Thailand's National Education Accounts (NEA)

by

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National Economic and Social Development Board (NESDB)

Presenting Issues

- Brief Background about Thai education
  - Organization Structure
  - Numbers of Student in each age range
  - Government Budget for Education
- Objectives of the NEA Project
- Framework of Thailand's NEA
- Definitions
- Sources of Data
- Limitations and challenges

Key Partners

- National Economic and Social Development Board (NESDB)
- Ministry of Education (MOE)
- Ministry of Interior (MOI)
- Ministry of Finance (MOF)
- National Statistics Office (NSO)
- Quality Learning Foundation (QLF)

Organization Structure

- Ministry of Education
  - Office of the Permanent Secretary
  - Office of the Education Council
  - Office of the Basic Education Commission
  - Office of the Vocational Education Commission
  - Office of the Higher Education Commission
- And 9 more including Ministry of Interiors (supervising schools under local government authorities), Bangkok, Pattaya city, MOH, MOST,…,and some independent gov-funded public organizations)

**Education Budget to GDP (Left axis/blue) about 4%
And to Total Budget (Right axis/red) about 23%**

reform

15 year free

6
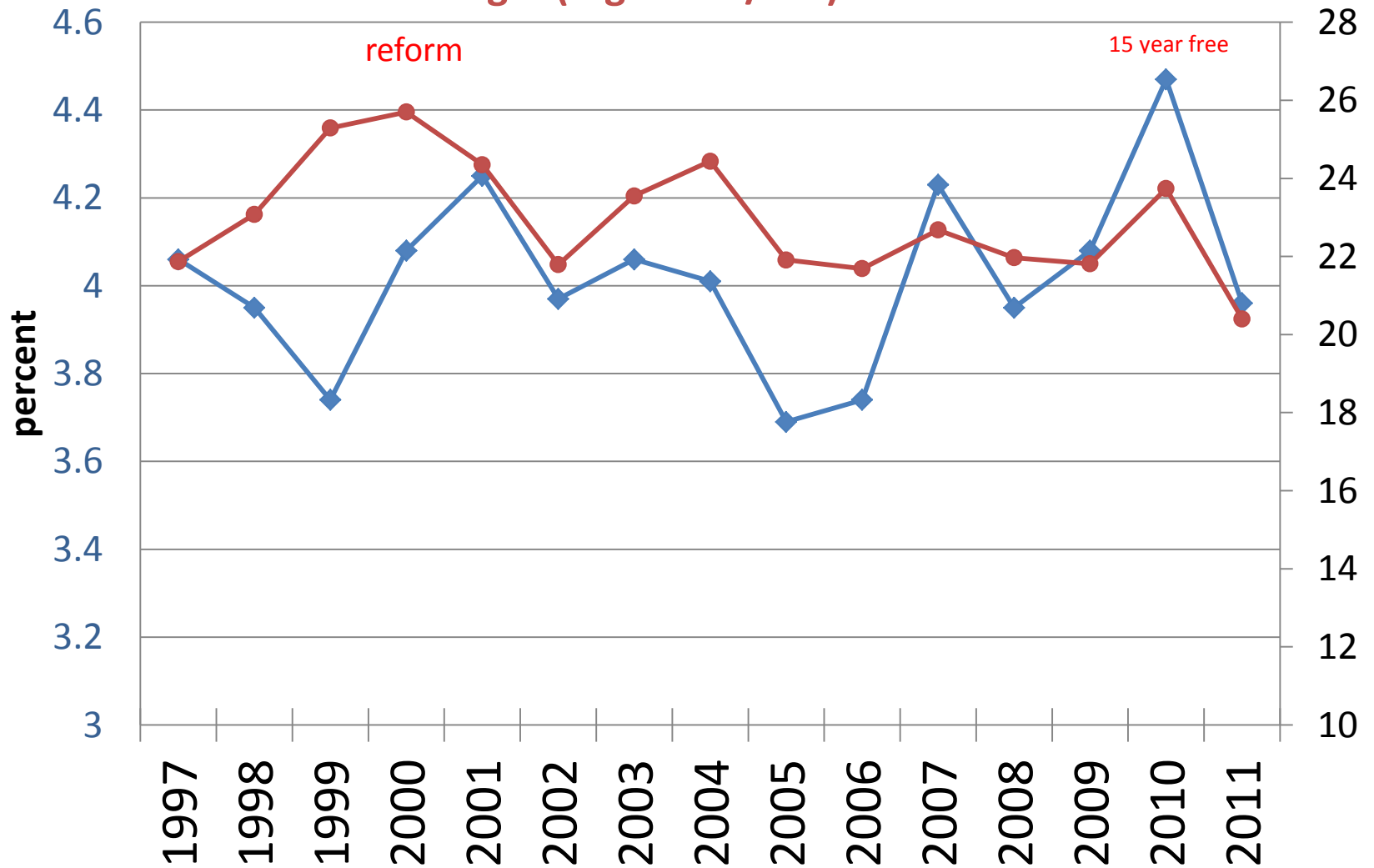
Objectives of NEA Project

- To develop a conceptual framework and methods for constructing the Thailand NEA

- To estimate educational expenditures from public sector (central, local), households, private sector, and international transfers, 2008 - 2010

- To analyze efficiency, quality and equity of public educational spending.

- To track financial flows of education resources (PETS)

Thailand NEA helps address these basic questions

- Where are **sources of financing** for education?

- Who are **financing agencies**? and How do they allocate educational resource?

- How much Educational **Service providers** receive financial resources from such allocation?

- What **kinds of services** are produced?

- Who **benefits** and how many of them?

Framework of Thailand NEA
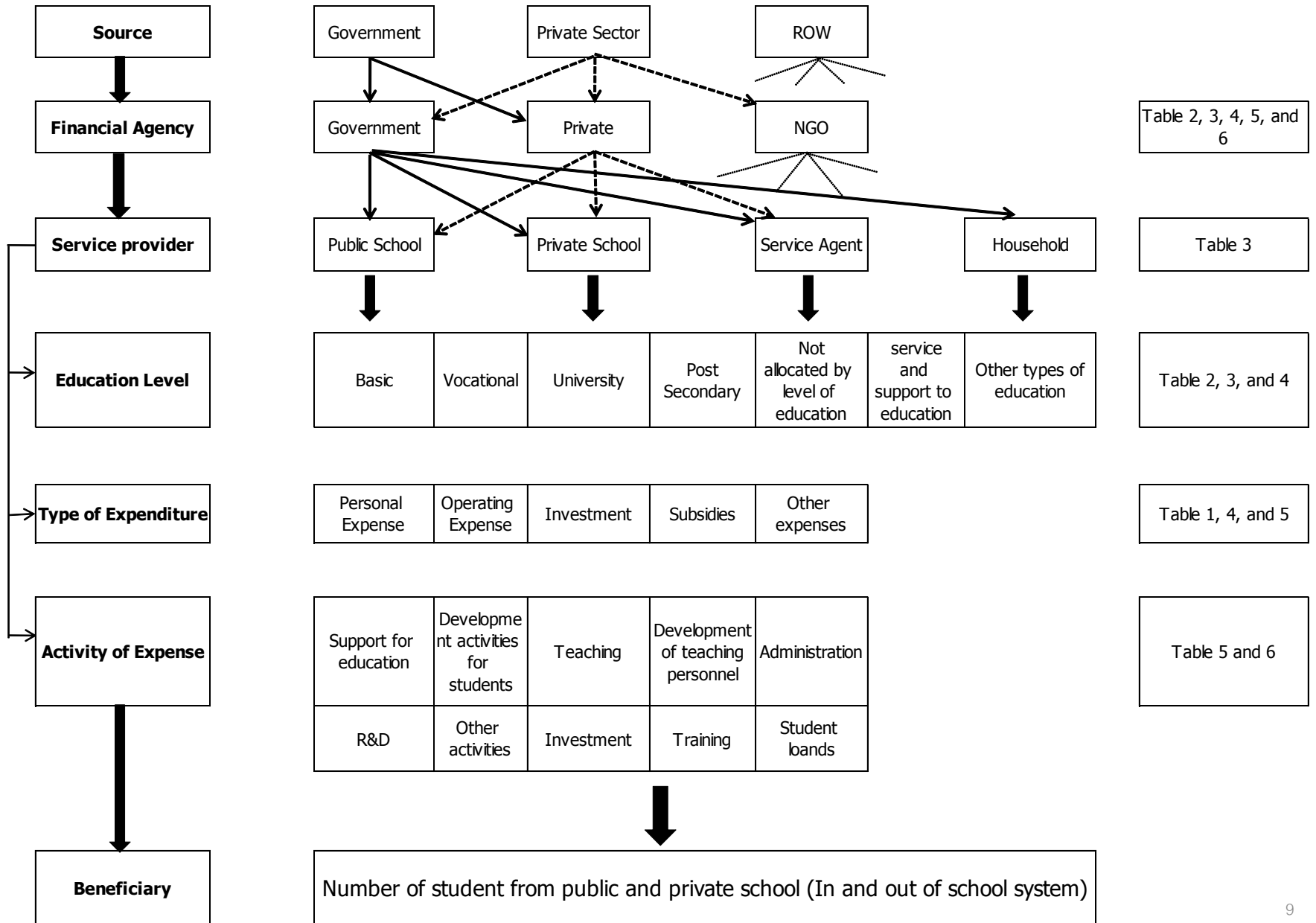
Definition

- **Sources of Financing**: Government (central and local), Private (household, business), and ROW (Transfer and donation from abroad)

- **Financing Agency**: 10 Public agencies, Private sector (Business and Household) and NGOs

- **Education level**: adopting ISCED definition

- **Types of expenditure**: Government Finance Statistics (GFS / IMF)

- **Function of educational services**: 10 categories (new classification)

Sources of data

Public expenditure data

- Coordinating with the Comptroller General's Department, Bureau of the Budget (BB), National Statistics Office, Revenue Department, MOE, MOI, LGOs

- Allocated budget (from BB) and Actual spending (Government Fiscal Management Information System database: GFMIS)

- Classifying budget by education level (using BB data)

- Classifying expenditure by activities (using GFMIS)

Source of data

Household Expenditure data

- Fee and related expense are estimated from household survey (Socio-Economic Survey, conducted every year) and my own estimation (with new coverage)

- Fee for tutorial school (estimated from NSO and my own estimation): NSO results tend to be under-estimated

- Educational Donation comes from the Revenue Department (amounts eligible for tax reduction)

- Educational transfer (hard to rely on household survey)

Source of data

NGOs

- NGOs Account and National Account provided by the Office of the National Economic and Social Development Board (NESDB)
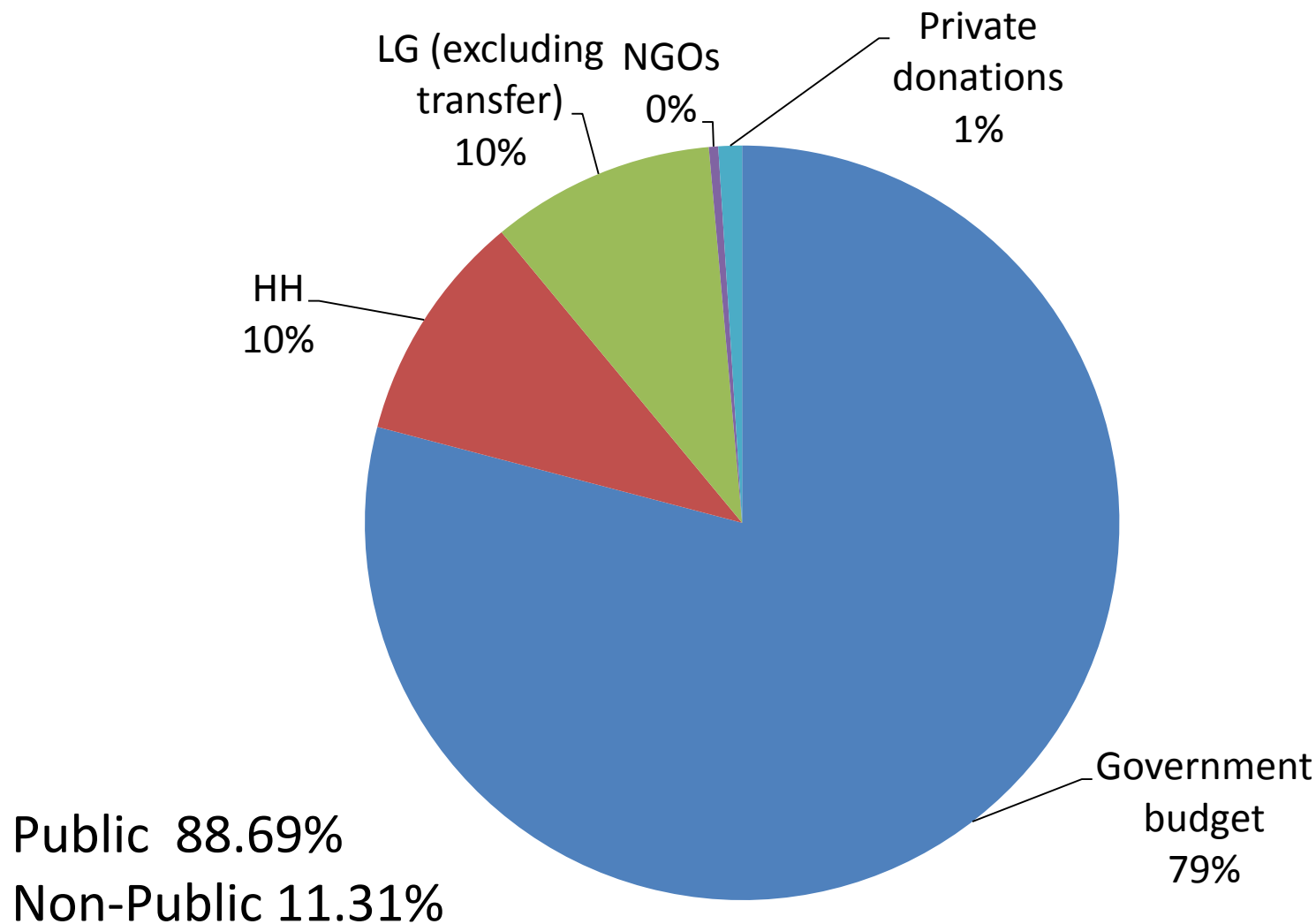
Private Sector

- Data about educational donation and training expenses comes from business income tax filing provided by Revenue department
- Data about R&D spending comes from country survey by the Thai research fund and the Office of National Science Technology and Innovation Policy

Basic Tables for NEA

- Table 1. Source of Expenditures (double counting)
- Table 2. As table 1 without double counting
- Table 3. Sources of expenditure by level
- Table 4. Budget by level and categories
- Table 5. Expenditure by public financing agencies and Level of education
- Table 6. = Table 5 + Categories
- Table 7. Expenditure by function (combine with school survey data and to link with the learning outcomes)
- Table 8. Expenditure by all agencies and function

Sources of Financing 2010: Public sector plays a major role

LG (excluding transfer)
10%

NGOs
0%

Private donations
1%

HH
10%

Government budget
79%

Public 88.69%
Non-Public 11.31%

Private contribution relatively decline due to the free 15 year policy
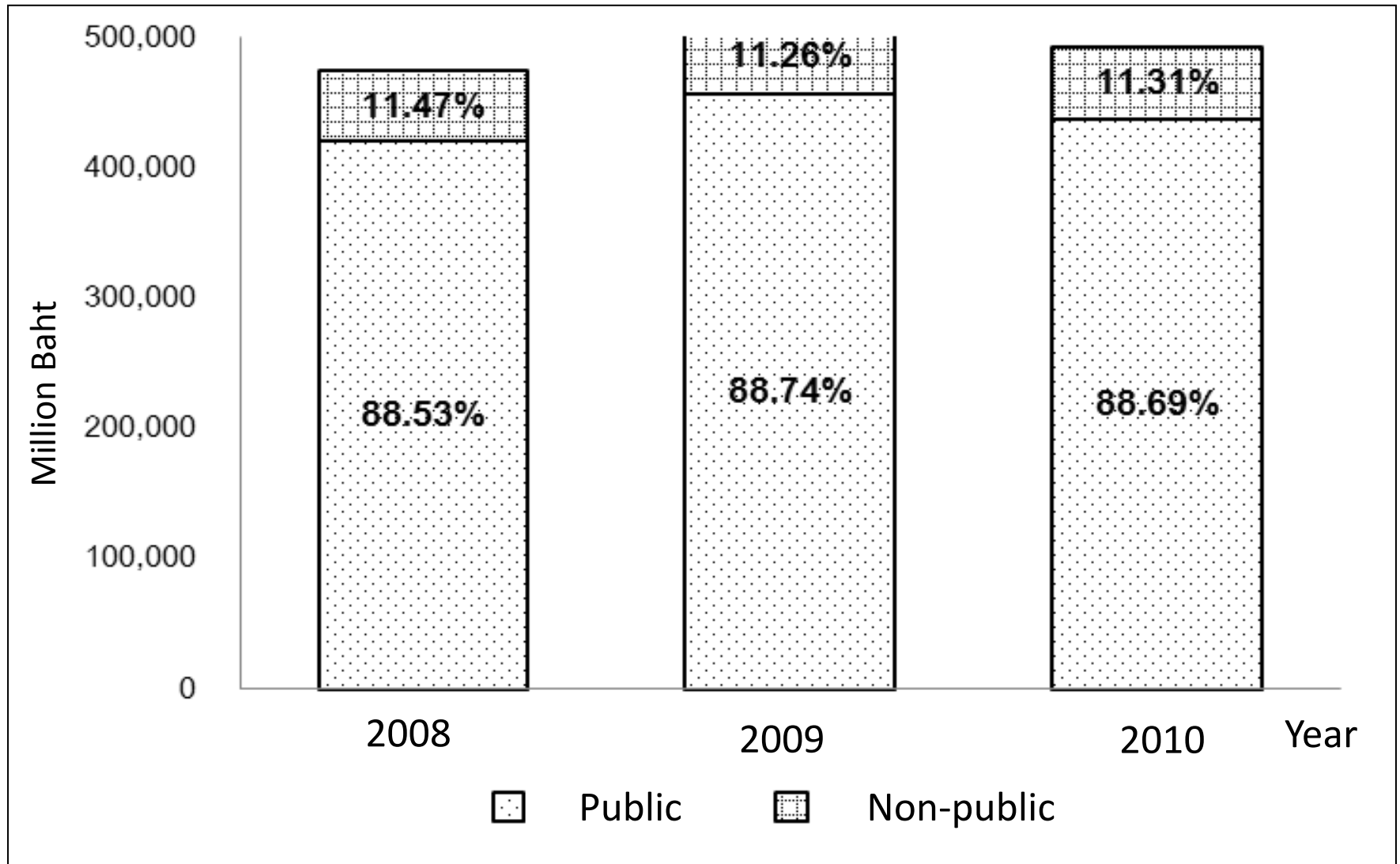
Year	Government (M.Baht)	Non-Public					Total (M.Baht)
	Total	HH	Business	NGO	Total	
2008	420,369	100,509	3,776	1,845	106,130	526,499
2009	456,678	102,263	3,847	1,868	107,978	564,656
2010	437,295	96,744	4,998	1,963	103,705	541,000

Year	Government	Non-Public					Total
	Total	HH	Business	NGO	Total	
2008	79.8	19.1	0.7	0.4	20.2	100
2009	80.9	18.1	0.7	0.3	19.1	100
2010	80.8	17.9	0.9	0.4	19.2	100

Quick Estimated: Thailand spends 538,614 M.Baht in education

Table 1. Sources of Educational Expenditures in Thailand 2008-2010. (Double counting)

Education expenditure Sources	2008		2009		2010	
	value (Million Baht)	%	value (Million Baht)	%	value (Million Baht)	%
Government	387,464	79.02	432,109	80.46	438,819	81.47
Household[1]	100,364	20.47	102,263	19.04	96,719	17.96
Tuition and fee	47,769	47.60*	51,180	50.05*	47,339	48.95*
Education-related expenses	51,660	51.47*	50,020	48.91*	47,939	49.57*
donations[2]	935	0.93*	1,063	1.04*	1,441	1.49*
Corporate sector[3]	636	0.13	788	0.15	1,114	0.21
NGO[4]	1,845	0.38	1,868	0.35	1,963	0.36
Total	490,309	100	537,028	100	538,614	100

Difficulty is to find the local's contribution to LGs

Solving double counting: excluding central government transfer to LGs and HHs

Table 2. Sources of Educational Expenditures in Thailand, 2008-2010.

Source	2008		2009		2010	
	Million Baht	**%**	**Million Baht**	**%**	**Million Baht**	**%**
Government Sector	387,464	88.33	432,109	88.73	438,819	89.43
Central government	375,696	96.96*	416,464	96.38*	423,073	96.41*
Local government (excluding transfers subsidy)	11,768	3.04*	15,645	3.62*	15,746	3.59*
Households						
Tuition and fees	48,704	11.10	52,242	10.73	48,780	9.94
Corporate sector (donations only)	636	0.15	788	0.16	1,114	0.23
NGO	1,845	0.42	1,868	0.38	1,963	0.40
Total	**438,649**	**100**	**487,007**	**100**	**490,676**	**100**
GDP	9,080,466		9,041,551		10,102,986	
As % of GDP	4.83		5.39		4.86	

Limitations and Challenges

- Still working on Transfer/Donation/Loan from foreign countries (expecting not large)
- Expenditure of private schools /universities (mostly relying on survey samples or indirect estimates from household survey)
- Limited access to local government organization data
- Double counting problems to be solved
- Non-synchronized among Calendar year, School year (May-April) and Budget cycle (Oct-Sep)

Limitations and Challenges

- Linking data on education spending to learning outcomes

- Align with the System of National Income (SNI) Account in terms of coverage, definitions

- Develop to be a Satellite account of SNI

- Link to National Health Accounts

- Keep the NEA momentum going

- Improving accounting standard /knowledge among public providers

Thailand's NEA Team

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