## **Education expenditure**

- UK education expenditure increased consistently from the late 1990s to reach 5.6% in 2009-10 and 2010-11; the highest rates since the mid 1970s.
- Substantial increases in education spending as a proportion of GDP occurred in the early 1990s and the decade from 1999-00.
- Spending has increased in real terms in most years since 1979-80. The only periods where it fell for two or more consecutive years were in the mid-1980s, mid-1990s and early 2010s.
- Education and training expenditure was 5.9% of GDP in 2009-10. Real terms cuts 2012-13 took it back to 5.2%.
- Spending on both measures increased in real terms in 2013-14, but fell, slightly, as a proporiton of GDP.
- The OECD ranked the UK 11th highest out of 29 states on total education expenditure as a percentage of GDP in 2011.
- At 6.4% of GDP (on the OECD measure), total public and private UK expenditure on education was just above the OECD weighted average of 6.2%.

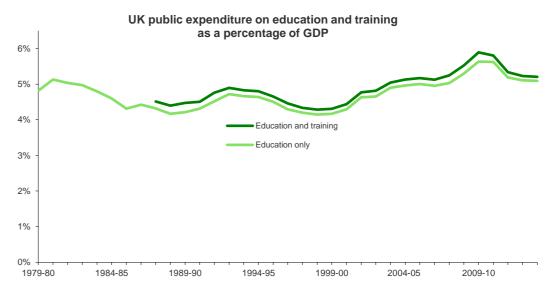
UK Expenditure on education and training

| Financial years |           |  |                                 |                   |
|-----------------|-----------|--|---------------------------------|-------------------|
|                 | £ billion | £ billion at<br>2013-14<br>prices <sup>a</sup> | Annual % increase in real terms | Percent<br>of GDP |
| 1997-98         | 38.6      | 55.0   | +0.3%                           | 4.3%              |
| 2001-02         | 51.2      | 68.5   | +9.9%                           | 4.8%              |
| 2007-08         | 78.7      | 89.6   | +4.7%                           | 5.2%              |
| 2008-09         | 83.0      | 92.2   | +2.9%                           | 5.5%              |
| 2009-10         | 88.5      | 95.8   | +3.9%                           | 5.9%              |
| 2010-11         | 91.5      | 96.4   | +0.6%                           | 5.8%              |
| 2011-12         | 86.9      | 90.0   | -6.7%                           | 5.3%              |
| 2012-13         | 87.0      | 88.6   | -1.5%                           | 5.2%              |
| 2013-14         | 90.2      | 90.2   | +1.8%                           | 5.2%              |

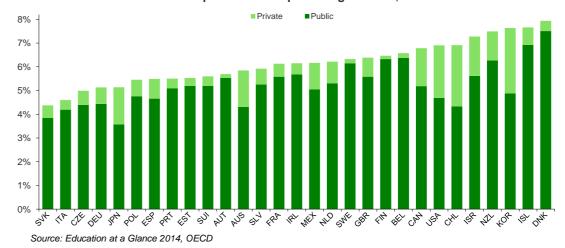
(a) Adjusted using September 2014 HM Treasury GDP deflators

Source: PESA 2014, and earlier, HM Treasury

Next update: Spring 2015



## Education expenditure as a percentage of GDP, 2011



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