



Education at a Glance 2014

OECD INDICATORS

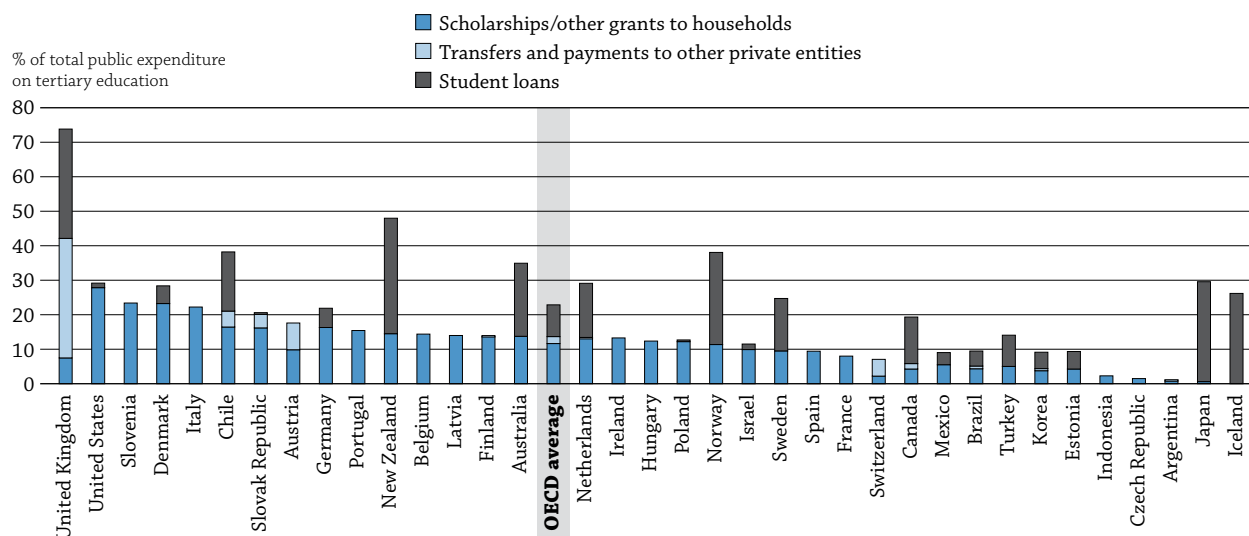


2014



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).

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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.

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)
OECD								
Australia ¹	81	n	2	16	n	n	3	97
Austria ²	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 ³	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 ^{3, 4}	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 ²	63	m	m	37	a	a	a	100
Ireland ⁴	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 ^{2, 3}	1	12	m	87	m	m	m	m
Netherlands ⁴	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 ^{5, 6}	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 ²	x(3)	6	65	29	n	n	n	100
United States ³	13	26	37	24	m	m	m	37
Partners								
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).

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


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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					Total	
		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 ¹	80.7	4.3	13.5	17.8	m	1.6	19.3	0.38
Chile ²	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 ³	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 ³	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 ³	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	0.31
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 ²	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 ²	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	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).

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