



**Institute of
Social and Policy Sciences**



Background Note

**Post-budget Policy Dialogue
on
Balochistan Education Budget 2014-15**

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 few years. As per the Pakistan Social and Living Standards Measurement (PSLM) Survey 2012-13, Pakistan's Literacy Rate has increased from 58 to 60 whereas the Net Enrollment Rate (NER) at primary level stands at 57 percent. There is also a marked improvement in enrollment at middle, high, higher secondary and higher education levels. 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 2014-15 of Balochistan shows that it has allocated about one fifth of its total provincial budget for education in 2014-15 where a budget of Rs. 40.7 billion has been apportioned for the education sector this year. This shows an increase of 17 percent compared with the allocation in 2013-14. It is encouraging to see a reasonable part of Balochistan's education budget appropriated for development purposes. 71 percent of this budget has been earmarked for recurrent expenditure compared with 29 percent budget apportioned for development purposes. Major portion of the current budget flows to the salary expenditure. Non-salary budget which is essential for day-to-day operational expenses of schools gets a meager share of the current budget, i.e., 11 percent, in 2014-15 also. Compared with the last fiscal year, in 2014-15, non-salary budget has been slashed by 22 percent. Out of the total education budget, the highest share of 36 percent has been earmarked for secondary education followed by primary education (24 percent), higher education (19 percent) and 'other' (21 percent). In 2013-14, more than 97 percent of the allocated education budget was spent. However this higher proportion of spending was due to the additional allocations for the salaries as opposed to the development budget, 48 percent of which remained unspent.

Besides, persisting issues in adequate need-based allocations and utilization of budget, the devolution of additional subjects to the provincial governments in the wake of 18th Constitutional Amendment and particularly the legislation of Balochistan Compulsory Education Act 2013 has thrown new opportunities and challenges for the education sector. There is a need to have an informed debate on the required financial outlay and legal requirements in order to be compliant with the constitutional obligation.

Keeping the above in view, I-SAPS in collaboration with Alif Ailaan is organizing a Post-budget Policy Dialogue (2014-15) with diverse stakeholders to deliberate upon the critical relevance of

resource allocation and expenditure to education quality and accessibility especially focusing at the provincial level in Balochistan.

The dialogue besides initiating a post-budget debate will lead to informing policy choices for improving education financing in the province of Balochistan.

2. Aim and Objectives

The broad aim of this dialogue is to facilitate an informed debate on education budget in order to improve education spending patterns. 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 and expenditures 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 and 2014-15
- b. Analysis of the spending of the education budget and proposals for improving education expenditures

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.