

Executive summary: Education and skills in the midst of the crisis

Between 2008 and 2011 unemployment rates climbed steeply in most countries covered in this edition of *Education at a Glance: Highlights* and have remained high ever since. Young people have been particularly hard-hit by un- and underemployment as a result of the global recession. In 2011, the average proportion of 15-29 year-olds neither in employment nor in education or training (NEET) across the OECD was 16%; among 25-29 year-olds, 20% were NEET. In some countries the figures are much higher, with more than one in three people between the ages of 25 and 29 neither in education nor in work. These young people are forced to pay a very high price for a crisis that was not of their making, with long-lasting effects on their skills, work morale and social integration.

A good education is still valuable

Educational attainment has a huge impact on employability and the crisis only strengthened this impact. On average across OECD countries, 4.8% of individuals with a tertiary degree were unemployed in 2011, while 12.6% of those lacking a secondary education were. Between 2008 and 2011 the unemployment gap between those with low levels of education and those with high levels of education widened: across all age groups, the unemployment rate for low-educated individuals increased by almost 3.8 percentage points, while it increased by only 1.5 percentage points for highly educated individuals.

For young people, a good education provides valuable insurance against a lack of work experience, even during a crisis: across OECD countries, an average of 18.1% of 25-34 year-olds without secondary education were unemployed in 2011, compared with 8.8% of 55-64 year-olds. Among 25-34 year-olds with a tertiary qualification, 6.8%, on average, were unemployed, compared with 4.0% of 55-64 year-olds with a similar level of education.

Though many factors play a role in a country's capacity to contain the rise in youth unemployment in times of crisis, the way institutional arrangements between education and work facilitate transitions into employment is perhaps one of the most important. Countries that have a higher-than-average (32%) proportion of graduates from vocational programmes, such as Austria, the Czech Republic, Germany and Luxembourg, were all able to keep the increases in unemployment rates among this age group to below 8 percentage points. Conversely, countries such as Greece, Ireland and Spain, where less than 25% of young adults graduate from vocational upper secondary education, saw increases in unemployment rates of 12 percentage points or more among 25-34 year-olds with only secondary education.

The link between education and earnings remains strong

Educational attainment not only affects employability, it also has an impact on income from employment. On average, the relative earnings of tertiary-educated adults is over 1.5 times that of adults with upper secondary education, while individuals without an upper secondary education earn 25% less, on average, than their peers who have attained that level of education. The crisis has widened this wage gap: the average difference between earnings from employment between low-educated and highly educated individuals was 75%, on average across OECD countries in 2008, and increased to 90% in 2011.

The wage gap between those with low and high levels of education tends to increase with age – as does the wage premium for tertiary education. Without a secondary education, 25-34 year-olds earn 80% of what their colleagues with a secondary education earn, on average, but 55-64 year-olds who have not attained a secondary education earn only 72% of what their peers with a secondary education earn. Meanwhile, a 25-34 year-old with a tertiary education earns 40% more, on average, than an adult of the same age who has only a secondary education, while a 55-64 year-old earns 76% more. A degree from an institution of higher education clearly pays off in the long run.

Other findings

- In 2011, 84% of 15-19 year-olds were enrolled in education on average across OECD countries; and the proportion of 20-29 year-olds in education climbed from 22% in 2000 to 28% in 2011. As a consequence, the proportion of adults with a tertiary education qualification rose by more than 10 percentage points between 2000 and 2011. Across OECD countries, 39% of 25-34 year-olds had a tertiary level qualification in 2011.
- Teachers, too, were affected by the crisis. Between 2000 and 2011, teachers' salaries rose, in real terms, in most countries with available data. However, in some countries, teachers' salaries were either cut or frozen between 2009 and 2010, as a result of the fiscal constraints imposed in response to the economic downturn. But even in the best of times, most teachers' salaries are not competitive with those of similarly educated workers in other fields.
- Most children in OECD countries now begin their formal education well before they are 5 years old. Eight in ten 4-year-olds (82%) are enrolled in early childhood education across OECD countries, while in Belgium, France, Iceland, Italy, Norway, Spain and Sweden, education is universal (more than 90%) from 3 years old.
- Data also show the popularity of studying abroad, particularly among students from Asia. In 2011, 4.3 million tertiary students were enrolled in programmes outside their country of citizenship. Australia, the United Kingdom, Switzerland, New Zealand and Austria have, in descending order, the highest percentages of international students among their tertiary enrolments. The number of foreign students enrolled in tertiary education in OECD countries was almost three times the number of citizens from an OECD country studying abroad.
- For the first time, *Education at a Glance 2013: Highlights* considers the association between education and two social outcomes: obesity and smoking. Perhaps not surprisingly, the data suggest that more highly educated adults are less likely to be obese and to smoke than those with lower levels of education.



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