



INDICATORS PART IV

Expenditure for Education

PUBLIC SCHOOL TEACHERS' STARTING SALARIES

G-8 Countries Included: England, France, Germany, Italy, Japan, Scotland, United States

Of the G-8 countries reporting data in 2006, Germany reported the highest average starting salary of public school teachers at both the primary and upper secondary levels, followed by the United States.

This indicator presents a cross-country comparison of the average annual salaries of full-time public school teachers with the minimum training necessary to be fully qualified at the beginning of their teaching careers. Comparisons are presented across two education levels: primary and upper secondary. The indicator also compares the ratio of these average starting salaries to the gross domestic product (GDP) per capita for each of the reporting countries.

Of the G-8 countries reporting data in 2006, Germany reported the highest average starting salary of public school teachers at both the primary and upper secondary levels (primary: \$40,300; upper secondary: \$45,200) (figure 22). The United States paid the second highest average starting salary to public school teachers at both levels (primary: \$34,900; upper secondary: \$33,700). France reported the lowest average starting salary at both levels (primary: \$23,300; upper secondary: \$26,000). In most G-8 countries in 2006, public school teachers at the beginning of their careers earned less than the average GDP per capita in their respective countries (table 6). For example, in the United States, the GDP per capita was about \$43,800, and the average starting salary of such teachers was about 80 percent of the U.S. GDP per capita. In Germany, however, public primary and upper secondary school teachers at the beginning of their careers earned 126 and 141 percent, respectively, of the German GDP per capita.

Definitions and Methodology

Teacher salary data are from the 2007 OECD Indicators of National Education Systems (INES) Survey on Teachers and the Curriculum and refer to the school year 2005–06. Data for GDP per capita are for calendar year 2006. Dollar figures for teacher salaries and GDP per capita were converted to U.S. equivalent dollars using purchasing power parities (PPPs), which equalize the purchasing power of different currencies. PPP exchange rate data are from the 2005–06 OECD National Accounts Database (OECD 2008b). Using PPPs to convert all teacher salary data to US equivalent dollars allows for cost of living differences across countries to be taken into account.

Salaries refer to scheduled salaries according to official pay scales, and are defined as before-tax, or gross, salaries (the total sum paid by the employer for the labor supplied), excluding the employer's contribution to social security and pension (according to existing salary scales). International comparisons of salaries provide simplified illustrations of the compensation received by teachers for their work. They provide a snapshot of the systems of compensation and the welfare inferences that can be made. Differences by country in taxation and social benefit systems as well as the use of financial

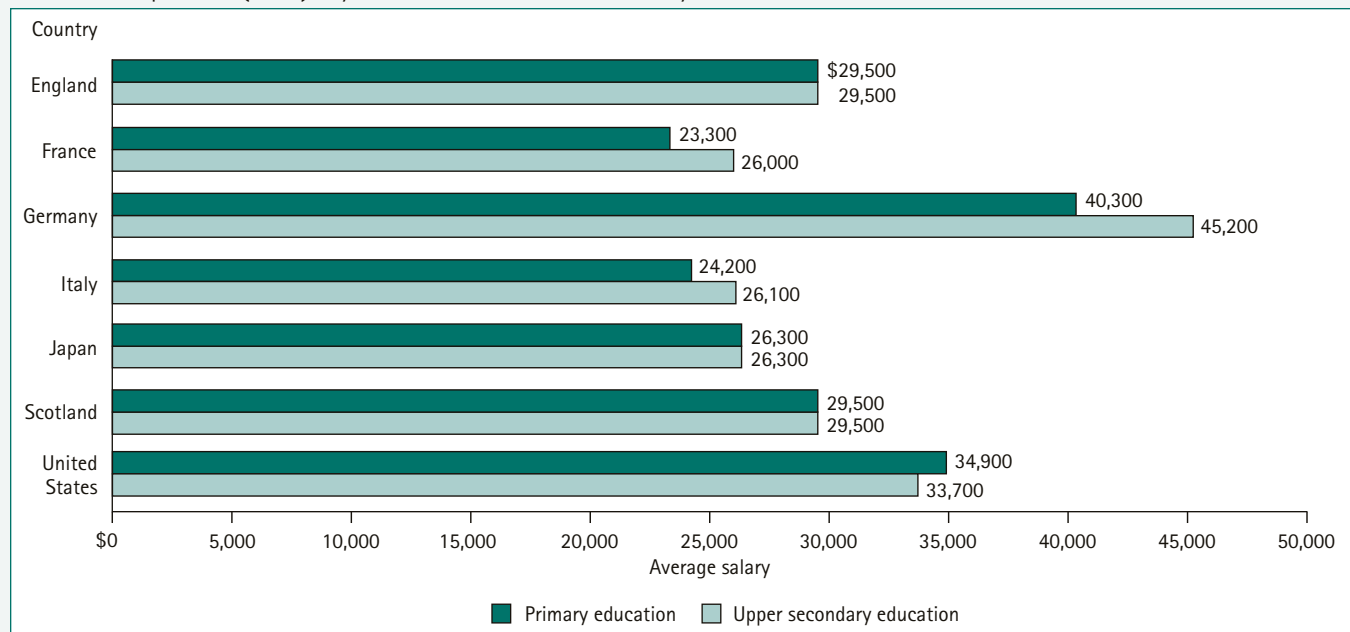
incentives (including regional allowances for teaching in remote regions, family allowances, reduced rates on public transport, tax allowances on purchases of cultural goods, and other entitlements that contribute to a teacher's basic income) make it important to exercise caution in interpreting comparisons of teachers' salaries.

Countries with centralized systems of education typically have national salary schedules. In countries like the United States, with decentralized education systems, local or regional governments establish their own salary schedules. The national averages shown here do not represent the within-country variation that exists in teacher salaries.

The minimum training necessary to be fully qualified varies by country. In the United States, teacher training is decentralized and varies by state.

As shown in the figure and table, education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A.

Figure 22. Public school teachers' average starting salaries in U.S. dollars converted using purchasing power parities (PPPs), by education level and country: 2006



NOTE: Average starting salary refers to the average scheduled annual salary of a full-time teacher with the minimum training necessary to be fully qualified at the beginning of the teaching career. Education levels are defined according to the International Standard Classification of Education (ISCED97). Primary education refers to ISCED97 level 1. Upper secondary education refers to ISCED97 level 3. For more information on the ISCED97 levels, see appendix A in this report. Average salaries are gross salaries (i.e., before deductions for income taxes) for school year 2005–06 and are converted to U.S. dollars using 2006 national purchasing power parities (PPPs) exchange rate data.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table D3.1. Paris: Author.

Table 6. Public school teachers' average starting salaries in U.S. dollars converted using purchasing power parities (PPPs) expressed as a ratio of gross domestic product (GDP) per capita in U.S. dollars, by education level and country: 2006

Country	Average starting salary expressed as a ratio of GDP per capita		GDP per capita
	Primary	Upper secondary	
England ¹	0.89	0.89	\$32,990
France	0.75	0.84	31,048
Germany	1.26	1.41	31,950
Italy	0.84	0.90	28,866
Japan	0.82	0.82	31,919
Scotland ¹	0.89	0.89	32,990
United States	0.80	0.77	43,801

¹Data on GDP per capita refer to the United Kingdom.

NOTE: Average starting salary refers to the average scheduled annual salary of a full-time teacher with the minimum training necessary to be fully qualified at the beginning of the teaching career. Education levels are defined according to the International Standard Classification of Education (ISCED97). Primary education refers to ISCED97 level 1. Upper secondary education refers to ISCED97 level 3. For more information on the ISCED97 levels, see appendix A in this report. Average salaries are gross salaries (i.e., before deductions for income taxes) for school year 2005–06 and are converted to U.S. dollars using 2006 national purchasing power parities (PPPs) exchange rate data. GDP per capita in national currencies (2006) has been calculated from total population and total GDP, and has been converted to U.S. dollars using PPPs for GDP.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table D3.1 and web table X2.3b. Paris: Author. Retrieved September 22, 2008, from <http://www.oecd.org/dataoecd/8/24/41271802.pdf>.

EXPENDITURE FOR EDUCATION

G-8 Countries Included: France, Germany, Italy, Japan, United Kingdom, United States

In 2005, the United States ranked the highest among the reporting G-8 countries in terms of expenditure per student at the combined primary and secondary education levels as well as at the higher education level.

In this indicator, two measures are used to compare countries' investment in education: (1) expenditure per student (expressed in absolute terms) from both public and private sources and (2) total expenditure as a percentage of gross domestic product (GDP). The latter measure allows a comparison of countries' expenditure relative to their presumed ability to financially support education.

In 2005, expenditure per student for the United States was about \$9,800 at the combined primary and secondary education levels and about \$24,400 at the higher education level (figure 23a). Both figures were higher than those in the five other G-8 countries reporting data, which ranged from about \$6,900 in Germany and the United Kingdom to \$7,500 in France at the combined primary and secondary levels and from about \$8,000 in Italy to \$13,500 in the United Kingdom at the higher education level.

In 2005, all the countries spent more money (i.e., in total dollars as a percentage of GDP) at the combined primary and secondary education levels than at the higher education level, where the student enrollment is much lower (figure 23b). France spent 4.0 percent of its GDP on primary and secondary education, higher than the percentage of GDP spent on education at this level than all other reporting G-8 countries. The United States spent 3.8 percent of its GDP on primary and secondary education, higher than the share of GDP spent on education at this level in Italy and Germany (both 3.2 percent) and Japan (2.9 percent). At the higher education level, the United States spent 2.9 percent of its GDP on education. This is higher than the percentage of GDP spent on education at this level than all other reporting G-8 countries, which ranged from 0.9 percent in Italy to 1.4 percent in Japan.

Overall, the United States spent a higher percentage of its GDP on education (6.7 percent) than all other reporting G-8 countries.

Definitions and Methodology

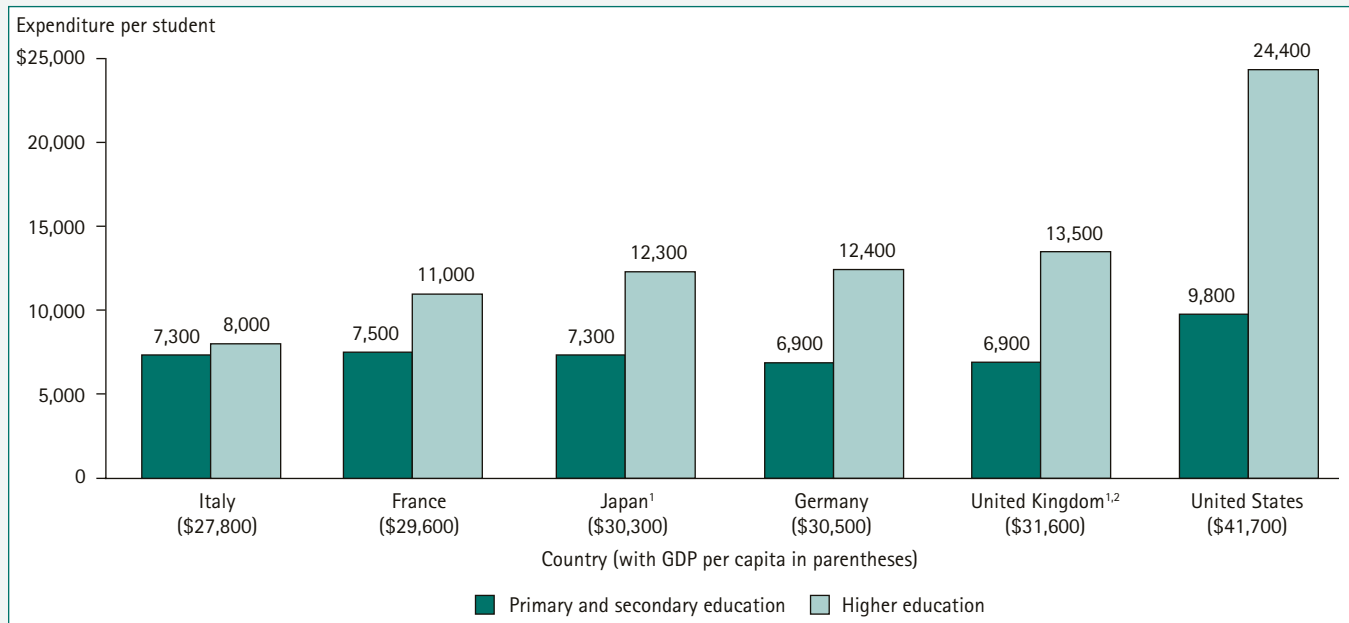
Per student expenditure is based on public and private full-time-equivalent (FTE) enrollment figures for the 2004-05 school year and current expenditure and capital outlays from both public and private sources, where data are available. Data for GDP per capita are for calendar year 2005. Dollar figures for education expenditure and GDP per capita were converted to U.S. equivalent dollars using purchasing power parities (PPPs), which equalize the purchasing power of different currencies. Using PPPs to convert all education expenditure data to US equivalent dollars allows for cost of living differences across countries to be taken into account. Within-

country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries.

The national averages shown here do not represent the within-country variation that may exist in the annual education expenditure per student.

As shown in the figures, education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A.

Figure 23a. Annual education expenditure per student, by education level and country: 2005



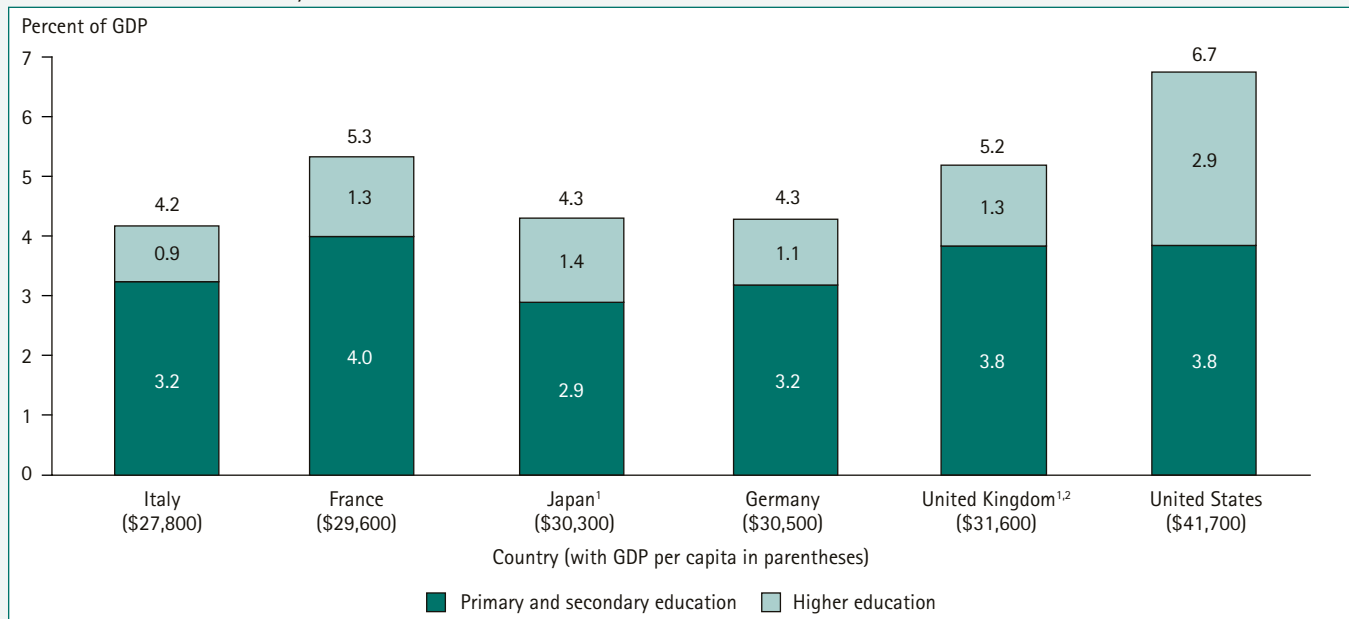
¹ Postsecondary nontertiary data included in secondary and higher education for Japan, and in secondary education for the United Kingdom.

² The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

NOTE: Countries are arranged according to increasing levels of gross domestic product (GDP) per capita, as shown in parentheses. Education levels are defined according to the International Standard Classification of Education (ISCED97). Primary education refers to ISCED97 level 1. Secondary education refers to ISCED97 levels 2 and 3 (lower secondary and upper secondary, respectively). Higher education refers to ISCED97 levels 5A (academic higher education below the doctoral level), 5B (vocational higher education), and 6 (doctoral level of academic higher education), except where otherwise noted. For more information on the ISCED97 levels, see appendix A in this report. Shown is total expenditure that corresponds to the nonrepayable current and capital expenditure of all levels of the government and private sources directly related to education; interest on debt is not included. Data are converted to U.S. dollars using 2004–05 national purchasing power parities (PPPs) exchange rate data. Includes all institutions, public and private, with the exception of Italy, which includes public institutions only.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table B1.1a and table X2.1. Paris: Author; and OECD. (2008). Education Database, previously unpublished tabulation (Retrieved September 22, 2008).

Figure 23b. Annual education expenditure as a percentage of gross domestic product (GDP), by education level and country: 2005



¹ Postsecondary nontertiary data included in secondary and higher education for Japan, and in secondary education for the United Kingdom.

² The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

NOTE: Countries are arranged according to increasing levels of GDP per capita, as shown in parentheses. Education levels are defined according to the International Standard Classification of Education (ISCED97). Primary education refers to ISCED97 level 1. Secondary education refers to ISCED97 levels 2 and 3 (lower secondary and upper secondary, respectively). Higher education refers to ISCED97 levels 5A (academic higher education below the doctoral level), 5B (vocational higher education), and 6 (doctoral level of academic higher education), except where otherwise noted. For more information on the ISCED97 levels, see appendix A in this report. Shown is total expenditure that corresponds to the nonrepayable current and capital expenditure of all levels of the government and private sources directly related to education; interest on debt is not included. Data are converted to U.S. dollars using 2004–05 national purchasing power parities (PPPs) exchange rate data. Includes all institutions, public and private, with the exception of Italy, which includes public institutions only. Detail may not sum to totals because of rounding.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table B2.2 and table X2.1. Paris: Author.



INDICATORS PART V

*Education Returns:
Educational Attainment and Income*

EDUCATIONAL ATTAINMENT IN THE ADULT POPULATION

G-8 Countries Included: Canada, France, Germany, Italy, Japan, Russian Federation, United Kingdom, United States

In 2006, the Russian Federation had the largest percentage of adults ages 25 to 64 who had completed higher education; Italy had the smallest percentage. Among 25- to 34-year-olds, more females than males had completed higher education in every G-8 country except Germany, where there was no difference.

This indicator compares the highest levels of education attained by 25- to 64-year-olds in 2006 and also examines rates of young adult (ages 25 to 34) completion of higher education by sex.

Results for 25- to 64-year-olds were analyzed at three levels of educational attainment: lower secondary education or below, upper secondary education,²⁶ and higher education. Italy was the only G-8 country in which the largest percentage (48 percent) of 25- to 64-year-olds had completed lower secondary education or below as their highest level of educational attainment (figure 24a). In half of the G-8 countries (France, Germany, the United Kingdom, and the United States), the largest percentage of 25- to 64-year-olds had completed upper secondary education as their highest level of education. In the Russian Federation and Canada, the largest percentage of 25- to 64-year-olds had completed higher education (54 and 47 percent, respectively). In all G-8 countries except the Russian Federation, less than half of 25- to 64-year-olds had completed higher education, with percentages ranging from 13 percent in Italy to 47 percent in Canada. In the United States, 39 percent of 25- to 64-year-olds had completed higher education.

Compared to 25- to 64-year-olds, larger percentages of the subgroup of young adults (ages 25 to 34) had completed higher education in most of the G-8 countries. For example, in Canada

and Japan, more than half of 25- to 34-year-olds had completed higher education, compared with 47 and 40 percent, respectively, of 25- to 64-year-olds (figures 24a and 24b). In France, 41 percent of 25- to 34-year-olds had completed higher education, compared with 26 percent of 25- to 64-year-olds. In the United States, both age groups had the same percentage of higher education completion in 2006 (39 percent).

In the United States, more bachelor's degrees have been awarded to women than to men since about the early 1980s (U.S. Department of Education 2008). Among 25- to 34-year-olds in the United States in 2006, about 36 percent of males and 43 percent of females had completed higher education (figure 24b). More 25- to 34-year-old females than males had completed higher education in every G-8 country except Germany, where there was no measurable difference. The largest differences by sex were reported in Canada, the Russian Federation, and France (14, 12, and 10 percentage points, respectively).

Among 25- to 34-year-olds in the G-8 countries, differences favoring females in higher education completion were generally more consistent and pronounced in 2006 compared to 5 years prior. For example, in 2001, slightly more 25- to 34-year-old males than females in the United Kingdom and Germany had completed higher education (a difference of 1 and 3 percentage points, respectively) (OECD 2003). In 2001, higher education completion in Italy, Japan, and France differed in favor of females by 3 to 5 percentage points; in 2006, these differences ranged from 6 to 10 percentage points (figure 24b).

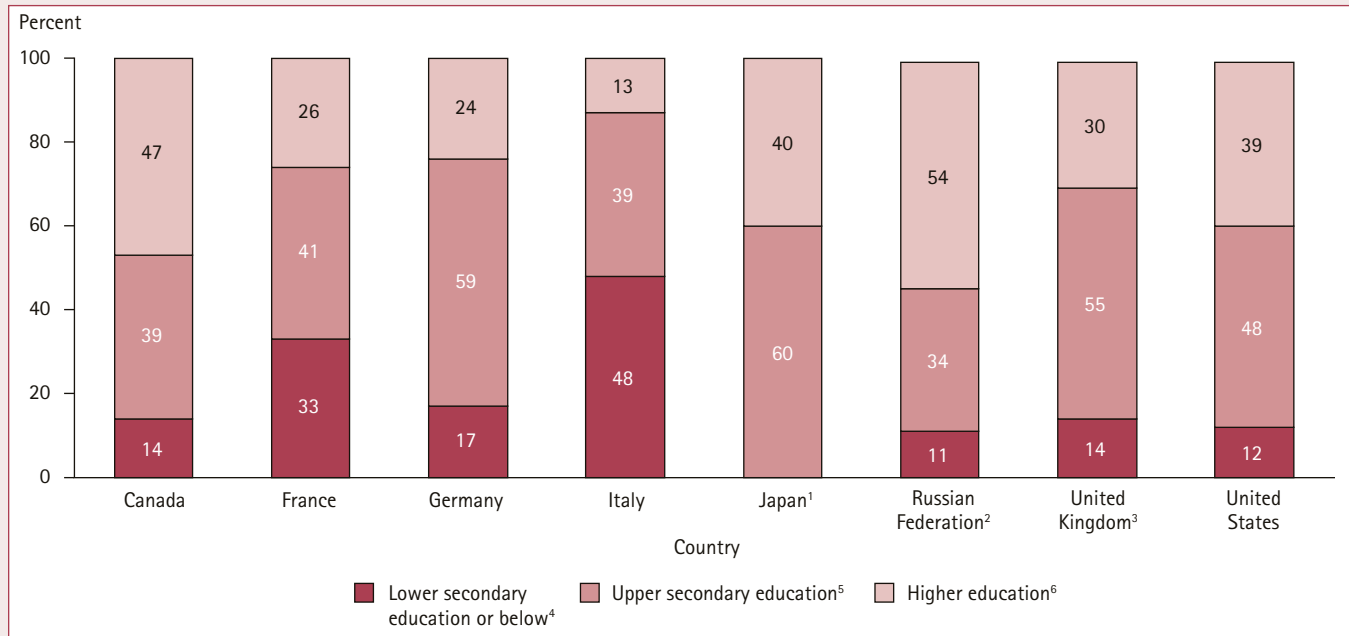
Definitions and Methodology

As shown in the figures, education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A.

Male-female percentage-point differences in higher education completion presented in the text were computed from unrounded numbers; therefore, they may differ from computations made using the rounded whole numbers that appear in figure 24b.

²⁶ In this indicator, the category of "upper secondary education" also includes postsecondary nontertiary programs. See figure 24a and appendix A for more information on education levels.

Figure 24a. Percentage distribution of the population ages 25 to 64, by highest level of education completed and country: 2006



¹In Japan, the data for ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education) are included in the data for upper secondary education.

²Reference year is 2003 rather than 2006.

³The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

⁴Includes ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education).

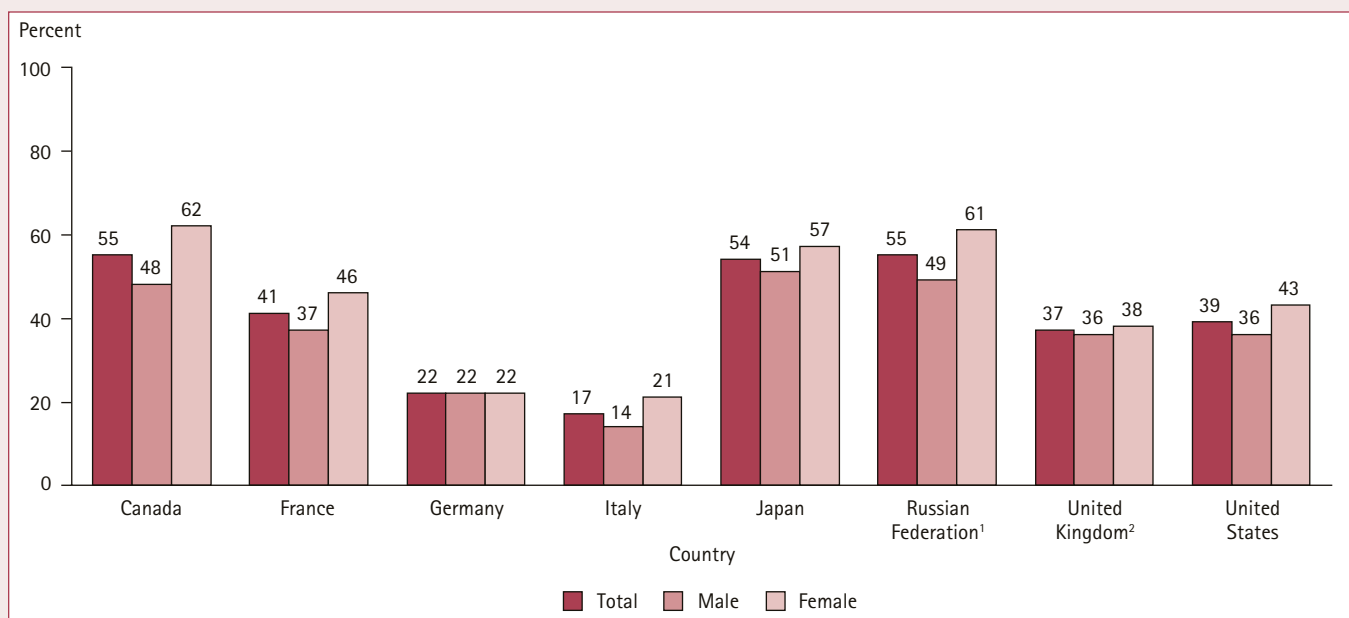
⁵Includes ISCED97 levels 3 (upper secondary education) and 4 (postsecondary nontertiary programs).

⁶Includes ISCED97 levels 5A (academic higher education below the doctoral level), 5B (vocational higher education), and 6 (doctoral level of academic higher education).

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A in this report. Detail may not sum to totals because of rounding.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table A1.1a. Paris: Author.

Figure 24b. Percentage of the population ages 25 to 34 who had completed higher education, by sex and country: 2006



¹Reference year is 2003 rather than 2006.

²The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED97). Higher education refers to ISCED97 levels 5A (academic higher education below the doctoral level), 5B (vocational higher education), and 6 (doctoral level of academic higher education). For more information on the ISCED97 levels, see appendix A in this report.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table A1.3a and web tables A1.3b and A1.3c. Paris: Author.

FIRST UNIVERSITY DEGREES BY FIELD OF STUDY

G-8 Countries Included: Canada, France, Germany, Italy, Japan, Russian Federation, United Kingdom, United States

In 2006, the United States awarded among the lowest percentages of first university degrees in science, mathematics, and engineering-related fields of all the G-8 countries.

Programs that prepare students for advanced research and highly qualified professions are called first university degree programs. First university degree programs vary in duration in different countries in different programs of study. In the United States, this corresponds to a bachelor's degree but excludes associate's degrees. This indicator compares the percentage of first degrees awarded in four major fields of study: social sciences, business, and law; science, mathematics, and engineering; the arts and humanities; and education.

In 2006, a greater percentage of first university degrees were awarded in the field of social sciences, business, and law than in any other field in all G-8 countries (figure 25). The Russian Federation awarded the highest percentage of first university degrees in this combined field (50 percent), which exceeded that awarded in the other major fields in total—arts and humanities; science, mathematics, and engineering; and education (41 percent). In the other G-8 countries, the percentage of first university degrees awarded in the combined field of social sciences, business, and law ranged from 28 percent in Germany to 42 percent in the United States.

In science, mathematics, and engineering-related fields, the United States awarded among the lowest percentages of first university

degrees of all the G-8 countries. Sixteen percent of first university degrees in the United States and 17 percent of first university degrees in Canada were awarded in science, mathematics, and engineering-related fields. In the other G-8 countries, the percentages ranged from 20 percent in Japan to 27 percent in Germany.

The United States was the only G-8 country to award more first university degrees in the arts and humanities than in science, mathematics, and engineering. In 2006, about 19 percent of first university degrees were awarded to U.S. graduates in arts and humanities (compared to 16 percent in science, mathematics, and engineering). The Russian Federation awarded the lowest percentage of first university degrees in the arts and humanities (4 percent); in the other G-8 countries, the percentages ranged from 15 percent in Canada and Italy to 22 percent in Germany.

The smallest percentage of first university degrees was awarded in the field of education in all G-8 countries except the Russian Federation. The Russian Federation was the only G-8 country to award more first university degrees in education than in the arts and humanities (12 vs. 4 percent). Canada awarded the highest percentage of first university degrees in education (13 percent), while France and the United Kingdom awarded the lowest percentages in this field (both at 4 percent). The United States fell within this range, awarding 7 percent of first university degrees in education.

Definitions and Methodology

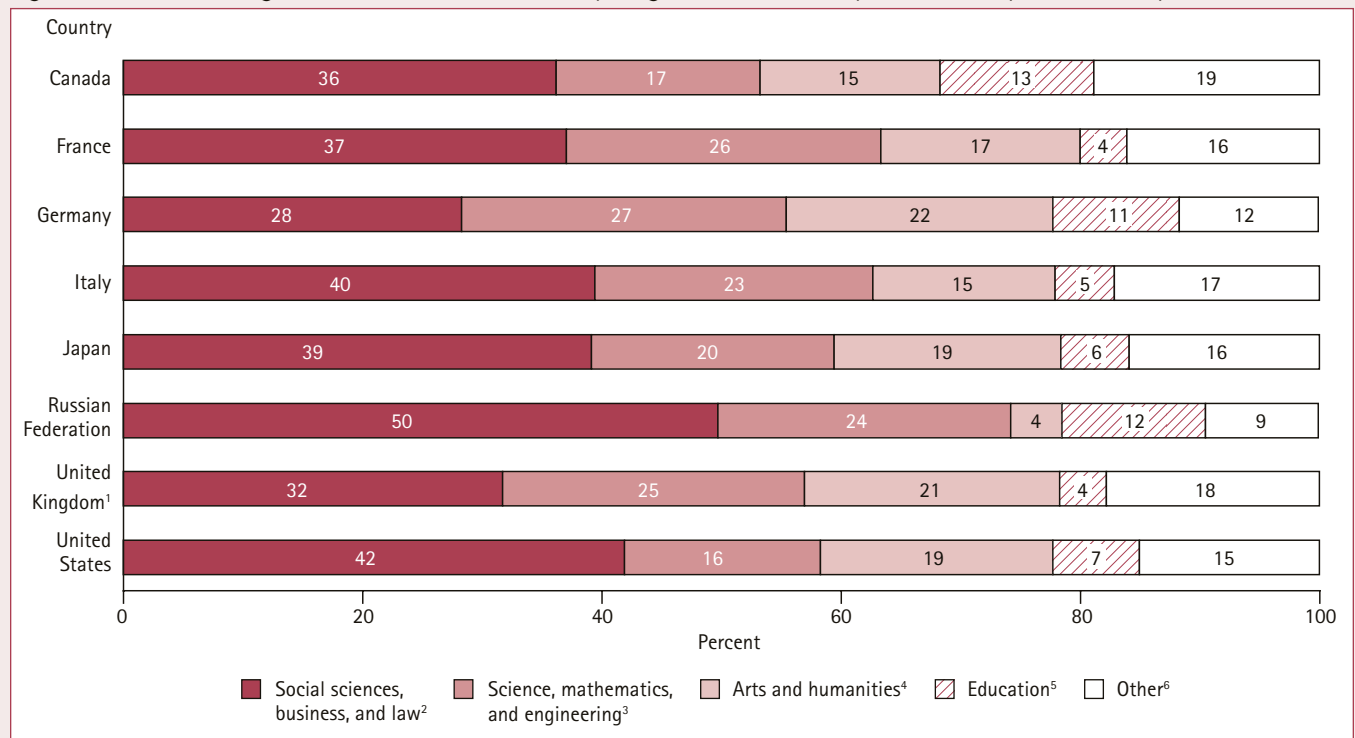
The percentage of first university degrees awarded in each of the fields shown is the share of these degrees awarded in each field relative to all first university degrees awarded in all fields for a given year.

The fields of study shown follow the 1997 revision of the International Standard Classification of Education Major Field of Study (ISCED97 MFS) (UNESCO 1997). The social sciences, business, and law combined field of study includes social and behavioral sciences (ISCED97 31), journalism and information (ISCED97 32), business and administration (ISCED97 34), and law (ISCED97 38). The science, mathematics, and engineering combined field of study includes life sciences (ISCED97 42), physical sciences (ISCED97 44), mathematics and statistics (ISCED97 46), computing (ISCED97 48), engineering and engineering trades (ISCED97 52), manufacturing and processing

(ISCED97 54), and architecture and building (ISCED97 58). The arts and humanities combined field of study includes arts (ISCED97 21) and humanities (ISCED97 22). The education combined field of study includes teacher training (ISCED97 141) and education science (ISCED97 142). "Other" fields of study include agriculture, forestry, and fishery (ISCED97 62); veterinary (ISCED97 64); health (ISCED97 72); social services (ISCED97 76); personal services (ISCED97 81); transport services (ISCED97 84); environmental protection (ISCED97 85); security services (ISCED97 86); and fields of study not known or unspecified. For more information on the ISCED97 levels, see appendix A in this report.

The summations presented in the text were carried out using unrounded numbers; therefore, they may differ from summations made using the rounded numbers that appear in figure 25.

Figure 25. Percentage distribution of first university degrees awarded, by field of study and country: 2006



¹The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

²Includes social and behavioral sciences (ISCED97 31), journalism and information (ISCED97 32), business and administration (ISCED97 34), and law (ISCED97 38).

³Includes life sciences (ISCED97 42), physical sciences (ISCED97 44), mathematics and statistics (ISCED97 46), computing (ISCED97 48), engineering and engineering trades (ISCED97 52), manufacturing and processing (ISCED97 54), and architecture and building (ISCED97 58).

⁴Includes arts (ISCED97 21) and humanities (ISCED97 22).

⁵Includes teacher training (ISCED97 141) and education science (ISCED97 142).

⁶Includes agriculture, forestry, and fishery (ISCED97 62); veterinary (ISCED97 64); health (ISCED97 72); social services (ISCED97 76); personal services (ISCED97 81); transport services (ISCED97 84); environmental protection (ISCED97 85); security services (ISCED97 86); and fields of study not known or unspecified.

NOTE: The fields of education shown follow the 1997 revision of the International Standard Classification of Education Major Field of Study (ISCED97 MFS) (UNESCO 1997). Programs that prepare students for advanced research and highly qualified professions are classified as first university degree programs, which correspond to ISCED97 level 5A. For more information on the ISCED97 levels, see appendix A in this report. Detail may not sum to totals because of rounding.

SOURCE: Organization for Economic Cooperation and Development. (2008). Education Database. Retrieved September 26, 2008, from <http://stats.oecd.org/wbos/default.aspx?DatasetCode=RGRADSTY> and U.S. Department of Education, National Center for Education Statistics, previously unpublished tabulations (September 2008).

Table 7. Number of first university degree recipients, by field of study and country: 2006

Country	Field of study					Total
	Social sciences, business, and law ¹	Science, mathematics, and engineering ²	Arts and humanities ³	Education ⁴	Other ⁵	
Canada	64,125	30,072	26,763	22,635	33,315	176,910
France	105,725	75,006	47,592	11,036	45,879	285,238
Germany	75,736	72,815	59,650	28,130	31,266	267,597
Italy	108,047	63,539	41,513	13,589	46,763	273,451
Japan	224,327	116,480	108,553	32,646	90,846	572,852
Russian Federation	572,734	281,965	49,386	138,354	109,206	1,151,645
United Kingdom ⁶	100,387	79,734	67,329	12,292	56,192	315,934
United States	623,414	242,926	288,399	107,238	223,265	1,485,242

¹Includes social and behavioral sciences (ISCED97 31), journalism and information (ISCED97 32), business and administration (ISCED97 34), and law (ISCED97 38).

²Includes life sciences (ISCED97 42), physical sciences (ISCED97 44), mathematics and statistics (ISCED97 46), computing (ISCED97 48), engineering and engineering trades (ISCED97 52), manufacturing and processing (ISCED97 54), and architecture and building (ISCED97 58).

³Includes arts (ISCED97 21) and humanities (ISCED97 22).

⁴Includes teacher training (ISCED97 141) and education science (ISCED97 142).

⁵Includes agriculture, forestry, and fishery (ISCED97 62); veterinary (ISCED97 64); health (ISCED97 72); social services (ISCED97 76); personal services (ISCED97 81); transport services (ISCED97 84); environmental protection (ISCED97 85); security services (ISCED97 86); and fields of study not known or unspecified.

⁶The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

NOTE: The fields of education shown follow the 1997 revision of the International Standard Classification of Education Major Field of Study (ISCED97 MFS) (UNESCO 1997). Programs that prepare students for advanced research and highly qualified professions are classified as first university degree programs, which correspond to ISCED97 level 5A. For more information on the ISCED97 levels, see appendix A in this report. Detail may not sum to totals because of rounding.

SOURCE: Organization for Economic Cooperation and Development. (2008). Education Database. Retrieved September 26, 2008, from <http://stats.oecd.org/wbos/default.aspx?DatasetCode=RGRADSTY> and U.S. Department of Education, National Center for Education Statistics, previously unpublished tabulations (September 2008).

EMPLOYMENT RATES

G-8 Countries Included: Canada, France, Germany, Italy, Japan, United Kingdom, United States

In 2006, the United Kingdom had higher employment rates than all other reporting G-8 countries at three main levels of educational attainment. The gap in employment rates between adults whose highest educational attainment was lower secondary education or below and those who had completed academic higher education ranged from 23 percentage points in the United Kingdom and France to 31 percentage points in Germany.

In the United States and all other G-8 countries reporting data, higher employment rates were associated with higher levels of educational attainment. In all reporting countries except the United Kingdom, between 52 and 58 percent of adults ages 25 to 64 whose highest educational attainment was lower secondary education or below were employed in 2006 (figure 26a). This compares to a range from 73 to 76 percent for adults whose highest educational attainment was upper secondary education²⁷ and from 81 to 86 percent for adults who had completed academic higher education, excluding the United Kingdom. For example, among U.S. adults in 2006, about 58 percent of those whose highest educational attainment was lower secondary education or below were employed, compared with 73 percent of those whose highest educational attainment was upper secondary education and 83 percent of those who had completed academic higher education. The United Kingdom had higher employment rates than all other reporting G-8 countries at all three levels of educational attainment (66, 81, and 89 percent, respectively).

The gaps in employment rates for 25- to 64-year-olds at the highest and lowest levels of educational attainment (i.e., the difference in the employment rates for academic higher education and lower secondary education or below), ranged from 23 percentage points in the United Kingdom and France to 31 percentage points in Germany (figure 26a). In the United States, the gap was 25 percentage points.

Figure 26b shows employment rates separately for males and females. In all reporting G-8 countries, males who had completed lower secondary education or below, upper secondary education, or academic higher education had higher employment rates than did

females with a comparable amount of education. For males whose highest educational attainment was lower secondary education or below, employment rates ranged from 65 percent (Germany) to 72 percent (the United Kingdom). For females, the corresponding range was 33 percent (Italy) to 61 percent (the United Kingdom). In the United States, 70 percent of males and 44 percent of females whose highest educational attainment was lower secondary education or below were employed in 2006.

For males whose highest educational attainment was upper secondary education, employment rates ranged from 78 percent (Germany) to 87 percent (Japan). For females, the corresponding range was 60 percent (Japan) to 76 percent (United Kingdom). In the United States, 80 percent of males and 67 percent of females whose highest educational attainment was upper secondary education were employed in 2006.

In all reporting G-8 countries, at least 85 percent of males who had completed academic higher education were employed in 2006. For females who had completed academic higher education, employment rates ranged from 68 percent (Japan) to 87 percent (United Kingdom). In the United States, 88 percent of males and 78 percent of females who had completed academic higher education were employed in 2006.

In most of the reporting G-8 countries, the gap in employment rates between males and females was largest among adults whose highest educational attainment was lower secondary education or below and smallest among adults who had completed academic higher education. In all reporting G-8 countries except Japan, the male-female gap for lower secondary education or below was approximately two to four times the size of the gap for academic higher education. Italy had the largest male-female gap at the level of lower secondary education or below (38 percentage points). In Japan, the male-female gap was 28 percentage points among adults who had completed upper secondary education and 27 percentage points among adults who had completed academic higher education; these gaps were larger than those in all other reporting G-8 countries at these levels. In the United States, the male-female gap was 27, 13, and 10 percentage points among adults who had completed lower secondary education or below, upper secondary education, and academic higher education, respectively.

Definitions and Methodology

The employment rate of adults at a particular level of educational attainment is calculated as the number of individuals ages 25 to 64 with the particular level of educational attainment who are in employment divided by the number of individuals ages 25 to 64 with the same level of educational attainment.

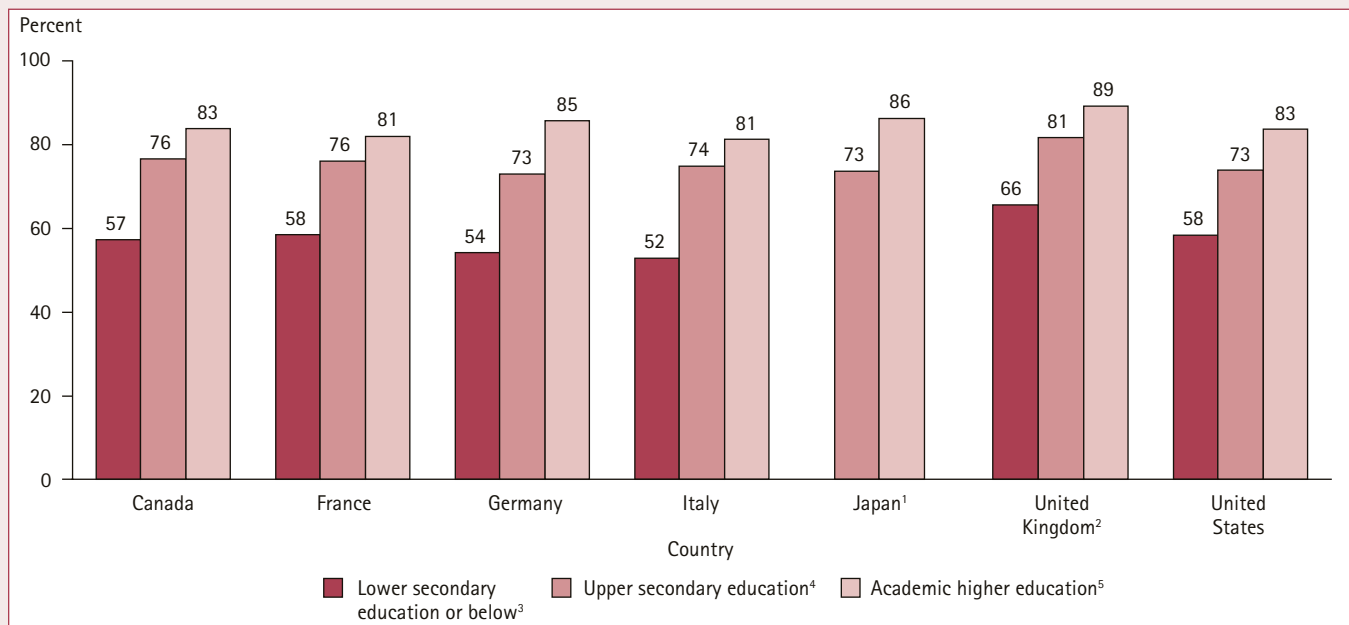
As shown in the figures, education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A. Individuals whose highest level of education is academic higher education have completed at least a first university degree program,

which prepares students for advanced research and highly qualified professions. First university degree programs vary in duration in different countries in different programs of study. In the United States, the first university degree corresponds to a bachelor's degree; it excludes associate's degrees.

Percentage-point differences presented in the text were computed from unrounded numbers; therefore, they may differ from computations made using the rounded whole numbers that appear in the figures.

²⁷ In this indicator, the category of "upper secondary education" also includes postsecondary nontertiary programs. See figure 26a and appendix A for more information on education levels.

Figure 26a. Employment rates of adults ages 25 to 64, by highest level of education and country: 2006



¹In Japan, the data for ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education) are included in the data for upper secondary education.

²The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

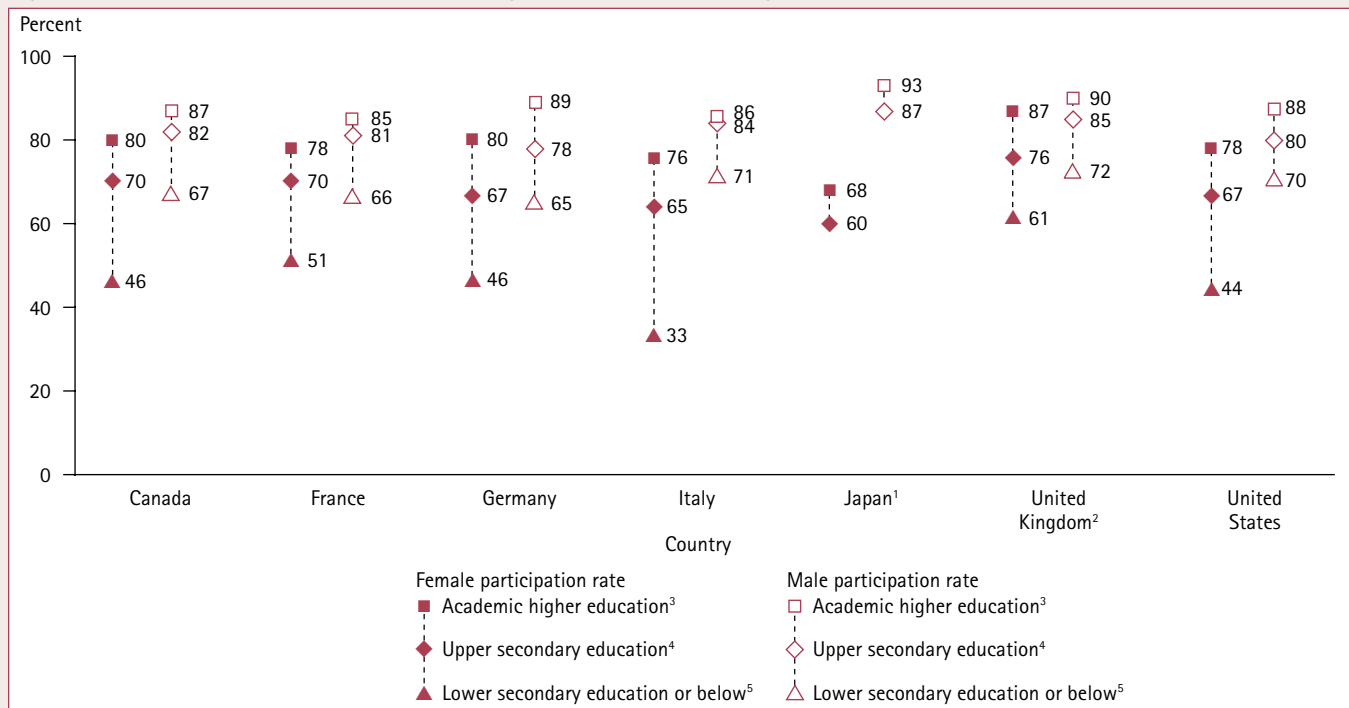
³Includes ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education).

⁴Includes ISCED97 levels 3 (upper secondary education) and 4 (postsecondary nontertiary programs).

⁵Includes ISCED97 levels 5A (academic higher education below the doctoral level) and 6 (doctoral level of academic higher education).

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A in this report.
SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table A8.3a and web table A8.1b. Paris: Author (Retrieved September 22, 2008).

Figure 26b. Employment rates of adults ages 25 to 64, by sex, highest level of education, and country: 2006



¹In Japan, the data for ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education) are included in the data for upper secondary education.

²The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

³Includes ISCED97 levels 5A (academic higher education below the doctoral level) and 6 (doctoral level of academic higher education).

⁴Includes ISCED97 levels 3 (upper secondary education) and 4 (postsecondary nontertiary programs).

⁵Includes ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education).

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A in this report.
SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, A8.1a and web tables A8.3b and A8.3c. Paris: Author (Retrieved September 22, 2008).

DISTRIBUTION OF POPULATION BY EDUCATION AND INCOME

G-8 Countries Included: Canada, France, Germany, Italy, United Kingdom, United States

Among U.S. 25- to 64-year-olds whose highest level of attainment was lower secondary education or below, 42 percent earned at or below half of the country's median income in 2006. This percentage was higher than in all other reporting G-8 countries.

This indicator compares the 2006 income distributions of adults ages 25- to 64-years-old at three different levels of educational attainment: lower secondary education or below, upper secondary education,²⁸ and academic higher education. Income comparisons are made relative to each country's respective median income. For instance, in 2006, the median annual income for people ages 15 and older in the United States was about \$26,000 (U.S. Census Bureau 2008). A subgroup of people in the United States earning more than two times the U.S. median income would have had an average annual income of over \$52,000; a subgroup earning at or below half of the U.S. median income would have had an average annual income of \$13,000 or less. As shown in this indicator, in all reporting G-8 countries, adults with a high level of education tended to earn more income than those with a relatively low level of education (i.e., those whose educational attainment was lower secondary education or below).

Among U.S. 25- to 64-year-olds whose highest level of educational attainment was lower secondary education or below, 16 percent earned more than the country's median income in 2006 (figure 27). This percentage was lower than in all other reporting G-8 countries, which ranged from 20 percent in the United Kingdom to 38 percent in Germany. Two percent of U.S. 25- to 64-year-olds with this level of education earned more than two times the country's median income (table 8). The corresponding percentages in the other G-8 countries ranged from 2 percent in the United Kingdom and Germany to 7 percent in Italy. In contrast, 42 percent of such U.S. adults earned at or below half of the country's median

income. This percentage was higher than in all other reporting G-8 countries, which ranged from 17 percent in France to 39 percent in the United Kingdom.

Among U.S. 25- to 64-year-olds whose highest level of educational attainment was upper secondary education, 38 percent earned more than the country's median income in 2006 (figure 27). This percentage was lower than in all other reporting G-8 countries, which ranged from 42 percent in the United Kingdom and Germany to 56 percent in Italy. Italy was the only reporting G-8 country where more than half of adults with this level of education earned more than the country's median income. Seven percent of U.S. 25- to 64-year-olds with this level of education earned more than two times the country's median income (table 8). The corresponding percentages in the other G-8 countries ranged from 4 percent in Germany to 14 percent in Italy (table 8). In contrast, 24 percent of such U.S. adults earned at or below half of the country's median income; in the other G-8 countries this ranged from 10 percent in Italy to 28 percent in Canada.

Among U.S. 25- to 64-year-olds who had completed academic higher education, 68 percent earned more than the country's median income in 2006 (figure 27). The corresponding percentages in the other G-8 countries ranged from 66 percent in Canada to 75 percent in the United Kingdom. Twenty-eight percent of U.S. 25- to 64-year-olds with this level of education earned more than two times the country's median income (table 8). The corresponding percentages in the other G-8 countries ranged from 27 percent in France and Germany to 32 percent in Italy. In contrast, 12 percent of such U.S. adults earned at or below half of the country's median income; in the other G-8 countries this ranged from 7 percent in France to 18 percent in Canada.

Definitions and Methodology

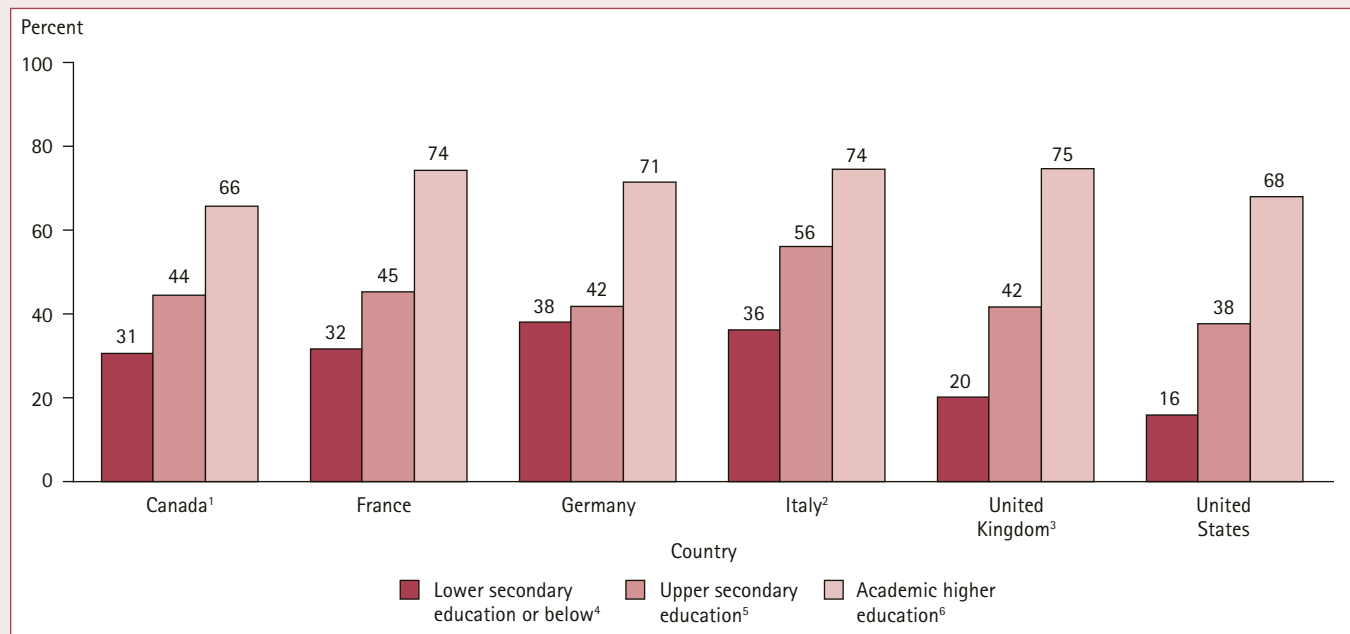
Income refers to pretax income.

As shown in the table and figure, education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A. Individuals whose highest level of education is academic higher education have completed at least a first university

degree program, which prepares students for advanced research and highly qualified professions. First university degree programs vary in duration in different countries in different programs of study. In the United States, the first university degree corresponds to a bachelor's degree; it excludes associate's degrees.

²⁸ In this indicator, the category of "upper secondary education" also includes postsecondary nontertiary programs. See figure 27 and appendix A for more information on education levels.

Figure 27. Percentage of the population ages 25 to 64 who earned more than the median income, by highest level of education and country: 2006



¹ Reference year is 2005 rather than 2006.

² Reference year is 2004 rather than 2006.

³ The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

⁴ Includes ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education).

⁵ Includes ISCED97 levels 3 (upper secondary education) and 4 (postsecondary nontertiary programs).

⁶ Includes ISCED97 levels 5A (academic higher education below the doctoral level) and 6 (doctoral level of academic higher education).

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A in this report.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table A9.4a. Paris: Author.

Table 8. Percentage of the population ages 25 to 64, by highest level of education, income, and country: 2006

Education level and income	Canada ¹	France	Germany	Italy ²	United Kingdom ³	United States
Lower secondary level or below⁴						
At or below half of the median income	37.8	17.4	30.7	19.5	38.6	42.2
More than two times the median income	5.8	2.9	1.9	7.4	1.9	1.9
Upper secondary education⁵						
At or below half of the median income	28.2	10.6	23.5	10.3	25.7	23.8
More than two times the median income	11.5	5.1	4.3	14.1	6.8	7.0
Academic high education⁶						
At or below half of the median income	18.3	7.0	11.1	7.8	11.8	11.6
More than two times the median income	31.2	26.6	27.1	31.9	30.9	28.0

¹ Reference year is 2005 rather than 2006.

² Reference year is 2004 rather than 2006.

³ The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

⁴ Includes ISCED97 levels 0 (preprimary education), 1 (primary education), and 2 (lower secondary education).

⁵ Includes ISCED97 levels 3 (upper secondary education) and 4 (postsecondary nontertiary programs).

⁶ Includes ISCED97 levels 5A (academic higher education below the doctoral level) and 6 (doctoral level of academic higher education).

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED97). For more information on the ISCED97 levels, see appendix A in this report.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2008). *Education at a Glance: OECD Indicators 2008*, table A9.4a. Paris: Author.