The impact of socio-economic status on equity in education tends to build throughout life

Despite significant expansion in educational attainment over the past decade, those people with low-educated parents, a proxy for low socio-economic status, are less likely to participate in early childhood education programmes, complete upper secondary school and advance to higher levels of education than those with at least one tertiary-educated parent. While two-thirds of 25-64 year-olds whose parents have not completed upper secondary are expected to attain a higher level of education than their parents, most of them attain upper secondary vocational education. The story is similar at the tertiary level: across OECD countries with available data, 18-24 year-olds whose parents have not attained tertiary education represent only 47% of new entrants into bachelor’s, long first-degree or equivalent programmes, although they represent more than 65% of the population of that age group. These inequalities are then reflected in the labour market: those who have attained only upper secondary education are less likely to be employed and earn 65% as much as their tertiary-educated peers.

The gender gap favours girls in education, but men in the labour market

On average across OECD countries with available data, boys make up about 60% of secondary-school grade repeaters and are less likely to complete that level of education than girls. As a result, a larger share of girls than boys graduates from this level. Men are also less likely than women to attain tertiary education: 38% of men aged 25-34 were tertiary-educated on average across OECD countries in 2017 compared to 50% of women the same age, and this gap has been widening over the past 10 years.

Despite better educational attainment, women still have worse employment outcomes. On average across OECD countries, 80% of tertiary-educated young women are employed, compared with 89% of young men with the same education, and the disparity increases among those with lower educational attainment. Tertiary-educated women also earn 26% less than tertiary-educated men, on average across OECD countries. This pay disparity reflects the gender gap observed between high- and low-paying fields of study at the tertiary level, but may also result from women’s greater likelihood of going through periods of inactivity or unemployment, which may delay salary increases.

Foreign-born adults and those with an immigrant background are less likely to participate in education and to succeed in the labour market

First- and second-generation immigrants are under-represented among entrants into and graduates from bachelor’s or long first-degree programmes in countries with available data. Foreign-born adults who arrived in their host country at the age of 26 or older also tend to participate less in formal and/or non-formal education than their native-born peers or than those who arrived before the age of 25, because they are less familiar with the education system and language of the host country.

In most OECD countries, employment rates are lower among tertiary-educated foreign-born adults than among their native-born peers, but the opposite is often observed among those with lower educational attainment. These opposing trends reflect the difficulties tertiary-educated foreign-born adults face in gaining host-country recognition for their education and experience, and the attractiveness, for employers, of the lower wage demands of foreign-born adults with lower educational attainment. Foreign-born adults are also more likely to be neither employed nor in education or training (NEET). Some 18% of foreign-born 15-29 year-olds are NEET compared to 13% of native-born young adults.
What influences an individual’s education and employment outcomes?

THE JOURNEY THROUGH EDUCATION AND EMPLOYMENT

PARENTS’ EDUCATION

IMMIGRANT BACKGROUND AND COUNTRY OF BIRTH

GENDER

EDUCATIONAL ATTAINMENT

among 25-64 year-olds whose parents had not completed upper secondary education (2012 or 2015)

Employment rate

among women, men and foreign-born individuals who leave school before completing upper secondary education

Employment rate

among tertiary-educated women, men and foreign-born individuals

TURITARY

Tuition fees and financial aid

USD 2 364

Average annual tuition fee for a bachelor’s degree

More than 75% of students in countries with the highest tuition fees benefit from financial aid

Salaries of those with tertiary education

Tertiary-educated women earn 26% less than tertiary-educated men.

89% 25-64 year-olds

81% 25-64 year-olds

78% 25-64 year-olds

68% 25-64 year-olds

60% 25-64 year-olds

47% 25-64 year-olds

26% less

PARENTS’ EDUCATION GENDER IMMIGRANT BACKGROUND AND COUNTRY OF BIRTH

EDUCATIONAL ATTAINMENT

THE JOURNEY THROUGH EDUCATION AND EMPLOYMENT

What influences an individual’s education and employment outcomes?
Male teachers earn less than female teachers relative to tertiary-educated men and women, although school heads earn significantly more

Relative earnings of lower secondary teachers and school heads compared to other full-time tertiary-educated workers

A significant share of total spending on tertiary education is privately funded

Upper Secondary

Repeaters
4% repeat a grade in upper secondary general programmes

58% of them are boys

Employment rate among women, men and foreign-born individuals who completed upper secondary education

Salaries Those who completed upper secondary education earn

65% as much as tertiary-educated workers

Who is likely to participate in tertiary education?

Gender Young men are less likely than women to earn a tertiary degree

Parents’ education Young adults without tertiary-educated parents represent almost two-thirds of all 18-24 year-olds but less than half of new entrants into higher education

Immigrant background First- and second-generation immigrants are under-represented among new entrants to tertiary education.
Despite increases in public spending, a significant share of total funds for tertiary and pre-primary education comes from private contributions

Between 2010 and 2015, expenditure per student increased by 5% at the primary, secondary and post-secondary non-tertiary levels, and by 11% at the tertiary level. Educational institutions are still predominantly publicly funded. In 2015, 90% of funding for primary, secondary and post-secondary non-tertiary education and 66% of funding for tertiary education came from government coffers. Since a larger share of funding for tertiary education comes from households, countries have implemented financial mechanisms to support families. At least 75% of students in countries with the highest tuition fees benefit from these loans or grants.

With more 3-5 year-olds participating in early childhood education, public investment in pre-primary schools is also increasing, amounting to 83% of total funding in 2015. Over the past decade, this share rose by 4 percentage points across countries with available data. However, on average across OECD countries, one in three children enrolled in pre-primary school attends a privately funded institution – a larger proportion than observed in any other non-tertiary level of education.

The teaching profession still suffers from large gender imbalances

Nearly all pre-primary teachers are women, but fewer than one in two tertiary instructors is a woman. Over the past decade, this gender gap has widened at the primary and secondary levels, and narrowed at the tertiary level. Attracting male teachers to the profession is particularly difficult: while the average actual salary of female teachers is equal to or higher than the average salary of other full-time, tertiary-educated women, primary and secondary male teachers earn between 77% and 88% of the average earnings of other full-time, tertiary-educated men.

However, between 2005 and 2017, on average across OECD countries and economies with available data, statutory salaries of primary and secondary teachers with 15 years of experience and the most common qualifications in their country, have increased by 5% to 8% and are back to pre-economic-crisis levels. Teachers also have strong incentives to work to become school leaders: the actual salaries of school heads are at least 35% higher than the salaries of teachers and at least 20% higher than the average earnings of other tertiary-educated workers.

Other findings

Regional disparities in participation in education tend to widen as the level of education increases. However, the largest differences between subnational regions are observed in enrolment in early childhood education and care for children under the age of three.

In half of the OECD countries and economies with available data, school heads and teachers working in a disadvantaged or remote area are rewarded with additional compensation.

In most countries, decisions on how instruction is organised are predominantly taken at the school level, but decisions related to planning and structures, personnel management and resources are more likely to be made at higher levels of authority.