

Background Note

Pre-budget Policy Dialogue

on

Balochistan Education Budget 2014-15



**Institute of
Social and Policy Sciences**

Background Note

1. Introduction

Pakistan has been spending in the range of 1.8 percent to 2.7 percent of its GDP on education over the years. This percentage is too low, when compared with other South Asian countries. Moreover, public financing of education as a share of GDP is also declining. Notwithstanding the low share of GDP to education, Pakistan's position has improved in some key educational indicators over the last three years. Literacy rate has increased from 67 to 69, Net Enrollment Rate (NER) from 60 to 61 and a marked improvement in enrollment at middle, high, higher secondary and higher education has been recorded. There is no denying the fact that in order to provide free and compulsory education to all children of the age of five to sixteen years, appropriate and sufficient allocations to education along with effective utilization of available resources is inevitable. The National Education Policy 2009, identifying major deficiencies and gaps in current system and outlining an ambitious and holistic strategy, envisages a dedication of 7 percent of GDP to education till 2015. However, seeing the current trends and national priorities, the envisaged allocation appears to be a farfetched dream. Concurrently, another important challenge in this regard is inadequate resource allocations under different budget lines.

An analysis of education budgets of the province of Balochistan shows that it allocated Rs. 24.52 Billion for education in 2012-13. About 92 percent of this allocation is earmarked for recurrent expenses and 8 percent for development expenses. The overall expenditure surpassed the allocation by 11%. The entire increase in expenditure was absorbed in salaries, increasing the salary expenditure by 20 percent over budget allocation and development and non salary expenditure was slashed by 18 percent and 21 percent respectively. An amount of Rs. 34.90 billion has been earmarked for education in 2013-14. The pattern of allocation has been drastically changed, slashing the allocation for primary education and enhancing the allocation for secondary and higher education and other miscellaneous expenses. Secondary education is the first priority with 40 percent allocation, followed by primary education with allocation reduced to 22 percent of total education allocation, higher education with share increased by 36 percent whereas the allocation for others slashed by 21 percent as compared to the allocation in proceeding financial year 2012-13. The actual expenditure will determine the outcomes by the end of this financial year.

Besides, persisting issues in adequate need-based allocation and utilization of budget, the new developments in the wake of 18th Constitutional Amendment and particularly insertion of Article 25-A has thrown new opportunities and challenges for education sector. There is a need to have informed debate on the required financial outlay and legal requirements in order to be compliant with the constitution.

Keeping the above in view, I-SAPS is organizing a pre-budget policy dialogue with diverse stakeholders to deliberate upon the critical relevance of resource allocation to education quality and accessibility especially focusing at provincial level in Balochistan.

The dialogue will initiate a pre-budget debate and provide informed policy options for improving education financing in the province of Balochistan. The main idea is to make contributions and share recommendations for improved allocations and to ensure effective utilization of available resources.

2. Aim and Objectives

The broad aim of this dialogue is to facilitate an informed debate on education budget in order to improve allocation education budgets for the year 2014-15. Specific objectives of policy dialogue are as follows:

- i. Provide the much needed interface between government officials, public representatives and civil society for improving the effectiveness of resource allocations and spending in the education sector along with a critical revisit of the associated governance issues;
- ii. Propose a set of recommendations for effective and appropriate budget allocations by relevant education departments in the province.

3. Topics to be covered by Speakers

The speakers and discussants at the policy dialogue will include experts in the areas of education, budgeting and political economy. The topics to be covered in the policy dialogue are briefly described below:

- a. Analysis of Balochistan Education Budget for FY 2013-14: Challenges and Opportunities
- b. Budget Analysis: Proposals for Improving Education Budgets for the year 2014-15
- c. Budgetary Issues in Education Sector, Khyber Pakhtunkwa

4. Participants

The participants of policy dialogue will comprise the key stakeholders i.e. parliamentarians, representatives of departments of Education, Planning & Development, academics, civil society organizations, and media.

5. Follow-up

I-SAPS is holding education finance dialogues with a view to creating and sustaining a vibrant interface between civil society, public representatives and government officials for improved allocations to education. It is envisaged that, in addition to more issue-based dialogues, I-SAPS will provide department-specific recommendations and facilitate the departments for improving education financing.