

UNIVERSITIES KEY MESSAGES FOR THE GOVERNMENT BUDGET NEGOTIATIONS

1) RESPONSES TO THE EXPERT SHORTAGE

a) Raising the educational attainment level

Raising the level of educational attainment is essential. The expert shortage is a significant obstacle to the achievement of Finland's productivity growth and RDI objectives and investments. In the 21st century, the share of young people with a higher education degree in Finland has not increased, and it has fallen significantly behind the OECD average.

There are several reasons for the stagnant level of education. Cuts to the basic funding of higher education institutions is a key factor. Taking into account changes in the value of money, university funding relative to the number of master's degrees awarded has fallen by more than 30% since 2010. Higher education institutions have been able to keep the number of degrees awarded stable and even rising in recent years, for example by improving their efficiency, but the limits of their education capacity are being reached. In terms of funding relative to the number of students, Finland is 20–30% behind other Nordic countries.

Finland must aim to become a European leader in the share of young people with a higher education degree by 2035. In addition to increasing the share of highly educated people, quality of education must be maintained. Funding relative to the number of students for higher education institutions must reach the Nordic level. An important and far-reaching measure to boost economic growth is to launch parliamentary work that extends beyond parliamentary terms to raise the level of educational attainment with adequate resources.

b) Helping international talent integrate into the labour market

In addition to raising the level of educational attainment, employment-oriented, education-based immigration is a key means of responding to the expert shortage. The net impact of international students on the Finnish economy is positive and will grow as more people stay in Finland after graduation¹. We must to increase the number of international students and to make staying in the country and finding employment as easy and smooth as possible.

Internships and work periods have proven to be good ways to increase students' attachment to working life. Unifi proposes launching a pilot project to fund the summer jobs/internships of new international students from employment support funds and to conduct an impact assessment of the pilot's implementation. The decision on the continuation should be based on the results of the assessment.

¹ <u>Selvitys suomalaisen koulutusviennin taloudellisesta arvosta [Report on the economic value of Finnish education export] (Suhonen et al, 2022)</u>



2) PROMOTING AMBITIOUS RESEARCH AND INCREASING RESEARCHER TRAINING

So far, additional funding under the R&D Funding Act has mainly been allocated to Business Finland and the Research Council of Finland. While the funding is justified and important, direct allocations to universities in accordance with the policies of the Parliamentary RDI Working Group and the Government Programme are now also needed so that the potential of the RDI system can be realised and the objectives set for R&D activities on supporting sustainable economic growth and economic reform can be achieved. For universities to apply for and participate in more joint R&D projects, additional resources are also required for their own R&D activities, not least due to the self-financing conditions of the projects.

a) Allocating funding to strengthen the R&D activities of universities

The foundation for conducting internationally high-quality, pioneering university research must be strengthened. Finland needs more ambitious and high-quality research that enables the emergence of new and radical innovations in both the private and public sectors.

Research conducted at the forefront of science and cooperation based on it are the foundation for renewal and enable business based on new ideas as well as innovations in the public sector. Unifi calls for **decisions to raise the long-term funding for the R&D activities of universities.**

Unifi proposes that additional R&D funding for universities should be targeted for instance RDI periods among university research staff aimed at business cooperation, increasing the number of high-quality research projects as well as strengthening research infrastructures.

b) Strengthening researcher training

More R&D experts are required to increase the number of ambitious R&D activities and to make efficient use of funding.

Universities educate researchers to the needs of society as a whole. Universities are in the process of reforming their researcher training. The aim is to increase the appeal of researcher training and the number of flexible pathways to training, strengthen its relevance to working life and employment opportunities and speed up graduation.

Now, resources are needed to increase the number of doctoral researchers in the long term. According to estimates, at least 14,000 new doctors will be needed for research and development tasks by 2030². The fixed-term pilot programme for doctoral education at universities (2024–27) will produce 1,000 new doctors on top of the current doctoral programmes, which is a good start. The pilot funding ends in 2027. **Decisions must be made to increase the amount of doctoral education and its funding in the long term.**

² <u>Multi-annual plan for the use of research and development funding: Final report of the Parliamentary RDI Working Group 2022</u>