# Education Data, Policy and Budget: Bridging Gaps

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Properly managed data system, adequate public financing, and a sound policy with viable policy targets play a fundamental role in development of education sector. Collectively, these three factors can greatly contribute to reducing gaps in access, quality and equity in provision of education.

In Pakistan, education data, policy and budget work as standalone initiatives and do not connect to each other in anyway. This is evident from arbitrariness, unpredictability, and frequent fluctuations in priorities in all education budgets at federal and provincial levels. As a result of this disconnect between available data, policy priorities and budgetary allocations, significant improvement in education indicators and quality of education remains a farfetched dream thus far.

Connection between Data, Policy and Budget
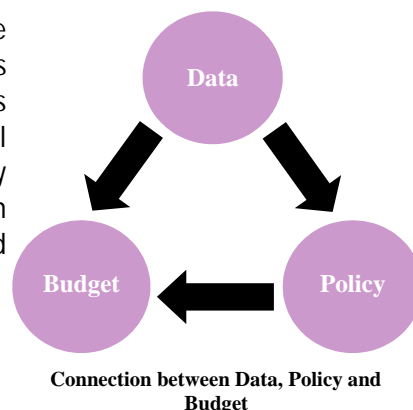
Evidence of Disconnect between Education Data, Budget and Policy: Case of Pakistan

Following few examples provide evidence regarding the challenge:

1. In National Education Policy (NEP) 1998-2010, government committed to raise the budgetary allocations for education sector to 4% of GDP, which was further revised upward to 7% of GDP in the

NEP 2009. However, in fiscal year 2009-10, the education sector could get only 2% of GDP allocation, which is the corollary of disconnect between three important processes i.e. data, public policymaking, and public finance. (Chart 1)

Chart 1: Expenditure on Education as % of GDP
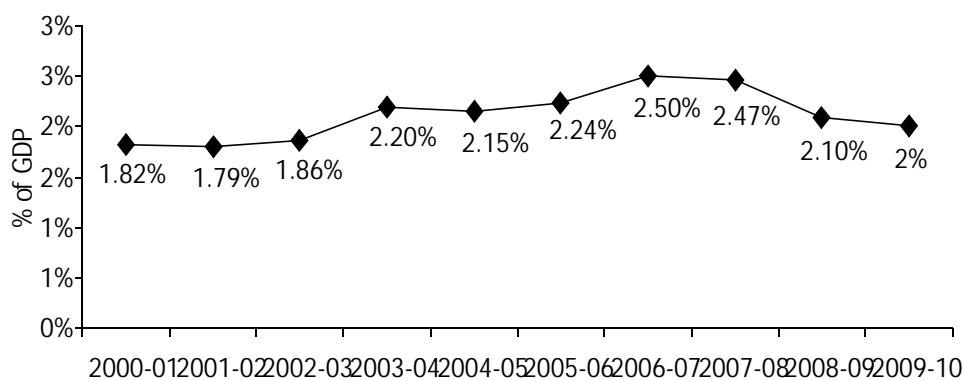
Source: I-SAPS calculations from federal Budgets, 2008-09 to 2010-11

2. Cutback in development expenditure and extremes of over-spending and under-spending also hint at the absence of any linkage between education data, policy and budget in Pakistan. For example, both education policy and statistical data underline the need for expansion of school education. However, the pattern of public financing does not conform to this need. It is evident from grossly low utilization of development expenditure on school education. For example, in fiscal year 2009-10, Punjab and Sindh could utilize only 31% and 44% of the development education budget allocated for school education, respectively.

3.   Similarly, there is lack of consistency in allocation for development work in education sector in all provinces. Khyber Pakhtunkhwah (KP) and Sindh allocate three-fourth and quarter of their education budgets, respectively, on development schemes., whereas, in case of Federal and Punjab governments nearly half of the total education budget went to development work over the past two years. (Chart 2)

Chart 2: Share of Development Budget in Education Budget
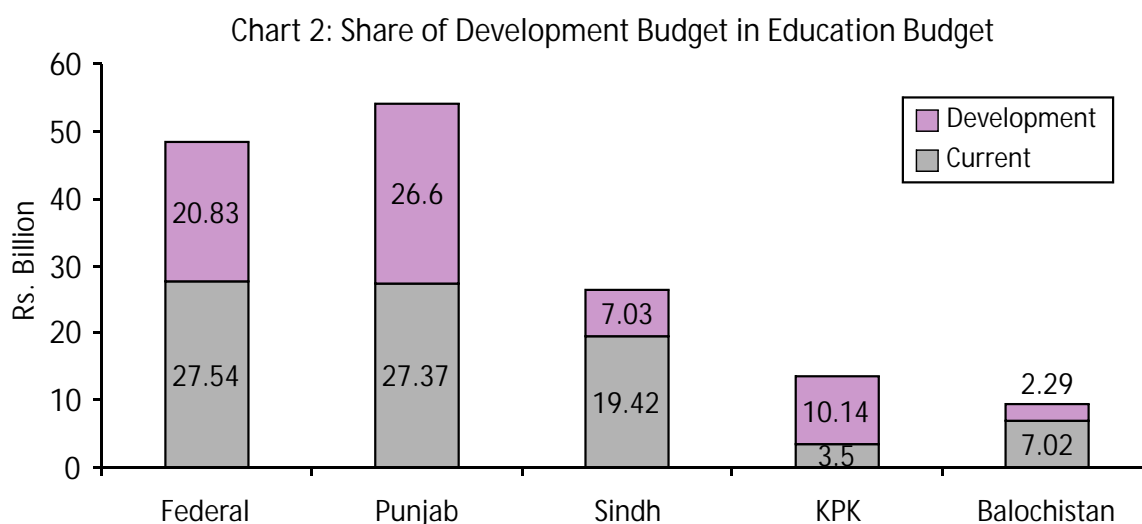
Source: I-SAPS calculations from federal Budgets, 2008-09 to 2010-11

4.   Allocation of lower non-salary budget than employees-related expenditure is a common feature of all budgets, which entails serious consequences for the education system. Urgent needs of the institutions such as purchase of equipment, repair and maintenance, and operational costs are met from non-salary budget. In Balochistan, the non-salary budget has been cut by 15% in overall terms.

5.   Academy of Education Planning and Management (AEPAM) and National Education Assessment Systems (NEAS) are institutions mandated to conduct research on various aspects of educational development, to strengthen the management information systems and to periodically assess and monitor students' learning achievements. However, in fiscal year 2010-11, there is a decrease of 3% in AEPAM's budget under the heads of Communication and Research and Survey and Exploration. Similarly, salary budget of NEAS has been slashed by 46%.

6.   Moreover, capacity deficit and inconsistent utilization of budget at sub-sector level points towards poor planning and lack of financial checks and balances during implementation phase. For example, the expenditure for special education increased from 8% to 20 % in 2009-10. However, it declined sharply from 20% to 1% in 2010-11. Similarly, witnessing an increase from 5% to 13% in 2009-10, expenditure for literacy declined to 7% in 2010-11. (Chart 3)
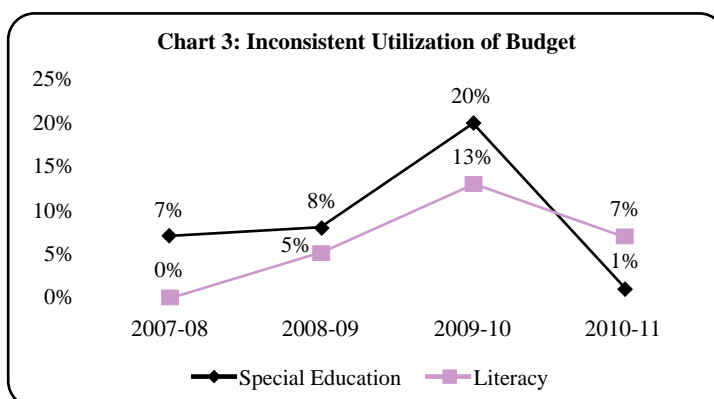
Source: I-SAPS calculations from Punjabl Budgets, 2008-09 to 2011-12

Recommendations/ What Needs to be Done?

1. The gaps between education data, policy and budget should be bridged for data-based policy making and increasing effectiveness of education budget in Pakistan.

2. To help build and revamp physical infrastructure, reconstruction/ repair of all dangerous buildings must be given high priority without any delay, which must be guided by evidence-based financial planning.

3. Additional resources are also required, as the high number of out-of-school children alone provides sufficient evidence to make a case for greater investment in the education sector.

4. Provision of sufficient resources is crucial for AEPAM and NEMIS, especially in the non-salary budget, to perform their functions for education planning effectively.

5. For achievement of best possible outcomes, effective utilization of resources must be ensured as mere increase in budgetary resources does not guarantee that the system would begin to perform miraculously. The efforts should be concentrated, alongside the objective of expanding the resource pool, on maximizing the impact of available resources which are at present to the tune of 2% of GDP.