



Department  
for Business  
Innovation & Skills

## BIS PERFORMANCE INDICATORS

International comparison  
(within the OECD) of the  
qualification levels of the  
working age population

OCTOBER 2014

# International comparison (within the OECD) of the qualification levels of the working age population

## Why is this indicator important?

Having a skilled population is vital to maintaining the international competitiveness of our economy and creating high quality jobs. OECD evidence suggests that the UK's intermediate and technical skills lag behind our major competitors such as Germany and the US. Previous research<sup>1</sup> has suggested that up to one fifth of our productivity gap compared to such countries can be attributed to a lack of skills in the UK.

The productivity gap reduces the competitiveness of UK businesses because, simply put, workers in the UK have to work long-hours or more cheaply to produce the same goods at the same cost as our competitors. Improving our skills will create more opportunities to export the products and services we produce and make the UK a more attractive place for international businesses to invest in. This in turn will create growth and jobs.

Improving our skills does not just improve our economy; it also has the potential to make the UK a fairer place by creating more social mobility and enabling people to play their part in society

## How are we performing?

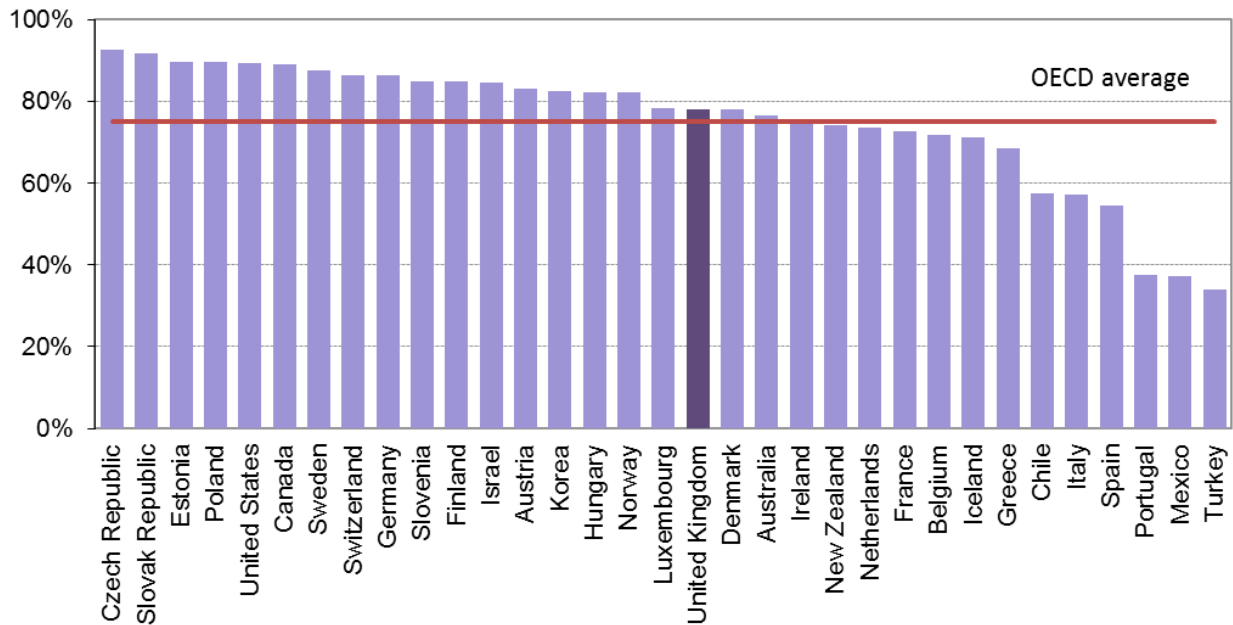
Our most recent performance is based on OECD data published in September 2014 (data refer to 2012). In this, the UK ranking is:

- 18<sup>th</sup> out of 33 OECD countries for the percentage of 25-64 year olds with at least upper secondary education; up from 19<sup>th</sup> in last year's ranking (Chart 1).
- 7<sup>th</sup> out of 34 OECD countries for the percentage of 25-64 year olds with tertiary education; down from 6<sup>th</sup> out of 34 in last year's ranking (Chart 2).

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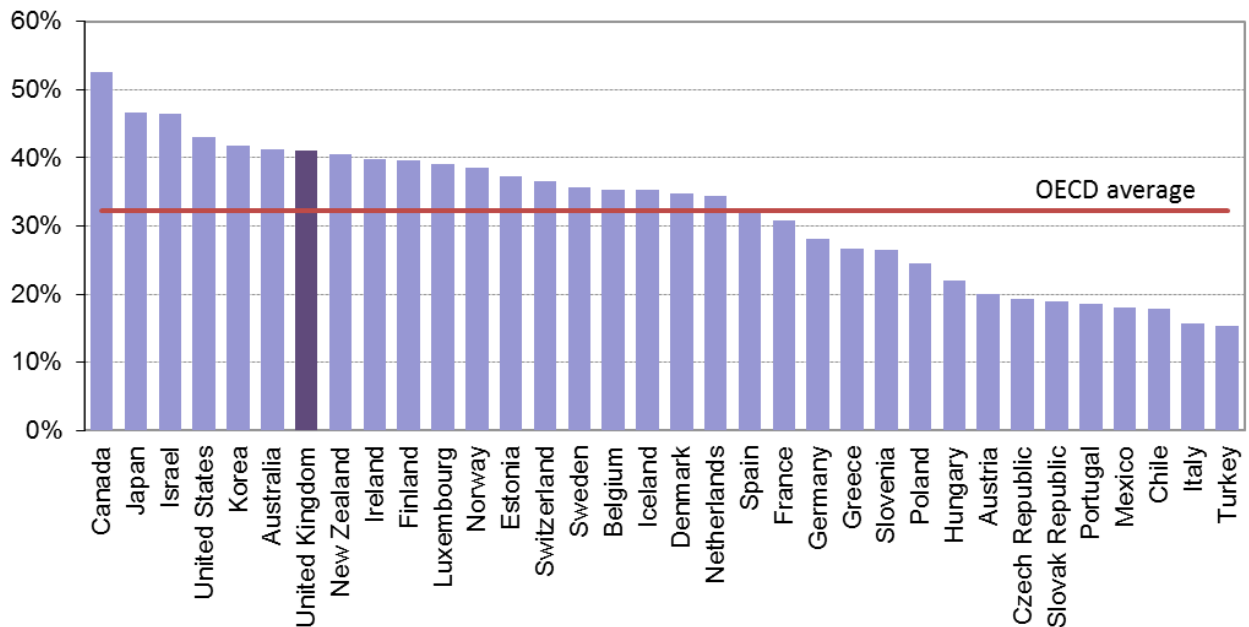
<sup>1</sup> Leitch Review of Skills, Prosperity for all in the global economy - world class skills (2006); [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/354161/Prosperity\\_for\\_all\\_in\\_the\\_global\\_economy\\_-\\_summary.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/354161/Prosperity_for_all_in_the_global_economy_-_summary.pdf)

**Chart 1: Percentage of 25-64 year old population with at least upper secondary education in OECD countries**



Source: OECD Education at a Glance 2014 (Table A1.2a)  
 Data refer to 2012 (except Chile, 2011). No data for Japan  
 Next data release: September 2015

**Chart 2: Percentage of 25-64 year old population with tertiary education in OECD countries**



Source: OECD Education at a Glance 2014 (Table A1.3a)  
 Data refer to 2012 (except Chile, 2011)  
 Next data release: September 2015

## What will influence this indicator?

The domestic skills level of the UK is influenced by participation in education, inward and outward migration, and the qualification levels of those entering versus those leaving the workforce.

Given that most of the workforce of the next ten years has already left compulsory education, the qualifications achieved by individuals in the workplace are as important as the qualifications being achieved by young people in school and continuing beyond compulsory education.

The indicator measures the skills level of the UK relative to other countries, hence the performance of other nations has a major influence on the indicator; if our major competitors up-skill at a faster rate than the UK then this can impact on our relative position, as can migrations and a range of other factors in those countries.

## What is BIS's role?

Individuals and businesses make decisions about whether to invest in qualifications. BIS's role is to ensure that the further and higher education systems operate in a way that is responsive to the needs of individuals and businesses, to increase the incentive to invest in qualifications. The FE and HE reforms are designed to increase this responsiveness, moving away from a system where the numbers and kinds of qualifications were determined by central government.

## Indicator definition

The OECD reports on people attaining at least upper secondary and tertiary education. Upper secondary is broadly equivalent to Level 2 qualifications in England, which itself is equivalent to 5 or more GCSEs at grade A\* to C. OECD's tertiary education is equivalent to Level 4 in England, i.e. higher education or access to higher education qualifications.

The OECD provides unrounded percentage data for each country. BIS presents ranks based on this. The ranks are derived from the data that each OECD member country provided to the OECD for the qualification level under consideration at the time of publication by OECD. Some countries are unable to report against some parts of the international standard; in recent years more countries have been included in comparisons of performance at upper secondary level than are included at tertiary level.

## Methodology

These are OECD statistics and not produced within the UK statistical system.

BIS re-presents the key statistics, alongside the more up to date England indicators, within the National Statistics First Release on Post-16 Further Education and Skills.

## Further information

[Further information on original OECD data and methodology](#)<sup>2</sup> can be obtained from the OECD Education at a Glance website.

The UK ranking from the OECD publication is published as a [Supplementary Table to the Statistical First Release](#)<sup>3</sup>.

The most recent data for England only is published in [Table 12.1 of the Further Education & Skills Statistical First Release](#)<sup>4</sup>.

## Who are our partners?

- Department for Education
- Skills Funding Agency
- Higher Education Funding Council for England

## Related indicators

[Number of government-funded learners participating in Further Education](#)<sup>5</sup>

[Average funding per course in government-funded adult further education](#)<sup>6</sup>

[Participation levels of 18-24 year olds in part-time or full-time education or training](#)<sup>7</sup>;

## Status

Last updated on: October 2014

Due for update on: September 2015

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<sup>2</sup> <http://www.oecd.org/edu/eag.htm>

<sup>3</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/284797/24ALLReport30January2014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284797/24ALLReport30January2014.pdf)

<sup>4</sup> <https://www.gov.uk/government/publications/learner-participation-outcomes-and-level-of-highest-qualification-held>

<sup>5</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/82958/Number\\_of\\_government-funded\\_learners\\_participating\\_in\\_Further\\_Education.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82958/Number_of_government-funded_learners_participating_in_Further_Education.pdf)

<sup>6</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/82957/Average\\_funding\\_per\\_course\\_in\\_government-adult\\_further\\_education.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82957/Average_funding_per_course_in_government-adult_further_education.pdf)

<sup>7</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/82960/Proportion\\_18-24\\_year\\_olds\\_participating\\_in\\_full\\_or\\_part-time\\_education\\_or\\_training\\_activity.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82960/Proportion_18-24_year_olds_participating_in_full_or_part-time_education_or_training_activity.pdf)

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