

COUNTRY NOTE



Education at a Glance: OECD Indicators 2012

AUSTRALIA

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KEY FINDINGS

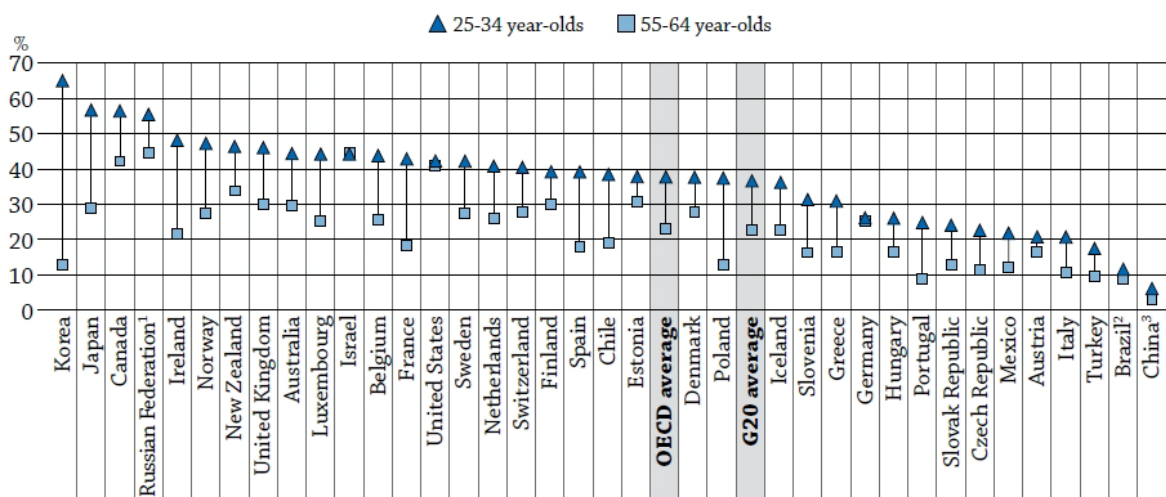
- Nearly 45% of Australians aged 25 to 34 had attained tertiary education in 2010.
- A large proportion of Australia's tertiary students are from other countries.
- Australian women have equalled or surpassed their male counterparts in upper secondary and tertiary education attainment.
- Participation rates in, and public funding for, early childhood education are relatively low in Australia compared with other OECD countries.

Australia's education system achieves good outcomes overall...

Attainment of upper secondary education by adults aged 25 to 34 was 85% in 2010, above the OECD average of 82% (Table A1.2a). This is a marked improvement from previous generations: only 58% of 55-64 year-old Australians have completed upper secondary school (Table A1.2a). Tertiary entry and attainment levels (total of tertiary-type A [largely theory-based], B [vocationally oriented] and advanced research programmes) in Australia are well above the OECD average. Australia is ranked 10th of the 41 OECD member and partner countries, with 38% of 25-64 year-olds having attained this level of education (Table A1.3a and Chart A1.1). Among younger adults, this figure is even higher. In 2010, some 44% of

25-34 year-olds had attained tertiary education, placing the country 9th among OECD member and partner countries on this measure, and above the OECD average of 38% for this age group (Table A1.3a).

Chart A1.1. Population that has attained tertiary education (2010)
Percentage, by age group



1. Year of reference 2002.

2. Year of reference 2009.

3. Year of reference 2000.

Countries are ranked in descending order of the percentage of 25-34 year-olds who have attained tertiary education.

Source: OECD. Table A1.3a. See Annex 3 for notes (www.oecd.org/edu/eag2012).

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Despite the lower attainment levels among older Australians, adult participation in education throughout life is comparatively very high. Most mature students participate in tertiary-level studies. In 2010, only 73% of all first-time entrants into tertiary-type A programmes in Australia were under 25 years (Table C3.2). The range of avenues for entry, flexible programmes and part-time learning options both allow and encourage all Australians – even those over 40 – to return to education (Box C1.1).

Labour-market outcomes by education level also reflect well on the Australian education system. The country has strong overall employment rates, with educational attainment also increasing the likelihood of being employed (Table A7.1a). Graduates of vocational education do particularly well in the labour market. As many as 85% of 25-64 year-old Australians who have attained vocational education were employed in 2010, the second highest level among OECD countries, and only marginally below that of Iceland (Chart A7.5).

Educational attainment adds an earnings premium, though less so than across many OECD countries. In 2009, a tertiary-educated worker in Australia could expect to earn 35% more than a worker with an upper secondary education, ranking Australia 27th compared with the average 55% premium seen among 32 other OECD countries (Table A8.1).

...even though public investment in education is comparatively low.

In 2009, Australia's total expenditure on educational institutions was 6.0% of GDP, which was just below the OECD average of 6.2% (Table B2.1). This relatively high expenditure level is partly the result of a one-off injection of funds forming a part of the government's stimulus spending package approved in the aftermath of the economic crisis. The AUD 16.2 billion Building the Education Revolution programme was provided to upgrade physical infrastructure, including halls and libraries, in Australian primary and secondary schools.

The public share of Australia's total expenditure on educational institutions was 73% in 2009, which is lower than the OECD average of 84% in the same year (Table B3.1). The main drivers behind this result are Australia's relatively high university tuition fees, the high proportion of full fee-paying international students at the tertiary level, and the high proportion of students attending private institutions at the primary and secondary levels of education. Although the proportion of private investment is much greater in Australia than in other OECD countries, the level of government investment in education as a proportion of all public spending, including health, defence, and welfare, was slightly above the OECD average.

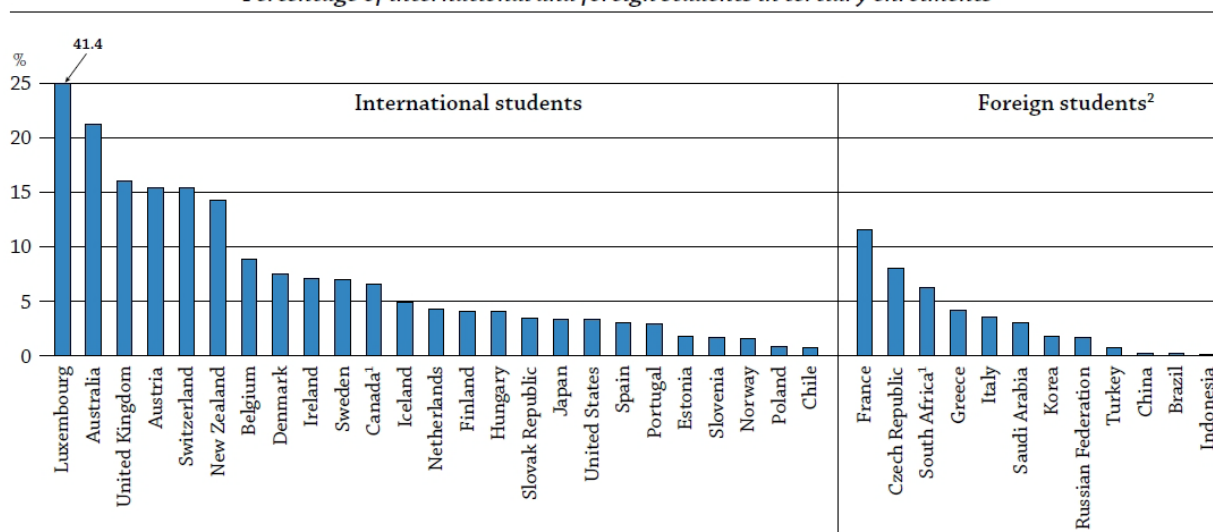
Relative to GDP, Australian expenditure on primary, secondary and post-secondary non-tertiary education climbed from 3.6% in 2005 to 4.2% of GDP in 2009 (Table B2.1). In 1995, Australia was ranked 21st of 27 OECD member and partner countries on this measure, but the country's ranking jumped to 11th in 2009 (Table B2.1). Overall expenditure per student spiked to well above the OECD average in 2009 (Table B1.5a).

Australia is the preferred destination for many international students.

The most significant feature of the tertiary education landscape in Australia is the large proportion of international students. Australia is a key destination for students from around the world, hosting nearly 7% of the world's foreign students (Chart C4.2). This figure places Australia as the third most popular destination after the United States (almost 17% of foreign students worldwide) and the United Kingdom (13%) (Chart C4.2). More than 21% of all tertiary-level enrolments in Australia in 2010 were international students, the second highest proportion after Luxembourg among all OECD countries (Table C4.1 and Chart C4.4). The country receives more than 20 times more international students than the number of Australian students who choose to study in tertiary programmes abroad (Table C4.5).

The number of international students in Australia has grown dramatically over recent years, with a 53% increase in enrolments of foreign students into tertiary-type A programmes between 2005 and 2010 (Table C4.1). This increase did not simply reflect greater global student mobility, as Australia's market share similarly grew throughout this period, from 5.1% in 2000 to nearly 6.6% in 2010 (Chart C4.3).

Chart C4.4. Student mobility in tertiary education (2010)
 Percentage of international and foreign students in tertiary enrolments




1. Year of reference 2009.

2. Foreign students are defined on the basis of their country of citizenship. These data are not comparable with data on international students and are therefore presented separately in the chart.

Countries are ranked in descending order of the percentage of international students in tertiary education.

Source: OECD, Table C4.1. See Annex 3 for notes (www.oecd.org/edu/eag2012).

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Upward mobility is fluid, while some issues of inequity in education remain...

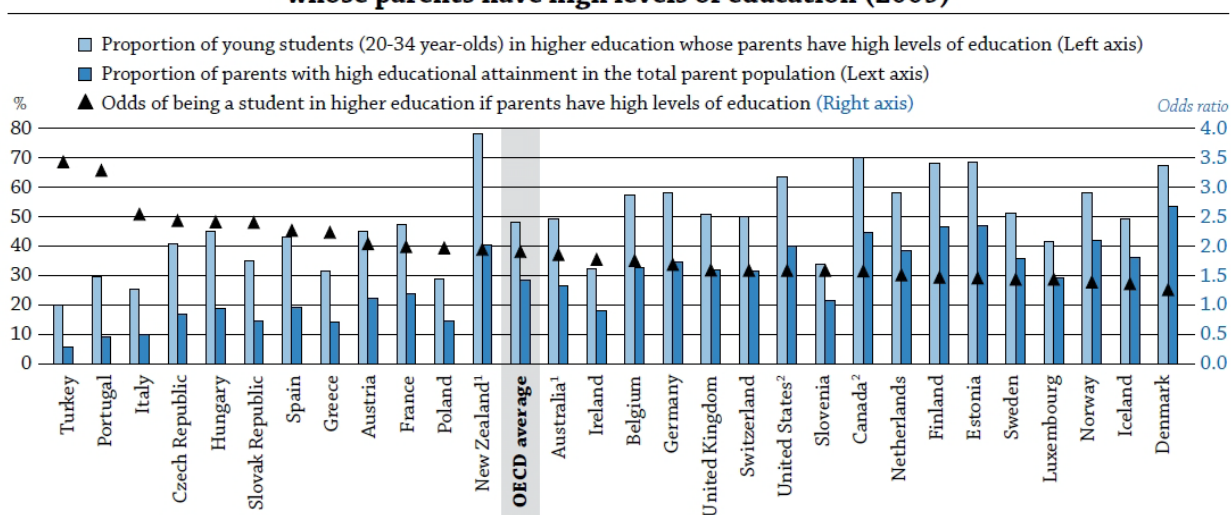
Upward mobility is a significant feature of Australia’s education system. As many as 41% of 25-34 year-old non-students have attained tertiary education despite being from socio-economically disadvantaged backgrounds and having parents with low levels of education (Table A6.2). This is the highest proportion among 30 OECD countries and well above the average of 20% (Table A6.2 and Chart A6.4). Some 49% of young Australians in this group have attained a higher level of education than their parents, giving the country the 5th highest level of upward mobility of 29 OECD countries with available data (Chart A6.5). In addition, all 25-34 year-olds from families with low levels of education enjoy better-than-average educational opportunities (Chart A6.1).

Australia’s education system is particularly effective for immigrant students. Students from schools with a high concentration of immigrant students (50% of whom are immigrants themselves), tend to achieve slightly higher reading scores. Chart A5.1 illustrates a positive correlation between the reading scores of Australian students and the concentration of immigrants within the school they attend. The country ranks third among 31 OECD member and partner countries in this regard.

Socio-economic status and parents’ educational background, however, remain strongly associated with student performance. Students whose mothers have low levels of education are more concentrated in disadvantaged schools (Chart A5.3) and, in 2010, nearly 50% of all tertiary students had parents who attained high levels of education themselves, while the prevalence of such parents in the total population stands at only 27% (Chart A6.2). The persistence of intergenerational transmission of disadvantage is illustrated in student reading scores. Students who attend disadvantaged schools (those schools that are in

the bottom quartile of schools' socio-economic profile) underperform compared with those schools in the top quartile by an average of 55 points on the PISA reading scale – the equivalent of well over one year of formal schooling (Chart A5.5). In addition, those students whose mothers have not attained an upper secondary education underperform compared with students whose mothers have attained a tertiary education by an average of 70.5 points – the equivalent of nearly two years of schooling – on the PISA reading scale.

Chart A6.2. Participation in higher education of students whose parents have high levels of education (2009)



Note: The number of students attending higher education are under-reported for Australia, Canada, New Zealand and the United States compared to the other countries as they only include students who attained ISCED 5A, while the other countries include students who attained ISCED 5A and/or 5B. Therefore, the omission of data on 5B qualifications may understate intergenerational mobility in these countries.

1. Data source from Adult Literacy and Lifeskills Survey (ALL) of 2006.

2. Data source from Adult Literacy and Lifeskills Survey (ALL) of 2003.

Countries are ranked in descending order of the odds of attending higher education.

Source: OECD, Table A6.1. See Annex 3 for notes (www.oecd.org/edu/eag2012).

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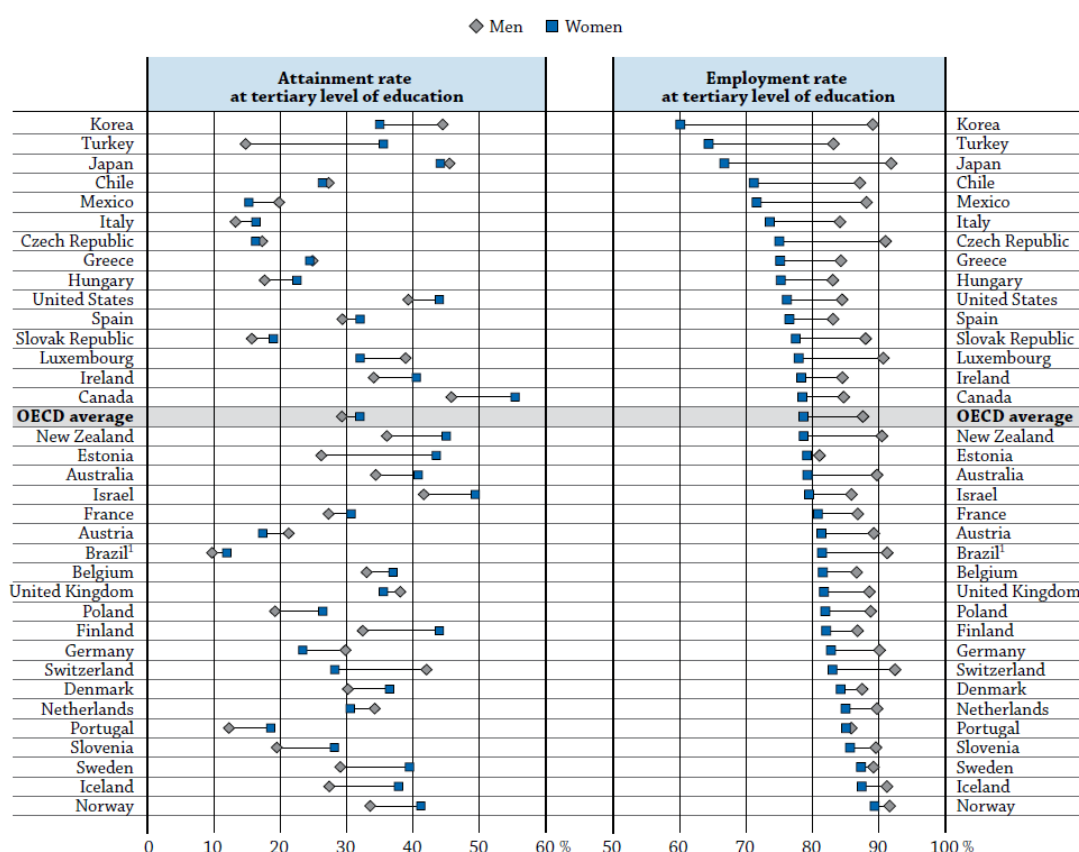
...including inequality of labour-market outcomes according to gender.

Young women generally attain the same or higher levels of education as men. In 2010, 86% of 25-34 year-old Australian women had attained at least upper secondary education, compared to 83% of men of the same age (Table A1.2b and A1.2c). Meanwhile, only 39% of Australian men aged 25-34 had attained tertiary-level education compared with as many as 50% of women of that age (Table A1.3b and Table A1.3c). Some 59% of tertiary-type A (first degree) qualifications were awarded to women in 2009, along with 50% of tertiary-type A second degrees and 50% of advanced research degrees (Table A4.5).

Australia ranks among those OECD countries in which increasing educational attainment for women has not yet translated into better labour-market participation and earnings. Some 79% of tertiary-educated women were employed in 2010 compared to 90% of similarly educated men (Chart A7.3). In 2009, 25-64 year-old tertiary-educated women earned 72% of the earnings of men from the same age group (Table A8.3a). Higher educational attainment does not narrow the gender gap in wages: in 2009, women

aged 25-64 who had attained less than an upper secondary level education, earned 76% of the amount earned by men from the same age group (Table A8.3a).

Chart A7.3. Percentage of 25-64 year-olds with tertiary education, and their employment rate, by gender (2010)



1. Year of reference 2009.

Countries are ranked in ascending order of 2010 employment rate for women with tertiary education.

Source: OECD, Tables A1.3b, A1.3c, A7.3b and Table A7.3c, available on line. See Annex 3 for notes (www.oecd.org/edu/eag2012).

Australia could benefit from broader opportunities for early childhood education.

Pre-primary education is offered less systematically in Australia than in other, particularly European, OECD countries. Consequently, Australia ranks 34th of 38 OECD and partner countries in early childhood education enrolment rates, well below the OECD average (Chart C2.1). In 2009, Australia ranked 32nd of 34 OECD and partner countries in terms of its expenditure on early childhood educational institutions as a percentage of GDP (Table and Chart C2.2). (Since the less-than-systematic nature of early childhood education in Australia does influence the accuracy of the data itself, it is possible that elements of the system were left out of the figures, particularly information from the private sector.)

NOTABLE TRENDS

Australia weathered the global economic downturn remarkably well.

The financial crisis and subsequent recession suffered by most OECD countries had relatively little impact on the Australian economy. Unemployment among the general population in 2010 was comparatively low, with only 3.9% of all 25-64 year-old Australians unemployed, compared with an OECD average of 7.3% and EU21 average of 8.4% (Table A7.2b). Youth unemployment is similarly low. Only 3.9% of 15-29 year-olds were neither in education nor employed in 2010 (Table C5.3), and only 5.4% of 20-29 year-olds were unemployed that year, with some of those individuals enrolled in education programmes (Table C1.8).

Australian teachers are relatively well paid, but salaries are not increasing as much as they are elsewhere.

Teachers' salaries in Australia are above average and have risen steadily by an overall 13% since 2000 at all school education levels, but this amount is below the OECD average salary rise of 22% (Table D3.2). Salaries are also declining in relation to GDP per capita, from 1.42% in 2000 to 1.23% of GDP per capita in 2010 (Table D3.6). Starting salaries are above average, and the scope for pay increases over a career is comparatively limited (Chart D3.2).

KEY FACTS

Indicator	Australia	OECD average	Australia rank*
Educational Access and Output			
Enrolment rates			
3-year-olds (in early childhood education)	10%	66%	32 of 36 countries
4-year-olds (in early childhood and primary education)	52%	81%	34 of 38 countries
5-14 year-olds (all levels)	99%	96%	18 of 39 countries
Percentage of population that has attained pre-primary or primary levels of education only			
25-64 year-olds	7%	m	22 of 37 countries
Percentage of population that has attained at least upper secondary education			
25-64 year-olds	73%	74%	22 of 40 countries
25-34 year-olds	85%	82%	19 of 36 countries
55-64 year-olds	58%	62%	22 of 36 countries
Percentage of population that has attained tertiary education			
25-64 year-olds	38%	31%	10 of 41 countries
25-34 year-olds	44%	38%	9 of 37 countries
55-64 year-olds	30%	23%	9 of 37 countries
Entry rates into tertiary education			
Vocational programmes (Tertiary-type B)	m	17%	m
University programmes (Tertiary-type A)	96%	62%	1 of 36 countries
Graduation rates			
Percentage of today's young people expected to complete upper secondary education in their lifetime	m	84%	m
Percentage of today's young people expected to complete university education (tertiary-type A) in their lifetime	50%	39%	5 of 28 countries
Economic and Labour Market Outcomes			
Unemployment rate of 25-64 year-olds			
Below upper secondary	6.2%	12.5%	26 of 33 countries
Upper secondary and post-secondary non-tertiary	3.6%	7.6%	30 of 34 countries
Tertiary	2.8%	4.7%	30 of 34 countries
Average earnings premium for 25-64 year-olds with tertiary education (compared to people with upper secondary education; upper secondary = 100)			
Men and women	135	155	27 of 32 countries
Men	144	160	22 of 32 countries
Women	148	157	25 of 32 countries
Average earnings penalty for 25-64 year-olds who have not attained upper secondary education (compared to people with upper secondary education; upper secondary = 100)			
Men and women	81	77	10 of 32 countries
Men	85	78	6 of 32 countries
Women	85	74	5 of 32 countries
Percentage of people not in employment, education or training			
15-29 year-olds (2005 data)	11.4%	15.0%	20 of 32 countries
15-29 year-olds (2010 data)	11.8%	15.8%	23 of 32 countries

Financial Investment in Education			
Annual expenditure per student (in equivalent USD, using PPPs)			
Pre-primary education	8 493	6 670	5 of 34 countries
Primary education	8 328	7 719	12 of 35 countries
Secondary education	10 137	9 312	11 of 37 countries
Tertiary education	16 074	13 728	12 of 37 countries
Total public and private expenditure on education			
As a percentage of GDP	6%	6.2%	20 of 37 countries
Total public expenditure on education			
As a percentage of total public expenditure	14.2%	13.0%	10 of 32 countries
Share of private expenditure on educational institutions			
Primary, secondary and post-secondary non-tertiary education	15.9%	8.8%	5 of 32 countries
Tertiary education	54.6%	30%	6 of 31 countries
All levels of education	26.8%	16%	6 of 30 countries
Schools and Teachers			
Ratio of students to teaching staff			
Pre-primary education	m	14.4	m
Primary education	15.7	15.8	22 of 36 countries
Secondary education	12.0	13.8	23 of 38 countries
Number of hours of compulsory instruction time per year			
7-8 year-olds	982	774 hours	2 of 33 countries
9-11 year-olds	984	821 hours	3 of 34 countries
12-14 year-olds	997	899 hours	6 of 34 countries
Number of hours of teaching time per year (for teachers in public institutions)			
Primary education	868	782 hours	8 of 35 countries
Lower secondary education	819	704 hours	6 of 34 countries
Upper secondary education	803	658 hours	5 of 35 countries
Ratio of teachers' salaries to earnings for full-time, full-year adult workers with tertiary education			
Primary school teachers	0.92	0.82	8 of 27 countries
Lower secondary school teachers	0.92	0.85	10 of 27 countries
Upper secondary school teachers	0.92	0.90	11 of 27 countries

* Countries are ranked in descending order of values.

See: *Education at a Glance 2012: OECD Indicators*

Visit: www.oecd.org/edu/eag2012

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