

the condition of education 2008



INDICATOR 38

International Comparisons of Expenditures for Education

The indicator and corresponding tables are taken directly from *The Condition of Education 2008*. Therefore, the page numbers may not be sequential.

Additional information about the survey data and supplementary notes can be found in the full report. For a copy of *The Condition of Education 2008*, visit the NCES website (<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2008031>) or contact ED PUBs at 1-877-4ED-PUBS.

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Finance

International Comparisons of Expenditures for Education

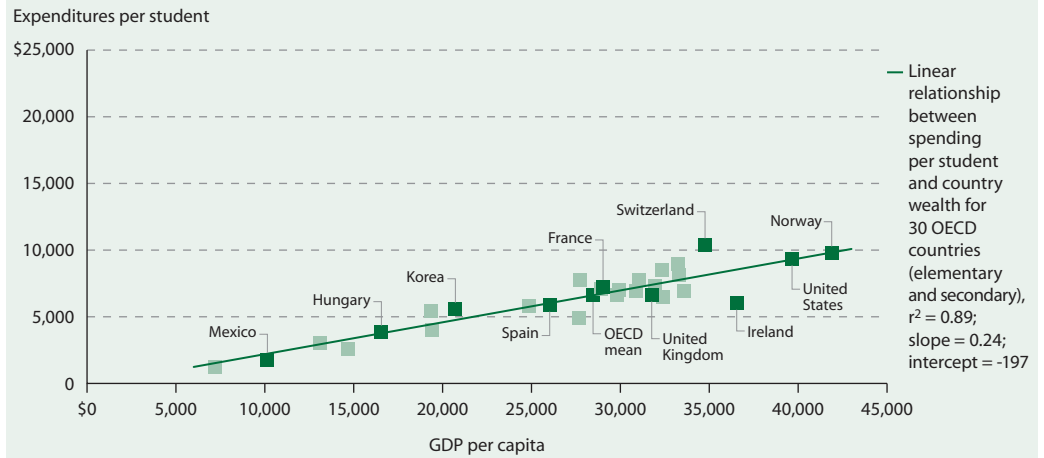
At the postsecondary level in 2004, U.S. expenditures per student were \$22,476, which was higher than the OECD average of \$11,418.

Two measures used to compare countries' investments in education are *expenditures per student from both public and private sources* and *total education expenditures as a percentage of gross domestic product (GDP)*. The latter measure allows a comparison of countries' expenditures relative to their ability to finance education. Private sources include payments from households for school-based expenses such as tuition, transportation fees, book rentals, or food services, as well as funds raised by institutions.

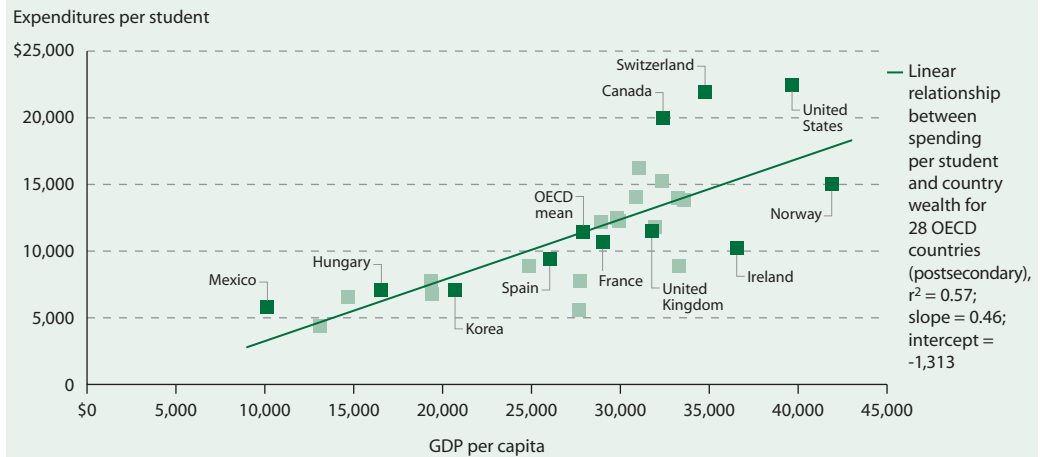
In 2004, expenditures per student for the United States were \$9,368 at the combined elementary and secondary level, which was 42 percent higher than the average of \$6,604 for the member countries of the Organization for Economic Cooperation and Development (OECD) reporting data (see supplemental table 38-1). At the postsecondary level, U.S. expenditures per student were \$22,476, which was nearly twice as high as the OECD average of \$11,418. Expenditures per student varied widely across the OECD countries, ranging from \$1,262 in Turkey to \$15,157 in Luxembourg at the combined elementary and secondary level, and from \$4,412 in Poland to \$21,966 in Switzerland and \$22,476 in the United States at the postsecondary level.

A country's wealth (defined as GDP per capita) was positively associated with expenditures per student on education. Among the OECD countries reporting data in 2004, the countries that spent the highest percentage of their GDP on total education expenditures¹ were Iceland (8.0 percent), the United States (7.4 percent), Korea (7.2 percent), and Denmark (7.2 percent). Looking at education expenditures by level, the United States spent 4.1 percent of its GDP on elementary and secondary education, higher than the average of 3.8 percent for all OECD countries reporting data. Compared with the United States, 12 countries spent a higher percentage of their GDP on elementary and secondary education, and 16 countries spent a lower proportion on education. Iceland (5.4 percent) spent the highest percentage of GDP. At the postsecondary level, 2.9 percent of the GDP of the United States was spent on education, higher than the average of 1.4 percent for all OECD countries reporting data. The United States also spent a greater percentage of its GDP on postsecondary education than any other OECD countries reporting data.

EXPENDITURES FOR EDUCATION: Annual expenditures per student, by GDP per capita for elementary and secondary education in selected OECD countries: 2004



EXPENDITURES FOR EDUCATION: Annual expenditures per student, by GDP per capita for postsecondary education in selected OECD countries: 2004

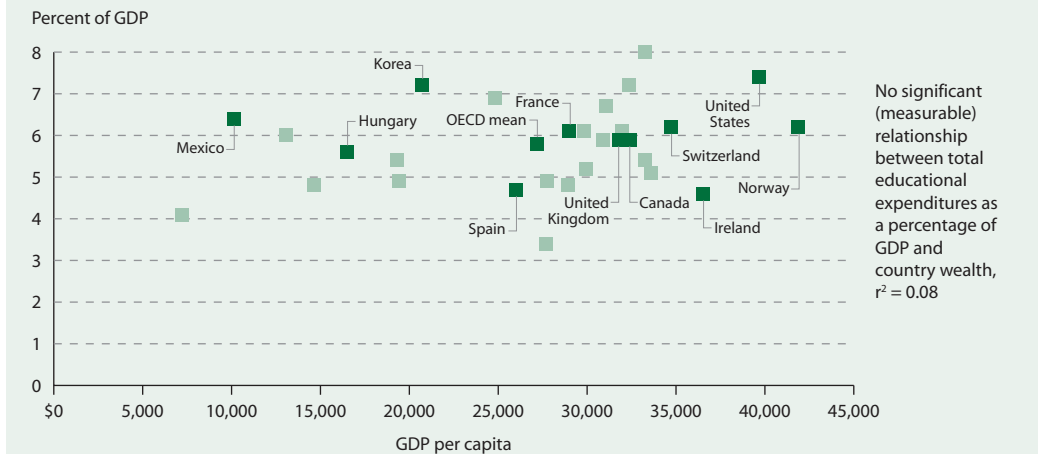


¹ Total education expenditures include expenditures at the elementary/secondary, postsecondary, and postsecondary nontertiary levels.

NOTE: Per student expenditures are based on public and private full-time-equivalent (FTE) enrollment figures and on current expenditures and capital outlays from both public and private sources where data are available. Purchasing power parity (PPP) indices are used to convert other currencies to U.S. dollars (i.e., absolute terms). Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries. Luxembourg data are excluded from the graphs because of anomalies with respect to their GDP per capita data (large revenues from international finance institutions distort the wealth of the population). The OECD average for GDP per capita for each graph is based on the number of countries with data available (30 for first graph; 28 for second graph; 29 for third graph).

SOURCE: Organization for Economic Cooperation and Development (OECD), Center for Educational Research and Innovation. (2007). *Education at a Glance: OECD Indicators, 2007*, tables B1.1b, B2.1, and X2.1.

EXPENDITURES FOR EDUCATION: Annual total education expenditures as a percentage of GDP, by GDP per capita in selected OECD countries: 2004



FOR MORE INFORMATION:
Supplemental Notes 5, 6
Supplemental Table 38-1

International Comparisons of Expenditures for Education

Table 38-1. Annual expenditures on public and private institutions per student and as a percentage of gross domestic product (GDP) in OECD countries, by level of education: 2004

Country	Expenditures per student ¹		Expenditures as a percentage of GDP			GDP per capita
	Elementary and secondary ²	Post-secondary ³	Elementary and secondary ²	Post-secondary ³	Total ⁴	
OECD average	\$6,604	\$11,418	3.8	1.4	5.8	\$28,442
Australia	6,911	14,036	4.2	1.6	5.9	30,875
Austria	8,938	13,959	3.7	1.2	5.4	33,235
Belgium	7,310	11,842	4.1	1.2	6.1	31,975
Canada ^{5,6}	6,482	19,992	3.6	2.4	5.9	32,413
Czech Republic	4,030	6,752	3.2	1.1	4.9	19,426
Denmark	8,492	15,225	4.3	1.8	7.2	32,335
Finland	6,660	12,505	3.9	1.8	6.1	29,833
France	7,262	10,668	4.1	1.3	6.1	29,006
Germany	6,983	12,255	3.5	1.1	5.2	29,916
Greece	4,931	5,593	2.2	1.1	3.4	27,691
Hungary ⁶	3,833	7,095	3.5	1.1	5.6	16,519
Iceland	8,138	8,881	5.4	1.2	8.0	33,271
Ireland	6,034	10,211	3.4	1.2	4.6	36,536
Italy ⁶	7,741	7,723	3.4	0.9	4.9	27,744
Japan	7,105	12,193	2.9	1.3	4.8	28,930
Korea	5,550	7,068	4.4	2.3	7.2	20,723
Luxembourg ^{6,7}	15,157	†	—	†	†	64,843!
Mexico	1,789	5,778	4.3	1.3	6.4	10,145
Netherlands	6,914	13,846	3.4	1.3	5.1	33,571
New Zealand	5,815	8,866	5.0	1.4	6.9	24,834
Norway	9,772	14,997	4.2	1.4	6.2	41,880
Poland ⁶	2,998	4,412	3.8	1.5	6.0	13,089
Portugal ⁶	5,400	7,741	3.8	1.0	5.4	19,324
Slovak Republic	2,562	6,535	3.0	1.1	4.8	14,651
Spain	5,892	9,378	3.0	1.2	4.7	26,018
Sweden	7,744	16,218	4.5	1.8	6.7	31,072
Switzerland ⁶	10,378	21,966	4.5	1.6	6.2	34,740
Turkey ⁶	1,262	—	3.1	1.0	4.1	7,212
United Kingdom	6,656	11,484	4.4	1.1	5.9	31,780
United States	9,368	22,476	4.1	2.9	7.4	39,660

— Not available.

† Not applicable.

! Interpret data with caution (estimates are unstable).

¹ Per student expenditures are calculated based on public and private full-time-equivalent (FTE) enrollment figures for the 2003–04 school year and on current expenditures and capital outlays from both public and private sources where data are available.

² Includes postsecondary nontertiary data (International Standard Classification of Education [ISCED] level 4) for Australia, Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Japan, Netherlands, New Zealand, Norway, Poland, Slovak Republic, Spain, Sweden, Switzerland, and the United Kingdom. Also includes preprimary data (ISCED level 0) for Canada, Greece, and Luxembourg.

³ Includes all tertiary-level data (ISCED levels 5A, 5B, and 6). Also, includes postsecondary nontertiary data for Canada, Denmark, Iceland, and Japan.

⁴ Total includes elementary/secondary, postsecondary, and postsecondary nontertiary expenditures with the exception of Italy, Korea, Luxembourg, Mexico, Portugal, Turkey, and the United States where data for postsecondary nontertiary are either not applicable or not available.

⁵ Data are for 2002.

⁶ Public institutions only.

⁷ Luxembourg data are excluded from percentages because of anomalies with respect to their GDP per capita data (large revenues from international finance institutions distort the wealth of the population). Luxembourg has no postsecondary institutions.

NOTE: Education expenditures are from public and private revenue sources. Private sources include payments from households for school-based expenses such as tuition, transportation fees, book rentals, or food services, as well as funds raised by institutions through endowments or returns on investments. Purchasing power parity (PPP) indices are used to convert other currencies to U.S. dollars. Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries. See *supplemental note 5* for more information on ISCED levels.

SOURCE: Organization for Economic Cooperation and Development (OECD), Center for Educational Research and Innovation. (2007). *Education at a Glance: OECD Indicators, 2007*, tables B1.1b, B2.1, and X2.1.