

## PUBLIC AND PRIVATE INVESTMENT IN EDUCATIONAL INSTITUTIONS

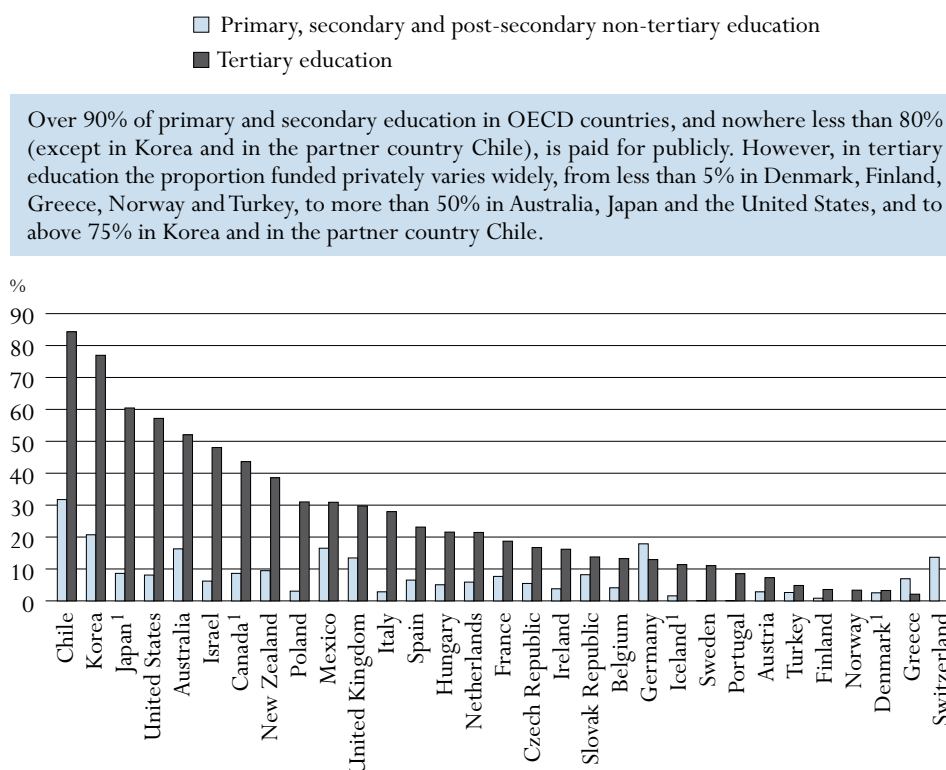
### INDICATOR B3

This indicator examines the proportion of public and private funding allocated to educational institutions for each level of education. It also provides the breakdown of private funding between household expenditure and expenditure from private entities other than households. This indicator sheds some light on the widely debated issue of how the financing of educational institutions should be shared between private entities and the public, particularly those at the tertiary level. The higher the amount of household expenditure required for educational institutions, the stronger the pressure on families. Thus access to tertiary studies may be influenced both by the amount of private expenditure needed and by the financial subsidies to households that are analysed in Indicator B5.

### Key results

#### Chart B3.1. Share of private expenditure on educational institutions (2003)

The chart shows private spending on educational institutions as a percentage of total spending on educational institutions. This includes all money transferred to such institutions through private sources, including public funding via subsidies to households, private fees for educational services or other private spending (e.g. on accommodation) that passes through the institution.



1. Some levels of education are included with others. Refer to "x" code in Table B1.1a for details. Countries are ranked in descending order of the share of private expenditure on educational institutions for tertiary education.

Source: OECD. Tables B3.2a and B3.2b. See Annex 3 for notes ([www.oecd.org/edu/eq2006](http://www.oecd.org/edu/eq2006)).

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### Other highlights of this indicator

- Between 1995 and 2003, among countries for which comparable data are available, the share of public funding for all levels of education combined decreased in as many countries as it increased.
- The share of tertiary spending from private sources rose substantially in some countries between 1995 and 2003, but this was not the case at other levels of education.
- On average among the 18 OECD countries for which trend data are available, the share of public funding in tertiary institutions slightly decreased between 1995 and 2000 and every year between 2001 and 2003.
- The share of public funding at the tertiary level in OECD countries represents on average 76% in 2003.
- Compared to other levels of education, tertiary institutions and to a lesser extent pre-primary institutions obtain the largest proportions of funds from private sources: respectively 24% and 19% of funds at these levels come from private sources.
- In tertiary education, households cover 76% of all private expenditure. Private expenditure from other entities than households is still significant, representing 10% or more in Australia, Canada, Hungary, Korea, the Netherlands, Sweden, the United Kingdom and the United States, and the partner country Israel.

## Policy context

Cost-sharing between participants in the education system and society as a whole is an issue under discussion in many OECD countries. This question is especially relevant for pre-primary and tertiary education, where full or nearly full public funding is less common.

As new client groups participate in a wider range of educational programmes and choose among more opportunities from increasing numbers of providers, governments are forging new partnerships to mobilise the necessary resources to pay for education and to share costs and benefits more equitably.

As a result, public funding is more often seen as providing only a part (although a very important part) of investment in education and the role of private sources has become more important. Some stakeholders are concerned that this balance should not become so tilted as to discourage potential learners. Thus, changes in a country's public/private funding shares can provide important context for changing patterns and levels of participation within its educational system.

## Evidence and explanations

### What this indicator does and does not cover

Governments can spend public funds directly on educational institutions or use them to provide subsidies to private entities for the purpose of education. When reporting on the public and private proportions of educational expenditure, it is therefore important to distinguish between the initial sources of funds and the final direct purchasers of educational goods and services.

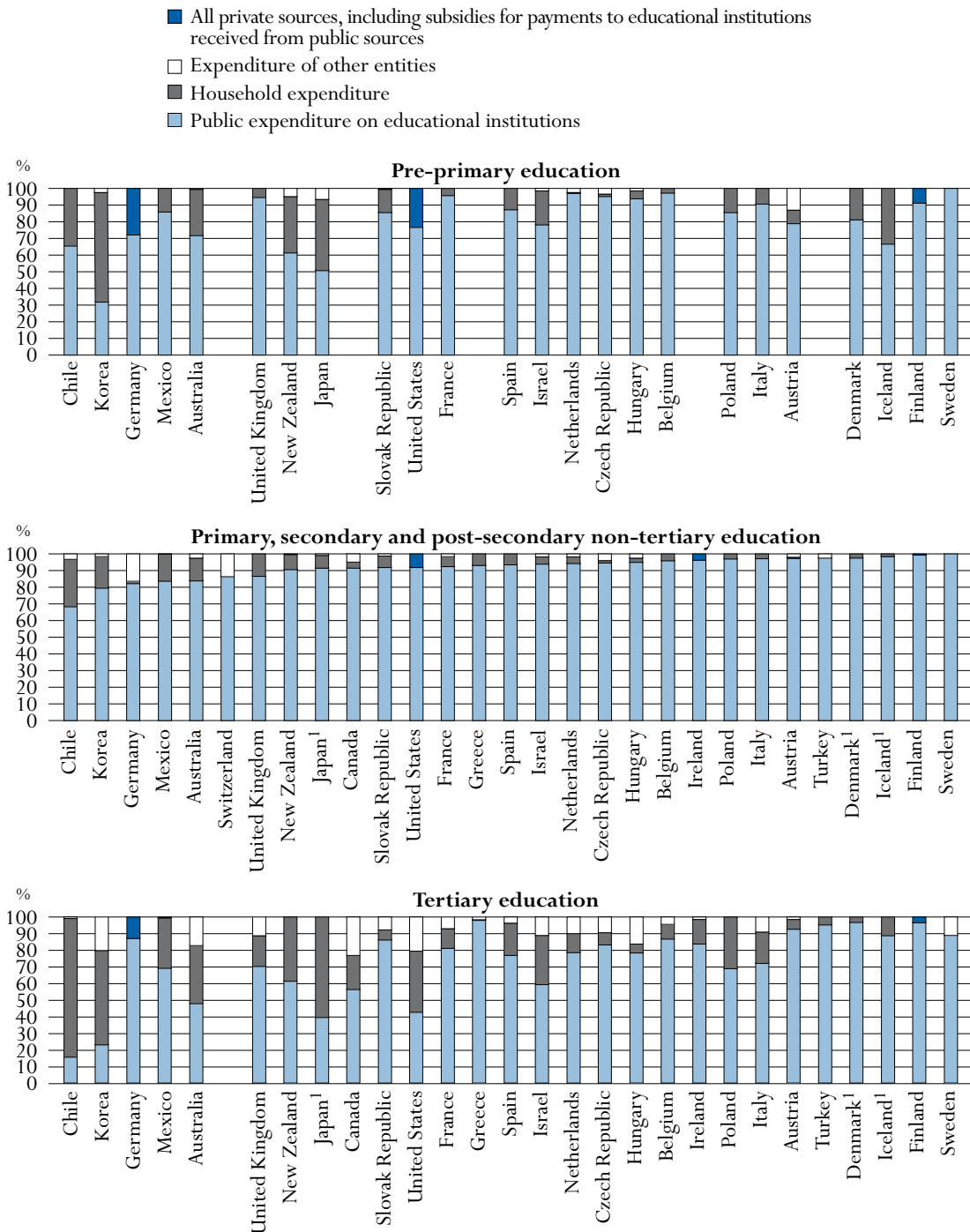
Initial public spending includes both direct public expenditure on educational institutions and transfers to the private sector. To gauge the level of public expenditure, it is necessary to add together the components showing direct public expenditure on educational institutions and public subsidies for education. Initial private spending includes tuition fees and other student or household payments to educational institutions, less the portion of such payments offset by public subsidies.

The final public and private proportions are the percentages of educational funds spent directly by public and private purchasers of educational services. Final public spending includes direct public purchases of educational resources and payments to educational institutions and other private entities. Final private spending includes tuition fees and other private payments to educational institutions.

Not all spending on instructional goods and services occurs within educational institutions. For example, families may purchase textbooks and materials commercially or seek private tutoring for their children outside educational institutions. At the tertiary level, student living costs and forgone earnings can also account for a significant proportion of the costs of education. All such expenditure outside educational institutions, even if it is publicly subsidised, is excluded from this indicator. Public subsidies for educational expenditure outside institutions are discussed in Indicators B4 and B5.

### Public and private expenditure on educational institutions at all levels of education

Educational institutions are still mainly publicly funded, although there is a substantial and growing degree of private funding at the tertiary level of education. On average across OECD countries, 88% of all funds for educational institutions come directly from public sources. In addition, 0.5% is channelled to institutions via public subsidies to households (Table B3.1).

**Chart B3.2. Distribution of public and private expenditure on educational institutions (2003)***By level of education*

1. Some levels of education are included with others. Refer to “x” code in Table B1.1a for details.

Countries are ranked in ascending order of the proportion of public expenditure on educational institutions in primary, secondary and post-secondary non-tertiary education.

Source: OECD, Tables B3.2a and B3.2b. See Annex 3 for notes ([www.oecd.org/edu/eqa2006](http://www.oecd.org/edu/eqa2006)).

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In all the OECD countries for which comparable data are available, private funding represents 12% of all funds on average. This proportion varies widely among countries and only nine OECD and two partner countries report a share of private funding above the OECD average. In Australia, Canada, Japan and the United States, private funds constitute around one-quarter of all educational expenditure and exceed 39% in Korea and partner country Chile (Table B3.1).

### **Public and private expenditure on educational institutions in pre-primary, primary, secondary and post-secondary non-tertiary education**

The share of private expenditure on education and how this varies among countries depends on the level of education.

Investment in early childhood education is of key importance in order to build a strong foundation for lifelong learning and to ensure equitable access to learning opportunities later in school. In pre-primary education, the private share of total payments to educational institutions is more important than for all levels of education combined and represents on average 19%, but this proportion is very uneven between countries, ranging from 5% or less in the Czech Republic, France, the Netherlands and Sweden, to well over 25% in Australia, Germany, Iceland, New Zealand and partner country Chile, to around 50% in Japan, and over 68% in Korea (Table B3.2a). Except in Austria and the Netherlands, the major part of private funding is covered by households.

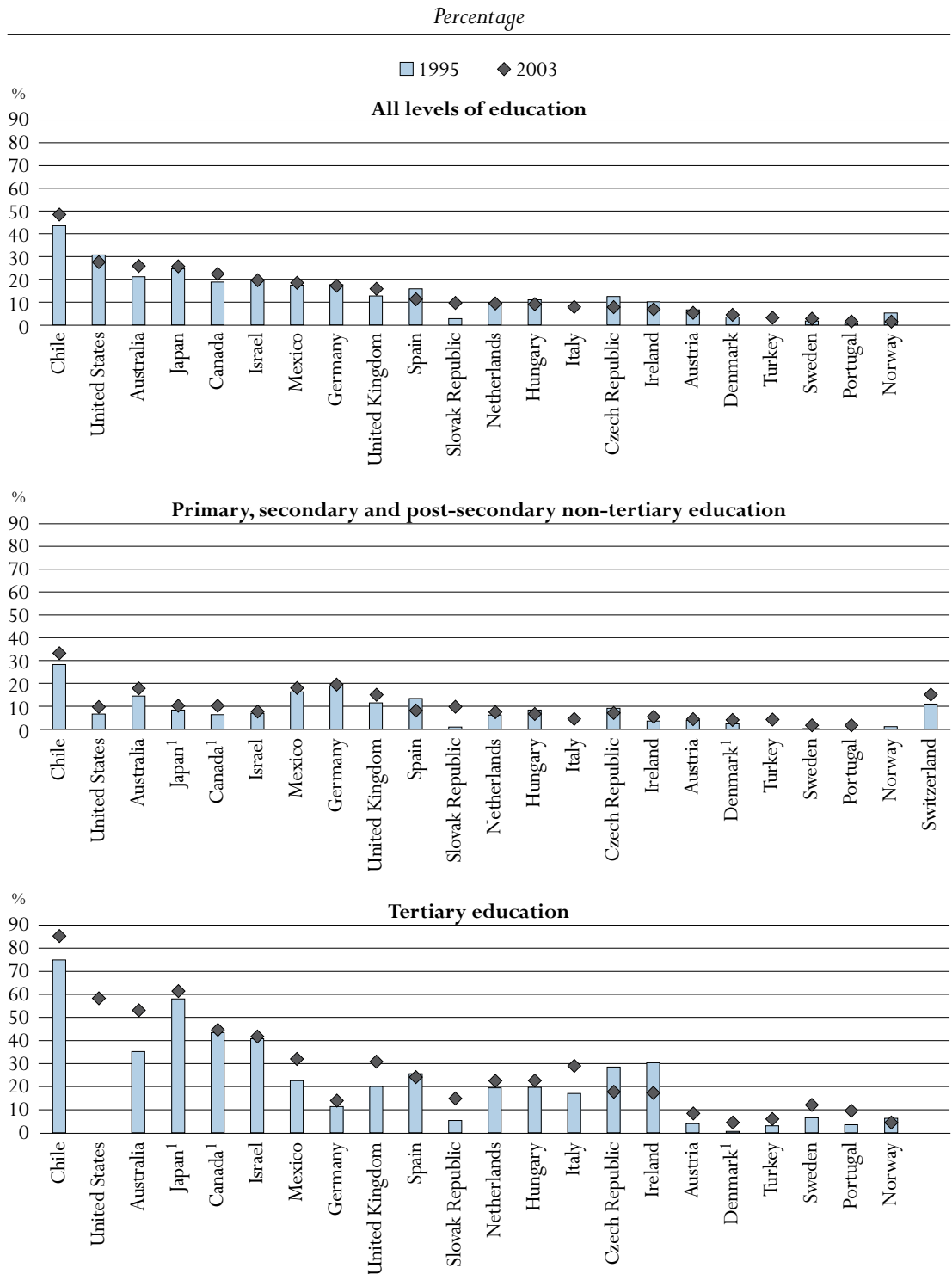
Public funding dominates the primary, secondary and post-secondary non-tertiary levels of education in OECD and partner countries: on average the rate among OECD countries is 93%. Nevertheless, the proportions of private funding exceed 13% in Australia, Germany, Korea, Mexico, Switzerland and the United Kingdom, and the partner country Chile (Table B3.2a and Chart B3.2). The importance of public funding may result from the fact that primary, secondary and post-secondary non-tertiary education are usually perceived as a public good with mainly public returns. In most countries, at the primary, secondary and post-secondary non-tertiary level, the share of private expenditure results from household expenditure and comprises mainly expenditure on tuition. In Germany and Switzerland, however, most private expenditure is accounted for by contributions from the business sector to the dual system of apprenticeship at the upper secondary and post-secondary non-tertiary levels.

Between 1995 and 2003, among the 20 OECD and partner countries with comparable data available, there was a small decrease in the share of public funding at primary, secondary and post-secondary non-tertiary levels in approximately two-thirds of countries. Twelve countries recorded shifts from public to private funding, but the increase in the private share is more than 2 percentage points only in Canada (from 6.3 to 8.7%), the Slovak Republic (from 0.9 to 8.2%), Switzerland (10.9 to 13.6%) and the United Kingdom (from 11.5 to 13.5), as well as in the partner country Chile (from 28.2 to 31.7%). Funding shifts in the opposite direction, towards public funding, are notable in other countries; the share of public funding increased by between 3 and 7 percentage points in the Czech Republic (from 90.9 to 94.5%), Hungary (from 91.7 to 94.9%) and Spain (86.6 to 93.4%) (Chart B3.3 and Table B3.2a).

### **Public and private expenditure on educational institutions in tertiary institutions**

In all OECD and partner countries except Germany and Greece, the private proportion of educational expenditure is far higher at the tertiary level than at the primary, secondary and

**Chart B3.3. Share of private expenditure on educational institutions (1995, 2003)**



1. Some levels of education are included with others. Refer to “x” code in Table B1.1a for details.

Countries are ranked in descending order of the share of private expenditure on educational institutions in 2003 for all levels of education.

Source: OECD, Tables B3.1, B3.2a and B3.2b. See Annex 3 for notes ([www.oecd.org/edu/eqg2006](http://www.oecd.org/edu/eqg2006)).

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post-secondary non-tertiary levels and represents on average more than one-fifth of total expenditure on educational institutions at this level. At the tertiary level, the high private returns in the form of better employment and income opportunities (see Indicator A9) suggest that a greater contribution by individuals to the costs of tertiary education may be justified, provided, of course, that governments can ensure that funding is accessible to students irrespective of their economic background (see Indicator B5).

The proportion of expenditure on tertiary institutions covered by individuals, businesses and other private sources, including subsidised private payments, ranges from less than 5% in Denmark, Finland, Greece, Norway and Turkey, to more than 50% in Australia, Japan and the United States, and over 75% in Korea and the partner country Chile (Chart B3.2 and Table B3.2b). In Korea, around 80% of tertiary students are enrolled in private universities, where more than 70% of budgets are derived from tuition fees. The contribution of private entities other than households to the financing of educational institutions is on average higher for tertiary education than for other levels of education. In one-quarter of OECD and partner countries – Australia, Canada, Hungary, Korea, the Netherlands, Sweden, the United Kingdom, the United States, and the partner country Israel – the proportion of expenditure on tertiary institutions covered by private entities other than households represents 10% or more.

In many OECD countries, the growth in tertiary participation (see Indicator C2) represents a response to heavy demand, both individual and social. Just as many tertiary structures and programmes were designed for a different era, so too were its funding mechanisms. The share of public funding at the tertiary level represents on average in OECD countries 76% in 2003. On average among the 18 OECD countries for which trend data are available, the share of public funding in tertiary institutions slightly decreased between 1995 and 2000 and every year between 2001 and 2003 (Table B3.3).

In one-half of the OECD and partner countries with comparable data in 1995 and 2003, private share increased by more than 3 percentage points. This increase exceeds 9 percentage points in Australia, Italy and the United Kingdom, as well as the partner country Chile, whereas only the Czech Republic, Ireland and to a lesser extent Norway and Spain show significant decrease in the private share allocated to tertiary educational institutions (Table B3.2b and Chart B3.3). In Australia, the main reason for the increase in the private share of spending on tertiary institutions between 1995 and 2003 was changes to the Higher Education Contribution Scheme (HECS) that took place in 1997. The changes in HECS were part of a reform process aimed at providing more funds for higher education, partly through increased student/former student contributions (see Indicator B5).

The amounts paid by students and their families to cover tuition fees and other education-related expenditures differ among OECD countries according to taxation and spending policies, and the willingness of governments to support students (see Table B5.2 and Chart B5.3). This willingness is influenced by students' enrolment status (full-time or part-time), age and residency (whether they are living at home). To some extent, however, the guidelines used in establishing eligibility for these subsidies are breaking down. Mature students, whose numbers are increasing, are more likely to have established their own households and to prefer part-time or distance learning to full-time, on-campus study.

### **Changes in the proportion of private expenditure compared to changes in the real level of public-sector spending on tertiary education**

It is notable that rises in private educational expenditure have not generally gone hand in hand with cuts (in real terms) in public expenditure on education at the tertiary level or at the primary, secondary and post-secondary non-tertiary level. On the contrary, public investment in education has increased in most of the OECD countries for which 1995 to 2003 data are available, regardless of changes in private spending (see Table B2.2). In fact, many OECD countries with the highest growth in private spending have also shown the highest increase in public funding of education. This indicates that increasing private spending on tertiary education tends to complement, rather than replace, public investment. The main exception to this is Australia, where the shift towards private expenditure at tertiary level has been accompanied both by a fall in the level of public expenditure in real terms and by a significant increase of public subsidies provided to tertiary students.

#### **Definitions and methodologies**

Data refer to the financial year 2003 and are based on the UOE data collection on education statistics administered by the OECD in 2005 (for details see Annex 3 at [www.oecd.org/edu/eag2006](http://www.oecd.org/edu/eag2006)).

The public and private proportions of expenditure on educational institutions are the percentages of total spending originating in, or generated by, the public and private sectors. Private spending includes all direct expenditure on educational institutions, whether partially covered by public subsidies or not. Public subsidies attributable to households, included in private spending, are shown separately.

A portion of the budgets of educational institutions is related to ancillary services offered to students, including student welfare services (student meals, housing and transportation). Part of the cost for these services is covered by fees collected from students and is included in the indicator.

Other private entities include private businesses and non-profit organisations, including 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 are also taken into account.

The data on expenditure for 1995 were obtained by a special survey updated in 2003 in which expenditure for 1995 was adjusted to methods and definitions used in the current UOE data collection.

Note that data appearing in earlier editions of this publication may not always be comparable to data shown in the 2006 edition due to changes in definitions and coverage that were made as a result of the OECD expenditure comparability study (for details on changes, see Annex 3 at [www.oecd.org/edu/eag2006](http://www.oecd.org/edu/eag2006)).



Table B3.1.  
Relative proportions of public and private expenditure on educational institutions  
for all levels of education (1995, 2003)

Distribution of public and private sources of funds for educational institutions after transfers from public sources, by year

	2003					1995				
	Public sources	Private sources			Private: of which, subsidised	Public sources	Private sources			Private: of which, subsidised
		Household expenditure	Expenditure of other private entities	All private sources <sup>1</sup>			Household expenditure	Expenditure of other private entities	All private sources <sup>1</sup>	
<b>OECD countries</b>										
Australia	73.9	19.6	6.5	26.1	0.2	78.9	13.7	7.4	21.1	0.5
Austria	94.5	2.5	2.9	5.5	0.9	93.4	3.4	3.2	6.6	1.5
Belgium	94.2	4.9	0.9	5.8	1.8	m	m	m	m	m
Canada <sup>2</sup>	77.4	10.4	12.2	22.6	0.4	81.2	7.7	11.1	18.8	m
Czech Republic	92.1	2.8	5.1	7.9	m	87.5	x(9)	x(9)	12.5	6.2
Denmark	95.5	4.5	n	4.5	m	96.5	3.5	n	3.5	n
Finland	97.9	x(4)	x(4)	2.1	n	m	m	m	m	m
France	90.4	7.1	2.6	9.6	1.5	m	m	m	m	m
Germany	82.6	x(4)	11.0	17.4	n	82.3	x(9)	11.6	17.7	a
Greece	94.5	4.9	0.6	5.5	m	m	m	m	m	m
Hungary	90.8	3.4	5.8	9.2	n	89.0	5.0	6.0	11.0	n
Iceland	91.0	9.0	m	9.0	n	m	m	m	m	m
Ireland	93.0	6.6	0.4	7.0	n	89.8	9.7	0.5	10.2	m
Italy	91.9	6.4	1.7	8.1	0.9	m	m	m	m	m
Japan	74.1	23.1	2.8	25.9	m	75.4	22.7	2.0	24.6	m
Korea	60.0	32.0	8.1	40.0	0.9	m	m	m	m	m
Luxembourg	m	m	m	m	m	m	m	m	m	m
Mexico	81.3	18.5	0.2	18.7	1.0	82.6	17.4	m	17.4	m
Netherlands	90.4	5.8	3.8	9.6	0.9	90.2	6.4	3.4	9.8	1.8
New Zealand	83.0	16.6	0.5	17.0	m	m	m	m	m	m
Norway	98.4	1.6	m	1.6	m	94.8	x(9)	x(9)	5.2	n
Poland	89.4	10.6	m	10.6	m	m	m	m	m	a
Portugal	98.3	1.7	m	1.7	m	99.4	0.6	m	0.6	m
Slovak Republic	90.2	7.3	2.5	9.8	m	97.2	x(9)	x(9)	2.8	m
Spain	88.6	10.5	0.9	11.4	0.5	84.2	x(9)	x(9)	15.8	0.4
Sweden	97.1	0.1	2.8	2.9	a	98.3	0.1	1.6	1.7	m
Switzerland	m	m	m	m	m	m	m	m	m	m
Turkey	96.7	1.4	1.8	3.3	n	m	m	m	m	m
United Kingdom	84.0	13.9	2.1	16.0	0.1	87.3	x(9)	x(9)	12.7	3.5
United States	72.3	19.9	7.8	27.7	m	69.3	x(9)	x(9)	30.7	m
<i>OECD average</i>	<i>88.0</i>	<i>~</i>	<i>~</i>	<i>12.0</i>	<i>0.5</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>
<i>EU19 average</i>	<i>92.0</i>	<i>~</i>	<i>~</i>	<i>8.0</i>	<i>0.5</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>
<b>Partner countries</b>										
Brazil	m	m	m	m	m	m	m	m	m	m
Chile <sup>3</sup>	51.4	46.3	2.3	48.6	0.8	56.4	42.4	1.2	43.6	m
Israel	80.2	15.1	4.7	19.8	2.3	80.5	13.0	6.4	19.5	1.3
Russian Federation	m	m	m	m	m	m	m	m	m	m

1. Including subsidies attributable to payments to educational institutions received from public sources.

2. Year of reference 2002.

3. Year of reference 2004.

Source: OECD. See Annex 3 for notes ([www.oecd.org/edu/eag2006](http://www.oecd.org/edu/eag2006)).

Please refer to the Reader's Guide for information concerning the symbols replacing missing data.

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Table B3.2a.

**Relative proportions of public and private expenditure on educational institutions,  
as a percentage, by level of education (1995, 2003)**

*Distribution of public and private sources of funds for educational institutions after transfers from public sources, by year*

	Pre-primary education (for children 3 years and older)					Primary, secondary and post-secondary non-tertiary education					Primary, secondary and post-secondary non-tertiary education							
	2003					2003					1995							
	Public sources	Private sources				Private: of which, subsidised	Public sources	Private sources				Private: of which, subsidised	Public sources	Private sources				Private: of which, subsidised
		Household expenditure	Expenditure of other private entities	All private sources <sup>1</sup>				Household expenditure	Expenditure of other private entities	All private sources <sup>1</sup>				Household expenditure	Expenditure of other private entities	All private sources <sup>1</sup>		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)				
OECD countries	Australia	71.7	27.8	0.6	28.3	n	83.7	13.7	2.6	16.3	n	85.5	10.5	4.0	14.5	0.7		
	Austria	78.8	8.2	13.0	21.2	0.4	97.2	0.8	2.0	2.8	0.7	96.2	1.9	1.9	3.8	0.6		
	Belgium	97.2	2.8	m	m	0.3	95.9	4.1	m	m	1.2	m	m	m	m	m		
	Canada <sup>2,3</sup>	x(6)	x(7)	x(8)	x(9)	x(6)	91.3	3.7	5.0	8.7	x(6)	93.7	3.0	3.4	6.3	x(11)		
	Czech Republic	95.0	1.5	3.4	5.0	m	94.5	1.4	4.1	5.5	m	90.9	x(14)	x(14)	9.1	6.8		
	Denmark <sup>3</sup>	81.0	19.0	n	19.0	m	97.5	2.5	m	2.5	m	97.8	2.2	m	2.2	n		
	Finland	91.1	x(4)	x(4)	8.9	n	99.2	x(9)	x(9)	0.8	n	m	m	m	m	m		
	France	95.6	4.4	n	4.4	n	92.4	6.0	1.6	7.6	1.5	m	m	m	m	m		
	Germany	72.1	x(4)	x(4)	27.9	n	82.1	x(9)	16.3	17.9	n	81.0	x(14)	x(14)	19.0	a		
	Greece	x(6)	x(7)	x(8)	x(9)	m	93.0	7.0	m	7.0	m	m	m	m	m	m		
	Hungary	93.7	4.7	1.6	6.3	n	94.9	2.6	2.5	5.1	n	91.7	4.4	3.9	8.3	n		
	Iceland <sup>1</sup>	66.5	33.5	m	33.5	n	98.4	1.6	m	1.6	n	m	m	m	m	m		
	Ireland	m	m	m	m	m	96.2	x(9)	x(9)	3.8	m	96.5	x(14)	x(14)	3.5	m		
	Italy	90.6	9.4	n	9.4	0.3	97.1	2.8	0.1	2.9	n	m	m	m	m	m		
	Japan <sup>3</sup>	50.6	42.7	6.7	49.4	m	91.3	7.7	0.9	8.7	m	91.7	7.7	0.5	8.3	m		
	Korea	31.7	65.7	2.5	68.3	3.7	79.3	19.1	1.6	20.7	0.9	m	m	m	m	m		
	Luxembourg	m	m	m	m	m	m	m	m	m	m	m	m	m	m	m		
	Mexico	85.9	14.0	0.1	14.1	0.3	83.5	16.3	0.1	16.5	1.1	83.8	16.2	m	16.2	m		
	Netherlands	97.0	0.6	2.4	3.0	a	94.1	4.2	1.7	5.9	0.7	93.9	5.1	1.0	6.1	1.4		
	New Zealand	61.2	34.0	4.8	38.8	m	90.5	9.1	0.4	9.5	m	m	m	m	m	m		
	Norway	84.6	15.4	m	15.4	n	m	m	m	m	m	99.0	x(14)	x(14)	1.0	x(11)		
	Poland	85.5	14.5	m	14.5	m	96.9	3.1	m	3.1	m	m	m	m	m	m		
	Portugal	m	m	m	m	m	99.9	0.1	m	0.1	m	100.0	n	a	n	m		
	Slovak Republic <sup>3</sup>	85.5	14.0	0.5	14.5	a	91.8	6.9	1.4	8.2	m	99.1	x(14)	x(14)	0.9	m		
	Spain	87.2	12.8	m	12.8	n	93.4	6.6	m	6.6	n	86.6	12.5	0.9	13.4	m		
	Sweden	100.0	n	n	n	n	99.9	0.1	a	0.1	a	99.9	0.2	a	0.2	m		
Switzerland	m	m	m	m	m	86.4	n	13.6	13.6	0.7	89.1	n	10.9	10.9	1.1			
Turkey	m	m	m	m	m	97.4	m	2.6	2.6	a	m	m	m	m	m			
United Kingdom	94.6	5.4	n	5.4	a	86.5	13.5	n	13.5	n	88.5	11.5	n	11.5	n			
United States	76.6	x(4)	x(4)	23.4	a	91.9	x(9)	x(9)	8.1	a	93.4	x(14)	x(14)	6.6	m			
<i>OECD average</i>	<i>81.5</i>	<i>~</i>	<i>~</i>	<i>18.5</i>	<i>0.3</i>	<i>92.7</i>	<i>~</i>	<i>~</i>	<i>7.4</i>	<i>0.4</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>			
<i>EU19 average</i>	<i>89.7</i>	<i>~</i>	<i>~</i>	<i>10.3</i>	<i>0.4</i>	<i>94.6</i>	<i>~</i>	<i>~</i>	<i>5.5</i>	<i>0.4</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>			
Partner countries	Brazil	m	m	m	m	m	m	m	m	m	m	m	m	m	m			
	Chile <sup>4</sup>	65.5	34.5	0.1	34.5	m	68.3	28.3	3.3	31.7	m	71.8	27.5	0.7	28.2	m		
	Israel	78.0	20.5	1.5	22.0	m	93.8	4.3	1.8	6.2	1.4	93.1	3.5	3.4	6.9	0.8		
	Russian Federation	m	m	m	m	m	m	m	m	m	m	m	m	m	m	m		

1. Including subsidies attributable to payments to educational institutions received from public sources. To calculate private funds net of subsidies, subtract public subsidies (columns 5, 10, 15) from private funds (columns 4, 9, 14). To calculate total public funds, including public subsidies, add public subsidies (columns 5, 10, 15) to direct public funds (columns 1, 6, 11).

2. Year of reference 2002.

3. Some levels of education are included with others. Refer to "x" code in Table B1.1a for details.

4. Year of reference 2004.

Source: OECD. See Annex 3 for notes ([www.oecd.org/edu/eag2006](http://www.oecd.org/edu/eag2006)).

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Table B3.2b.

**Relative proportions of public and private expenditure on educational institutions,  
as a percentage, for tertiary education (1995, 2003)**

*Distribution of public and private sources of funds for educational institutions after transfers from public sources, by year*

		Tertiary education									
		2003					1995				
		Public sources	Private sources			Private; of which, subsidised	Public sources	Private sources			Private; of which, subsidised
			Household expenditure	Expenditure of other private entities	All private sources <sup>1</sup>			Household expenditure	Expenditure of other private entities	All private sources <sup>1</sup>	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
OECD countries	Australia	48.0	34.8	17.2	52.0	0.9	64.8	20.0	15.2	35.2	n
	Austria	92.7	5.9	1.4	7.3	1.6	96.1	1.9	2.0	3.9	4.6
	Belgium	86.7	8.8	4.5	13.3	4.7	m	m	m	m	m
	Canada <sup>2,3</sup>	56.4	20.6	23.0	43.6	0.9	56.6	16.7	26.7	43.4	22.3
	Czech Republic	83.3	7.3	9.4	16.7	m	71.5	3.3	25.2	28.5	8.7
	Denmark	96.7	3.3	n	3.3	m	99.4	0.6	n	0.6	n
	Finland	96.4	x(4)	x(4)	3.6	n	m	m	m	m	m
	France	81.3	11.8	6.9	18.7	2.3	m	m	m	m	m
	Germany	87.1	x(4)	x(4)	12.9	n	88.6	x(9)	x(9)	11.4	a
	Greece	97.4	0.4	2.2	2.6	m	m	m	m	m	m
	Hungary	78.5	5.3	16.2	21.5	n	80.3	4.8	14.9	19.7	n
	Iceland <sup>3</sup>	88.7	11.3	m	11.3	n	m	m	m	m	m
	Ireland	83.8	14.7	1.5	16.2	4.2	69.7	28.3	2.0	30.3	m
	Italy	72.1	18.9	9.0	27.9	4.5	82.9	12.7	4.4	17.1	0.1
	Japan <sup>3</sup>	39.7	60.3	x(2)	60.3	m	42.0	58.0	x(7)	58.0	m
	Korea	23.2	56.7	20.2	76.8	0.7	m	m	m	m	m
	Luxembourg	m	m	m	m	m	m	m	m	m	m
	Mexico	69.1	30.4	0.5	30.9	0.8	77.4	22.6	m	22.6	m
	Netherlands	78.6	11.5	9.9	21.4	1.5	80.6	10.1	9.3	19.4	2.5
	New Zealand	61.5	38.5	m	38.5	m	m	m	m	m	m
	Norway	96.7	3.3	m	3.3	m	93.7	x(9)	x(9)	6.3	n
	Poland	69.0	31.0	m	31.0	m	m	m	m	m	m
	Portugal	91.5	8.5	m	8.5	m	96.5	3.5	m	3.5	m
	Slovak Republic <sup>3</sup>	86.2	6.0	7.8	13.8	m	94.6	x(9)	x(9)	5.4	m
	Spain	76.9	19.4	3.7	23.1	2.0	74.4	19.4	6.2	25.6	2.0
	Sweden	89.0	n	11.0	11.0	a	93.6	n	6.4	6.4	a
	Switzerland	m	m	m	m	m	m	m	m	m	m
	Turkey	95.2	4.8	m	4.8	m	97.0	3.0	m	3.0	0.7
United Kingdom	70.2	18.5	11.2	29.8	0.6	80.0	x(9)	x(9)	20.0	n	
United States	42.8	36.7	20.4	57.2	m	m	m	m	m	m	
	<i>OECD average</i>	<i>76.4</i>	<i>~</i>	<i>~</i>	<i>23.6</i>	<i>1.5</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>	
	<i>EU19 average</i>	<i>84.3</i>	<i>~</i>	<i>~</i>	<i>15.7</i>	<i>1.2</i>	<i>~</i>	<i>~</i>	<i>~</i>	<i>~</i>	
Partner countries	Brazil	m	m	m	m	m	m	m	m	m	
	Chile <sup>4</sup>	15.8	83.3	0.9	84.2	2.5	25.1	72.5	2.4	74.9	m
	Israel	59.3	29.6	11.1	40.7	5.6	59.2	24.3	16.5	40.8	3.0
	Russian Federation	m	m	m	m	m	m	m	m	m	m

1. Including subsidies attributable to payments to educational institutions received from public sources. To calculate private funds net of subsidies, subtract public subsidies (columns 5, 10) from private funds (columns 4, 9). To calculate total public funds, including public subsidies, add public subsidies (columns 5, 10) to direct public funds (columns 1, 6).

2. Year of reference 2002.

3. Some levels of education are included with others. Refer to "x" code in Table B1.1a for details.

4. Year of reference 2004.

Source: OECD. See Annex 3 for notes ([www.oecd.org/edu/eag2006](http://www.oecd.org/edu/eag2006)).

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Table B3.3.  
Trends in relative proportions of public expenditure<sup>1</sup> on educational institutions, for tertiary education  
(1995, 2000, 2001, 2002, 2003)

	1995 (%)	2000 (%)	2001 (%)	2002 (%)	2003 (%)
<b>OECD countries</b>					
Australia	64.8	51.0	51.3	48.7	48.0
Austria	96.1	96.3	94.6	91.6	92.7
Belgium	m	m	84.1	86.0	86.7
Canada	56.6	61.0	58.6	m	56.4
Czech Republic	71.5	85.4	85.3	87.5	83.3
Denmark	99.4	97.6	97.8	97.9	96.7
Finland	m	97.2	96.5	96.3	96.4
France	m	85.8	85.6	85.7	m
Germany	88.6	91.8	91.3	91.6	87.1
Greece	m	99.7	99.6	99.6	97.4
Hungary	80.3	76.7	77.6	78.7	78.5
Iceland	m	94.9	95.0	95.6	88.7
Ireland	69.7	79.2	84.7	85.8	83.8
Italy	82.9	77.5	77.8	78.6	72.1
Japan	42.0	44.9	43.1	41.5	39.7
Korea	m	23.3	15.9	14.9	23.2
Luxembourg	m	m	m	m	m
Mexico	77.4	79.4	70.4	71.0	69.1
Netherlands	80.6	78.2	78.2	78.1	78.6
New Zealand	m	m	m	62.5	61.5
Norway	93.7	96.3	96.9	96.3	96.7
Poland	m	m	m	69.7	69.0
Portugal	96.5	92.5	92.3	91.3	91.5
Slovak Republic	94.6	91.2	93.3	85.2	86.2
Spain	74.4	74.4	75.5	76.3	76.9
Sweden	93.6	88.1	87.7	90.0	89.0
Switzerland	m	m	m	m	m
Turkey	97.0	95.4	95.8	90.1	95.2
United Kingdom	80.0	67.7	71.0	72.0	70.2
United States	m	m	m	45.1	42.8
<i>OECD average</i>	<i>81.2</i>	<i>80.2</i>	<i>80.0</i>	<i>78.1</i>	<i>76.2</i>
<i>OECD average for countries with data available for all reference years (18 OECD countries)</i>	<i>82.6</i>	<i>81.3</i>	<i>81.4</i>	<i>80.7</i>	<i>79.7</i>
<i>EU19 average for countries with data available for all reference years (13 countries)</i>	<i>85.6</i>	<i>84.4</i>	<i>85.2</i>	<i>85.0</i>	<i>83.6</i>
<b>Partner countries</b>					
Brazil	m	m	m	m	m
Chile	25.1	18.3	19.6	17.0	15.8
Israel	59.2	56.5	56.8	53.4	59.3
Russian Federation	m	m	m	m	m

1. Public expenditure on educational institutions excludes international funds.

Source: OECD. See Annex 3 for notes ([www.oecd.org/edu/eag2006](http://www.oecd.org/edu/eag2006)).

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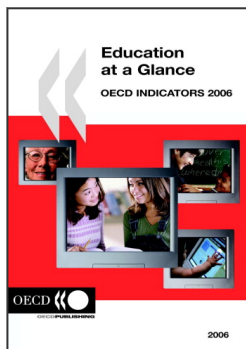
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