



## **How the Bureau of Labor Statistics Measures Price Change for Export Postsecondary Education in the U.S. Import/Export Price Indexes**

The Bureau of Labor Statistics (BLS) Export Postsecondary Education Index measures changes in prices for services provided by postsecondary educational institutions to foreign students studying in the United States. BLS first began to publish the Export Postsecondary Education Index in 2007 and discontinued publication in 2008. The index was published annually, at the end of each academic year. BLS publishes international services price indexes for air freight and air passenger fares. Historical data are available for crude oil tanker freight and ocean liner freight (<http://www.bls.gov/web/discsrv.htm>), education (<http://www.bls.gov/web/srv3.htm>) and travel and tourism services (<http://www.bls.gov/web/srv2.htm>).

The Export Postsecondary Education Index measures price changes for room and board as well as tuition and fees paid by foreign, nonresident alien students at American colleges, universities, technical and professional schools. For example, the annual tuition rate paid by a German student pursuing a Master's degree in the United States would be included in the Export Postsecondary Education Index. Expenditures by foreign students on non-institutional expenses, such as airfare, books, entertainment, and other living expenses are excluded from this index. BLS publishes indexes for four distinct groupings of prices received by U.S. educational institutions: tuition and fees versus room and board; graduate studies versus undergraduate studies; private institutions

versus public institutions; and prices grouped by the region in which the educational institution is located. These divisions allow for a more refined analysis of the price changes of particular components of the education market. Regional groupings follow the definitions used by the U.S. Department of Commerce's Bureau of Economic Analysis (BEA) Regional Accounts. The U.S. Department of Commerce's Bureau of Economic Analysis (BEA) is a primary user of the Export Postsecondary Education Index. BEA uses these indexes to adjust the Balance of Payments Accounts and to deflate the Gross Domestic Product.

### **Data Selection**

The Export Postsecondary Education Index uses data from the U.S. Department of Education National Center for Education Statistics' Integrated Postsecondary Data System (IPEDS). BLS uses institutional information, numbers of foreign students, as well as price information from this source to calculate the index.

The IPEDS dataset represents a near-universe of colleges and universities in the United States. BLS does not sample for the Export Postsecondary Education Index, but uses all available IPEDS data for institutions who report having foreign students in attendance. BLS excludes medical and law schools, as well as some specialized institutions, such as seminaries and military academies.

## **Pricing**

Pricing data for the Export Postsecondary Education Index are obtained annually from IPEDS. The pricing data represent average prices paid for tuition, fees, room, and/or board for a full academic year by a full-time student. Prices for books, local transportation, off-campus living expenses, and entertainment are not included due to the lack of available data. Prices for international airfare also are excluded from this index since these price changes are measured by other U.S. Import/Export Price Indexes.

## **Trade Value Weights**

The revenue weights used for index calculation are derived from IPEDS data. Expenditures are determined using numbers of foreign students and the prices of their respective institutions. Weights are calculated annually with a one year lag.

## **Additional Information**

Additional information on the U.S. Import/Export Price Indexes can be found in "International Price Indexes," *BLS Handbook of Methods*, Bulletin 2490 (Bureau of Labor Statistics, 1997), Chapter 15. This chapter also is available on the BLS Internet site (<http://www.bls.gov/mxp>) under the topic "Publications." You may contact the International Price Program of BLS by telephone at (202) 691-7101 or by e-mail at [mxpinfo@bls.gov](mailto:mxpinfo@bls.gov).

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