Decentralization of Education Service Delivery in Japan: Funding Arrangements/Financing of Decentralized Basic Education

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Outline of the Presentation

- Historical Perspectives
- Today’s Education Finance, Administration and Management
- Issues in Education Administration, Finance and Management
Historical Perspective
In 1900, primary school fees were abolished and a system of automatic progression was adopted. As a result of these changes, school enrollment increased rapidly.

In 1907, compulsory education was changed to 6 years. By this time, adult illiteracy had virtually disappeared.
Changes in the allocation of costs for compulsory education, 1885-1985

Sources: Data from the Ministry of Education
Financing of Compulsory Education

- As a result of rising enrollment and the abolition of tuition fees, the financial burden on municipal governments increased.
- But this burden was reduced in 1940, when the national and prefectural governments assumed responsibility for compulsory education costs.
Around 1900, many primary education schools were housed in the former “Terakoya,” and in private homes. Teachers were drawn from the ranks of “Terakoya” instructors, former samurai, or priests. Since a large part of the national budget was used to pay for foreign instructors or for sending students overseas, the entire cost of elementary schools rested on local governments and parents.
Issues around 1890

- The 8-year long period of schooling did not suit prevailing Japanese social customs.
- Children were an important element in the labor force, and the loss of their labor through schooling affected their families.
- The need to find funds for school education was a real burden on families and local governments.
Around 1890

- There were uprisings against the government, and in some cases, schools were burned down by discontented people.
- Many children who failed a grade, had to repeat the year, and often dropped out of school completely.
Today’s Education Finance, Administration and Management
Organization of the School Structure in Japan

Pre-school Education
- Kindergarten

Elementary Education
- Elementary Schools

Secondary Education
- Lower Secondary Schools
- Upper Secondary Schools

Higher Education
- Advanced Courses
  - Schools of the Blind
  - Schools for the Deaf
  - Schools for the Other Disabled Children

Miscellaneous Schools
- Specialized Training College

General Courses
- Upper Secondary Courses

Correspondence Schools
- Advanced Courses

Part-time Universities
- Graduate Courses
- Advanced Courses

Correspondence
- Advanced Courses

SOURCE: Ministry of Education, Culture, Sports, Science and Technology, Japan: Web site
Changes in Enrollment Rates
### Number of Schools, Students and Teachers in Japan

(As of May, 2003: Correspondence course excluded)

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Public</th>
<th>Private</th>
<th>Public</th>
<th>Private</th>
<th>Public</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Schools</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kindergarten</td>
<td>5,785</td>
<td>8,389</td>
<td>367,854</td>
<td>1,392,640</td>
<td>26,151</td>
<td>82,671</td>
</tr>
<tr>
<td>Elementary school</td>
<td>23,454</td>
<td>179</td>
<td>7,158,847</td>
<td>68,063</td>
<td>410,526</td>
<td>3,364</td>
</tr>
<tr>
<td>Lower secondary school</td>
<td>10,434</td>
<td>700</td>
<td>3,515,591</td>
<td>232,728</td>
<td>239,472</td>
<td>12,578</td>
</tr>
<tr>
<td>Upper secondary school</td>
<td>4,132</td>
<td>1,318</td>
<td>2,694,669</td>
<td>1,115,158</td>
<td>198,212</td>
<td>60,325</td>
</tr>
<tr>
<td>Secondary school</td>
<td>7</td>
<td>9</td>
<td>1,974</td>
<td>2,762</td>
<td>164</td>
<td>218</td>
</tr>
<tr>
<td>Special education school</td>
<td>980</td>
<td>15</td>
<td>95,643</td>
<td>830</td>
<td>60,836</td>
<td>258</td>
</tr>
<tr>
<td>College of technology</td>
<td>60</td>
<td>3</td>
<td>55,624</td>
<td>2,251</td>
<td>4,309</td>
<td>165</td>
</tr>
<tr>
<td>University Junior college</td>
<td>238</td>
<td>989</td>
<td>765,381</td>
<td>2,288,661</td>
<td>73,837</td>
<td>95,852</td>
</tr>
<tr>
<td>Specialized training college</td>
<td>322</td>
<td>5,072</td>
<td>44,266</td>
<td>931,408</td>
<td>3,495</td>
<td>48,005</td>
</tr>
<tr>
<td>Miscellaneous school</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>45,412</td>
<td>16,674</td>
<td>14,699,849</td>
<td>6,034,501</td>
<td>1,017,002</td>
<td>303,436</td>
</tr>
</tbody>
</table>

**NOTE:** In Japan, lower secondary and upper secondary schools are separated.

**SOURCE:** Data from the Ministry of Education, Culture, Sports, Science and Technology, Japan
Share of Education Expenditure on Public Basic Education

<table>
<thead>
<tr>
<th></th>
<th>National</th>
<th>Prefectural</th>
<th>Municipal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textbooks</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teacher Salary</td>
<td>1/3.</td>
<td>2/3.</td>
<td></td>
</tr>
<tr>
<td>Facilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building &amp; Expansion</td>
<td>1/2.</td>
<td></td>
<td>1/2.</td>
</tr>
<tr>
<td>Hazardous Building</td>
<td>1/3.</td>
<td>2/3.</td>
<td></td>
</tr>
<tr>
<td>Disaster Restoration</td>
<td>2/3.</td>
<td></td>
<td>1/3.</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Murata and Yamaguchi (2010)
Education Expenditure by National Government (5,271 billion yen, 2007)

- Compulsory Education: 31.6%
- National University: 22.8%
- Aids to Priviate University and Schools: 8.6%
- Promotion of Science and Technology: 4.2%
- Energy Measures: 1.9%
- Culture Bureau: 1.1%
- Lifelong Learning, Sports, Foreign Students: 2.3%
- Textbooks: 0.7%
- Students Aid Program: 2.0%
- Grant for Facilities of National University: 16.2%
- Facilities of Local Public Schools: 8.6%
<table>
<thead>
<tr>
<th>Area of Education</th>
<th>Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>School Education Expenditure</strong></td>
<td>83.4</td>
</tr>
<tr>
<td>Primary School</td>
<td>37.8</td>
</tr>
<tr>
<td>Lower Secondary School</td>
<td>20.8</td>
</tr>
<tr>
<td>Special Needs School</td>
<td>5.3</td>
</tr>
<tr>
<td>Upper Secondary School</td>
<td>17.7</td>
</tr>
<tr>
<td>Others</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>Social Education Expenditure</strong></td>
<td>10.9</td>
</tr>
<tr>
<td><strong>Education Administration Expenditure</strong></td>
<td>5.7</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>100</td>
</tr>
</tbody>
</table>
Education Expenditure Share by Parents

- Tuition fees and Textbooks in public compulsory schools are free.
- However, the parents needs to pay:
  - Non-textbooks and other school necessities
  - Transportations
  - PTA dues
  - School lunch
  - Private lessons ("juku", piano, abacus, calligraphy)
Student Aid Program

The aid programs for students who have difficulty in receiving education for economic reasons.

- Support by Ministry of Health, Labor, and Welfare
  - Supply of textbooks, school necessities
- Education Aid Program by the MEXT, Prefectural and Municipal Boards of Education
  - Supply of school necessities, transportation expenses, school lunch, etc.
- Education Aid for Handicapped Children
  - Providing for textbooks, dormitory expenses, transportation expenses
## Educational Administrative Bodies and Authorities

<table>
<thead>
<tr>
<th>Educational Administrative Bodies</th>
<th>Authorities</th>
</tr>
</thead>
</table>
| **Ministry of Education, Culture, Sports, Science and Technology, Japan / Minister of Education** | • School establishment criteria  
• Textbook authorization  
• Curriculum criteria  
• School enrollment criteria  
• Supervision of teacher licensing  
• Ordinances, instructions, circulars, notices  
• Jurisdiction over national university and schools  
• Financial support to private universities  
• Jurisdiction over public and private universities and granting of permission to establish them |
| **Prefectural boards of education**                        | • Exhibition of authorized textbooks  
• Granting permission for exemption from compulsory school attendance  
• Issuing of teachers’ license  
• School administration rules and regulations |
| **Municipal boards of education**                          | • Selection of textbooks  
• Setting, notifying and getting approval of educational planning criteria  
• Educational planning formulation  
• School enrollment enforcement and exemption  
• School administration regulations |
| **Municipal schools**                                      | • Lesson planning formulation  
• Notification to boards of education of non-attendance or delinquency among children |

Organization of the Board of Education

**Governor**
- Educational Institutions

**Board of Education**
- Chairman
- Board members

**The Superintendent of Education**
- Deputy Superintendent
- (Management, Supervision of staff members)

**Secretariat**
- General Affairs Division
- Financial Affairs Division
- School Affairs Division
- Guidance Division
- Physical Education & Sports Division
- Lifelong Education Division
- Cultural Affairs Division
- Benefits & Welfare Division
- Office of Education

**Prefectural Schools**
- Libraries
- Museums
- Other Institutions

**SOURCE:** National Commission of Prefectural Education Boards Website (Translation)
The Structure of School Management
(example)

**Functional Organization**
- Principal
- Vice Principal
- Teachers’ meeting
- School Business Management Committee
  - Committee of teachers with designated responsibilities
- Entrance Ceremony Committee
- Graduation Ceremony Committee
- Budget Committee
- General Affairs Section
- Public Relations Section
- Health and Safety Section
- Daily Life Guidance Section
- Research and Training Section
- Educational Affairs Section

**Activity-based Organization**
- Teachers’ Mutual Aid Association
- OB/OG Association
- PTA
- Administration of facilities and equipment
- Administration of the contact network
- Clerical affairs (administration of documents, budget drafts, etc.)
- Traffic safety guidance
- School lunch guidance
- Environmental hygiene and creation of beauty in the school surroundings
- Health guidance and regular health checks
- Guidance on extra-curricular activities
- Planning and guidance for all-school meetings and club activities
- Management and guidance of the “Children's Conference” activities
- Daily life planning and guidance within the school
- Research presentations
- Implementation of teaching research
- Implementation of training outside subjects and subject areas
- Deciding on and administering school events
- Educational evaluation
- Administration of register of enrolled children
- Preparation of grade management draft
- Deciding on education plans (yearly, monthly, weekly)
- Drawing up and submitting the curriculum

Issues in Education Administration, Finance and Management

- Education Administration and Finance based on Education planning
- Education Administration and Finance for Internationalization
- Deregulation of the Control in Education Administration and Finance
- Establishment of Participation System in Education Administration and Management