



# Annual expenditure per student

**New Zealand's annual public and private education expenditure per school student is below the OECD mean**

## Indicator Description

Annual expenditure on primary and secondary educational institutions per student.

## Why This Is Important

A quantitative analysis using data from English schools (DfES, 2001) provides some evidence of a positive and statistically significant relationship between capital investment and pupil performance. These findings are consistent with existing research in this field.

Government expenditure per student is of particular importance when the socio-economic status of the student's family or the socio-economic mix of the school community is low. Greater per-student resource is required to overcome barriers to learning associated with access to reference material and resources, information

and communication technologies (ICT), and other opportunities linked to cultural capital and educational achievement.

Effective schools require the right combination of trained and talented personnel, adequate facilities, state-of-the-art equipment and motivated students ready to learn. The demand for high-quality education, which can translate into higher costs per student, must be balanced against placing undue burden on taxpayers.

Although it is difficult to assess the optimal volume of resources required to prepare each student for life and work in modern societies, international comparisons of spending on education per student can provide a starting point for evaluating the effectiveness of different models of educational provision.

## How We Are Going

Almost one fifth (18.4%) of the New Zealand population was in schooling in 2006 (over 750,000 students). This ratio puts relatively high demands for funding of the schooling sector, compared with other countries with a smaller youth population.

In 2006, New Zealand's annual public and private expenditure on primary and secondary education institutions per student was below the OECD mean.

New Zealand's education expenditure per primary school student (US\$4,952 converted using purchasing power parities for GDP) was 21st out of the 28 OECD countries for which this figure is known, well below Australia, Ireland, the United Kingdom and the United States. Expenditure on education per secondary student in New Zealand (US\$6,043 converted using purchasing power parities for GDP) was 23rd in the OECD, also below Australia, Ireland, the United Kingdom and the United States.

However, New Zealand's high performance in reading, mathematics, and science achievement for primary and middle school students, as well as reading, mathematics, and science literacy achievement for senior secondary school students suggests that there are a number of other factors than unit expenditure alone which lead to better student outcomes.

## Where To Find Out More

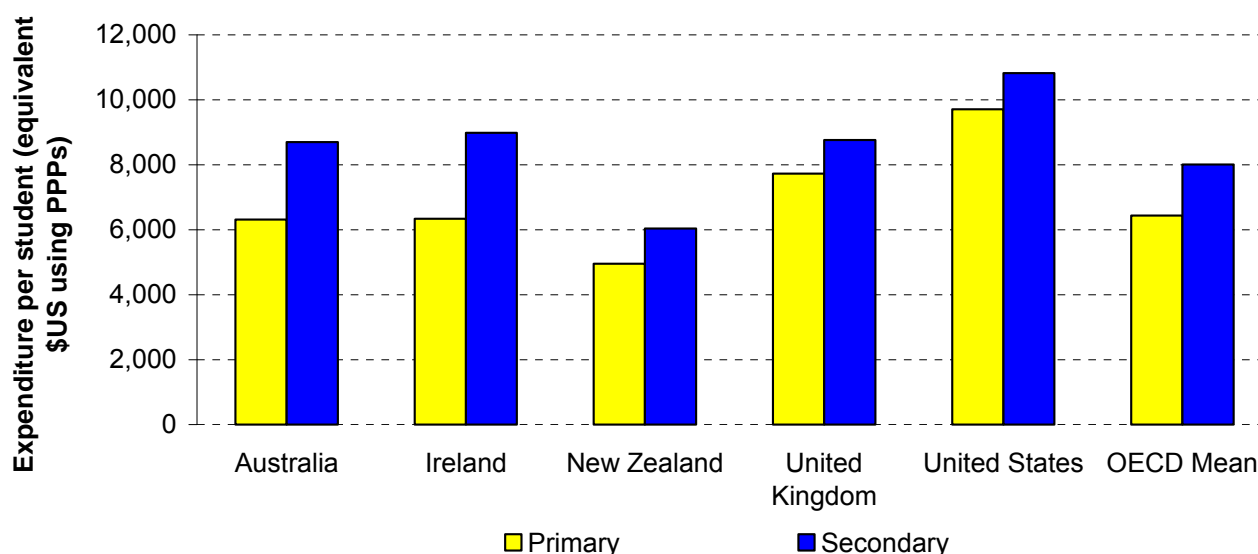
The following indicators, relating to student numbers and expenditure on education, should also be considered:

- Education expectancy
- Total investment in education.

## References

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**Annual expenditure on primary and secondary educational institutions per student (2006)**



In equivalent US dollars converted using PPPs for GDP, by level of education, based on full-time equivalents