Investment in education

Mexico has made major investments in education…

- Between 1995 and 2001, spending on primary and secondary education in Mexico increased by 36%, the steepest increase after Turkey, New Zealand, Australia, Poland and Portugal. Spending per student increased, with 25%, at a somewhat lower rate, because enrolment rose also by 9% (Table B1.5).

- Also at the tertiary level, educational spending increased significantly between 1995 and 2001, by 22%. However, since tertiary enrolment rose faster (by 36%), spending per tertiary student declined by 10%. This has decreased the large gap between spending per tertiary student and spending per primary student in Mexico somewhat, but it remains the largest gap among OECD countries (Table B1.5).

- For the first time, educational spending as a percentage of GDP is in Mexico now, at 5.9%, above the OECD average level of 5.6%. Mexico is one of only 8 OECD countries in which spending on education rose faster than GDP per capita (Table B2.1a).

- At 24%, the share of public spending invested in education is the highest among OECD countries and almost twice as high as at the OECD average level (12.7%). In 1995, the share was still at 22% (Table B4.1).

Spending per student remains low but, relatively speaking, upper secondary and tertiary students are better off…

- Nevertheless, spending per primary student is in Mexico at US$ 1357 (adjusted for differences in Purchasing Power Parities) still very low, approximately one quarter of the OECD average (US $ 5787). The same holds for lower secondary education.

- At the upper secondary level spending per student is, at US$ 3144 significantly higher, but still less than half the OECD average level (US$ 6752).

- Also the tertiary level, spending per student is, at US$ 4341, less than half of spending per student at the OECD average level (US$ 10052). Although tertiary students are far better off than primary or lower secondary students, spending per tertiary student over the average duration of studies in Mexico (US$ 14858, Table B1.3) is less than what Sweden, Switzerland and the United States spend per student in a single year, namely US$ 15188, US$ 20230 and US$ 22234.
Most of educational spending is tied up in current spending

- Most of educational spending in Mexico is tied up in current spending. Less than 2.8% of spending at primary and secondary levels is for capital spending, leaving little room for improving the educational infrastructure (OECD average 8.4%). The situation is similar at the tertiary level, where only 4.3% are devoted to capital expenditure, compared with an OECD average of 11.5% (Table B6.3).

- Moreover, most of current spending at primary and secondary levels goes to the compensation of staff, leaving at the primary level only 6.4% for other current expenditure, such as instructional materials (OECD average 19.3%). The situation is less pronounced at the tertiary level (Table B6.3).

Educational attainment

More people around the world are completing university courses and other forms of tertiary education than ever before. However, progress has been uneven across countries and some have significantly fallen behind, potentially compromising their future ability to keep up with economic and social progress.

- Almost all OECD countries have seen a rise in the education levels of their citizens over the past decade, and in some countries the increase has been spectacular. Enrolment in tertiary education, which covers university-level education and high-level vocational programmes, increased between 1995 and 2002 by more than 50% in the Czech Republic, Greece, Hungary, Iceland, Korea and Poland. The increase amounted to 30% in Mexico – albeit from a very low base - and to still more than 20% in Australia, Finland, Ireland, Portugal, Spain, Sweden and the United Kingdom. Austria, France and Germany were the only countries which did not see increases, mainly because rising enrolment rates could not make up for the demographic decline in these countries (Table C2.2).

- Despite increases, university-level attainment in Mexico is, at 5% among 25-34-year-olds and at 2% among 55-64-year-olds, still very low. Moreover, some countries with a similarly low base in the past have seen much steeper increases in tertiary attainment than Mexico. For example, a generation ago, among 55-64-year-olds, Korea had an attainment rate of only 8% but it is now 26% among 25-34-year-olds. This has moved Korea up from rank 22 among the 30 OECD countries a generation ago to rank 4 today, whereas Mexico has remained at rank 30 (Table A3.3). Other countries that have moved up significantly over the last generation include Spain (13 rank order positions) as well as Belgium, Greece, Japan (6 rank order positions).

- The situation is even more pronounced with regard to baseline qualifications, equivalent to the completion of the upper secondary level of education, where Mexico has fallen further behind over the last generation, from rank 29 to rank 30, while Korea has moved from rank 24 to 1. As a result, only 21% of Mexican 35-34-year-olds now have an upper secondary qualification, compared with an OECD average of 75% (Table A2.2). Other countries that have moved up significantly over the last generation include Japan (8 rank order positions) and Japan (7 rank order positions).

Rising tertiary education levels among citizens seem generally not to have led to an “inflation” of the labour-market value of qualifications.

- As newly available data show, rising education levels among citizens seem generally not to have led to an “inflation” of the labour-market value of qualifications. On the contrary, among the countries in which the proportion of 25-64 year-olds with tertiary qualifications
increased by more than 5 percentage points since 1995 - Australia, Austria, Belgium, Canada, Denmark, France, Iceland, Ireland, Japan, Korea, Spain and the United Kingdom (Table A3.4a) – most have seen falling unemployment (Table A10.2b) and rising earnings benefits (Table A11.2) among tertiary graduates over the last years. In Australia, Canada, Germany, Hungary, Ireland and the United Kingdom the earnings benefit of tertiary increased by between 6 and 14 percentage points (United Kingdom 6 percentage points) between 1997 and 2001 and, among the 15 countries with comparable data, only three saw a decline in the earnings benefits of tertiary education over upper secondary education: New Zealand (-15 percentage points), Norway (-3 percentage points) and Spain (-20 percentage points).

**Tertiary education is becoming an international domain.**

- In 2002, 1.9 million students were enrolled in the OECD area outside their country of origin (Table C3.6), with nearly three quarters of them choosing Australia, France, Germany, the United Kingdom and the United States as their destination (Chart C3.2). On average, foreign enrolment increased by 34% between 1998 and 2002 (Table C3.6) and the share of foreign students from throughout the world as a percentage of all students increased in the Czech Republic, Iceland, Korea, New Zealand and Sweden by 60% or more. In contrast, in Austria, Ireland, Switzerland and the United States, increases in the share of foreign enrolment ranged between only 8% and 13%, and Turkey (-16%), the United Kingdom (-6%) and Poland (-5%) saw declines in the share of foreign enrolment. Mexico is not a common destination for foreign students but almost 1% of Mexican tertiary students study abroad.

**Education in Mexico can build on a growing foundation in early childhood.**

- OECD’s thematic review of early childhood education and care has underlined the importance of a strong start for children. In Mexico, 37 children under age 4 for every 100 3-4-year-olds now participate in pre-primary education (Table C1.2). Although this is significantly below the OECD average of 68%, it is more than in a fair number of other OECD countries, including Australia, Greece, Ireland, Korea, Poland and Switzerland. Noteworthy, spending per child at the pre-primary level is, in Mexico, higher than at the primary level.

**The learning environment and organisation of schools**

**High student-teaching ratios…**

- The ratio of students to teaching staff ranges in Mexico from 1.5 times the OECD average in pre-primary education (with 22 students per teacher) to 2 times the OECD average in lower-secondary education, where teachers are responsible in Mexico for 32 students compared with an OECD average of 14 students per teacher (Table D2.2). This high ratio is likely to influence the amount of attention devoted to each student as well as the quality of the outcomes.

- Instructional time for students amounts in Mexico to 800 hours per year for students aged 9-11 years (OECD average of 843 hours) and 1 167 hours for students aged 12-14 years (OECD average of 933 hours) (Table D1.1, page 318).

**…and a high teaching load for teachers pose challenges for the education system in Mexico.**

- At the primary level, the teaching load of teachers in Mexico, 800 statutory hours per year, is close to the OECD average of 803 hours (Table D4.2). By contrast, a lower secondary
teacher in Mexico is required to teach 1 167 hours per year, the highest number of statutory teaching hours among OECD countries (OECD average 717 hours).

Rather low salary per teaching hour in Mexico…

- The OECD average statutory salary per net teaching hour after 15 years of experience is US$ 38 in primary, US$ 47 in lower secondary, and US$ 54 in upper secondary general education.

- In primary education, Hungary, Mexico, the Slovak Republic and Turkey have relatively low salary costs per teaching hour (US$ 20 or less). By contrast, costs are relatively high in Denmark, Germany, Japan and Korea (US$ 50 or more). (Table D3.1)

… but a major investment in human resources despite lower levels of national income.

- Statutory salaries in Mexico are low by absolute standards (little more than half the OECD average) but among the highest in the OECD when compared with GDP per capita. The ratios of salary after 15 years of experience to GDP per capita, for Mexico in primary and in lower secondary education at respectively 1.77 and 2.25, are well above the OECD average of 1.33 and 1.37 (Chart D3.1).

- Since 1996, teachers in Mexico have seen the steepest increase in salaries, with gains for a teacher with 15 years of experience of 43% at the primary level (OECD average 11%) and 47% in lower secondary education (OECD average 12%).

Decision-making has become more decentralised

- For the first time, Education at a Glance 2004 also examines how the division of responsibilities between schools as well as local, regional and national authorities has evolved in response to demands for improving efficiency, increasing responsiveness to local communities and fostering the potential for innovation and quality improvement.

- Schools in Mexico have limited decision-making autonomy, with only 22% of the areas of decisions that were analysed taken by schools, compared with an OECD average of 42%. 45% of decisions are made at state levels and 30% at central levels. Provincial or local education authorities only play a minor role (Table D6.1). A decision-making area where schools in Mexico have a significant role concerns the organisation of instruction in schools, where 75% of decisions are made by schools (OECD average 81%), and 25% by the central government. In contrast, schools have virtually no role in decisions concerning personnel management and the allocation of resources (OECD averages 44% and 41%).

*Education at a Glance* 2004 is available to journalists on the OECD's password-protected website. For further information, journalists are invited to contact the OECD’s Media Relations Division (tel. [33] 1 45 24 97 00). Subscribers and readers at subscribing institutions can access the report via SourceOECD, our online library. Non-subscribers can purchase the report via our Online Bookshop.