

Education Watch 2006

Financing Primary and Secondary Education in Bangladesh



Overview



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Campaign for Popular Education (CAMPE)
Bangladesh

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**Financing Primary and Secondary
Education in Bangladesh**

Overview of the Main Report

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Foreword

We are pleased to bring out Education Watch 2006 report, which is on financing of primary and secondary education in Bangladesh.

Financial resources and their effective use are a critical issue in improving participation, quality and equity in primary and secondary education. While societies enter into the information and knowledge economy and modern technologies develop and spread at an incredible speed, over 100 million children in the world have no access to school. Countless other children, youth and adults, the majority of them girls and women, may attend education programmes, but fall short of the required level of basic literacy and numeracy skills in today's complex world.

Recent official data suggest that in Bangladesh over half of the children are not completing primary education and three quarters of the children in the age group for secondary education do not complete that stage. We are not at present on track to achieve the EFA and MDG goals for 2015 or to fulfill the constitutional pledge to "extend free and compulsory education to all children."

The present study has revealed that public spending on primary and secondary education remains low in comparison with other developing countries and insufficient to ensure acceptable quality. Per student public expenditure in a year in government primary schools for 2005 was Tk 1,728 followed by Tk 1,656 in the ebtedayee madrasas, and only Tk 664 in registered non-government schools. At the secondary level, the numbers were Tk. 2,461 per student in the government-assisted schools (98 percent of all general secondary schools) and Tk 3,810 for the secondary level (dakhil) madrasas.

The data collected from the school records showed the amounts received by schools from the government for salaries, construction and maintenance and did not include the amounts spent on stipends at primary and secondary levels and distribution of textbooks in primary school. It was evident that very little was available for quality inputs, such as, provision of teaching aids, training and supervision of teachers, provisions for libraries and laboratories. Nor were enough resources to provide for an adequate number of teachers, classrooms and a manageable class size (rather than a primary class of over 50 students and over a 100 in some secondary classes).

The meagerness of resources was partially mitigated by household spending on education. Of total spending per child in government primary schools and

government assisted secondary schools – the most numerous type of institution in each category – 59 percent and 71 percent respectively came from household sources. Cost of private tutors was the single largest item of household expenditure. Forty-three percent of government primary school students and 85 percent of government-assisted secondary school students had private tutors. Household costs for education and dependence on private tutoring clearly aggravated educational inequity. Household spending on education per child of the lowest socio-economic quintile at both primary and secondary levels was less than half of the spending of the topmost quintile.

Public spending in different types of institutions varied widely, but no rationale was apparent for this variation. Madrasas at the secondary level received the highest government subvention on a per capita basis and urban institutions were favoured in contrast to rural ones. There was, however, no capitation formula on the basis of the student population in institutions or in geographical units, often applied when the state takes seriously its obligation to provide for compulsory education.

A policy reorientation and consequent increase in public resources for education and changes in the budgetary allocation pattern in favour of the poor and the disadvantaged are called for. Means-tested school feeding, school-based tutoring for the first generation students, and direct provision for education materials and stationeries, in stead of transfer payment of cash to families through stipends, may be more effective in assisting the children of the poor to perform better in school. NGOs and community based organizations, with their social entrepreneurship skills and outreach capacity, can assist schools and parents' groups in these efforts. The policy implications of the facts regarding availability of resources from public and other sources, their optimal use, and what the effects are on education participation, equity and performance of students need to be examined further.

Dhaka
December, 2007

Fazle Hasan Abed
Chairperson
Campaign for Popular Education

Overview

Introduction Education in Bangladesh

Background

Primary, secondary, and tertiary are the three major stages in the education system. The focus of the present study is financing primary and secondary (up to SSC level) education in rural and urban areas. English medium schools are not included in this study.

The Ministry of Primary and Mass Education (MOPME) is responsible for primary education and general non-formal education, while the Ministry of Education (MOE) looks after the post primary (secondary, higher secondary, and higher) education.

At the level of the institution, the management committee (school level), the governing body (college level) and the syndicate (university level), and the heads of the institutions are responsible for the functioning of the institutions.

Formal education is offered at five levels to children of different age groups: early childhood, primary, secondary, higher secondary, and tertiary. Official age range for early childhood is 3-5 years, primary 6-10 years, secondary 11-15 years, higher secondary 16-17 years, and higher education 18 years and above. Parallel to general education, madrasa education is offered, starting with ebtedayee up to kamal level and English medium, starting with nursery/ kindergarten up to A level.

Primary Education

At present, 10 types of institutions offer primary education. In 2005, the total enrolment was 16, 225,158 in 80,397 institutions with a total of 344,789 teachers. A wide variation prevails between types of institutions regarding the number of students, the teacher-student ratio, and the growth rates of institutions and students.

Secondary Education

Successful primary completers are eligible for secondary education. Past decades witnessed the accelerated growth of enrolment in secondary education as a result of higher transition rates as well as higher growth of primary school completers. In 2005, the number of secondary level institutions, teachers, and students were respectively 18,500; 238,158; and 7,398,552. As in primary education, large variation prevails between general and madrasha education and also between types of institutions within each educational strand.

Government Budgetary Allocation for Education

The education sector has been receiving the highest public budgetary allocation in recent years. During the last 5 years, the allocation has been around 14% of the total public budget composed of about 9% in revenue budget and about 5% in development budget.

Table 1 gives an overview of public budgetary allocation to education sector for the period 2002-2007. The Table shows that the trend of the allocation to the Ministry of Primary and Mass Education (MOPME) as percent of total allocation to all sectors and also of GDP is a slowly increasing one although there have been small decreases in one year or another. Most of the allocation to MOPME goes to primary education and a small proportion to mass education.

Projects are being implemented to improve the quality of education through, for example, improving the quality of teachers. Second Primary Education Development Programme (PEDP II), one of the major projects, initiated in 2003, is due to be completed in 2008. It aims at improving the quality at all aspects of primary education.

Table 1 MOPME budget (in lakh Taka)

| Financial Year | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|------------------------|--------------------------------|--|--------------------------------------|--|--|-------------------------------------|---------------------|--|------------------------------|------------|
| | Budget allocation: all sectors | Budget allocation to all sectors as % of GDP | Total allocation to education sector | Total allocation to education sector as % of GDP | Total allocation to education as % of budget allocation to all sectors | Allocation to ministry of education | Allocation to MOPME | MOPME total allocation to education sector | MOPME allocation as % of GDP | GDP |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| National Budget | | | | | | | | | | |
| 2002-03 (R) | 4,443,323 | 14.78 | 689,362 | 2.24 | 15.17 | 393,926 | 295,436 | 42.9 | 0.93 | 30,058,000 |
| 2003-04 (R) | 4,936,750 | 14.83 | 675,792 | 2.03 | 13.69 | 405,557 | 270,235 | 39.9 | 0.81 | 33,297,300 |
| 2004-05 (R) | 5,563,200 | 15.10 | 712,100 | 1.93 | 12.80 | 445,100 | 267,000 | 37.4 | 0.72 | 36,847,500 |
| 2005-06 (R) | 6,105,800 | 14.67 | 910,200 | 2.19 | 14.91 | 528,300 | 381,900 | 41.9 | 0.92 | 41,615,400 |
| 2006-07 (B) | 6,974,000 | 14.99 | 1,089,100 | 2.34 | 15.62 | 617,000 | 472,100 | 43.3 | 1.01 | 46,530,000 |
| Non-Development | | | | | | | | | | |
| 2002-03 (R) | 2,550,604 | 8.52 | 396,271 | 1.32 | 15.48 | 249,408 | 146,863 | 37.0 | 0.49 | |
| 2003-04 (R) | 2,878,308 | 8.64 | 447,479 | 1.34 | 15.55 | 284,437 | 163,042 | 36.4 | 0.49 | |
| 2004-05 (R) | 3,466,400 | 9.41 | 507,200 | 1.38 | 14.63 | 326,800 | 180,400 | 35.5 | 0.49 | |
| 2005-06 (R) | 3,807,000 | 9.15 | 634,700 | 1.53 | 16.67 | 422,300 | 212,400 | 33.4 | 0.51 | |
| 2006-07 (B) | 4,372,000 | 9.40 | 710,500 | 1.53 | 16.25 | 464,500 | 246,000 | 34.6 | 0.53 | |
| Development | | | | | | | | | | |
| 2002-03 (R) | 1,765,300 | 5.87 | 254,087 | 0.85 | 14.39 | 105,514 | 148,573 | 58.4 | 0.49 | |
| 2003-04 (R) | 1,958,500 | 5.88 | 228,311 | 0.69 | 11.66 | 121,119 | 107,192 | 46.9 | 0.32 | |
| 2004-05 (R) | 2,108,700 | 5.72 | 204,900 | 0.56 | 9.72 | 118,300 | 86,600 | 42.2 | 0.24 | |
| 2005-06 (R) | 2,226,300 | 5.35 | 275,500 | 0.66 | 12.37 | 106,000 | 169,500 | 61.5 | 0.41 | |
| 2006-07 (B) | 2,648,100 | 5.69 | 378,600 | 0.81 | 14.30 | 152,500 | 226,100 | 59.7 | 0.49 | |

Source: Ministry of Finance, Finance Division-Annual Financial Statement, 2004-05; Budget Summary, 2005-06 and Budget Summary, 2006.

Background, Objectives and Scope of the Study

Background

The Constitution of Bangladesh states that the basic education is the constitutional right of the citizen. It is the responsibility of the government to take all measures for facilitating education, particularly at the primary and secondary levels. The successive governments, in fact, did adopt various programmes. As a result, rapid growth in primary education and even at secondary level took place. However, the deterioration of quality, high drop-outs, and low attendance rate have upset the benefits achieved through rapid expansion of enrolment.

The prevailing highly unpalatable educational situation in Bangladesh is reflective of corruption-ridden and poor educational management in the country on one hand and resource limitations on the other. On the resource issue, it may be pointed out that, in terms of overall national spending (public and private) on education, Bangladesh with 2.2% of GDP falls far short of 6.0% stipulated in The Dakar Framework for Action. It may also be mentioned that, compared to Bangladesh, the ratio is significantly higher in Nepal (3.4%) and India (3.3%).¹

However, in recent years, public budgetary allocation in Bangladesh, both under revenue and development heads, to the education sector has been the highest compared to other broad sectors. But, due to systemic corruption and inefficiencies, there have been substantial leakages, wastages, and mal-distribution of allocated sums, particularly in the case of the development budget.

One way of making an assessment of public expenditure in a primary or a secondary school is to collect data on the amount of money received by the school from the government under various heads of expenditure. In this study, this method has been adopted. Some insights have also been gained in broad terms from public budgetary allocation to the education sector, specially to the primary level for which useful data are available. Some institutions also receive private

¹ See UNDP, *Human Development Report 2006*, UN Headquarters, New York.

donations and some own assets that generate some income. In addition, the families of the students bear substantial expenditure on various counts.

Again, a widely held, but incorrect, view is that primary education is virtually free in Bangladesh, i.e., the government bears all expenses, particularly in government and registered/recognized schools and madrasahs. This study shows (reported later) that this is not the case at all. In a situation where reliable statistics are not available on who pays how much and for what, such views may hamper the process of identifying the actual needs to be met for steady expansion of quality education. In reality, educational opportunities in the country are not properly linked to the social realities. Some institutions (e.g. government institutions as opposed to non-government ones) and some social classes (e.g. the richer students as opposed to poor students) are served much better than others. If reliable data on relevant aspects were available, there would be a genuine basis for addressing the issues faced.

Although some data are available from some sources, the prevailing financing pattern and variations in the expenditure between types and locations of institutions and between socio-economic classes have not been properly explored in the past. Hence, the need for an in-depth investigation into the financing of primary and secondary education in the country has long been felt. The present survey, under the auspices of Education Watch, is an attempt to gain an understanding of financing of primary and secondary education in Bangladesh.

Objectives and Scope of the Study

The main objective of the study is to gain an understanding on educational expenditure at primary and secondary levels in Bangladesh.

In estimating educational expenditure by source, it has been sought to determine

- sources of financing of primary and secondary education,
- rural-urban variation,

- variation between boys and girls,
- variation between types of educational institutions, and
- variation among students with respect to socio-economic conditions of their families.

The focus of the survey is on the students drawn from government and non-government schools, madrashas, and community (at primary level only) schools located in both rural and urban areas. The reference period is the calendar year 2005. Data presented in various Tables of this study, unless otherwise specified, are from this survey and for the year 2005.

The following sources of expenditure have been considered:

- Public allocation
- Individual and community (donations)
- Institution's own assets
- Student's family (private expenditure)

Methodology and Data Collection

The Approach

Pursuant to the objectives stated above, the Education Watch Survey 2006 (Bangladesh Primary and Secondary Educational Expenditure Survey-BPSEES 2006) has been designed to obtain representative and reliable estimates for average per student annual expenditure incurred by institutions and students (i.e. their families), overall and also broken down as follows:

- Rural and Urban
- Boys and Girls
- By Grade (1-X)
- Types of Schools
- Advantaged and Disadvantaged Students (poorest, poor, medium, rich, richest)

Types of Educational Institutions Covered

It was decided to cover the following types of schools and madrashas:

Primary : Government, non-government (registered), non-government (non registered), and community schools, and registered and non-registered madrashas

Secondary : Government and non-government (with MPO) schools and madrashas

Sampling Design and Sample Size

The Sampling design used for this survey is a three stage sampling: the first stage is upazila, the second stage is school, and the third stage is student. A sample size for boys and, also, for girls of each grade was determined to be 1,680 to provide 95% confidence level for 6.76 relative error (d). The total number of students in the sample for each grade is, thus, 3,360 (1,680 boys, 1,680 girls). The total number of institutions and students in the whole sample at primary and secondary levels are:

| Types of institution | No. of institutions | No. of students |
|---------------------------------|------------------------------|-------------------------------------|
| Primary schools and madrashas | 300 (rural: 226; urban: 74) | 18,000 (rural:13,560; urban: 4,440) |
| Secondary schools and madrashas | 280 (rural: 210; urban: 70) | 16,800 (rural:12,600; urban: 4,200) |
| Total | 580 (rural: 436; urban: 144) | 34,800 (rural:26,160; urban: 8,640) |

The students at both primary and secondary levels in the sample have been appropriately allocated to the six administrative divisions (Barisal, Chittagong, Sylhet, Dhaka, Khulna and Rajshahi). (Details are available in the main report)

Selection of Upazilas

In all 40 upazillas {rural 30, urban 6 and SMA (statistical metropolitan area) 4} were selected using systematic sampling scheme to ensure representation of districts within each division.

Number of Institutions and Students Actually Covered

For reasons beyond the control of the study team, some institutions could not be covered. The replacement by similar schools was used wherever possible. The number of primary level institutions covered is 313; and the primary level students 18,625, appropriately distributed by type and location (rural-urban) of the institutions. The number of secondary educational institutions covered is 283; and the secondary level students 16,529, again distributed by type and location of institutions. (The details of the procedure used are provided in the main report).

Data Collection

Two checklists, one for primary level institutions and the other for secondary level institutions, and one interview schedule for guardians of students were developed and finalized after pre-testing. The three instruments are given in Annex 2 of the main report.

A total of 64 field investigators and supervisors were deployed for the field data collection. Training was provided to them before field work. Field work was conducted during August-November, 2006. All data presented in this report are from this survey and refer to 2005, unless otherwise specified.

Limitation of the Study

Although rural and urban representation of students in the overall sample was in proportion to the respective population, this proportion could not be maintained by types of institutions because of cost and time constraints. In most areas selected for the study, government secondary schools did not exist. Non-government primary schools and community schools were also not available in many areas. In case of

non-availability of institutions of a particular type, they were replaced by institutions of the same type from other areas, even by institutions of other types. Another difficulty arose as a result of non-cooperation of heads of some institutions. These institutions had to be replaced by others.

Enrolment and Teachers

The survey reveals that institutions do not follow uniform rules for class size and teacher-student ratios. Table 2 presents average per institution enrolment. The highest average enrolment was 357 in government primary schools and lowest in community schools. Variation by type of institutions across locations is quite noticeable. The variation is even higher in secondary schools. Here, the lowest is 184 in rural madrasahs and the highest at 1,115 in urban government school. (Table 3)

Table 2 Average per primary institution enrolment by type and location of institutions 2005

| Type of institutions | Rural | Urban | Both |
|--------------------------------|-------|-------|------|
| Govt. schools | 341 | 411 | 357 |
| Non-govt. (non-regd.) schools | 162 | 234 | 174 |
| Community schools | 153 | 128 | 147 |
| Non-govt.(regd.) madrasahs | 218 | 257 | 228 |
| Non-govt.(non-regd.) madrasahs | 214 | 200 | 204 |

Table 3 Average per secondary institution enrolment by type and location, 2005

| Type of institutions | Rural | Urban | Combined |
|-----------------------|-------|-------|----------|
| Govt. schools | 476 | 1,115 | 732 |
| Non-govt.(MPO) school | 538 | 857 | 619 |
| Madrasahs | 184 | 229 | 189 |

Grade-wise variation is also observed in both primary and secondary education. In general enrolment is the highest in the lowest grade (i.e. grade I at primary and grade 6 at secondary level) and the lowest in grade 5 and grade 10 in primary and secondary education respectively.

Teachers in Primary Education

Large variations in the average number of teachers between types of institutions and between rural and urban areas have been found. In case of primary education, the highest (7.7) is in government primary and the lowest (3.5) in community schools. Urban schools, on average, have higher number of teachers compared to rural schools. The average number of students per teacher varies widely from 27 in urban non-government non-registered primary schools to 57 in urban non-government registered primary schools.

Teachers in Secondary Education

The variation in the average number of teachers per institution is even higher in secondary education. Rural madrasahs have, on average, 11.4 teachers while urban government secondary schools have 40 teachers, on average. Teacher-student ratio in secondary schools ranges from 1:16 to 1:40. The situation in secondary education is better compared to primary education.

Cost of Education at Primary and Secondary Levels

Sources of Expenditure

In this survey, expenditure of the following types have been considered:

- Private expenditure, i.e. expenditure incurred by the families of the students on their education;
- Public expenditure, i.e. public funds received and spent by the institutions for various purposes; and
- Other expenditure, i.e. funds received from various other sources such as donations by individuals and private organizations and

institutions' own resources and others and spent by the institutions for various purposes.

Families of the students incur expenditure for their children in respect of such items as: tuition fee, admission fee, other fee, private tuition, books, stationery, school bags, umbrellas, school dress, transport, tiffin, entertainment, medical treatment, fuel, and other costs. The survey data provide separate estimates of expenditure on every item for each school category.

Private Expenditure in Primary Education

Table 4 presents private per student expenditure at primary level by type and location of the institutions.

Table 4 Primary education: average annual private expenditure per student by location (rural and urban) and type of institutions, 2005, in Taka

| Type of institutions | Rural | | | Urban | | | Both | | |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Boys | Girls | Both | Boys | Girls | Both | Boys | Girls | Both |
| Government schools | 2,551 | 2,463 | 2,507 | 2,755 | 2,690 | 2,724 | 2,596 | 2,511 | 2,554 |
| Non-govt.(regd.) schools | 2,145 | 1,974 | 2,060 | 3,728 | 3,470 | 3,603 | 2,545 | 2,327 | 2,438 |
| Non-govt.(non-regd.) schools | 1,785 | 1,775 | 1,781 | 2,568 | 2,746 | 2,663 | 1,938 | 1,939 | 1,939 |
| Community schools ¹ | 1,729 | 1,670 | 1,700 | 1,675 | 1,541 | 1,609 | 1,719 | 1,643 | 1,682 |
| Non-govt.(regd.) madrasha | 1,740 | 1,723 | 1,733 | 3,654 | 4,070 | 3,855 | 2,230 | 2,423 | 2,324 |
| Non-govt.(non-regd.) madrasha | 1,798 | 1,714 | 1,756 | 2,733 | 3,067 | 2,893 | 2,015 | 2,012 | 2,014 |

¹Only rural

Total per Student Cost in Primary Education (Grade I-V)

Grade-wise annual per student private expenditure in primary

education is different for different types of institutions. Overall, the cost is the highest (Tk.2,554) in government primary and the lowest in community schools (Tk.1,682). In other types of institutions it varies between these two figures.

Variation between Types of Institutions

Average private expenditure per primary student varies widely between types of institutions, regardless of the location of the institutions. Overall (i.e. boys and girls as well as rural-urban combined) average annual per student expenditure is the highest in case of government primary schools (Tk.2,554) and the lowest (Tk.1,682) in case of community schools. The expenditure in non-government (regd.) schools is higher by Tk.500 than in non-government (non-regd.) schools. Difference between non-government (regd.) and non-government (non-regd.) madrasahs is also significant (Tk.310) in favour of the former.

Difference between Boys and Girls

Variation between boys and girls in both rural and urban areas is small regardless of the types of institutions. The findings reveal that guardians no longer discriminate against girls.

Rural-Urban variation

Guardians living in urban areas spend per student, on average, more on their children's education on an annual basis compared to guardians living in rural areas. The average cost also varies between types of school within both rural and urban areas.

Grade-wise Expenditure

Per student annual private expenditure is the lowest in grade I for all types of institutions and locations and rises with grade. It rises sharply from grade I to grade II and thereafter the increase is steady but relatively small. It is seen that the average annual expenditure in grade V is 4.0 to 10.3 times the expenditure in grade I.

Item-wise Expenditure in Primary Education

The survey reveals that all students do not incur expenditure on all items. It is confirmed that government school students do not pay tuition fees, but few students of other types of primary schools, (percentage ranges from 2-13), pay tuition fees.

Some 82-93 percent of the total annual private expenditure is incurred on the following items: private tuition, stationery, fuel, tiffin, health care, and school dress.

The annual average per student expenditure varies between types of institutions. Expenditure on private tuition is a major expenditure item of students in all types of schools. Average annual expenditure on private tuition based on all students and also only for the students taking private tuition has been computed. Both vary between types of schools. A student taking private tuition spends annually between the lowest of Taka 879 (in case of community schools) and the highest of Taka 1,413 (in case of government primary schools). About 43 percent of government primary school students take private tuition. This percentage is between 37-30 percent in other type of institutions. It transpires that over half the students do not spend money on tiffin.

Private Expenditure in Secondary Education

Private expenditure on secondary education has been worked out for three types of institutions: government, non-government (MPO) schools, and madrashas. As in primary, 14 heads of expenditure have been included in the case of secondary education. Details are given in Annex 4 to the main report. Table 5 shows a summary in terms of annual total per student total private expenditure.

Table 5 Average annual private expenditure per student by location and types of secondary institutions and sex of students, 2005, in Taka

| Types of institutions | Rural | | | Urban | | | Both | | |
|-----------------------------------|-------|-------|-------|--------|--------|--------|--------|--------|--------|
| | Boys | Girls | Both | Boys | Girls | Both | Boys | Girls | Both |
| Government schools (2,305) | 8,322 | 8,607 | 8,464 | 16,524 | 17,435 | 16,895 | 11,249 | 11,141 | 11,204 |
| Non-govt.(MPO) schools (9,534) | 6,726 | 6,596 | 6,662 | 9,157 | 11,325 | 10,279 | 7,320 | 7,826 | 7,574 |
| Madrashas (4,690) | 5,208 | 4,697 | 4,947 | 6,808 | 8,644 | 7,697 | 5,610 | 5,613 | 5,611 |

Figures within bracket represent students covered.

Variation between Types of Institutions

The average annual expenditure sharply varies between types of secondary education: overall, the highest in government secondary schools (Tk.11,204) and the lowest in madrashas (Tk.5,611). The variations between types of institutions are large.

Difference in Expenditure between Boys and Girls

From Table 5 it is seen that average annual per student expenditure for girls is larger in all types of institutions in urban areas. In the rural areas, expenditure for girls is slightly higher in government schools and lower in non-government and madrashas compared to expenditure for boys. When rural and urban institutions are combined by types of institutions, the expenditure is by and large the same for boys and girls.

Rural-Urban Variation

Annual average expenditure per student is larger in urban areas compared to rural areas. The difference is significant in all types of

institutions. The difference is highest in case of government schools (Tk.8,431) and the lowest in case of madrasha (Tk.2,750).

Grade-wise Expenditure: Sharply Rising with Grade

The average annual per student expenditure is the lowest in grade VI in all types of institutions (Tk.6,801 in government schools, Tk.4,419 in non-government schools and Tk.3462 in madrashas), and gradually increases with grades and reaches to maximum in grade X (Tk.14,641 in government schools, Tk.10,869 in non-government schools, and Tk.7,908 in madrashas)

Total per Student Cost in Secondary Education

The total cost for all grades of secondary education is Tk.55,831 in government schools Tk.37,869 in non-government (MPO) schools, and Tk.28,021 in madrashas. The cost in non-government schools is 1.35 times that in the madrashas and the cost in government schools is nearly twice the cost incurred in madrashas and 1.47 times that in non-government schools.

Items-wise Private Expenditure in Secondary Education

The survey reveals that all guardians do not spend on all items (Table 6.11 main report). It has been found that 42-66% of the guardians did not pay tuition fee and 43-66% did not pay admission fee. Most of the non-paying students are girls enjoying benefits of female secondary scholarship programme (FSSP).

It is revealed by the study (Table 6.12 of the main report) that private tuition is the largest single private expenditure item. Per student cost on private tuition was Tk.4,700 in government schools, 42% of the total cost; Tk.2,210 in non-government schools, 29% of the total cost; and Tk.1,202 in madrashas, 21% of the total cost. The general observation is that guardians are giving high importance to private tuition. The other items on which relatively higher amounts are spent are: transport, tiffin, school dress, books.

Private Expenditure on Primary and Secondary Education by Socio-economic Status

The wealth status of each household has been worked out, using the principal component approach. The wealth status has been determined by using the following categories of data. Family characteristics, occupation, household size, and consumer durables. All the households for rural and urban areas have then been divided into five groups, each of equal number of households, based on wealth status. These groups are the poorest (the bottom 20%), poor, middle, rich, and the richest (upper 20%). Average annual private expenditure has been worked out and is shown in Table 6.

Table 6 Average annual per student private expenditure at primary and secondary levels by socio-economic (wealth) status by location, 2005, in Taka

| Socio-economic status (wealth) of households | Primary | | Secondary | |
|--|---------|-------|-----------|--------|
| | Rural | Urban | Rural | Urban |
| Poorest | 1,313 | 1,457 | 4,049 | 5,295 |
| Poor | 1,698 | 2,134 | 5,115 | 7,562 |
| Middle | 2,014 | 3,147 | 6,024 | 10,312 |
| Rich | 2,388 | 3,394 | 7,330 | 13,676 |
| Richest | 3,188 | 4,514 | 9,426 | 17,135 |

Table 6 shows a very strong relationship between economic status of the guardians and their annual average expenditure on their children's education. Poorest families spend much less than the poor; the poor less than the middle income groups, which spend less than the rich.

The rate of increase is higher in urban areas compared to rural areas. In respect of primary education in rural areas, the average per student annual expenditure of the richest households is 2.4 times that of the poorest households while, in urban areas, corresponding figure is 3.1. In the case of secondary education, the expenditure of the richest is 3.2

times that of the poorest while, in rural areas, the corresponding figure is 2.3 times.

Also, in the case of primary education, the expenditure of the urban richest is 3.4 times that of the rural poorest. In secondary education, the corresponding figure is 4.2 times.

Item-wise Annual Private Expenditure in Primary and Secondary Education by Socio-economic Status of Students

The household survey generated data on education in respect of 14 items, which have been analyzed earlier. In this section, an analysis of the expenditure on selected items is presented. The items are school fees (admission and others); private tuition; related to attending expenditure the respective institutions by the students (books, stationery, school dress, transport, tiffin), medical, and fuel. The average annual private expenditure for these five broad categories of items separately for rural and urban areas is reviewed below.

Primary education. The average annual per primary student private expenditure incurred by the poorest households on each broad category is the lowest. It rises steadily at higher levels of socio-economic status, reaching the highest level in the case of the richest households. (Table 7).

Except for medical expenses, the average per item annual expenditure in urban areas is higher compared to rural areas among all categories of households. Expenditure on private tuition per student in urban areas is nearly double the corresponding expenditure in rural areas. Regarding medical expenditure, the differences between the two areas are relatively small. (Table 7).

Table 7 Average annual per student private expenditure on selected items at primary level by socio-economic status of students and location of institutions, 2005, in Taka

| Socio-economic status | All fees paid to institutions | | Cost of private tuition | | Cost on attendance-related items | | Medical expenses | | Fuel cost | |
|-----------------------|-------------------------------|-------|-------------------------|-------|----------------------------------|-------|------------------|-------|-----------|-------|
| | Rural | Urban | Rural | Urban | Rural | Urban | Rural | Urban | Rural | Urban |
| Poorest | 28 | 58 | 151 | 293 | 608 | 621 | 215 | 157 | 296 | 133 |
| Poor | 37 | 107 | 250 | 502 | 775 | 932 | 259 | 210 | 348 | 372 |
| Middle | 42 | 297 | 350 | 927 | 926 | 1251 | 277 | 278 | 382 | 374 |
| Rich | 58 | 352 | 447 | 999 | 1096 | 1334 | 301 | 253 | 433 | 442 |
| Richest | 91 | 549 | 671 | 1,239 | 1,365 | 1,697 | 397 | 322 | 520 | 695 |

Secondary education. The analysis of item-wise average annual private expenditure on secondary education reveals that it is the lowest in the case of the poorest households. It rises with increase in social status and reaches the highest level in the case of the richest households in respect of all items in both rural and urban areas. The rate of increase is the highest in case of private tuition and lowest in case of all fees and medical treatment. Compared to rural areas, the rate of increase is higher in urban areas in all cases. (Table 8).

Table 8 Average annual per student private expenditure on selected items at the secondary level by socio-economic status of students and location of institutions, 2005, in Taka

| Socio-economic status | All fees paid to institutions | | Cost of private tuition | | Cost on attendance-related items | | Medical expenses | | Fuel cost | |
|-----------------------|-------------------------------|-------|-------------------------|-------|----------------------------------|-------|------------------|-------|-----------|-------|
| | Rural | Urban | Rural | Urban | Rural | Urban | Rural | Urban | Rural | Urban |
| Poorest | 347 | 599 | 663 | 1,327 | 2,061 | 2,320 | 370 | 286 | 543 | 727 |
| Poor | 423 | 703 | 1,071 | 2,417 | 2,543 | 3,163 | 371 | 387 | 626 | 849 |
| Middle | 454 | 1,080 | 1,452 | 3,563 | 2,817 | 4,058 | 467 | 431 | 727 | 1,110 |
| Rich | 503 | 1,263 | 2,154 | 5,091 | 3,260 | 5,268 | 498 | 753 | 775 | 1,197 |
| Richest | 586 | 1,366 | 3,116 | 7,140 | 4,021 | 6,155 | 549 | 795 | 1,000 | 1,535 |

Public Expenditure as Distributed through Institutions and Expenditure out of Private Donations and Income Generated through Assets

Total expenditure on account of salaries and allowances of teachers and staff of the government schools/madrashas is met by the government, while 90%² of the basic salaries are met by the government in the case of non-government registered primary institutions and secondary institutions under MPO. In addition, different types of institutions receive various amounts of government grants for construction, maintenance, purchase of teaching aids, and other purposes. Also, stipends/partial stipends are provided to eligible students.

Data collected from the institutions on public expenditure under various heads and in respect of private institutional and individual donations and income from institutions' own sources are summarized in terms of annual expenditure per institution and per student separately for different types of institutions for primary and secondary institutions by their location (rural and urban). The relevant estimates are discussed below.

Primary Education

Public expenditure. Table 9 gives annual average per institution expenditure out of funds received from government on account of salary, construction and maintenance, stipend etc.

² This was the case at the time of the field research for this study. Government now covers full basic salary expenditure.

Table 9 Average per institution annual expenditure from funds received from government, 2005, in Taka

| Types of institutions | Govt. primary schools | | Non-govt. (regd.) schools | | Non-govt. (non-regd.) schools | | Community schools | | Non-govt. (regd.) madrshas | | Non-govt. (non-regd.) madrshas | |
|---|-----------------------|---------|---------------------------|---------|-------------------------------|--------|-------------------|--------|----------------------------|---------|--------------------------------|-------|
| | Rural | Urban | Rural | Urban | Rural | Urban | Rural | Urban | Rural | Urban | Rural | Urban |
| Expenditure | | | | | | | | | | | | |
| Annual public expenditure per institution | 602,011 | 664,189 | 140,928 | 137,533 | 15,487 | 19,440 | 68,497 | 43,305 | 430,609 | 170,604 | 16,846 | 3,272 |

Average annual per student public expenditure varies widely by type and location of institutions. In both urban and rural areas it is (understandably) the highest in government primary schools, while it is very low in non-government (non-regd.) primary schools and the lowest in non-government (non-regd.) madrashas. Indeed, the latter two categories are not on regular government assist lists, but they managed to secure some funds in the survey year. The pattern is the same in rural areas. It is interesting that for each type of schools or madrashas, and per student public expenditure is somewhat higher in rural areas than in urban areas. (Table 10)

Table 10 Annual expenditure per primary level student out of public funds received by type of institutions and location, 2005, in Taka

| Expenditure | Location | Govt. primary schools | Non-govt. (regd.) primary schools | Non-govt. (non-regd.) primary schools | Community schools | Non-govt. (regd.) madrsha | Non-govt. (non-regd.) madrsha |
|---|----------|-----------------------|-----------------------------------|---------------------------------------|-------------------|---------------------------|-------------------------------|
| | | | | | | | |
| Annual per primary student public expenditure | Rural | 1,765 | 731 | 96 | 448 | 1,981 | 79 |
| | Urban | 1,618 | 464 | 83 | 340 | 668 | 16 |
| | Combined | 1,728 | 664 | 93 | 421 | 1,651 | 63 |

Expenditure out of private donations and institutions' own income. Funds received from these sources are rather small except for non-government (non-regd.) primary schools with an average per student annual expenditure of Tk. 866. Otherwise, the average varies from Tk.37 to Tk 178 in urban areas and for Tk.12 to Tk.367 in rural areas by type of institutions.

Secondary Education

Public expenditure. Table 11 gives annual per institution and per student expenditure out of public funds received by the secondary level institutions. Average annual per student public expenditure is higher in all types of institutions in urban areas compared to rural areas. Indeed, the rural-urban difference is very large in the case of non-government schools, although it is relatively small in other types of institutions. It is the highest in government schools compared to other types of institutions in both rural and urban areas, relatively higher in the latter. But while it is the lowest in non-government (MPO) schools in rural areas, the lowest is found to be in the case of Madrasha in urban areas.

Table 11 Secondary education: annual per institution and per student expenditure out of public funds received by institutions by location, 2005, in Taka

| Type of institutions \ Expenditure | Location | Government schools | Non-govt. (MPO) schools | Madrshas |
|---|----------|--------------------|-------------------------|----------|
| Annual per institution public expenditure | Rural | 2,423,133 | 906,963 | 679,916 |
| | Urban | 6,292,778 | 4,100,641 | 947,136 |
| | Combined | 3,390,544 | 170,538 | 746,721 |
| Annual per student public expenditure | Rural | 5,094 | 1,685 | 3,699 |
| | Urban | 5,644 | 4,787 | 4,143 |
| | Combined | 5,232 | 2,461 | 3,810 |

Expenditure out of private donations and institutions' own income. These sources have been found to be useful, but not substantial. The highest average annual per student cost is Tk.1,084 in the of non-government schools in urban areas. Otherwise, it varies between Tk.146 and Tk.268 in urban areas and between Tk.253 and Tk.650 in rural areas by type of institutions.

Total Per Student Expenditure on Primary and Secondary Education

Total per student annual expenditure in primary and secondary education is shown in Tables 12 and 13. It is seen from the Tables that overall, private per student annual expenditure as percent of the corresponding total expenditure in primary education varies between 54% (non-government registered madrasahs) and 88% (non-government non-regd. madrasahs). In secondary education, the corresponding percentage is the lowest in madrasahs (56%) and the highest in non-government schools (73%). Rural-urban variations by types of institutions in the cases of both primary and secondary education are noteworthy, but not systematic. (Tables 12 and 13; and Figures 1 and 2)

Table 12 Primary education: average annual per student private expenditure as percent of average per student total expenditure by location and type of institutions, 2005, in Taka

| Type of institutions Expenditure | Location | Type of institutions | | | | | | All institutions |
|---|----------|----------------------|---------------------------------|-------------------------------------|-----------------------|-----------------------------------|---------------------------------------|---------------------|
| | | Govt. schools | Non-govt. (regd.) schools | Non-govt. (non-regd.) schools | Communit y schools | Madrashas non-govt. (regd.) | Madrashas non-govt. (non-regd.) | |
| Public expenditure | Rural | 1,765 | 731 | 96 | 448 | 1,981 | 79 | 1,232 |
| | Urban | 1,618 | 464 | 83 | 340 | 664 | 16 | 1,011 |
| | Combined | 1,728 | 664 | 93 | 421 | 1,651 | 63 | 1,160 |
| Private donations ^a and institutions' own income | Rural | 12 | 30 | 176 | 148 | 367 | 125 | 74 |
| | Urban | 37 | 143 | 866 | 178 | 135 | 194 | 134 |
| | Combined | 18 | 58 | 348 | 156 | 309 | 142 | 89 |
| Private expenditure | Rural | 2,507 | 2,060 | 1,781 | 1,700 | 1,733 | 1,756 | 2,194 |
| | Urban | 2,724 | 3,603 | 2,663 | 1,609 | 3,855 | 2,893 | 2,931 |
| | Combined | 2,554 | 2,438 | 1,939 | 1,682 | 2,324 | 2,014 | 2,359 |
| Total expenditure | Rural | 4,284 | 2,821 | 2,053 | 2,296 | 4,081 | 1,960 | 3,500 |
| | Urban | 4,379 | 4,210 | 3,612 | 2,127 | 4,654 | 3,103 | 4,076 |
| | Combined | 4,300 | 3,160 | 3,380 | 2,259 | 4,284 | 2,219 | 3,688 |
| Private expenditure as % of total expenditure | Rural | 58.5 | 73.0 | 86.8 | 74.0 | 42.5 | 89.6 | 63.0 |
| | Urban | 62.2 | 85.0 | 73.7 | 75.6 | 82.8 | 93.2 | 72.0 |
| | Combined | 59.4 | 77.2 | 81.5 | 74.5 | 54.2 | 88.3 | 64.0 |

a. Private donations include donations received from private institutions and individuals

Figure-1

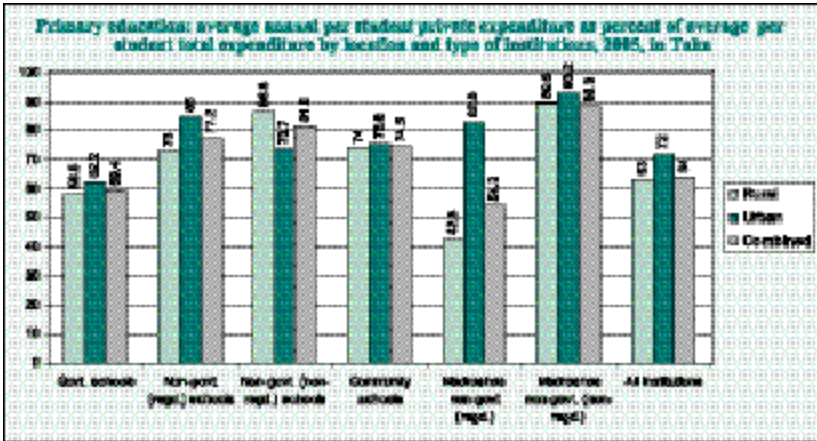
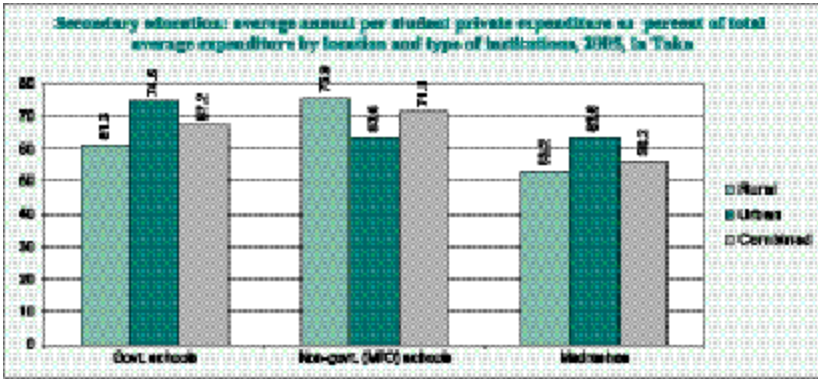


Table 13 Secondary education: average annual per student private expenditure as percent of total average expenditure by location and type of institutions, 2005, in Taka

| Types of institutions Expenditure | Location | Type of institutions | | |
|---|----------|----------------------|-------------------------|-----------|
| | | Government schools | Non-govt. (MPO) schools | Madrasahs |
| Public Expenditure | Rural | 5,094 | 1,685 | 3,699 |
| | Urban | 5,644 | 4,787 | 4,143 |
| | Combined | 5,232 | 2,461 | 3,810 |
| Private donations and income from institutions' own sources | Rural | 253 | 425 | 650 |
| | Urban | 146 | 1,084 | 268 |
| | Combined | 226 | 589 | 555 |
| Private Expenditure | Rural | 8,464 | 6,662 | 4,947 |
| | Urban | 16,894 | 10,279 | 7,697 |
| | Combined | 11,204 | 7,574 | 5,611 |
| Total expenditure | Rural | 13,811 | 8,772 | 9,296 |
| | Urban | 22,684 | 16,150 | 12,108 |
| | Combined | 16,662 | 10,624 | 9,976 |
| Private expenditure as % of total expenditure | Rural | 61.3 | 75.9 | 53.2 |
| | Urban | 74.5 | 63.6 | 63.6 |
| | Combined | 67.2 | 71.3 | 56.2 |

a. Private donations include donations received from private institutions and individuals

Figure-2



Meagre Public Expenditure on Primary and Secondary Education

As noted earlier, public expenditure at both primary and secondary levels is incurred mainly in terms of salaries and construction and maintenance. Marginal support is provided also for purchase of teaching aids and other related purposes. While salaries are paid, the quality improvement of teachers through proper training remains limited. Stipends and partial stipends are provided to eligible students. No expenditure is incurred, except perhaps in government institutions at negligible levels, on creating an attractive environment for the students to be enthused about staying in school and effectively participating in learning. The question of quality improvement through proper monitoring and supervision and by ensuring adequate access of institutions and students to necessary facilities remains totally unattended.

At the primary level, the public annual expenditure, available as they are for the purposes indicated above, on average, per student is the highest in US\$ terms at \$24.7 annually (or \$2.05 per month) in government schools, followed by \$23.6 annually (or \$1.97 a month) in the case of registered madrashas. Non-government (non-regd.)

schools are not entitled to any type of regular public funding (although they manage to secure tiny amounts). The average per student amount in the case of other types of institutions varies between only \$0.9 and \$9.5 on annual basis (or between \$0.08 and \$0.79 a month)

At the secondary level it is, in US\$ terms, again as available for the above indicated purposes, the highest is in the case of government schools at \$75 annually (or \$6.2 a month), while it is \$54 in the case of madrashas and \$35 in the case of non-government schools annually (or \$4.5 and \$2.9, respectively, a month).

Summary and Recommendations

This is a status report as of 2005 in relation to the level and pattern of financing of primary and secondary education in Bangladesh by type and location of institutions and in relation to economic conditions of the students' families.

In this nationwide survey, a total of 18,625 primary students and 16,529 secondary students drawn from of 313 primary and 283 secondary educational institutions have been covered, roughly 75% from urban and 25% from rural areas. Data were collected from the institutions on public funds and private donations received by them and incomes from their own sources, which were then analyzed to work out per student expenditure for 2005 from these sources. Also, family expenditure on various items of expenditure incurred for the students has been collected from the guardians, based on which item-wise and total per student average expenditure for 2005 has been estimated. All the estimates have been made for primary and secondary students separately. Based on certain key findings, some recommendations have emerged which are outlined below.

1. Overall public funding of primary and secondary education in Bangladesh is very low. Overall, at the primary level, per student per month highest is Tk.144 (US\$ 2.05) in government schools followed by Tk.138 (US\$ 1.96) in madrashas (regd.) and varies from Tk. 5.25 to Tk. 55.33 (US\$ 0.08 to US\$0.79) in the case of other types of institutions (see chapter 8, Table 8.4). At the secondary level, it is the highest at Tk. 436 (US\$ 6.2) in

government schools followed by Tk.318 (US\$ 4.5) in madrasahs and Tk. 205 (US\$ 2.9).

Public funding needs to be increased, particularly in view of commitment to universal and free quality primary education for all; and also for quality secondary education for the maximum number.

2. There are wide variations in per student public funding between types of educational institutions and between urban and rural institutions of the same type at both primary and secondary levels. Overall, at the primary level, it varies from less than Tk.63 and 93 respectively in non-government schools and madrasahs to Tk.1,728 in government schools per student and, at the secondary level, from Tk.2,461 in non-government schools to Tk.5,232 in government schools per student in 2005 (see Chapter 7, Tables 7.2 and 7.4). The same Tables also depict the variations in the per student public funding between rural and urban institutions of the same type.

This anomaly should be corrected, particularly urgently in the case of primary education in view of the state's constitutional obligation of ensuring equality of opportunities for all citizens and because ensuring basic education for all is its primary responsibility. At the secondary level also, the prevailing funding disparities between different types and locations of institutions need to be addressed as these are reinforcing the existing glaring socio-economic disparities dividing the whole society into 'several societies'. This course is undesirable and unacceptable as well as unsustainable.

3. Negligible public resources, if at all, are made available specifically aimed at improving the quality of education at either primary or secondary level. As explained in the text, the public resources provided are mostly for salaries, construction, and maintenance. Although, stipends provided are conditional upon attendance and examination results of certain standards, this is not enough to ensure quality of education of even the stipend receiving students; moreover, monitoring is lacking.

Resources should be made available for improving the quality of education of all students through facilitation (in terms of such steps as proper training of all teachers through crash programmes if necessary, adequate teaching aids, attractive environment at the institutions, and improvement of curricula and imparting of education effectively on that basis), and properly developed guidelines for continuous evaluations and strict monitoring and supervision. A local citizens' monitoring arrangement may be designed and required to be locally put in place and implemented throughout the country.

4. It has been seen that, to meet the educational needs of their children at both primary and secondary levels, given that public expenditure is extremely low, the rich can and do spend as required and more including engagement of private tutors for their children. But the poor fall way short of being able to meet even the most basic requirements. This hits hard at the cherished constitutional obligation of equality of opportunities for all and reinforces social disparities.

A policy reorientation and consequent changes in the budgetary allocation pattern in favour of the poorer and disadvantaged groups is, therefore, called for. Means-tested school feeding and other support programmes may be initiated/strengthened in all types of primary level educational institutions.

The Way Forward

- The findings summarized in the preceding section deserve serious attention and appropriate action by the government and all others concerned, in particular for the purpose of:
 - increasing public expenditure on primary and secondary education,
 - improving the quality of education at both primary and secondary levels, while facilitating at the same time steady expansion of education at both the levels,

- promoting equity in government support to different types of primary and secondary educational institutions regardless of their location (rural or urban), and
- providing special support to the students coming from the poor and disadvantaged families to expand their educational opportunities.
- Towards promoting action as indicated above and more, a campaign may be launched to disseminate the findings of this study to all concerned in order to:
 - raise awareness, on one hand, among the members of public so that they may demand appropriate action, and
 - on the other, sensitize the government, particularly those ministries and agencies which are directly concerned with education to impress upon the concerned government functionaries as to the urgent need for action as indicated by the findings of this study, towards strengthening human capability for accelerating individual uplift and national development.
- It may be necessary to pursue campaign activities on a sustained basis over a period of time. It may also be found necessary along the way to conduct further research on certain aspects to generate other relevant messages.

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