

Background Note

Pre-budget Policy Dialogue

Balochistan Education Budget 2015-16: Financing for Better Results

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 effective spending of the allocated resources for the education sector remains a serious challenge. 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, achieving the envisaged target 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 allocated about one fifth of its total provincial budget for education in 2014-15 where a budget of Rs. 40.7 billion was apportioned for the education sector. 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 was appropriated for development purposes. 71 percent of this budget was earmarked for recurrent expenditure compared with 29 percent budget apportioned for development purposes. Major portion of the current budget flowed to the salary expenditure.

Non-salary budget which is essential for day-to-day operational expenses of schools got a meager share of the current budget, i.e., 11 percent, in 2014-15. Out of the total education budget, the highest share of 36 percent was 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.

Beside the 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 the education sector at the provincial tier. It is commendable that Balochistan has enacted Balochistan Compulsory Education Act, 2014 in compliance of Article 25-A. However its effective implementation still remains a challenge. In this backdrop, there is a need to have an informed debate on the required financial outlay and legal requirements in order to ensure access to quality education to the children of 5-16 years in Balochistan.

Keeping the above in view, I-SAPS in collaboration with AlifAilaan is organizing a Pre-budget Policy Dialogue with diverse stakeholders to deliberate upon the critical relevance of resource allocation and expenditure to education quality and accessibility especially focusing at provincial level in Balochistan. The dialogue is expected to initiate a pre-budget debate and provide informed policy options for improved allocations for the education sector.

2. Aim and Objectives

The broad aim of this dialogue is to facilitate an informed debate on Balochistan Education Budget 2015-16 for improved allocations for the education sector. Specific objectives of the policy dialogue are as following:

- 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 appropriate budget allocations and effective spending by the relevant education departments in the province for the FY 2015-16.

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 will include:

- a. Analysis of Balochistan Education Budget for FY 2014-15
- b. Recommendations for the Balochistan Education Budget 2015-16

4. Participants

The participants of policy dialogue will comprise the key stakeholders including; members of provincial assembly, representatives of political parties, public officials from the departments of Education, Finance, Planning & Development, academics, civil society organizations, and representatives of print and electronic media.

5. Follow-up

I-SAPS is holding pre and post budget dialogues on public financing of education with a view to creating and sustaining a vibrant interface between civil society, public representatives and government officials for improved allocations and effective spending in the education sector. 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.