

EXPENDITURE IN TERTIARY EDUCATION

Educational institutions in OECD countries are mainly publicly funded, although there are substantial and growing levels of private funding at the tertiary level. At this level, the contribution to the costs of education by individuals and other private entities is more and more considered an effective way to ensure funding is available to students regardless of their economic backgrounds.

Definition

Covered are public and private expenditure on schools, universities and other private institutions delivering or supporting educational services. Other private entities include private businesses and non-profit organisations, e.g. religious organisations, charitable organisations and business and labour associations. Expenditure by private companies on the work-based element of school- and

work-based training of apprentices and students is also taken into account.

Private expenditure is recorded net of public subsidies to educational institutions; it also includes expenditures made outside educational institutions.

Comparability

The data on expenditure were obtained by a survey conducted in 2011 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 use of a common survey and definitions ensures good comparability of results across countries.

Educational expenditure in national currency for 2012 is converted into equivalent USD by dividing the national currency figure by the purchasing power parity (PPP) index for GDP. PPPs are used because market exchange rates are affected by many factors that are unrelated to the purchasing power of currencies in different countries.

Overview

In 2012, the average level of expenditure per tertiary student, across OECD countries, was USD 15 028. Spending per student at tertiary level ranged from USD 8 000 or less in Chile, Indonesia, Latvia, South Africa and Turkey to more than USD 20 000 in Canada, Norway, Sweden, Switzerland, the United Kingdom, and the United States and even more than USD 30 000 in Luxembourg.

Expenditure on tertiary education amounts to more than 1.5% of GDP in more than half of all countries, and exceeds 2.0% in Canada (2.5%), Chile (2.5%), Korea (2.3%) and the United States (2.8%). Five countries devote less than 1% of GDP to tertiary education, namely Brazil (0.9%), Italy (0.9%), Indonesia (0.8%), Luxembourg (0.4%) and South Africa (0.7%).

High private returns to tertiary education suggest that a greater contribution to the costs of education by individuals and other private entities may be justified, as long as there are ways to ensure that funding is available to students regardless of their economic backgrounds.

The proportion of expenditure on tertiary institutions covered by individuals, businesses and other private sources, including subsidised private payments, ranges from 5% or less in Finland and Norway (tuition fees charged by tertiary institutions are low or negligible in these countries), to more than 40% in Australia, Canada, Chile, Hungary, Israel, Japan, Korea, New Zealand, the United Kingdom and the United States, and to over 70% in Korea. Of these countries, in Korea and the United Kingdom, most students are enrolled in private institutions (around 80% in private universities in Korea; 100% in government-dependent private institutions in the United Kingdom).

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.
- OECD (2014), *Higher Education Management and Policy*, 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.

Online databases

- OECD Education Statistics.

Websites

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



EXPENDITURE IN TERTIARY EDUCATION

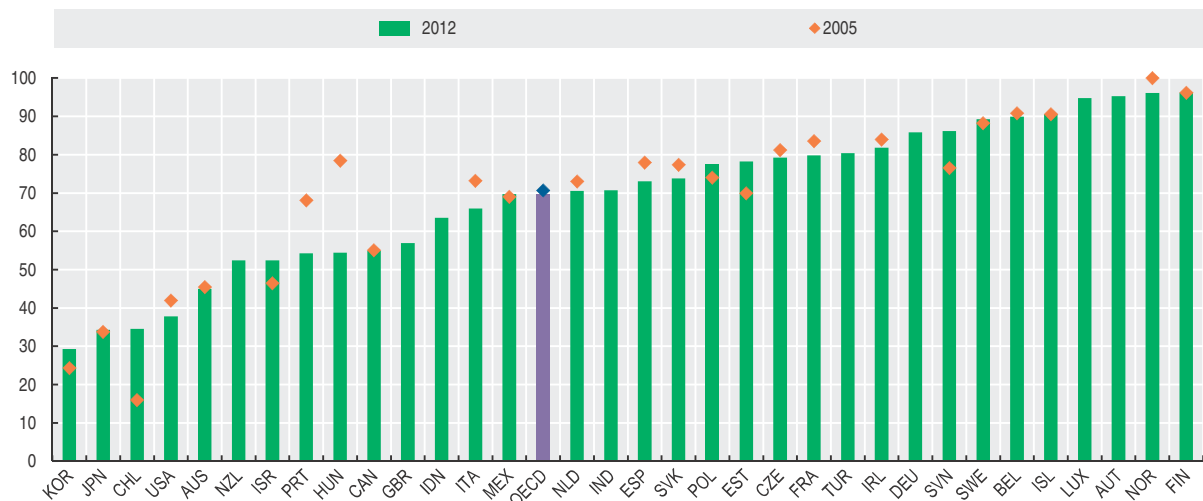
Expenditure on tertiary institutions

Annual expenditure per student by educational institutions for all services (USD converted using PPPs for GDP)				2005 = 100						As a percentage of total expenditure		
Tertiary (including R&D activities), 2012			All tertiary excluding R&D activities	Change in expenditure		Change in number of students		Change in expenditure per student		Public sources	Private sources	
Short-cycle tertiary	Bachelor's, master's, doctoral or equivalent level	All tertiary	2012	2000	2012	2000	2012	2000	2012	2012	2012	
Australia	8 267	18 795	16 859	10 455	83.5	132.6	..	132.8	..	99.8	44.9	55.1
Austria	15 071	15 641	15 549	11 616	..	..	..	..	..	..	95.3	4.7
Belgium	8 212	15 785	15 503	10 156	..	123.6	94.4	119.4	..	103.5	89.9	10.1
Canada	15 348	25 525	22 006	15 788	83.6	113.0	..	..	..	..	54.9	45.1
Chile	4 186	9 409	7 960	7 600	84.4	186.8	73.1	177.6	115.5	105.2	34.6	65.4
Czech Republic	16 645	10 304	10 319	6 807	65.3	172.2	72.3	129.6	90.2	132.9	79.3	20.7
Denmark	..	..	..	..	86.5	..	97.8	..	88.5	..	..	..
Estonia	..	8 206	8 206	4 690	..	158.0	85.5	96.8	..	163.3	78.2	21.8
Finland	..	17 863	17 863	10 728	87.6	117.5	95.0	99.9	92.2	117.6	96.2	3.8
France	12 346	16 279	15 281	10 361	93.0	118.7	95.3	104.1	97.6	114.0	79.8	20.2
Germany	8 265	17 159	17 157	10 025	..	..	..	..	..	..	85.9	14.1
Greece	..	..	..	..	42.0	..	67.5	..	62.1	..	..	..
Hungary	2 897	9 658	8 876	7 405	80.5	79.0	63.9	93.1	126.0	84.9	54.4	45.6
Iceland	9 665	9 373	9 377	..	69.9	107.2	67.6	119.7	103.4	89.6	90.6	9.4
Ireland	..	..	14 922	11 418	102.4	125.3	85.2	113.6	120.2	110.3	81.8	18.2
Israel	6 366	13 777	12 338	7 710	82.7	117.1	80.2	114.4	103.1	102.4	52.4	47.6
Italy	..	10 071	10 071	6 369	93.0	107.3	89.7	94.4	103.8	113.7	66.0	34.0
Japan	10 532	18 557	16 872	..	93.7	114.2	98.9	96.0	94.8	119.0	34.3	65.7
Korea	5 540	11 173	9 866	8 026	78.6	142.1	93.4	103.1	84.2	137.9	29.3	70.7
Luxembourg	3 749	34 739	32 876	21 358	..	..	..	..	..	..	94.8	5.2
Mexico	..	..	8 115	6 647	73.5	135.3	82.8	133.3	88.8	101.5	69.7	30.3
Netherlands	11 580	19 305	19 276	12 505	84.6	124.9	85.3	122.5	99.2	101.9	70.5	29.5
New Zealand	10 289	14 543	13 740	10 841	..	..	..	..	..	..	52.4	47.6
Norway	..	20 016	20 016	12 010	83.2	108.2	87.8	103.5	94.8	104.5	96.1	3.9
Poland	8 229	9 811	9 799	7 692	57.7	112.9	59.7	88.4	96.7	127.7	77.6	22.4
Portugal	..	9 196	9 196	4 917	71.4	102.9	90.4	108.3	79.0	94.9	54.3	45.7
Slovak Republic	..	9 022	9 022	6 191	66.9	151.7	71.3	117.0	93.8	129.6	73.8	26.2
Slovenia	6 874	11 615	11 002	8 888	..	103.0	..	94.8	..	108.7	86.1	13.9
Spain	9 394	13 040	12 356	8 983	87.0	116.9	107.5	117.5	80.9	99.5	73.1	26.9
Sweden	5 897	24 025	22 534	10 589	86.7	121.0	82.3	101.9	105.3	118.7	89.3	10.7
Switzerland	..	..	25 264	11 632	76.4	111.2	75.6	128.0	101.1	86.9	..	..
Turkey	..	..	7 779	5 557	76.8	192.8	71.9	158.6	106.9	121.5	80.4	19.6
United Kingdom	..	..	24 338	18 593	..	..	93.4	105.1	..	..	56.9	43.1
United States	..	..	26 562	23 706	78.1	124.5	88.6	129.7	88.2	96.0	37.8	62.2
EU 28	..	..	..	..	..	..	..	..	..	..	..	..
OECD	8 968	15 111	15 028	10 309	79.6	126.7	83.6	114.9	96.5	111.0	69.7	30.3
Brazil	..	..	10 455	9 595	78.9	148.8	70.4	160.5	112.1	92.7	..	..
Indonesia	..	..	2 089	..	..	..	..	..	..	..	70.7	29.3
Russian Federation	5 183	9 115	8 363	7 641	44.3	141.9	..	142.3	..	99.7	63.5	36.5
South Africa	..	..	10 885	..	..	..	..	..	..	..	..	..

1 2 <http://dx.doi.org/10.1787/88893336062>

Share of public expenditure on tertiary institutions

Percentage



1 2 <http://dx.doi.org/10.1787/88893334885>



From:
OECD Factbook 2015-2016
Economic, Environmental and Social Statistics

Access the complete publication at:
<https://doi.org/10.1787/factbook-2015-en>

Please cite this chapter as:

OECD (2016), "Expenditure in tertiary education", in *OECD Factbook 2015-2016: Economic, Environmental and Social Statistics*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/factbook-2015-75-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.