

# Equity in Education and Health Services in Sri Lanka

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## Sri Lanka - Context

- GDP (2008) – US\$ 40 billion
- Per capita – US\$ 2,014
- Average growth rate 2004-2008 – 6.4%
  - (despite recurring natural disasters, ethnic conflict and external shocks)
- Population – 20 million
- Population composition -
  - Sinhalese (74%), SL Tamils (12.7%), Indian Tamils (5.6%), Muslims (7%)
  - Rural (80%), urban (15%) estate (5%)
- Poverty
  - Has declined from 26% (1990/91) to 15% (2006/07),
  - However poverty persists in more disadvantaged regions
  - Economic disparities at sub-national levels and lack of employment opportunities

## Sri Lanka - Context

- Achievements in Human Development good
  - Education (Net primary enrollment – 96.5; Primary completion rate – 81.4)
  - Health (Infant mortality rate – 11.2; life expectancy at birth -71.7(m), 76.4 (f))
- .. largely due to very long term (over 50 years) investments in Health and Education Sectors
- Recent Issues – improving quality of services, improving outreach to the rural areas and to the most vulnerable, modernizing and improving service delivery
- High budget deficits have limited funds available for Health and Education

## Study Objectives

- Identifying gaps in the delivery of health and education services in the country
- With a view to identifying inequities and making policy recommendations on improving service delivery

## Education sector

- Data
- Consumer Finance and Socio Economic Survey data (CFS 1996/97; 2003/04)
- Household Income and Expenditure Survey (2006/07)

## Methodology - Education

- Equity is defined to be providing households with the same level of opportunity despite their socioeconomic status.
- Indicators considered:
- Access (school enrollments at different cycles)
  - Primary (1-5), Jr secondary (6-8), Sr secondary (9-11), Collegiate (12-13)
- Education outcomes
  - Completion of school cycles (grade 5, Grade 9, Grade 11)
  - Passing of national exams (O-levels; A-levels)
- Public and Out of pocket expenditure in education
  - teacher salaries, exp. on edu
- Equity is measured
  - across class (income levels) and location (provinces and sectors)

## Overview of the Education Sector

- Overview
  - General education is available free of tuition to all children
  - Major portion of education is financed by government (73%)
  - Government spent 2.8% of GDP or 8.3% of government budget (2007) on edu
- Organization
  - Central MoE, Provincial MoEs, Zonal, divisional, schools
  - Main vernacular languages – Sinhalese and Tamil
- Education Sector Development Framework and Program (ESDFP)
  - Main policy themes include increasing equitable access and quality of basic and secondary education
- Key issues identified by present government policy
  - Universal participation at pr and sec; improve quality and relevance, improve education opportunities in English, science, IT and other technical subjects

## Access to Education

### Equity Indexes of Opportunities in Education, by Education Cycle

Item		Access to school		
		1996/97	2003/04	2006/07
Primary education	OI	96.7	96.5	95.9
	EOI	0.994	0.997	0.994
Junior secondary	OI	81.7	90.5	85.3
	EOI	0.959	0.986	0.963
Senior secondary	OI	57.6	70.2	51.7
	EOI	0.902	0.949	0.942
Collegiate level	OI	9.9	20.1	15.2
	EOI	0.694	0.707	0.773

OI = opportunity index, EOI = equity of opportunity index

- The results show that access to education is inequitable at all levels. But equity has improved over time (1996/97 to 2003/04)
- Access is high at the primary level, but declines at higher education cycles

## Completion of Education Cycle

		School completion rates		
		1996/97	2003/04	2006/07
Primary (grade 5)	OI			78.46
	EOI			0.959
Junior secondary (grade 9)	OI			66.16
	EOI			0.933
Senior secondary (grade 11)	OI			29.47
	EOI			0.741

OI = opportunity index – not only average opportunity, but how distributed, with more eight , EOI = equity of opportunity index

- Not possible to compute for 1996/97, 2003/04.
- Opportunity for school completion is lower at higher grade levels.
- Completion of education is inequitable at all levels. Inequity is higher at senior grades.



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## Factors Affecting Education Outcomes

- Probit results.
- Reasons for non participation (primary (ages 5-10) and secondary (ages 11-14))
  - Age (primary only) (participation increases with age at a decreasing rate)
  - Health status (disability, chronic illness)
  - Ethnicity (secondary only) education of head of hh
  - Community non-participation rates
- Reasons affecting school completion (completing schooling at the appropriate age)
  - Males (-) (jr. secondary)
  - Health (-) (primary)
  - Ethnicity (large marginal effects)
  - Class (- for poorest, + for second poorest)
- Success in National Exams (O-L, A-L)
  - Males (-); Health (A-L only); ethnicity;
  - Class (O-L poorest less likely; A-L all relative to richest less likely)
  - Education of the head of hh (large marginal effect) (lack of know-how, lack of guidance)
  - Time to school
  - Community dropout rate



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## Benefit incidence of public expenditure

Distribution of public expenditure on education in Sri Lanka, 2006/07<sup>1</sup>

Income Decile	Teacher salary			Public expenditure	
	Primary level	secondary	Collegiate	Primary level	Secondary
Poorest 10%	9.4	8.4	3.4	10.4	9.1
2	20.4	17.5	8.4	22.2	18.6
3	31.5	28	17.2	33.8	29.4
4	42	39	26.8	44.5	40.5
5	52.6	48.6	35.2	55.2	50
6	62.6	59.1	45.9	65.1	60.1
7	71.7	70.2	59.2	73.8	71.1
8	81	80	72.1	82.7	80.8
9	90.9	90.3	87.4	91.7	90.9
Richest 10%	100	100	100	100	100

- Education subsidies are weakly progressive at all school cycles, and strongly progressive at primary level. (dominance test and Kakawani index analysis of concentration curves)



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## Out-of-pocket payments on education (2006)

- Distribution of Out-of-pocket expenditure on education

– Tuition/ Boarding fees	- 42%
– Stationary	- 22%
– Transport	- 20%
– Fees (private)	- 6%
– Miscellaneous	- 5%
– Fees (govt)	- 2%
– Uniforms	- 2%
– Text books	- 1%

- Households spend about 2.6% of income on education.
- Proportion spent is same across different deciles.
- But, the poor pay a higher share.
- Out-of-pocket expenditure is regressive for overall expenditure as well as for major education items



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## Conclusions

- Government policy shows a commitment to increasing equitable access to basic and secondary education and improving their quality
- Access to education at the primary level is fairly high (96.5%)
- And.. Comparable across, gender, class and province and sector
  - Mainly due to long-term investments in the education sector to provide free of tuition education at all localities (within 2km)
- Results however show that access to education is inequitable at all levels (although it has improved from 1996/7 to 2003/4)
- Access is particularly low at the senior and collegiate levels of education

## Conclusions ...

- About a fifth of the students do not complete school at the appropriate age
- Wide disparities in school completion across class, sector, gender and provinces
- Age, health, ethnicity education of head of hh and community characteristics affect school participation and completion
- Time to school is a significant factor affecting exam pass-rates (despite a wide network of schools)
- Public expenditure on education and teacher salaries are weakly progressive, and they are strongly progressive a the primary level.
- Analysis of out-of-pocket expenditure shows that although expenditure on uniforms and books are low, expenditure of private-tuition, boarding fees, stationary and transport are high.

## Conclusions

- Community and school lead programs for improving school participation and completion (mentoring, counseling, financial assistance)
- More inclusive education provision towards the disabled and chronically ill
- Low school participation of ethnic minorities should be studied and rectified
- Access to sr secondary and collegiate levels of education should be improved
- Public expenditure directed more towards schools serving poor communities.
- Existing policies on providing free text books and uniforms should be continued. Provide poor children with subsidized transport and grants for boarding fees.
- Minimized the need for pr tuition by improving teaching and reducing competition.

## Health ...

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