

Trade Union
Advisory Committee
to the OECD
Commission
*syndicale consultative
auprès de l'OCDE*

BASED IN PARIS 2018
FOUNDED IN LONDON 1948

Education at a Glance 2019

TUAC assessment

Paris, 10 September 2019

1. The OECD released its Education at a Glance (EAG) report on September 10 including a wealth of data on educational outcomes and, this time, a specific focus on tertiary education (English: https://www.oecd-ilibrary.org/education/education-at-a-glance-2019_f8d7880d-en; French: https://www.oecd-ilibrary.org/fr/education/regards-sur-l-education-2019_6bcf6dc9-fr)ⁱ. This publication typically is not making policy recommendations but highlights trends in the education system and the effects on the employability of individuals (mostly younger cohorts). The value of the EAG is that it is an easily accessible source for country comparisons on aspects of educational provision.

Main Take-aways

- 25-34 year-olds with tertiary education earn 38% more than their peers with upper secondary education while 45-54 year-olds earn 70% more; Meanwhile, VET numbers remain low *“on average across OECD countries, in 2017, 18% of 15-24 year-olds”*.
- EAG misses out to discuss the policy mix needed to decrease inequalities both for children and young adults, and their parents including through labour market institutions and social dialogue;
- Regional inequalities in educational attainment have narrowed in recent years, mainly due to improvements in the regions that had the lowest educational attainment levels;
- There is still a low take up of Engineering, manufacturing, construction (EMC) and information technology (ICT) studies despite being promising career paths: *“only 14% of graduates earned a degree in EMC and only 4% in ICT. Within all these fields, less than 25% are women”*;
- *“The share of tertiary-educated young adults (aged 25-34) increased from 35% in 2008 to 44% in 2018”* – also with proportionally higher levels of women – the scarring effect of longer unemployment spells decreases with a higher educational attainment level;
- Participation in non-formal education and training is much higher than participation in formal education and training. The OECD ascribes a limited role to social partners and flags PPPs as an avenue to provide adult learning.

Regrettably, apart from minor references to trade unions and collective bargaining, there is no further discussion on their role in the provision of training or in correcting labour market outcomes. The only reference reads:

“A number of factors other than education also play a role in individuals’ earnings, including the demand for skills in the labour market, the supply of workers and their skills, the minimum wage and other labour-market laws, and structures and practices (such as the strength of labour unions, the coverage of collective-bargaining agreements and the quality of working environments). These factors also contribute to differences in the distribution of earnings.” (p.83)

While there is nothing wrong with it, the EAG does not go beyond it – and that in light of revised OECD Jobs and Skills Strategies that both underline the importance of social dialogue and social partner involvement. The same applies to adult learning above the age of 35 (although informal learning is briefly discussed). Given current and potential labour market challenges ahead and persistent learning and skills gaps, such analysis in the next volume would be warranted.

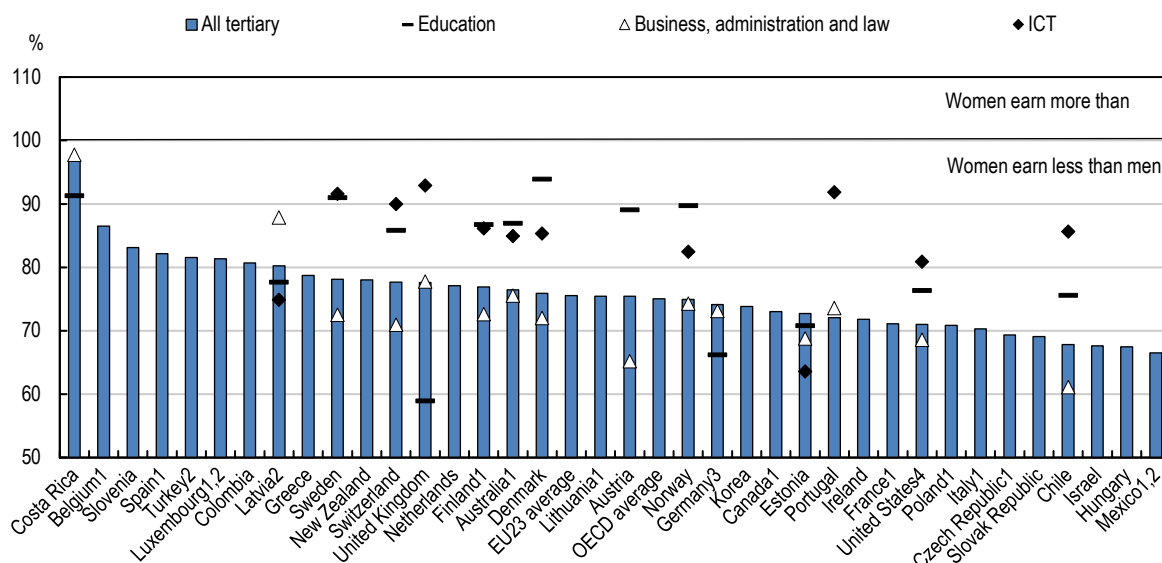
Below, you will find relevant results from the publication pertinent to trade union work on skills, training and workforce employability.

2. **Inequalities.** The EAG touches upon inequalities in educational systems, the labour market and between regions. For detailed country comparisons on earnings, it is worth consulting [Table A4.1](#) (Relative earnings of workers, by educational attainment) and [Table A4.2](#) (Level of earnings relative to median earnings, by educational attainment). It does not discuss income aspects much in detail with the exception of differentiating earnings between tertiary degrees ([p. 82](#)) and of comparing women's earnings as a percentage of men's earnings, by field of study – with ICT and teaching having the lowest differentials ([p. 88](#)).

Figure A4.5.

Women's earnings as a percentage of men's earnings, by field of study (2017)

25-64 year-old full-time tertiary-educated workers



The general conclusion as to how “to improve social mobility and socio-economic outcomes, is to eliminate inequalities in educational opportunities” (p.38). As a “proof”, the EAG finds that “countries with relatively high levels of income inequality also tend to be those with the highest share of the population without tertiary or even upper secondary education” (p. 86). Further, it shows that “25-34 year-olds with tertiary education earn 38% more than their peers with upper secondary education while 45-54 year-olds earn 70% more” (p.23). While educational opportunities are indeed important – the EAG misses to discuss the policy mix needed to decrease inequalities both for children and young adults, and their parents. It also does not reflect on the potential for tertiary job creation and the dilemma of workers being underpaid regardless of their educational attainment and specifically, the de-valorisation of VET professions in that regard.

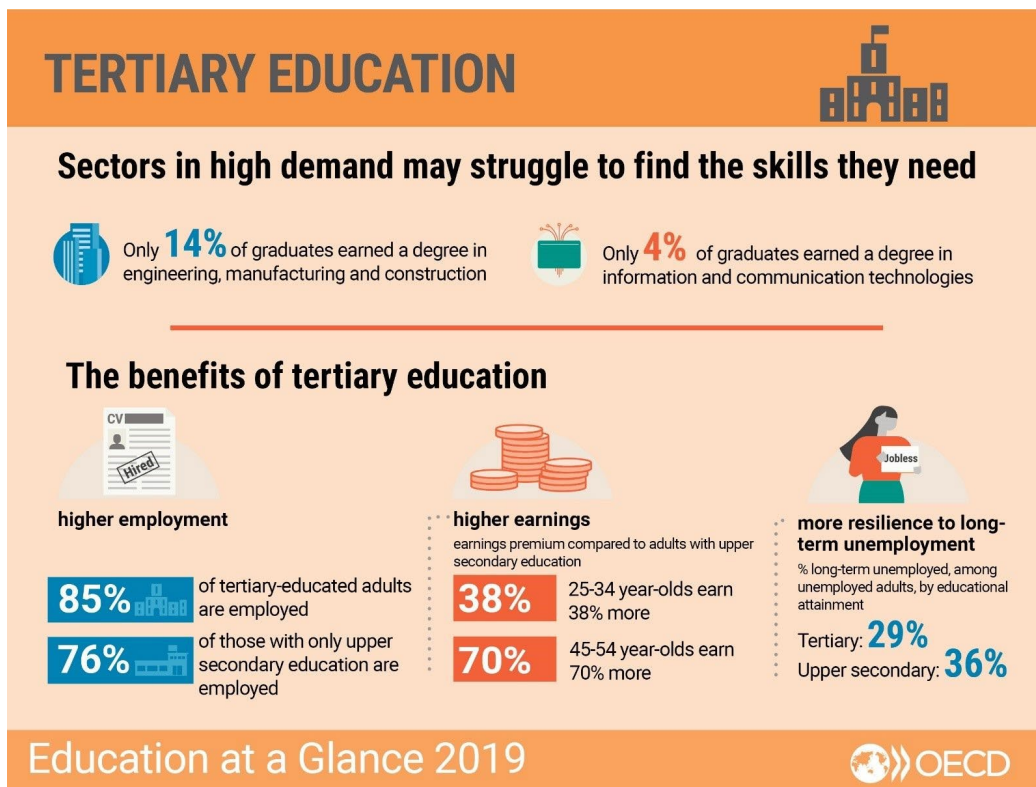
By highlighting regional differences in equality outcomes, the EAG allows for a much more granular view: “National level data often hide important regional inequalities. In general, regional inequalities in educational attainment have narrowed in recent years, mainly due to improvements in the regions that had the lowest educational attainment levels. Many countries with relatively high tertiary attainment rates also have strong regional inequalities” (p.46). And, throughout the publication, it takes on this lens as for example on the subnational variations in the percentage of young people who are NEET across regions and in urban areas (p. 58).

3. **Labour market outcomes.** There is not enough discussion or indicators on the educational effects on adults in view of labour-market outcome in this year’s EAG. Where the EAG19 goes into detail is on the labour-market outcomes for young graduates – which is important given the mission of public education systems. In terms of the main results found, the EAG cautions about the still low take up of Engineering, manufacturing, construction (EMC) and information technology (ICT) studies despite being promising career paths: “only 14% of graduates earned a degree in EMC and only 4% in ICT. Within all these fields, less than 25% are women” (p.44).

On young people, the EAG confirms the “scarring effect” for those not immediately finding themselves in employment after the completion of their studies: “The duration of

unemployment has a significant impact on their later labour-market outcomes” (p. 55). The level of educational attainment clearly affects the likelihood of unemployment spells: “the unemployment rate is almost twice as high for young adults (aged 25-34) who have not completed upper secondary education (14%), compared to those with upper secondary or post-secondary non-tertiary attainment (7%) and those with a tertiary degree (6%)” (p.35). The same applies to the duration of unemployment on OECD average: “29% of unemployed adults with tertiary education have been unemployed for 12 months or longer, compared to 36% of those with upper secondary or post-secondary non-tertiary education and 41% of those with below upper secondary education” (p.67).

On the positive side, there is an increase in young adults with tertiary education: “The share of tertiary-educated young adults (aged 25-34) in OECD increased from 35% in 2008 to 44% in 2018” (p. 33) – also with proportionally higher levels of women (p. 38). In terms of distribution however: “42% of 25-64 year-olds have upper secondary or post-secondary non-tertiary education as the highest level of education” (p.41).



Interestingly, the EAG also looks into social connectedness, work life balance and job satisfaction (see Box A6.2). Here, specifically we find the recognition that “even if in some cases educational attainment seems to have no direct effect on job satisfaction, mediating variables such as job complexity, income and autonomy at work may capture these indirect effects”. These organisational factors to working conditions and well-being indeed deserve more attention.

4. **Adult learning and VET.** The EAG does not really focus on learning above the age of 35. There are still some worthwhile findings such as the admission that “in many education systems, VET enables some adults to reintegrate into a learning environment and develop skills that will increase their employability” (p. 147). The question here is ‘How’ to

help adults do that in the future – when it will probably be more need for both the green and digital transitions?

Participation in non-formal education and training is much higher than participation in formal education and training. This holds true even for 25-34 year-olds: *“on average across the OECD countries taking part in the Adult Education Survey (AES), 50% of younger adults were participating in non-formal education and training while only about 16% were participating in formal education and training” (p.132)*. The EAG claims that the take up of adult learning is driven by employment: *“On average across the OECD countries participating in the AES, 70% of the education and training activities followed by tertiary-educated 25-64 year-olds participating in non-formal education and training were job-related and sponsored by their employer” (p.132)*. The numbers for those participating in training is quite high (47%) for 25-64 year olds that *“participated in formal and/or non-formal education and training in the 12 months preceding the survey” (p. 134)*. Taking a step back, both findings – the level of participation and the trigger (the employer) – should be explored in much more details as to see the distribution between different types of training, between age groups, sectors, income and skills levels.

In terms of discussing workbased learning, the EAG takes on a very limiting view to the role of trade unions and worker representatives: *“Workbased learning is also a way to develop public-private partnerships and to involve social partners and employers in developing VET programmes, often by defining curricular frameworks” (p. 182)*. Social partners and trade unions do more than just defining the curriculum including co-financing, career guidance, monitoring and bargaining on working conditions and time, training plans and recompensation. Secondly, PPPs in the context of VET need to be more clearly defined.

VET numbers show that not as many young adults enroll in such programs still: *“on average across OECD countries, in 2017, 18% of 15-24 year-olds” (p.32)*. The report discusses VET from the perspective of educating and bring younger adults into employment and defines it as ‘a useful tool to tackle youth unemployment’ especially during recessions (p.32). Going further however it finds that *“participation in vocational education increases the risk of unemployment at later ages” (p.148)*. Yet, also confirms that *“it has been also found that VET has a positive effect on graduates’ employability, because of their early entry into the labour market” (p.182)*.

5. **Educational systems and equity.** Spending on tertiary institutions has increased by 28% between 2005 and 2016 although, since 2010 spending and student enrolments have slowed down. Private sources financed more than 30% of this spending and tuition fees have increased by more than 20% between 2007 and 2017. An interesting feature of the EAG19 is the re-grouping of country approaches to funding and tuition fees into 4 categories (p. 319).

The EAG also takes a stance on student loans as the indicators show them being *“less effective than grants in encouraging low-income students to access tertiary education. Opponents of loans argue that high levels of student debt at graduation may have adverse effects for both students and governments if large numbers of students are unable to repay their loans (OECD, 2014[3]). A large share of graduates with debt could be a problem if employment prospects are not sufficient to guarantee student loan repayments” (p. 322)*.

This is important to take forward in the discussion on access to education and equalities of opportunities, and further on, household incomes.

Public spending on schools and post-secondary non-tertiary institutions in principle increased on OECD average to 3.5%. The EAG claims that most has been channelled into smaller classes and higher teachers' salaries. Data comparing class size between 2005 and 2017 shows that it has remained about the same at primary level and fallen by an average of 8% at lower secondary level. This masks increases in primary class size in Mexico(20%), Portugal (14%), and the Russian Federation(29%) and lower secondary class size increases of 8% in Denmark.

In most OECD countries, there are concerns about teacher shortages. On average, only 10% of primary and secondary teachers are under 30. Despite EAG reporting that additional funding in the majority of countries is being spent on higher teachers' salaries, average primary school class sizes have not gone down and primary teachers still receive comparatively lower pay. The differential between classroom teachers' pay and that of similar professionals in other sectors and the disparity between school principals' and teachers' pay are factors which also place pressures on retaining teachers.

ⁱ OECD (2019), Education at a Glance 2019: OECD Indicators, OECD Publishing, Paris, <https://doi.org/10.1787/f8d7880d-en>.