

Education spending

On average, OECD countries spent USD 9 300 per child per year from primary through tertiary education in 2010 (Figure 4.12, Panel A). **Spending was highest in the United States with just over USD 15 000 per child, followed closely by Switzerland.** On the opposite end, spending was USD 5 000 or less in Chile and Mexico. Spending was also relatively low (around USD 6 000) in several Eastern European countries.

The crisis has halted the long-term trend of increasing spending in education. While public spending as a percentage of GDP for all levels of education increased by 8% between 2008 and 2009 on average across OECD countries, it fell by 1.5% between 2009 and 2010 (Figure 4.12, Panel B). Public expenditures on educational institutions as a percentage of GDP decreased in two-thirds of those OECD countries for which data are available, most likely as a consequence of fiscal consolidation policies. Drops of more than 4% were seen in Estonia, Hungary, Iceland, Italy, Sweden, Switzerland and the United States.

On average across the OECD countries, less investment was put into early education as compared to later years, with spending per child amounting to USD 6 800 at the pre-primary level, USD 8 000 at the primary level, USD 9 000 at the secondary level and USD 13 500 at the tertiary level (Figure 4.13). These averages mask a broad range of expenditure per student by educational institutions across the OECD countries, varying by a factor of 9 at the pre-primary level, 11 at the primary level, 7 at the secondary level and 4 at the tertiary level.

In 2010, public funding accounted for 84% of all funds for educational institutions, on average across the OECD countries (Figure 4.14). It varied from around 60% in Chile and Korea to over 95% in Finland and Sweden. **The share of public funding decreased from 2000 to 2010.** The decline was remarkable for tertiary institutions, from 76% in 2000 to 68% in 2010. This trend is mainly influenced by non-European countries, where tuition fees are generally higher and enterprises participate more actively in providing grants to finance tertiary education.

Argentina, Brazil and Russian Federation (emerging economies for which data are available) all had education spending comparable to the low-spending OECD countries (Figure 4.12, Panel A).

Definitions and measurement

Data on education spending is calculated using total annual spending from primary to tertiary education (including research and development activities). Figures are for public and private spending combined, and are reported in US dollars based on purchasing power parities for the respective years.

Levels of education are based on the International Standard Classification of Education (ISCED 1997), which distinguishes six levels of education, classified here into four groups: pre-primary (ISCED 0 from age 3), primary (ISCED 1), secondary (ISCED 2-3-4) and tertiary (ISCED 5-6).

The public (and private) proportion of expenditure on educational institutions is the percentage of total spending originating in, or generated by, the public (and private) sector.

Further reading

OECD (2013), *Education at a Glance 2013*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/eag-2013-en>.

Figure notes

Figure 4.12: Level of spending not available for Canada, Germany, Greece and Turkey.

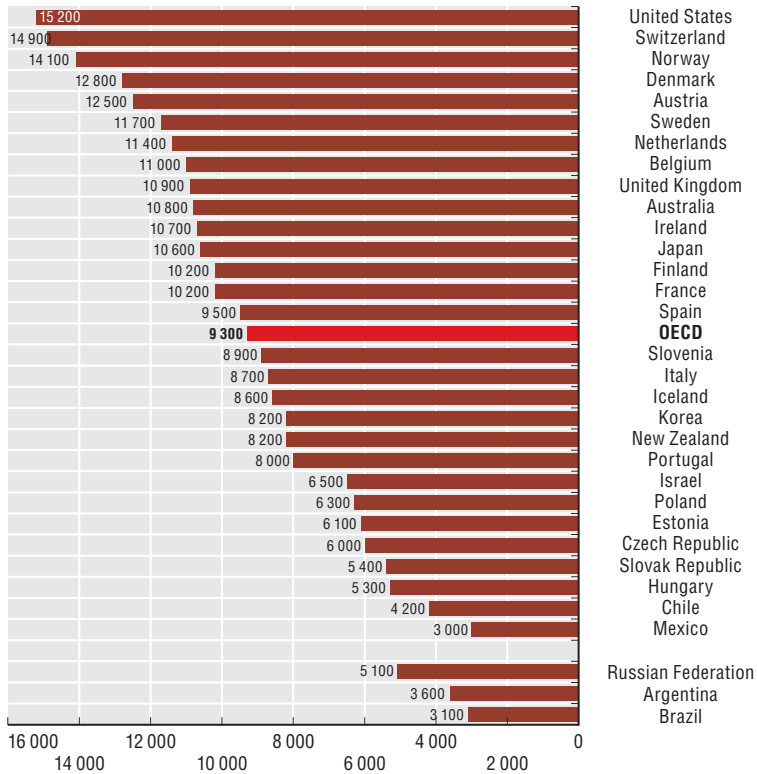
Figure 4.13: 2009-10 change not available for Canada, Germany, Greece, Turkey, Argentina and Brazil;

Figure 4.14: Pre-primary data not available in 2010.

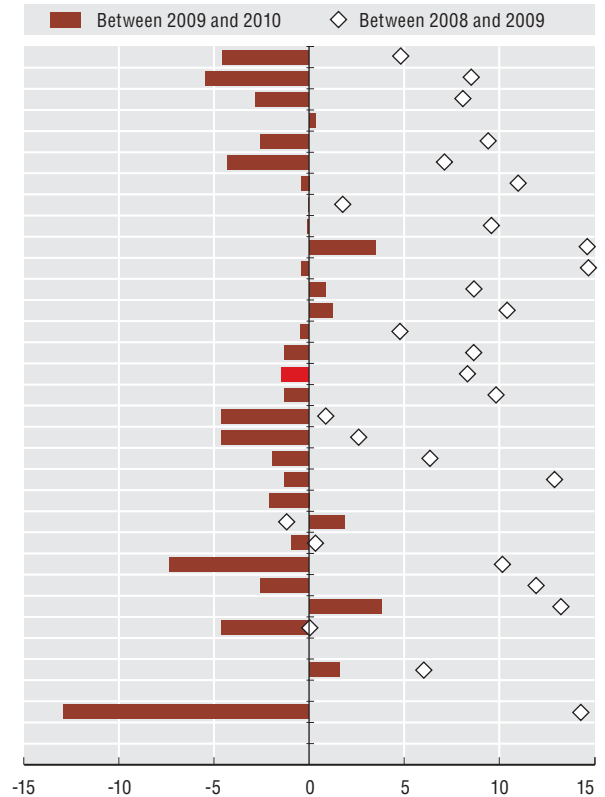
Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>.

4.12. Variation in per student education spending and decline in public spending in percentage of GDP between 2009 and 2010

Panel A. Annual expenditure per student from primary through tertiary education, in USD at current prices and current PPPs in 2010 (rounded at nearest 100)

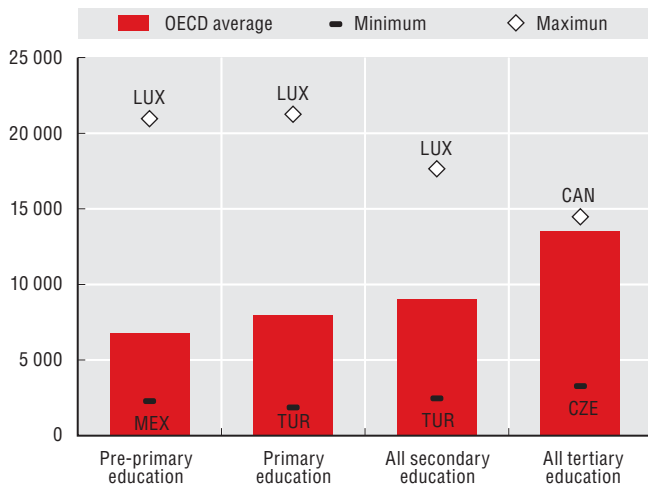


Panel B. Percentage change in public expenditure on educational institutions in percentage of GDP, for all levels of education



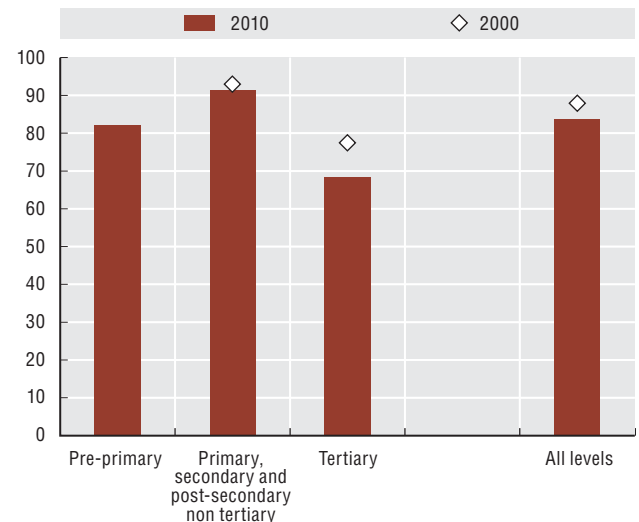
4.13. Spending per child increases with the level of education

Annual expenditure per student for all services, by level of education, in USD at current prices and current PPPs in 2010



4.14. The share of education public funding has fallen, particularly for tertiary institutions

Share of public expenditure on educational institutions, by level of education, OECD average, 2010 and 2000



Source: OECD (2013), Education at a Glance 2013 (www.oecd.org/edu/eag.htm).

StatLink <http://dx.doi.org/10.1787/888932966447>



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