

Education Expenditure



Legal Foundation of the Education Budget

Education underlines the cornerstone of a country's national foundation. Guidelines for the regulation of educational objectives and methods are all included in Taiwan's constitution, the nation's highest legal authority. In order to allocate the budget for education effectively, the government published the Education Basic Law in 1999, ordering that all levels of government agencies should marshal a sufficient budget for education, utilise and allocate education resources equally and offer subsidies to schools in rural or special areas.

To achieve those goals, the Ministry of Education initiated the Compilation and Administration of Education Expenditure Act, which took effect in 2000.

The Act contained eighteen articles based upon the following four main goals:

1. Stable Budget Growth

The government should promise constant growth in the education budget, which should not be less than 21.5 % of the General Government Net Revenues for the previous three years.

2. Set Control Standards

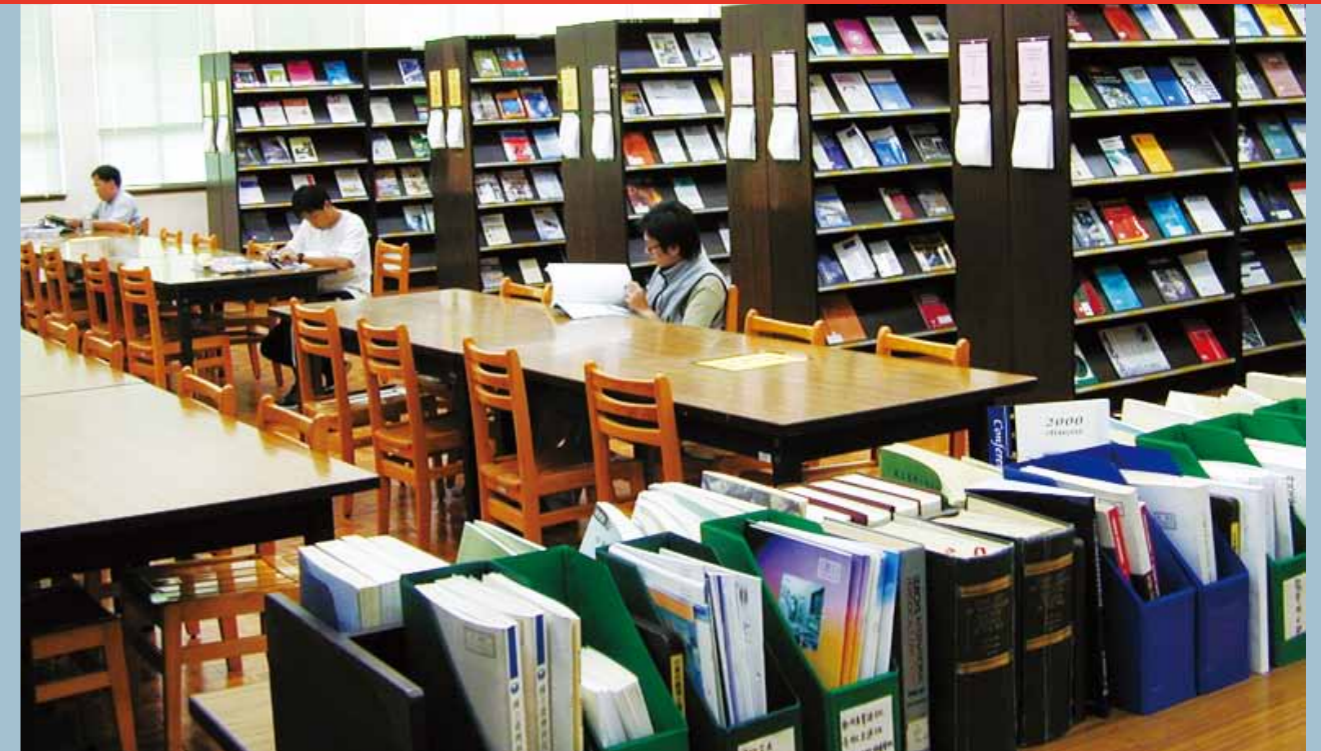
The Executive Yuan should set up an Education Budget Commission in charge of setting standards for drafting the total education budget, marshalling subsidies and regulating the expenditures of all government agencies.

3. Announcements and Audit

The MOE established the Audit Commission on Education Budget Allocation to make education subsidies public, for the purpose of regulating standards and announcing procedures for granting subsidies.

4. Transparency of Allocations

Central and local government agencies should monitor schools' budget balances and make them accessible to the public. Furthermore, the government must conduct evaluations on a regular basis and grant subsidies based on these budget balances.



Educational Expenditure

In fiscal year (FY) 1951, expenditure on public and private education at all levels totalled NT\$ 213 million, accounting for 1.68% of GDP. In FY 2009, educational expenditure reached NT\$ 813.99 billion, or 6.51% of GDP.

Before FY 1961, private education expenditure amounted

to less than ten percent of total education expenses. Under the encouragement of the government and supported by subsidies, the number of private schools has increased. In 2009, the private sector in education accounted for 24.10% of total educational expenses, while the public sector accounted for 75.90%.

In FY 2009, the government's education expenditure at all levels accounted for 25.10% of the General Government Net Revenues for the previous three years. This year, the MOE adopted that percentage as the basis for designing the education budget.

Total Educational Expenditure at all School Levels

In SY 2008-2009, expenditure for kindergartens accounted for 2.96% of total expenditure; compulsory education 42.03%; senior secondary education 15.92% (10.50% for senior high schools and 5.42% for vocational schools); higher education 38.44% (0.73% for junior colleges and 37.71% for universities or colleges); and others 0.66%.

