

Sweden Country Summary

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Please note: The majority of the information in this document was taken directly from the Sweden Background Report (National Advisory Committee for the Ministry of Education and Science, 2003) that was written for the publication of *Teachers Matter: Attracting, Developing and Retaining Effective Teachers* (OECD, 2005). Country representatives provided additional information. This country profile was created for the Aspen-OECD Bellagio Seminar, How Can Teacher Policies Improve Student Learning? October 17-20, 2006, Bellagio, Italy.

Sweden

Country Summary—General Facts and Information

Population: ~9,000,000

Education expenditures:

- As a percentage of GDP (includes primary, secondary and tertiary): 6.5% (6.3% public; 0.2% private)
- Per pupil expenditure in US dollars (2001) (includes primary, secondary and post-secondary non-tertiary): \$6,372 (OECD, 2005b)

Teacher demographics (~95,000 teachers):

- Gender distribution (% female): Primary: 80%; Lower secondary: 63%; Upper secondary (all programs): 51%
- Percentage of unqualified teachers: >10% (OECD, 2005c)
- Salary after 15 years experience (equivalent US \$): \$30,000 (OECD, 2005)
- Trends:
 - Demand for new teachers recently larger than the supply
 - Shortages in math/science/vocational education
 - Significant proportion upper-secondary teachers retiring in 10-15 years

Student demographics (~1 million students):

- In public institutions: 93%
- Eligible for free school meals: n/a
- Minority ethnic population: n/a
- Native language other than Swedish: ~14%
- Graduation rate (2003) (Upper secondary): 77% (OECD, 2005a)
- PISA Math mean score: 509 (above OECD average) (OECD, 2005a)
- Trends:
 - Increasing diversity of student population
 - All population growth due to immigration

Structure of the education system:

- Governance (dramatic change occurred in 1990s—decentralization of the system):
 - Parliament and Government set policy and objectives and monitor performance.
 - Local authorities assume primary responsibility for providing education (allocate resources, organize and operate schools) while national government assumes a guiding/monitoring/supporting role.
- Teacher employment:
 - Teachers are employed by local authorities through individual contracts.
 - Preparation (revised in 2001) varies between 3.5 and 5 years; includes general education studies, subject knowledge, and specialization; independent research thesis is required (scientific approach); clinical experience (20-30 weeks).
 - Unionization: Most teachers belong to two large unions.
 - National collective bargaining contracts govern working time and conditions of employment; local agreements specify time/conditions; teachers have individual contracts.
- Average class size: n/a

Curriculum and Assessment:

- National objectives are provided and supplemented by local objectives.
- Content, organization of work, and methods are determined at the school level.
- Compulsory subjects are set by the national objectives.
- National assessment involves Swedish, English and math at grades 5 and 9.

Current Education Reform Context in Sweden

This section summarizes current education reform initiatives in order to provide a sense of the education reform context for the discussion of teacher policy initiatives that follows.

Decentralization

- Over the past fifteen years, Sweden's education system has undergone the most extensive reforms in its history.
- The education system is now decentralized and deregulated to allow for local independence.
- The goal of this reform process was to create a more flexible education system that promotes change and innovation.
- Current (decentralized) structure:
 - The national level is responsible for setting national goals (curriculum and syllabi) and monitoring, evaluation and supervision. In addition, the national government develops national tests and grading criteria to support teachers and the marking system.
 - Local governmental authorities are responsible for the provision of education services (allocating resources, organizing and operating school services, adopting local educational objectives).
 - Headmasters and teachers are responsible for delivery of content and results.
 - Ongoing evaluation (and making changes in response) is emphasized throughout the system.

Focus on Quality in Education

- In 2003, the National Agency for Education was separated into two agencies. One agency is focused on evaluation and school inspection, and the other is focused on supporting the development/reform of the system and local institutions.
- The monitoring agency evaluates schools on a six-year cycle. Local governments and schools are also required to monitor and report on quality.
- New curricula have been devised for compulsory school and upper secondary school.
- The first pre-school level curriculum has also been developed.

Review of the Education Act

- With the decentralization of the system, a commission was established in parliament to review the Education Act in light of this large-scale change. This commission proposed a dramatic revision of the Act which will be considered by Parliament in 2006-07.

Tertiary Education

- Major efforts have been made to accommodate the increasing need for expanding undergraduate education (the number of students has doubled in 15 years).
- Efforts have been made to recruit and encourage new groups to obtain tertiary education.

Teacher Education Reform

- A new teacher education system was launched in 2001 with the goal of creating a system more closely linked to real school life.
- Deep subject matter knowledge and a grounding in educational research for all prospective teachers are key elements.
- These changes are partially in response to a sense that in order to attract quality applicants, the program of study must be as rigorous as that of other professions.

National School Improvement Agreements – Joint Labour/Management Reform Effort

- The conditions of employment for teachers (pay and working time) are governed by National School Improvement Agreements between the employers' organization and teachers' unions.
- In 1995 (and again in 2000), these national agreements were expanded to include issues of school reform in addition to working conditions and pay.
- This expansion "broke new ground" by focusing explicitly on the need for change in the education system and by committing all parties to sharing responsibility for this reform.
- Both employee and employer organizations attach great importance to these agreements and see themselves as jointly responsible for bringing about change which will attract, recruit and retain teachers.
- There have been three agreements:
 - The *First Agreement* (1995-2000) included skill development for teachers and headmasters, more flexible work organizations, research, exchanges with business, and mentoring arrangements for teachers.
 - The *Second Agreement* (2000-2005) builds on the prior agreement focusing on teacher involvement in achieving objectives set by national and local government. The areas for improvement include: pupil influence, work organization, working time, work environment, skills development for teachers and induction programs for new teachers.
 - The *Third Agreement* (2005-2007) builds on the second agreement with some changes to salary increases and other technicalities.
- These agreements also abolish the fixed pay scheme and create a system of individualized pay for teachers. This individualized pay system is discussed in great detail later in this document.

Sweden Teacher Policy Highlights

Attracting and Supporting New Teachers

Recruitment:

- *Declaration of Intent (1998):*
 - Key stakeholders signed agreement to promote the development of and recruitment to the teaching profession (signatories include ministers of education, the teachers' unions, headmasters' association and the association of local authorities)
 - The goal was to recruit competent teachers by emphasizing that:
 - Schools need to be seen as attractive workplaces.
 - The teaching profession needs to be linked to research and skills development.

Induction:

- As a part of the National School Improvement Agreements between school authorities and unions, induction programs are to be provided for first-year teachers.
- A trained mentor is provided to each new teacher, and time is allotted for the pair to meet and discuss teaching practice.
- A study (National Union of Teachers) found that not all new teachers are assigned a mentor and not all feel supported in their first year.

Improving Schools as Places to Work and Learn

Ongoing Professional Development:

- The critical role of professional development is recognized, and the local authorities are responsible for providing it.
- 104 hours are to be set aside for skill development for each teacher per school year.
- Use of this time is determined by the school and individual teacher's needs and may include: in-service training, group discussions, visiting other classes, evaluation, supervision, etc.
- *The Attractive Schools Project (2001-06):*
 - Collaboration of the ministry, unions, and associations of heads of schools aimed at making schools attractive workplaces.
 - Competition for which all local authorities were invited to apply with ideas for creating attractive work places. Of 113 authorities, 34 were chosen.
 - The goal is to share lessons learned by authorities in the project with others.
 - Most schools are focused on creating work places that support:
 - growth and improvement,
 - career opportunities for teachers, and
 - school partnerships with universities and business.

Leadership programs:

- In response to the great changes taking place in the education system, a number of programs have been initiated (by the Government and by other organizations) to contribute to the development of the headmaster role and skills.

Improving Pay and Career Opportunities

Individualized Pay:

- As described above, the conditions of employment for teachers (pay and working time) are governed by national school improvement agreements between the employers' organization and teachers' unions.
- Beginning in 1995, these agreements have made changes to working conditions/pay.
- As of 2000, rather than a fixed pay scheme, teacher pay is determined locally on a teacher-by-teacher basis. (The pay system is described in detail in the next section.)
- This pay system:
 - allows school managers to make strategic use of resources in hiring teachers with the skills the school most needs, and
 - allows school managers to reward teachers for excellent work and student improvement.

Focus on Current Teacher Policy Initiative Individualized Pay

NOTE: This description of the individualized pay system in Sweden is taken directly from a paper written for the International Institute for Educational Planning: *Teacher Policy Reforms in Sweden: The Case of Individualised Pay*, by Annelie Strath (see references for full citation).

Overview

In 1995, the first of three national agreements was reached between the employer organization (SALA) and the two teacher unions that dramatically changed the Swedish pay system for teachers by replacing the fixed pay ladders with an individualized pay system. Under this new system, periodic national agreements set out the guidelines for teacher pay, but individual teacher salaries are determined locally on a teacher-by-teacher basis. The agreements have thus far stipulated an increase in national expenditures on total teacher salaries (20% increase during the first five years of the agreement), a minimum salary level, and general criteria to consider in evaluating teachers. Beyond those guides, the local municipality or school (sometimes in conjunction with the union as described below) has the flexibility to determine an individual teacher's pay. The goals of this policy change were 1) to improve the efficiency, productivity and quality of the education system by providing local managers the responsibility for setting pay in alignment with local needs, 2) to link teacher performance with pay, and 3) to improve teacher retention and recruitment.

Context

The 2000 agreement, which abolished the fixed pay scheme, was the result of many years of negotiations. Not only was this reform in accordance with the public policy direction in Sweden in general, but individualized pay is consistent with the decentralization of the Swedish education system in the 1990s.

With the decentralization of the education system in the 1990s (described on page 3), municipalities became in charge of running the schools. While they had increased control over school budgets and other operational decisions, they lacked control over teacher salaries and working hours which were set in central agreements. This proved to be a major obstacle for achieving efficiency when there was an economic downturn in the 1990s. The local municipalities sought control of teacher salaries in order to reward effective teachers and make the best use of valuable resources. It is important to note that with the decentralization of the

system, principals became accountable for the achievement of their schools. This accountability increased the need and likelihood of implementation of an individualized pay system.

Three factors created a situation in which the teacher unions became amenable to moving to an individualized system: 1) the two major teacher unions decided to work together on important issues, 2) the economic crisis created a deadlock in salary negotiations where municipalities were unlikely to improve teacher salaries without moving to individualized pay; and 3) the unions decided to engage in school reform efforts.

Key Elements/Further Explanation of the System

The National Agreements

Three national agreements have transitioned Sweden's teacher pay system from a fixed pay ladder to a individualized system. The goal of the first agreement was to allow the municipalities and schools to adjust to the new conditions and the second agreement assumed that schools would implement individualized pay. The third agreement is a continuation of the second with slight modifications.

- *The First Agreement (1995-2000):*
 - This agreement divides teacher working time into two components (regulated and unregulated). During regulated time, which is over 70% of the total, teachers must be at the employer's disposal in school. During unregulated time, they may work on their own.
 - The goal is to allow more flexibility for teachers to accomplish what they see as necessary for their pupils' learning.
- *The Second Agreement (2000-2005):*
 - Abolishes the previous fixed pay scheme and pay ladders in order to link pay to performance and to address labor market pressures on pay.
 - Establishes limited guarantees for teachers' pay trends (a minimum salary after one year, minimum raises guaranteed).
 - Creates the following pay scheme:
 - Salaries are revised once a year in local negotiations between either the teacher and manager (dialogue method, see below) or the manager and the union (traditional negotiation).
 - Teachers are to be evaluated against a set of criteria set locally to match local educational objectives, and effective teachers are to be rewarded for meeting those criteria.
 - Managers are also expected to use this discretion in teacher salaries to recruit and retain teachers they need in certain subjects or of certain quality.
- *The Third Agreement (2005-2007):*
 - Minimum salary is guaranteed only for pre-school teachers, leisure time teachers, primary school teachers and teachers specializing in mother tongue education. The minimum salary for all other teachers has been abolished.

- There are guaranteed raises for only the first two years (2% raise in 2005 and 2006 for each union collectively and for each municipality.)

How the Wage-Setting Process Works

The local municipalities and teachers have the right to select either the *dialogue procedure* or *traditional negotiations* for setting teacher salaries. Under the dialogue procedure, the teacher and closest manager (usually the school principal) annually discuss the teacher's performance on objectives. The manager then sets the teacher's salary as part of this review process. In this system, the principal presents the teacher with a pay plan that is then reviewed by the union. If the union agrees to the plan, it is accepted. Alternatively, the trade union can call for traditional negotiations for that teacher's salary. This means that the union will negotiate with the school manager to determine the teacher's salary. (Note: Under both methods, salaries are set on a teacher-by-teacher basis.)

There are two potential methods for setting the salary because all stakeholders feel that not all municipalities and/or managers are prepared to handle the individualized pay reviews. Therefore, a request from either the union or the municipality for using traditional method of negotiations takes precedence over the use of the dialogue method. The ultimate goal of all parties is to grant more autonomy on setting pay levels to the school managers, and the expectation is that the use of the dialogue method will ultimately replace traditional negotiations.

Outcomes of Note

- Approximately 1/3 of municipalities use the dialogue procedure, 1/3 use the traditional method of negotiation, and 1/3 use a mixture of the two methods. (Those not following the dialogue procedure report lack of trust among parties as the reason or a lack of understanding of how to implement the system.)
- A recent study carried out by the largest union reports that 60% of teachers are now in favor of individualized pay compared to less than a third in a study from 1999.
- Most municipalities have developed a teacher evaluation instrument that is consistent with local educational goals. These criteria, however, are usually quite vague and few utilize student achievement criteria. This is currently an area of focus for continued improvement in many municipalities.
- Since the inception of the system, the spread between the salaries of the bottom 10% and top 10% of teachers has not become wider as might be expected with such a system.
- It appears that individualized pay may have contributed to reducing shortages of teachers in some areas.
- There has been an increase in the rate of transfer (50% increase) of teachers to a nearby municipality for a higher salary (resulting in municipalities setting some limits on salary).
- There are anecdotal reports from principals that new teachers under this pay system seem more concerned with economics than with ideological reasons to teach.

- Qualitative studies suggest the development of criteria for evaluation for use in the individualized pay system has been an effective school improvement strategy. In addition, these studies suggest there is more of a focus on the role of teacher and what they are supposed to do.

Implementation Challenges and Lessons

- Individualized pay requires thorough training of all local managers in the procedure; this has been a challenge in many municipalities and a reason the unions have used traditional negotiations.
- The devolution of authority with regard to pay has caused power struggles among local stakeholders.
- Successful implementation of the performance-based part of the system requires clear incentives for those involved in the process. Therefore, holding principals accountable for school results is crucial.
- It is critical to have clearly defined criteria on how to evaluate teacher performance and clear objectives for schools.
- Schools and municipality need to have adequate and equitable financial resources or the individualized pay system will lose credibility and potentially create inequitable conditions for hiring/retaining teachers.

For further details, consult Strath (December, 2004). A copy of this study can be found at:

<http://www.unesco.org/iiep/eng/research/basic/PDF/teachers2.pdf#search=%22Strath%20individualised%20pay%20Sweden%22>

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- OECD (2005a). *Education at a Glance: OECD Indicators 2005*, OECD, Paris.
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- Strath, Annelie (December, 2004). *Teacher Policy Reforms in Sweden: The Case of Individualised Pay*. International Institute for Educational Planning, Paris.

Additional Information

General Information on Swedish
Education System

<http://www.skolverket.se/sb/d/190>
<http://www.skolverket.se/sb/d/354>

Statistics on Swedish
Education System

http://www.scb.se/templates/Amnesomrade___3930.asp

An internet copy of the Strath (December, 2004) paper on the pay system can be found at:
<http://www.unesco.org/iiep/eng/research/basic/PDF/teachers2.pdf#search=%22Strath%20individualised%20pay%20Sweden%22>