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# What are the advantages today of having an upper secondary qualification?

- In most OECD countries, the large majority of adults had at least an upper secondary qualification in 2013, making the completion of upper secondary education the minimum threshold for successful labour market entry and continued employability or the pursuit of further education.
- Young people who left school before completing upper secondary education face difficulty in the labour market but also have particularly low cognitive skills compared with upper secondary graduates. Those aged 15-29 who left school before completing upper secondary education are twice as likely to have low numeracy scores than those with an upper secondary education.
- On average across OECD countries, the unemployment rate among 15-29 year-olds not in education is 13 percentage points lower among those with an upper secondary education than for those without. Having a tertiary qualification reduces unemployment rates by a further five percentage points.

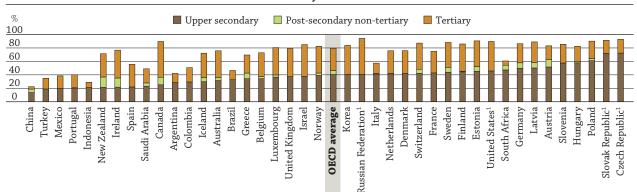
### Most adults now have at least an upper secondary qualification.

In the past, upper secondary programmes were designed largely to prepare an elite for advanced studies. Following the rapid expansion in education over the last several decades, the large majority of adults have now attained at least upper secondary education. Upper secondary education today thus represents the last stage in a basic schooling system whose key objective is to ensure that young people leave education with at least the minimum qualifications required for employability and for further education and training.

In 2013, 84% of 25-34 year-olds across OECD countries had attained at least an upper secondary education. This is a remarkable increase when compared with the relatively small share (67%) of 55-64 year-olds with the same level of attainment. Moreover, 40% of adults (25-64 year-olds) in OECD countries have attained upper secondary education as their highest level of education. This proportion exceeds 50% in Austria, the Czech Republic, Hungary, Poland, the Slovak Republic and Slovenia, and falls below 30% in Argentina, Canada, China, Colombia, Iceland, Indonesia, Ireland, Mexico, New Zealand, Portugal, Spain and Turkey (Figure 1).



25-64 year-olds



1. Russian Federation, United States, Slovak Republic, Czech Republic: Data for post-secondary non-tertiary level included in upper secondary education. *Countries are ranked in ascending order of the proportion of 25-64 year-olds with upper secondary education as their highest level of education.* **Source:** OECD (2015a), *Education at a Glance Interim Report: Update of Employment and Educational Attainment Indicators*, Table 1.1 (http://www.oecd.org/edu/eag.htm).



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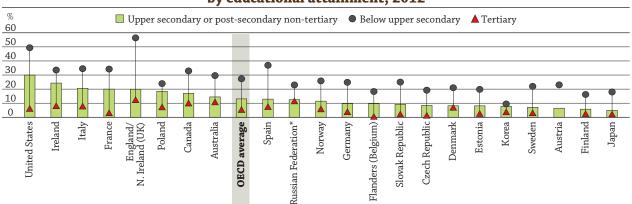
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Countries can have relatively low upper secondary attainment rates for one of two reasons, however. For some, it is because most individuals leave education before earning an upper secondary qualification (e.g. Argentina, China, Indonesia, Mexico, Portugal and Turkey). For others it is because they continue in education beyond this level until they earn a higher degree (e.g. Canada, Ireland and New Zealand) (OECD, 2015a). 2015

# Those who left school before completing upper secondary education face difficulties in the labour market and have particularly low cognitive skills.

18 Education and skills are central to employability. Young people who leave school without an upper secondary qualification, often before they have achieved a sufficient level of proficiency in literacy and numeracy, have difficulty entering the labour market (Figures 2 and 3).

In most countries covered by the Survey of Adult Skills, a large share of young people who have not attained upper secondary education have low literacy and numeracy skills – a much larger proportion than among young people who have attained this level of education as their highest qualification. On average, 27% of 16-29 year-olds who have dropped out have very low numeracy skills (level 1 or below), compared with only 13% of upper secondary school graduates. The difference between these two categories exceeds 19 percentage points in Spain, the United Kingdom and the United States. In the two last countries, more than half of young people who have not attained upper secondary education have low numeracy skills (Figure 2).



### Figure 2. Percentage of 16-29 year-olds at or below numeracy proficiency level 1, by educational attainment, 2012

\* See note on data for the Russian Federation at the bottom of page 4.

Countries are ranked in descending order of the percentage of 16-29 year-olds with upper secondary or post-secondary non-tertiary education at numeracy proficiency level 1 or below.

Source: OECD Survey of Adult Skills (PIAAC) (2012).

## The completion of upper secondary education has become the minimum threshold for successful labour market entry and continued employability.

In a world where qualifications are fundamental for joining the labour market, an upper secondary qualification is the minimum credential for successful entry into the labour market today.

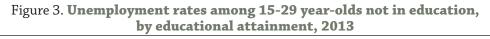
Among 15-29 year-olds with an upper secondary or post-secondary non-tertiary education, the unemployment rate for those not in education ranges from less than 10% in Australia, Austria, Denmark, Germany, Israel, Korea, Luxembourg, Mexico, the Netherlands, Norway and Switzerland to over 40% in Greece and Spain (Figure 3).

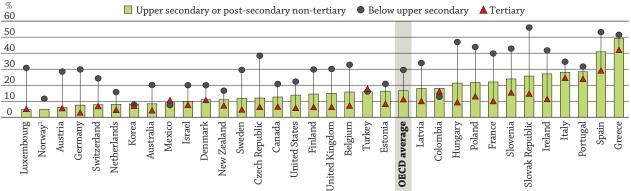
Attaining an upper secondary education qualification decreases the risk of unemployment in all OECD countries. Thus, across OECD countries, an upper secondary or post-secondary non-tertiary education degree who are not in countries. is 16.5%, 13 percentage points lower than for those who have not attained this level (29.5%). 20146.8%



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Note: Data for Iceland have not been shown for confidentiality reasons.

100%36.5

1. Norway: Data for Tertiary education have not been displayed for confidentiality reasons.

Countries are ranked in ascending order of the unemployment rates for 15-29 year-olds with upper secondary or post-secondary non tertiary education. **Source:** OECD (2015a), Education at a Glance Interim Report: Update of Employment and Educational Attainment Indicators, Table 3.5 (http://www.oecd.org/edu/eag.htm).

In Austria, the Czech Republic, Germany, Luxembourg and Switzerland the unemployment rates among 15-29 yearolds with an upper-secondary or post-secondary non-tertiary education (and not in education) are less than one-third the unemployment rate of those with below upper secondary education.

It is worth emphasising that all of these countries have well-developed vocational education and training (VET) sprogrammes which strengthen youth employability (OECD, 2015b). Globally, among people whose highest level of attainment is upper secondary education, 8.6% of those who pursued a vocational programme are unemployed, compared with 9.5% of those who pursued a general programme (OECD, 2015a, Table 2.5).

 □ Comparison, a tertiary qualification has a smaller impact on the unemployment rates among young adults. On average, attaining a tertiary education reduces unemployment rates among 15-29 year-olds not in education by five percentage points from 16.5% to 11.3%. In a few countries, such as in Austria, the unemployment rates of tertiary educated adults and those with an upper secondary or post-secondary non-tertiary education are almost equal: 5.7% compared with 6.1%. The difference is more than 22 percentage points between adults with below upper secondary education and adults with upper secondary education or higher (Figure 3).

# The crisis has slightly widened the relative gap between less educated and highly educated individuals.

Education is generally a good insurance against unemployment in difficult economic times. The economic crisis has made it harder for less-educated youth to find jobs. Between 2008 and 2013, the unemployment rate for 25-34 year-olds who had not attained upper secondary education has increased substantially from 13.6% to 20.6%, while those with higher levels of education have been less affected (from 6.4% to 10.9% for upper secondary graduates and from 4.6% to 7.7% for tertiary graduates). This pattern is particularly strong in Luxembourg and Switzerland. Unemployment rates among young people who have not attained upper secondary education increased between 2008 and 2013 from 8.4% to 14.4% in Luxembourg and from 8.9% to 16.0% in Switzerland. By contrast, the unemployment rates among young people with an upper secondary or post-secondary non-tertiary education have remained stable over this period (from 8.2% and 3.1% in 2008 to 8.2% and 4.8% in 2013 in Luxembourg and Switzerland respectively) (OECD, 2015a, Table 2.4).

# Early school leavers need to invest in education and training to increase their chances but adult education is more prevalent among the highly educated.

Students generally graduate from upper secondary education aged between 17 and 20 years old, but some countries have managed to develop second-chance/adult-education programmes for school leavers. In the Nordic countries,



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for example, students can leave the education system relatively easily and re-enter it later on. That is why more than 10% of upper secondary graduates in these countries are 25 or older.

However, across the OECD, adult education and training is still more prevalent among the highly educated. In OECD countries, participation in formal or non-formal education is more than 24 percentage points higher among people who have attained tertiary education than among those with only upper secondary or post-secondary non-tertiary education, who in turn have a participation rate 20 percentage points higher than those who have not attained upper secondary education (OECD, 2014a, Indicator C6).

# Upper secondary graduates have many advantages over the less qualified but tertiary education increases labour market opportunities further still.

Workers in OECD countries today need at least an upper secondary diploma to be able to improve their labour market opportunities. However, continuing education beyond upper secondary education also has a considerable economic and social benefit. Across OECD countries, adults with tertiary education earn about 60% more than those with an upper secondary or post-secondary non-tertiary education and double what those who have not attained upper secondary education earn. Similarly, on average across OECD countries, the long-term economic advantage of having a tertiary degree instead of an upper secondary qualification is USD 185 284 for men and USD 129 198 for women. This is roughly twice the advantage that a person with an upper secondary or post-secondary non-tertiary education has over someone with a lower level of education: USD 97 020 for men and USD 62 820 for women (OECD, 2014a).

**The bottom line:** The completion of upper secondary education marks the minimum threshold for successful labour market entry and continued employability. Having an upper secondary qualification is the best insurance against the risk of unemployment. This is particularly marked in countries with well-developed Vocational Education and Training (VET) systems. Upper secondary graduates still have many social and economic advantages compared to the less qualified. However, most individuals need to go beyond upper secondary education in order to reap the higher levels of financial reward their country's labour market has to offer.

#### For more information

OECD (2015a), Education at a Glance Interim Report: Update of Employment and Educational Attainment Indicators, OECD Publishing, Paris. OECD (2015b), "Focus on vocational education and training (VET) programmes", Education Indicators in Focus, No. 33, OECD Publishing, Paris. OECD (2015c), OECD Skills Outlook 2015: Youth, Skills and Employability, OECD Publishing, Paris. OECD (2014a), Education at a Glance 2014: OECD Indicators, OECD Publishing, Paris.

OECD (2014b), Technical Report of the Survey of Adult Skills, OECD, Paris.

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#### Note for the Russian Federation in the Survey of Adult Skills (PIAAC)

Readers should note that the sample for the Russian Federation does not include the population of the Moscow municipal area. The data published, therefore, do not represent the entire resident population aged 16-65 in Russia but rather the population of Russia excluding the population residing in the Moscow municipal area. More detailed information regarding the data from the Russian Federation as well as that of other countries can be found in the <u>Technical Report of the Survey of Adult Skills</u>.