3.4. Remuneration of doctors (general practitioners and specialists)

The remuneration level of doctors is, to a certain extent, related to the overall level of economic development of a country, but there are nevertheless significant variations in their remuneration compared with the average wage in each country. The structure of remuneration for different categories of doctors also has an impact on the financial attractiveness of different medical specialties. In many countries, governments influence the level and structure of physician remuneration directly as a key employer of physicians or as a purchaser of services, or indirectly through regulation.

OECD data on physician remuneration distinguishes between salaried and self-employed physicians, although in some countries this distinction is increasingly blurred, as some salaried physicians are allowed to have a separate practice and some self-employed doctors may receive part of their remuneration through salaries. A distinction is also made between general practitioners and all other medical specialists combined, though there may be wide differences in the income of different medical specialties.

As expected for highly-skilled professionals, the remuneration of doctors (both generalists and specialists) is much higher than that of the average worker in all OECD countries (Figure 3.4.1). Self-employed general practitioners in Australia earned 1.7 times the average wage in 2008, whereas in Germany, self-employed GPs earned 3.7 times the average wage in 2007. In the United Kingdom, self-employed GPs earned 3.6 times the average wage in 2008. The income of self-employed GPs in the United Kingdom rose strongly following the implementation of a new contract for generalists in 2004 that was designed to increase their income as well as quality of primary care (Fujisawa and Lafortune, 2008).

The income of specialists varied from 1.6 times the average wage for salaried specialists in Hungary to 5.5 times for self-employed specialists in the Netherlands in 2007. In the Czech Republic, salaried specialists earned 1.8 times the average wage while self-employed specialists earned almost two times more.

In all countries except the United Kingdom, GPs earn less than all medical specialists combined. In Canada, self-employed specialists earned 4.7 times the average wage in 2008, compared with 3.1 times for GPs. In France, self-employed specialists earned 3.2 times the average wage, compared with 2.1 times for GPs (the income of both specialists and GPs are underestimated in France – see box on "Definition and comparability"). The income gap between GPs and specialists is particularly large in Australia, although it has narrowed slightly in recent years.

In many OECD countries, the income gap between general practitioners and specialists has widened over the past decade, reducing the financial attractiveness of general practice. The remuneration of specialists has risen faster than that of general practitioners in countries such as Finland, France and Ireland. On the other hand, in the Netherlands, the gap has narrowed slightly, as the income of GPs grew faster than that of specialists (Figure 3.4.2).

Definition and comparability

The remuneration of doctors refers to average *gross* annual income, including social security contributions and income taxes payable by the employee. It should normally include all extra formal payments, such as bonuses and payments for night shifts, on-call and overtime, and exclude practice expenses for self-employed doctors.

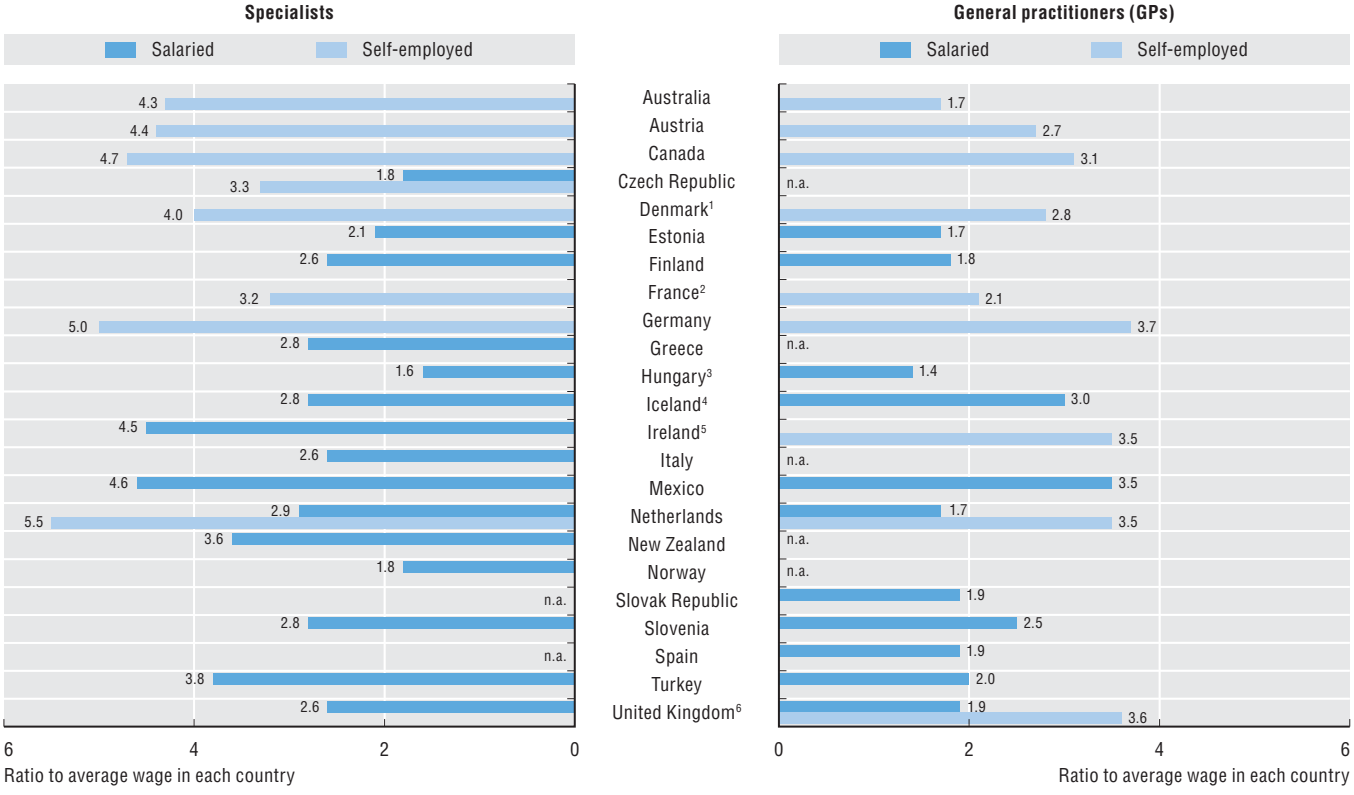
A number of data limitations contribute to an underestimation of remuneration levels in some countries: 1) payments for overtime work, bonuses, other supplementary income or social security contributions are excluded in some countries (Austria, Ireland for salaried specialists, Italy, New Zealand, Norway, Portugal, the Slovak Republic, Slovenia and Sweden); 2) incomes from private practices for salaried doctors are not included in some countries (*e.g.* the Czech Republic, Hungary, Iceland and Portugal); 3) informal payments, which may be common in certain countries (*e.g.* Hungary and Greece), are not included; 4) in Hungary, Mexico, Denmark and the Slovak Republic, data relate only to public sector employees who tend to earn less than those working in the private sector; and 5) in France, the data relate to net income rather than gross income.

The data for some countries (Australia, Austria, the Netherlands, the United States, and the United Kingdom for specialists) include part-time workers, while in other countries the data refer only to doctors working full-time. In Ireland, the data for self-employed GPs include practice expenses, resulting in an over-estimation.

The income of doctors is compared to the average wage of full-time employees in all sectors in the country, except in Iceland, Mexico and New Zealand where it is compared to the average wage in selected industrial sectors.

Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

3.4.1 Doctors' remuneration, ratio to average wage, 2009 (or nearest year)

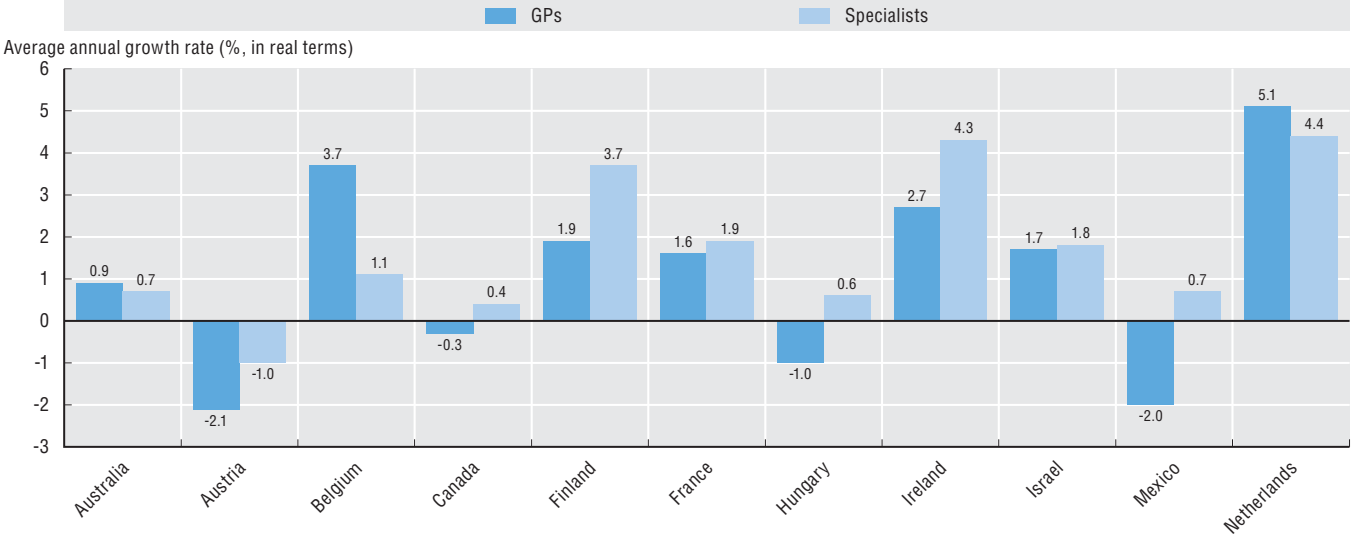


1. Data for self-employed specialists is for 2008.
2. Remuneration is net income rather than gross income resulting in an underestimation.
3. Data on salaried doctors relate only to public sector employees who tend to receive lower remuneration than those working in the private sector.
4. Many specialists working in hospitals also earn incomes from private practices which are not included.
5. Data for self-employed GPs include practice expenses resulting in an over-estimation.
6. Remuneration of GPs is for 2008.

Source: OECD Health Data 2011.

StatLink http://dx.doi.org/10.1787/888932524165

3.4.2 Growth in the remuneration of GPs and specialists, 2000-09 (or nearest year)



Source: OECD Health Data 2011.

StatLink http://dx.doi.org/10.1787/888932524184

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