

Education Expenditure



Legal Foundation of Education Budget

The Compilation and Administration of Education Expenditures Act is the cornerstone of the rational distribution of budget. In the act, it stipulates that government should guarantee the stable educational budget and establish a committee to regulate the use of educational budget at different levels of schools.

There are three goals of the act:

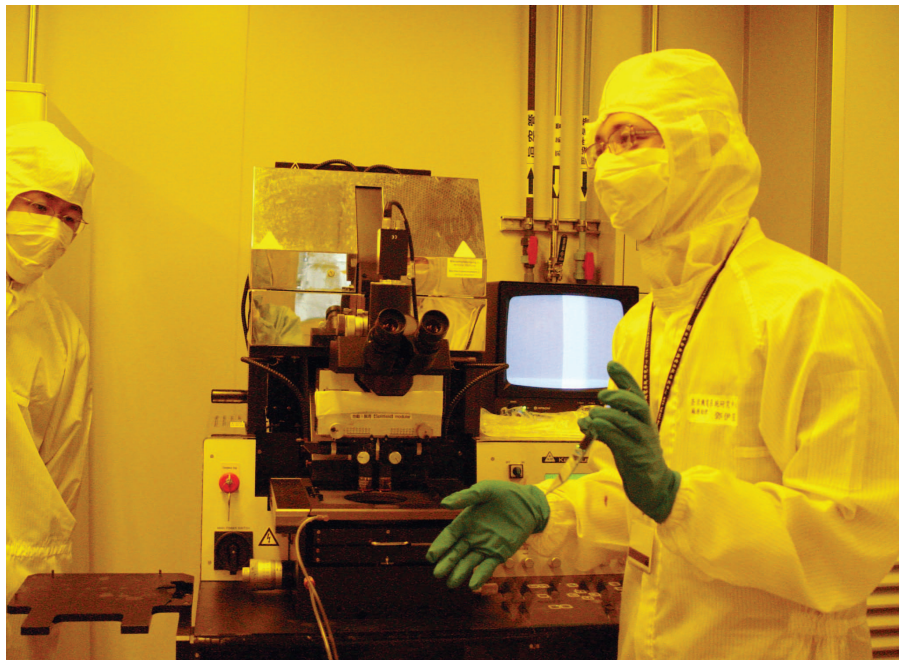
- 1 Rational distribution of educational budget
- 2 Institutionalize the distribution of educational budget. By building up a standard of calculation on the needs of every level of governments.
- 3 To publicize the distribution of educational budget, central and local governments should regularly announce the balance sheet of its budget to be the reference of education policy review.

Public and Private Expenditures

In fiscal year 1951, expenditure of public and private education at all levels totaled NT\$ 213 million, accounting for 1.73% of GNP. Under the concerted efforts of our government and the private sectors, the educational expending kept growing, reaching NT\$ 676 billion or 5.92 percent of GNP in FY 2005.

Before FY 1961, expenditure of private education at all levels was less than ten percent of the total educational expenditure. Subsequently, under the government's encouragement and subsidy, private schools became booming. By FY 2005, the expenditure of private education reached 27.54 percent of total educational expenditure, while that of public education, 72.46 percent.

In FY 2005, the educational expenditure of the government at all levels accounted for 18.41



percent of the total budget. For the central government, the educational, scientific and cultural expenditure was 19.20 percent of the central budget.

Distribution of Total Educational Expenditure at All Levels of Schools

(1) By Program:

In FY 2005, the expenditure of kindergarten education accounted for 3.23 percent; compulsory education for 40.26 percent; senior secondary education for 15.56 percent; higher education for 40.29 percent; special education for 0.66 percent.

(2) By Nature of Expenditure

In FY 2005, recurrent expenditure accounted for 86.74 percent of the total educational expenditure, while capital expenditure for 13.26%

