



Public Financing of Education in Pakistan

Analysis of Federal, Provincial and District Budgets

2010-11 to 2015-16



**Institute of
Social and Policy Sciences**
Informing Policies, Reforming Practices



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Provincial and District Budgets
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Foreword

Public financing of education in Pakistan (2010-11 to 2015-16) is the seventh in a series of publications that aim at analyzing the trends of education expenditure of the federal, provincial and district governments. It analyzes the allocation and expenditure at federal and provincial level for a time period of six fiscal years i.e., 2010-11 to 2015-16. The study has been done as part of wider initiative of Institute of Social and Policy Sciences (I-SAPS) to enhance the effectiveness of public spending on education in Pakistan. Detailed analysis of education budgets of federal government and all provinces not only allows for tracking the spending patterns but is also expected to contribute in highlighting anomalies in the education spending and to establish a framework for better linkage between policy provisions, education data and financing.

We believe that such publications which are grounded in frameworks of efficiency and effectiveness can prove pivotal in initiating a larger debate on effectiveness of public financing and ensuring the best value for money.

The report draws data from the Project to Improve Financial Reporting and Auditing (PIFRA) and Federal and provincial budget books and also includes district education expenditure to give a fuller picture. In doing so, access to accurate and reliable expenditure reports has been a major challenge.

Suggestions and feedback are welcome from all stakeholders. We hope that this study would contribute towards being a reference on education budgets and play a part in transforming the education sector of Pakistan.

Salman Humayun, Ph.D.
Executive Director
I-SAPS
April, 2016

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I-SAPS wishes to thank Abrar Hafeez, Secretary General, Consumer Rights Commission of Pakistan (CRCP), Rizwana Shabbir and Ahmad Ali, Research Fellows, I-SAPS for their insights related to education financing which has immensely enriched the analysis. We are also thankful to the experts for reviewing the draft chapters and suggesting improvements. We highly regard the support of many individuals and cooperation of the Education and Finance Departments in the compilation of this study.

Acronyms

AEPAM	Academy of Education Planning and Management
AJK	Azad Jammu and Kashmir
BEMIS	Balochistan Education Management Information system
E&SED	Elementary and Secondary Education Department
FABS	Financial Accounting and Budgeting System
FATA	Federally Administered Tribal Area
GDP	Gross Domestic Product
ICT	Islamabad Capital Territory
I-SAPS	Institute of Social and Policy Sciences
KP	Khyber Pakhtunkhwa
MDGs	Millennium Development Goals
NEAS	National Education Assessment System
OBI	Open Budget Index
PEACE	Provincial Education Assessment Centre
PEAS	Punjab Education Assessment System
PEC	Punjab Examination Commission
PITE	Provincial Institute for Teacher Education
PIFRA	Project to Improve Financial Reporting and Auditing
PMIU	Programme Monitoring and Implementation Unit
PSLM	Pakistan social and Living Measurement Standards Survey

SAP	Systems, Applications, Products in Data Processing
SAT	Standardized Assessment Test
SEMIS	Sindh Education Management Information System
SMC	School Management Committee

Symbols

- % The symbol refers to percent.
- 0 Zero means that the amount is nil or negligible.
- The symbol signifies that the data is not available or is not separately reported.

Notes

- i. The terms 'budget estimates' and 'allocations' are used interchangeably.
- ii. The terms 'utilization', 'spending' and 'expenditure' are used interchangeably.
- iii. The terms 'current budget' and 'recurrent budget' are used interchangeably.

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Executive Summary

Institute of Social and Policy Sciences (I-SAPS) believes in the significance of establishing a dedicated and informed link between education policies, data, and the budgetary allocations in order to sustain educational reforms in the country. I-SAPS has been reporting and comparing the public expenditure of federal and provincial governments since 2007-08 as part of the wider initiative of I-SAPS to generate demand and stimulate policy response for enhancing effectiveness of public spending on education.

The report at hand is a sequel to the previous six reports analyzing the federal, provincial and district tier budgets not only as aggregated allocations and expenditures from 2010-11 to 2015-16 but also unpacks the budget at functional (primary, secondary and higher education) and operational (salary and non-salary budgets) levels. The data used in the report has been gathered from the Government Financial Management Information System (SAP system colloquially referred to as PIFRA) and budget books for the current fiscal year 2015-16.

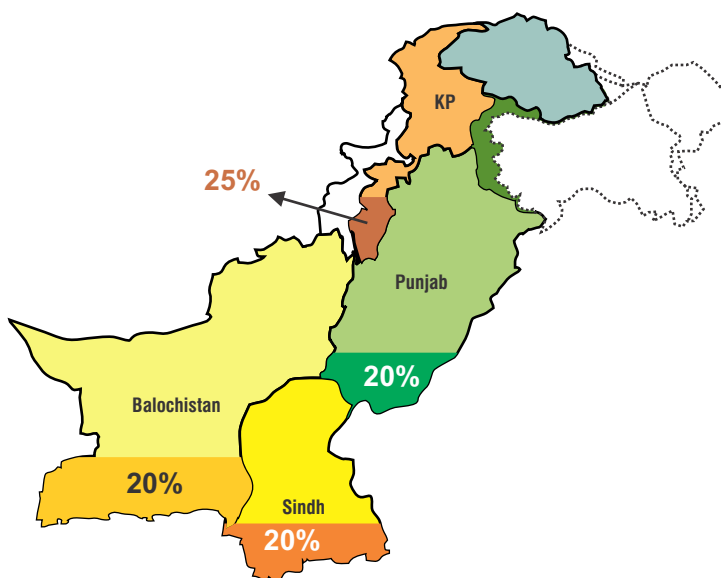
Although significant, the share of education in total provincial budgets is declining except for Balochistan. This year, the government of Khyber Pakhtunkhwa has allocated the highest share of its provincial budget for education, i.e., 25 percent. The other three provinces have each earmarked 20 percent of their overall budgets for education in 2015-16. It is worth mentioning that except for Balochistan, the share of education has been on the decline. The share of education has declined from 26 percent of total budget in 2013-14 to 20 percent in 2015-16 for Punjab. For Sindh, it has gone down from 23 percent of its total budget in 2013-14 to 20 percent this year whereas for Khyber Pakhtunkhwa, the decline has been 4 percent; from 29 percent of its total budget in 2013-14 to 25 percent in 2015-16. For Balochistan, an increase has been reported in the share of education over the last 3 years starting from 18 percent in 2013-14 to 20 percent of the total budget in 2015-16.

“”

I-SAPS has been reporting and comparing the public expenditure of federal and provincial governments since 2007-08.

Share of Education in Total Provincial Budget (in Rs. Million)

Except for Balochistan, the share of education in the respective provincial budget has declined over the last 3 years.



Province	Total Budget	Education Budget	Percentage Share
Punjab	1,447,242	286,505	20%
Sindh	739,302	147,877	20%
Khyber Pakhtunkhwa	487,880	119,721	25%
Balochistan	243,500	48,345	20%

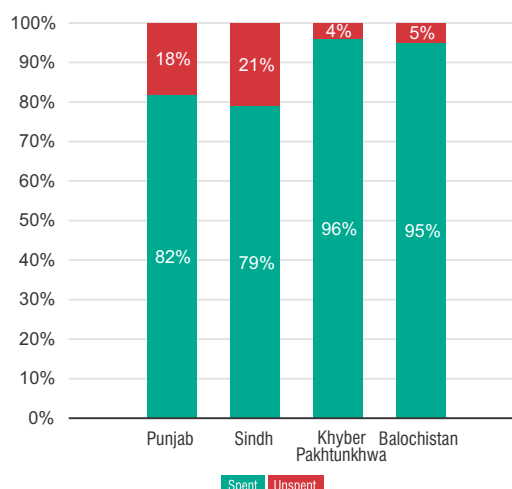
Source: FABS Reports from PIFRA SAP System

All the provinces have increased their education budgets this year compared with the allocated budget in 2014-15. The highest increase of 19 percent in allocations has been reported for Balochistan followed by 12 percent for Khyber Pakhtunkhwa, 10 percent for Punjab and 7 percent increase for Sindh.

The development budgets for education in case of Khyber Pakhtunkhwa and Balochistan have been slashed by 15 percent in 2015-16 compared with previous year's allocated budgets. In 2014-15, the governments of Khyber Pakhtunkhwa and Balochistan had allocated Rs. 26.1 billion and Rs. 11.7 billion respectively for development purposes, however, these have been reduced to Rs. 22.2 billion and Rs. 10.02 billion respectively in 2015-16 presenting a decline of 15 percent in both cases.

Despite significant share of provincial budgets apportioned for education, a portion of the allocated budget remains unspent. In 2014-15, the government of Sindh spent only 79 percent of its education budget whereas for Punjab, 18 percent of the education budget remained unspent. The percentage expensed budget remained quite high in case of Khyber Pakhtunkhwa (96 percent expenditure) and Balochistan (95 percent expensed budget).

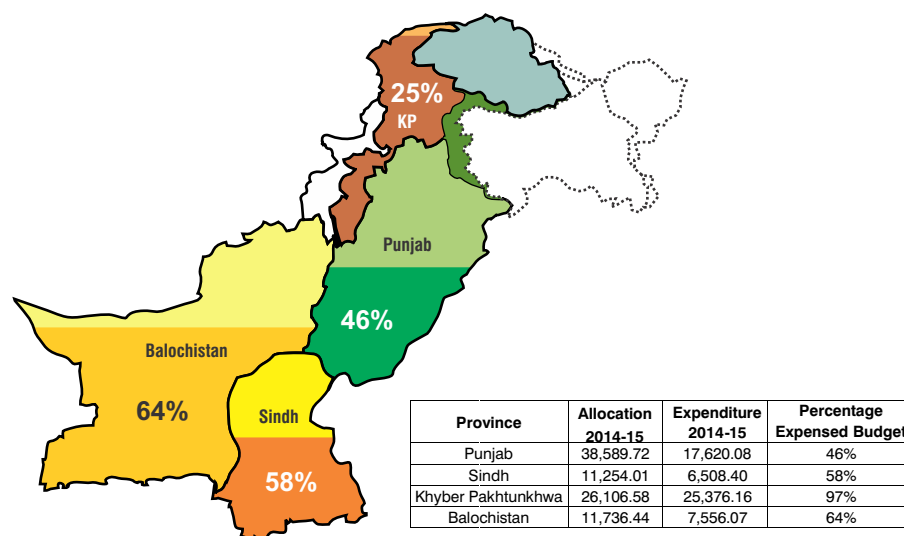
Difference between Allocated and Expensed Education Budgets 2014-15



Source: FABS Reports from PIFRA SAP System

Recurrent budget receives major share of the allocated budgets for all the provinces. The highest share of recurrent budget has been recorded for Sindh this year with an allocated share of 91 percent followed by Punjab with 85 percent of its education budget earmarked for the purpose. 81 percent of the education budget of Khyber Pakhtunkhwa and 79 percent of the total budget for Balochistan has been earmarked for recurrent budget in 2015-16.

Development Budget Expenditure 2014-15 (in Rs. Million)



Source: FABS Reports from PIFRA SAP System

Except for Khyber Pakhtunkhwa, the expenditure on development budget has been very low for the other three provinces in 2014-15. The lowest expensed budget has

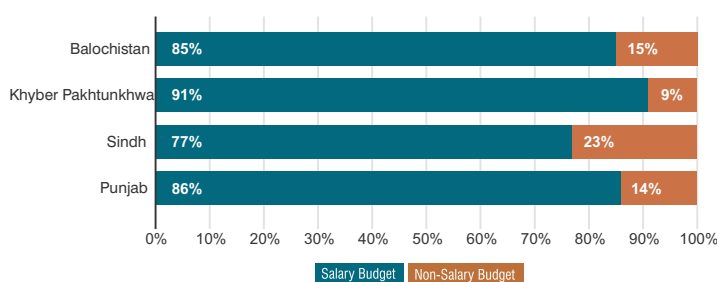
The government of Sindh has earmarked 90 percent of its education budget for recurrent expenditure.

been reported for Punjab with only 46 percent of its development budget spent during 2014-15. Punjab is followed by Sindh with 58 percent expenditure and Balochistan with 64 percent of its development spent during the last fiscal year.

Salary budget consumes major share of the education budget in 2015-16 and there is not much earmarked for non-salary budgets. Considering the significance of non-salary budget for operational expenditure of schools, the allocated budget for non-salary purposes has been quite low. The highest share of non-salary budget has been seen for Sindh with an allocation of 23 percent of the recurrent budget earmarked for the purpose. Balochistan follows with a 15 percent share while Punjab has allocated 14 percent of its recurrent budget for non-salary budget in 2015-16. Khyber Pakhtunkhwa has only allocated 9 percent of its recurrent budget for non-salary purposes this year.

Khyber Pakhtunkhwa has only allocated 9 percent of its recurrent budget for non-salary purposes in 2015-16

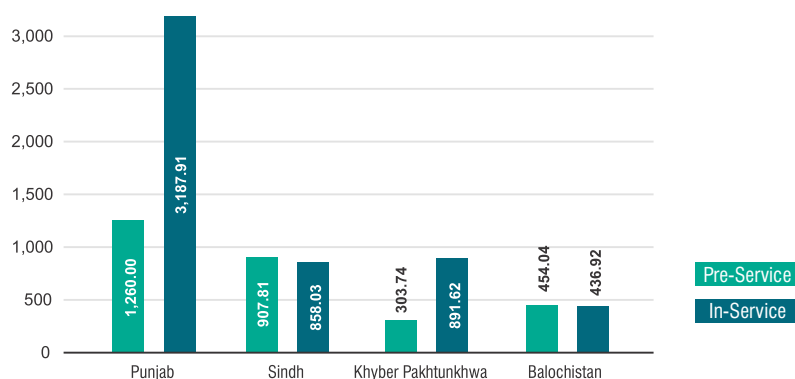
Share of Salary and Non-Salary Budgets in Total Recurrent Budget 2015-16



Source: FABS Reports from PIFRA SAP System

Significant budgets have been allocated for teacher training in all the provinces in 2015-16. A total budget of Rs. 8.3 billion (all the four provinces combined) has been earmarked for the purpose this year. For Punjab and Khyber Pakhtunkhwa, the share of in-service teacher training budget is more than double than that allocated for pre-service teacher training.

Teacher Training Budgets 2015-16 (in Rs. Million)



Source: I-SAPS Calculations from Provincial Budget Books 2015-16



CHAPTER 1

Introduction

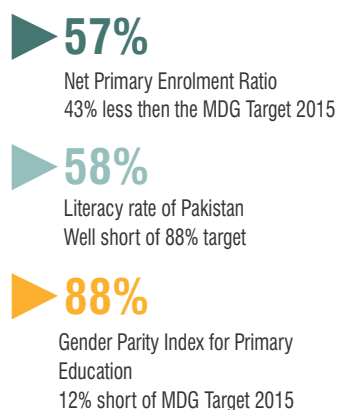
CHAPTER 1

Introduction

1.1 Background

Pakistan adopted the right to free and compulsory education for all the children of 5-16 years of age in April 2010. Even after the passage of more than 5 years of insertion of Article 25-A in the constitution of Pakistan and a reforms agenda being undertaken in all the provinces of Pakistan, a lot still remains to be done. Many children of school-going age are still out of school in Pakistan and even those who are studying in schools do not get quality education. While the international community has adopted a post-2015 agenda of provision of universal primary and secondary 'quality' education to all the children, the challenges faced by developing countries are huge in terms of access and quality of education. It goes without saying that lack of public education finance and ensuring its effectiveness remains a big hurdle in achieving the targets like gender parity and universal primary and secondary education in Pakistan.

Pakistan is currently spending 2.14 percent¹ of its Gross Domestic Product (GDP) on education which is the lowest in South Asia. Pakistan has a literacy rate of 58 percent which has improved from 35 percent in 1990-91 but still way behind the Millennium Development Goal (MDG) target of 88 percent that was to be achieved by the end of 2015. Although education statistics, on average, have improved over the last few years, vast disparities still exist at the provincial level. Sindh has a 57 percent transition rate from primary to middle level compared with 97 percent for Punjab². The survival rate to grade 5 hovers



Lack of public education finance and ensuring its effectiveness remains a big hurdle in achieving the targets like gender parity and universal primary and secondary education in Pakistan.

¹ Pakistan Economic Survey 2014-15

² Pakistan Education Atlas 2015

around 62 percent in Pakistan with provinces like Sindh and Balochistan having 45 percent and 46 percent of their students surviving till fifth grade, respectively. Gender disparities and rural-urban divide, especially as we go up the educational levels, are also two of the main issues that have impacted educational development in Pakistan.

“”

One of the main reasons for the slow progress in improving the state of education in Pakistan has been the disconnect between our educational policies, data and budgetary allocations.

One of the main reasons for the slow progress in improving the state of education in Pakistan has been the disconnect between our educational policies, data and budgetary allocations. As long as these three pillars of educational change remain disconnected, a successful and sustainable educational development will not be possible. Not only planning issues exist but also budget transparency and accountability is lacking in Pakistan.

In 2015, on budget transparency, Pakistan has achieved an Open Budget Index (OBI) score of 43 out of 100³ which essentially means that the government of Pakistan provides the public with limited budget information. Pakistan's score has declined this year by 15 points from its score of 58 out of 100 in the last 2012 survey. Comparing Pakistan's progress with the South Asian counterparts, its score of 43 is lower than 56 of Bangladesh and 46 of India. Budget accountability has always been a weaker part of the budget cycle in Pakistan, especially considering the opportunities that citizens and civil society get to participate in the process and monitor it. Although there has been some improvement in the last few years in budget transparency owing to internal pressures from civil society, ease of access to information and external pressure from international partners; the overall condition is still far from satisfactory. Also there is limited legislative participation and oversight during the planning and implementation stages of the budget cycle.

Institute of Social and Policy Sciences (I-SAPS), with its aim to inform policies and reform practices, has shouldered the concept of providing first-hand information about the trends and priorities of the federal and provincial governments related to public financing of education. This study is part of the wider initiative of I-SAPS to generate demand and stimulate policy response for enhancing effectiveness of public spending on education.

1.2 PURPOSE OF THE STUDY

The aim of this study is to analyze the recent trends in education spending and present the information in an easy to comprehend manner so that all the stakeholders can track, monitor and participate in the debate on education financing, the way it is planned and executed; thus leading to the development of education sector in Pakistan. The findings of this study and the policy implications generating out of it are expected to contribute in highlighting flaws and anomalies in our education spending and to establish a framework for better linkage between policymaking, data and financing options.

³ Open Budget Survey 2015

1.3 SCOPE OF ANALYSIS

The current study is seventh in a series of publications on public financing of education in Pakistan dealing with federal and provincial level budget analysis. Like the last two studies, the current volume also includes district level budgets. The first study in this series included budgetary analysis for three years, i.e., 2007-08 to 2009-10. The later volumes built onto the analysis drawn in the first volume by extending the time period. The current volume analyzes the education budgets of the federal and provincial governments over a time period of six fiscal years, i.e., 2010-11 to 2015-16. It unpacks the budgets at three levels i.e., aggregate (total, current and development budget), functional (primary, secondary and higher education) and object (salary and non-salary budgets) levels.

The current report draws its data from the Government Financial Management Information System (an SAP system colloquially referred to as PIFRA). In addition to the PIFRA reports, budget books and White papers, various newspaper articles, research reports and public financing documents have been consulted for this study. The audience of this study comprises public finance practitioners, policy makers, government officials, civil society organizations, educationists and media personnel.

1.4 SCHEME OF CHAPTERS

The study consists of six main chapters. The first chapter introduces the background and purpose of the study, structure of the chapters and the limitations of the study. A thorough analyses of the education budgets of the Federal, Punjab, Sindh, Khyber Pakhtunkhwa and Balochistan has been carried out in the subsequent chapters. In each of the chapters, similar formats have been maintained for ease of comparison and understanding.

For each of the chapters, the analysis of allocations and expenditure starts at the aggregate level in order to show a broader picture of the education budget. The education budget of 2015-16 has also been compared with 2014-15 to show the differences in allocations and expenditure. This is followed by an attempt to break-down and present the analysis at functional level. Wherever possible, district expenditure has also been discussed in detail. The trend analysis from 2010-11 to 2015-16 presents a detailed picture about the shift in policies at functional and aggregate level. This year, insights from budget books are also part of each chapter.

1.5 LIMITATIONS

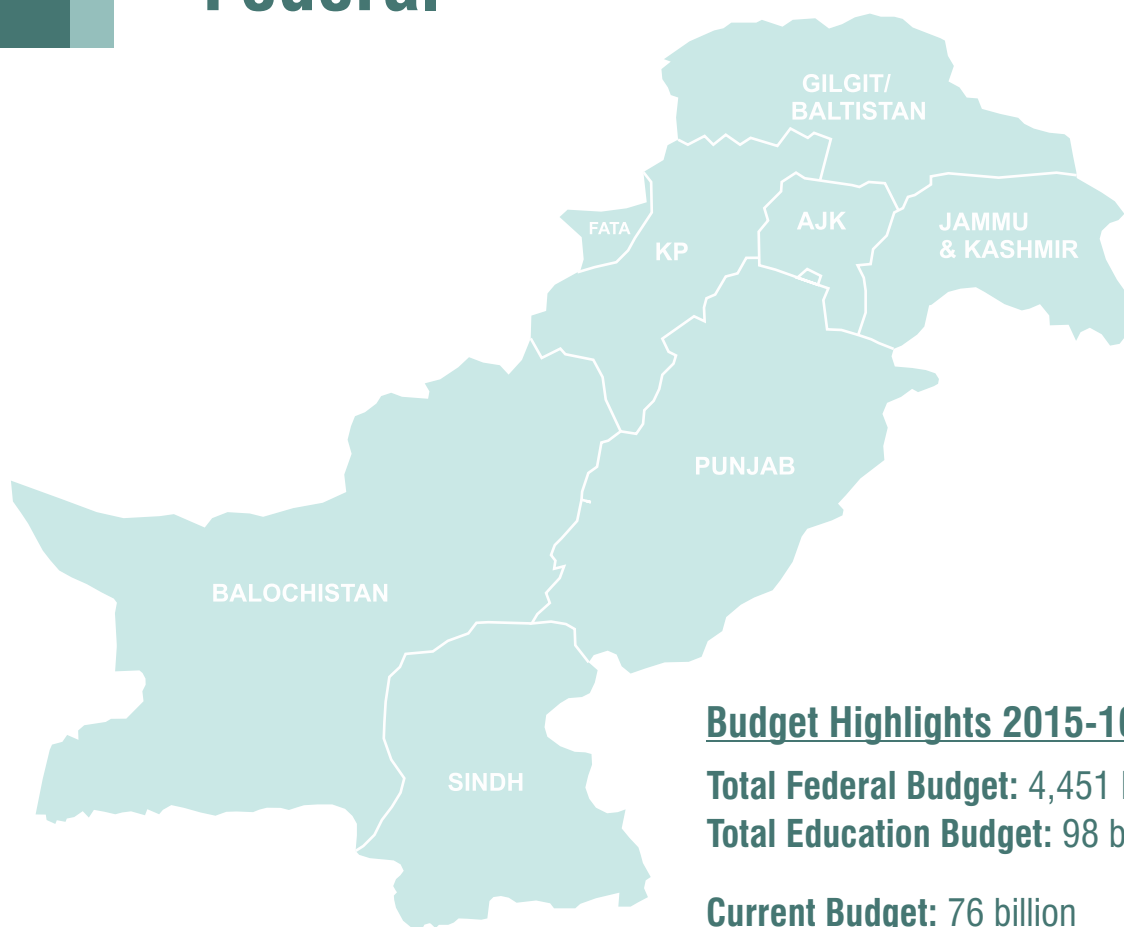
The budget figures quoted in the study include the district budgets for education, however, detailed analysis of the district budgets has not been possible for Sindh and Balochistan because of the lack of data. For Sindh, the budget figures for 2010-11 do not include district budget on education, whereas, the budget data for 2011-12 partially includes district education budget.

“”

This study is seventh in a series of publications on public financing of education in Pakistan dealing with federal and provincial level budget analysis. It analyzes the education budgets of the federal and provincial governments over a time period of six fiscal years, i.e., 2010-11 to 2015-16.

CHAPTER 2

Public Financing of Education: Federal



Budget Highlights 2015-16

Total Federal Budget: 4,451 billion

Total Education Budget: 98 billion

Current Budget: 76 billion

→ Salary Budget: 22 billion

→ Non-Salary Budget: 54 billion

Development Budget: 22 billion

CHAPTER 2

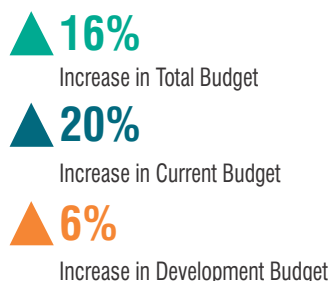
Public Financing of Education: Federal

Although primary and secondary education is now a provincial subject in Pakistan, the primary and secondary schools in Islamabad Capital Territory (ICT) fall under the jurisdiction of Federal Government. ICT has a total of 391 public schools out of which 49 percent are girls schools¹. Out of these schools, majority are primary schools (49 percent) followed by 15 percent middle, 25 percent high and 11 percent higher secondary schools. Overall enrolment in government schools is 0.2 million student out of which 49 percent are enrolled at primary level. The number of teachers working in schools of ICT is 6,463; 65 percent of whom are female. Survival rate to grade 5 in ICT is 100 percent and the transition rate from primary to middle is also 100 percent².

2.1 EDUCATION BUDGET 2015-16 AT A GLANCE

2.1.1 Comparison of Education Budgets 2014-15 and 2015-16

The Federal government has earmarked an education budget of Rs. 97.9 billion for education in 2015-16. This shows an increase of 16 percent compared with the allocated budget in 2014-15. However, on comparison with the expensed budget in 2014-15, a decline of Rs. 3.8 billion (4 percent) can be seen in this year's allocated budget. Rs. 75.6 billion has been earmarked for current budget, representing 77 percent of the education budget for 2015-16. Compared with the allocated budget in 2014-15, the overall share of current budget in total education budget has increased by 2 percent this year. Non-salary budget receives major share of the current budget as it has been



¹ Pakistan Education Statistics 2013-14

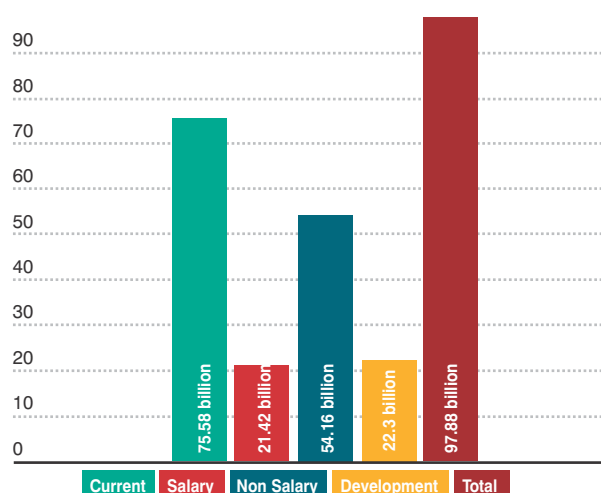
² Pakistan Education Atlas 2015

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The share of development budget in the overall education budget has gone down from 25 percent in 2014-15 to 23 percent of total education budget in 2015-16.

apportioned a budget of Rs. 54.2 billion (72 percent). On the other hand, salary budget will receive 28 percent of the current budget in 2015-16. A budget of Rs. 22.3 billion has been allocated for development purposes this year which constitutes 23 percent of the total education budget for the year. The share of development budget in the overall education budget has gone down from 25 percent in 2014-15 to 23 percent of total education budget in 2015-16.

Chart 2.1: Federal Education Budget 2015-16



Source: FABS Reports from PIFRA SAP System

A comparison with the allocated and expensed budget in 2014-15 will give us an idea of the increase/decrease made to the education budget this year.

Table 2.1: Federal Education Budget 2015-16 at a Glance (Rs. Million)

	2015-16	2014-15		Increase/Decrease vis-à-vis 2014-15	
	Allocation	Allocation	Expenditure	Allocation	Expenditure
A. Current	75,580.35	63,221.90	74,377.16	12,358.45 (20%)	1,203.19 (2%)
Salary	21,423.74	17,501.18	23,428.38	3,922.56 (22%)	-2,004.64 (-9%)
Non-Salary	54,156.61	45,720.72	50,948.78	8,435.89 (18%)	3,207.83 (6%)
B. Development	22,300.16	21,106.43	27,324.49	1,193.73 (6%)	-5,024.33 (-18%)
Total (A+B)	97,880.52	84,328.33	101,701.65	13,552.19 (16%)	-3,821.13 (-4%)

Source: FABS Reports from PIFRA SAP System

An increase of 16 percent (Rs. 13.6 billion) has been made in education budget of the province compared with the earmarked budget in 2014-15. However major portion of this increase owes to the current budget which presents an increase of 20 percent this year as

compared with the development budget which has been increased by 6 percent only. Considering the expensed budget in 2014-15, the allocated budget in 2015-16 highlights a decrease of 4 percent. Major decline has been recorded for development budget which will receive 18 percent lesser budget this year than the expensed budget in 2014-15.

2.1.2 Education Budget as a Proportion of Total Federal Budget

The percentage share of education in total budget has remained consistent over the last 3 years. Out of the total Federal budget of Rs. 4.5 trillion in 2015-16, Rs. 97.88 billion has been allocated for education. This constitutes about 2 percent of the total Federal budget for the year.

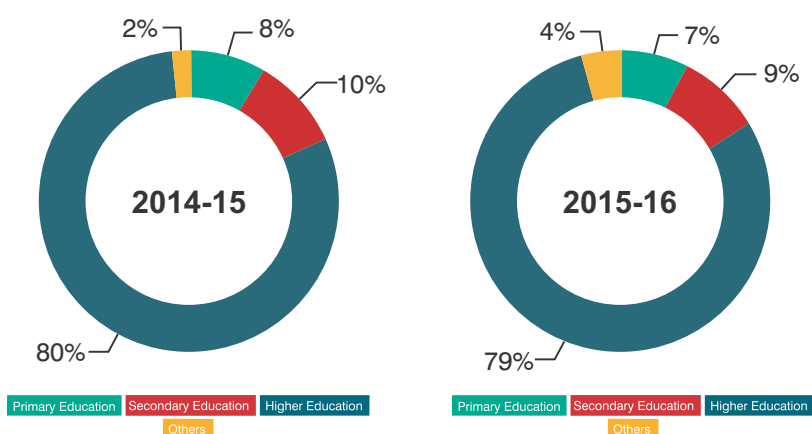
Table 2.2: Education Budget as Proportion of Total Federal Budget (Rs. Million)

	2015-16			2014-15			2013-14		
	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget
Current	3,482,239	75,580.35	2%	3,463,245	63,221.90	2%	3,196,000	59,277.00	2%
Development	969,038	22,300.16	2%	838,500	21,106.43	3%	789,000	21,121.00	3%
Total	4,451,277	97,880.52	2%	4,301,746	84,328.33	2%	3,985,000	80,398.00	2%

Source: FABS Reports from PIFRA SAP System

Compared with the 2 percent share of current budget which has remained constant over the last 3 years, the share of development budget for education in total Federal budget has reduced from 3 percent in 2013-14 and 2014-15 to 2 percent in 2015-16.

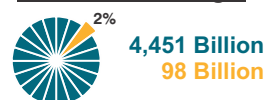
Chart 2.2: Composition of Education Budgets 2014-15 and 2015-16



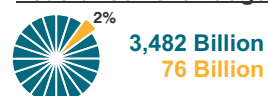
Source: FABS Reports from PIFRA SAP System

Education Budget as Proportion of Total Federal Budget 2015-16

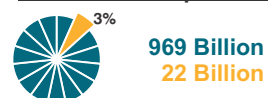
Total Federal Budget



Federal Current Budget



Federal Development Budget



Education Budget

2.1.3 Composition of Education Budget 2015-16

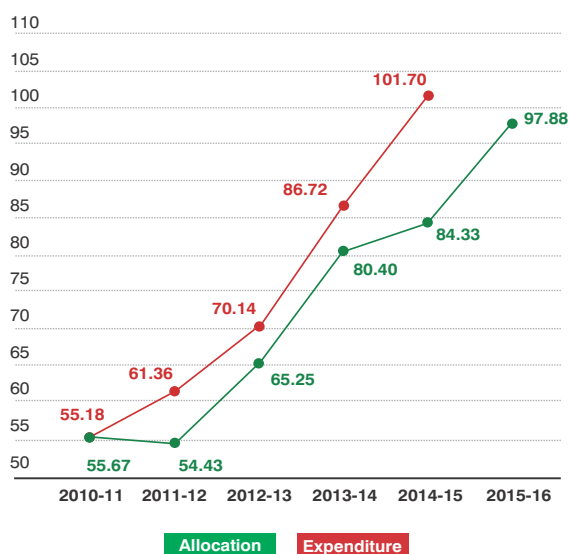
Major share of Federal education budget 2015-16 has been earmarked for higher education. An allocation of Rs. 77.4 billion has been made for higher education this year which constitutes 79 percent of the total education budget. Secondary education has been allocated Rs. 9.3 billion (9 percent) in this year's budget followed by Rs. 7.2 billion (7 percent) for primary education. The share of primary and secondary education has gone down from 8 percent and 10 percent of the total education budget in 2014-15 to the current year's 7 percent and 9 percent share, respectively.

2.2 TRENDS IN EDUCATION EXPENDITURE 2010-11 TO 2015-16

2.2.1 Trends in Total Budget Allocations and Expenditures

Federal education budget of has consistently increased over the last 6 years from Rs. 56 billion in 2010-11 to Rs. 98 billion in 2015-16 highlighting an increase of 76 per cent during these years. Except for 2010-11, during all the other years the expensed budget has been in excess to the allocated budget for that year. The highest excess spending has been recorded for 2014-15 where 21 percent more budget, amounting to Rs. 17 billion, was spent as compared with the allocation of Rs. 84 billion.

Chart 2.3: Trends in Education Budget 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

In 2010-11, a budget of Rs. 55.67 billion was allocated for education out of which Rs. 485 million remained unspent during the year. In 2011-12, the education budget was decreased by 2 percent to Rs. 54.48 billion, however, an additional 13 percent budget (Rs. 7 billion) was spent during the year. Earmarking an increase of 20 percent, an

The highest excess spending has been recorded for 2014-15 where 21 percent more budget, amounting to Rs. 17 billion, was spent as compared with the allocation of Rs. 84 billion.

allocation of Rs. 65.25 billion was made for education in 2012-13. As was the case in previous year, the expensed budget exceeded the allocation in 2012-13 by 7 percent. In 2013-14, highlighting an increase of 23 percent in the allocated budget, Rs. 80.40 billion were apportioned for education. An over-spent budget to the tune of Rs. 6 billion (8 percent) was recorder for 2013-14. With an increase of 5 percent, a budget of Rs. 84.33 billion was allocated in 2014-15. This year marked the highest excess spending of Rs. 17 billion compared with the allocated budget for the year. In 2015-16, a budgetary increase to the tune of Rs. 13.6 billion has been made for education, representing an increase of 16 percent over the previous year's allocated budget.

During all the last 6 years, higher education has received the highest share of education budget where its budget has consistently increased from Rs. 42.86 billion in 2010-11 to Rs. 77.40 billion in 2015-16. This highlights an increase of 81 percent over these years. During the last 6 years, the share of higher education has been around 80 percent of the total Federal education budget. After higher education, the share of secondary education has always been higher than the primary education. During all the years, the expensed budget for primary and secondary education has always exceeded the allocated budget. Primary education receives around 7-8 percent of the education budget while secondary education receives around 10 percent of the Federal education budget.

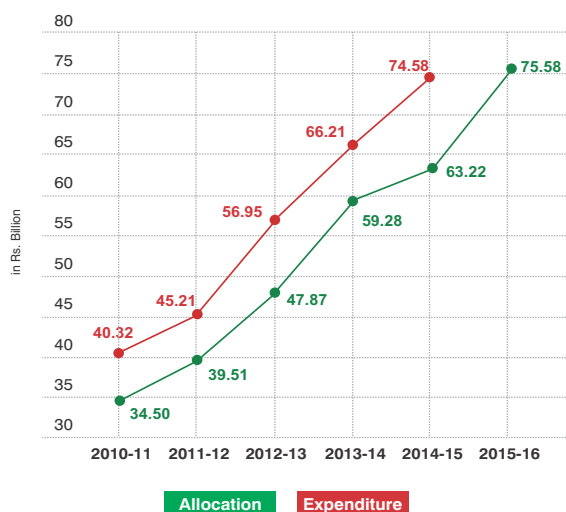
2.2.2 Trends in Current Budget Allocations and Expenditures

Current budget receives major portion of the education budget every year. In 2015-16, the percentage share of current budget allocation in the total education budget has been the highest, i.e., 77 percent. The percentage share has gradually increased over the last 6 years from 62 percent of total education budget in 2010-11 to 77 percent this year. A current budget of Rs. 75.6 billion has been allocated in 2015-16 earmarking an increase of 20 percent compared with the allocated budget in 2014-15.

In 2010-11, a current budget of Rs. 34.5 billion was allocated for education. The expensed budget during the year was Rs. 6 billion higher than the allocation. Highlighting an increase of 15 percent over the previous year's allocation, a budget of Rs. 39.51 billion was earmarked for education in 2011-12. Similar to the case in 2010-11, 14 percent excess budget was expensed in 2011-12. In 2012-13, an increase of Rs. 8.4 billion was made to the current budget which presents an increase of 21 percent over the previous year's allocation. Over the allocated budget of Rs. 47.87 billion in 2012-13, an increased budget of Rs. 59.28 billion was apportioned in 2013-14. Similar to the practice in the previous years, an excess of Rs. 7 billion was spent during the year. Highlighting an increase of 7 percent, a budget of Rs. 63.22 billion was allocated in 2014-15 with an excess budget of 18 percent spent during the year. In 2015-16, the allocated budget of Rs. 75.58 billion shows an increase of 20 percent over the previous year's current budget.

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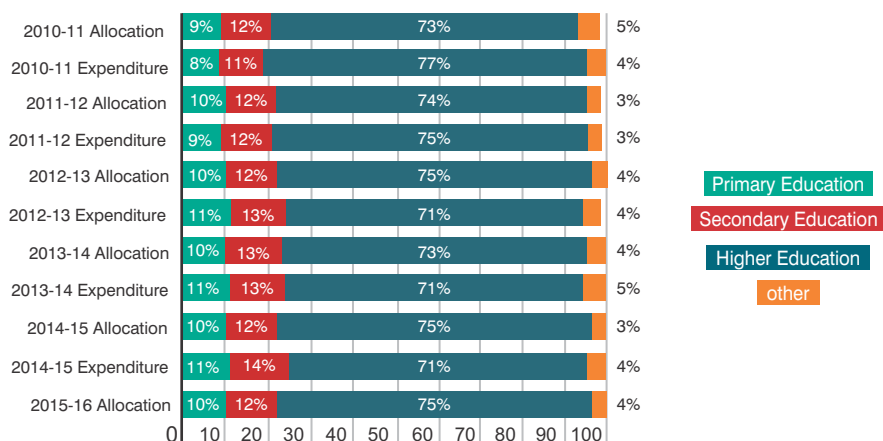
During the last 6 years, the share of higher education has been around 80 percent of the total Federal education budget.

Chart 2.4: Trends in Current Education Budget 2010-11 to 2015-16

Source: FABS Reports from PIFRA SAP System

During the last five years, the expensed budget for primary, secondary and higher education has always exceeded the allocation.

During all the 6 years from 2010-11 to 2015-16, the share of higher education in total current budget has exceeded primary and secondary education. For the last 2 years, higher education has been apportioned 75 percent of the education budget. Higher education has been followed by secondary education and primary education respectively. The budget for primary, secondary and higher education has consistently increased over the years. It is also worth mentioning that during the last five years, the expensed budget for primary, secondary and higher education has always exceeded the allocation. The share of primary education has been around 10-11 percent of the total education budget whereas the share of secondary education has been in the vicinity of 12-13 percent of the Federal education budget during the last few years.

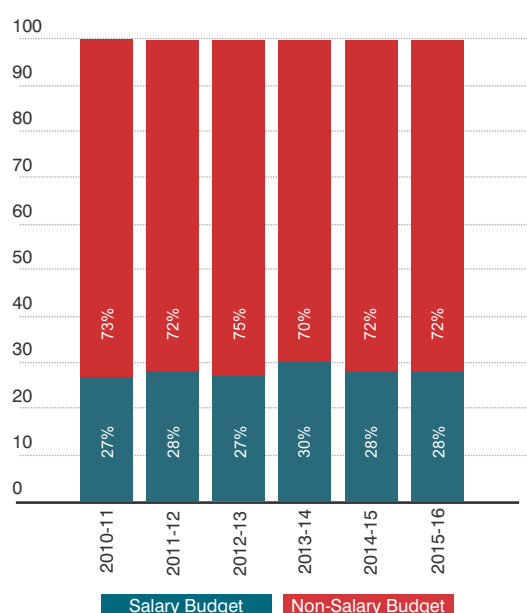
Chart 2.5: Trends in Current Budget by Educational Level 2010-11 to 2015-16 (Rs. Million)

Source: FABS Reports from PIFRA SAP System

Unlike the provincial budgets where salary budget receives major portion of the current budget, the budget allocated for salary and related expenses is relatively smaller in Federal education budget. In 2015-16, an allocation of Rs. 21.42 billion has been made for salary budget which constitutes 28 percent of the current budget for the year. During the last 6 years, salary budget has increased by 133 percent. The allocated budget of Rs. 21.42 billion in 2015-16 presents an increase of 22 percent compared with the allocated budget in 2014-15. For each of the last 5 years, the expensed salary budget has always exceeded the allocated budget.

In 2015-16, a budget of Rs. 54.16 billion has been earmarked for non-salary budget highlighting an increase of 18 percent over the previous year's allocated budget. The share of non-salary budget in total current budget has been consistent at 72 percent in the last two years. Like salary budget, the expensed non-salary budget has been higher than the allocation during the last 5 years. In 2013-14 and 2014-15, 11 percent more than allocated non-salary budget was expensed.

Chart 2.6: Share of Salary and Non-Salary Budgets in Total Current Budget Allocations 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

During the last 6 years, salary budget has increased by 133 percent.

2.2.3 Trends in Development Budget Allocations and Expenditures

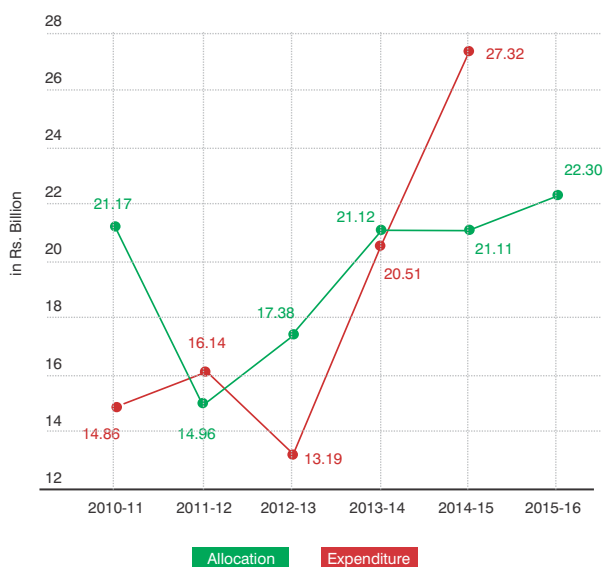
In 2015-16, a development budget of Rs. 22.30 billion has been earmarked for education in Federal budget. This constitutes 23 percent of the total education budget for the year. The development budget for education has increased from Rs. 21.11 billion in 2014-15 to Rs. 22.30 this year. Share of development budget in total education

Throughout the last 6 years, almost negligible share of development budget is earmarked for primary and secondary education whereas almost all the budget is allocated for higher education.

has declined consistently during the last 6 years from a percentage share of 38 percent in 2010-11 to 23 percent in 2015-16.

The allocations for development budget have almost remained stagnant during the last six years, starting from Rs. 21.17 billion in 2010-11 to Rs. 22.30 billion in 2015-16. In 2010-11, a budget of Rs. 21.17 billion was allocated for development purposes out of which only 70 percent budget could be spent during the year. With a decrease of 29 percent, development budget of Rs. 14.96 billion was apportioned for education in 2011-12. This year 8 percent excess development budget was expensed amounting to Rs. 1.2 billion. With an increase of 16 percent in 2012-13, the budget figures inclined to Rs. 17.38 billion. However, 24 percent of the allocated budget could not be spent in 2012-13. A development budget of Rs. 21.12 billion was earmarked for the purpose in 2013-14 out of which 3 percent budget remained unspent. Almost same allocation was made for development purposes in 2014-15. With an increase of 6 percent over the allocated budget in 2014-15, Rs. 22.30 billion have been earmarked for development budget his year.

Chart 2.7: Trends in Development Education Budget 2010-11 to 2015-16

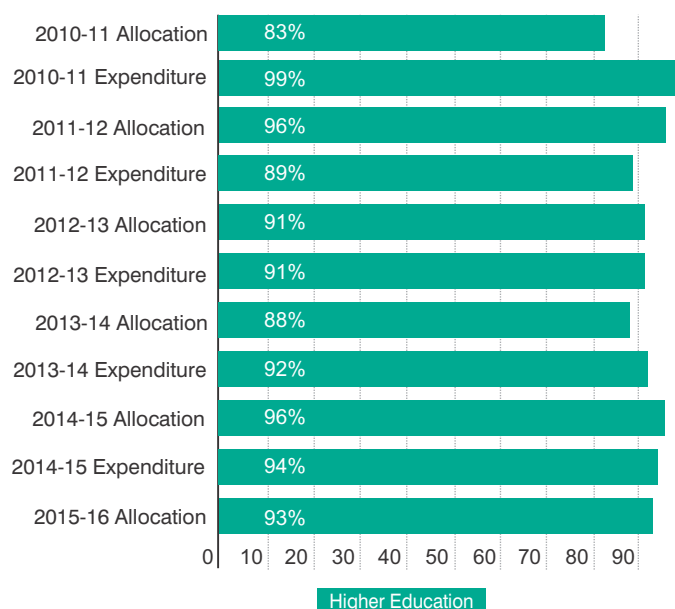


Source: FABS Reports from PIFRA SAP System

Throughout the last 6 years, almost negligible share of development budget is earmarked for primary and secondary education whereas almost all the budget is allocated for higher education. Compared with 96 percent share of higher education in development budget in 2014-15, this year the share has slightly declined to 93 percent of the development budget. In 2014-15, a meagre allocation of Rs. 256 million and Rs. 265 million was made for primary and secondary education. However, there was no expense recorded for primary education whereas only 13 percent of the budget earmarked for secondary education could be utilized during 2014-15. In 2015-16, there is no allocation

for primary education while secondary education is expected to receive 1 percent of the development budget.

Chart 2.8: Share of Higher Education in Development Budget 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

2.3 INSIGHTS FROM BUDGET BOOKS 2015-16

2.3.1 Teacher Education

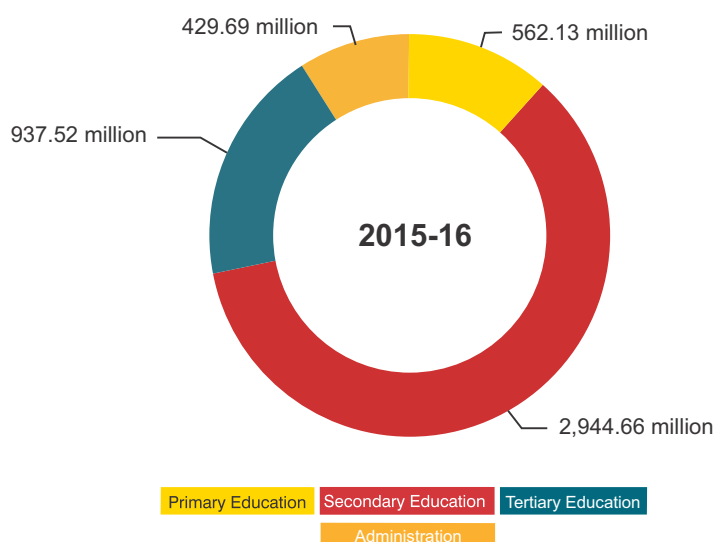
A budget of Rs. 66.65 million has been earmarked for Federal College of Education in 2015-16. 73 percent of this budget will be used for employee related expenses. The allocation for 2015-16 shows an increase of 5 percent over the previous year's allocated budget of Rs. 63.17 million.

An allocation of Rs. 61.27 million has been made for capacity building of teacher training institution and training of elementary teachers in ICT, Federally Administered Tribal Area (FATA), Gilgit Baltistan and Azad Jammu and Kashmir (AJK). This presents an increase of 129 percent compared with the allocated budget in 2014-15.

2.3.2 Federal Government Education Institutes: Cantonment and Garrison

In 2015-16, an allocation of Rs. 4.9 billion has been made for Defence Division for Cantonment and Garrison educational institutes under Federal Government. This shows an increase of 18 percent compared with the allocated budget in 2014-15.

An allocation of Rs. 61.27 million has been made for capacity building of teacher training institution and training of elementary teachers in 2015-16 presenting an increase of 129 percent compared with the allocated budget in 2014-15.

Chart 2.9: Composition of Education Budget for Defence Division 2015-16

A budget of Rs. 20.87 million has been apportioned for (NEAS) in 2015-16 which shows an increase of 23 percent over the allocated budget in 2014-15.

Source: I-SAPS Calculations from Federal Budget Books 2015-16

2.3.2 National Education Assessment System (NEAS) Budget

A budget of Rs. 20.87 million has been apportioned for National Education Assessment System (NEAS) in 2015-16 which shows an increase of 23 percent over the allocated budget in 2014-15. 58 percent of the allocated budget in 2015-16 will be utilized for employee-related expenses whereas 42 percent of it has been earmarked to cover non-salary costs.

2.3.3 Academy of Educational Planning and Management (AEPAM) Budget

In 2015-16, a budget of Rs. 101 million has been earmarked for AEPAM which constitutes 82 percent current budget and 18 percent development budget. The allocated budget this year shows an increase of 15 percent compared with the allocated budget of Rs. 88.15 million in 2014-15.

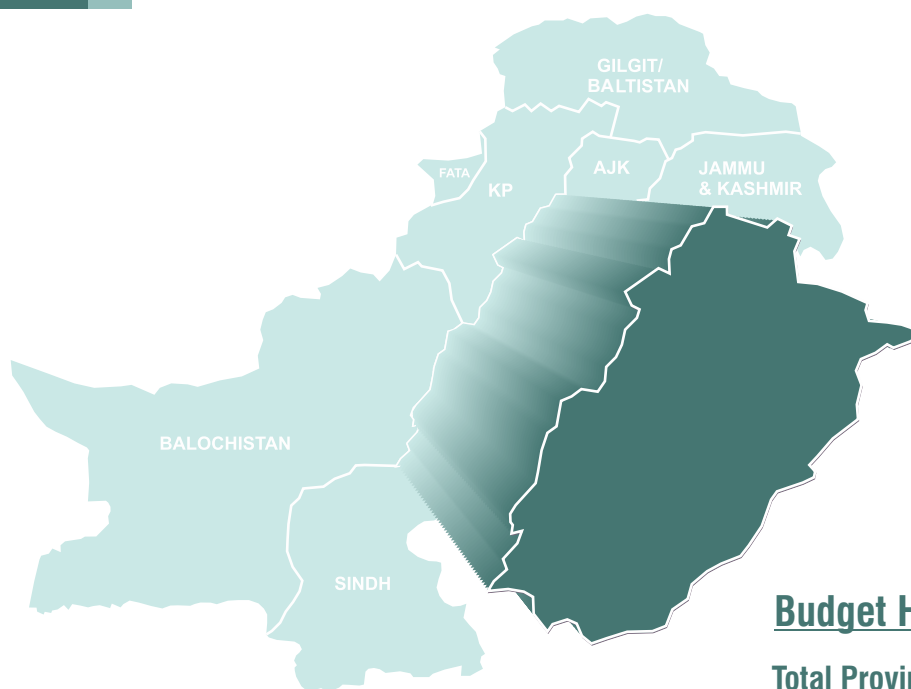
Table 2.3: Budgetary Allocations for AEPAM 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Current Budget	72.25	82.44	10.19 (14%)
Development Budget	15.90	18.56	2.659 (17%)
Total Budget	88.15	101.00	12.849 (15%)

Source: I-SAPS Calculations from Federal Budget Books 2015-16

CHAPTER 3

Public Financing of Education: Punjab



Budget Highlights 2015-16

Total Provincial Budget: 1,447 billion

Total Education Budget: 287 billion

Current Budget: 242 billion

→ **Salary Budget:** 210 billion

→ **Non-Salary Budget:** 33 billion

Development Education Budget: 44 billion

CHAPTER 3

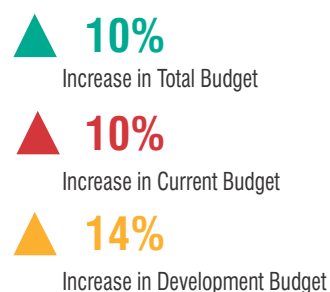
Public Financing of Education: Punjab

Punjab has a total of 52,695 public schools out of which 51 percent are girls schools¹. Out of these schools, majority are primary schools (69 percent) followed by 16 percent middle, 12 percent high and 1 percent higher secondary schools. Overall enrolment in government schools is 10.9 million student out of which 37 percent are enrolled at primary level. The number of teachers working in Punjab is 321,064; 51 percent of whom are female. According to PSLM 2013-14, net enrolment rate at primary level is 64 percent while the literacy rate² is 71 percent for male and 52 percent for female; showing vast disparity. Survival rate to grade 5 is 71 percent and transition rate from primary to middle is 97 percent³. The number of out of school children of 5-16 years age in the province is 13.1 million which constitutes 47 percent of the total population of the school-going age children⁴. 52 percent of these out of school children are female.

3.1 EDUCATION BUDGET 2015-16 AT A GLANCE

3.1.1 Comparison of Education Budgets 2014-15 and 2015-16

The government of Punjab has earmarked an education budget of Rs. 286.5 billion in 2015-16 representing an increase of 10 percent compared with the allocated budget in 2014-15. Out of the total education budget for 2015-16, 85 percent of the budget (Rs. 242 billion) has been apportioned for current budget. Compared with the allocated budget in 2014-15, the overall share of current budget in total education budget has remained



¹ Punjab Annual School Census 2014-15

² Population 10 years and older

³ Pakistan Education Atlas 2015

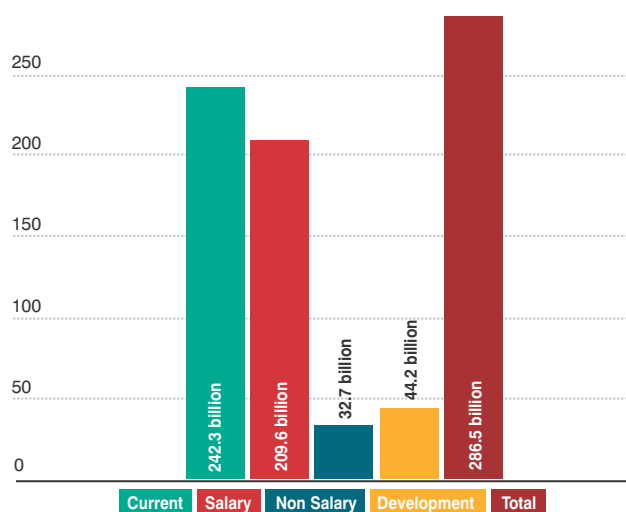
⁴ Alif Ailaan (2014). *25 Million Broken Promises: The Crisis of Out-of-School Children*. Islamabad: Alif Ailaan.

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A huge increase of 53 percent can be noted in non-salary budget when compared with last year's expenditure.

same this year as well. On an object level, salaries and related expenses will consume 86 percent of the current budget while 14 percent of the current budget has been set aside for non-salary purposes this year. Development budget will receive 15 percent of the education budget, i.e., Rs. 44.2 billion, in 2015-16. The share of development budget in the overall education budget has also remained same this year as was in 2014-15.

Chart 3.1: Punjab Education Budget 2015-16



Source: FABS Reports from PIFRA SAP System

Table 3.1: Punjab Education Budget 2015-16 at a Glance (Rs. Million)

	2015-16	2014-15		Increase/Decrease vis-à-vis 2014-15	
	Allocation	Allocation	Expenditure	Allocation	Expenditure
A. Current	242,343.71	221,039.32	194,578.56	21,304.39 (10%)	47,765.16 (25%)
Salary	209,625.57	198,764.81	173,909.07	10,860.76 (5%)	35,716.50 (21%)
Non-Salary	32,718.14	22,274.51	20,669.49	10,443.63 (47%)	12,048.66 (58%)
B. Development	44,161.76	38,589.72	17,620.08	5,572.04 (14%)	26,541.67 (151%)
Total (A+B)	286,505.47	259,629.04	212,198.64	26,876.43 (10%)	74,306.83 (35%)

Source: FABS Reports from PIFRA SAP System

Compared with the allocated budget in 2014-15, the overall education budget of Punjab has increased by 10 percent. It is encouraging to see that all this increase does not route to current budget only but also the development budget has increased significantly. Only 5 percent increase in the salary budget has been recorded this year coupled with a higher increase in the non-salary budget to the tune of Rs. 10.4 billion (47 percent) compared with the allocated budget in 2014-15. The development budget for education has increased by 14 percent this year, i.e., Rs. 5.6 billion in absolute terms.

3.1.2 Education Budget as a Proportion of Total Provincial Budget

Share of education in overall provincial budget has gradually decreased over the last 3 years from 26 percent in 2013-14 to 20 percent of the total budget in 2015-16. In 2015-16, the total provincial budget allocation is Rs. 1,447 billion out of which Rs. 286.5 billion has been earmarked for education. Education budget this year constitutes one fifth of the total budget of Punjab.

Table 3.2: Education Budget as Proportion of Total Provincial Budget (Rs. Million)

	2015-16			2014-15			2013-14		
	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget
Current	1,047,242	242,344	23%	750,125	221,039	29%	607,569	200,110	33%
Development	400,000	44,162	11%	345,000	38,590	11%	290,000	32,456	11%
Total	1,447,242	286,505	20%	1,095,124	259,629	24%	897,569	232,566	26%

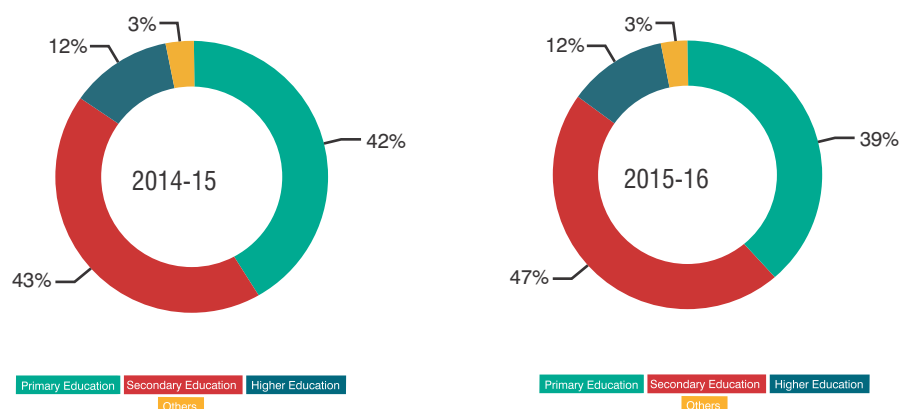
Source: FABS Reports from PIFRA SAP System

Compared with the 23 percent share of current budget this year which has decreased over the last 3 years, the share of development budget for education in total provincial budget has remained consistent at 11 percent.

3.1.3 Composition of Education Budget 2015-16

Highest share of 47 percent of the education budget has been allocated for secondary education in 2015-16. Rs. 134.01 billion has been allocated for education in 2015-16 which is 20 percent higher than the allocation made in 2014-15. Secondary education is followed by primary education with an allocation of Rs. 110.84 billion; 39 percent of the

Chart 3.2: Composition of Education Budgets 2014-15 and 2015-16



Source: FABS Reports from PIFRA SAP System

During none of the last 6 years, the expensed budget on primary and secondary education has exceeded or equaled the allocated budget.

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In 2015-16, for current budget, Rs. 242.34 billion has been apportioned which constitutes 85 percent of the education budget for the year.

education budget this year. The share of secondary education in the total education budget has gone up from 43 percent in 2014-15 to 47 percent in 2015-16 whereas the share of primary education has gone down from 42 percent in 2014-15 to 39 percent in 2015-16. Higher education is expected to receive 12 percent of the education budget in 2015-16; the same share it had in 2014-15.

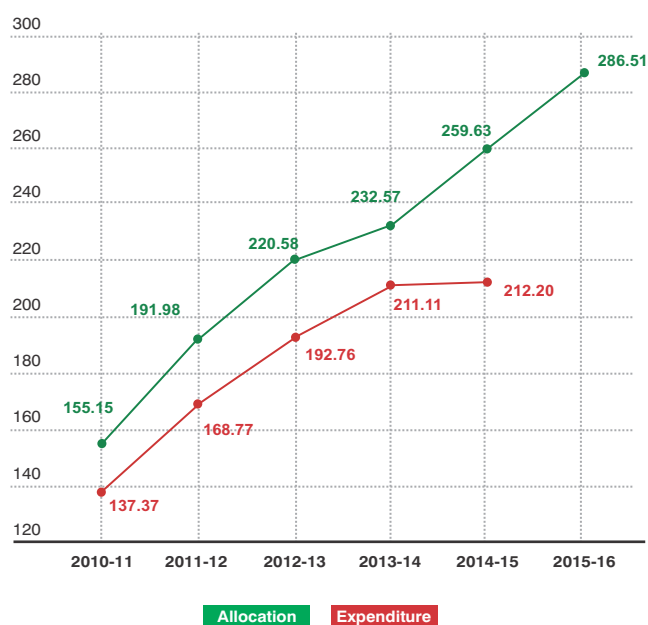
3.2 TRENDS IN EDUCATION EXPENDITURE 2010-11 TO 2015-16

3.2.1 Trends in Total Budget Allocations and Expenditures

The education budget of Punjab has increased significantly in the last six years. With an increase of 85 percent during these years, the budget has increased from Rs. 155.15 billion in 2010-11 to Rs. 286.51 billion in 2015-16. During none of the years, the expensed budget has exceeded the allocation. The lowest percentage expensed budget has been recorded for 2014-15 where 18 percent of the education budget remained unspent.

In 2010-11, the government allocated a budget of Rs. 155.15 billion out of which 11 percent budget remained unspent during the year. Representing an increase of 24 percent compared with the budget allocated in 2010-11, an amount of Rs. 191.98 billion was earmarked for education in 2011-12. Continuing with the trend, 12 percent of the allocated budget remained unspent in 2011-12. An increase in education budget to the tune of Rs. 28.60 billion (15 percent) was seen in 2012-13. The budget apportioned

Chart 3.3: Trends in Education Budget 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

during the year was Rs. 220.58 billion. Similar to the previous two years, 87 percent of the allocated budget could be expensed during the year. In 2013-14, a budget of Rs. 232.57 billion was earmarked representing an increase of 5 percent compared with the allocation in previous year. 9 percent of the allocated budget remained unspent during the year. With an increase of 12 percent in the allocated budget, an amount of Rs. 259.63 billion was apportioned for education in 2014-15. However, only 82 percent of the allocated amount was spent during the year. This year, in 2015-16, a budget of Rs. 286.51 billion has been earmarked for education. This marks an increase of 10 percent compared with the allocated budget in 2014-15.

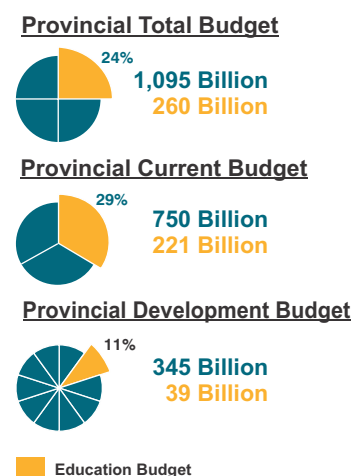
Primary education received the highest share of education budget in 2010-11, 2011-12 and 2012-13 followed by secondary and higher education. However the trend changed in the subsequent 3 years with secondary education receiving the highest share of education budget followed by primary and higher education. This year, in 2015-16, the highest share of Rs. 134.01 billion (47 percent) has been earmarked for secondary education followed by Rs. 110.84 billion (39 percent) for primary education and Rs. 33.08 billion (12 percent) for higher education. During none of the last 6 years, the expensed budget on primary and secondary education has exceeded or equaled the allocated budget.

3.2.2 Trends in Current Budget Allocations and Expenditures

Current budget consumes major portion of the education budget every year. The highest share of 88 percent of the education budget was recorded for the allocated budget in 2010-11. However the share gradually decreased in the subsequent 2 years to 84 percent of the budget in 2012-13. In the subsequent years, the share of current budget again increased. In 2015-16, for current budget, Rs. 242.34 billion has been apportioned which constitutes 85 percent of the education budget for the year. Over the last six years, current budget for education has surged by 78 percent. It is also worth mentioning that the expenditure on current budget has never exceeded the allocated budget during the last six years.

In 2010-11, a current budget of Rs. 136.43 billion was earmarked for education in Punjab, however, 7 percent of the budget remained unspent at the end of the year. With an increase of 20 percent over the previous year's current budget, an allocation of Rs. 163.45 billion was made in 2011-12. Similar to the previous year, only 88 percent of the allocated budget could be spent. The subsequent year saw an increase of 14 percent and Rs. 22.1 billion in the current budget. An amount of Rs. 185.55 billion was earmarked for the purpose in 2012-13 whereas the expensed amount during the year was Rs. 184.87 billion; almost equal to the allocated budget. In 2013-14, a budget of Rs. 200.11 billion was apportioned for current budget highlighting an increase of Rs. 14.56 billion (8 percent) over the previous year's allocated budget. Keeping with the trend in 2010-11 and 2011-12, 9 percent of the allocated budget remained unspent during 2013-14. With an increase of 10 percent over the allocation in 2013-14, a budget of Rs. 221.04 billion was earmarked in 2014-15. 12 percent of the allocated current budget

Education Budget as Proportion of Total Provincial Budget 2014-15

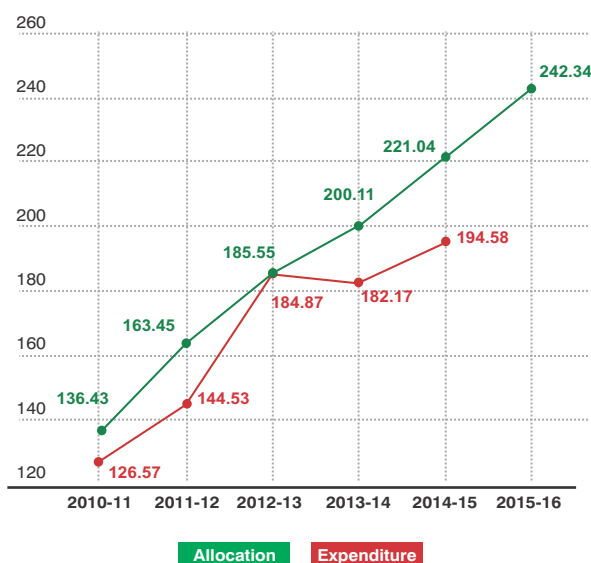


lapsed during the year. This year, in 2015-16, a current budget allocation of Rs. 242.34 billion has been made, representing an increase of 10 percent (Rs. 21.3 billion) over last year's allocated budget.

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During the last 6 years, primary education has received the highest share of current budget, followed by secondary and higher education.

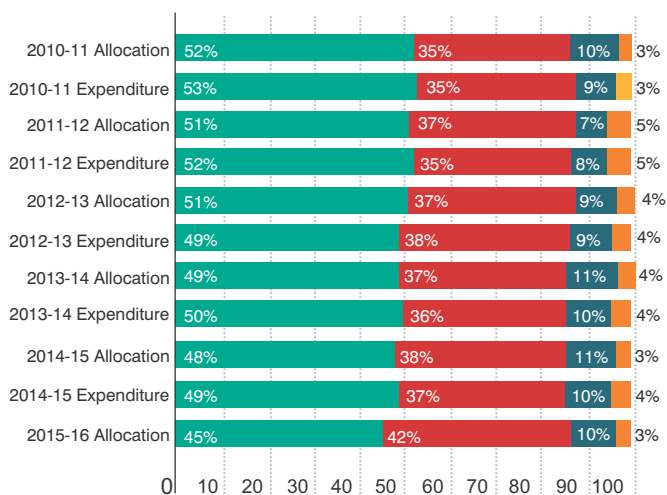
Chart 3.4: Trends in Current Education Budget 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

A functional level analysis of the trends in current budget allocations and expenditures shows that during the last 6 years, primary education has received the highest share of current budget, followed by secondary and higher education. Compared with 2014-15,

Chart 3.5: Trends in Current Budget by Educational Level 2010-11 to 2015-16



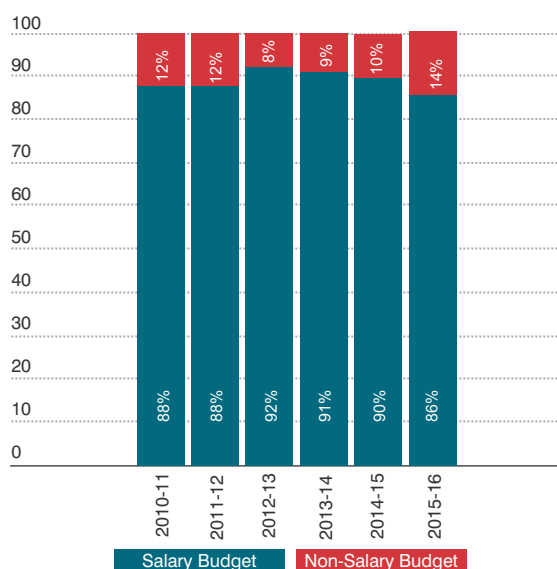
Source: FABS Reports from PIFRA SAP System

the share of primary education has decreased from 48 percent to 45 percent in 2015-16. On the other hand, the share of secondary education has increased from 38 percent of the total current education budget in 2014-15 to 42 percent in 2015-16. It is worth mentioning here that during the last 6 years, the expensed current budget on primary education has never exceeded the allocation. The same is true for secondary and higher education except for 2012-13, the expensed budget exceeded the allocated budget by 3 percent and 4 percent respectively.

Major portion of the current budget is absorbed in salaries and related expenditure. More than 85 percent of the current budget has been allocated and expensed on salary related expenditure during the last 6 years. The highest allocated share of 92 percent was recorded in 2012-13. During all the last 6 years, the highest share of salary budget was allocated for primary education followed by secondary and higher education respectively. The share of primary education has gone down from 53 percent of the salary budget in 2014-15 to 51 percent in 2015-16 while the share of secondary education has gone up from 33 percent in 2014-15 to 36 percent of the salary budget in 2015-16. During none of the last 6 years, the expensed budget has exceeded the allocated budget. The highest difference between allocation and expenditure was recorded for 2014-15 where 13 percent of the salary budget lapsed.

Non-salary budget is needed for operational expenditure of schools, however, the share of non-salary budget is quite low in the current budget over the years. The current year has seen the highest share of non-salary budget in the current budget. In 2015-16, a budget of Rs. 32.72 billion (14 percent of the current budget) has been

Chart 3.6: Share of Salary and Non-Salary Budgets in Total Current Budget Allocations 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

In 2015-16, a budget of Rs. 32.72 billion (14 percent of the current budget) has been earmarked for non-salary purposes out of which only 7 percent budget will go to primary education.

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In 2014-15, a budget of Rs. 2.49 billion was earmarked for primary education out of which only Rs. 189.58 million could be spent representing a poor expenditure to allocation ratio.

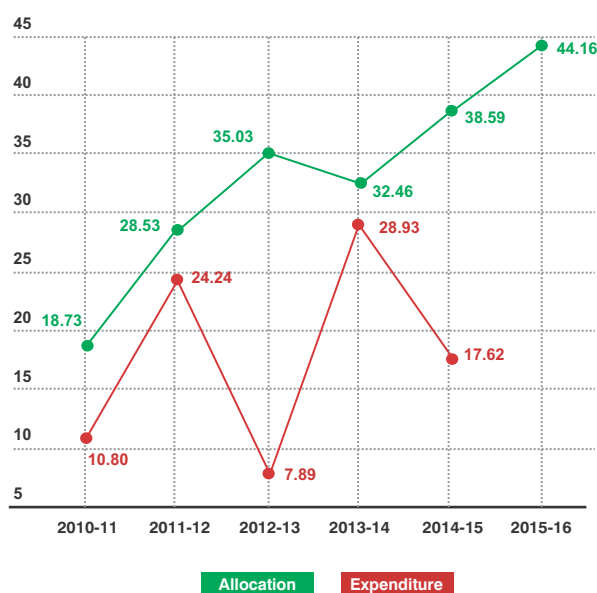
earmarked for non-salary purposes out of which only 7 percent budget will go to primary education. Except for 2012-13 where the expensed budget exceeded the allocation, during all the previous 6 years, non-salary expenditure has been lower than the allocated budget.

3.2.3 Trends in Development Budget Allocations and Expenditures

The allocated and expensed budget for development purposes has been quite low compared with the needs of the education sector. In 2015-16, a budget of Rs. 44.16 billion has been earmarked for development purposes which constitutes 15 percent of the education budget for the year. The share of development budget in the total budget has gone up from 12 percent of the total education budget in 2010-11 to 15 percent in 2015-16. During all the previous 6 years, the expensed development budget has always been lower than the allocated budget. The highest difference between allocation and expenditure was recorded in 2012-13 when 77 percent of the development remained unspent during the year.

In 2010-11, a budget of Rs. 18.73 billion was allocated for development purposes out of which 42 percent remained unspent. Representing an increase of 52 percent over the previous year's budget, an allocation of Rs. 28.53 billion was made in 2011-12. 15 percent of the development budget for the year remained unspent. In 2012-13, a budget of Rs. 35.03 billion was earmarked for the purpose, however, continuing the previous trend, an amount of Rs. 27.14 billion (77 percent) could not be spent during the year. With a decrease of 7 percent compared with the allocation in the previous year, the

Chart 3.7: Trends in Development Education Budget 2010-11 to 2015-16

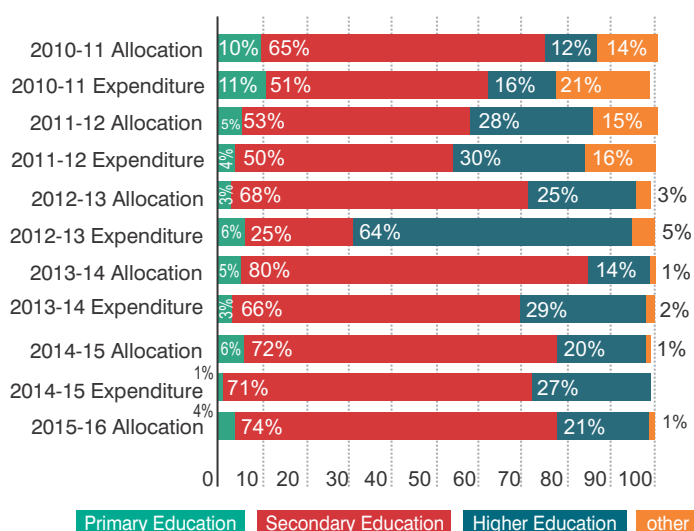


Source: FABS Reports from PIFRA SAP System

allocated budget for 2013-14 was Rs. 32.46 billion out of which 11 percent budget could not be spent during the year. In 2014-15, a budget of Rs. 38.59 billion was earmarked for development purposes, highlighting an increase of 19 percent over the allocated budget in 2013-14. Keeping with the previous trend, only 46 percent of the allocated budget could be spent during the year. With an increase of 14 percent over the previous year's allocation, an allocation of Rs. 44.16 billion has been made for development budget in 2015-16.

The highest share of 74 percent of the development budget has been earmarked for secondary education in 2015-16; going up from 72 percent in 2014-15. This is followed by 21 percent share of higher education and a mere 4 percent share for primary education. The same trend of development budget allocations at functional levels has been followed over the last 6 years. Even with the low share of primary education, the expensed budget has been even lower compared with the allocation. In 2014-15, a budget of Rs. 2.49 billion was earmarked for primary education out of which only Rs. 189.58 million could be spent representing a poor expenditure to allocation ratio.

Chart 3.8: Trends in Development Budget by Educational Level 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

3.2.4 Trends in District Education Budget

A total current budget expenditure of Rs. 159.69 billion was made on districts in 2014-15 which presents 82 percent of the total provincial budget. The expensed education budget on districts was 72 percent of the total education budget of Punjab in 2013-14. 95 percent of the districts' current budget in 2014-15 was spent on salaries and related expenditure with only 5 percent expense on non-salary head. It is important to note here that the district budget only comprises salary and non-salary expenditure on

95 percent of the districts' current budget in 2014-15 was spent on salaries and related expenditure with only 5 percent expense on non-salary head.

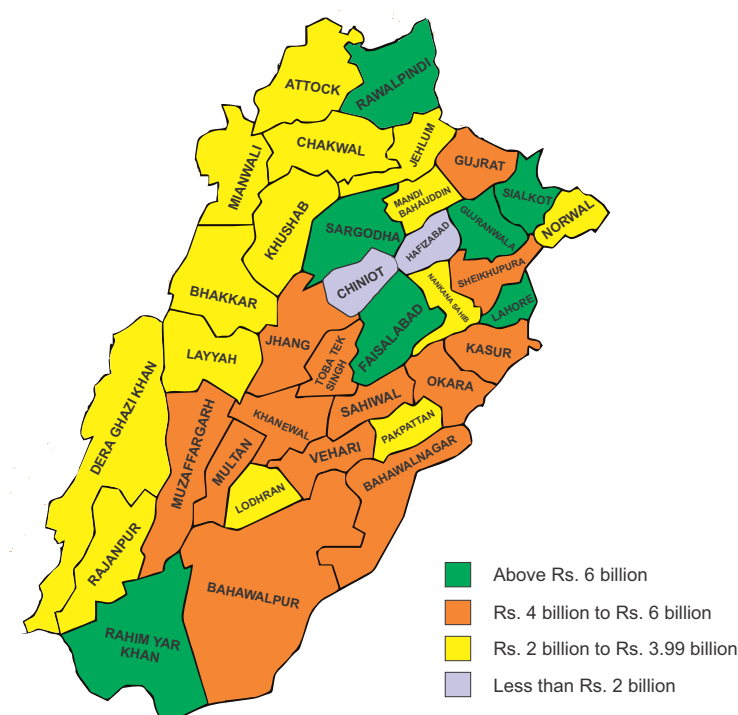
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Faisalabad, Lahore, Rawalpindi, Sargodha, Rahim Yar Khan, Sialkot and Gujranwala expensed more than Rs. 6 billion in 2014-15. These seven districts combined absorb 33 percent of the district current budget of Punjab.

primary and secondary education. There is no mentionable amount of development budget allocations for districts as developmental works are handled at the provincial level.

An analysis of the expensed current budget for the province in 2014-15 shows that some districts receive higher share of education budgets as compared with others. The following chart shows the disparity in education expenditure where districts like Faisalabad, Lahore, Rawalpindi, Sargodha, Rahim Yar Khan, Sialkot and Gujranwala expensed more than Rs. 6 billion in 2014-15. These seven districts combined absorb 33 percent of the district current budget of Punjab. On the other hand, districts like Hafizabad and Chiniot had education expenditure below Rs. 2 billion.

Chart 3.9: Variation in Education Budget Expenditure 2014-15 at District Level



Source: FABs Reports from PIFRA SAP System

3.2.5 Annual Per Student Expenditure 2014-15

As mentioned above, some of the districts are advantaged in terms of budget expenditure as compared with others. However, the additional expenditure may be justified on grounds of higher enrolment in these districts. To address this, a better measure will be the per student expenditure in the districts as it incorporates the number of students as well. Annual per student expenditure is the ratio of current budget expenditure during the year and the enrolment of the district in that year.



3.3 INSIGHTS FROM BUDGET BOOKS 2015-16

3.3.1 Teacher Training Budget 2015-16

Chakwal, Rawalpindi and Bahawalpur expensed more than Rs. 18,000 per student during 2014-15. On the contrary, districts like Chiniot and Nankana Sahib spent less than Rs. 12,000 per student during the year.

According to the budget books, Rs. 2.75 billion were apportioned for reconstruction of dangerous schools in 2014-15, however, the revised estimates showed zero allocation in the previous year.

Table 3.3: Teacher Training Budgetary Allocations 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Pre-Service Teacher Training	1,199.67	1,260.00	60.32 (5%)
In-Service Teacher Training	2,914.13	3,187.91	273.78 (9%)
Total Teacher Training	4,113.81	4,447.90	334.10 (8%)

Source: I-SAPS Calculations from KP Budget Books 2015-16

This year, the budget for pre-service teacher training has increased by 5 percent over the last year's allocation. Also there has been an increase in the budgetary allocation for in-service teacher training to the tune of Rs. 273.78 million. This represents an increase of 9 percent compared with the allocated budget in 2014-15.

3.3.2 Programme Monitoring and Implementation Unit (PMIU)

A budget of Rs. 20.5 billion has been apportioned for PMIU in 2015-16. This highlights an increase of 45 percent compared with Rs. 14.2 billion allocation in 2014-15. 68 percent of the PMIU budget amounting to Rs. 14 billion will be spent on augmentation of non-salary component in the schools of Punjab whereas Rs. 1.5 billion have been allocated for stipends to girls' students in selected districts.

3.3.3 Budget for Archives, Libraries and Museums

An allocation of Rs. 259.79 million from the education budget of Punjab has been made for archives, libraries and museums in 2015-16. This year's allocation shows an increase of 3 percent compared with the allocated budget of Rs. 251.54 million for this budget line in 2014-15.

3.3.4 Budget for Dangerous Buildings

According to the Budget 2015-16 white paper issued by the Government of Punjab, reconstruction of 4,727 dangerous school buildings is one of the major targets fixed for 2015-16 related to school education. For reconstruction of these 4,727 critically and partially dangerous school buildings in Punjab, a budget of Rs. 8.52 billion has been apportioned in 2015-16. However, this is not the first time budget has been allocated for the purpose. According to the budget books, Rs. 2.75 billion were apportioned for reconstruction of dangerous schools in 2014-15, however, the revised estimates showed zero allocation in the previous year. The current year's allocation of Rs. 8.52 billion presents an increase of 210 percent compared with the allocation in 2014-15.

3.3.5 Daanish School System

Daanish schools have been allocated a budget of Rs. 3 billion in 2015-16 highlighting an increase of 50 percent compared with the allocation in 2014-15. In 2014-15, a budget

of Rs. 2 billion was earmarked for the purpose. A separate budget of Rs. 1.8 billion has also been earmarked for establishment of Daanish schools in Punjab this year. This year, an additional Rs. 12 million have been allocated for covering the educational expenses of students from Balochistan who are studying in Daanish Schools in Punjab.

3.3.6 Punjab Examination Commission (PEC)

Punjab Examination Commission (PEC) is an autonomous body set up by the Government of the Punjab to assess and examine students' learning achievements particularly of grade 5 and 8. A budget of Rs. 908 million has been apportioned for PEC in 2015-16 presenting a significant increase of 15 percent compared with the budgetary allocation of Rs. 787 million in 2014-15.

3.3.7 Punjab Education Assessment System (PEAS)

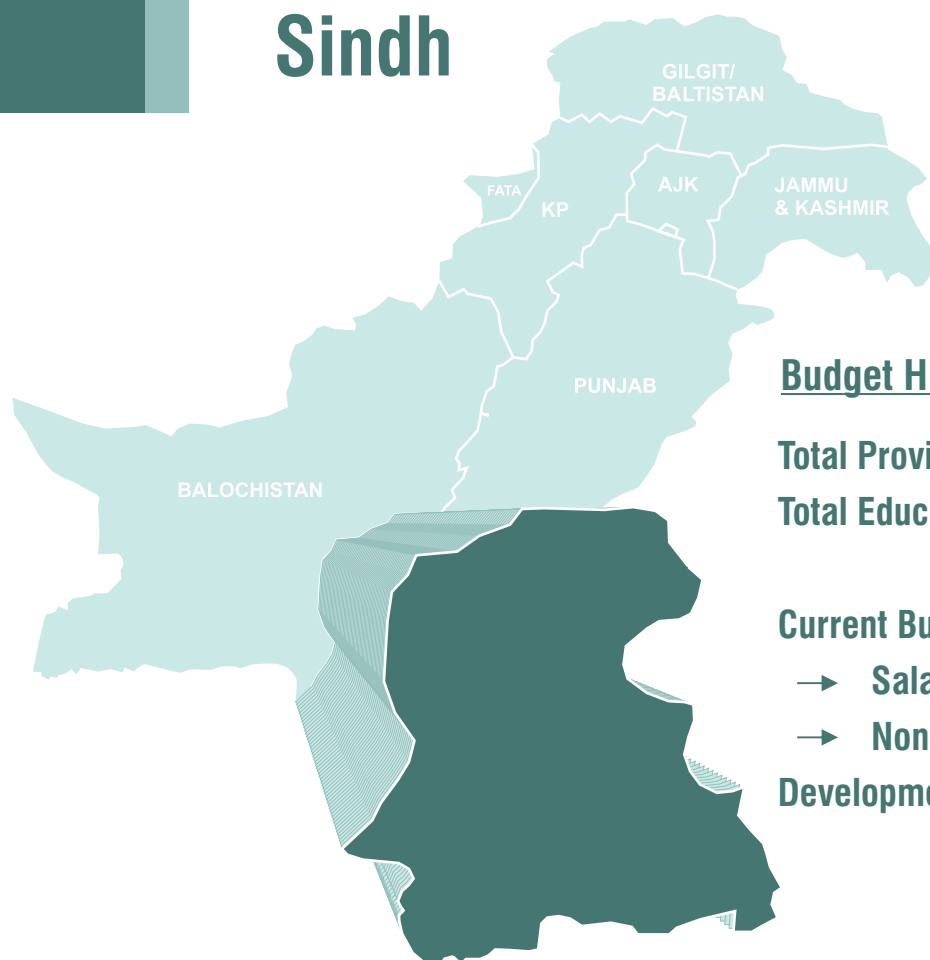
Consistent with the zero budgetary allocation in 2014-15, no budget has been set aside for PEAS in 2015-16 as well.

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Consistent with the zero budgetary allocation in 2014-15, no budget has been set aside for PEAS in 2015-16 as well.

CHAPTER 4

Public Financing of Education: Sindh



Budget Highlights 2015-16

Total Provincial Budget: 739 billion

Total Education Budget: 148 billion

Current Budget: 135 billion

→ **Salary Budget:** 104 billion

→ **Non-Salary Budget:** 31 billion

Development Budget: 13 billion

CHAPTER 4

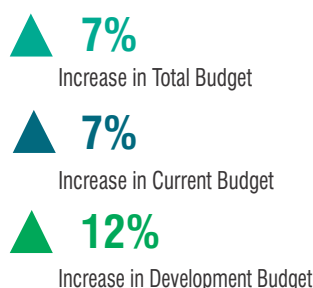
Public Financing of Education: Sindh

Sindh has a total of 46,039 public school out of which 15 percent are girls' schools whereas 62 percent are mixed schools¹. Out of these schools, majority are primary schools (91 percent) followed by 4 percent middle, 1 percent elementary, 4 percent secondary and 1 percent higher secondary schools. Overall enrolment in government schools is 4.04 million out of which 65 percent are enrolled at primary level. The number of teachers working in Sindh is 144,170; 31 percent of whom are female. According to PSLM 2013-14, net enrolment rate at primary level is 48 percent while the literacy rate² is 67 percent for male and 43 percent for female; showing vast disparity. Survival rate to grade 5 is 45 percent and transition rate from primary to middle is 57 percent³. The number of out of school children of 5-16 years age in the province is 6.2 million which constitutes 51 percent of the total population of the school-going age children⁴. 54 percent of these out of school children are female.

4.1 EDUCATION BUDGET 2015-16 AT A GLANCE

4.1.1 Comparison of Education Budgets 2014-15 and 2015-16

In 2015-16, Sindh has allocated Rs. 148 billion as total education budget. Compared with last year, there is an increment of 7 percent in the total education budget. Following the trend of previous years, 91 percent of the total budget has been allocated for current expenditures amounting to Rs. 135 billion and a mere 9 percent, i.e., Rs. 13 billion of the education budget is earmarked for development purposes. However, in comparison with the



Sindh Education Management Information System (SEMIS) Census 2014-15

Population 10 years and older

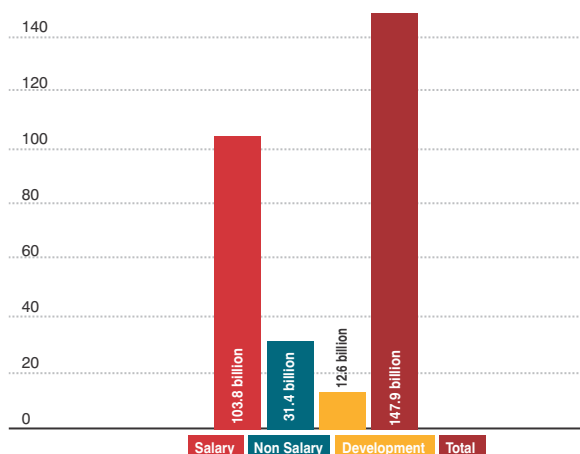
Pakistan Education Atlas 2015

Alif Ailaan (2014). *25 Million Broken Promises: The Crisis of Out-of-School Children*. Islamabad: Alif Ailaan.

Compared with 2014-15, an increase of 13 percent in the non-salary budget and 5 percent increase in the salary budget has been noted in the allocated budget in 2015-16.

allocated budget in 2014-15, current budget has surged by 7 percent and development budget allocation has increased by 12 percent in 2015-16. Moreover, within the current budget, major chunk of resources goes to salary related expenditures. This year, 77 percent of the total current budget has been apportioned for salary budget whereas non-salary budget receives 23 percent of the current budget. In absolute terms, salary and non-salary budget is Rs. 104 billion and Rs. 31 billion respectively. In 2015-16, no remarkable shift in the trends of allocation at aggregate (current and development budget) and object level (salary and non-salary budget) has been observed; the percentage share of each in the total education budget has remained nearly the same as it was in 2014-15.

Chart 4.1: Sindh Education Budget 2015-16



Source: FABS Reports from PIFRA SAP System

The following table compares the budget allocated in 2015-16 with the allocated and expensed budget in 2014-15. The increase or decrease compared to the last year makes assessment of this year's education budget more comprehensive.

Table 4.1: Sindh Education Budget 2015-16 at a Glance (Rs. Million)

	2015-16	2014-15		Increase/Decrease vis-à-vis 2014-15	
	Allocation	Allocation	Expenditure	Allocation	Expenditure
A. Current	135,260.28	126,440.55	102,113.07	8,819.73 (7%)	33,147.21 (32%)
Salary	103,819.24	98,599.34	90,089.13	5,219.90 (5%)	13,730.11 (15%)
Non-Salary	31,441.04	27,841.22	12,023.93	3,599.82 (13%)	19,417.11 (161%)
B. Development	12,616.24	11,254.01	6,508.40	1,362.23 (12%)	6,107.84 (94%)
Total (A+B)	147,876.52	137,694.57	108,621.47	10,181.95 (7%)	39,255.05 (36%)

Source: FABS Reports from PIFRA SAP System

The education budget has risen by Rs. 10.2 billion from 2014-15 to 2015-16 which earmarks an increase of 7 percent. Likewise, current and development budgets have

also increased by 7 percent and 12 percent, respectively. An increase of 13 percent in the non-salary budget and 5 percent increase in the salary budget has also been noted for this year's allocation.

4.1.2 Education Budget as a Proportion of Total Provincial Budget

Out of the total provincial budget, share of education budget has decreased in last 3 years from 23 percent in 2013-14 to 20 percent in 2015-16. This year, the total provincial budget for Sindh is Rs. 739 billion and less than a quarter of it has been allotted to education.

Table 4.2: Education Budget as Proportion of Total Provincial Budget (Rs. Million)

	2015-16			2014-15			2013-14		
	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget
Current	525,653	135,260	26%	470,821	126,441	27%	355,974	118,662	33%
Development	213,649	12,616	6%	215,359	11,254	5%	229,937	16,885	7%
Total	739,302	147,877	20%	686,180	137,695	20%	135,547	135,547	23%

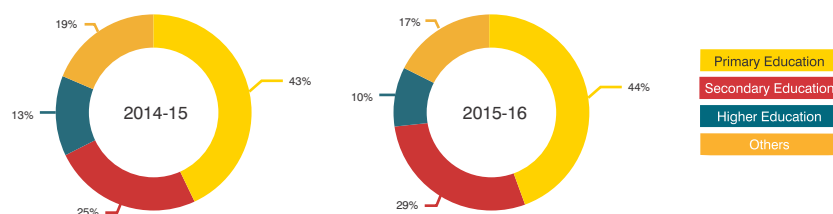
Source: FABS Reports from PIFRA SAP System

Over a period of 3 years, share of education development budget out of total development budget for the province remained stagnant around 6-7 percent, while the share of education current budget out of provincial current budget has been on a decline from 33 percent in 2013-14 to 26 percent in 2015-16.

4.1.3 Composition of Education Budget 2015-16

Primary education received highest share of education budget in 2015-16, followed by secondary education and higher education. Rs. 65 billion has been apportioned for primary education which constitutes 44 percent of the total education budget. Share of primary education has increased from 43 to 44 percent from 2014-15 to 2015-16. For secondary education, the allocation of Rs. 42 billion signifies 29 percent of the total education budget. Compared to last year's allocation, 4 percent more allocation has been made for secondary education in 2015-16. On the contrary, share of higher education has declined from 13 percent in previous year to 10 percent this year.

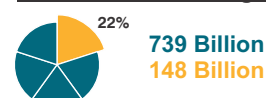
Chart 4.2: Composition of Education Budgets 2014-15 and 2015-16



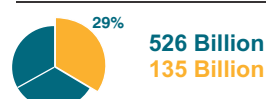
Source: FABS Reports from PIFRA SAP System

Education Budget as Proportion of Total Provincial Budget 2015-16

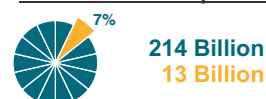
Provincial Total Budget



Provincial Current Budget



Provincial Development Budget



Education Budget

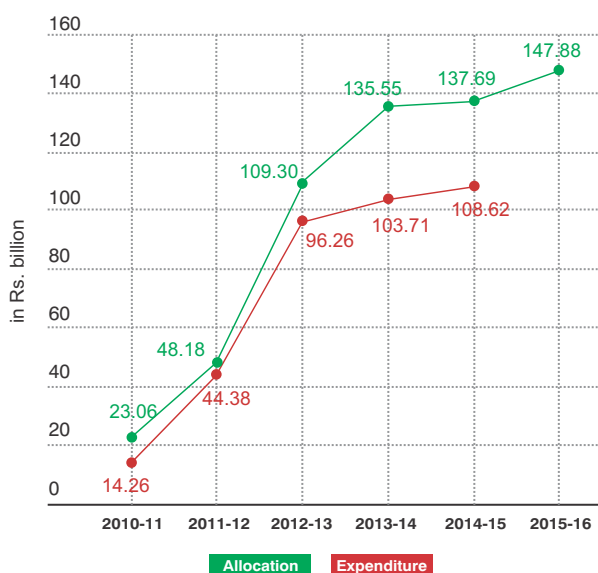
4.2 TRENDS IN EDUCATION EXPENDITURE 2010-11 TO 2015-16

4.2.1 Trends in Total Budget Allocations and Expenditures

Over a period of 6 years not even once the expensed budget has exceeded or at least equaled the allocated budget.

In the last 6 years, Sindh education budget has increased substantially. Since 2012-13, the education budget has incremented from Rs. 109.30 billion to Rs. 147.88 billion this year, showing an increase of 35 percent. Unfortunately, over a period of 6 years not even once the expensed budget has exceeded or at least equaled the allocated budget. The last 3 years have seen quite significant unspent portion of the education budget; the highest difference being in 2013-14 where 23 percent budget was not spent.

Chart 4.3: Trends in Education Budget 2010-11 to 2015-16



Note: Figures for 2010-11 do not include district budget of education, whereas, figures for 2011-12 partially include district education budget. Figures for 2012-13 and onwards include district budgets as well.

Source: FABS Reports from PIFRA SAP System

In 2012-13, an allocation of Rs. 109.3 billion was made for education. The expensed budget in 2012-13 fell short of the allocated budget by 12 percent. In the subsequent year 2013-14, budgetary allocation for education was increased by 24 percent making the total allocation to be Rs. 135.55 billion. Despite the increase in allocation, only 77 percent of the allocated budget was actually spent during the year. From 2013-14 to 2014-15, education budget increased nominally by around Rs. 2 billion while the trend of budget-lapse persisted and around Rs. 29 billion remained unspent. In 2015-16, a budgetary increase of 7 percent has been made compared with the allocated budget in 2014-15, i.e., an additional allocation to the tune of Rs. 10.19 billion.

From 2012-13 and onwards, primary education has continuously received highest share

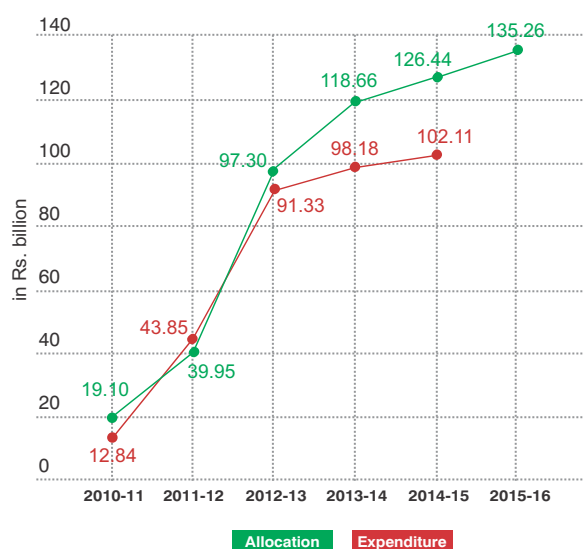
of education budget that has remained around 40 percent of total education budget of the province. Apart from a slight decline in its share in 2013-14, budget for primary education has been on the rise since 2012-13. Primary education is followed by secondary education whose share has remained between 25-29 percent of the total education budget during the last 4 years. The share of higher education in the total education budget has consistently declined from 19 percent in 2012-13 to 10 percent in 2015-16.

4.2.2 Trends in Current Budget Allocations and Expenditures

Current budget receives major share of the education budget. In the last 6 years, the share of current budget has remained above 80 percent of the total budget. In 2014-15, 92 percent of the total education budget was apportioned for recurrent expenditures; the highest share recorded during the last 6 years. Its share has marginally decreased to 91 percent in 2015-16. This year current budget has increased by 7 percent compared with the allocated budget in 2014-15 equaling the total allocation Rs. 135 billion in 2015-16.

Apart from 2011-12 when expensed budget has exceeded the allocated amount, for all other years expenditure has fallen short of the allocation made in that year. In 2012-13, Rs. 97.3 billion were allocated for the current budget out of which Rs. 6 billion was not utilized. With a 22 percent increase, Rs. 118.66 billion was earmarked for 2013-14 out of which 83 percent budget was expensed. In 2014-15, an amount of Rs. 126.44 billion was apportioned for current budget out of which 19 percent budget remained unspent during the year. Underlining an increase of 7 percent, a current education budget of Rs. 135.26 billion was allocated in 2015-16.

Chart 4.4: Trends in Current Education Budget 2010-11 to 2015-16



In the last 6 years, the share of current budget has remained above 80 percent of the total budget.

Note: Figures for 2010-11 do not include district budget of education, whereas, figures for 2011-12 partially include district education budget. Figures for 2012-13 and onwards include district budgets as well.

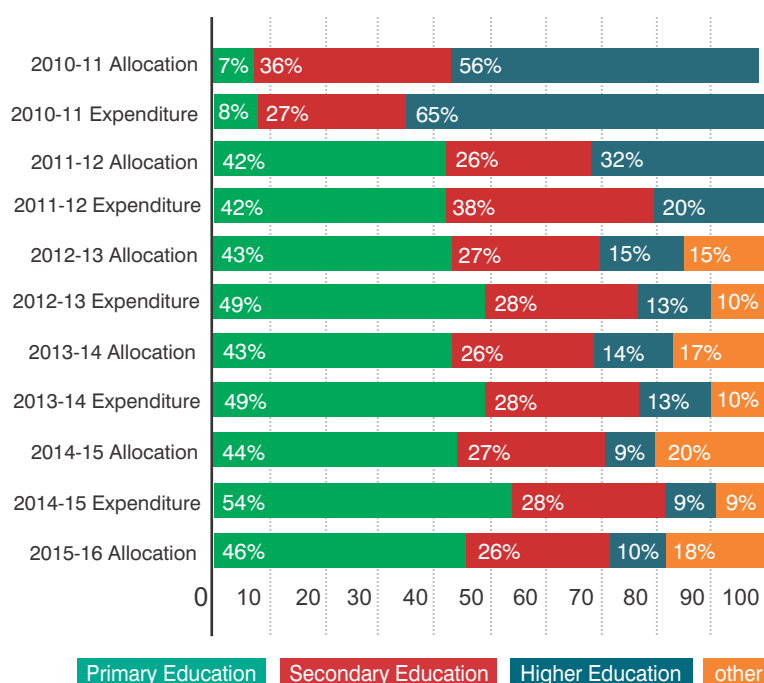
Source: FABS Reports from PIFRA SAP System

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From 2011-12 to 2015-16, primary education's share in the current budget has continued to rise from 42 percent in 2011-12 to 46 percent this year.

It is evident from the current budget allocations of the previous years, primary education receives the major chunk of current budget. From 2011-12 to 2015-16, primary education's share in the current budget has continued to rise from 42 percent in 2011-12 to 46 percent this year. The share of secondary education in total current budget has remained stagnant throughout these years within the range of 26-27 percent and comes second to primary education given the size of its share. The share of higher education has incessantly decreased over the last few years and has now come to 10 percent in 2015-16. The expensed budget for primary education has been lesser than the allocation except for 2011-12 and 2012-13, while for secondary education, except for 2011-12, actual spending has been lower than the allocation.

Chart 4.5: Trends in Current Budget by Educational Level 2010-11 to 2015-16



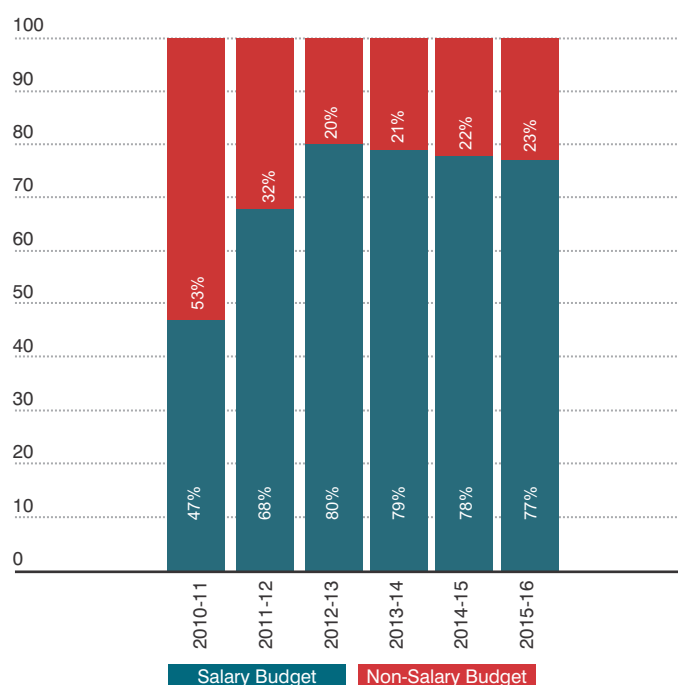
Note: Figures for 2010-11 do not include district budget of education, whereas, figures for 2011-12 partially include district education budget. Figures for 2012-13 and onwards include district budgets as well.

Source: FABS Reports from PIFRA SAP System

Salaries and related expenses constitute major chunk of the current budget and has remained well above 70 percent of the total current budget in the last 4 years. In 2015-16, Rs. 103.82 billion is assigned to the salary budget which constitutes 77 percent of the total current budget. From 2012-13 to 2015-16, current budget allocation has risen by 33 percent. The allocated budget of Rs. 103.82 billion in 2015-16 presents an increase of 5 percent compared with the allocated budget in 2014-15.

The non-salary budget of 2015-16 amounts to Rs. 31.44 billion which is 23 percent of the total current budget allocation for the year. This highlights an increase of 13 percent over the allocated budget in 2014-15. The share of non-salary education budget has remained constant over the last few years with a share of around 20-23 percent of the total current education budget. However, the actual budget spent on non-salary expenditures is much less than the allocated budget. For the last 3 years, nearly half of non-salary budget has remained unspent.

Chart 4.6: Share of Salary and Non-Salary Budgets in Total Current Budget Allocations 2010-11 to 2015-16



Note: Figures for 2010-11 do not include district budget of education, whereas, figures for 2011-12 partially include district education budget. Figures for 2012-13 and onwards include district budgets as well.

Source: FABS Reports from PIFRA SAP System

4.2.3 Trends in Development Budget Allocations and Expenditures

In 2015-16, 9 percent of the total education budget of Sindh has been reserved for development purposes amounting to Rs. 12.62 billion. Compared with last year's development budget, in 2015-16, the development budget has increased by 12 percent earmarking a marginal increase of Rs. 1.4 billion in absolute terms. The share of development budget in total education budget has seen a downward trend in the last few years; although there has been 1 percent increase in this year's share.

An allocation of Rs. 12 billion was made for development budget in 2012-13 out of which Rs. 7.1 billion remained unspent. In the following year, highest development

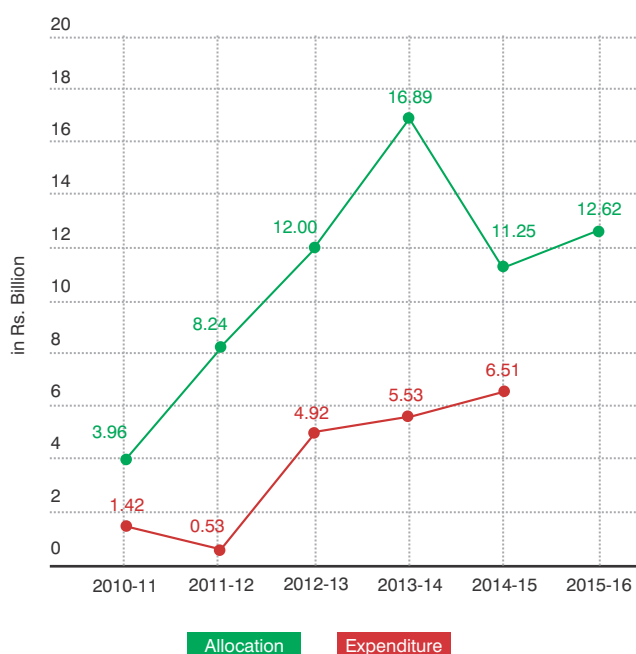
For the last 3 years, nearly half of non-salary budget has remained unspent.

67%

67 percent of the development budget lapsed during 2013-14

budget allocation in the course of last 4 years was made by increasing the development budget of 2012-13 by 41 percent. A budget of Rs. 16.89 billion was earmarked for development purposes in 2013-14. However, as much as 67 percent of the development budget lapsed during the year. The upsurge in the development budget of the last year was not maintained and in 2014-15 where it declined to Rs. 11.25 billion. Again nearly Rs. 5 billion of the allocated budget in that year was not expensed. In 2015-16, development budget allocation has risen by 12 percent to Rs. 12.62 billion.

Chart 4.7: Trends in Development Education Budget 2010-11 to 2015-16



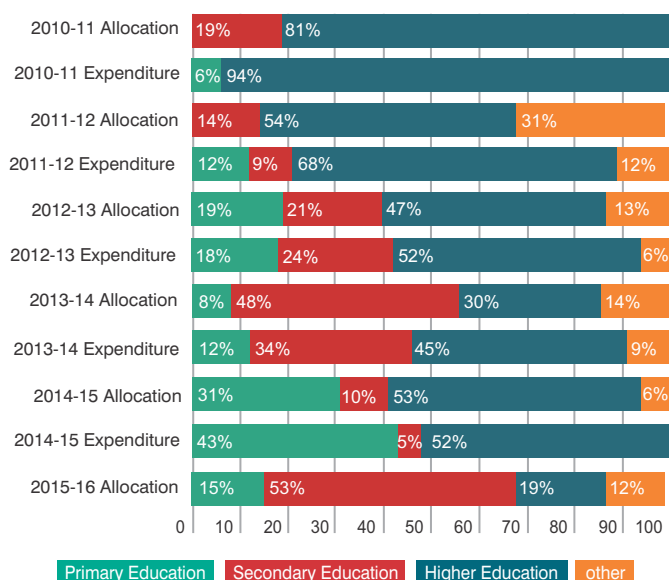
Note: Figures for 2010-11 do not include district budget of education, whereas, figures for 2011-12 partially include district education budget. Figures for 2012-13 and onwards include district budgets as well.

Source: FABS Reports from PIFRA SAP System

In 2012-13 highest portion of development budget was allocated to higher education. Rs. 5.66 billion was received by higher education while primary and secondary education both were allocated within the range of Rs. 2-3 billion. However, more than 50 percent of the allocated secondary education budget remained unspent while only 40 percent of primary education development budget could be expensed during the year. In the subsequent year, secondary education was allotted the highest share of the development budget, i.e., 48 percent, followed by 30 percent share of higher education and 8 percent of primary education. However, out of Rs. 8.2 billion allocated to secondary education, only Rs. 1.9 billion was actually spent on development related expenses. In 2014-15, higher education again became the highest receiver of the development budget where Rs. 5.9 billion was earmarked for higher education, followed by Rs. 3.5 billion for primary education and Rs. 1.1 billion for secondary education. At all three educational levels,

high rate of unspent budget persisted, that overall accounted for 42 percent of the development budget of 2014-15. This year, Rs. 6.7 billion has been apportioned for secondary education, earmarking its share to 53 percent of the total development budget for the year.

Chart 4.8: Trends in Development Budget by Educational Level 2010-11 to 2015-16



Note: Figures for 2010-11 do not include district budget of education, whereas, figures for 2011-12 partially include district education budget. Figures for 2012-13 and onwards include district budgets as well.

Source: FABS Reports from PIFRA SAP System

4.3 INSIGHTS FROM BUDGET BOOKS 2015-16

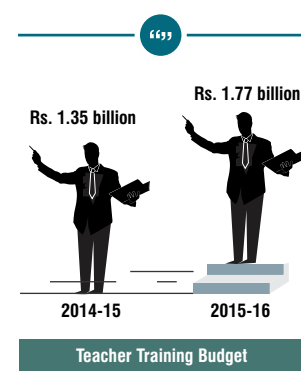
4.3.1 Teacher Training Budget 2015-16

A total teacher training budget of Rs. 1.8 billion has been allocated in 2015-16. This represents an increase of Rs. 417 million (31 percent) compared with the allocated budget in 2014-15. Out of the total teacher training budget, Rs. 908 million (51 percent) has been apportioned for pre-service teacher training whereas a budget of Rs. 858 million (49 percent) has been allocated for in-service teacher training.

Table 4.3: Teacher Training Budgetary Allocations 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Pre-Service Teacher Training	788.49	907.81	119.32 (15%)
In-Service Teacher Training	560.63	858.03	297.40 (53%)
Total Teacher Training	1,349.12	1,765.85	416.72 (31%)

Source: I-SAPS Calculations from KP Budget Books 2015-16



This year, the budget for pre-service teacher training has increased by 15 percent over the last year's allocated budget of Rs. 788 million. In-service teacher training budget has also increased to the tune of Rs. 297 million this year. This represents an increase of 53 percent compared with the allocated budget in 2014-15.

4.3.2 Budget for Learning Assessments

An allocation of Rs. 200 million has been made for Standardized Assessment Test (SAT) in 2015-16, highlighting an increase of Rs. 25 million (14 percent) over the previous year's allocated budget. For learning assessments under Provincial Education Assessment Centre (PEACE), a budget of Rs. 66 million has been earmarked in 2015-16. This presents an increase of Rs. 6 million (10 percent) compared with the allocated budget in 2014-15. It is also worth noting that the revised budget estimates of 2014-15 showed zero allocation for PEACE.

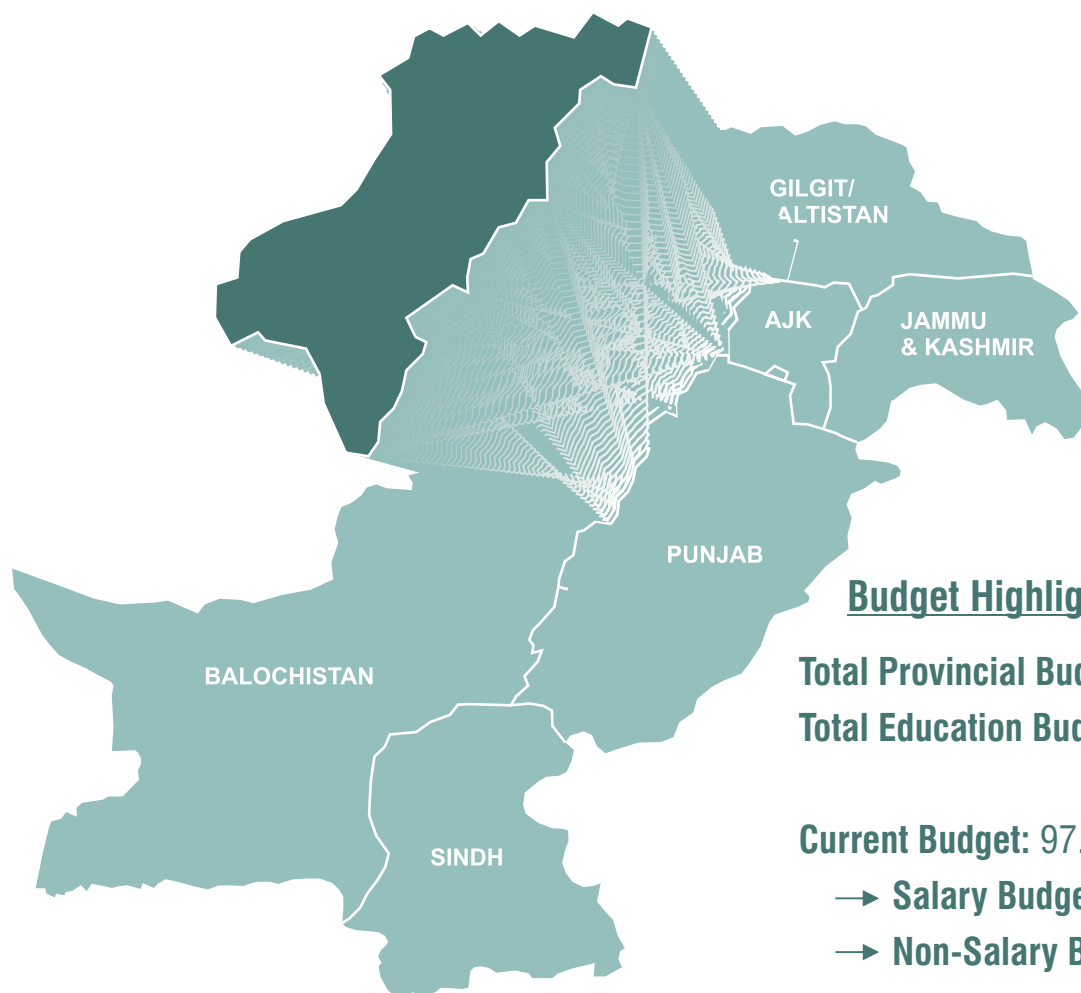
4.3.3 Budget for School Management Committees (SMCs)

School Management Committees (SMCs) are bodies formed in schools of Sindh to ensure community participation in school management. In 2015-16, a budget of Rs. 1.5 billion has been apportioned for SMCs in Sindh, reducing its allocation by 14 percent (Rs. 250 million) compared with the allocated budget in 2014-15.

“Primary education was apportioned only 8 percent of the development budget in 2013-14.”

CHAPTER 5

Public Financing of Education: Khyber Pakhtunkhwa



Budget Highlights 2015-16

Total Provincial Budget: 488 billion

Total Education Budget: 120 billion

Current Budget: 97.5 billion

→ **Salary Budget:** 88.3 billion

→ **Non-Salary Budget:** 9.3 billion

Development Budget: 22 billion

CHAPTER 5

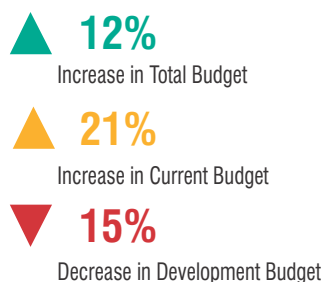
Public Financing of Education: Khyber Pakhtunkhwa

Khyber Pakhtunkhwa has a total of 28,319 public school out of which 37 percent are girls schools¹. Out of these schools, majority are primary schools (83 percent) followed by 9 percent middle, 7 percent high and 1 percent higher secondary schools. Overall enrolment in government schools is 4.2 million student out of which 69 percent are enrolled at primary level. The number of teachers working in Khyber Pakhtunkhwa is 118,754; 35 percent of whom are female. According to PSLM 2013-14, net enrolment rate at primary level is 54 percent while the literacy rate² is 72 percent for male and 36 percent for female; showing vast disparity. Survival rate to grade 5 is 67 percent and transition rate from primary to middle is 82 percent³. The number of out of school children of 5-16 years age in the province is 2.5 million which constitutes 34 percent of the total population of the school-going age children⁴. 70 percent of these out of school children are female.

5.1 EDUCATION BUDGET 2015-16 AT A GLANCE

5.1.1 Comparison of Education Budgets 2014-15 and 2015-16

Khyber Pakhtunkhwa has allocated a budget of Rs. 120 billion for education in 2015-16. This shows an increase of 12 percent compared with the allocated budget in 2014-15. Rs. 97.5 billion has been earmarked for current budget which represents 81 percent of the education budget for 2015-16. Compared with the allocated budget in 2014-15, the overall share of current budget in total education budget



¹ Khyber Pakhtunkhwa Annual School Census 2013-14

² Population 10 years and older

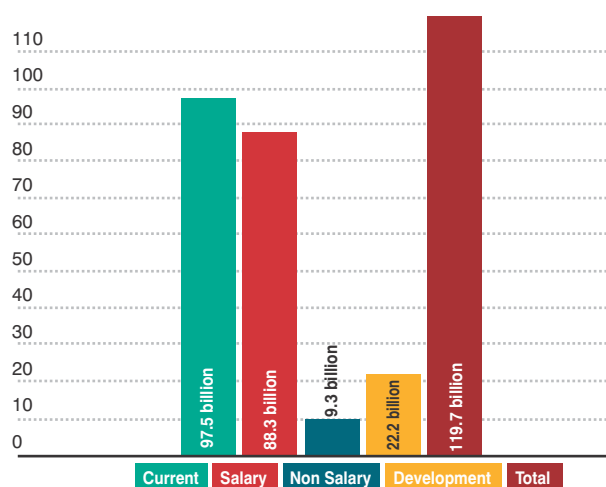
³ Pakistan Education Atlas 2015

⁴ Alif Ailaan (2014). *25 Million Broken Promises: The Crisis of Out-of-School Children*. Islamabad: Alif Ailaan.

Although the current budget has substantially increased in 2015-16, major portion of this increase owes to the salary budget (22 percent increase) as compared with the non-salary budget (8 percent increase).

has increased by 5 percent this year. 91 percent of the current budget will be spent on salary and related expenses while 9 percent of the current budget has been set aside for non-salary purposes this year. Development budget will receive 19 percent of the education budget, i.e., Rs. 22.2 billion, for Khyber Pakhtunkhwa in 2015-16. The share of development budget in the overall education budget has gone down from 24 percent in 2014-15 to 19 percent of total education budget in 2015-16.

Chart 5.1: Khyber Pakhtunkhwa Education Budget 2015-16



Source: FABS Reports from PIFRA SAP System

A comparison with the allocated and expensed budget in 2014-15 will give us an idea of the increase/decrease made to the education budget this year.

Table 5.1: Khyber Pakhtunkhwa Education Budget 2015-16 at a Glance (Rs. Million)

	2015-16	2014-15		Increase/Decrease vis-à-vis 2014-15	
	Allocation	Allocation	Expenditure	Allocation	Expenditure
A. Current	97,542.21	80,729.32	77,066.87	16,812.89 (21%)	20,475.34 (27%)
Salary	88,285.07	72,122.22	69,651.21	16,162.86 (22%)	18,633.86 (27%)
Non-Salary	9,257.14	8,607.10	7,415.66	650.04 (8%)	1,841.48 (25%)
B. Development	22,178.45	26,106.58	25,376.16	-3,928.13 (-15%)	-3,197.71 (-13%)
Total (A+B)	119,720.66	106,835.90	102,443.03	12,884.76 (12%)	17,277.63 (17%)

Source: FABS Reports from PIFRA SAP System

An increase of 12 percent (Rs. 12.9 billion) has been made in education budget of the province compared with the earmarked budget in 2014-15. Although the current budget has substantially increased in 2015-16, major portion of this increase owes to the salary budget (22 percent increase) as compared with the non-salary budget (8 percent increase). The development this year has been decreased by Rs. 3.9 billion

presenting a decline of 15 percent compared with the development budget apportioned in 2014-15.

5.1.2 Education Budget as a Proportion of Total Provincial Budget

Share of education in total provincial budget has gradually declined over the last 3 years from 29 percent in 2013-14 to 25 percent of the total budget in 2015-16. In 2015-16, the total provincial budget is Rs. 487.88 billion out of which Rs. 119.72 billion have been apportioned for education which constitutes one fourth of the total budget of Khyber Pakhtunkhwa.

Table 5.2: Education Budget as Proportion of Total Provincial Budget (Rs. Million)

	2015-16			2014-15			2013-14		
	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget
Current	313,000	97,542	31%	265,000	80,729	30%	211,000	66,610	32%
Development	174,880	22,178	13%	139,805	26,107	19%	118,000	29,800	25%
Total	487,880	119,721	25%	404,805	106,836	26%	329,000	96,410	29%

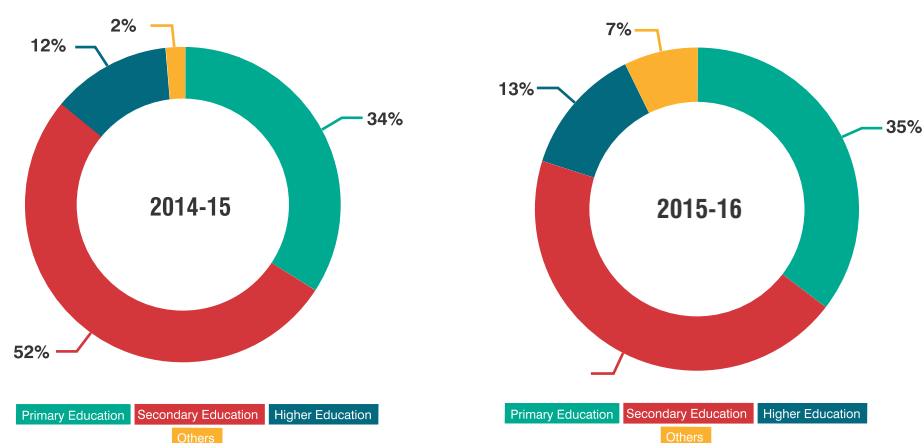
Source: FABS Reports from PIFRA SAP System

Compared with the 31 percent share of current budget which has almost remained constant over the last 3 years, the share of development budget for education in total provincial budget has shrunk from 25 percent in 2013-14 to 13 percent in 2015-16.

5.1.3 Composition of Education Budget 2015-16

In 2015-16, highest share of education budget has been allocated for secondary

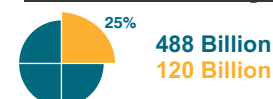
Chart 5.2: Composition of Education Budgets 2014-15 and 2015-16



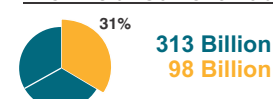
Source: FABS Reports from PIFRA SAP System.

Education Budget as Proportion of Total Provincial Budget 2015-16

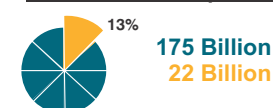
Provincial Total Budget



Provincial Current Budget



Provincial Development Budget



Education Budget

“”

During none of the last 5 years, the expensed budget has equaled or exceeded the allocated budget.

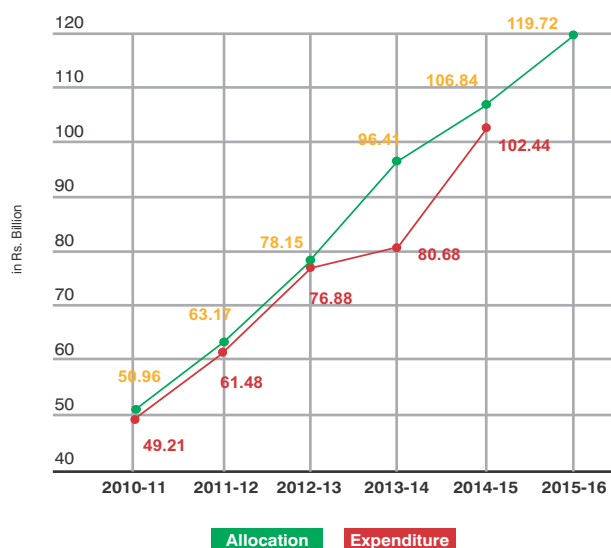
education followed by primary education and higher education. Secondary education has been allocated a budget of Rs. 53.79 billion which constitutes 45 percent of the total education budget. The share of secondary education has declined from 52 percent of total education budget in 2014-15 to 45 percent in 2015-16. For primary education, an amount of Rs. 41.89 billion has been earmarked highlighting a total share of 35 percent in the education budget for 2015-16. The percentage share of primary education this year is almost equal to the allocated share in 2014-15. Higher education will receive 13 percent of the education budget in 2015-16, i.e., Rs. 15.47 billion.

5.2 TRENDS IN EDUCATION EXPENDITURE 2010-11 TO 2015-16

5.2.1 Trends in Total Budget Allocations and Expenditures

Over the last 6 years, education budget of Khyber Pakhtunkhwa has consistently increased from Rs. 51 billion in 2010-11 to Rs. 120 billion in 2015-16. This shows an increase of 135 per cent over the last 6 years. It is worth noting here that during none of the years, the expensed budget has equaled or exceeded the allocated budget. The lowest expense was made in 2013-14 where 16 percent of the total education budget (Rs. 16 billion) remained unspent. In 2014-15, a budget of Rs. 107 billion was allocated for education out of which Rs. 4.4 billion could not be spent.

Chart 5.3: Trends in Education Budget 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

In 2010-11, a budget of Rs. 50.96 billion was allocated for education sector out of which Rs. 1.75 billion remained unspent during the year. The education budget was increased by 24 percent to Rs. 63.17 billion in the subsequent year, however, similar to the previous year, 3 percent of the budget lapsed during 2011-12 also. In 2012-13, an

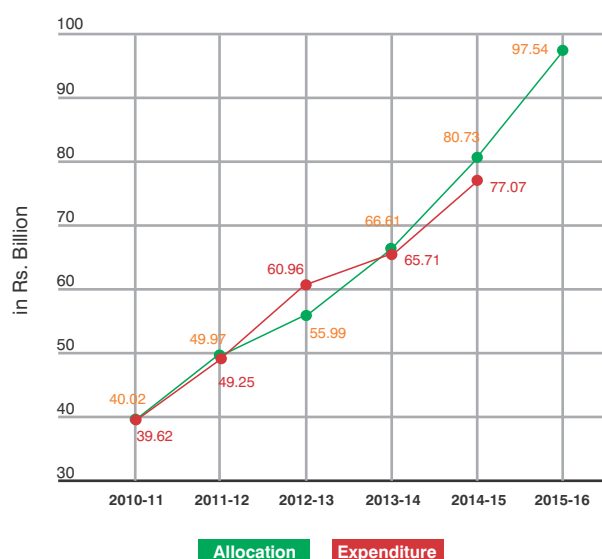
allocation of Rs. 78.15 billion was made for education which represented an increase of 24 percent over the earmarked budget in 2011-12. As was the case in previous years, the expensed budget remained short of the allocation in 2012-13 as well. In 2013-14, highlighting another increase of 24 percent in the allocated budget, Rs. 96.41 billion were apportioned for education out of which only 84 percent budget could be expensed during the year. With an increase of 10 percent, a budget of Rs. 106.84 billion was allocated in 2014-15 with a lapsed budget of Rs. 4.4 billion (4 percent of allocation). In 2015-16, a budgetary increase to the tune of Rs. 12.88 billion has been made for education, representing an increase of 12 percent over the previous year's allocated budget.

Except for 2013-14, during all the other years, secondary education has received the highest share of education budget. Budget for primary education had been consistently increasing until 2014-15 which saw a decreased allocation compared with the earmarked budget in 2013-14. In 2015-16, the allocation for primary education, although higher than the allocated budget in 2014-15 is less than the expensed budget during the previous year. The share of secondary education has also increased over the years consistently until the current year where a decreased budget to the tune of Rs. 1.86 billion has been apportioned. The share of higher education in the overall education budget of Khyber Pakhtunkhwa has been in the range of 11-13 percent during the last 6 years.

5.2.2 Trends in Current Budget Allocations and Expenditures

Current budget receives major portion of the education budget every year. In 2015-16, the percentage share of current budget allocation in the total education budget has been the highest, i.e., 81 percent. The percentage share has gradually increased over

Chart 5.4: Trends in Current Education Budget 2010-11 to 2015-16



The percentage share of current budget in total education budget has gradually increased over the last 3 years from 69 percent in 2013-14 to 81 percent in 2015-16.

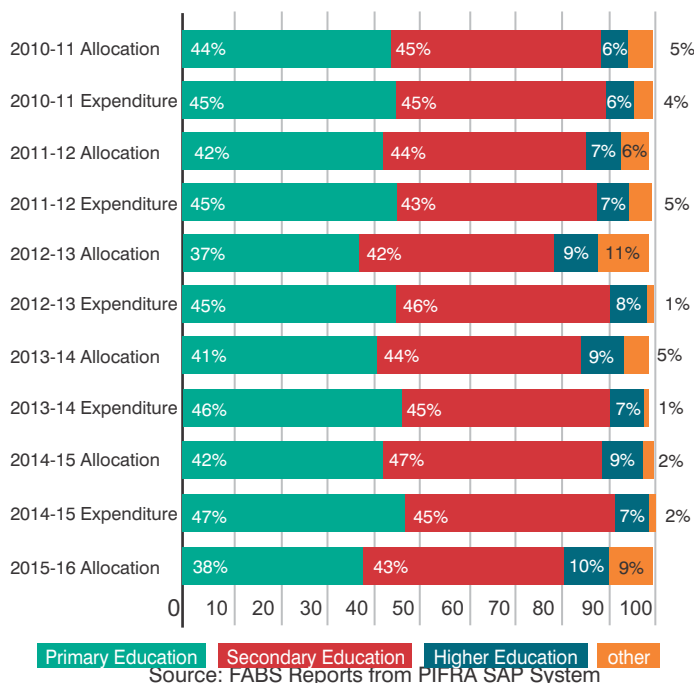
the last 3 years from 69 percent of total education budget in 2013-14 to 81 percent this year. A current budget of Rs. 97.5 billion has been allocated in 2015-16 marking an increase of 21 percent compared with the allocated budget in 2014-15.

During all the 6 years from 2010-11 to 2015-16, the share of secondary education in total current budget has exceeded primary and higher education.

In 2010-11, a current budget of Rs. 40.02 billion was allocated for education out of which 99 percent budget was spent during the year. Compared with the allocation in 2010-11, an increase of 25 percent was made for current budget in 2011-12. Like 2010-11, 99 percent of the budget was expensed in 2011-12 as well. Highlighting an increase of 12 percent, a budget Rs. 55.99 billion was allocated in 2012-13. 2012-13 is the only instance in the last 6 years where the expensed current budget has exceeded the allocated budget. The expensed budget exceeded the allocation by 9 percent during 2012-13. In 2013-14, an amount of Rs. 66.61 billion was apportioned for current budget out of which only 1 percent budget remained unspent during the year. Highlighting an increase of 21 percent, a budget of Rs. 80.73 billion was allocated in 2014-15; 5 percent of which remained unspent during the year. In 2015-16, the allocated budget of Rs. 97.52 billion shows an increase of 21 percent over the previous year's current budget.

During all the 6 years from 2010-11 to 2015-16, the share of secondary education in total current budget has exceeded primary and higher education. The budget for primary education has consistently increased over the years except for 2012-13 where the current budget decreased by 2 percent compared with previous year's allocation. The budget allocated for secondary and higher education has also increased

Chart 5.5: Trends in Current Budget by Educational Level 2010-11 to 2015-16 (Rs. Million)



consistently over the last 6 years. It is also worth mentioning that during all these six years, the expensed budget for primary education has exceeded the allocation. Although the allocation for secondary education was more than primary education in 2013-14 and 2014-15, the actual expenditure on primary education exceeded secondary education in both the years.

Major portion of current budget is consumed by salaries and related expenses. In 2015-16, an allocation of Rs. 88.29 billion has been made for salary budget which constitutes 91 percent of the current budget for the year. During the last 6 years, salary budget has increased by 132 percent. The allocated budget of Rs. 88.29 billion in 2015-16 presents an increase of 22 percent compared with the allocated budget in 2014-15. Except for 2014-15, the expensed salary budget has always exceeded the allocated budget during the last 6 years.

In 2015-16, a budget of Rs. 9.26 billion has been earmarked for non-salary budget highlighting an increase of 8 percent over the previous year's allocated budget. The share of non-salary budget in total current budget was 11 percent in 2014-15 but it has been reduced to 9 percent in 2015-16. In 2014-15, only 86 percent of the non-salary budget was expensed whereas the expenditure was merely 59 percent of the allocated budget in 2013-14. Except for 2012-13 where the expensed budget exceeded the allocation by Rs. 2.13 billion, the expenditure rate has been below 100 percent.

Chart 5.6: Share of Salary and Non-Salary Budgets in Total Current Budget Allocations 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

In 2014-15, only 86 percent of the non-salary budget was expensed whereas the expenditure was merely 59 percent of the allocated budget in 2013-14.

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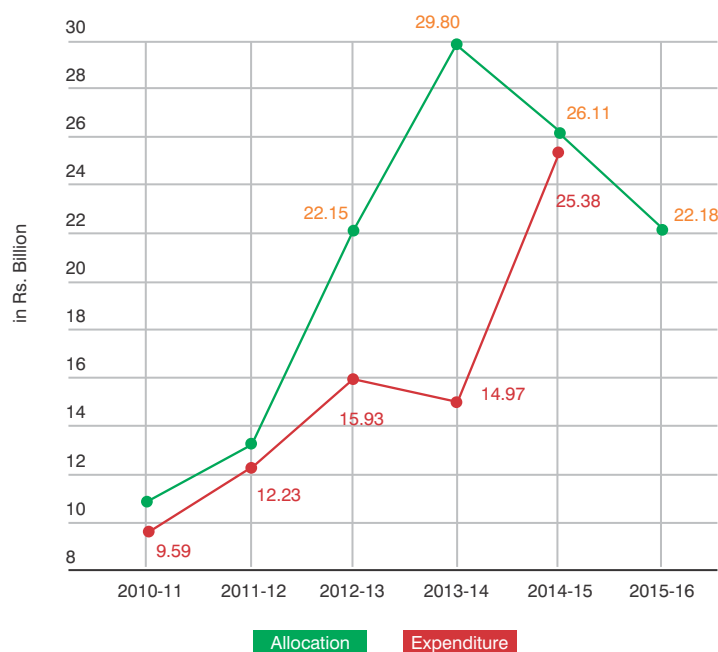
The development budget this year has decreased in absolute terms from Rs. 26.11 billion in 2014-15 to Rs. 22.18 billion in 2015-16 representing a decline of 15 percent.

5.2.3 Trends in Development Budget Allocations and Expenditures

In 2015-16, a development budget of Rs. 22.18 billion has been earmarked for education in Khyber Pakhtunkhwa. This constitutes 19 percent of the total education budget for the year. The development budget this year has decreased in absolute terms from Rs. 26.11 billion to Rs. 22.18 billion representing a decline of 15 percent. Share of development budget in total education has declined consistently during the last 3 years from a percentage share of 31 percent in 2013-14 to 19 percent in 2015-16.

A budget of Rs. 10.94 billion was allocated for development purposes in 2010-11 out of which 12 percent budget remained unspent during the year. With an increase of 21 percent, a development budget of Rs. 13.21 billion was apportioned for education in 2011-12. Only 7 percent of the development remained unspent in 2011-12. With a huge increase of 68 percent in 2012-13, the budget figures surged to Rs. 22.15 billion. However, 28 percent of the allocated budget could not be spent in 2012-13. A development budget of Rs. 29.80 billion was earmarked for the purpose in 2013-14 out of which 50 percent budget remained unspent. The allocations for development budget have gradually increased from 2010-11 till 2013-14, however, the budget was decreased by 12 percent in 2014-15. The trend has been followed in 2015-16 as well with another decrease of 15 percent this year.

Chart 5.7: Trends in Development Education Budget 2010-11 to 2015-16

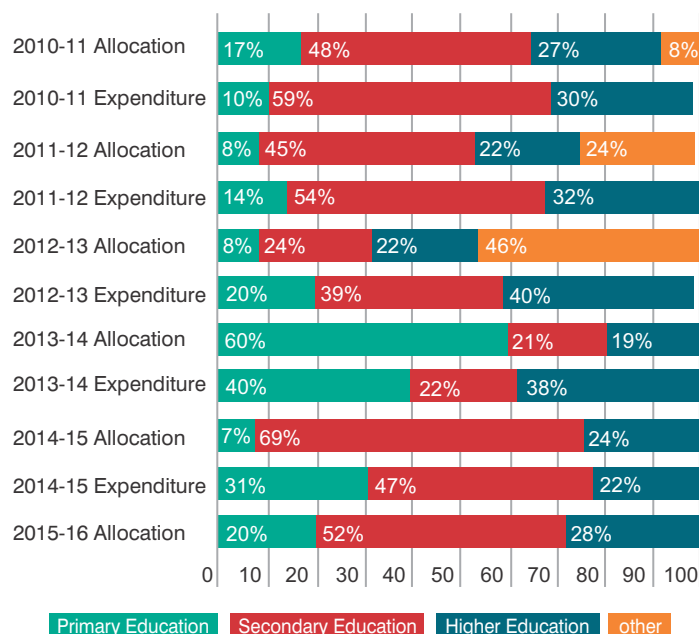


Source: FABS Reports from PIFRA SAP System

Except for 2013-14, the share of secondary education in total development budget has been very high as compared with that of primary education. In 2013-14, primary

education was allocated about three times higher share than secondary education. However, only 34 percent of the allocated budget of Rs. 17.77 billion could be spent during the year. In 2014-15, an amount of Rs. 17.98 billion was apportioned for secondary education as opposed to Rs. 1.94 billion for primary education. However, the expenditure portrayed a slightly different picture where Rs. 6 billion for secondary education remained unspent and an additional Rs. 6 billion were expensed on primary education. In 2015-16, an increase of 132 percent has been recorded in the allocation for primary education whereas the share of secondary education has reduced by 36 percent compared with the allocated budget in 2014-15. The share of higher education in 2015-16 is also higher, to the tune of Rs. 1.7 billion, than primary education.

Chart 5.8: Trends in Development Budget by Educational Level 2010-11 to 2015-16 (Rs. Million)



Source: FABS Reports from PIFRA SAP System

5.2.4 Trends in District Education Budget

A total current budget expenditure of Rs. 71.66 billion was made in 2014-15 which presents 70 percent of the total provincial budget. The expensed education budget on districts was 74 percent of the total education budget of KP in 2013-14. 90 percent of the districts' current budget in 2014-15 was spent on salaries and related expenditure with only 10 percent expense on non-salary head. It is important to note here that the district budget only comprises salary and non-salary expenditure on primary and secondary education. There is no mentionable amount of development budget allocations for districts as developmental works are handled at the provincial level.

An analysis of the current budget for the provinces shows that some districts receive

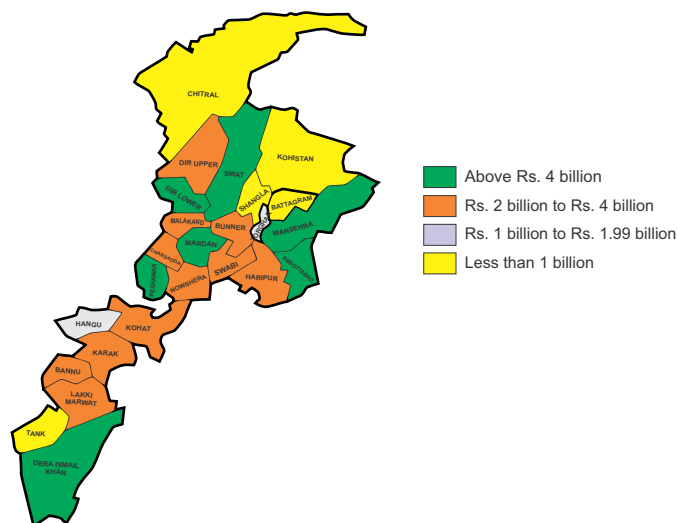
Peshawar, Mardan, Mansehra, Swat, Abbottabad, Lower Dir and Dera Ismail Khan combined absorbed more than 32 percent of the provincial current budget of Khyber Pakhtunkhwa in 2014-15.

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Districts like Tor Ghar, Hangu and Upper Dir spent less than Rs. 13,000 per student during 2014-15.

higher share of education budgets as compared with others. The following chart shows the disparity in education expenditure where districts like Peshawar, Mardan, Mansehra, Swat, Abbottabad, Lower Dir and Dera Ismail Khan expensed more than Rs. 4 billion in 2014-15. These seven districts combined absorb more than 32 percent of the provincial budget of Khyber Pakhtunkhwa. On the other hand, districts like Hangu and Tor Ghar had education expenditure below Rs. 1 billion.

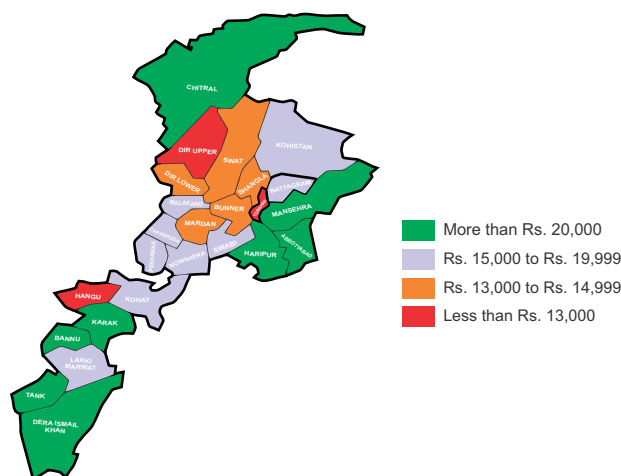
Chart 5.9: Variation in Education Budget Expenditure 2014-15 at District Level



5.2.5 Annual Per Student Expenditure 2014-15

As mentioned above some of the districts are advantaged in terms of budget expenditure as compared with others. However, the additional expenditure may be justified on grounds of higher enrolment in these districts. To address this, a better

Chart 5.10: Annual Per Student Expenditure 2014-15 at District Level



Source: Budget data from FABS Reports from PIFRA SAP System and enrolment data from KP District EMIS 2014-15

measure will be the per student expenditure in the districts as it incorporates the number of students as well. Annual per student expenditure is the ratio of current budget expenditure during the year and the enrolment of the district in that year.

As can be seen from the chart, some of the districts bag higher share of budget compared with others. Chitral, Tank, Karak, Abbottabad, Bannu, Dera Ismail Khan and Haripur expensed more than Rs. 20,000 per student during 2014-15. On the contrary, districts like Tor Ghar, Hangu and Upper Dir spent less than Rs. 13,000 per student during the year. This shows huge disparity in education spending among the districts and points towards the need of a more rational budget allocation formula based on actual needs of the district.

5.3 INSIGHTS FROM BUDGET BOOKS 2015-16

5.3.1 Teacher Training Budget 2015-16

A total budget of Rs. 1.2 billion has been earmarked for teacher training in 2015-16. This represents a decrease of Rs. 142 million (11 percent) compared with the allocated budget in 2014-15. Out of the total teacher training budget, 25 percent budget, i.e., Rs. 304 million, has been apportioned for pre-service teacher training whereas a budget of Rs. 892 million (75 percent) has been allocated for in-service teacher training.

Table 5.3: Teacher Training Budgetary Allocations 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Pre-Service Teacher Training	290.45	303.74	13.29 (5%)
In-Service Teacher Training	1,047.39	891.62	-155.77 (-15%)
Total Teacher Training	1,337.84	1,195.36	-142.48 (-11%)

Source: I-SAPS Calculations from KP Budget Books 2015-16

This year, the budget for pre-service teacher training has increased by 5 percent over the last year's allocated budget. On the other hand, there has been a decline in the budgetary allocation for in-service teacher training to the tune of Rs. 156 million. This represents a decrease of 15 percent compared with the allocated budget in 2014-15.

5.3.2 Provincial Institute of Teacher Education (PITE)

Provincial Institute for Teacher Education (PITE) Peshawar was established in 1997 and presently works as an attached unit of Elementary and Secondary Education Department (E&SED) of Khyber Pakhtunkhwa. A total budget of Rs. 47.52 million has been earmarked for PITE in 2015-16 which shows a meagre increase of 4 percent compared with the allocated budget of Rs. 45.66 million in 2014-15.

In 2015-16, the budgetary allocation for in-service teacher training has decreased by 15 percent compared with the allocated budget in 2014-15.

Under administration head of the education budget, a lump-sum provision of Rs. 7.3 billion has been made which shows a significant increase compared with the Rs. 551 million allocation in 2014-15.

Table 5.4: Budgetary Allocations for PITE 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Employees Related Expenditure	44.04	44.89	0.84 (2%)
Non-Salary Cost	1.62	2.63	1.01 (62%)
Total	45.66	47.52	1.85 (4%)

Source: I-SAPS Calculations from KP Budget Books 2015-16

It is worth noting that major portion of this budget is utilized for salary-related expenses. This year, 94 percent of the PITE budget has been allocated for employee-related expenses whereas a mere 6 percent, i.e., Rs. 2.63 million has been set aside for meeting non-salary costs.

5.3.3 Budget for Archives and Museums

An allocation of Rs. 121 million from the education budget of Khyber Pakhtunkhwa has been made for archives and museums in 2015-16 which has been equally split into revenue and capital budgets. This year's allocation shows a decrease of 57 percent compared with the allocated budget in 2014-15.

Table 5.5: Budgetary Allocations for Archives and Museums 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Revenue Budget	130.00	60.00	-70.00 (-54%)
Capital Budget	150.20	61.00	-89.20 (-59%)
Total Budget	280.20	121.00	-159.20 (-57%)

Source: I-SAPS Calculations from KP Budget Books 2015-16

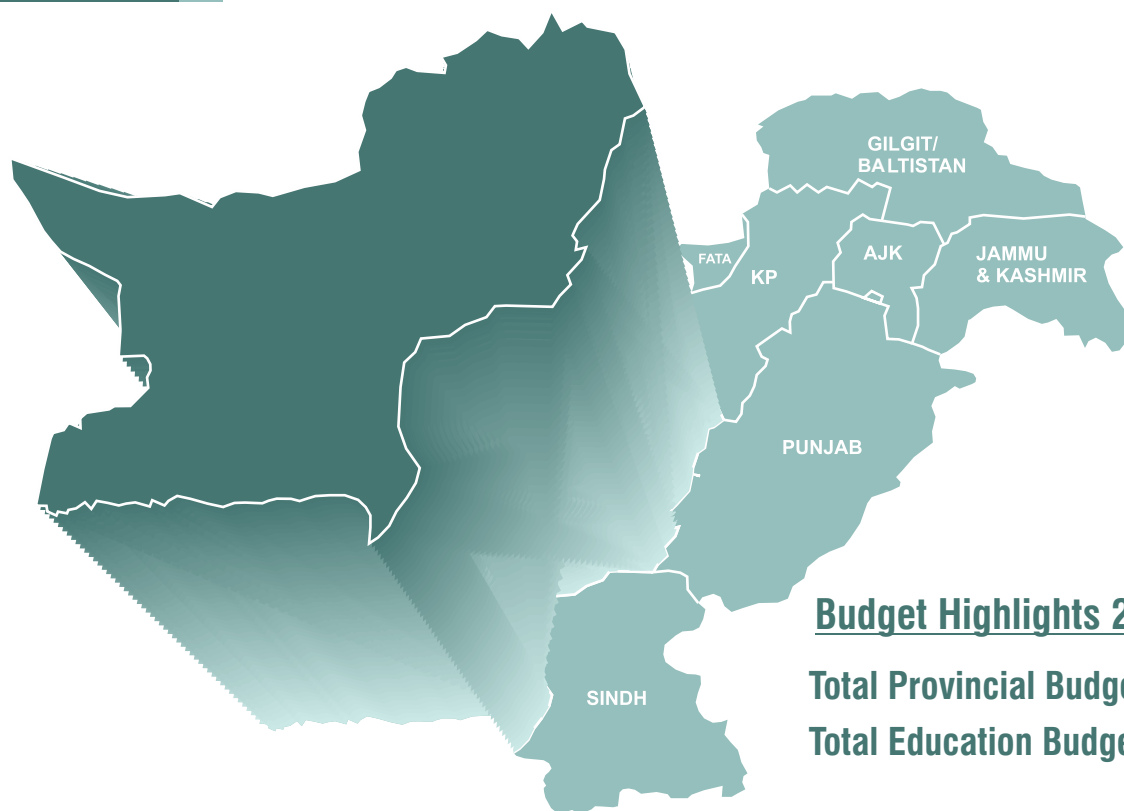
5.3.4 Lump-sum Provisions in Budget 2015-16

The education budget of Khyber Pakhtunkhwa for 2015-16 contains some lump-sum provisions. Such provisions relate to the resources that are not earmarked to specific head and limit transparent and effective utilization of these resources.

A lump-sum provision of Rs. 800 million for covering non-salary costs of in-service teacher education has been mentioned in the budget books 2015-16. The non-salary cost includes training cost only. Under administration head of the education budget, a lump-sum provision of Rs. 7.3 billion has been made which shows a significant increase compared with the Rs. 551 million allocation in 2014-15. The allocated budget of Rs. 7.3 billion comprises Rs. 6 million in employee-related expenses and Rs. 1.3 billion non-salary costs.

CHAPTER 6

Public Financing of Education: Balochistan



Budget Highlights 2015-16

Total Provincial Budget: 244 billion

Total Education Budget: 48.3 billion

Current Budget: 38.3 billion

→ **Salary Budget:** 32.5 billion

→ **Non-Salary Budget:** 5.8 billion

Development Budget: 10 billion

CHAPTER 6

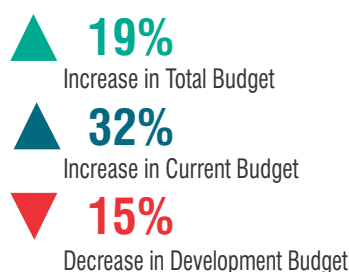
Public Financing of Education: Balochistan

Balochistan has a total of 12,576 public school out of which 28 percent are girls schools¹. Out of these schools, 84 percent are primary schools followed by 9 percent middle, 6 percent high and less than 1 percent higher secondary schools. Overall enrolment in government schools is 1.1 million student out of which 50 percent are enrolled at primary level. The number of teachers working in Balochistan is 43,620; 32 percent of whom are female. According to PSLM 2013-14, net enrolment rate at primary level is 39 percent while the literacy rate² is 59 percent for male and 25 percent for female; showing vast disparity. Survival rate to grade 5 is 46 percent and transition rate from primary to middle is 75 percent³. The number of out of school children of 5-16 years age in the province is 1.8 million which constitutes 66 percent of the total population of the school-going age children⁴. 51 percent of these out of school children are female.

6.1 EDUCATION BUDGET 2015-16 AT A GLANCE

6.1.1 Comparison of Education Budgets 2014-15 and 2015-16

The government of Balochistan has earmarked an education budget of Rs. 48.3 billion in 2015-16 representing an increase of 19 percent compared with the allocated budget in 2014-15. Out of the total education budget for 2015-16, 79 percent of the budget (Rs. 38.3 billion) has been apportioned for current budget. Compared with the allocated budget in 2014-15,



Balochistan School Census 2013-14

Population 10 years and older

Pakistan Education Atlas 2015

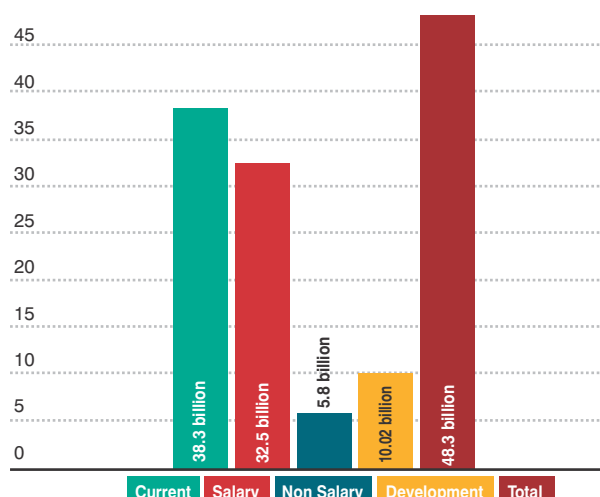
Alif Ailaan (2014). 25 Million Broken Promises: The Crisis of Out-of-School Children. Islamabad: Alif Ailaan.

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The share of development budget in the overall education budget has gone down from 29 percent in 2014-15 to 21 percent of total education budget in 2015-16.

the overall share of current budget in total education budget has increased by 8 percent this year. On an object level, salaries and related expenses will consume 85 percent of the current budget while 15 percent of the current budget has been set aside for non-salary purposes this year. Development budget will receive 21 percent of the education budget, i.e., Rs. 10 billion, in 2015-16. The share of development budget in the overall education budget has gone down from 29 percent in 2014-15 to 21 percent of total education budget in 2015-16.

Chart 6.1: Balochistan Education Budget 2014-15



Source: FABS Reports from PIFRA SAP System

Table 6.1: Balochistan Education Budget 2015-16 at a Glance (Rs. Million)

	2015-16	2014-15		Increase/Decrease vis-à-vis 2014-15	
	Allocation	Allocation	Expenditure	Allocation	Expenditure
A. Current	38,327.21	28,937.23	31,061.74	9,389.98 (32%)	7,265.47 (23%)
Salary	32,528.15	25,844.82	27,609.49	6,683.33 (26%)	4,918.66 (18%)
Non-Salary	5,799.05	3,092.41	3,452.25	2,706.64 (88%)	2,346.80 (68%)
B. Development	10,017.57	11,736.44	7,556.07	-1,718.87 (-15%)	2,461.50 (33%)
Total (A+B)	48,344.78	40,673.66	38,617.81	7,671.12 (19%)	9,726.97 (25%)

Source: FABS Reports from PIFRA SAP System

Compared with the allocated budget in 2014-15, the overall education budget of Balochistan has increased by 19 percent. However, all this increase routes to the current budget which highlights an increase of 32 percent compared with the allocated budget in the previous year. 26 percent increase in the salary budget has been recorded this year coupled with relatively higher increase in the non-salary budget to the tune of Rs. 2.7 billion (88 percent) compared with the allocated budget in 2014-15. The development budget for education has decreased by 15 percent this year, i.e., Rs. 1.7 billion in absolute terms.

6.1.2 Education Budget as a Proportion of Total Provincial Budget

Share of education in overall provincial budget has gradually increased over the last 3 years from 18 percent in 2013-14 to 20 percent of the total budget in 2015-16. In 2015-16, the total provincial budget allocation is Rs. 243.5 billion out of which Rs. 48.3 billion have been earmarked for education. Education budget this year constitutes one fifth of the total budget of Balochistan.

Table 6.2: Education Budget as Proportion of Total Provincial Budget (Rs. Million)

	2015-16			2014-15			2013-14		
	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget	Provincial Budget	Education Budget	Share of Education Budget
Current	189,000	38,327	20%	164,971	28,937	18%	154,468	24,744	16%
Development	54,500	10,018	18%	50,742	11,736	23%	43,922	10,155	23%
Total	243,500	48,345	20%	215,713	40,674	19%	198,390	34,899	18%

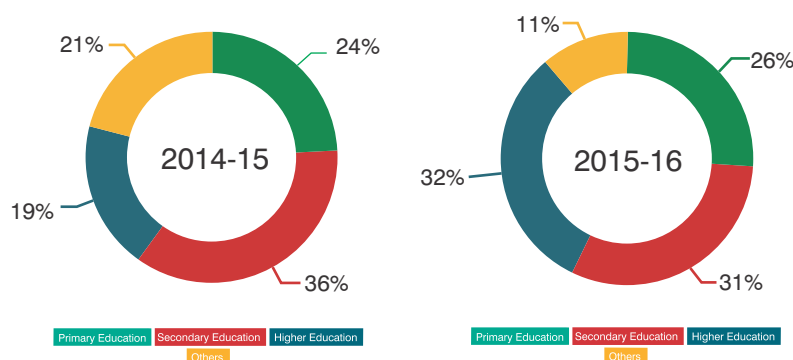
Source: FABS Reports from PIFRA SAP System

Compared with the 20 percent share of current budget this year which has increased over the last 3 years, the share of development budget for education in total provincial budget has gone down from 23 percent in 2013-14 to 18 percent in 2015-16.

6.1.3 Composition of Education Budget 2015-16

Highest share of 32 percent of the education budget has been allocated for higher education in 2015-16. Rs. 15.69 billion have been allocated for education in 2015-16 which is double the allocation made in 2014-15. Higher education is followed by secondary education with an allocation of Rs. 14.88 billion; 31 percent of the education budget this year. The share of secondary education in the total education budget has gone down from 36 percent in 2014-15 to 31 percent in 2015-16. Primary education is expected to receive 26 percent of the education budget in 2015-16 increasing its share from 24 percent of the total budget in 2014-15.

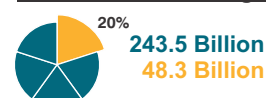
Chart 6.2: Composition of Education Budgets 2014-15 and 2015-16



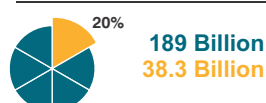
Source: FABS Reports from PIFRA SAP System

Education Budget as Proportion of Total Provincial Budget 2015-16

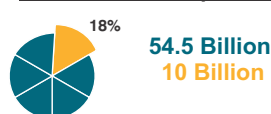
Provincial Total Budget



Provincial Current Budget



Provincial Development Budget



Education Budget

6.2 TRENDS IN EDUCATION EXPENDITURE 2010-11 TO 2015-16

6.2.1 Trends in Total Budget Allocations and Expenditures

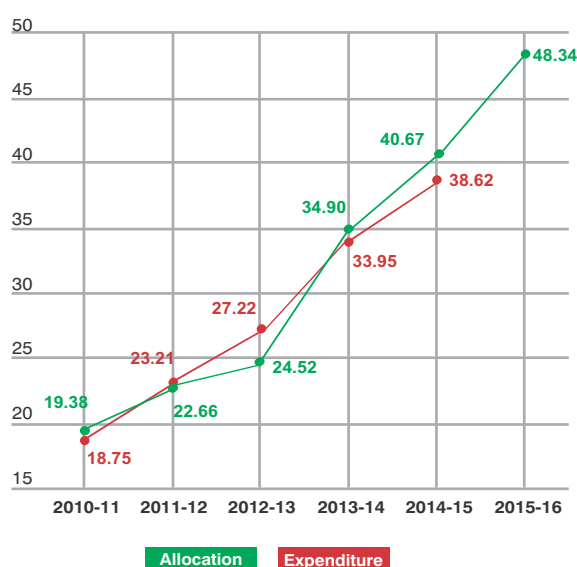
With an increase of 149 percent during the last 6 years, the budget has increased from Rs.

19.38 billion in 2010-11 to Rs. 48.34 billion in 2015-16.

The education budget of Balochistan has increased significantly in the last six years. With an increase of 149 percent during these years, the budget has increased from Rs. 19.38 billion in 2010-11 to Rs. 48.34 billion in 2015-16. During 2011-12 and 2012-13, the expensed budget exceeded the allocated budget by 2 percent and 11 percent respectively. The lowest percentage expensed budget has been recorded for 2014-15 where 5 percent of the education budget remained unspent.

In 2010-11, the government allocated a budget of Rs. 19.38 billion out of which 3 percent budget remained unspent during the year. Representing an increase of 17 percent compared with the budget allocated in 2010-11, an amount of Rs. 22.66 billion was earmarked for education. It is worth noting here that the expensed amount during the year exceeded the allocation by Rs. 0.55 billion (2 percent). An increase in education budget to the tune of Rs. 1.86 billion (8 percent) was seen in 2012-13. The budget apportioned during the year was Rs. 24.52 billion. Similar to the previous year, the expensed budget yet again exceed the allocated budget in 2012-13; this time by 11 percent. In 2013-14, a budget of Rs. 34.90 billion was earmarked representing an increase of 42 percent compared with the allocation in previous year. 3 percent of the allocated budget remained unspent during the year. With an increase of 17 percent in the allocated budget, an amount of Rs. 40.67 billion was apportioned for education in 2014-15. However, only 95 percent of the allocated amount was spent during the year. This year, in 2015-16, a budget of Rs. 48.34 billion has been earmarked for education. This marks an increase of 19 percent compared with the allocated budget in 2014-15.

Chart 6.3: Trends in Education Budget 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

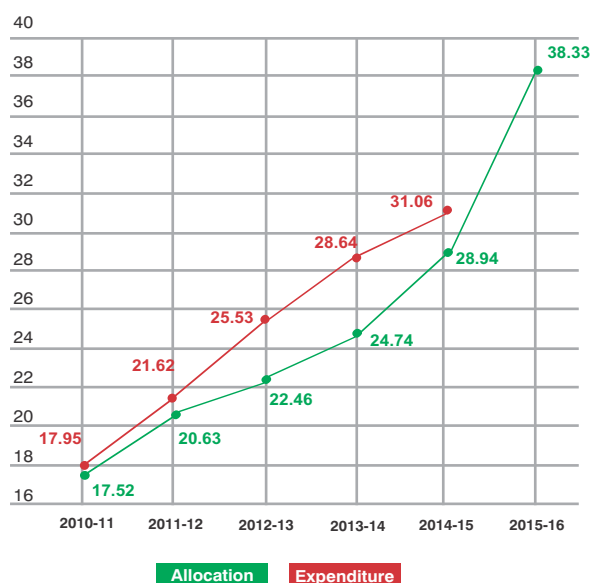
Primary education received the highest share of education budget in 2010-11 and 2011-12 followed by secondary and higher education. However the trend changed in the subsequent 3 years with secondary education receiving the highest share of education budget followed by primary and higher education. Another change in patterns can be seen in 2015-16. This year, the highest share of Rs. 15.69 billion (32 percent) has been earmarked for higher education followed by Rs. 14.88 billion (31 percent) for secondary education and Rs. 12.49 billion (26 percent) for primary education. In the last 3 years, the expensed budget on primary and secondary education has always exceeded the allocated budget.

6.2.2 Trends in Current Budget Allocations and Expenditures

Current budget consumes major portion of the education budget every year. The highest share of 92 percent of the education budget was recorded for the allocated budget in 2012-13. However the share gradually decreased in the subsequent 2 years to 71 percent of the budget. In 2015-16, current budget has been apportioned Rs. 38.33 billion which constitutes 79 percent of the education budget for the year. Over the last six years, current budget for education has surged by 119 percent. It is also worth mentioning that the expenditure on current budget has always exceeded the allocated budget during the last six years.

In 2010-11, a current budget of Rs. 17.52 billion was earmarked for education in Balochistan, however, an additional amount of Rs. 428 million was expensed at the end of the year. With an increase of 18 percent over the previous year's current budget, an allocation of Rs. 20.63 billion was made in 2011-12. Similar to the previous year, additional budget was spent on the current budget head to the tune of Rs. 991 million.

Chart 6.4: Trends in Current Education Budget 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

In the last 3 years, the expensed budget on primary and secondary education has always exceeded the allocated budget.

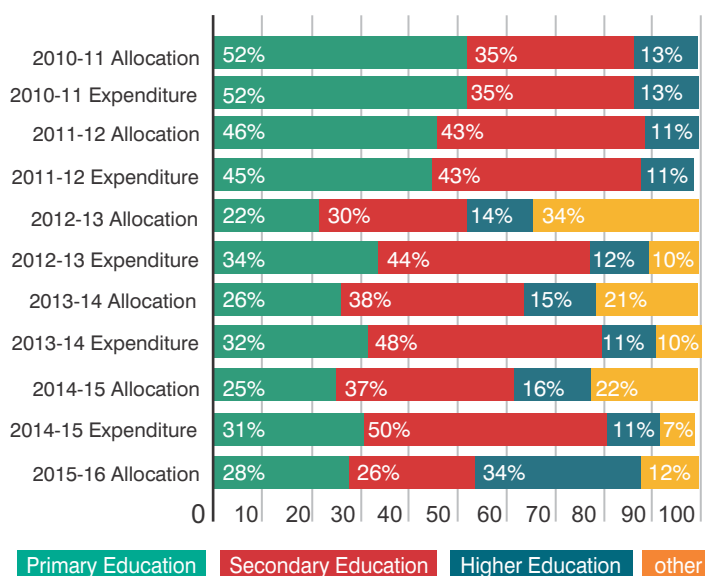
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More than 80 percent of the current budget has been allocated and expensed on salary related expenditure during the last 6 years.

The subsequent year saw an increase of 9 percent and Rs. 1.83 billion in the current budget. An amount of Rs. 22.46 billion was earmarked for the purpose in 2012-13 whereas the expensed amount during the year was Rs. 25.53 billion; 14 percent more than the allocation. In 2013-14, a budget of Rs. 24.74 billion was apportioned for current budget highlighting an increase of Rs. 2.29 billion (10 percent) over the previous year's allocated budget. Keeping with the trend in previous years, the expensed budget yet again exceeded the allocation by 16 percent; an additional amount of Rs. 3.90 billion. With an increase of 17 percent over the allocation in 2013-14, a budget of Rs. 28.94 billion was earmarked in 2014-15. An excess amount of Rs. 2.1 billion was spent during the year on recurrent expenses. This year, in 2015-16, a current budget allocation of Rs. 38.33 billion has been made, representing an increase of 32 percent (Rs. 9.39 billion) over the last year's allocated budget.

A functional level analysis of the trends in current budget allocations and expenditures shows that during 2010-11 and 2011-12, primary education received the highest share of current budget, followed by secondary and higher education. However, in the subsequent 3 years, share of secondary education was higher than primary education. The trend has again changed in 2015-16, where the highest share of current budget, i.e., 34 percent, has been earmarked for higher education. Higher education is followed by 28 percent share of primary education and 26 percent of the total current budget for secondary education. It is worth mentioning here that during the last 3 years, the expensed current budget on secondary education has been very high compared with the allocated budget.

Chart 6.5: Trends in Current Budget by Educational Level 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

Major portion of the current budget is absorbed in salaries and related expenditure.

More than 80 percent of the current budget has been allocated and expensed on salary related expenditure during the last 6 years. The highest share of 89 percent was recorded in 2014-15. Except for 2010-11 and 2011-12 where primary education received the highest share of salary budget, the share of secondary education was more than primary and higher education in the subsequent years until this year. In 2015-16, higher education will receive the highest share of salary budget, i.e., 33 percent. This is followed by primary education (31 percent) and secondary education (25 percent).

Non-salary budget is essential for day to day expenditure of schools, however, the share of non-salary budget is quite low in the current budget. In 2015-16, a budget of Rs. 5.80 billion has been earmarked out of which only 9 percent budget will go to primary education. Except for 2014-15 where the expensed budget exceeded the allocation, during all the previous years, non-salary expenditure has been lower than the allocated budget.

Chart 6.6: Share of Salary and Non-Salary Budgets in Total Current Budget Allocations 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

In 2015-16, a budget of Rs. 5.80 billion has been earmarked out of which only 9 percent budget will go to primary education.

6.2.3 Trends in Development Budget Allocations and Expenditures

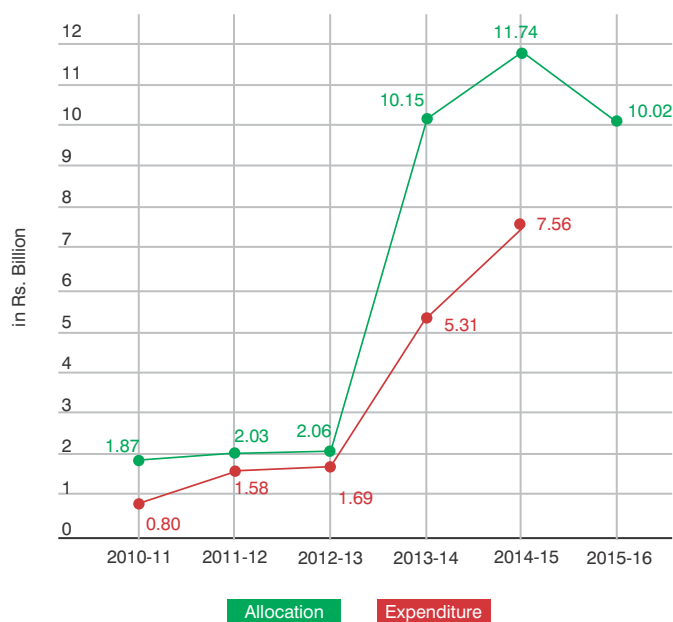
Although the education statistics highlight high infrastructural needs of the system, the allocated budget for development purposes is quite low. In 2015-16, a budget of Rs. 10.02 billion has been earmarked for development purposes which constitutes 21 percent of the education budget for the year. The share of development budget in the

The highest difference between allocation and expenditure was recorded in 2010-11 when 57 percent of the development budget remained unspent during the year.

total budget has gone down from 29 percent in 2014-15 to this year's 21 percent. During all the previous 6 years, the expensed development budget has always been lower than the allocated budget. The highest difference between allocation and expenditure was recorded in 2010-11 when 57 percent of the development budget remained unspent during the year.

In 2010-11, a budget of Rs. 1.87 billion was allocated for development purposes out of which 57 percent remained unspent. Representing an increase of 9 percent over the previous year's budget, an allocation of Rs. 2.03 billion was made in 2011-12. 22 percent of the development budget for the year remained unspent. In 2012-13, a budget of Rs. 2.06 billion was earmarked for the purpose, however, continuing the previous trend, an amount of Rs. 371 million (18 percent) could not be spent during the year. With a very high increase of 393 percent compared with the allocation in the previous year, the allocated budget for 2013-14 was Rs. 10.15 billion out of which 48 percent of the budget could not be spent during the year. In 2014-15, a budget of Rs. 11.74 billion was earmarked for development, highlighting an increase of 16 percent over the allocated budget in 2013-14. Keeping with the previous trend, only 64 percent of the allocated budget could be spent during the year. With a decrease of 15 percent over the previous year's allocation, the development budget allocation of Rs. 10.02 billion in 2015-16 marks a significant decrease.

Chart 6.7: Trends in Development Education Budget 2010-11 to 2015-16

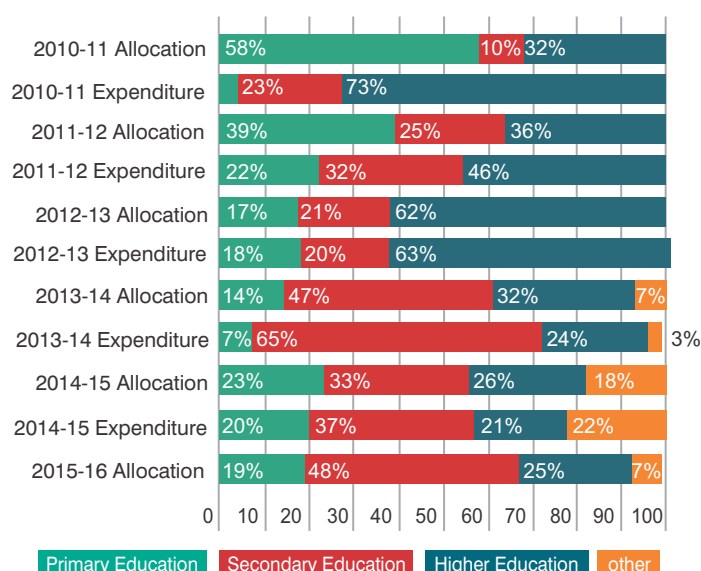


Source: FABS Reports from PIFRA SAP System

The highest share of 48 percent of the development budget has been earmarked for secondary education in 2015-16. This is followed by 25 percent share of higher education and 19 percent share for primary education. The trends of allocation and

expenditure on development have changed over the years. In 2010-11 and 2011-12, the highest allocation was for primary education, however, the expensed budget during these years represents an increased share for higher education. In 2012-13, the share of higher education was way higher than primary and secondary education. In all the subsequent years, share of secondary education has been the highest followed by higher and primary education respectively.

Chart 6.8: Trends in Development Budget by Educational Level 2010-11 to 2015-16



Source: FABS Reports from PIFRA SAP System

6.3 INSIGHTS FROM BUDGET BOOKS 2015-16

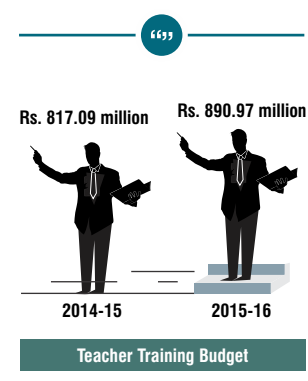
6.3.1 Teacher Training Budget 2015-16

A budget of Rs. 891 million has been allocated for teacher training in 2015-16. This highlights an increase of Rs. 74 million (9 percent) compared with the allocated budget in 2014-15. Out of the total teacher training budget, 51 percent budget, i.e., Rs. 454 million has been apportioned for pre-service teacher training whereas a budget of Rs. 437 million (49 percent) has been allocated for in-service teacher training.

Table 6.3: Teacher Training Budgetary Allocations 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Pre-Service Teacher Training	409.93	454.05	44.12 (11%)
In-Service Teacher Training	407.16	436.92	29.76 (7%)
Total Teacher Training	817.09	890.97	73.88 (9%)

Source: I-SAPS Calculations from KP Budget Books 2015-16



a budget of Rs. 1.3 billion for health and medical education has been added in the Balochistan education budget 2015-16.

This year, the budget for pre-service teacher training has increased by 11 percent over the last year's allocation. Also there has been an increase in the budgetary allocation for in-service teacher training to the tune of Rs. 30 million. This represents an increase of 7 percent compared with the allocated budget in 2014-15.

6.3.2 Balochistan Education Management Information System (BEMIS)

A current budget of Rs. 25.3 million has been apportioned for BEMIS in 2015-16. This shows an increase of 29 percent (Rs. 5.7 million) compared with previous year's allocated budget.

Table 6.4: Budgetary Allocations for BEMIS 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Employees Related Expenditure	17.87	23.63	5.76 (32%)
Non-Salary Cost	1.72	1.65	- 0.06 (- 4%)
Total	19.58	25.28	5.70 (29%)

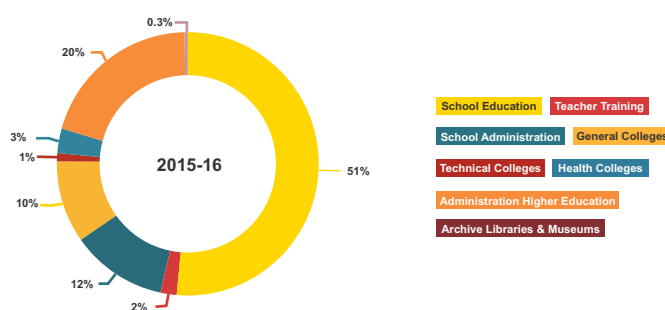
Source: I-SAPS Calculations from KP Budget Books 2015-16

Major portion of this budget is utilized for employees-related expenses. This year, 93 percent of the BEMIS budget has been allocated for employee-related expenses whereas only 7 percent, i.e., Rs. 1.65 million has been set aside for meeting non-salary costs.

6.3.3 Distribution of Current Expenditure

A total budget of Rs. 38.3 billion has been earmarked for recurrent expenditure in 2015-16. Disaggregating the current budget shows that Rs. 25.1 billion has been allocated for school education this year. Allocation of Rs. 13.2 billion has been made for higher education in 2015-16. On further disaggregating the higher education budget, it is seen that Rs. 3.7 billion will go to general education, Rs. 428 million to technical colleges, Rs. 1.3 billion to health education, Rs. 7.7 billion to higher education administration and Rs. 122 million to archives, libraries and museums.

Chart 6.9: Distribution of Current Budget 2015-16



Source: I-SAPS Calculations from KP Budget Books 2015-16

6.3.4 Health and Medical Education

The education budget of Balochistan also includes the budget of health and medical education. This year, a budget of Rs. 1.3 billion for health and medical education has been added in the education budget. Compared with the allocated budget in 2014-15, this year's budget presents an increase of 15 percent under this budget line. Table 6.5 presents an object-level analysis of the health and medical education budget included in the education budget of the province.

Table 6.5: Budgetary Allocations for Health and Medical Education 2014-15 and 2015-16 (Rs. Million)

	2014-15	2015-16	Increase/Decrease
Employees Related Expenditure	949.28	1,088.41	139.13 (15%)
Non-Salary Cost	217.67	248.35	30.69 (14%)
Total	1,166.94	1,336.76	169.81 (15%)

Source: I-SAPS Calculations from KP Budget Books 2015-16

6.3.5 Budget for Archives, Libraries and Museums

An allocation of Rs. 122 million from the education budget of Balochistan has been made for archives, libraries and museums in 2015-16. This year's allocation shows an increase of 45 percent compared with the allocated budget of Rs. 84 million for this budget line in 2014-15.

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An allocation of Rs. 122 million from the education budget of Balochistan has been made for archives, libraries and museums in 2015-16.



ANNEX

Statistical Tables

Federal Education Budget

Table A2.1: Breakdown of Total Education Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	3,204.00	3,252.00	4,358.00	4,387.00	4,700.19	6,377.53	5,832.00	7,189.78	6,334.39	8,050.30	7,239.56	7,239.56
Secondary Education	4,299.00	4,442.00	4,556.00	5,592.00	5,632.45	7,637.91	7,434.00	8,613.81	8,125.12	9,284.24	9,284.24	9,284.24
Higher Education	42,857.00	45,534.00	43,467.00	48,343.00	51,605.66	52,710.83	61,883.00	65,973.26	67,761.38	78,799.85	77,399.38	77,399.38
Others	5,306.00	1,653.00	1,694.00	3,033.00	3,292.12	3,416.63	5,249.00	4,939.88	2,103.44	4,363.68	3,957.34	3,957.34
Total	55,666.00	55,181.00	54,475.00	61,355.00	65,250.41	70,142.90	80,398.00	86,716.73	84,328.33	101,701.65	97,880.52	97,880.52

Source: FABS Reports from PIFRA SAP System

Table A2.2: Breakdown of Current Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	3,174.00	3,245.00	4,148.00	4,287.00	4,670.19	6,365.53	5,832.00	7,189.78	6,078.56	8,050.30	7,239.56	7,239.56
Secondary Education	4,232.00	4,425.00	4,893.00	5,824.00	5,606.93	7,627.70	7,434.00	8,613.81	7,863.81	10,454.65	8,996.35	8,996.35
Higher Education	25,210.00	31,166.00	29,111.00	33,997.00	35,766.47	40,673.95	43,384.00	47,134.54	47,464.25	52,991.75	56,675.18	56,675.18
Others	1,894.00	1,487.00	1,362.00	1,425.00	1,830.24	2,285.24	2,647.00	3,267.97	1,815.26	2,880.47	2,666.27	2,666.27
Total	34,500.00	40,323.00	39,514.00	45,213.00	47,873.83	56,952.42	59,277.00	66,206.10	63,221.90	74,377.16	75,580.35	75,580.35
% of Total Education Budget	62	73	73	74	73	81	74	76	75	73	77	77

Source: FABS Reports from PIFRA SAP System

Table A2.3: Breakdown of Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	3,085.24	3,159.79	4,056.19	4,174.94	4,481.04	6,255.92	5,722.40	6,920.92	5,579.40	7,625.94	6,736.11	6,736.11
Secondary Education	4,087.65	4,297.73	4,798.30	5,423.06	5,428.63	7,533.06	7,339.36	8,360.24	7,473.53	10,069.79	8,564.88	8,564.88
Higher Education	1,455.97	1,596.66	1,832.18	2,043.70	2,426.02	3,882.60	4,157.11	4,163.42	3,715.64	4,590.22	4,824.88	4,824.88
Others	547.59	537.45	497.90	531.09	601.24	715.89	766.51	745.94	732.61	1,142.44	1,297.86	1,297.86
Total	9,176.45	9,591.64	11,184.57	12,172.79	12,936.93	18,387.47	17,985.37	20,190.52	17,501.18	23,428.38	21,423.74	21,423.74
% of Total Current Budget	27	24	28	27	27	32	30	30	28	31	28	28
% of Total Education Budget	16	17	21	20	20	26	22	23	21	23	22	22

Source: FABS Reports from PIFRA SAP System

Table A2.4: Breakdown of Non-Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	88.76	85.21	91.81	92.06	189.148	109.605	108.60	268.86	499.16	424.35	503.44	503.44
Secondary Education	144.36	127.267	94.70	100.94	178.297	94.64	94.64	253.57	390.28	384.86	434.47	434.47
Higher Education	23,754.03	29,569.34	27,275.82	31,953.30	33,340.45	36,791.35	39,206.89	42,971.12	43,748.61	48,401.53	51,850.30	51,850.30
Others	1,336.41	949.55	864.10	893.91	1,229.00	1,569.35	1,880.49	2,522.04	1,082.67	1,736.04	1,368.40	1,368.40
Total	25,323.56	30,731.36	28,329.43	33,040.21	34,936.90	38,564.95	41,291.63	46,015.58	45,720.72	50,948.78	54,156.61	54,156.61
% of Total Current Budget	73	76	72	73	73	68	70	70	72	69	72	72
% of Total Education Budget	45	56	52	54	54	55	51	53	54	50	55	55

Source: FABS Reports from PIFRA SAP System

Table A2.5: Breakdown of Development Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	30.00	7.00	210.00	120.00	30.00	12.00	-	-	255.84	-	-	-
Secondary Education	67.00	17.00	63.00	68.00	25.52	10.21	-	-	265.31	33.18	284.89	284.89
Higher Education	17,647.00	14,668.00	14,356.00	14,346.00	15,859.19	12,036.89	18,519.00	19,838.72	20,297.13	25,808.10	20,724.20	20,724.20
Others	3,422.00	166.00	332.00	1,068.00	1,461.88	1,131.39	2,602.00	1,671.90	288.16	1,483.21	1,291.07	1,291.07
Total	21,166.00	14,858.00	14,961.00	16,142.00	17,376.58	13,190.48	21,121.00	20,510.63	21,106.43	27,324.49	22,300.16	22,300.16
% of Total Education Budget	38	27	27	26	27	19	26	24	25	27	23	23

Source: FABS Reports from PIFRA SAP System

Chapter 3

Punjab Education Budget

Table A3.1: Breakdown of Total Education Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	72,913.52	68,338.60	83,912.13	76,510.06	94,995.88	90,272.55	98,962.48	92,188.35	106,579.00	96,095.13	110,840.68	96,095.13
Secondary Education	59,730.16	49,286.32	75,374.29	62,195.92	92,029.28	71,724.14	99,594.45	84,814.27	111,321.94	85,393.32	134,013.14	85,393.32
Higher Education	15,690.63	13,555.93	20,251.40	19,461.27	25,612.65	22,582.10	26,189.27	26,590.02	31,605.65	23,425.50	33,076.03	23,425.50
Others	6,820.36	6,189.81	12,440.49	10,612.17	7,936.91	8,181.11	7,820.16	7,514.63	8,122.45	7,284.69	8,575.63	7,284.69
Total	155,154.67	137,370.64	191,978.31	168,769.42	220,575.63	192,759.89	232,566.34	211,107.28	259,629.04	212,198.64	286,505.47	212,198.64

Source: FABS Reports from PIFRA SAP System

Table A3.2: Breakdown of Current Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	71,125.29	67,110.77	82,627.62	75,574.16	93,972.53	89,811.06	97,227.23	91,393.51	106,088.33	95,905.55	109,010.68	95,905.55
Secondary Education	47,607.90	43,739.05	60,342.31	50,063.77	68,043.00	60,744.10	73,693.75	65,645.27	83,685.56	72,813.66	101,163.74	72,813.66
Higher Education	13,465.26	11,835.13	12,226.49	12,083.61	16,818.35	17,543.27	21,756.35	18,215.52	23,700.60	18,624.47	23,956.25	18,624.47
Others	4,228.66	3,885.85	8,254.41	6,805.21	6,714.81	7,772.98	7,430.99	6,919.27	7,564.83	7,234.87	8,211.05	7,234.87
Total	136,427.11	126,570.79	163,450.83	144,526.75	185,548.69	184,871.41	200,110.31	182,173.56	221,039.32	194,578.56	242,343.71	194,578.56
% of Total Education Budget	88	92	85	86	84	96	86	86	85	92	85	85

Source: FABS Reports from PIFRA SAP System

Table A3.3: Breakdown of Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	69,007.73	65,491.53	80,637.87	77,890.78	92,810.68	88,676.34	96,156.31	89,943.65	104,810.71	93,682.19	106,597.86	93,682.19
Secondary Education	37,496.85	34,521.80	47,213.48	42,591.50	56,530.12	55,340.46	60,597.85	56,470.26	66,306.02	59,480.29	74,439.48	59,480.29
Higher Education	12,247.52	10,943.74	10,593.77	10,891.47	13,975.35	14,473.95	19,307.11	15,918.23	21,312.54	15,483.20	21,735.22	15,483.20
Others	1,662.91	1,423.66	4,790.59	3,554.22	5,590.98	4,982.95	6,411.92	5,286.80	6,335.54	5,263.39	6,853.01	5,263.39
Total	120,415.01	112,380.74	143,235.50	130,927.98	170,907.13	163,473.70	182,473.18	167,618.94	198,764.81	173,909.07	209,625.57	173,909.07
% of Total Current Budget	88	89	88	91	92	88	91	92	90	89	86	86
% of Total Education Budget	78	82	75	78	77	85	78	79	77	82	73	73

Source: FABS Reports from PIFRA SAP System

Table A3.4: Breakdown of Non-Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	2,117.55	1,619.24	1,989.95	1,683.37	1,161.84	1,134.72	1,068.92	1,449.86	1,277.62	2,223.36	2,412.82	2,223.36
Secondary Education	10,111.05	9,217.24	13,128.83	7,472.27	9,512.89	14,403.84	13,095.90	9,175.01	17,379.54	13,333.37	26,724.26	13,333.37
Higher Education	1,217.74	891.39	1,632.72	1,192.14	2,842.10	3,069.32	2,451.24	2,297.29	2,388.06	3,141.27	2,223.03	3,141.27
Others	2,565.75	2,462.19	3,463.82	3,250.99	1,123.83	2,790.03	1,019.08	1,632.47	1,229.29	1,971.48	1,358.04	1,971.48
Total	16,012.10	14,190.05	20,215.32	13,598.77	14,641.56	21,397.71	17,635.14	14,554.62	22,274.51	20,669.49	32,718.14	20,669.49
% of Total Current Budget	12	11	12	9	8	12	9	8	10	11	14	11
% of Total Education Budget	10	10	11	8	7	11	8	7	9	10	11	11

Source: FABS Reports from PIFRA SAP System

Table A3.5: Breakdown of Development Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	1,788.23	1,227.83	1,284.51	935.90	1,023.35	461.49	794.85	2,490.67	1,830.00	1,830.00	1,830.00	1,830.00
Secondary Education	12,122.26	5,547.27	15,031.98	12,121.15	23,986.28	1,980.04	25,900.70	19,169.00	27,836.38	12,579.66	32,849.40	12,579.66
Higher Education	2,225.37	1,720.80	8,024.91	7,377.66	8,794.30	5,038.83	4,430.92	8,374.50	7,905.04	4,801.03	9,117.78	4,801.03
Others	2,591.70	2,303.96	4,186.08	3,806.96	1,222.10	408.13	389.17	595.36	557.63	49.82	364.58	49.82
Total	18,727.56	10,799.85	28,527.48	24,242.67	35,026.94	7,868.48	32,456.03	28,933.71	38,669.72	17,620.08	44,161.76	17,620.08
% of Total Education Budget	12	8	15	14	16	4	14	14	15	8	15	8

Source: FABS Reports from PIFRA SAP System

Sindh Education Budget

Table A4.1: Breakdown of Total Education Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	1,395.81	1,141.89	16,870.47	18,507.93	44,223.83	45,744.70	52,810.69	48,995.27	58,643.61	57,674.80	64,653.58	64,653.58
Secondary Education	7,683.82	3,430.55	11,522.60	16,492.12	28,654.79	26,605.18	39,561.48	29,070.11	35,094.03	28,972.92	42,255.70	42,255.70
Higher Education	13,984.18	9,687.57	17,195.49	9,313.16	20,327.24	14,353.85	21,203.76	15,572.94	17,624.80	12,513.42	15,373.84	15,373.84
Others	-	-	2,594.14	62.02	16,091.45	9,551.23	21,970.87	10,070.89	26,332.12	9,460.33	25,593.39	25,593.39
Total	23,063.81	14,260	48,182.69	44,375.23	109,297.32	96,255.04	135,546.80	103,709.21	137,694.57	108,621.47	147,876.52	147,876.52

Source: FABS Reports from PIFRA SAP System

Table A4.2: Breakdown of Current Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	1,395.81	1,057.31	16,870.47	18,446.20	42,001.63	44,847.30	51,474.63	48,327.22	55,157.39	54,877.36	62,718.50	62,718.50
Secondary Education	6,943.82	3,427.77	10,359.97	16,445.32	26,130.08	25,448.54	31,375.96	27,210.79	33,944.14	28,649.68	35,524.18	35,524.18
Higher Education	10,763.58	8,357.93	12,714.63	8,957.63	14,664.15	11,805.93	16,125.27	13,092.62	11,691.24	9,126.69	12,997.27	12,997.27
Others	-	-	-	-	14,501.46	9,232.16	19,685.94	9,548.97	25,647.78	9,459.33	24,020.34	24,020.34
Total	19,103.21	12,843.01	39,945.07	43,849.15	97,297.32	91,333.93	118,661.80	98,179.60	126,440.55	102,113.07	135,260.28	135,260.28
% of Total Education Budget	83	90	83	99	89	95	88	95	92	94	91	91

Source: FABS Reports from PIFRA SAP System

Table A4.3: Breakdown of Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	391.28	249.13	14,057.42	16,039.56	38,912.99	44,651.30	48,162.69	48,203.08	51,560.58	51,648.43	53,518.59	53,518.59
Secondary Education	-	0.07	9,308.24	15,874.10	25,289.34	25,369.11	30,468.58	27,094.48	32,933.45	28,547.38	34,157.01	34,157.01
Higher Education	8,625.18	6,602.44	3,679.87	3,591.31	11,321.16	9,138.81	12,588.19	9,722.15	11,244.71	8,669.92	12,370.94	12,370.94
Others	-	-	-	-	2,480.82	1,399.01	3,021.60	1,636.80	2,860.60	1,223.41	3,772.71	3,772.71
Total	9,016.47	6,851.64	27,045.53	35,504.97	78,204.32	80,558.23	94,241.05	86,656.51	98,599.34	90,089.13	103,819.24	103,819.24
% of Total Current Budget	47	53	68	81	80	84	79	88	78	88	88	88
% of Total Education Budget	39	48	56	80	72	84	70	84	72	83	70	77

Source: FABS Reports from PIFRA SAP System

Table A4.4: Breakdown of Non-Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	1,004.53	808.18	2,813.05	2,406.64	3,088.635	195.994	3,311.94	124.14	3,596.81	3,228.93	9,199.91	9,199.91
Secondary Education	6943.82	3427.7	1,051.73	571.23	840.739	79.44	907.39	116.31	1,010.69	102.30	1,367.17	1,367.17
Higher Education	2138.4	1755.48	9034.76	5366.31	3142.991	2,667.12	3537.082	3,370.47	446.53365	456.775833	626.328	626.328
Others	-	-	-	-	12,020.64	7,833.15	16,664.34	7,912.16	22,787.19	8,235.92	20,247.63	20,247.63
Total	10,086.75	5,991.37	12,899.54	8,344.18	19,093.00	10,775.70	24,420.75	11,523.09	27,841.22	12,023.93	31,441.04	31,441.04
% of Total Current Budget	53	47	32	19	20	12	21	12	22	12	23	23
% of Total Education Budget	44	42	27	19	17	11	18	11	20	11	21	21

Source: FABS Reports from PIFRA SAP System

Table A4.5: Breakdown of Development Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	0.00	84.58	..	61.73	2,222.21	897.47	1,336.06	668.06	3,486.22	2,797.44	1,935.09	1,935.09
Secondary Education	740.00	2.78	1,162.63	46.80	2,524.71	1,156.64	8,185.52	1,859.32	1,149.90	323.24	6,731.53	6,731.53
Higher Education	3,220.60	1,329.64	4,480.87	355.54	5,663.09	2,547.93	5,078.49	2,480.31	5,933.56	3,386.73	2,376.58	2,376.58
Others	2,594.14	62.02	1,589.99	319.08	2,284.93	521.92	684.34	1.00	1,573.05	1,573.05
Total	3,960.60	1,416.99	8,237.63	526.08	12,000.00	4,921.11	16,885.00	5,529.61	11,254.01	6,508.40	12,616.24	12,616.24
% of Total Education Budget	17	10	17	1	11	5	12	5	8	6	9	9

Source: FABS Reports from PIFRA SAP System

Chapter 5

Khyber Pakhtunkhwa Education Budget

Table A5.1: Breakdown of Total Education Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	19,289.89	18,624.55	22,262.73	24,016.62	22,569.26	30,379.83	45,136.55	36,154.83	35,974.85	43,688.84	41,889.99	41,889.99
Secondary Education	23,153.05	23,391.80	27,973.71	27,886.92	29,986.95	34,120.55	35,899.07	33,042.87	55,648.14	46,569.82	53,793.14	53,793.14
Higher Education	5,484.01	5,425.64	6,646.35	7,161.57	10,103.95	10,674.09	11,777.64	10,578.85	13,224.88	10,996.27	15,488.21	15,488.21
Others	3,033.05	1,769.46	6,290.55	2,414.33	16,484.89	1,710.25	3,593.75	895.50	1,988.23	1,188.10	8,569.32	8,569.32
Total	50,959.99	49,211.45	63,173.34	61,479.44	78,145.05	76,884.72	96,407.00	80,675.05	106,835.90	102,443.03	119,720.66	119,720.66

Source: FABS Reports from PIFRA SAP System

Table A5.2: Breakdown of Current Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	17,410.41	17,662.24	21,148.99	22,342.77	20,740.09	27,139.33	27,363.52	30,173.23	34,030.87	35,689.39	37,387.88	37,387.88
Secondary Education	17,917.33	17,687.95	21,972.45	21,209.93	23,700.12	27,875.11	29,595.67	29,753.93	37,665.35	34,583.82	42,317.00	42,317.00
Higher Education	2,534.10	2,526.74	3,744.32	3,267.52	5,192.95	5,137.77	6,055.09	4,893.09	7,044.88	5,425.56	9,268.21	9,268.21
Others	2,156.01	1,742.10	3,100.93	2,343.63	6,359.00	807.00	3,593.75	887.30	1,988.23	1,188.10	8,569.32	8,569.32
Total	40,017.85	39,619.03	49,966.69	49,253.85	55,992.16	60,959.23	66,608.03	65,707.54	80,729.32	77,066.87	97,542.21	97,542.21

Source: FABS Reports from PIFRA SAP System

Table A5.3: Breakdown of Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	17,008.08	17,335.20	20,643.24	21,872.36	20,424.27	26,365.15	24,487.31	29,487.73	30,345.20	31,920.97	34,056.69	34,056.69
Secondary Education	17,543.97	17,376.54	21,462.68	20,836.26	23,341.97	25,752.67	28,696.23	28,630.25	34,956.53	32,464.04	39,496.04	39,496.04
Higher Education	2,441.26	2,451.27	3,396.36	3,166.62	4,492.88	4,014.02	5,424.13	4,423.58	6,351.54	4,835.75	8,311.07	8,311.07
Others	1,031.83	951.61	1,192.86	1,151.54	5,381.84	343.951	3,257.02	367.16	468.94	430.45	6,421.27	6,421.27
Total	38,025.14	38,114.61	46,695.15	47,026.78	53,640.95	56,475.80	61,864.69	62,908.73	72,122.22	69,651.21	88,285.07	88,285.07

Source: FABS Reports from PIFRA SAP System

Table A5.4: Breakdown of Non-Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	402.33	327.04	505.75	470.41	315.82	774.18	2,876.21	685.50	3,685.67	3,948.42	3,330.98	3,330.98
Secondary Education	373.36	311.42	509.77	463.66	358.15	2,122.44	899.45	1,123.67	2,708.82	2,119.78	2,820.96	2,820.96
Higher Education	92.83	75.47	347.95	100.9	700.06	1,123.76	630.96	469.51	693.336	589.81	957.145	957.145
Others	1,124.18	790.49	1,908.08	1,192.10	977.17	463.05	336.72	520.13	1,519.28	757.66	2,148.05	2,148.05
Total	1,992.70	1,504.42	3,271.55	2,227.07	2,351.21	4,483.43	4,743.34	2,798.82	8,607.10	7,415.66	9,257.14	9,257.14

Source: FABS Reports from PIFRA SAP System

Table A5.5: Breakdown of Development Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	1,879.47	982.32	1,113.74	1,673.85	1,829.17	3,240.49	17,773.03	5,981.60	1,943.78	7,819.45	4,502.31	4,502.31
Secondary Education	5,235.72	5,703.85	6,001.26	6,586.99	5,286.83	6,245.44	6,303.40	3,286.95	17,982.80	11,986.00	11,476.14	11,476.14
Higher Education	2,949.92	2,898.90	2,902.03	3,894.05	4,911.00	6,440.73	5,722.54	5,685.76	6,180.00	5,570.71	6,200.00	6,200.00
Others	877.04	27.36	3,189.61	70.7	10,125.89	0	0	11.2	0	0	0	0
Total	10,942.15	9,592.42	13,206.65	12,225.59	22,152.89	15,925.48	29,798.97	14,967.51	26,106.58	25,376.16	22,178.45	22,178.45

Source: FABS Reports from PIFRA SAP System

Balochistan Education Budget

Table A6.1: Breakdown of Total Education Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	10,231.23	9,375.08	10,209.49	10,102.74	5,313.75	8,871.69	7,909.70	9,425.08	9,851.71	11,275.92	12,489.89	11,275.92
Secondary Education	6,345.07	6,487.10	9,344.81	9,669.41	7,094.45	11,670.09	14,113.16	17,092.99	14,627.53	18,306.85	14,884.73	18,306.85
Higher Education	2,787.51	2,866.29	3,055.59	3,196.41	4,503.92	4,120.75	6,985.11	4,517.42	7,768.68	5,071.84	15,686.34	5,071.84
Others	20.27	22.32	49.75	38.83	7,607.45	2,555.50	5,990.64	2,915.02	8,425.75	3,963.20	5,283.81	3,963.20
Total	19,384.08	18,750.80	22,659.65	23,207.39	24,519.58	27,218.01	34,898.62	33,950.50	40,673.66	38,617.81	48,344.78	38,617.81

Source: FABS Reports from PIFRA SAP System

Table A6.2: Breakdown of Current Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	9,144.95	9,342.36	9,419.45	9,755.77	4,968.93	8,574.29	6,360.50	9,042.87	7,185.90	9,755.33	10,545.28	9,755.33
Secondary Education	6,153.80	6,303.83	8,839.85	9,364.45	6,652.43	11,337.12	9,369.45	13,617.80	10,702.54	15,520.63	10,031.71	15,520.63
Higher Education	2,196.77	2,278.55	2,323.56	2,464.38	3,229.15	3,060.88	3,720.11	3,219.62	4,688.51	3,467.35	13,209.40	3,467.35
Others	20.27	22.32	49.75	38.83	7,607.45	2,555.50	5,293.84	2,763.54	6,360.28	2,318.43	4,540.82	2,318.43
Total	17,518.79	17,947.07	20,632.62	21,623.43	22,457.97	25,527.79	24,743.90	28,643.83	28,937.23	31,061.74	38,327.21	28,937.23
% of Total Education Budget	90	96	91	93	92	94	71	84	71	80	79	79

Source: FABS Reports from PIFRA SAP System

Table A6.3: Breakdown of Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	7,032.92	7,560.93	8,090.57	8,511.81	4,968.93	8,351.91	6,103.61	8,768.09	6,929.02	9,444.06	10,041.29	9,444.06
Secondary Education	5,976.84	6,140.09	7,540.26	8,274.04	6,318.62	10,606.60	7,956.23	12,994.97	9,714.99	14,469.90	7,983.86	14,469.90
Higher Education	1,627.01	1,768.32	1,927.49	2,103.90	2,863.08	2,527.81	3,344.80	2,923.67	4,206.44	2,923.22	10,594.77	2,923.22
Others	15.08	17.7	42.90	33.41	4,965.42	1,401.33	3,396.62	1,233.88	4,994.37	766.31	3,908.23	766.31
Total	14,651.85	15,487.04	17,601.22	18,923.17	19,116.06	22,887.65	20,801.28	25,750.61	25,844.82	27,609.49	32,528.15	27,609.49
% of Total Current Budget	84	86	85	88	85	90	84	90	89	89	85	89
% of Total Education Budget	76	83	78	82	78	84	60	76	64	71	67	67

Source: FABS Reports from PIFRA SAP System

Table A6.4: Breakdown of Non-Salary Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	2,112.03	1,781.43	1,328.89	1,243.95	-	222.38	256.88	274.78	256.88	311.28	503.99	311.28
Secondary Education	176.97	163.74	1,299.59	1,090.42	333.8	730.52	1,413.21	622.82	987.55	1,050.73	2,047.84	1,050.73
Higher Education	572.76	510.23	396.07	360.47	366.06	533.06	375.3	465.96	482.07	538.12	2,614.63	482.07
Others	5.18	4.61	6.85	5.42	2,642.03	1,154.17	1,897.21	1,529.66	1,365.90	1,552.13	632.59	1,552.13
Total	2,866.94	2,460.02	3,031.40	2,700.26	3,341.90	2,640.13	3,942.62	2,893.22	3,092.41	3,452.25	5,799.05	3,452.25
% of Total Current Budget	16	14	15	12	15	10	16	10	11	11	15	10
% of Total Education Budget	15	13	13	12	14	10	11	9	8	9	12	9

Source: FABS Reports from PIFRA SAP System

Table A6.5: Breakdown of Development Expenditure by Educational Level (Rs. Million)

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16	
	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
Primary Education	1,086.28	32.72	790.04	346.97	344.82	297.40	1,449.20	382.20	2,665.80	1,520.58	1,944.61	1,520.58
Secondary Education	191.27	183.27	504.96	504.96	442.02	332.97	4,743.71	3,475.19	3,924.99	2,786.22	4,853.02	2,786.22
Higher Education	587.74	587.74	732.03	732.03	1,274.77	1,059.87	3,265.00	1,297.79	3,080.17	1,604.49	2,476.95	1,604.49
Others	-	-	-	-	-	-	696.8	151.48	2,065.47	1,644.77	742.99	1,644.77
Total	1,865.29	803.73	2,027.03	1,583.96	2,061.61	1,690.22	10,154.72	5,306.67	11,736.44	7,556.07	10,017.57	7,556.07
% of Total Education Budget	10	4	9	7	8	6	29	16	29	20	21	21

Source: FABS Reports from PIFRA SAP System



GLOSSARY

Glossary

Actual Expenditure	Amount actually spent by a spending unit out of the allocation for a particular account head
Aggregate	Total budgetary outlay of the federal or provincial governments
Budget	Government's annual financial plan which provides details of the proposed expenditure and sources of financing the expenditure
Budget Estimates	Demands of expenditure for the next fiscal year – also known as 'allocations'
Current Budget	Allocation and expenditure on goods and services consumed within the current year; includes recurrent costs of a spending unit
Development Budget	Allocation and expenditure on development activities and schemes (e.g. infrastructure, capacity building projects) which have generally a finite life
Employees-related Expenses	Include salaries and allowances (but generally, does not include employees retirement benefits)
Functional	Refers to various categories that constitute the current or development budgets such as primary education, secondary education, professional universities/colleges/institutes, administration, etc.
Non-salary Expenses	Includes all current expenditure other than employees related expenses such as operating costs, purchase of physical assets, repairs and maintenance
Operating Expenses	Includes communications, utilities, occupancy costs, travel and transportation and general costs
Re-appropriation	Transfer of allocated amount from one unit to another unit in a fiscal year
Repairs and Maintenance	Expenses for repair of transport, machinery and equipment and furniture and fixture, buildings and structures etc.

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