compared to the relative risk for the specific socio-demographic group in the EU average.