This policy profile on education in Korea is part of the Education Policy Outlook series, which presents comparative analysis of education policies and reforms across OECD countries. Building on the OECD’s substantial comparative and sectorial policy knowledge base, the series offers a comparative outlook on education policy by providing analysis of individual countries’ educational context, challenges and policies (education policy profiles), analysis of international trends and insight into policies and reforms on selected topics. In addition to country-specific profiles, the series also includes a recurring publication. The first volume, Education Policy Outlook 2015: Making Reforms Happen, was released in January 2015.

Designed for policy makers, analysts and practitioners who seek information and analysis of education policy taking into account the importance of national context, the country policy profiles offer constructive analysis of education policy in a comparative format. Each profile reviews the current context and situation of the country’s education system and examines its challenges and policy responses, according to six policy levers that support improvement:

- Students: How to raise outcomes for all in terms of 1) equity and quality and 2) preparing students for the future.
- Institutions: How to raise quality through 3) school improvement and 4) evaluation and assessment.
- System: How the system is organised to deliver education policy in terms of 5) governance and 6) funding.

Some country policy profiles contain spotlight boxes on selected policy issues. They are meant to draw attention to specific policies that are promising or showing positive results and may be relevant for other countries.

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Most of the figures quoted in the different sections refer to Annex B, which presents a table of the main indicators for the different sources used throughout the country profile. Hyperlinks to the reference publications are included in the text for ease of reading and also in the References and further reading section, which lists both OECD and non-OECD sources.

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HIGHLIGHTS

Korea’s educational context

Students: Korea is one of the OECD’s top performers in mathematics, reading and science in PISA 2012, and students’ socio-economic background had less impact on 15-year-olds’ performance in mathematics than in other OECD countries. Compulsory education covers primary and lower secondary levels, from age 6 to age 14. Tracking starts at age 14, the same as the OECD average, and grade repetition is rare. Korea has some of the highest attainment rates among OECD countries in upper secondary and tertiary education for 25-34 year-olds. The enrolment rate in vocational education and training (VET) is below average. However, in recent years more VET students are entering the labour market, reversing the previous trend of more VET students continuing to tertiary education. Overall, unemployment rates in Korea are among the lowest in OECD countries, and employment rates for those with lower levels of education are higher than average. Korea’s employment rate for those with tertiary education is lower than the OECD average, particularly for younger age groups (25-34 year-olds and 35-44 year-olds).

Institutions: Autonomy over resource allocation in Korean schools is below the OECD average, and autonomy over curriculum and assessment is among the highest in OECD countries. Primary and secondary teachers have above-average class size and below-average teaching time. Compared to the TALIS average, a higher proportion of teachers in Korea consider that the teaching profession is valued in society, while a lower proportion of teachers would choose to work as teachers if they could decide again. The scope of the evaluation and assessment framework is broadening from student assessment to overall evaluation of the system, although some student assessments continue to have widespread social importance. Teacher appraisal aims to support continuous professional development, and school evaluation includes internal and external (local and national) evaluations.

System: Governance of the education system is shared between central and local authorities. The Ministry of Education and municipal and provincial offices are responsible for primary to upper secondary education, while higher education is the responsibility of the Ministry of Education and councils for university and university college education. The share of Gross Domestic Product devoted to educational institutions (for all education levels combined) is among the highest in OECD countries, with one of the highest shares of private funding in OECD countries. This is mainly as a result of contributions of households, although private expenditure has been decreasing in recent years. Korea also had a significant increase in expenditure per student from 2008 to 2013, for all education levels, driven by increased public expenditure.

Key policy issues

Korea can continue to further improve equity in education attainment, by developing policies targeted at low-income and multicultural households. Because of the strong national importance and emphasis placed on admission to top universities, there is a considerable demand for supplementary private education (including in private tutoring institutions called hagwon). This may affect education delivery in the formal education system and hinder student motivation and well-being. Korea can also sustain and advance its recent efforts to provide an educational environment where students have less stress and can develop their full potential beyond cognitive skills, according to individual needs and motivations. In addition, to make the best use of resources to improve quality and reduce dependence on household expenditure, Korea can continue efforts to provide a coherent and well-aligned evaluation system and better co-ordinate overall education spending and budgeting plans.

Selected policy responses

In addition to the after-school childcare that is now available to all 3-5 year-olds, the Nuri curriculum (integrated curriculum at early childhood education and nursery) has extended its daily programme time to a maximum of five hours, and the government is also providing support for additional tuition.

In 2013, the Ministry of Education introduced a Free Semester System, an exam-free semester for students to allow them to focus on developing their talents and explore various interests and career options.

Korea introduced National Competency Standards (NCS) in 2013 to identify and standardise the competencies needed to successfully perform a job. A new curriculum based on NCS has been introduced by vocational junior colleges, specialised high schools (which offer curricula based on preparing students for specific sectors of the labour market) and Meister schools (which train master craftspersons).
Korea achieved above-average scores in mathematics, reading and science on PISA 2012. While consistently ranking among the top performers in each cycle of PISA, Korea has improved still further across PISA cycles in reading and science. The impact of students’ socio-economic status on mathematics scores (10.1%) was unchanged between 2003 and 2012 and was below the OECD average of 14.8%. Among participating OECD countries, literacy proficiency among adults (16-65 year-olds) is slightly above average on the 2012 OECD Survey of Adult Skills.

Figure 1. Performance of 15-year-olds in mathematics, relationship between student performance and economic, social and cultural status (ESCS) (PISA 2012) and performance of adults in literacy (Survey of Adult Skills)

Note: “Min”/“Max” refer to OECD countries with the lowest/highest values.

In Korea, the share of 25-34 year-olds in 2015 with at least an upper secondary education is above the OECD average (98%, compared to the OECD average of 84%). The proportion of 25-34 year-olds with a tertiary education is 69%, compared to the OECD average of 42%. (Figure 2).

Figure 2. Upper secondary and tertiary attainment for 25-34 year-olds (2015)

EQUITY AND QUALITY: HIGH COVERAGE AND HIGH PERFORMANCE

Korea is among the OECD’s top-performing countries in PISA and has positive equity indicators for 15-year-olds. Performance of students was above average in mathematics, reading and science in PISA 2012. Korea also had the largest share of top performers in the OECD in mathematics in 2012, with 30.9% of students at or above Level 5 (compared to the OECD average of 12.6%) and the lowest share of low performers, with 9.1% of students below proficiency Level 2 (compared to the OECD average of 23.0%) (Figure 3). Despite being a consistently high performer in all PISA cycles, Korea has still improved continuously in reading and science, with unchanged performance in mathematics. Socio-economic background had less impact on student performance than the OECD average in PISA 2012, and this has been the case since PISA 2003. Korean students were also the top performers in the OECD for creative problem-solving in PISA 2012.

Korea has a number of policies in place to promote equity in education, most notably in the early years. Coverage of early childhood education and care is very high in Korea. Enrollment rates in early childhood and pre-primary education are among the highest in the OECD, with 89% of 2-year-olds and 90% of 3-year-olds enrolled in 2014 (significantly above the OECD average of 36% for 2-year-olds and 71% for 3-year-olds). The proportion of 15-year-olds who reported that they had attended more than one year of pre-school in PISA 2012 was 82.9%, higher than the OECD average of 74.0%. The Nuri Curriculum (integrated curriculum at early childhood education and nursery) financially supports the cost of pre-school education for all 3-5 year-olds, regardless of their parents’ incomes.

Some system-level policies, such as school choice or ability grouping, could hinder equity if not managed carefully, according to an OECD study. Education is compulsory from age 6 to age 14 in Korea, two years less than the OECD average. Tracking begins at age 14, which is the average age across the OECD. Grade repetition is less prevalent in Korea, with just 3.6% of 15-year-olds reporting that they have repeated at least one year in education by the age of 15 (compared to the OECD average of 12.4%). At the same time, Korea practices ability grouping more than in many other OECD countries, with just 9.9% of students in 2012 attending schools where there was no ability grouping for any class (compared to the OECD average of 25.9%). School choice is also very common in Korea, with 90.9% of principals reporting that their school competes for students with at least one other school in the area (compared to the OECD average of 76.2%).

Despite repeated government interventions, an exceptionally high level of private spending on supplementary education and preparation for the third-level admission process remains a prominent feature of the education system in Korea. According to OECD evidence, with the continuing importance accorded to the university entrance exam, supplementary education in Korea can also have a negative impact on student well-being and disrupt the delivery of education in the formal education system. Korea is also experiencing a rapid growth in students from multicultural families in its young population, due to rising immigration and an increasing number of international marriages. While the proportion of primary and secondary students from multicultural backgrounds is still relatively small, it doubled from 0.7% to 1.4% between 2012 and 2015. Challenges arise to ensure that students from multicultural backgrounds are supported and integrated into the school system.

The challenge: Continuing to enhance equity and quality at all levels of education for students from low-income households

Recent policies and practices

The government-supported Nuri Curriculum replaced previous subsidised pre-school programmes in 2010 and has extended its daily programme time by up to five hours.

In 2014, after-school childcare was extended until 5:00 p.m. daily for students in Grades 1 and 2 whose families require the service. For students in Grades 1 and 2 from single-parent families or dual-income families with low incomes, childcare is provided until 10:00 p.m. The after-school service also offers free daily programmes to develop creativity.

To reduce the dependence on hagwon, the government has expanded the range of supplementary educational material available free of charge to all students through the Educational Broadcasting System (EBS) television network and Internet portal. Since 2010, 70% of the questions on the College Scholastic Admission Test have been linked to EBS workbooks.

In response to increasing levels of school violence, Korea implemented the Character Education Promotion Act in 2015 to increase the time in the curriculum devoted to character education.
Figure 3. Percentage of low and top performers in mathematics (PISA 2012)

Note: “Min”/“Max” refer to OECD countries with the lowest/highest values.
PREPARING STUDENTS FOR THE FUTURE: SKILLS MISMATCH AND STRONG EMPHASIS ON ACADEMIC STREAM

The capacity of a country’s education system to effectively develop skills and labour market perspectives can play an important role in the educational and professional decisions of its population. Young Koreans (aged 16-24) were among the top performers in literacy and numeracy in the 2012 OECD Survey of Adult Skills while those aged 55-64 were among the lowest performers in participating countries. However, evidence suggests that although unemployment rates in Korea are low compared to many other OECD countries, employment opportunities and earnings vary greatly depending on the level of education, the type of school attended (prestigious or non-prestigious), and the field of study. Labour market inactivity rates are among the highest in the OECD: one-fifth of those aged 25-34 with tertiary education were not active in the labour force in 2015. Korea also had a higher-than-average rate of young people neither employed nor in education or training, at 18% in 2015 compared to the OECD average of 14.6% (Figure 4). In addition, unemployment rates are lower for older Koreans than younger Koreans at all levels of educational attainment (for example, 2.4% of 55-64 year-olds with below upper secondary education were unemployed compared to 10.5% of 25-34 year-olds).

Upper secondary education in Korea lasts three years and consists of general, vocational and specialist streams. Enrolment rates in general programmes are among the highest in the OECD, with 82% of students enrolled in upper secondary general programmes in 2014, compared to the OECD average of 56%. Upper secondary education attainment is also the highest in the OECD: 98% of the population aged 25-34 has attained upper secondary education or higher. In addition to general high schools, Korea also has 148 special-purpose high schools that focus on particular study areas, such as music, art, physical education or natural sciences.

Vocational education and training (VET) consists of specialisation high schools, which offer curricula based on preparing students for specific sectors of the labour market, and Meister schools, which train master craftpersons. Enrolment rates in VET at upper secondary level are lower than average (18% in 2014, compared to the OECD average of 44%). As OECD evidence points out, this reflects the emphasis in Korean society on academic credentials and the perception that vocational education is of lower status. Since 2000, a decreasing proportion of students are choosing the vocational track, leading to a mismatch between the supply of VET students and labour market demand. Post-secondary VET graduates can advance to higher education, although the proportion choosing this option has been falling in recent years, with more graduates choosing to directly enter the labour market. The advancement rate to tertiary education for graduates from specialised high schools (excluding Meister schools) was 36.1% in 2015, compared to 78.9% for general high schools.

Korean tertiary education has high participation and high attainment rates. The proportion of 25-34 year-olds who have attained tertiary education is the highest in the OECD (69%, compared to the OECD average of 42%). The graduation rate at doctoral level is 1.6%, around the OECD average. Korea produces a greater proportion of tertiary graduates in the field of engineering, manufacturing and construction than the OECD average. However, earnings premiums for those with tertiary education are lower than the OECD average. Workers with tertiary education in Korea earned 38% more than those with upper secondary education in 2014 (compared to the OECD average earnings premium of 55%), and 37% of all tertiary-educated adults aged 25-64, including almost half of all women, had no earnings in 2014 – the highest rate in the OECD.

The challenge: Enhancing the attractiveness of vocational education to provide an appealing alternative pathway for students and meet labour market needs.

Recent policies and practices

The government has established a programme of Employment First-University Later to reduce the high rate of advancement to higher education, facilitate lifelong learning and resolve the mismatch between the supply of students and labour market demands for particular skill sets. Measures under this system include restructuring the vocational education sector to better meet the needs of employers and offering more financial support to students in the vocational stream.

Specialized College of Korea is a designation given by the government to institutions which focus on developing specialties in various subject areas to a very high standard and produce highly skilled experts, through linkages with national and regional industries.

Korea has developed National Competency Standards (NCS, 2013) to identify and standardise the competencies needed to successfully perform various skilled jobs. Specialised high schools, Meister schools and vocational junior colleges have introduced a new curriculum based on NCS to try to reduce the gap between school curricula and labour market requirements (See Spotlight 1).
Spotlight 1. Meister Schools

In order to enhance the attractiveness and status of vocational education among young Koreans, a new group of vocational high schools, called Meister schools, was established in 2010. Meister schools are modelled after the German method of training master craftsmen, with emphasis on learning a specific trade or craft that is in demand in the labour market rather than preparing for further academic progression.

The Korean government provides full scholarships and room and board for students attending Meister schools (in Korea they are called “Young Meisters”). Initially, in 2010, 21 Meister Schools were established. By 2015, this number had grown to 40, with plans for further expansion to up to 50 schools.

According to recent OECD evidence, Meister high schools have contributed to enhancing the status of the vocational career track, which was traditionally viewed as having a lower status than the academic track. This is a recent policy, with still relatively small coverage (in 2015 17 502 students were enrolled in Meister schools, representing just under 1% of enrolment in upper secondary education), but initial indications are that labour market demand for graduates is high: 92.3% of the 2013 class of Meister graduates were employed in January 2014.

One key success factor identified for Meister schools is that they can adapt their curriculum to industry needs, which means that the quality of education is similar to that of junior colleges.
SCHOOL IMPROVEMENT: IMPROVING LEARNING ENVIRONMENTS FOR TEACHERS AND STUDENTS

Learning environments in Korea at primary and post-primary level serve more than 6.5 million students. Class sizes are larger than average, particularly at lower secondary level, where the average class size is 32 (compared to the OECD average of 23). Class sizes have decreased significantly since 2005 (by 28% at primary level and 12% at lower secondary level). At primary level, students in Korea receive a below-average number of hours of compulsory instruction, with 648 hours per year on average (compared to the OECD average of 799). In PISA 2012, Korean students generally reported more positive views on their learning environment than the OECD average (Figure 5), with classes less likely to be disturbed by disciplinary issues, and a much lower-than-average prevalence of students arriving late for school or skipping school. At the same time, students reported a slightly less positive view of student-teacher relations than the OECD average.

School leaders in Korea have more autonomy than the OECD average in curricular development and provision and in choosing which students are admitted to their schools, but less autonomy in hiring or disciplining teachers or determining their salaries. Teachers’ salaries are set centrally by the government, including salaries of those in the 14.6% of schools that are privately owned (central and local governments contribute financially to their salaries). In 2013, 12% of principals reported having an input into teacher appointments, compared to the OECD average of 39%. School leaders also have a lower-than-average input into developing student assessment policy in Korea, with 18.6% of principals reporting in the 2013 Teaching and Learning International Survey (TALIS) that their schools had an input into student assessment (compared to the TALIS average of 52.2%). Principals in Korea consider themselves highly trained, with 90.9% reporting in 2013 that they had received strong leadership training (significantly higher than the average of 67.1% across the OECD). A higher-than-average number of principals also reported receiving specific training in school administration and leadership before and after taking up a principal’s position. The extent to which school leaders in Korea engage in instructional leadership is below the OECD average (Figure 5).

Korea has a higher proportion than most other OECD countries of teachers under the age of 40, at both primary and secondary level, suggesting a steady supply. Prospective primary teachers must complete a four-year teacher-education curriculum and complete an entry examination. Korea has one of the steepest progressions between starting salary and salary at top of scale, with a ratio at the top of the scale of 2.8 times the starting salary for all levels from primary to upper secondary (compared to the OECD average ratio of 1.9 for primary and lower secondary and 1.8 for upper secondary). A much higher proportion of teachers in Korea than the TALIS average consider that the teaching profession is valued in society, but they report less-than-average levels of self-efficacy and satisfaction with the school in which they work. Some 63.4% of teachers say they would become teachers if they could decide again (compared to the OECD average of 77.6%).

The challenge: Improving the learning environment and empowering teachers and school leaders.

Recent policies and practices

The National Teacher Professional Development and Evaluation System was introduced in 2010 to improve teachers’ effectiveness and their specialties, and it has now been implemented in all primary and secondary schools in Korea.

In 2016, to boost teachers’ morale, the Ministry of Education introduced a leave of absence for training for teachers who have worked for more than ten years in primary and secondary schools. It gives them a chance to take a one-time-only leave of no longer than a year to undergo training or self-improvement or to prepare for retirement. Korea has also piloted Teacher Education Emotion Centres to support and assist teachers who have been harmed in the school environment and protect teachers’ rights to a safe working environment.

The Master Teacher initiative was piloted in 2008 and is currently being rolled out across the system. Particularly skilled teachers can be assessed by a screening panel and designated as Master Teachers. Master Teachers continue to teach and also take on additional research activity and input into professional development programmes. Master Teachers can also apply to be promoted to vice-principal or principal positions.

A White Paper on ICT in Education, published in 2014, outlines measures designed to enhance teachers’ ICT (information and communication technology) capacity and reduce administrative burden on teachers and school staff through the increased use of ICT in schools.
Figure 5. The learning environment, PISA 2012

EVALUATION AND ASSESSMENT: MOVING TOWARDS A MORE HOLISTIC FRAMEWORK

The evaluation and assessment framework for the Korean education system is defined by the Ministry of Education and implemented primarily at the municipal and school levels. Korea's education system is a top performer in many respects, and high academic achievement is greatly prized in Korean society. This has contributed to creating a high-pressure assessment environment for students. In recent years, education policy has prioritised promoting student happiness and nurturing creativity in addition to academic achievement.

Education is very high on the national agenda in Korea. The education system and education policy are reviewed regularly by the government, research institutes and academia (in tandem with reviews in other areas) when there is a change of government or in response to specific issues arising in the system. Results from international surveys and national assessments and research also are used to review the system. Since 1996, the Ministry of Education has been responsible for evaluating municipal education offices to ensure the effectiveness of educational administration. In turn, the municipalities are responsible for evaluating local education offices and local schools.

School evaluation in Korea has historically focused on the production of school-level performance variables, and inspections were focused on monitoring compliance with national directives. As part of a series of School Liberalisation Measures beginning in 2008, the Primary and Secondary Education Act (2012) was revised to allow municipal education offices to set their own plans for evaluating schools. Schools are assessed by municipal offices regularly (every one to three years).

Teacher appraisal and monitoring are central to improving learning environments and outcomes for students. All teachers in Korea, at primary and secondary levels in public and private institutions, are appraised annually, regardless of their contract status. Evaluation of teacher performance takes place at the school level and follows the rules and process prescribed by the Ministry of Education and municipal education offices. Teachers are evaluated on both their performance (by school leaders and colleagues) and their specialty (by students, parents and colleagues). At the individual school level, in PISA 2012, 85.3% of Korean schools reported using student assessment results to make judgements about teachers' effectiveness, compared to the average of 50.4% of schools across the OECD.

The central government of Korea is responsible for setting national student assessments. The National Assessment of Educational Achievement (NAEA) measures educational achievement of primary and secondary students. Since 2013, NAEA has been administered to all students in Grades 9 and 11. It is used to provide national trend data on educational performance, as well as to identify and assist low-performing students and schools. Remedial learning is provided to low-performing students. Assessment results are less used in Korea to make decisions on promotion or retention of students: 56.3% of schools reported using assessment data for such purposes in PISA 2012, compared to the average of 76.5% across the OECD. However, the national entrance exam for tertiary education, the College Scholastic Ability Test, is considered to be a crucial assessment of student performance, given the intense desire of many upper secondary students to achieve entry to top-level institutions.

The challenge: Extending the range of measures used to evaluate the education system and assess students.

Recent policies and practices

Data collection and management for assessments are provided by the National Education Information System, an information system for educational administration designed to make the whole educational administration more effective and to improve the working environment for teachers.

The School Information Disclosure System publishes information on the Internet on the level of every school's educational achievement. This helps strengthen schools' educational accountability.

In 2015, Korea revised the education curriculum to focus more on helping students to develop their good character, creativity and key competencies. In addition, assessment will focus more on the learning process, including letting students review their learning, and using the outcomes of the assessment to improve teaching quality.

A new university assessment system has been introduced to manage enrolment capacity in higher education in the face of demographic decline and ensure the quality of the higher education system. A total of three assessments will take place (one every three years between 2014 and 2023), and the universities that perform best in the assessments will be allowed to maintain higher enrolment capacity.
Spotlight 2. Introducing a Free Semester System in lower secondary education

In 2013, as part of a move towards a greater focus in promoting student happiness in the education system, the Korean government introduced a pilot programme of test-free semesters for lower secondary students. These are designed to reduce students’ stress related to tests and help them to acquire life values and engage in various activities, including career search.

During the free semester, students attend “departmentalised classes”, where they participate in debates, experiments and practices and learn how to manage projects. Students also participate in various free-semester activities, including career development, selection of subjects, art education, physical education and student clubs.

Following a positive response to the initial rollout of the Free Semester System in lower secondary education, the programme was expanded in 2015 to cover 80% of lower secondary schools (2 551 schools, far higher than the initial goal of 1 500 schools). By 2016, it will have been introduced to all 3 213 middle schools. Satisfaction surveys indicate that students, teachers and parents all view the Free Semester System as a positive change.
GOVERNANCE: HIGH AUTONOMY FOR INSTITUTIONS

The Ministry of Education (formerly the Ministry of Education, Science and Technology) is responsible for the quality of the education system, with policies led by the central government, supported by various bodies. The ministry is responsible for planning of the school system. It sets national education policy and standards for early childhood education and care and for primary and secondary education, including national assessment standards and a broad curricular framework. For tertiary education, the ministry sets the teaching and examination framework. Other bodies also shape education policy:

- The Korean Education Development Institute, a national educational research institute, conducts research and education policy reviews.
- A number of other educational research institutes work within specific system or policy areas. These include the Korea Institute of Curriculum and Evaluation, the National Institute for Lifelong Learning, the Korean Research Institute for Vocational Education and Training, the Korean Women’s Development Institute, the National Youth Policy Institute, the Korea Education and Research Information Service and the Korea Institute of Child Care and Education.
- Other ministries, including the Ministry of Finance and the Ministry of Labour, also contribute to the development of policy, particularly in the area of vocational education and developing competencies to meet labour market demand.
- Other stakeholders include parents’ groups and voluntary citizens’ groups, teachers’ and school workers’ unions, and bodies responsible for the development of international and special education.

Municipalities are responsible for certain areas of education policy in compulsory schools, including managing budgets and school facilities in their area of responsibility. Each of Korea’s network of 17 municipal Education Offices consists of a municipal council as the legislative institution, and governors and a Superintendent of Education as the administrative institution. Superintendents are elected by the public in the local area every four years. The proportion of decisions taken at the highest level of government is 25%, close to the OECD average. But there is much more autonomy than average at the provincial level, with 32% of decisions made at this level in 2011 (compared to the OECD average of 5%). Each of the municipal authorities also manages a number of local education offices at county level.

According to principal’s reports in PISA 2012, both public and private schools in Korea have a high degree of autonomy compared to most other OECD countries in setting curricular goals and managing the teaching process within the national framework, and lower-than-average levels of autonomy in allocating resources and managing personnel. Each school has a School Council, composed of representatives of parents, school staff and the local community, which deliberates on school budget administration, curricular and extracurricular matters and student welfare.

The majority of tertiary education institutions are privately owned, with some central regulation, including admission and enrolment policies. They are also subject to quotas set by the government on the number of graduates, although measures have been taken to provide greater autonomy to institutions to develop specific admissions screening processes. Private universities autonomously appoint their board members, set up governance structures and make decisions on their work. The Private School Act was revised in 2007 to ensure that board memberships conform to the public interest. It states that one-fourth of the board members shall be appointed from among candidates recommended by an open-type Director Recommendation Committee (i.e. one-fourth of members should be external to the institution).

The challenge: Supporting autonomy in schools and universities while maintaining quality.

Recent policies and practices

A range of school liberalisation measures, put in place in 2008, transferred much of the authority on educational matters from central to municipal authorities.

Since the 1990s the Ministry of Education has regularly devolved more responsibility for governance of the higher education sector to the Korean Council for University Education (KCUE), which is a representative association of four-year universities in Korea. By law, all presidents of four-year universities in Korea are required to be members of the KCUE. In 2015, the KCUE had 204 members.
Spotlight 3. Transforming third-level admissions procedures

With the introduction of the University Entrance Liberalisation Policy in 2008, universities were able to accept students in accordance with their own admissions criteria, such as students’ school records, College Scholastic Ability Test (CSAT) grades, practical skills tests and essays. This reduced the intense focus on CSAT grades, but it also increased the complexity of university admissions, which prompted demand for further improvement.

Also in 2008, an Admissions Officer System was initiated for tertiary institutions, to tackle the problem of universities considering only CSAT rank when granting admission and to reduce high household expenditure on private education to prepare students for university entrance exams. Admissions Officers are professionally trained specialists who examine applications for university entry based on a more well-rounded view of students’ talents and abilities and previous extracurricular activities, in addition to their academic achievement. This allows greater autonomy for universities to admit students with talents in particular fields who may otherwise not have qualified for entry through the CSAT. However, critics claimed that including students’ performance on out-of-school activities as major criteria for admissions prompted an increase in household expenditure on private education in these activities.

To resolve these issues, in October 2013, the Korean government established the University Entrance Simplification Policy. It prompts universities to adopt more streamlined screening systems focusing on admission pathways based most closely on their own requirements, such as systems centred on school records, essays, the CSAT or practical skills. In 2015, the government also revised the Admissions Officer system so that out-of-school activities are not considered in university applications. Instead, the focus is on students’ records, a self-introduction letter and a recommendation letter.

As of 2016, 160 universities have adopted the Admissions Officer System, and students’ school records have now become the most influential factor in the university admissions process. In 2016, 57.4% of students were admitted through the pathway based on their school records, and 28.8% were admitted based on their CSAT results.
FUNDING:
REDUCING THE PRESSURE ON HOUSEHOLDS

Korea’s investment in educational institutions at all education levels is higher than the OECD average, at 6.3% of Gross Domestic Product (GDP) (Figure 8). This is attributable to a higher-than-average level of funding coming from private sources (1.9% of GDP in 2013, compared to the OECD average of 0.7% of GDP). The proportion of expenditure on education at primary, secondary and post-secondary non-tertiary education which comes from household funds is 14.1% of all expenditure (compared to the OECD average of 7.4%). But the proportion of expenditure coming from private sources fell by 24% between 2008 and 2013 in Korea (compared to growth of 16% over the same period across the OECD), reflecting government policy targeted to reduce household expenditure on education. For tertiary education, even with recent increases in public expenditure, the proportion of funding from public sources remains low in Korea compared to most other OECD countries (32.5% in 2013, compared to the OECD average of 69.8%).

Annual expenditure per student in Korea, while below the OECD average at all levels, has been growing in recent years. Between 2008 and 2013, it increased by 28% at all levels below tertiary (compared to the OECD average of 8%) and by 13% at tertiary level (compared to the OECD average of 5%). In 2013, annual expenditure per student at primary level was USD 7,957 (compared to the OECD average of USD 8,477), and annual expenditure per student at secondary level was USD 8,592 per student (compared to the OECD average of USD 9,811).

The principle of educational autonomy is supported by the school funding system. Schools receive the majority of their public funding from a special account for education expenses administered by local education authorities, which is funded through transfers from central and local governments and other local income. Compulsory education in Korea is free of charge, and both public and private high schools charge tuition fees. At primary, secondary and post-secondary non-tertiary levels, 83.9% of institutional funding comes from public sources. Korea also has higher-than-average public expenditure per student on private institutions.

In secondary education, private expenditure on supplementary tuition in specialist after-school providers (known as hagwon) remains high. In 2015, 69.4% of middle school students and 50.2% of high school students participated in private education. In addition, 44% of all expenditure on higher education is funded by households, and tuition fees are higher than the OECD average. Since 2005, students entering higher education have access to a public loan system with repayment contingent on income and mortgage size, and a national scholarship programme, which awards scholarships based on household income and academic achievement.

Pressures on the education budget arise from the rapid expansion of free early childhood education and care, government efforts to reduce the financial burden on households for expenditure on education and private tutoring, financial investment to increase equity of access to higher education and initiatives to improve the quality of education at all levels.

The challenge: Lowering the financial burden on households while continuing to improve equity of access.

Recent policies and practices

In 2012, to reduce the heavy financial burden of higher education tuition fees, the Korean government introduced an income-linked Half-Tuition Policy through the National Scholarship System. The system provides full scholarships to students from low-income families, to help them focus on their studies without having to worry about how to pay for their university education, and graded subsidies of tuition fees for higher income families. The policy aims to reduce tuition fees payable by households by 50% in total.

Since 2010, when students enter university, they can apply for an income-contingent loan through the Korea Student Aid Foundation. These loans are designed to support students to complete third-level education.

In 2010, to stabilise higher education fees, the Korean government introduced a ceiling on annual rate increases in enrolment fees, as well as an Enrolment Fee Deliberation Committee to clearly establish reasonable enrolment fees.

To further reduce financial pressures, the government has implemented policies such as the Act on the Normalisation of Public Education Prohibiting Pre-studying (2014) and Measures on the Reduction of Private Tutoring and Normalisation of Public Education (2014).
Figure 8. Expenditure on educational institutions as a percentage of GDP, by level of education (2013)

ANNEX A: STRUCTURE OF KOREA’S EDUCATION SYSTEM

# List of key indicators

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Korea</th>
<th>Average or total</th>
<th>Min OECD</th>
<th>Max OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Public expenditure on education as a percentage of GDP, 2013 (EAG 2016)</td>
<td>4.1%</td>
<td>4.8%</td>
<td>3.3%</td>
<td>7.3%</td>
</tr>
<tr>
<td>2</td>
<td>GDP per capita, 2014, in equivalent USD converted using PPPs (OECD Factbook 2015/2016)</td>
<td>34 356</td>
<td>38 865</td>
<td>17 831</td>
<td>97 273</td>
</tr>
<tr>
<td>3</td>
<td>GDP growth 2014 (OECD Factbook 2015/2016)</td>
<td>3.3%</td>
<td>1.8%</td>
<td>-0.4%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

## Education outcomes

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Korea</th>
<th>Average or total</th>
<th>Min OECD</th>
<th>Max OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Mean performance in mathematics (PISA 2012)</td>
<td>554</td>
<td>494</td>
<td>413</td>
<td>554</td>
</tr>
<tr>
<td>8</td>
<td>Annualised change in mathematics performance across PISA assessments (PISA2012)</td>
<td>1.1</td>
<td>-0.3</td>
<td>-3.3</td>
<td>4.2</td>
</tr>
<tr>
<td>9</td>
<td>Annualised change in reading performance across PISA assessments (PISA2012)</td>
<td>0.9</td>
<td>0.3</td>
<td>-2.8</td>
<td>4.1</td>
</tr>
<tr>
<td>10</td>
<td>Annualised change in science performance across PISA assessments (PISA2012)</td>
<td>2.6</td>
<td>0.5</td>
<td>-3.1</td>
<td>6.4</td>
</tr>
<tr>
<td>11</td>
<td>Enrolment rates of 3 year olds in early childhood education and pre-primary education as a percentage of the population of the same age group, 2014 (EAG 2016)</td>
<td>89.6 %</td>
<td>71.2 %</td>
<td>3.1 %</td>
<td>100 %</td>
</tr>
<tr>
<td>12</td>
<td>% of 25-64 year-olds whose highest level of attainment is lower secondary education, 2015 (EAG 2016)</td>
<td>8.5 %</td>
<td>14.7 %</td>
<td>0.6 %</td>
<td>32.9 %</td>
</tr>
<tr>
<td>13</td>
<td>% of 25-34 year-olds whose highest level of attainment is at least upper secondary education, 2015 (EAG 2016)</td>
<td>98.3 %</td>
<td>84.1 %</td>
<td>44.9 %</td>
<td>98.3 %</td>
</tr>
<tr>
<td>14</td>
<td>% of 25-34 year-olds whose highest level of attainment is tertiary education, 2015 (EAG 2016)</td>
<td>69.0 %</td>
<td>41.8 %</td>
<td>21.0 %</td>
<td>69.0 %</td>
</tr>
<tr>
<td>15</td>
<td>% of 25-34 year-olds whose highest level of attainment is vocational upper-secondary or post-secondary non-tertiary education, 2015 (EAG 2016)</td>
<td>m</td>
<td>26.5 %</td>
<td>4.5 %</td>
<td>57.7 %</td>
</tr>
<tr>
<td>16</td>
<td>Unemployment rates of 25-34 year-olds by educational attainment, 2015 (EAG 2016)</td>
<td>Below upper secondary</td>
<td>10.5 %</td>
<td>17.4 %</td>
<td>4.2 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Upper secondary and post-secondary non-tertiary</td>
<td>6.4 %</td>
<td>9.2 %</td>
<td>4.1 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tertiary education</td>
<td>5.0 %</td>
<td>6.9 %</td>
<td>2.5 %</td>
</tr>
</tbody>
</table>

## Students: Raising outcomes

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Korea</th>
<th>Average or total</th>
<th>Min OECD</th>
<th>Max OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>First age of selection in the education system (PISA 2012)</td>
<td>14</td>
<td>14</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>18</td>
<td>Students performing at the highest or lowest levels in mathematics (%), (PISA 2012)</td>
<td>Students performing below Level 2</td>
<td>9.1%</td>
<td>23.0%</td>
<td>9.1%</td>
</tr>
<tr>
<td></td>
<td>Students performing at Level 5 or above</td>
<td>30.9%</td>
<td>12.6%</td>
<td>0.6%</td>
<td>30.9%</td>
</tr>
<tr>
<td>19</td>
<td>Variance in mathematics performance between schools and within schools as a percentage of the OECD average variance in mathematics performance (PISA 2012)</td>
<td>Between-schools percentage of variance</td>
<td>45.3%</td>
<td>36.9%</td>
<td>6.3%</td>
</tr>
<tr>
<td></td>
<td>Within-schools percentage of variance</td>
<td>69.1%</td>
<td>63.3%</td>
<td>33.7%</td>
<td>90.3%</td>
</tr>
<tr>
<td>20</td>
<td>% of students reporting that they have repeated at least a grade in primary, lower secondary or upper secondary schools (PISA 2012)</td>
<td>3.6%</td>
<td>12.4%</td>
<td>0.0%</td>
<td>36.1%</td>
</tr>
</tbody>
</table>
## List of key indicators

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Korea</th>
<th>Average or total</th>
<th>Min OECD</th>
<th>Max OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>Percentage of variance in mathematics performance in PISA test explained by ESCS (PISA 2012)</td>
<td>10.1%</td>
<td>14.8%</td>
<td>7.4%</td>
<td>24.6%</td>
</tr>
<tr>
<td>22</td>
<td>Score difference in mathematics performance in PISA between non-immigrant and immigrant students AFTER adjusting for socio-economic status (PISA 2012)</td>
<td>m</td>
<td>21</td>
<td>-29</td>
<td>66</td>
</tr>
<tr>
<td>23</td>
<td>Score differences between boys and girls in mathematics (PISA 2012)</td>
<td>18</td>
<td>11</td>
<td>-6</td>
<td>25</td>
</tr>
</tbody>
</table>

### Policy lever 2: Preparing students for the future

| 24 | Adjusted mean proficiency in literacy among adults on a scale of 500 (Survey of Adult Skills, 2012) | 272.1 | 270.7            | 249.4    | 293.6    |
|    | Among 16-65 year-olds (adjusted)                                                        |       |                  |          |          |
|    | Among 16-24 year-olds (adjusted)                                                        | 292.9 | 277.9            | 260.2    | 296.7    |
| 25 | Upper secondary graduation rates in % by programme of orientation, 2014 (EAG 2016)     | 77.9  | 50.3             | 20.2     | 111.0    |
|    | General programmes                                                                     |       |                  |          |          |
|    | Pre-vocational/vocational programmes                                                   | 16.7  | 49.1             | 4.1      | 96.3     |

### First-time graduation rates, by tertiary ISCED level, 2014 (EAG 2016)

| 26 | Short tertiary (2-3 years), ISCED 5                                                   | m     | 10.6%            | 0.0%     | 26.4%    |
|    | Bachelor’s or equivalent, ISCED 6                                                    | m     | 37.8%            | 8.4%     | 60.7%    |
|    | Master’s or equivalent, ISCED 7                                                      | m     | 17.6%            | 3.7%     | 37.6%    |
|    | Doctorate or equivalent, ISCED 8                                                     | 1.6%  | 1.7%             | 0.2%     | 3.4%     |

### % of 15-29 year-olds not in education, employment or training, 2013 (EAG 2016)

| 27 | 18.0%                                      | 14.6% | 6.2%            | 28.8%    |

### Institutions: Improving schools

### Policy lever 3: School improvement

| 28 | Mean index of teacher-student relations based on students’ reports (PISA 2012) | -0.12 | 0.00            | -0.42    | 0.47     |
| 29 | Mean index of disciplinary climate based on students’ reports (PISA 2012)     | 0.19  | 0.00            | -0.33    | 0.67     |
| 30 | % of teachers above the age of 50 by education level, 2014 (EAG 2016)         | 15.9% | 30.4%           | 12.8%    | 57.9%    |
|    | Primary education                                                                  |       |                  |          |          |
|    | Lower secondary education                                                           | 24.7% | 34.2%           | 7.1%     | 59.2%    |
|    | Upper secondary education                                                           | 29.7% | 38.1%           | 11.1%    | 69.1%    |
| 31 | Number of teaching hours per year in public institutions by education level, 2014 (EAG 2016) | 656   | 776             | 569      | 1 146    |
|    | Primary education                                                                  |       |                  |          |          |
|    | Lower secondary education, general programmes                                       | 548   | 694             | 459      | 1 146    |
|    | Upper secondary education, general programmes                                       | 550   | 644             | 386      | 1 146    |
| 32 | Ratio of actual teachers’ salaries to earnings for full-time, full-year adult workers with tertiary education, 2014 (EAG 2016) | m     | 0.81            | 0.56     | 1.08     |
|    | Primary education                                                                  |       |                  |          |          |
|    | Lower secondary education, general programmes                                       | m     | 0.85            | 0.56     | 1.23     |
|    | Upper secondary education, general programmes                                       | m     | 0.89            | 0.58     | 1.23     |
| 33 | Growth rate of teachers’ salaries between 2005 and 2014 in lower secondary education (EAG 2016) | -2.3% | 3.1%            | -30.3%   | 36.9%    |
| 34 | % of lower secondary education teachers who report a "moderate" or "large" positive change on their knowledge and understanding of their main subject field(s) after they received feedback on their work at their school (TALIS 2013) | 62.8% | 53.5%           | 26.7%    | 86.2%    |
### List of key indicators

<table>
<thead>
<tr>
<th>#</th>
<th>Policy lever 4: Evaluation and assessment to improve student outcomes</th>
<th>Korea</th>
<th>Average or total</th>
<th>Min OECD</th>
<th>Max OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>35</td>
<td>Percentage of lower secondary education principals who report that they use student performance and student evaluation results (including national/international assessments) to develop the school's educational goals and programmes (TALIS 2013)</td>
<td>95.3%</td>
<td>88.8%</td>
<td>58.5%</td>
<td>99.5%</td>
</tr>
<tr>
<td>36</td>
<td>% of students whose school principals reported that assessments are used for the following purposes (PISA 2012)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>To make decisions about students’ retention or promotion</td>
<td>56.3%</td>
<td>76.5%</td>
<td>15.5%</td>
<td>98.2%</td>
</tr>
<tr>
<td></td>
<td>To monitor the school’s progress from year to year</td>
<td>89.9%</td>
<td>81.2%</td>
<td>48.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>To make judgements about teachers’ effectiveness</td>
<td>85.3%</td>
<td>50.4%</td>
<td>14.0%</td>
<td>88.2%</td>
</tr>
<tr>
<td></td>
<td>To identify aspects of instruction or the curriculum that could be improved</td>
<td>96.3%</td>
<td>80.3%</td>
<td>49.4%</td>
<td>99.4%</td>
</tr>
<tr>
<td>37</td>
<td>% of lower secondary education teachers reporting appraisal/feedback from the school principal on their work with this frequency (TALIS 2013)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Once every two years or less</td>
<td>3.2%</td>
<td>33.9%</td>
<td>3.2%</td>
<td>88.8%</td>
</tr>
<tr>
<td></td>
<td>Once per year</td>
<td>75.9%</td>
<td>41.5%</td>
<td>9.5%</td>
<td>82.1%</td>
</tr>
<tr>
<td></td>
<td>Twice or more per year</td>
<td>20.9%</td>
<td>24.7%</td>
<td>1.0%</td>
<td>49.6%</td>
</tr>
</tbody>
</table>

### Systems: Organising the system

<table>
<thead>
<tr>
<th>#</th>
<th>Policy lever 5: Governance</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>38</td>
<td>% of decisions taken at each level of government in public lower secondary education, 2011 (EAG 2012)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Central or state government</td>
<td>25%</td>
<td>36%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Regional or sub-regional government</td>
<td>32%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Local government</td>
<td>4%</td>
<td>17%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>School government</td>
<td>39%</td>
<td>41%</td>
<td>5%</td>
</tr>
</tbody>
</table>

### Policy lever 6: Funding

<table>
<thead>
<tr>
<th>#</th>
<th>Annual expenditure per student by educational institutions, for all services, in equivalent USD converted using PPPs for GDP, 2013 (EAG 2016)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>39</td>
<td>Pre-primary education</td>
<td>6 227</td>
<td>8 070</td>
<td>3 172</td>
</tr>
<tr>
<td></td>
<td>Primary education</td>
<td>7 957</td>
<td>8 477</td>
<td>2 717</td>
</tr>
<tr>
<td></td>
<td>Secondary education</td>
<td>8 592</td>
<td>9 811</td>
<td>3 065</td>
</tr>
<tr>
<td></td>
<td>Tertiary education</td>
<td>9 323</td>
<td>15 772</td>
<td>7 568</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>#</th>
<th>Relative proportions of public and private expenditure on educational institutions, 2013 (EAG 2016)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>40</td>
<td>Public sources</td>
<td>64.2%</td>
<td>84.4%</td>
<td>61.2%</td>
</tr>
<tr>
<td></td>
<td>All private sources</td>
<td>35.8%</td>
<td>15.6%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

### Notes
1. The average, total, minimums and maximums refer to OECD countries except in TALIS and the Survey of Adult Skills, where they refer to participating countries.
2. "m": included when data is not available.
3. "NP": included if the country is not participating in the study.
4. Statistically significant values of the indicator are shown in bold (PISA 2012 only).
5. The annualised change is the average annual change in PISA score points from a country’s/economy’s earliest participation in PISA to PISA 2012. It is calculated taking into account all of a country’s/economy’s participation in PISA.
6. "n/a": included when the category is not applicable.
REFERENCES AND FURTHER READING


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