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Education Levels Rising in OECD Countries but Low Attainment Still Hampers Some

More people around the world are completing university courses and other forms of tertiary education than ever before, according to the 2004 edition of *Education at a Glance*, the OECD's annual compendium of education statistics. However, progress has been uneven across countries and some have significantly fallen behind, potentially compromising their future ability to keep up with economic and social progress..

On average across OECD countries, half of today's young adults now enter universities or other institutions offering similar qualifications at some stage during their life (Table C2.1). An average 32% complete a first university-level degree, but this ranges from less than 20% in Austria, the Czech Republic, Germany and Switzerland to 45% in Australia and Finland (Table A3.1).

Almost all OECD countries have seen a rise in the education levels of their citizens over the past decade, and in some countries the increase has been spectacular. Enrolment in tertiary education, which covers both university-level education and high-level vocational programmes, increased between 1995 and 2002 by more than 50% in the Czech Republic, Greece, Hungary, Iceland, Korea and Poland, and still by more than 20% in Australia, Finland, Ireland, Mexico, Portugal, Spain, Sweden and the United Kingdom. Austria, France and Germany are the only countries which did not see increases, mainly because rising enrolment rates could not make up for the demographic decline in these countries (Table C2.2).

However, in eight OECD countries, 20% or more of 20-to-24-year olds have at most only lower secondary school qualifications and are not in education. Mexico is in the least favourable position, with 70% of people in this age group having lower secondary education or less, followed by Turkey (56%), Portugal (47%), Spain (32%), Iceland (29%), Italy (25%), the Netherlands (21%) and Luxembourg (20%). Low educational attainment concerns more young males than females in 19 out of the 27 countries for which statistics are available, and particularly in Greece, Iceland, Ireland, Italy, Portugal and Spain (Table C5.1)

The statistics in *Education at a Glance* provide a basis for policy debate and decisions in the world's most developed countries. This year, the report highlights factors affecting the future supply of qualified people and the relationship between educational attainment and employment and earnings.

In general, people with tertiary qualifications command significantly higher salaries than those with only secondary education. In the U.S., earnings for tertiary graduates are 86% higher on average than those for people with only secondary education, and in Hungary they are more than double. At the other end of the scale, the difference is smallest in Denmark, where graduates earn on average 25% more than non-graduates, and Spain, where they earn 29% more (Table A11.1a). They also stand a stronger chance of finding jobs: on average in OECD countries, around 89% of men and 78% of women with university degrees are in employment, compared with around 84% of men and 63% of women who ended their education at secondary level (Table A10.1a).

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In all countries with available data, the returns for tertiary education are well in excess of the potential rate of return on investing the money represented by the cost of undertaking a university course. But they are significantly lower for those who enter tertiary education later in life (Table A11.5).

As new data show for the first time, rising tertiary education levels among citizens seem generally not to have led to an "inflation" of the labour-market value of qualifications. On the contrary, among the countries in which the proportion of 25-64 year-olds with tertiary qualifications increased by more than 5 percentage points since 1995 - Australia, Austria, Belgium, Canada, Denmark, France, Iceland, Ireland, Japan, Korea, Spain and the United Kingdom (Table A3.4a) – most have seen falling unemployment (Table A10.2b) and rising earnings benefits (Table A11.2) among tertiary graduates over the last years.

In Australia, Canada, Germany, Hungary, Ireland and the United Kingdom the earnings benefit of tertiary education increased by between 6 and 14 percentage points between 1997 and 2001. Among the 15 countries with comparable data, only three saw a decline in the earnings benefits of tertiary education over upper secondary education: New Zealand (-15 percentage points), Norway (-3 percentage points) and Spain (-20 percentage points).

Improved education also contributes to a country's overall prosperity, helping to raise labour productivity and technological progress and thereby boosting economic growth. The long-run impact in the OECD area of one additional year of education is estimated to increase economic output by between 3% and 6%.

Tertiary education is rapidly becoming an international domain. In 2002, 1.9 million students were enrolled in the OECD area outside their country of origin (Table C3.6), with nearly three quarters of them choosing Australia, France, Germany, the United Kingdom and the United States as their destination (Chart C3.2). On average, foreign enrolment increased by 34% between 1998 and 2002 (Table C3.6) and the share of foreign students from throughout the world as a percentage of all students increased in the Czech Republic, Iceland, Korea, New Zealand and Sweden by 60% or more. In contrast, in Austria, Ireland, Switzerland and the United States, increases in the share of foreign enrolment ranged between only 8% and 13%, and Poland, the United Kingdom and Turkey saw declines in their share of foreign enrolment.

Significant progress has also been achieved in reducing the gender gap in educational qualifications. Younger women today are far more likely to have completed a tertiary qualification than women 30 years ago: in 19 of the 30 OECD countries, more than twice as many women aged 25 to 34 have completed tertiary education than women aged 55 to 64 do. In 21 of 27 OECD countries with comparable data, the number of women graduating from university-level programmes is equal to or exceeds that of men (Table A4.2). Last but not least, 15-year-old girls tend to show much higher expectations for their careers than boys of the same age (Table A9.1).

What has remained broadly unchanged, though, is that women still earn less on average than men in all OECD countries, whatever their level of education. On average, women without upper secondary education obtain 60% of the earnings of men with the same level of education. Women with upper secondary and tertiary qualifications average 65% of equivalent male earnings (Table A11.1b).

In mathematics and computer science, gender differences in tertiary qualifications remain persistently high: the proportion of women among university graduates in mathematics and computer science is only 30%, on average, among OECD countries, and in Austria, Belgium, Germany, Hungary, Iceland, the Netherlands, Norway, the Slovak Republic and Switzerland it is only between 9% and 25% (Table A4.2).

Education at a Glance 2004 is available to journalists on the OECD's password-protected website (<http://www1.oecd.org/media/journalists/journalists.htm>). For further information, journalists are invited to contact the OECD's Media Relations Division (tel. [33] 1 45 24 97 00 or news.contact@oecd.org).

The tables and charts are available on the website at <http://www.oecd.org/edu/eag2004>