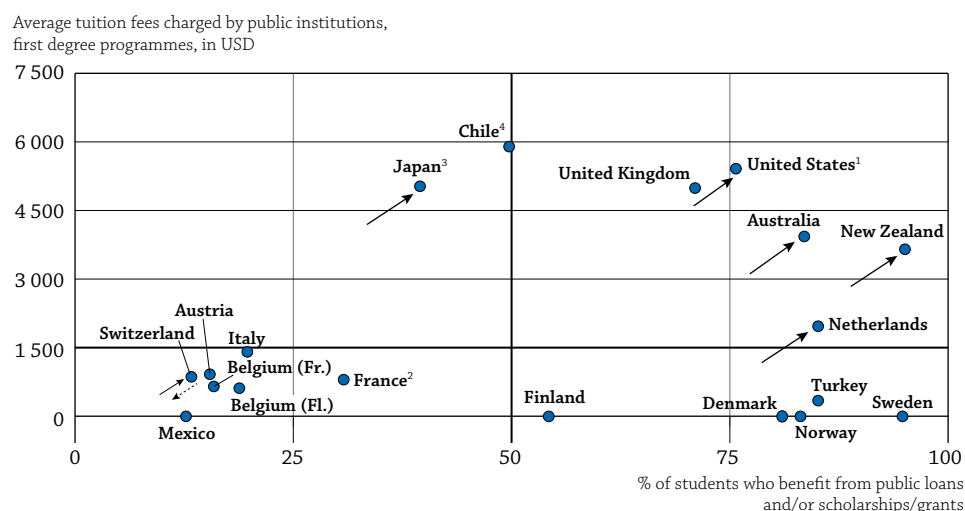


## HOW MUCH DO TERTIARY STUDENTS PAY AND WHAT PUBLIC SUPPORT DO THEY RECEIVE?

- OECD countries differ significantly in the amount of tuition fees charged by their tertiary institutions. In eight OECD countries, public institutions charge no tuition fees, but in one-third of the 26 OECD countries with available data, public institutions charge annual tuition fees in excess of USD 1 500 for national students.
- An increasing number of OECD countries charge higher tuition fees for international students than for national students.
- Countries with high levels of tuition fees tend to be those where private entities (e.g. enterprises) contribute the most to funding tertiary institutions.
- An average of nearly 22% of public spending on tertiary education is devoted to supporting students, households and other private entities.

**Chart B5.1. Relationship between average tuition fees charged by public institutions and proportion of students who benefit from public loans and/or scholarships/grants in tertiary-type A education (2011)**

*For full-time national students, in USD converted using PPPs for GDP, academic year 2010/11*



- Figures are reported for all students (full-time national and full-time non-national/foreign students)
- Average tuition fees from USD 200 to USD 1 402 for university programmes dependent on the Ministry of Education.
- Tuition fees refer to public institutions but more than two-thirds of students are enrolled in private institutions.
- If only public institutions are taken into account, the proportion of students who benefit from public loans and/or scholarships/grants should be 68%.

**Source:** OECD. Tables B5.1 and B5.2. See Annex 3 for notes ([www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

**StatLink** <http://dx.doi.org/10.1787/888933117801>

### How to read this chart

This chart shows the relationships, at the tertiary-type A level of education, between annual tuition fees charged by educational institutions and public support to households for students living costs. The arrows show how the average tuition fees and the proportion of students who benefit from public support have changed since 1995, following reforms.

### Context

Policy decisions relating to tuition fees affect both the cost of tertiary education to students and the resources available to tertiary institutions. Public support to students and their families also enables governments to encourage participation in education – particularly among low-income students – by covering part of the cost of education and related expenses. In this way, governments can address issues of access and equality of opportunity. The impact of such support must therefore be judged, at least partly, by examining participation and retention in, and completion of, tertiary education.

Public support to students also indirectly funds tertiary institutions. Channelling funding to institutions through students may also help increase competition among institutions and to be more responsive to student needs. Since aid for students' living costs can serve as a substitute for income from work, public subsidies may enhance educational attainment by allowing students to work less. This support comes in many forms, including means-based subsidies, family allowances for students, tax allowances for students or their parents, or other household transfers. Governments should strike the right balance among these different subsidies, especially in a period of financial crisis. Based on a given amount of subsidies, public support, such as tax reductions or family allowances, may provide less support for low-income students than means-tested subsidies, as the former are not targeted specifically to support low-income students. However, they may still help to reduce financial disparities among households with and without children in education.

### ■ Other findings

- Across OECD countries, **tuition fees for second-degree and further programmes are generally not much higher than those for first-degree programmes** for public institutions and government-dependent private institutions. Exceptions to this pattern are found in Australia, Chile and the United Kingdom.
- **The high entry rates into tertiary education in some countries that charge no tuition fees are also probably due to these countries' highly developed financial support systems for students**, and not just to the absence of tuitions fees.
- OECD countries in which students are required to pay tuition fees but can benefit from sizeable financial support do not have below-average levels of access to tertiary-type A education.
- **Student financial support systems that offer loans with income-contingent repayment to all students combined with means-tested grants can help to promote access and equity** while sharing the costs of higher education between the state and students.

### ■ Trends

As reported in *Education at a Glance 2013*, since 1995, 14 of the 25 countries with available information implemented reforms to tuition fees. In all of these 14 countries except Iceland and the Slovak Republic, the reforms were combined with a change in the level of public support available to students.

Since 2009, further changes have been made to tuition fees and public support systems in various countries. For example, in the United Kingdom, tuition fees doubled – and nearly tripled in some universities – in 2012, as part of a government plan to stabilise university finances. However, the data presented here, which are for 2010/11, do not reflect these more recent changes. Similarly, in 2011, Korea implemented reforms to increase the level of public support for higher education, with the goal of expanding access to and improving equity in tertiary-type A education.

## Analysis

B5

### Annual tuition fees charged by tertiary-type A institutions for national students

The cost of higher education and the best way to support students in paying for that education are among the most hotly debated public policy topics in education today. The level of tuition fees charged by tertiary institutions – as well as the level and type of financial assistance countries provide through their student support systems – can greatly influence the access to and equity in tertiary education.

Striking the right balance between providing sufficient support to institutions through tuition fees and maintaining access and equity is challenging. On the one hand, higher tuition fees increase the resources available to educational institutions, support their efforts to maintain quality academic programmes and develop new ones, and can help institutions accommodate increases in student enrolment. Thus, several factors influence the level of tuition fees, such as the salary of professors, in the competition to hire the best ones in a global academic market; the development of non-teaching services (employability services, relations with companies); the growth of digital learning; and investments to support internationalisation.

However, tuition fees may also restrict access to higher education for students – particularly those from low-income backgrounds – in the absence of a strong system of public support to help them pay or reimburse the cost of their studies. In addition, high tuition fees may prevent some students from pursuing fields that require extended periods of study, especially when labour market opportunities are not sufficient in these fields.

On the other hand, lower tuition fees can help to promote student access and equity in higher education, particularly among disadvantaged populations. However, they may also constrain the ability of tertiary institutions to maintain an appropriate quality of education, especially in light of the massive expansion of tertiary education in all OECD countries in recent years. Moreover, budgetary pressures stemming from the global economic crisis may make it more difficult for countries that have lower tuition fees to sustain this model in the future.

Differentiating tuition fees (by level of education, field of education, student background or mode of delivery) is a way for countries to adjust the level of tuition fees to take into account equity issues to access tertiary education, costs to provide education and labour market opportunities.

There are large differences among countries in the average tuition fees charged by tertiary-type A institutions for national students in first-degree programmes. In the five Nordic countries (Denmark, Finland, Iceland, Norway and Sweden), and in Mexico, Poland and Slovenia, public institutions do not charge tuition fees. By contrast, tuition fees for public institutions are higher than USD 1 500 in one-third of the countries with available data, and they reach more than USD 5 000 in Chile, Japan, Korea and the United States. Meanwhile, in Austria, Belgium, France, Italy, Spain, Switzerland and Turkey, students pay small tuition fees for tertiary-type A education. Among the EU21 countries for which data are available, only the Netherlands, the Slovak Republic and the United Kingdom have annual tuition fees that exceed USD 1 500 per full-time national student (Table B5.1 and Chart B5.2).

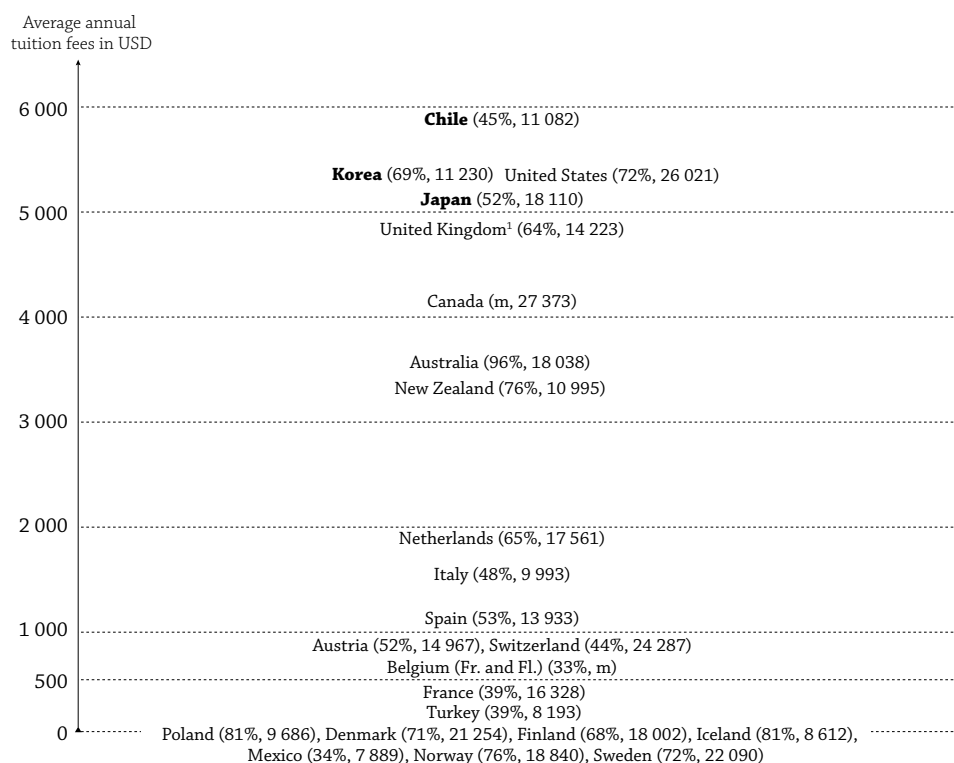
The tuition fees charged for national students in second-degree and further programmes are generally not much higher than those charged for first-degree programmes. In the majority of the countries with available data, the fees charged are stable or slightly higher than those for first-degree programmes. Exceptions to this pattern are found in Australia, Chile, Ireland and the United Kingdom. Thus, for public institutions in Australia, the amount charged increases by 55% between the two types of degrees, from USD 3 924 to USD 6 099, while it decreases slightly in independent private institutions. Australia, Chile and the United Kingdom also differentiate fees by field of education in first-degree programmes. By contrast, Turkey is the only country where fees are lower in second-degree and further programmes at public institutions (Tables B5.1 and B5.3).

### Tuition fees for non-national students

National policies regarding tuition fees and financial aid to students generally cover all students studying in the country's educational institutions. Countries' policies also take international students into account. Differences between national and international students, in the fees they are charged or the financial help they may receive from the country in which they study, can, along with other factors, have an impact on the flows of international students. These differences can attract students to study in some countries or discourage students from studying in others (see Indicator C4), especially in a context where an increasing number of OECD countries are charging higher tuition fees for international students.

**Chart B5.2. Average annual tuition fees charged by tertiary-type A public institutions for full-time national students (2011)**

*In USD converted using PPPs for GDP, academic year 2010/11*



**Note:** This chart shows the annual tuition fees charged in equivalent USD converted using PPPs. Countries in bold indicate that tuition fees refer to public institutions but more than two-thirds of students are enrolled in private institutions. The net entry rate and expenditure per student (in USD) in tertiary-type A programmes are added next to the country's name.

This chart does not take into account grants, subsidies or loans that partially or fully offset the students' tuition fees.

1. Public institutions do not exist at this level of education and almost all students are enrolled in government-dependent private institutions.

**Source:** OECD. Tables B1.1a, B5.1 and Indicator C3. See Annex 3 for notes ([www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

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

**StatLink** <http://dx.doi.org/10.1787/888933117820>

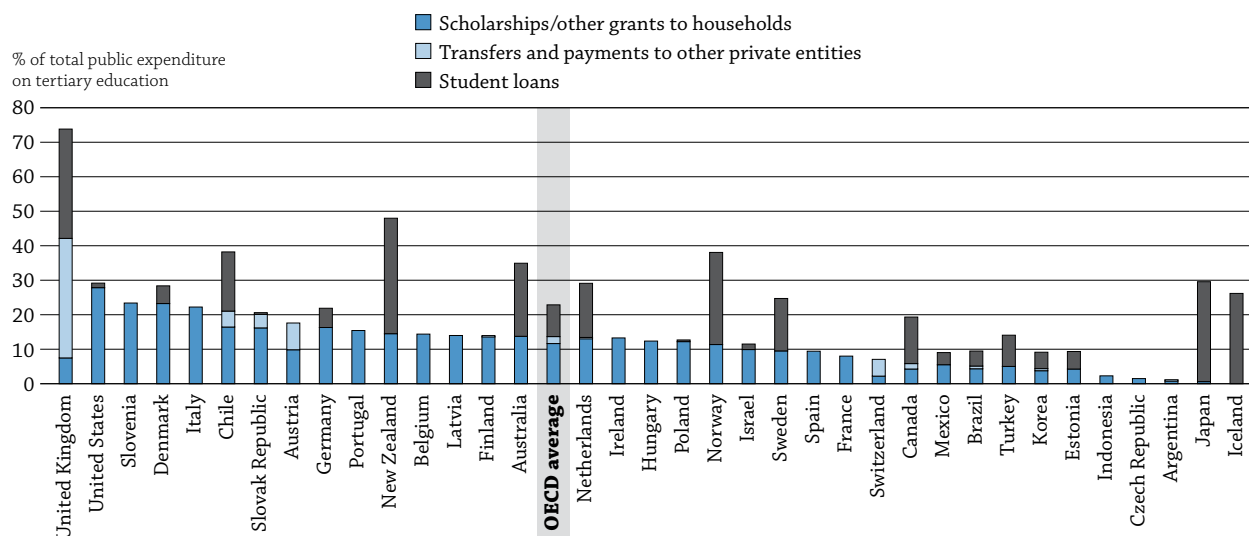
In the majority of countries with available data, the tuition fees charged by public educational institutions may differ for national and international students enrolled in the same programme. In Austria, for example, the average tuition fees charged by public institutions for students who are not citizens of EU or European Economic Area (EEA) countries are twice the fees charged for citizens of these countries. Similar policies are found in Canada, Denmark (as of 2006/07), Ireland, the Netherlands, New Zealand (except for foreign doctoral students), Poland, the Slovak Republic, Slovenia, Sweden (as of 2011), Switzerland, Turkey, the United Kingdom and the United States. In these countries, the level of tuition fees varies based on citizenship or on an individual's residence (see Indicator C4 and Box C4.3). In Australia, international students are not eligible for the support that is available to national students.

### Grants and loans to students

OECD research (OECD, 2008) suggests that having a robust financial support system is important for ensuring good outcomes for students in higher education, and that the type of aid is also critical. A key question in many OECD countries is whether financial support for households should be provided primarily in the form of grants or loans for tertiary-type A education. Governments subsidise students' living or educational costs through different combinations of these two types of support. Tax reductions and tax credits for education are not included in this indicator. Advocates of student loans argue that loans allow available resources to be spread further. If the amount spent on grants were used to guarantee or subsidise loans instead, aid would be available to more students, and overall access to higher education would increase.

**Chart B5.3. Public support for tertiary education (2011)**

*Public support for education to households and other private entities as a percentage of total public expenditure on tertiary education, by type of subsidy*



Countries are ranked in descending order of the share of scholarships/other grants to households and transfers and payments to other private entities in total public expenditure on education.

Source: OECD. Table B5.4. See Annex 3 for notes ([www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

StatLink <http://dx.doi.org/10.1787/888933117839>

Loans also shift some of the cost of education to those who benefit most from higher education, namely, the individual student reflecting the high private returns of completing tertiary education (see indicator A7). Opponents of loans argue that student loans are less effective than grants in encouraging low-income students to pursue their education. They also argue that loans may be less efficient than anticipated because of the various types of support provided to borrowers or lenders and the costs of administration and servicing. Finally, high level of student debt may have adverse effects both for students and for governments, if large numbers of students are unable to repay their loans (Box B5.1).

OECD countries spend an average of about 22% of their public budgets for tertiary education on support to households and other private entities (Chart B5.3). In Australia, Chile, Denmark, Iceland, Japan, the Netherlands, New Zealand, Norway, the United Kingdom and the United States, public support accounts for more than 25% of public spending on tertiary education. Only Argentina, the Czech Republic and Indonesia spend less than 7% of total public spending on tertiary education support. However, in the Czech Republic, subsidies for students' grants are sent directly to institutions, which are responsible for distributing them among students (Table B5.4).

One-third of the 36 countries for which data are available rely exclusively on scholarships/grants and transfers/payments to other private entities. Iceland provides only student loans, while other countries make a combination of grants and loans available. Both types of support are used extensively in Australia, Chile, the Netherlands, New Zealand, Norway, Sweden, the United Kingdom and the United States.

In general, the countries that offer student loans are also those in which public support to households accounts for the largest proportion of all public expenditure on tertiary education. In most cases, these countries also spend an above-average proportion of their tertiary education budgets on grants and scholarships (Chart B5.3 and Table B5.4).

### Country approaches to funding tertiary education

Many countries have similar goals for tertiary education, such as strengthening the knowledge economy, increasing access for students, encouraging high completion rates, and ensuring the financial stability of their higher education systems. Yet OECD countries differ dramatically in the way the cost of higher education is shared among governments, students and their families, and other private entities – and in the financial support they provide to students.

As noted above, the cost of tertiary education, and the level of support available to students, varies markedly across OECD countries. This section provides a taxonomy of approaches to funding tertiary education in countries with available data, and analyses the impact of these models on access to tertiary education. Countries are grouped in four models, according to two factors: the level of tuition fees and the financial support available through the country's student financial aid system for tertiary education.

There is no single model for financing tertiary-type A education. Countries in which tertiary-type A institutions charge similar tuition fees may vary in the proportion of students benefiting from public support and/or in the average amount of these subsidies (Tables B5.1, B5.2, B5.3, B5.4 and Table B5.5, available on line, and Chart B5.1). Since arrangements regarding the tuition fees charged by tertiary educational institutions have been the subject of reforms in many OECD countries since 1995, some countries have moved from one model to another over this period (Chart B5.1, and see Box B5.1 in *Education at a Glance 2012*).

### **Model 1: Countries with no or low tuition fees and generous student support systems**

This group is composed of the Nordic countries: Denmark, Finland, Iceland, Norway and Sweden. These countries have more progressive tax structures (OECD, 2011), and students pay no tuition fees and benefit from generous public support for higher education. However, individuals face high income tax rates. The average entry rate into tertiary-type A education for this group – 74% – is significantly above the OECD average of 59% (see Indicator C3, Table C3.2a). These high entry rates may also reflect the attractiveness of these countries' highly-developed student financial support systems, not just the absence of tuition fees. For instance, in these countries, more than 55% of students benefit from public grants, public loans, or a combination of the two (Tables B5.1, B5.2 and Chart B5.1).

The approach to funding tertiary education in this model reflects these countries' deeply rooted social values, such as equality of opportunity and social equity. The notion that government should provide its citizens with tertiary education at no charge to the individual is a salient feature of the culture of education in these countries: the funding of both institutions and students is based on the principle that access to tertiary education is a right, rather than a privilege. However, during the past decade, Denmark and Sweden (as of 2011) decided to introduce tuition fees for international students to increase the resources available for their tertiary institutions; Iceland also considered doing so. The risk is that this approach may discourage some international students from studying in these countries. Sweden has seen a reduction in the number of international students in the country since it introduced this reform: between autumn 2010 and autumn 2011 the number of students who were not part of an exchange programme and came from outside the European Economic Area and Switzerland decreased by almost 80% (Swedish Higher Education Authority, 2013).

### **Model 2: Countries with high tuition fees and well-developed student support systems**

The second group includes Australia, Canada, the Netherlands, New Zealand, the United Kingdom and the United States. These countries have potentially high financial obstacles to entry into tertiary-type A education, but they also offer significant public support to students. The average entry rate to tertiary-type A education for this group of countries is 75%, significantly above the OECD average and higher than most countries with low tuition fees (except the Nordic countries). Countries in Model 2 tend to be those where private entities (e.g. private businesses and non-profit organisations) contribute the most to financing tertiary institutions. In other words, in Model 2 countries, the cost of education is shared among government, households and private companies (see Chart B3.2 and Table B3.1).

Tuition fees charged by public tertiary-type A institutions exceed USD 1 500 in all these countries, but more than 75% of tertiary-type A students receive public support (in Australia, the Netherlands, New Zealand, the United Kingdom and the United States, the five countries for which data are available; Tables B5.1 and B5.2). Student support systems are well-developed and mostly accommodate the needs of the entire student population. As a result, the share of public expenditure on tertiary education that is devoted to public support in these countries is higher than the OECD average (22%) in five of the six countries: Australia (35%), the Netherlands (29%), New Zealand (48%) the United Kingdom (74%) and the United States (29%), and close to the average for Canada (19%) (Table B5.4).

In this group of countries, access to tertiary-type A education is above the OECD average. For example, Australia and New Zealand have among the highest entry rates into tertiary-type A education (96% and 79%, respectively), although these rates also reflect the high proportion of international students enrolled in tertiary-type A education.



Entry rates into tertiary-type A education were also above the OECD average (59%) in the Netherlands (65%), the United Kingdom (64%) and the United States (72%) in 2011. These countries spend more on core services (services directly related to instruction) per tertiary student than the OECD average and have a relatively high level of revenue from income tax as a percentage of GDP, compared to the OECD average. The Netherlands is an outlier, as its level of income taxation is below the OECD average (see Table B1.1b, available on line, and Table C3.1).

OECD research (OECD, 2008) suggests that, in general, this model can be an effective way for countries to increase access to higher education. However, during periods of economic crisis, high tuition fees impose a considerable financial burden on students and their families and can discourage some of them from entering tertiary education, even when relatively high levels of student support are available. This is a hotly debated topic in Canada, the United Kingdom and the United States.

### **Model 3: Countries with high tuition fees and less-developed student support systems**

In Chile, Japan and Korea, most students are charged high tuition fees (on average, more than USD 4 500 in tertiary-type A institutions), but student support systems are somewhat less developed than those in Models 1 and 2. This approach can impose a heavy financial burden on students and their families. Entry rates into tertiary-type A institutions are below the OECD average in Chile (45%) and Japan (52%), but above it significantly in Korea (69%). In Japan and Korea, some students who excel academically but have difficulty financing their studies can benefit from reduced tuition and/or admission fees or receive total exemptions.

Japan and Korea are among the countries with the lowest levels of public expenditure allocated to tertiary education as a percentage of GDP (see Table B4.1). This partially explains the small proportion of students who benefit from public loans. It should be noted, however, that both countries have recently implemented reforms to improve their student-support systems.

### **Model 4: Countries with low tuition fees and less-developed student support systems**

The fourth group includes all other European countries for which data are available (Austria, Belgium, the Czech Republic, France, Ireland, Italy, Poland, Portugal, Switzerland and Spain) and Mexico. All of these countries charge moderate tuition fees compared to those in Models 2 and 3, although since 1995, reforms were implemented in some of these countries – particularly Austria and Italy – to increase tuition fees in public institutions (Chart B5.1 and Box B5.1). Model 4 countries have relatively low financial barriers to entry into tertiary education (or no tuition fees, as in Ireland and Mexico), combined with relatively low levels of support for students, which are mainly targeted to specific groups. Tuition fees charged by public institutions in this group never exceed USD 1 300, and in countries for which data are available, less than 40% of students benefit from public support (Tables B5.1 and B5.2).

In Model 4 countries, tertiary institutions usually depend heavily on the state for funding, and participation levels in tertiary education are typically below the OECD average. The average tertiary-type A entry rate in this group of countries – 56% – is relatively low. In Belgium, this low rate is counterbalanced by high entry rates into tertiary-type B education. Similarly, expenditure per student for tertiary-type A education is also comparatively low (Chart B5.2 and see Indicator B1). While high tuition fees can raise potential barriers to student participation, Model 4 suggests that lower tuition fees, which are assumed to ease access to education, do not necessarily guarantee greater access to or better quality of tertiary-type A education.

In these countries, students and their families can benefit from support provided by sources other than the ministry of education (e.g. housing allowances, tax reductions and/or tax credits for education), but these are not covered in this analysis. In France, for example, of state funding, housing allowances represent about 90% of scholarships/grants, and about one-third of students benefit from them. Poland is notable in that most students enrolled in public institutions have their studies fully subsidised by the state, while students enrolled in part-time studies pay the full costs of tuition.

In Model 4 countries, loan systems, such as public loans or loans guaranteed by the state, are not available or are only available to a small proportion of students in these countries (Table B5.2). At the same time, the level of public spending and the tax revenue from income as a percentage of GDP vary significantly more among this group of countries than in the other groups.

### **Implementation of public loan systems and amount of public loans**

Public loan systems (see Box B5.1 on types of student loans) are particularly well-developed in Australia, Norway, the United Kingdom and the United States, where some 70% or more of students benefit from a public loan during their tertiary-type A studies. Public loan systems are also quite well-developed in New Zealand (64%), and also

in Iceland and Sweden (respectively 63% and 40% of students have a loan), two countries – along with Norway – where educational institutions at this level do not charge tuition fees for national students. At the same time, the United States are among the countries with the highest tuition fees for public tertiary-type A institutions, and 84% of full-time full-year students benefit from a public loan in a given year.

The financial support that students receive from public loans during their studies cannot be solely analysed in light of the proportion of students who have loans. The support for students also depends on the amount they can receive in public loans. In countries with comparable data, the average annual gross amount of public loan available to each student exceeds USD 4 000 in about one-half of the countries and ranges from less than USD 3 000 in Belgium (French Community), Finland (loans guaranteed by public authorities rather than public loans), the Netherlands and Turkey, to more than USD 9 000 in Iceland, Mexico, Norway, Spain, the United Kingdom and the United States (Table B5.3, reference year 2010/11).

### **Box B5.1. Student loans: Income-contingent versus fixed-repayment systems**

Investing in tertiary education usually provides individuals with better prospects on the labour market, decreases their risk of unemployment, and may result in high private and public returns (see Indicators A5, A6 and A7).

Student loans, which complement grants and scholarships, are intended to help students cover the cost of their tertiary studies (tuition fees and/or living costs). Public loan systems were developed relatively recently, mainly between the 1960s and 1980s, during a period of massive growth in enrolments in tertiary education, and also in tandem with increasing tuition fees

However, the debt burden that students accumulate is one factor that may impact on their decision to invest in tertiary education. The size of the debt burden depends on the level of tuition fees and living expenses as well as the interest incurred on the loan (which may be subsidised).

For people in countries where tertiary studies entail no or low tuition fees (Models 1 and 4, see above), debt at graduation would typically be lower than that for students studying in countries with high tuition fees, since student loans are mainly used to cover students' living expenses. However, in Nordic countries, where there are low or no tuition fees, the level of student debt at graduation may be high because living expenses are high. For individuals who study in countries where tertiary education entails high tuition fees (Models 2 and 3), the level of debt at graduation may be higher, and the incentives and risks of investing in tertiary studies may vary according to the type of student loans they take.

There are two broad types of student loans: fixed repayment (also referred to as mortgage-style) loans and income-contingent loans. In a fixed repayment loan system, students have an obligation to repay the loan within a fixed period, whatever their financial situation after their studies. This may impose a heavy financial burden on graduates (or those who did not graduate) with low incomes – as seen most recently during the economic crisis, when student debt in the United States hit USD 1.1 trillion in 2013. In income-contingent loan systems, repayment is conditional on the borrower's income reaching a threshold, and includes debt forgiveness after a certain period of time. This type of repayment arrangement takes into account the ability of the graduate to repay their loan.

Both systems imply some costs for the government that guarantees the loan repayment, or/and subsidises the interest rates. Repayment of public loans can be a substantial source of income for governments (through the interest payment, as repayment of loan capital is a balance sheet transaction) and can reduce the costs of loan programmes significantly. However, the potential financial burden for the government is more uncertain with income-contingent loans, as these are contingent on graduates' ability to find work and earn income above the minimum threshold for reimbursement. This type of student loan has been introduced in several countries in recent years. For example, the United Kingdom replaced the mortgage-loan system by an income-contingent loan system in 1999. Even though most students in tertiary-type A institutions in the United Kingdom have a loan, this system relied on additional government support of GBP 6 billion in 2011 (more than 30% of total public expenditure at the tertiary level; table B5.4), although the government's ultimate expenditure is lower,

...



once repayment of these loans is taken into account. With the increase in student debt, some income-contingent loan systems were also introduced in the United States: the income-based repayment programme in 2009 and the Pay-As-You-Earn (PAYE) plan in 2012.

When considering education as an investment, student loans impact on the net returns of education (see Indicator A7). Private returns (for students) of education depend on the costs related to the interest rate associated to the loans and benefits resulting from remission (on top of the possibility to access education and its associated benefits). The net public returns (for government) decrease according to the costs related to subsidising lower interest rates for student loans and related to the remission of loans.

The prevalence of income-contingent or fixed-repayment systems affect the net returns of education, as the remission rate is larger with income-contingent systems (implying larger costs for government but larger benefits for students). Among countries with available data, Canada and the United Kingdom are reporting the highest debt forgiveness and are also among countries with the high interest rate charged on loans (Table B5.3).

The comparison of average tuition fees and average amounts of loans should be interpreted with caution since, in a given education programme, the amount of a loan can vary widely among students, even if the programme's tuition fees are the same. Nevertheless, such a comparison provides some insight into whether students take a loan to cover tuition fees and living expenses. The higher the average level of tuition fees charged by institutions, the greater the need for financial support for students through public loans. The financial pressure on governments to support students increases as tuition fees rise. In the OECD countries for which data on annual gross amounts of loans are available, the average amount of public loan exceeds the average tuition fee charged by public institutions, except in Australia. This suggests that public loans may also help support students' living expenses during their studies.

Among the countries with average tuition fees above USD 1 500 in tertiary-type A public institutions, the average amount of a student loan in the United Kingdom (for government-dependent private institutions) and the United States is at least twice the average tuition fee. The largest differences between average tuition fees and the average amount of loans are observed in the Nordic countries, in which no tuition fees are charged by institutions and a large proportion of students benefit from a public loan with an average amount ranging from about USD 4 200 in Denmark to USD 9 400 in Norway to nearly USD 10 400 in Iceland (Tables B5.1 and B5.3).

Public loan systems also offer some financial aid to students through the interest rate that these students may have to pay, the repayment system or even remission/forgiveness mechanisms (Table B5.3).

### ***Financial support through interest rates***

The financial help arising from reduced interest rates on public or private loans is twofold: the interest rates supported by students during and after their studies may differ. Comparing interest rates among countries is difficult, as the structure of interest rates, both public and private, is not known and can vary significantly among countries, such that a given interest rate may be considered high in one country and low in another. However, differences in rates during and after tertiary studies seem intended to reduce the financial burden on students during their studies. For example, in Canada, Iceland, Japan, New Zealand and Norway, there is no nominal interest rate on a public loan during the period of studies; but after this period, students/graduates may incur an interest charge that is related to the cost of government borrowing or even higher. For example, New Zealand, which made loans interest-free for borrowers while they reside in New Zealand in 2006/07, charges an interest rate on loans to borrowers who are overseas. Belgium, Estonia, Hungary, the Netherlands, Poland, Sweden, the United Kingdom and the United States do not differentiate between the interest rate borne by student during and after their studies. In Australia, a real interest rate is not charged on loans; instead, the part of a loan that has remained unpaid for 11 months or more is indexed to ensure that the real value of the loan is maintained (Table B5.3).

### ***Repayment of loans***

The current reporting of household expenditure on education as part of private expenditure (see Indicator B3) does not take into account the repayment of public loans by previous recipients. As seen in Table B5.3, the repayment period varies among countries, ranging from less than 10 years in Australia, Belgium (French Community), Finland, New Zealand, Spain and Turkey, to 20 years or more in Iceland and Sweden. Among the 18 OECD countries

for which data on repayment systems are available, four English-speaking countries (Australia, New Zealand, the United Kingdom and, under specific circumstances, the United States) as well as Hungary, Iceland, the Netherlands and Sweden make the repayment of loans dependent on graduates' level of income (with a maximum payback time of up to 15 years, in the case of the Netherlands). Among countries with income-contingent repayment systems, the minimum annual income threshold above which borrowers have to reimburse the loan varies largely between countries: while it is particularly low in Sweden (less than USD 7 000), it varies from about USD 13 000 in New Zealand to more than USD 29 000 in Australia.

Anglophone countries are also countries in which the average tuition fees charged by their institutions are higher than USD 1 500 and the average amount of the loan is among the highest in the countries with a public loan system (Table B5.3).

### ***Debt at graduation***

In time of economic crisis involving potential difficulties for young graduates to find a job, the level of debt at graduation becomes a concern. When the labour market opportunities decrease, many graduates may tend to go back to studies, which makes them running even more into debt.

In several countries, most students are in debt at graduation. Countries whose tertiary institutions charge high tuition fees are also those whose students have the highest levels of debt at graduation. By contrast, in countries with a relatively small proportion of graduates in debt, the debt burden is also lighter. For instance, in Turkey, one in five students is in debt at graduation for an average of about USD 5 200, while in the United States, two out of three graduates have debt from loans of an average of USD 25 400.

Countries that do not charge tuition fees for national students also show high levels of debt. This is the case for students in Sweden, who graduate with an average debt burden of USD 20 000. In Norway, the average student debt reaches USD 25 000. Unlike in countries with high tuition fees, the loans in these countries are intended to cover all kinds of student expenditure. In addition, income is generally lower after graduation and taxes are higher in these countries (see Model 1).

## **Definitions**

**Average tuition fees charged in public and private tertiary-type A institutions** do not distinguish tuition fees by type of programme. This indicator gives an overview of tuition fees at this level by type of institution and shows the proportions of students who do or do not receive scholarships/grants that fully or partially cover tuition fees. Levels of tuition fees and associated proportions of students should be interpreted with caution as they are derived from the weighted average of the main tertiary-type A programmes and do not cover all educational institutions.

**Public spending transferred to students, families and other private entities** includes funds that may go indirectly to educational institutions, such as the support that covers tuition fees and funds that do not go, even indirectly, to educational institutions, such as subsidies for students' living costs.

**Public subsidies to households** include: grants/scholarships (non-repayable subsidies); public student loans, which must be repaid; family or child allowances contingent on student status; public support in cash or in kind, specifically for housing, transport, medical expenses, books and supplies, social, recreational and other purposes; and interest-related support for private loans.

However, public support does not distinguish among different types of grants or loans, such as scholarships, family allowances and in-kind subsidies. Governments can also support students and their families by providing housing allowances, tax reductions and/or tax credits for education. These subsidies are not covered here. Financial aid to students in some countries may therefore be substantially underestimated.

It is also common for governments to guarantee the repayment of loans to students made by private lenders. In some OECD countries, this indirect form of support is as significant as, or even more significant than, direct financial aid to students. However, for reasons of comparability, the indicator only takes into account the amounts relating to public transfers for private loans that are made to private entities, not the total value of loans generated. Some qualitative information is nevertheless presented in some of the tables to give some insight on this type of support.

**Student loans** refer to the full range of student loans in order to provide information on the level of support received by students. The gross amount of loans provides an appropriate measure of the financial aid to current participants in education. Interest payments and repayments of principal by borrowers should be taken into account when assessing the net cost of student loans to public and private lenders. However, such payments are usually made

by former students rather than by current students and are not covered in this indicator. In most countries, loan repayments do not flow to education authorities, and the money is not available to them to cover other expenditures on education. OECD indicators take the full amount of scholarships and loans (gross) into account when discussing financial aid to current students. Some OECD countries also have difficulty quantifying the amount of loans to students. Therefore, data on student loans should be treated with some caution.

### Methodology

Data refer to the financial year 2011 and are based on the UOE data collection on education statistics administered by the OECD in 2012 (for details see Annex 3 at [www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

Data on tuition fees charged by educational institutions, financial aid to students and on reforms implemented since 1995 were collected through a special survey undertaken in 2012 and refer to the academic year 2010/11.

Amounts of tuition fees and amounts of loans in national currency are converted into equivalent USD by dividing the national currency by the purchasing power parity (PPP) index for GDP. Amounts of tuition fees and associated proportions of students should be interpreted with caution as they represent the weighted average of the main tertiary-type A programmes and do not cover all educational institutions.

Public costs related to private loans guaranteed by governments are included as subsidies to other private entities. Unlike public loans, only the net cost of these loans is included.

The value of tax reductions or credits to households and students is not included.

#### Note regarding data from Israel

The statistical data for Israel are supplied by and are under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

### References

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### Tables of Indicator B5


StatLink  <http://dx.doi.org/10.1787/888933117706>

Table B5.1 Estimated annual average tuition fees charged by tertiary-type A educational institutions (2011)

Table B5.2 Financial aid to students and tuition fees charged in tertiary-type A educational institutions (2011)

Table B5.3 Public loans to students in tertiary-type A education (academic year 2010/11)

Table B5.4 Public support for households and other private entities for tertiary education (2011)

**WEB** Table B5.5 Public support for households and other private entities for primary, secondary and post-secondary non-tertiary education (2011)

Table B5.1. [1/2] **Estimated annual average tuition fees charged by tertiary-type A educational institutions<sup>1</sup> (2011)**

National students, in equivalent USD converted using PPPs, by type of institutions and degree structure, based on full-time students, academic year 2010/11

**Note:** Tuition fees and associated proportions of students should be interpreted with caution as they result from the weighted average of the main tertiary-type A programmes and do not cover all educational institutions. However, the figures reported can be considered as good proxies and show the difference among countries in tuition fees charged by main educational institutions and for the majority of students.

		Percentage of tertiary-type A students enrolled full-time in tertiary-type A education	Percentage of tertiary-type A full-time students enrolled in:			Annual average tuition fees <i>in USD charged by institutions (for full-time students)</i>						Index of change in the amount of tuition fees between 2005 and 2011 (first degree, public institutions, 2005 = 100)
			Public institutions	Government dependent private institutions	Independent private institutions							
						All programmes	All programmes	All programmes	1st degree programmes	2nd and further degree programmes	1st degree programmes	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
OECD	Australia	71	96	a	4	3 924	6 099	a	a	10 110	9 635	128
	Austria <sup>2</sup>	m	84	13	3	860	860	860	860	Up to 11 735	Up to 11 735	m
	Belgium (Fl.)	75	52	48	m	576 to 653	576 to 653	576 to 653	576 to 653	m	m	m
	Belgium (Fr.)	84	33	67	m	653	696	754	785	m	m	m
	Canada	82	m	m	m	4 288	m	x(4)	m	x(4)	m	124
	Chile	m	23	18	59	5 885	6 345	6 924	8 757	6 230	8 357	m
	Czech Republic	97	m	m	m	m	m	m	m	m	m	m
	Denmark <sup>3</sup>	90	m	m	m	No tuition fees	No tuition fees	m	m	a	a	m
	Estonia	87	m	93	7	m	m	3 527	3 786	5 322	6 699	m
	Finland	56	74	26	a	No tuition fees	No tuition fees	No tuition fees	No tuition fees	a	a	m
	France	m	86	5	9	200 to 1 402	273 to 1 402	1 138 to 8 290	x(6)	m	m	116
	Germany	94	96	4	x(3)	m	m	m	m	m	m	m
	Greece	100	m	m	m	m	m	m	m	m	m	m
	Hungary	65	m	m	m	m	m	m	m	m	m	m
	Iceland	71	m	m	m	m	m	m	m	m	m	m
	Ireland	87	m	a	m	6 450	7 036	a	a	m	m	136
	Israel	82	m	m	m	m	m	m	m	m	m	m
	Italy	100	90	a	10	1 407	x(5)	a	a	4 406	x(9)	m
	Japan	91	25	a	75	5 019	5 106	a	a	8 039	7 423	109
	Korea	m	23	a	77	5 395	m	a	a	9 383	m	m
	Luxembourg	95	m	m	m	m	m	m	m	m	m	m
	Mexico	95	67	a	33	No tuition fees	No tuition fees	a	a	5 684	x(9)	m
	Netherlands	86	m	a	m	1 966	x(4)	a	a	m	m	113
	New Zealand	60	m	m	m	3 645	x(4)	m	m	m	m	135
	Norway	71	85	5	10	No tuition fees	No tuition fees	m	m	5 868	7 296	m
	Poland	45	90	a	10	n	n	a	a	1 242	1 335	m
	Portugal <sup>3</sup>	m	m	m	m	m	m	m	m	m	m	m
	Slovak Republic	64	93	a	7	Maximum 2 916	x(4)	a	a	m	m	m
	Slovenia	75	94	6	1	n	n	n	n	11 040	12 144	m
	Spain	76	88	a	12	1 129	m	a	a	m	m	m
	Sweden	48	93	7	n	No tuition fees	No tuition fees	No tuition fees	No tuition fees	m	m	m
	Switzerland	89	95	3	2	863	863	863	863	m	m	m
	Turkey	100	94	a	6	332	270	a	a	m	m	136
United Kingdom	76	a	100	n	a	a	4 980	7 814	m	m	m	
United States	66	70	a	30	5 402	m	a	a	17 163	m	116	
Partners	Brazil	m	m	m	m	m	m	m	m	m	m	m
	Russian Federation	49	m	m	m	m	m	m	m	m	m	m


1. Scholarships/grants that the student may receive are not taken into account.

2. Includes students in advanced research programmes.

3. Tuition fees in total tertiary education.

Source: OECD, Table B5.1 in *Education at a Glance 2013*. See Annex 3 for notes ([www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

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

StatLink  <http://dx.doi.org/10.1787/888933117725>

**Table B5.1. [2/2] Estimated annual average tuition fees charged by tertiary-type A educational institutions<sup>1</sup> (2011)**

*National students, in equivalent USD converted using PPPs, by type of institutions and degree structure, based on full-time students, academic year 2010/11*

Note: Tuition fees and associated proportions of students should be interpreted with caution as they result from the weighted average of the main tertiary-type A programmes and do not cover all educational institutions. However, the figures reported can be considered as good proxies and show the difference among countries in tuition fees charged by main educational institutions and for the majority of students.	
	Comment
	(12)
<b>OECD</b>	
Australia	93% of national students in public institutions are in subsidised places and pay an average USD 3 817 tuition fee, including HECS/HELP subsidies. There was a significant increase (~50%) in scholarships for domestic students from 2007 to 2009 as a result of government reforms aimed at doubling the number of Commonwealth Scholarships by 2012. The new scholarships were mostly targeted towards students studying national priority subjects, students who needed to relocate to study specialist subjects, and Indigenous students.
Austria <sup>2</sup>	As of summer term 2009, tuition fees have to be paid by national students and students from EU/EEA countries when they exceed the theoretical duration of the study programme by two semesters and by students from non-EU/EEA countries (except students from least-developed countries)
Belgium (Fl.)	Tuition fees refer to the minimum and maximum amount that institutions may charge according to the decree (indexed figures). They refer to those for students enrolled in first (bachelor) and second (master) degree programmes. The information does not refer to further degree programmes (for example, master after master). This information refers to students without scholarship (student with a scholarship benefit from lower tuition fees, see more details in Annex 3).
Belgium (Fr.)	Tuition fees charged for programmes are the same in public as in private institutions but the distribution of students differs between public and private institutions, so the weighted average is not the same.
Canada	
Chile	
Czech Republic	
Denmark <sup>3</sup>	Only university students. The proportion of students receiving grants/scholarships is estimated. National students include student from EU/EEA-countries and Switzerland.
Estonia	There is a dual track tuition system in Estonia. The students who are admitted to state funded places at the universities do not pay tuition. Universities can charge tuition from students admitted beyond state-commissioned study places. Universities can decide upon both the amount of the tuition as well as the number of students to charge. In case of advanced research programmes, for example, universities create most of the additional study places without tuition. To some extent this is also the case of second and further degree programmes.
Finland	Excluding membership fees to student unions.
France	Tuition fees in public institutions refer to Universities programmes dependent from the Ministry of higher Education for the lowest level of tuition fees and refer to the State diploma of Psychomotrician (EUR 1 218) for the highest level of tuition fees in public institutions. For the government dependant private institutions the lowest level of tuitions fees mentioned in the table refers to Catholic University and the highest level refers to arts schools
Germany	
Greece	
Hungary	
Iceland	
Ireland	The tuition fees charged by public institutions are paid directly by the government in respect of full-time, undergraduate students from the European Union, only. About one half of all tuition fee income is derived from households (mainly for part-time or postgraduate or non-EU students). This means that in 2010/11 students paid only EUR 1 500 of the fee level above.
Israel	
Italy	Each institution fixes scales for tuition fees dependent on the economic circumstances of the student's family, according to equity and solidarity criteria that respects the general rules determined at national level. The annual average tuition fees are calculated on the basis of the actual tuition fee paid by each student; students totally exempted from fees are not included in the calculation of the average.
Japan	Annual average tuition fees exclude admission fees charged by the schools for the first year
Korea	
Luxembourg	
Mexico	
Netherlands	
New Zealand	
Norway	Student fees are representative of the dominant private ISCED 5 institution in Norway.
Poland	
Portugal <sup>3</sup>	
Slovak Republic	Generally, full-time students do not pay the tuition fees, but students who are simultaneously enrolled in one academic year in two or more study programmes offered by a public university in the same level, are required to pay annual tuition fees for the second and the other study programmes in the academic year. In addition, students studying longer than the standard duration of study are required to pay annual tuition for each additional year of study.
Slovenia	In public and government dependent private institutions: first and second level full-time students do not pay tuition fees. But second cycle students who already obtained a qualification/degree equivalent to the second cycle pay tuition fees.
Spain	
Sweden	In the autumn 2011, fees were introduced for students from outside the EEA and Switzerland.
Switzerland	
Turkey	
United Kingdom	
United States	Figures are reported for all students (full-time national and full-time non-national/foreign students)
<b>Partners</b>	
Brazil	
Russian Federation	


1. Scholarships/grants that the student may receive are not taken into account.

2. Includes students in advanced research programmes.

3. Tuition fees in total tertiary education.

Source: OECD. Table B5.1 in *Education at a Glance 2013*. See Annex 3 for notes ([www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

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

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**Table B5.2. Financial aid to students and tuition fees charged in tertiary-type A educational institutions (2011)***National students and first degree programmes, based on full-time students, academic year 2010/11***B5**

	Distribution of financial aid to students Percentage of students who:				Distribution of scholarships/grants in support of tuition fees Percentage of students who:			
	benefit from public loans only	benefit from scholarships/grants only	benefit from public loans AND scholarships/grants	DO NOT benefit from public loans OR scholarships/grants	receive scholarships/grants that are higher than the tuition fees	receive scholarships/grants whose amount is equivalent to the tuition fees	receive scholarships/grants that partially cover the tuition fees	DO NOT receive scholarships/grants in support of tuition fees
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>OECD</b>								
Australia <sup>1</sup>	81	n	2	16	n	n	3	97
Austria <sup>2</sup>	a	15	a	85	15	n	n	85
Belgium (Fl.)	a	19	a	81	19	x(5)	x(5)	81
Belgium (Fr.)	n	x(3)	16	84	16	x(5)	x(5)	84
Canada	m	m	m	m	m	m	m	m
Chile	32	13	4	50	n	3	14	82
Czech Republic	m	m	a	m	m	m	m	m
Denmark <sup>3</sup>	n	53	28	m	81	m	m	m
Estonia	m	m	m	m	0	0	10	89
Finland	a	54	a	46	a	a	a	a
France <sup>3, 4</sup>	a	31	a	69	24	7	a	69
Germany	m	m	m	m	m	m	m	m
Greece	m	m	m	m	m	m	m	m
Hungary	m	m	m	m	m	m	m	m
Iceland <sup>2</sup>	63	m	m	37	a	a	a	100
Ireland <sup>4</sup>	m	37	m	m	37	m	m	m
Israel	m	m	m	m	m	m	m	m
Italy	n	19	n	80	8	4	7	81
Japan	37	3	m	m	n	x(7)	3	m
Korea	m	m	m	m	a	2	41	57
Luxembourg	m	m	m	m	m	m	m	m
Mexico <sup>2, 3</sup>	1	12	m	87	m	m	m	m
Netherlands <sup>4</sup>	a	a	85	15	68	n	17	15
New Zealand	53	6	37	5	m	m	m	m
Norway	12	4	67	m	m	m	m	m
Poland	m	m	m	m	m	m	m	m
Portugal	m	m	m	m	m	m	m	m
Slovak Republic	m	m	m	m	m	m	m	m
Slovenia <sup>5, 6</sup>	a	26	n	m	m	m	m	m
Spain	m	m	m	m	23	3	9	65
Sweden	n	24	70	5	a	a	a	a
Switzerland	2	10	1	87	13	n	n	87
Turkey	m	m	m	m	25	n	n	75
United Kingdom <sup>2</sup>	x(3)	6	65	29	n	n	n	100
United States <sup>3</sup>	13	26	37	24	m	m	m	37
<b>Partners</b>								
Brazil	m	m	m	m	m	m	m	m
Russian Federation	m	m	m	m	m	m	m	m

1. Excludes foreign students.

2. Data refer to academic year 2008/09.

3. Distribution of students in total tertiary education (only Public University, including tertiary-type B in France).

4. Public institutions only.

5. Column 2 only includes scholarships.

6. Data refer to academic year 2009/10.

Source: OECD. Table B5.2 in *Education at a Glance 2013*. See Annex 3 for notes ([www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

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


StatLink  <http://dx.doi.org/10.1787/888933117744>

Table B5.3. [1/2] **Public loans to students in tertiary-type A education (academic year 2010/11)***National students, in USD converted using PPPs*

	Year of the creation of a public loan system in the country	Proportion of students who have a loan (in %) (academic year 2010/11)	Average annual gross amount of loan available to each student (in USD)	Subsidy through reduced interest rate	
				Interest rate during studies	Interest rate after studies
	(1)	(2)	(3)	(4)	(5)
<b>OECD</b>					
Australia <sup>1, 2</sup>	1989	77.1	3 507	1.90%	indexed to CPI
Belgium (Fl.)	a	a	a	a	a
Belgium (Fr.) <sup>3</sup>	1983	m	1 525	4.0%	4.0%
Canada <sup>4</sup>	1964	m	4 421	No nominal interest rate	Interest rates paid by the student (6.7%)
Denmark <sup>2</sup>	1970	28	4 227	4.0%	1.75%
Estonia <sup>5</sup>	1995	16	3 281	5%, rest paid by government	5%, rest paid by government
Finland <sup>5</sup>	1969	27.7	1 200	1.0%	Full interest rate agreed with the private bank; interest assistance for low-income persons
Hungary <sup>5</sup>	2001	17	3 876 (maximum)	Variable (8.50% in 2010/11)	Variable (8.50% in 2010/11)
Iceland	1961	63	10 342	No nominal interest rate	1.0%
Israel <sup>2, 6</sup>	m	11.4	3 552	m	m
Japan <sup>7</sup>	1943	28	5 602	No nominal nor real interest rate	Maximum of 3%, rest paid by government
Mexico <sup>8</sup>	1970	m	13 608	m	m
Netherlands <sup>2</sup>	1986	33.4	2 646	1.50%	1.50%
New Zealand <sup>2</sup>	1992	64	4 917	No nominal interest rate	0% if New Zealand based, 6.6% otherwise
Norway <sup>2</sup>	1947	70.0	9 381	No nominal interest rate	2.673% (floating interest rate)
Poland <sup>2, 5</sup>	1998	m	3 240	About 1.9%	About 1.9%
Spain	2010	0.1	10 218	0%	3.21%
Sweden <sup>9</sup>	1965	43	8 718	2.40%	2.40%
Turkey	1961	m	2 605	m	m
United Kingdom <sup>2, 10, 11</sup>	1990	83.9	10 070	1.5% (Bank base rate plus 1%)	3.3% (lower of Retail Price Index or Bank base rate, plus 1%)
United States <sup>12</sup>	1970s	71% of all undergraduates, 84% for full-time, full-year students	15 510	3.86% (direct subsidised and unsubsidised loans; excluding loans to parents)	x(5)

1. Including Commonwealth countries.

2. All tertiary students.

3. Loan made to the parents of the student, and only parents have to pay back the loan.

4. Loan outside Quebec. In Quebec, there are only private loans guaranteed by the government.

5. Loan guaranteed by the state rather than public loan.

6. Annual amount of loan refers to all public and private loans.

7. Reference year 2004/05. Average amount of loan for students in ISCED 5A first qualification programme.

8. Average amount of loan for students in tertiary education.

9. Average annual amount of repayment for tertiary level of education.

10. Annual gross amount of loan refers to students in England.

11. Reference year 2009/11.

12. First-degree/undergraduates at ISCED level 5 only. Includes Parent Loans for Undergraduate Students (PLUS) and other loans made directly to parents. Total borrowed excludes loans from family and friends. Average annual gross amount of loan available to each student refers to full-time, full year students. Academic year 2011/12, except column 4 referring to 2013/14.

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

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


StatLink  <http://dx.doi.org/10.1787/888933117763>

Table B5.3. [2/2] **Public loans to students in tertiary-type A education (academic year 2010/11)**

National students, in USD converted using PPPs

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		Repayment			Debt at graduation		
		Repayment system	Annual minimum income threshold (in USD)	Duration of typical amortisation period (in years)	Average annual amount of repayment (in USD)	Percentage of graduates with debt (in %)	Average debt at graduation (in USD)
OECD		(6)	(7)	(8)	(9)	(10)	(11)
	Australia <sup>1, 2</sup>	Income contingent	29 355	7.9	m	55 % (domestic graduates)	m
	Belgium (Fl.)	a	a	a	a	a	a
	Belgium (Fr.) <sup>3</sup>	Mortgage style	-	5	276	a	a
	Canada <sup>4</sup>	Mortgage style	-	10	1 058	m	m
	Denmark <sup>2</sup>	Mortgage style	-	7 to 15	1 975	45	19 800
	Estonia <sup>5</sup>	Mortgage style	a	m	m	m	m
	Finland <sup>5</sup>	Mortgage style	-	5-10 years. Estimation based on the duration of studies and the average amount of study loans	1 353	38.5	7 990
	Hungary <sup>5</sup>	Income contingent	None	10-15 years expected	1 039	27.6	9 263
	Iceland	A fixed part and a part that is income contingent	-	22	3.75% of income	m	m
	Israel <sup>2, 6</sup>	m	m	m	m	m	m
	Japan <sup>7</sup>	Mortgage style	-	15	1 196	m	m
	Mexico <sup>8</sup>	m	m	m	m	m	m
	Netherlands <sup>2</sup>	Income contingent	18 685	15	m	m	13 108
	New Zealand <sup>2</sup>	Income contingent for those resident in New Zealand. Fixed amounts depending on size of loan for those resident overseas	12 579	6.7	12% of income amount above income threshold plus any voluntary repayments. Approx. USD 1 615	m	12 500 to 14 000, for graduates and non-completers, and relates to bachelor-level only
	Norway <sup>2</sup>	Mortgage style (with exceptions)	-	16.4	1 987	m	25 188
	Poland <sup>2, 5</sup>	Mortgage style	-	m (twice as long as benefiting period)	m	11	3 720 - 22 330
	Spain	Mortgage style	m	4.43	4 392	m	18 918
	Sweden <sup>9</sup>	Mortgage style (with exceptions)	6 735	25	1 131	m	20 238
	Turkey	Mortgage style	-	1-2	2 576	20	5 152
	United Kingdom <sup>2, 10, 11</sup>	Income contingent	25 341	14-15	9% of income amount above income threshold	79% of eligible students	18 507
United States <sup>12</sup>	Mortgage style and income contingent	-	10 to 25	m	67.7	25 400	

1. Including Commonwealth countries.

2. All tertiary students.

3. Loan made to the parents of the student, and only parents have to pay back the loan.

4. Loan outside Quebec. In Quebec, there are only private loans guaranteed by the government.

5. Loan guaranteed by the state rather than public loan.

6. Annual amount of loan refers to all public and private loans.

7. Reference year 2004/05. Average amount of loan for students in ISCED 5A first qualification programme.

8. Average amount of loan for students in tertiary education.

9. Average annual amount of repayment for tertiary level of education.

10. Annual gross amount of loan refers to students in England.

11. Reference year 2009/11.

12. First-degree/undergraduates at ISCED level 5 only. Includes Parent Loans for Undergraduate Students (PLUS) and other loans made directly to parents. Total borrowed excludes loans from family and friends. Average annual gross amount of loan available to each student refers to full-time, full year students. Academic year 2011/12, except column 4 referring to 2013/14.

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

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


StatLink  <http://dx.doi.org/10.1787/888933117763>

Table B5.4. **Public support for households and other private entities for tertiary education (2011)***In percentage of total public expenditure on education and GDP*

		Direct public expenditure for institutions	Public support for education to private entities					Public support for education to private entities as a percentage of GDP	
			Financial aid to students						
			Scholarships/ other grants to households	Student loans	Total	Scholarships/ other grants to households attributable for educational institutions			Transfers and payments to other private entities
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
OECD	Australia	65.0	13.7	21.2	34.9	0.7	n	35.0	0.39
	Austria	82.4	9.8	a	9.8	m	7.8	17.6	0.27
	Belgium	85.6	14.4	n	14.4	4.2	n	14.4	0.21
	Canada <sup>1</sup>	80.7	4.3	13.5	17.8	m	1.6	19.3	0.38
	Chile <sup>2</sup>	61.8	16.4	17.2	33.6	16.0	4.6	38.2	0.36
	Czech Republic	98.5	1.5	a	1.5	m	n	1.5	0.02
	Denmark <sup>3</sup>	71.6	23.2	5.1	28.4	n	n	28.4	0.69
	Estonia	90.7	4.3	5.1	9.3	m	n	9.3	0.12
	Finland	86.0	13.7	n	13.7	n	0.2	14.0	0.30
	France	92.0	8.0	m	8.0	m	a	8.0	0.10
	Germany	78.1	16.3	5.6	21.9	m	n	21.9	0.31
	Greece	m	m	m	m	m	m	m	m
	Hungary	87.6	12.4	m	12.4	n	n	12.4	0.14
	Iceland	73.8	m	26.2	26.2	a	n	26.2	0.37
	Ireland	86.7	13.3	n	13.3	n	n	13.3	0.18
	Israel	88.5	9.9	1.6	11.5	9.6	n	11.5	0.11
	Italy	77.8	22.2	n	22.2	10.6	n	22.2	0.18
	Japan <sup>3</sup>	70.4	0.6	29.0	29.6	m	n	29.6	0.23
	Korea	90.9	3.8	4.8	8.5	3.5	0.6	9.1	0.07
	Luxembourg	m	m	m	m	m	m	m	m
	Mexico	91.0	5.5	3.5	9.0	2.5	a	9.0	0.09
	Netherlands	70.9	13.2	15.7	28.8	n	0.3	29.1	0.50
	New Zealand	52.0	14.5	33.5	48.0	m	n	48.0	0.90
	Norway	61.9	11.4	26.7	38.1	m	n	38.1	0.99
	Poland	87.3	12.2	0.5	12.7	m	n	12.7	0.14
	Portugal	84.6	15.4	m	15.4	m	m	15.4	0.16
	Slovak Republic <sup>3</sup>	79.4	16.2	0.5	16.7	m	3.9	20.6	0.20
	Slovenia	76.6	23.4	n	23.4	m	n	23.4	0.32
	Spain	90.6	9.4	n	9.4	2.0	n	9.4	0.11
	Sweden	75.3	9.5	15.2	24.7	a	a	24.7	0.49
	Switzerland	92.9	2.2	n	2.2	m	4.9	7.1	0.10
	Turkey	85.9	5.0	9.1	14.1	n	m	14.1	0.22
	United Kingdom	26.2	7.5	31.7	39.2	x(4)	34.7	73.8	0.99
	United States	70.8	27.9	1.3	29.2	m	m	29.2	0.39
	OECD average		78.5	11.6	9.2	19.6	3.1	2.0	21.5
Partners	Argentina	98.9	1.1	n	1.1	m	0.1	1.1	0.01
	Brazil	90.5	4.3	4.4	8.7	x(2)	0.8	9.5	0.10
	China	m	m	m	m	m	m	m	m
	Colombia <sup>2</sup>	86.5	x(4)	x(4)	13.5	x(4)	n	13.5	0.14
	India	m	m	m	m	m	m	m	m
	Indonesia <sup>2</sup>	97.7	2.3	m	2.3	m	m	2.3	m
	Latvia	86.0	14.0	n	14.0	x(2)	n	14.0	0.14
	Russian Federation	m	m	a	m	a	m	m	m
	Saudi Arabia	m	m	m	m	m	m	m	m
	South Africa	m	m	m	m	m	m	m	m
	G20 average		m	m	m	m	m	m	m


1. Year of reference 2010.

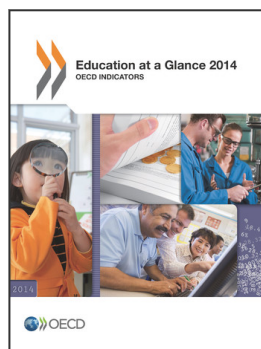
2. Year of reference 2012.

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

Sources: OECD. Argentina, China, Colombia, India, Indonesia, Saudi Arabia, South Africa: UNESCO Institute for Statistics. Latvia: Eurostat. See Annex 3 for notes ([www.oecd.org/edu/eag.htm](http://www.oecd.org/edu/eag.htm)).

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