

EDUCATIONAL EXPENDITURE

Expenditure on education is an investment that can foster economic growth, enhance productivity, contribute to personal and social development and reduce social inequality. The proportion of total financial resources devoted to education is one of the key choices made by governments, enterprises, students and their families. The demand for high-quality education, which can translate into higher costs per student, must be balanced against other demands on public expenditure and the overall tax burden. Policy makers must also balance the importance of improving the quality of educational services with the desirability of expanding access to educational opportunities.

Definition

Expenditure on institutions is not limited to expenditure on instruction services but includes public and private expenditure on ancillary services for students and their families, where these services are provided through educational institutions.

In principle, public expenditure includes both direct expenditure on educational institutions and educational related public subsidies to households administered by educational institutions. Private expenditure is recorded net of these public subsidies attributable to educational institutions; it also excludes expenditure made outside educational institutions (such as textbooks purchased by families, private tutoring for students and student living costs).

Comparability

Expenditure data were obtained by a special survey conducted in 2012 which applied consistent methods and definitions. Expenditure data are based on the definitions and coverage for the UNESCO-OECD-Eurostat data collection programme on education; they have been adjusted to 2012 prices using the GDP price deflator. The

Overview

In 2012, primary, secondary and post-secondary non-tertiary education accounted for more than two thirds of expenditure on educational institutions, or 3.7% of the GDP, on average across OECD countries. New Zealand spent more than 5% of its GDP on these levels of education, while the Czech Republic, Hungary, Indonesia, Latvia, Russia and Turkey spent 3% or less.

In 2012, the OECD average level of annual expenditure per student for primary, secondary and post-secondary non-tertiary education was USD 8 982. Between 2000 and 2012, a period of relatively stable student enrolment at these levels, spending per student increased in every country, rising by 35% on average.

use of a common survey and definitions ensures good comparability of results across countries.

The level of expenditure on educational institutions is affected by the size of a country's school age population, enrolment rates, level of teachers' salaries, and the organisation and delivery of instruction. At the primary and lower secondary levels of education (corresponding broadly to the 5-14 year-old population), enrolment rates are close to 100% in OECD countries, and changes in the number of students are closely related to demographic changes. This is not as much the case in upper secondary and tertiary education, because part of the concerned population has left the education system.

Sources

- OECD (2015), *Education at a Glance*, OECD Publishing.

Further information

Analytical publications

- OECD (2016), *Trends Shaping Education*, OECD Publishing.
- OECD (2015), *Reviews of National Policies for Education*, OECD Publishing.

Methodological publications

- OECD/Eurostat/UNESCO Institute for Statistics (2015), *ISCED 2011 Operational Manual: Guidelines for Classifying National Education Programmes and Related Qualifications*, OECD Publishing.
- UNESCO Institute for Statistics (UIS), OECD and Eurostat (2013), *UOE Data Collection on Education Systems*, UIS, Montreal.

Online databases

- OECD Education Statistics.

Websites

- OECD Education at a Glance (supplementary material), www.oecd.org/education/education-at-a-glance-19991487.htm.



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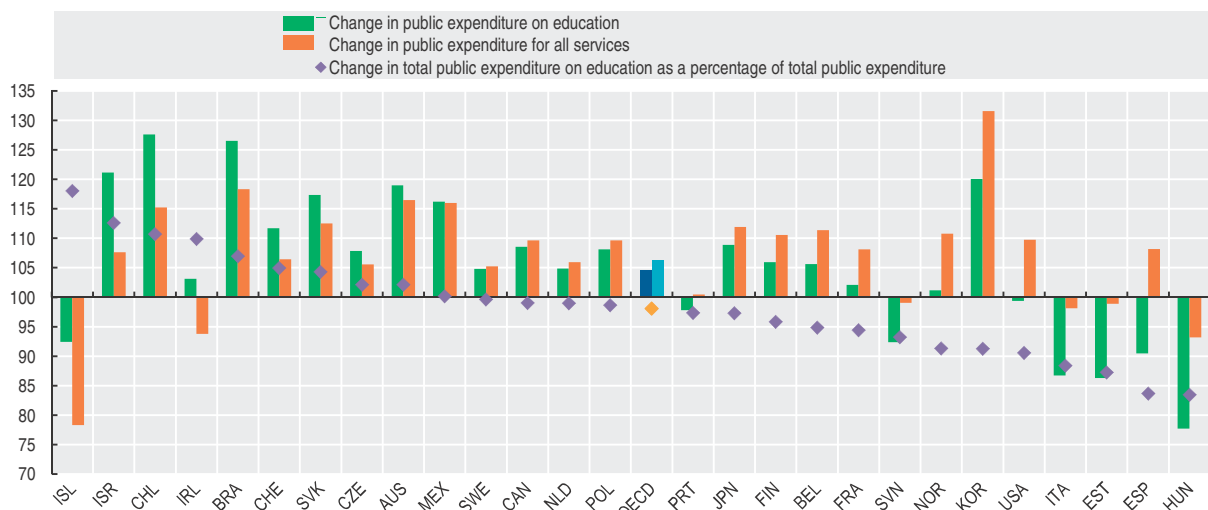
Expenditure on primary, secondary, post-secondary non tertiary institutions

Annual expenditure per student (USD converted using PPPs for GDP)				2005 = 100						As a percentage of total expenditure		
Primary	Secondary			Primary, secondary, post-secondary non tertiary institutions						Primary, secondary, post-secondary non tertiary institutions		
	Lower secondary	Upper secondary	All secondary	Change in expenditure		Change in number of students		Change in expenditure per student		Public sources	Private sources	
2012	2012	2012	2012	2000	2012	2000	2012	2000	2012	2012	2012	
Australia	7 705	10 574	9 581	10 165	82.6	130.2	92.9	106.2	88.9	122.6	82.4	17.6
Austria	9 563	13 632	14 013	13 806	..	..	..	..	..	..	96.0	4.0
Belgium	9 581	11 670	12 210	12 025	..	114.7	90.9	96.5	..	118.9	96.3	3.7
Canada	9 680	..	11 695	..	83.7	114.7	99.1	96.4	84.4	118.9	91.0	9.0
Chile	4 476	4 312	3 706	3 909	95.8	139.5	98.6	89.6	97.2	155.7	78.0	22.0
Czech Republic	4 728	7 902	7 119	7 469	76.8	113.7	107.4	84.8	71.5	134.2	91.0	9.0
Denmark	10 953	11 460	9 959	10 632	86.1	80.7	95.1	..	90.5	..	97.2	2.8
Estonia	5 668	6 524	7 013	6 791	..	105.0	121.2	80.7	..	130.1	99.1	0.9
Finland	8 316	12 909	8 599	9 985	82.6	112.2	95.4	98.1	86.6	114.4	99.3	0.7
France	7 013	9 588	13 070	11 046	99.3	104.2	101.8	100.7	97.5	103.4	91.0	9.0
Germany	7 749	9 521	12 599	10 650	..	..	..	..	..	..	86.5	13.5
Greece	..	..	..	..	77.2	..	100.5	..	..	..	..	..
Hungary	4 370	4 459	4 386	4 419	68.4	75.2	104.3	90.5	65.5	83.1	94.2	5.8
Iceland	10 003	10 706	7 541	8 724	72.9	98.5	94.4	100.2	77.2	98.4	96.0	4.0
Ireland	8 681	11 087	11 564	11 298	69.0	138.5	97.0	109.4	71.2	126.6	95.7	4.3
Israel	6 931	..	..	5 689	99.2	154.0	94.1	111.8	105.5	137.7	88.9	11.1
Italy	7 924	8 905	8 684	8 774	96.4	89.6	98.6	99.3	97.8	90.2	95.5	4.5
Japan	8 595	9 976	10 360	10 170	98.5	106.3	109.2	94.2	90.3	112.8	92.9	7.1
Korea	7 395	7 008	9 651	8 355	68.9	125.2	102.1	86.3	67.5	145.1	83.9	16.1
Luxembourg	20 020	20 247	20 962	20 617	..	96.4	..	..	..	..	97.8	2.2
Mexico	2 632	2 367	4 160	3 007	80.4	118.7	94.6	107.2	85.0	110.7	82.8	17.2
Netherlands	8 185	12 227	12 368	12 296	82.3	113.1	96.7	101.4	85.1	111.6	86.7	13.3
New Zealand	7 069	8 644	10 262	9 409	..	..	..	..	..	..	82.5	17.5
Norway	12 728	13 373	15 248	14 450	86.8	112.5	94.5	103.8	91.8	108.3	..	..
Poland	6 721	6 682	6 419	6 540	89.8	124.6	109.7	77.0	81.9	161.9	92.0	8.0
Portugal	6 105	8 524	8 888	8 691	99.6	122.6	111.0	97.4	89.7	125.8	85.2	14.8
Slovak Republic	5 415	5 283	5 027	5 152	73.6	124.7	108.1	78.6	68.1	158.7	88.1	11.9
Slovenia	9 015	9 802	6 898	8 022	..	97.6	..	89.3	..	109.2	91.0	9.0
Spain	7 111	9 137	9 145	9 141	92.3	110.4	106.9	107.4	86.4	102.8	88.7	11.3
Sweden	10 312	10 966	11 329	11 177	88.3	102.7	98.4	91.0	89.7	112.9	100.0	0.0
Switzerland	13 889	16 370	17 024	16 731	86.6	110.5	100.1	96.6	86.5	114.3	88.5	11.5
Turkey	2 577	2 448	3 524	2 904	71.0	164.8	92.5	106.6	76.7	154.7	85.4	14.6
United Kingdom	10 017	10 271	9 963	10 085	..	112.1	112.6	103.7	..	108.1	84.0	16.0
United States	11 030	11 856	13 059	12 442	86.2	104.2	97.7	99.5	88.2	104.8	92.0	8.0
EU 28	..	..	..	..	..	..	..	..	..	..	..	..
OECD	8 247	9 627	9 876	9 518	84.4	113.9	100.9	96.6	84.5	120.6	90.6	9.4
Brazil	3 095	2 981	3 078	3 020	65.8	181.7	98.2	86.5	67.0	210.0	..	..
Indonesia	1 180	915	1 067	981	..	..	..	..	..	..	90.6	9.4
Russian Federation	..	..	..	5 345	65.7	150.7	..	87.8	..	171.7	96.7	3.3
South Africa	2 431	..	..	2 440	..	..	..	..	..	..	..	..

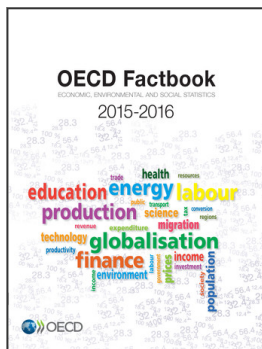
1 2 <http://dx.doi.org/10.1787/88893336128>

Total public expenditure on primary to tertiary education, change between 2008 and 2012

As a percentage of total public expenditure, 2008 = 100, 2012 constant prices



1 2 <http://dx.doi.org/10.1787/88893334944>



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