

Public expenditure on education in the EU in 1997

Joaquim Silva Pereira

Statistics in focus

POPULATION AND SOCIAL CONDITIONS

THEME 3 – 8/2000

Contents

Unit costs in education:
national disparities..... 2

... and disparities between
levels of education 2

Varying financial aid policies... 3

.... benefiting mainly students
in higher education 3

Expenditure on staff: more than
70% of the total budget..... 3

Investing in education: a long-term concern

Education is an important investment for the Member States of the European Union (EU). Investment in education is influenced by factors such as the level of economic development, the percentage of young people in the population and the duration of the various cycles of study. On the whole, the percentage of national wealth devoted to education reflects the importance which governments attach to education.

Public resources allocated to the funding of all levels of education - not including private sources - represented on average 5.0% of the Union's GDP in 1997. Public expenditure on education as a percentage of GDP tends to remain stable within individual countries over time. Nevertheless, the government's contribution to education may vary greatly from one country to another, ranging from 3.2% in Greece to 8.0% in Denmark.

The distribution of education budgets by level of education was more consistent, with primary and higher education accounting for approximately 1.0% on average of GDP, while secondary education accounts for 2.5%.

Table 1: Public expenditure on education by level of education - 1997

	(% of GDP)			
	Total ⁽¹⁾	Primary	Secondary	Tertiary
EU-15	5.0	0.9	2.5	1.1
EUR-11	5.0	0.8	2.6	1.0
B(FI) ⁽²⁾	5.1	1.0	2.3	1.1
DK	8.0	1.8	3.2	1.8
D	4.7	:	3.0 ⁽³⁾	1.1
EL	3.2	1.1	1.3	0.8
E	4.6	1.2	2.2	0.9
F	6.0	1.2	3.0	1.1
IRL	4.9	1.6	2.0	1.3
I	4.5	1.1	2.2	0.7
L	4.1	1.9	2.1	0.2
NL	4.8	1.2	1.9	1.4
A	6.4	1.3	2.9	1.7
P	5.7	1.7	2.4	1.0
FIN	6.7	1.6	2.3	2.0
S	7.9	2.1	3.2	2.1
UK	4.7	1.1	2.1	1.1
IS	5.4	1.7	2.3	0.9
NO	7.7	3.0 ⁽⁴⁾	1.6	2.0

Source: Eurostat, UOE

(1) Expenditure on pre-primary education and non-allocated expenditure by level of education are included

(2) B(FI) - Flemish community

(3) D - Primary and secondary

(4) NO - Primary and lower secondary



Manuscript completed on: 31.05.2000
ISSN 1024-4352
Catalogue number: CA-NK-00-008-EN-I
Price in Luxembourg per single copy
(excl. VAT): EUR 6

© European Communities, 2000

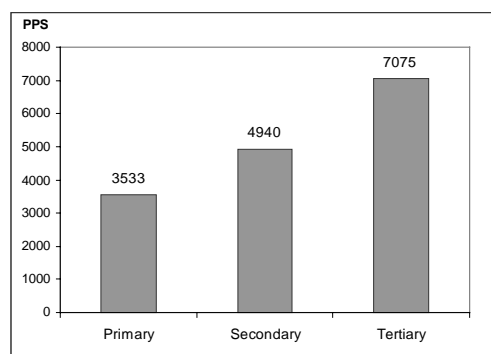
Unit costs in education: national disparities...

Expenditure per pupil is important core data because it provides policy-makers with useful information to make budget choices and to define new education priorities, and it also allows comparisons to be made between countries. In some ways this information may prove to be a useful initial parameter in measuring the effectiveness of the use of resources invested in education.

The EU spent on average PPS 3 533 per pupil in primary education, PPS 4 940 in secondary and PPS 7 075 in tertiary education. Average expenditure per pupil therefore tended to increase in accordance with the level of education, costs per primary school pupil being approximately half of costs per student in tertiary education.

However, these European averages conceal disparities between countries that are due, for example, to the number of pupils enrolled at each level of education, the varying duration of studies and also variations in remuneration policy for teaching staff.

Figure 1: EU-15 average unit costs per pupil/student in public institutions by level of education - 1997



Provided that these factors are taken into account, an international comparison of unit costs by level of education provides an interesting analysis of the variety of education systems which co-exist within the EU.

... and disparities between levels of education

In primary education, two thirds of countries had unit costs between PPS 2 500 and PPS 3 500, which overall is close to the average for the EU-15. Denmark (PPS 6 349), Austria (PPS 5 859) and Sweden (PPS 5 110) had the distinction of having the highest unit costs at this level of education.

With regard to secondary education, unit costs in Belgium (FI), Denmark, France, Italy, Austria and Sweden were higher than the European average of close to PPS 5 000. Luxembourg, with costs of more than PPS 10 000 per pupil, is to be regarded as atypical.

With regard to tertiary education, some of the more marked discrepancies between Member States may be explained by

whether or not the countries in question used the number of full-time equivalent students and by whether they included research expenditure, for example. In Sweden, the Netherlands, Austria and Germany, expenditure per student in tertiary education was considerably higher than the Community average (PPS 7 075), with figures ranging from PPS 9 000 to PPS 12 000. In a second group of countries (Belgium (FI), Denmark, France, Ireland, Portugal, Finland and the United Kingdom), unit costs were between PPS 6 000 and PPS 8 000. Costs were lower in Spain and Italy, where figures were in the region of PPS 5 000, and in Greece costs were as low as approximately PPS 3 000.

Table 2: Expenditure per pupil/student in public institutions by level of education - 1997

	PPS		
	Primary	Secondary	Tertiary
EU-15	3 533	4 940	7 075
EUR-11	3 575	5 125	7 012
B(FI) ⁽¹⁾	3 516	6 078	7 224
DK	6 349	6 699	6 699
D	3 253	4 196	9 044
EL	2 549	2 150	2 881
E	3 277	4 549	4 910
F	3 415	6 501	6 452
IRL	2 421	3 637	7 694
I	4 560	5 694	5 368
L	3 222	10 009	:
NL ⁽¹⁾	3 198	4 678	11 247
A	5 859	7 676	10 435
P	3 104	4 310	6 179
FIN	4 278	4 614	6 624
S	5 110	5 025	11 834
UK ⁽¹⁾	3 060	4 398	7 795
IS		4 527 ⁽²⁾	5 464
NO	5 936 ⁽³⁾	6 767	8 790

Source: Eurostat, UOE

(1) B(FI); NL; UK - Public and government dependent private institutions

(2) IS - Primary and secondary

(3) NO - Primary and lower secondary

Varying financial aid policies...

Financial assistance for students (including student grants and loans) accounted for an average of 6.3% of total public expenditure on education in the EU. This percentage

nevertheless encompassed very different national situations, with Nordic countries on the whole granting students twice as much financial assistance as southern countries.

Table 3: Government financial assistance to students - 1997

(% of public expenditure on education)

EU-15	EUR-11	B(FI)	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	IS	NO
6.3	4.9	5.4	18.1	6.0	:	2.8	4.2	11.1	2.8	2.2	12.5	3.7	1.9	8.1	18.1	8.7	5.6	14.1

Source: Eurostat, UOE

.... benefiting mainly students in tertiary education

Students in higher education are traditionally the main beneficiaries of financial assistance, as they receive on average 60% of the total. Belgium (FI), the United Kingdom,

Luxembourg, Austria, Italy and Spain seem to give absolute priority to assistance for students in tertiary education, with a figure of more than 70%.

Expenditure on staff: more than 70% of the total budget

The education service is by nature a highly labour-intensive sector of activity. Accordingly, throughout the EU, staff expenditure represented 72% of the total, while other current expenditure and capital expenditure did not exceed 21% and 7% respectively. With regard to the pattern of expenditure, there were still significant discrepancies between countries, which shows the diversity of organisation and management of education systems. In Greece, Finland, Sweden and the United Kingdom, staff expenditure represented less than 65% of the total, while capital expenditure accounted for more than 15% in Greece and Luxembourg.

The distribution of expenditure on education in public institutions between current and capital expenditure may have implications for the quality of teaching. Such distribution reflects salary policy for teachers, current operating conditions in educational establishments, the cost of building and maintaining school buildings and even the ability to respond to a growing demand for education and to technological developments.

Table 4: Distribution between current expenditure and capital expenditure in public institutions - 1997 (%)

	Current expenditure		Capital expenditure
	Staff	Other cur. exp.	
EU-15	72.4	20.5	6.5
EUR-11	75.8	16.3	8.0
B(FI) ⁽¹⁾	71.1	26.5	2.4
DK	74.6	18.6	6.8
D	76.5	14.2	9.3
EL	63.2	20.3	16.4
E	77.1	13.6	9.3
F	72.9	17.7	9.4
IRL	78.6	16.0	5.4
I	80.1	14.2	5.7
L	79.2	3.0	17.8
NL ⁽¹⁾	73.1	21.9	4.9
A	71.1	21.3	7.6
P	82.9	9.5	7.6
FIN	63.9	28.3	7.8
S	57.7	42.3 ⁽²⁾	:
UK ⁽¹⁾	59.3	36.6	4.1
IS	67.4	19.1	13.5
NO	65.1	19.1	15.8

Source: Eurostat, UOE

(1) B(FI); NL; UK - Public and government dependent private institutions

(2) S - Capital expenditure included under "Other cur. exp."

➤ ESSENTIAL INFORMATION – METHODOLOGICAL NOTES

- EUR-11 refers to all eleven Member States in the euro zone.
- The core information used comes from the UOE (UNESCO, OECD, Eurostat) questionnaire on education expenditure for the financial year 1997.
- The data presented in Tables 1 and 3 relate only to public expenditure on education by all public authorities. Private expenditure on education, including household expenditure, is not taken into account. Only public institutions are taken into account in Tables 2 and 4, except for Belgium (FI), the Netherlands and the United Kingdom.
- Some data are expressed in Purchasing Power Standards (PPS) in order to eliminate differences in price levels between Member States. The purchasing power parity rate between the PPS and each Member State's currency expresses the number of units of national currency that would be needed at any given moment to purchase in each country the same volume of goods and services that would be obtained with one PPS in the European Union. The PPS is ECU based.
- The figures relating to GDP are those forwarded to Eurostat by the Member States in accordance with the ESA 95 criteria, adopted by Council Regulation (EC) 2223/96 of 25 June 1996 on the European system of national and regional accounts in the Community.
- Expenditure per pupil/student by level of education is calculated by dividing the expenditure at this level by the total number of pupils/students (full-time equivalent) involved.
- Comparison with data published in "Statistics in Focus", No 15/98, must take into account the fact that the new International Standard Classification of Education was used for the first time in the UOE Finance data collection covering the year 1997.

Further information:

To obtain information or to order publications, databases and special sets of data, please contact the **Data Shop** network:

BELGIQUE/BELGIË	DANMARK	DEUTSCHLAND	ESPAÑA	FRANCE	ITALIA – Roma
Eurostat Data Shop Bruxelles/Brussel Planistat Belgique 124 Rue du Commerce Handelsstraat 124 B-1000 BRUXELLES / BRUSSEL Tel. (39-2) 234 67 50 Fax (39-2) 234 67 51 E-Mail: datashop@planistat.be	DANMARKS STATISTIK Bibliotek og Information Eurostat Data Shop Sejrøgade 11 DK-2100 KØBENHAVN Ø Tel. (45-39) 17 30 30 Fax (45-39) 17 30 03 E-Mail: bib@dst.dk	STATISTISCHES BUNDESAMT Eurostat Data Shop Berlin Otto-Braun-Straße 70-72 D-10178 BERLIN Tel. (49-30) 23 24 64 27/28 Fax (49-30) 23 24 64 30 E-Mail: datashop@statistik-bund.de	INE Eurostat Data Shop Paseo de la Castellana, 183 Oficina 009 Entrada por Estébanez Calderón E-28046 MADRID Tel. (34-91) 583 91 67 Fax (34-91) 579 71 20 E-Mail: datashop.eurostat@ine.es	INSEE Info Service Eurostat Data Shop 195, rue de Bercy Tour Gamma A F-75582 PARIS CEDEX 12 Tel. (33-1) 53 17 88 44 Fax (33-1) 53 17 88 22 E-Mail: datashop@insee.fr	ISTAT Centro di Informazione Statistica Sede di Roma, Eurostat Data Shop Via Cesare Balbo, 11a I-00184 ROMA Tel. (39-06) 46 73 31 02/06 Fax (39-06) 46 73 31 01/07 E-Mail: dipdiff@istat.it
ITALIA – Milano	LUXEMBOURG	NEDERLAND	NORGE	PORTUGAL	SCHWEIZ/SUISSE/SVIZZERA
ISTAT Ufficio Regionale per la Lombardia Eurostat Data Shop Via Fieno 3 I-20123 MILANO Tel. (39-02) 8061 32460 Fax (39-02) 8061 32304 E-mail: mileuro@tin.it	Eurostat Data Shop Luxembourg BP 453 L-2014 LUXEMBOURG 4, rue A. Weicker L-2721 LUXEMBOURG Tel. (352) 43 35 22 51 Fax (352) 43 35 22 21 E-Mail: ds.lux@eurostat.datashop.lu	STATISTICS NETHERLANDS Eurostat Data Shop-Voorburg po box 4000 2270 JM VOORBURG Nederland Tel. (31-70) 337 49 00 Fax (31-70) 337 59 84 E-Mail: datashop@cbs.nl	Statistics Norway Library and Information Centre Eurostat Data Shop Kongens gate 6 P. b. 81 31, dep. N-0033 OSLO Tel. (47-22) 86 46 43 Fax (47-22) 86 45 04 E-Mail: datashop@ssb.no	Eurostat Data Shop Lisboa INE/Serviço de Difusão Av. António José de Almeida, 2 P-1000-043 LISBOA Tel. (351-21) 842 61 00 Fax (351-21) 842 63 64 E-Mail: data.shop@ine.pt	Statistisches Amt des Kantons Zürich, Eurostat Data Shop Bleicherweg 5 CH-8090 Zürich Tel. (41-1) 225 12 12 Fax (41-1) 225 12 99 E-Mail: datashop@zh.ch Internetadresse: http://www.zh.ch/statistik
SUOMI/FINLAND	SVERIGE	UNITED KINGDOM	UNITED KINGDOM	UNITED STATES OF AMERICA	
Eurostat Data Shop Helsinki Tilastokirjasto Postiosoite: PL 2B Käyntiosoite: Työpajakatu 13 B, 2 krs FIN-00022 Tilastokeskus Tel. (358-9) 17 34 22 21 Fax (358-9) 17 34 22 79 E-Mail: info@tilastokeskus.fi Internet address: http://www.tilastokeskus.fi/tk/ikk/datasop.html	STATISTICS SWEDEN Information service Eurostat Data Shop Karlavägen 100 - Box 24 300 S-104 51 STOCKHOLM Tel. (46-8) 50 69 48 01 Fax (46-8) 50 69 48 99 E-Mail: info@scb.se URL: http://www.scb.se/info/datasop/ eudatasop.asp	Eurostat Data Shop Enquiries & advice and publications Office for National Statistics Customers & Electronic Services Unit 1 Drummond Gate - B1/05 UK-LONDON SW1V 2QQ Tel. (44-171) 533 56 76 Fax (44-1633) 812 762 E-Mail: eurostat.datashop@ons.gov.uk	Eurostat Data Shop Electronic Data Extractions, Enquiries & advice - R.CADE Unit 1L Mounjoy Research Centre University of Durham UK - DURHAM DH1 3SW Tel: (44-191) 374 7350 Fax: (44-191) 384 4971 E-Mail: r.cade@dur.ac.uk URL: http://www.rcade.dur.ac.uk	HAVER ANALYTICS Eurostat Data Shop 60 East 42nd Street Suite 3310 USA-NEW YORK, NY 10165 Tel. (1-212) 986 93 00 Fax (1-212) 986 58 57 E-Mail: eurodata@haver.com	

Media Support Eurostat (for professional journalists only).

Bech Building Office A3/48 - L-2920 Luxembourg - Tel. (352) 4301 33408 - Fax (352) 4301 32649 - e-mail: eurostat-mediasupport@cec.eu.int

For information on methodology

Joaquim Silva Pereira, Eurostat/E3, L-2920 Luxembourg, Tel. 352) 4301 35015, Fax 4301 35399,

E-mail: joaquim.silvapereira@cec.eu.int

ORIGINAL: French

Please visit our web site at www.europa.eu.int/comm/eurostat/ for further information!

A list of worldwide sales outlets is available at the **Office for Official Publications of the European Communities**.

2 rue Mercier - L-2985 Luxembourg
 Tel. (352) 2929 42118 Fax (352) 2929 42709
 Internet Address <http://eur-op.eu.int/ffr/general/s-ad.htm>
 e-mail: info.inf@cec.eu.int

BELGIQUE/BELGIË - DANMARK - DEUTSCHLAND - GREECE/ELLADA - ESPAÑA - FRANCE - IRELAND - ITALIA - LUXEMBOURG - NEDERLAND - ÖSTERREICH
 PORTUGAL - SUOMI/FINLAND - SVERIGE - UNITED KINGDOM - ISLAND - NORGE - SCHWEIZ/SUISSE/SVIZZERA - BALGARJA - ČESKÁ REPUBLIKA - CYPRUS
 EESTI - HRVATSKA - MAGYARORSZÁG - MALTA - POLSKA - ROMÂNIA - RUSSIA - SLOVAKIA - SLOVENIA - TÜRKIYE - AUSTRALIA - CANADA - EGYPT - INDIA
 ISRAËL - JAPAN - MALAYSIA - PHILIPPINES - SOUTH KOREA - THAILAND - UNITED STATES OF AMERICA

Order form

I would like to subscribe to Statistics in focus (from 1.1.2000 to 31.12.2000):
 (for the Data Shop and sales office addresses see above)

Formula 1: All 9 themes (approximately 140 issues)

Paper: EUR 360

PDF: EUR 264

Paper + PDF: EUR 432

Language required: DE EN FR

Formula 2: One or more of the following seven themes:

Theme 1 'General statistics'

Paper: EUR 42 PDF: EUR 30 Combined: EUR 54

Theme 2 'Economy and finance'

Theme 3 'Population and social conditions'

Theme 4 'Industry, trade and services'

Theme 5 'Agriculture and fisheries'

Theme 6 'External trade'

Theme 8 'Environment and energy'

Paper: EUR 84 PDF: EUR 60 Combined: EUR 114

Language required: DE EN FR

Please send me a free copy of 'Eurostat Mini-Guide' (catalogue containing a selection of Eurostat products and services)
 Language required: DE EN FR

I would like a free subscription to 'Statistical References', the information letter on Eurostat products and services
 Language required: DE EN FR

Mr Mrs Ms

(Please use block capitals)

Surname: _____ Forename: _____

Company: _____ Department: _____

Function: _____

Address: _____

Post code: _____ Town: _____

Country: _____

Tel.: _____ Fax: _____

E-mail: _____

Payment on receipt of invoice, preferably by:

Bank transfer

Visa Eurocard

Card No: _____ Expires on: ____/____/____

Please confirm your intra-Community VAT number:

If no number is entered, VAT will be automatically applied. Subsequent reimbursement will not be possible.