

# Iceland

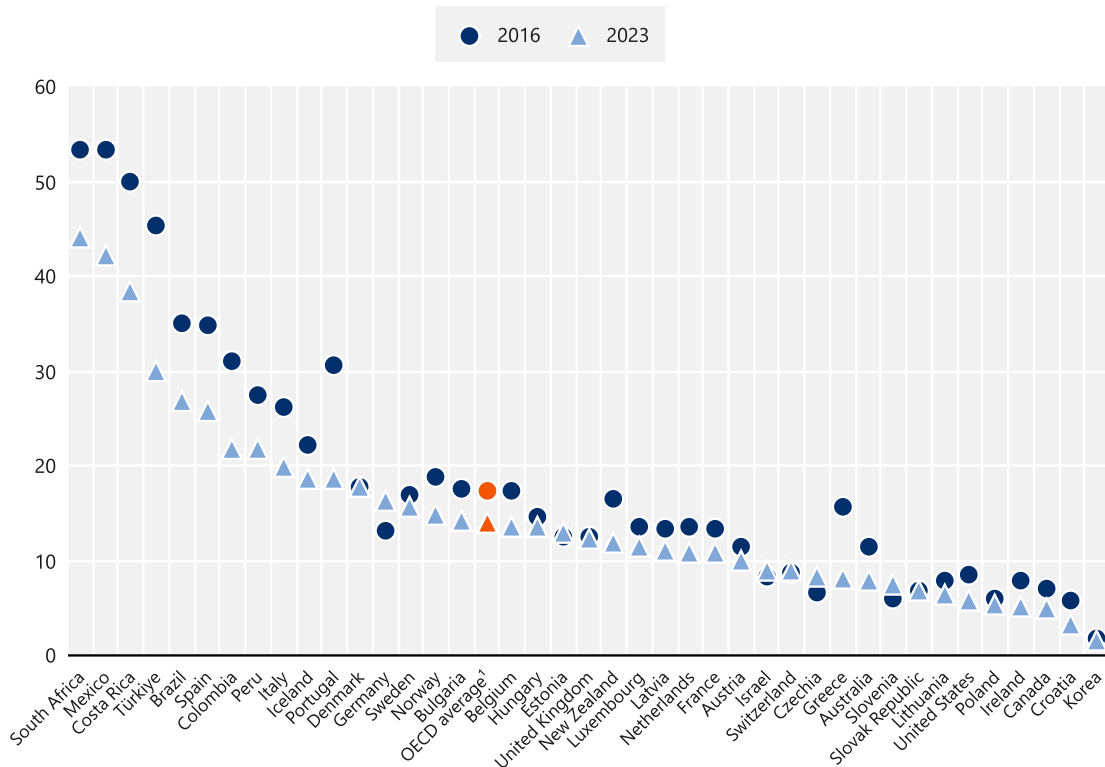
This country note provides an overview of key characteristics of the education system in Iceland based on Education at a Glance 2024. In line with the thematic focus of Education at a Glance 2024, it highlights issues of equity in education. Data in this note are provided for the latest available year as indicated in Education at a Glance 2024.

## The output of educational institutions and the impact of learning

- Adults without upper secondary qualification are at considerable risk of poor social and labour-market outcomes throughout their lives. Reducing the share of young adults without an upper secondary qualification has been a priority in many countries and their share has decreased between 2016 and 2023 in 28 out of 35 OECD member countries. This is also the case in Iceland. Their share of 25-34 year-olds without upper secondary educational attainment decreased by 4 percentage points between 2016 and 2023. At 19%, it is 5 percentage points above the OECD average in 2023 (Figure 1).
- The difficult labour-market situation faced by workers without an upper secondary qualification is reflected in employment rates among 25-34 year-olds. In Iceland, 79% of 25-34 year-olds without an upper secondary qualification are employed, compared to 84% of those with an upper secondary or post-secondary non-tertiary qualification. The corresponding OECD averages are 61% and 79%, respectively.
- Strong labour markets and increasing participation in education have led to a decline in the share of 18-24 year-olds who are neither in employment nor in education or training (NEET) in most OECD member countries. Across the OECD, the average NEET rate decreased from 15.8% to 13.8% between 2016 and 2023. In Iceland, the share of NEETs decreased from 5.9% to 4.7%.
- By almost all available measures, girls and women have better educational outcomes than boys and men, and in many cases the gap is widening. This is reflected in gender gaps in educational attainment. In all OECD member countries, women aged 25-34 are as likely or more likely than their male peers to have a tertiary qualification (54% compared to 41% on average across OECD countries). With a tertiary educational attainment rate of 58% for women and 31% for men, the gap is much wider than the OECD average in Iceland.
- Although girls and women clearly outperform boys and men in education, the picture is reversed when they enter the labour market; the key measures of labour-market outcomes are generally worse for women than for men. Women aged 25-34 are less likely to be employed than men, with the gap typically widest for those with below upper secondary educational attainment and narrowest for those with tertiary attainment. In Iceland, only 68% of young women with educational attainment below upper secondary educational level are employed, while the corresponding share for young men is 86% (the corresponding OECD averages are 47% and 72%). In contrast, 88% of young women with a tertiary qualification are employed, while the corresponding share for young men is 91% (the corresponding OECD averages are 84% and 90%).

Figure 1. Trends in the share of 25-34 year-olds with below upper secondary educational attainment (2016 and 2023)

In per cent



1. The OECD average is derived from the unweighted mean of all countries with available and comparable data for both years. Countries are ranked in descending order of the share of 25-34 year-olds with below upper secondary attainment in 2023.

Source: OECD (2024), Table A1.2. For more information see *Education at a Glance 2024 Sources, Methodologies and Technical Notes* (<https://doi.org/10.1787/e7d20315-en>).

### Access to education, participation and progression

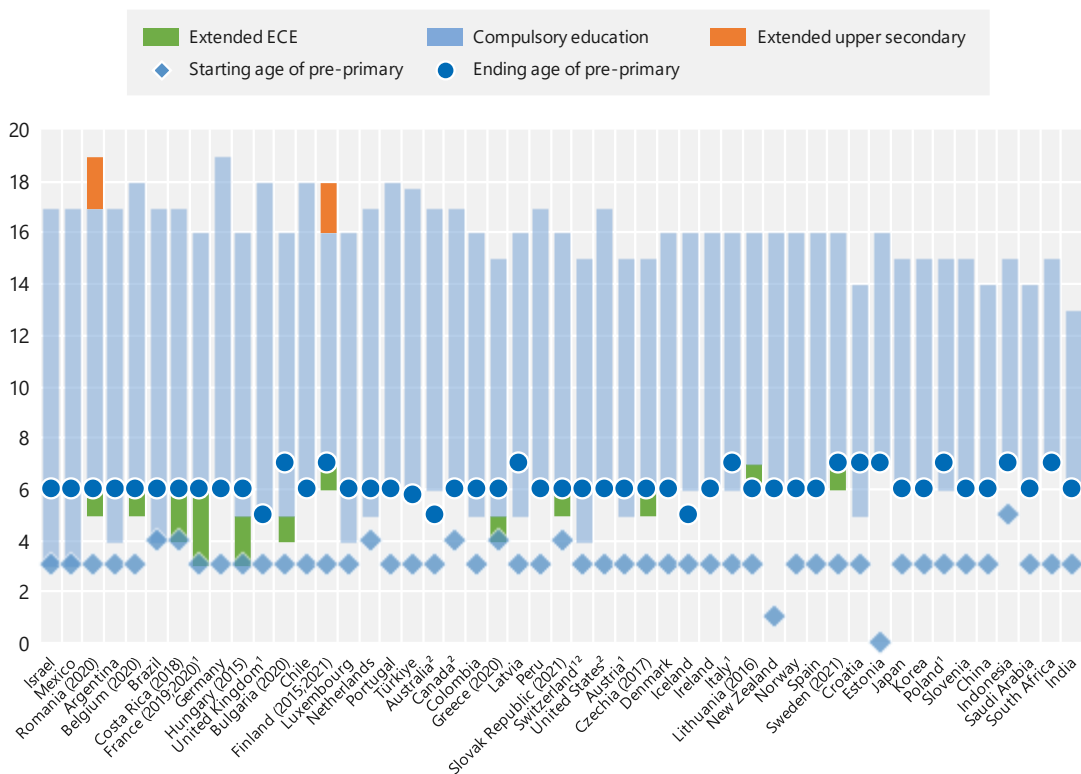
- Childcare and parental leave policies vary considerably between countries. Of particular importance for low-income families is the so-called childcare gap, the period between the end of paid parental leave and the start of free early childhood education and care or compulsory education. In eight OECD countries, there is no childcare gap as free early childhood education or compulsory education starts immediately following the end of paid parental leave. In contrast, Iceland has an above average childcare gap of 5 years between the end of paid parental leave and the start of free compulsory education.
- Participation in early childhood education and care is particularly important for children from disadvantaged families. However, in Iceland, as in most other OECD countries, children aged 0-2 from families in the bottom income tertile are less likely to participate in childcare than children from the top income tertile (51% compared to 74%). The difference of 23 percentage points in

participation between children from families in the top and bottom tertile is larger than the OECD average of 19 percentage points.

- Early childhood education can help to reduce the developmental gaps that put some children at a disadvantage when they enrol in primary school. In most OECD countries, the large majority of children are enrolled in early childhood education one year before the start of primary education. In Iceland, 97% of children in this age group are enrolled, compared with an OECD average of 96%.
- Although most children and youths participate in education in the years before and after compulsory education, not all do so. In order to increase enrolment in the early years or among youths, twelve OECD member and accession countries have increased the duration of compulsory education over the past decade. Iceland does not belong to this group. Compulsory education in Iceland lasts from the age of 6 to 16 for a total of 10 years, which is below the OECD average of 11 years (Figure 2).

**Figure 2. Duration of compulsory education (2022)**

In years



**Note:** The year in parentheses indicates when policy changes were made to the duration of compulsory education. In addition, extended ECEC/extended upper secondary refers to the extension in the duration of the relevant level since 2013.

1. There are other compulsory activities to complete by the end of compulsory education (see Table B2.1).

2. Starting age, ending age, and duration of compulsory education may vary at sub-national level.

Countries are ranked in descending order of the duration of compulsory education.

**Source:** OECD (2024), Table B2.1. For more information see Education at a Glance 2024 Sources, Methodologies and Technical Notes (<https://doi.org/10.1787/e7d20315-en>).

- The likelihood of tertiary students successfully completing their studies depends on their family background. In Iceland, 75% of students with at least one parent with tertiary attainment successfully completed their tertiary studies within three years of the theoretical end of the programme, while only 63% of students whose parents had less than upper secondary education did so.
- Women are significantly over-represented in tertiary education and the gap is widening in most countries. In Iceland, 64% of new entrants to tertiary education are women, compared with an OECD average of 56%. As women are also more likely than men to complete tertiary education, the gap is even greater among graduates (see Education at a Glance 2022). However, there are large differences between fields of study in all OECD countries. In Iceland, 15% of women entering tertiary education were studying science, technology, engineering and mathematics fields, while only 9% of men were entering education-related fields.
- Across the OECD, 63% of students who graduated with a bachelor's degree did so from public institutions. However, private education is slowly becoming more common across all levels of tertiary education and the share of graduates from private institutions has grown by 3 percentage points between 2013 and 2022. In Iceland, the share of bachelor's graduates from private institutions increased from 22% to 23%.

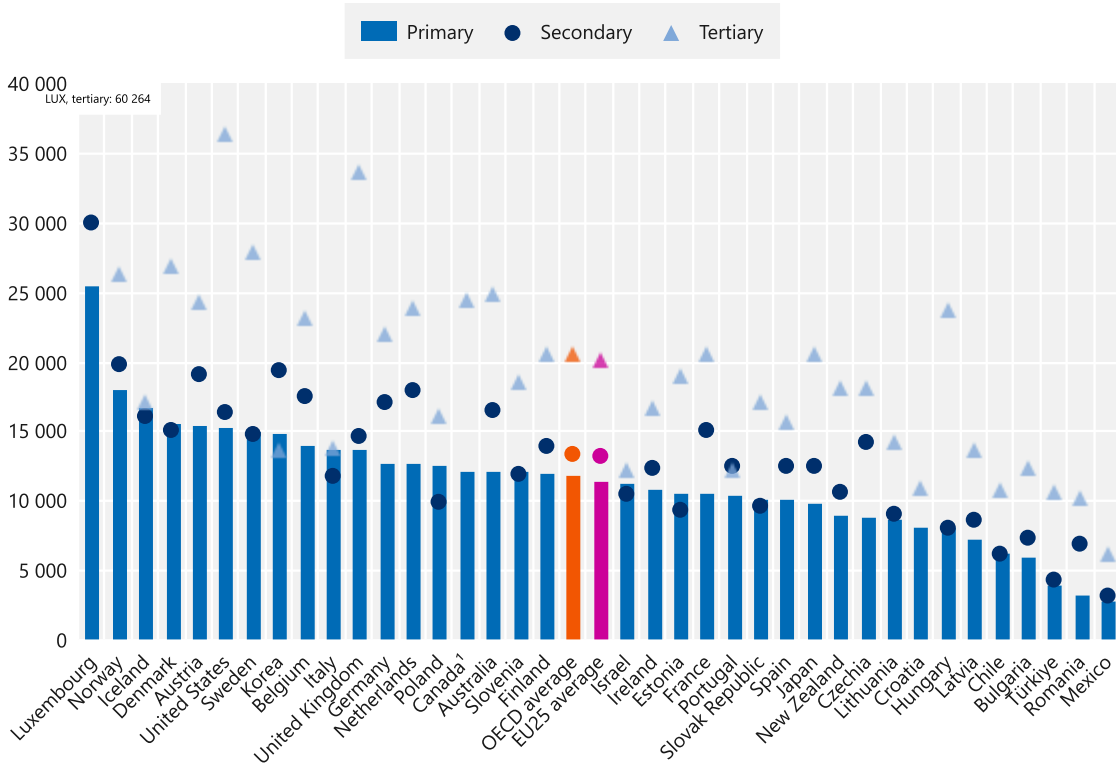
### Financial resources invested in education

- The average annual expenditure per student from primary to tertiary education (including R&D) in Iceland is USD 16 581 compared to an average of USD 14 209 in OECD countries. In most countries, expenditure increases by level of education. In Iceland, spending per student is USD 16 786 in primary education, USD 16 068 in secondary education and USD 17 019 in tertiary education (Figure 3).<sup>1</sup>
- Iceland spends 6.1% of its gross domestic product (GDP) on educational institutions at primary to tertiary levels (including R&D). This is more than the OECD average of 4.9% of GDP. On average across the OECD, the share of GDP dedicated to educational institutions (from primary to tertiary levels) has been broadly stable, with 4.9% in 2015 and 2021. However, trends vary considerably between countries. Iceland is among the countries where expenditure as a share of GDP increased, going from 5.6% to 6.1%.
- Early childhood education has received much attention in recent years because of its importance, especially for children from disadvantaged families. In Iceland, public investment in early childhood education relative to GDP has increased by 28% between 2015 and 2021. Across the OECD, it has increased on average by 9% over this period.

<sup>1</sup> All expenditure figures in this note are expressed in USD calculated based on purchasing power parity (PPP) exchange rates.

**Figure 3. Total expenditure per full-time equivalent student in primary, secondary and tertiary education (2021)**

In equivalent USD converted using PPPs, expenditure on educational institutions



1. Primary education includes pre-primary and lower secondary programmes.

Countries are ranked in descending order of the total expenditure per full-time equivalent student in primary education.

**Source:** OECD (2024), Table C1.1. For more information see *Education at a Glance 2024 Sources, Methodologies and Technical Notes* (<https://doi.org/10.1787/e7d20315-en>).

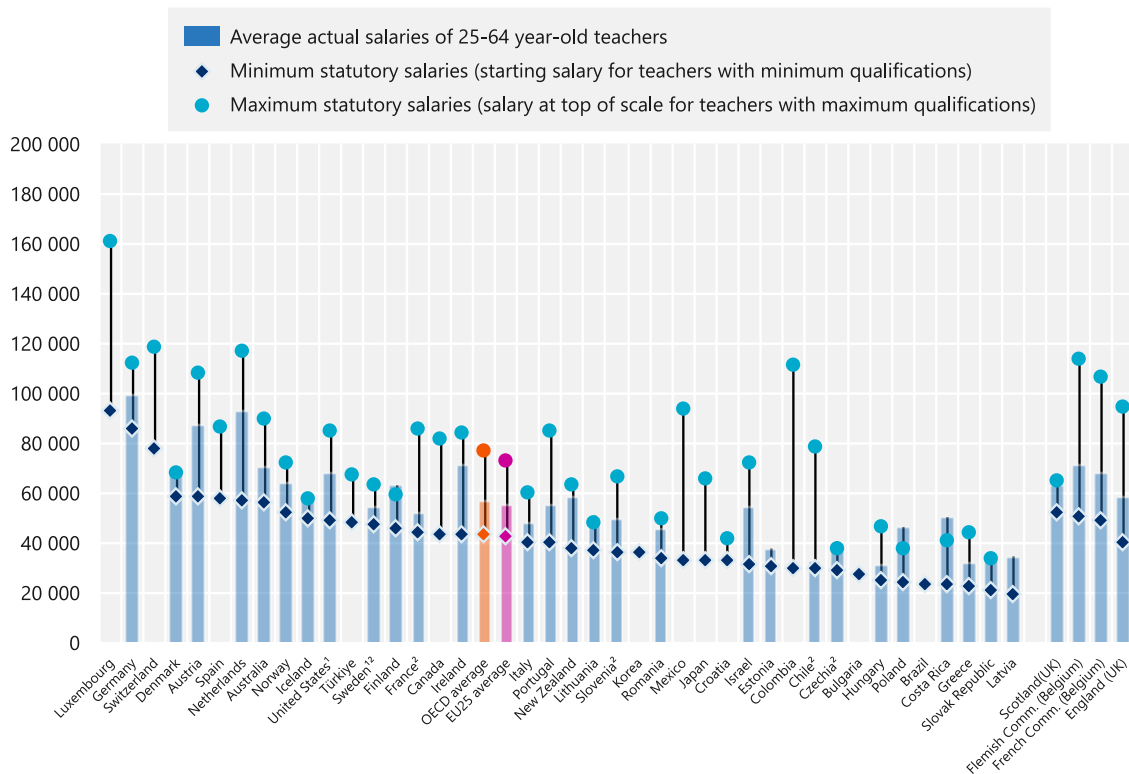
- Across the OECD, public authorities are responsible for the vast majority of spending on education, particularly at compulsory levels. In Iceland, 99% of total expenditure on primary institutions comes from public sources, which is above the OECD average of 93%. Private expenditure makes up a greater share in pre-primary and tertiary education in many countries. In Iceland, the share of public expenditure on pre-primary education is 89%, above the OECD average of 86%, while for tertiary education it is 89%, compared to an OECD average of 68%.
- How private institutions are funded varies considerably across countries, with some fully or largely government funded, while others receive little or no public funding. In Iceland, government sources spend USD 16 899 per full-time equivalent student in public primary institutions, while the figure is USD 8 526 per full-time equivalent student in private ones (the OECD averages are USD 11 914 for public primary institutions and USD 7 867 for private ones).
- The distribution of government expenditure on education by level of government differs between countries. In some countries, all final expenditure on education comes from central governments, whereas in other countries all final expenditure comes from local or regional governments. In Iceland, the central government is responsible for 1% of final expenditure on primary education and local governments are responsible for 99%.

### Teachers, the learning environment and the organisation of schools

- Across the OECD, 18 out of 21 countries with available data on secondary education report that they face shortages of fully qualified teachers at the start of academic year 2022/2023. Iceland faces teacher shortages at all levels of education.
- In 2023, actual salaries of lower secondary teachers in Iceland reached USD 59 086 (compared to USD 56 462 on average across OECD countries), 18% higher than the minimum statutory salary (starting salary with minimum qualifications) of USD 49 914. The difference between actual salaries and the minimum statutory salaries results partly from the structure of the teacher population (by qualification and experience) as this affects the level of statutory salaries, but also from the amount of additional work-related payments (bonuses and allowances for performing certain tasks) (Figure 4).

**Figure 4. Lower secondary teachers' average actual salaries compared to the statutory minimum and maximum salaries (2023)**

Annual salaries of teachers in public institutions, in equivalent USD converted using PPPs for private consumption



**Note:** Actual salaries include bonuses and allowances.

1. Actual salaries for minimum and maximum statutory salaries.

2. Year of reference for actual salaries differs from 2023. Refer to the source table for more information.

Countries and other participants are ranked in descending order of the starting salaries for teachers with the minimum qualifications.

**Source:** OECD (2024), Table D3.3 and the OECD Data Explorer, <https://data-explorer.oecd.org/>. For more information see *Education at a Glance 2024 Sources, Methodologies and Technical Notes* (<https://doi.org/10.1787/e7d20315-en>).



- The work of teachers consists of a variety of tasks including teaching, but also preparing lessons, grading assignments and communicating with parents. The number of hours that teachers are contractually obliged to teach varies greatly across countries. In Iceland, teachers at lower secondary level have to teach 624 hours annually. This is below the OECD average of 706 hours per year.
- Most education systems involve students and parents in the governance of public schools. In most countries, it is compulsory for parents' representatives to be included in the governing board of public schools. Student participation is less widespread, but still common. In Iceland, the participation of parents in governing body of public schools is required, and the participation of students is also required.
- Between 2013 and 2022, the average age of teachers has increased across the OECD. In lower secondary education, 36% of teachers are 50 years or older, compared to 35% in 2013. Iceland has more teachers aged 50 or older, with 39% of teachers being in this age category, up from 36% in 2013.

### More information

For more information on Education at a Glance 2024 and to access the full set of indicators, see: <https://doi.org/10.1787/c00cad36-en>.

For more information on the methodology used during the data collection for each indicator, the references to the sources and the specific notes for each country, see Education at a Glance 2024: Sources, Methodologies and Technical Notes (<https://doi.org/10.1787/e7d20315-en>).

For general information on the methodology, please refer to the *OECD Handbook for Internationally Comparative Education Statistics 2018* (<https://doi.org/10.1787/9789264304444-en>).

Updated data can be found on line at <http://data-explorer.oecd.org/s/5q> and by following the StatLinks  in the publication.

Explore, compare and visualise more data and analysis using the Education GPS: <https://gpseducation.oecd.org/>.

Questions can be directed to the Education at a Glance team at the OECD Directorate for Education and Skills: [EDU.EAG@oecd.org](mailto:EDU.EAG@oecd.org).

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