

# **SOCIAL DEBT TO EDUCATION**

Debt and Public Finance Program

Freedom from Debt Coalition



# **I. THE RIGHT TO EDUCATION**

# National and International Commitments

- **Sections 1 and 5(5), Article XIV, 1987 Philippine Constitution**

(1) “The State shall protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make such education accessible to all.”

5(5) “The State shall assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment.”

# National and International Commitments

- **Article 26.1, Universal Declaration of Human Rights (UDHR)**  
"Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages..."
- **Article 8.1, UN Declaration on the Right to Development**  
"States should undertake, at the national level, all necessary measures for the realization of the right to development and shall ensure, inter alia, equality of opportunity for all in their access to ...education..."

# National and International Commitments

- Articles 13 and 14, International Covenant on Economic, Social and Cultural Rights
- Article 5, International Convention on the Elimination of All Forms of Racial Discrimination
- Article 28, Convention on the Rights of the Child
- Articles 30, 43 and 45, International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families
- Article 24, Convention on the Rights of Persons with Disabilities



## **II. EDUCATION TRENDS**

# Access and Participation

Children/Youth (6-24 years old) not attending school	<b>12.3 million</b>
Children/Youth (6-24 years old) not attending school and who have not completed basic education	<b>6.4 million</b>
• Children (6-11 y/o) not attending school	<b>1.057 million</b>
• Children (12-15 y/o) not attending school	<b>1.244 million</b>
• Children/Youth (16-24 y/o) not attending school and without complete basic education	<b>4.15 million</b>
Adults (25-64 years old) without complete basic education	<b>16.4 million</b>
Adults (25-64 years old) who are not functionally literate	<b>4.44 million</b>

*Source: NSO, FLEMMS 2008*

# Access and Participation (Basic)

	ELEMENTARY			SECONDARY		
	SY 08-09	SY 09-10	SY 10-11	SY 08-09	SY 09-10	SY 10-11
<b>1. Gross Enrolment Rate</b>						
Public and Private	106.84%	107.23%	107.47%	82.54%	81.53%	81.78%
Public	91.13%	92.80%		64.16%	67.91%	
<b>2. Participation Rate</b>						
Public and Private	89.18%	89.43%	89.89%	60.46%	59.86%	60.88%
Public	75.55%	76.87%		45.59%	46.65%	

While Net Enrolment rate (Participation rate) is steadily increasing during the past years for both primary and secondary levels....

*Source: Department of Education*



# Access and Participation (Basic)

...Dropout rates remain high.

	ELEMENTARY			SECONDARY		
	SY 08-09	SY 09-10	SY 10-11	SY 08-09	SY 09-10	SY 10-11
<b>3. Cohort Survival Rate</b>						
Public and Private	75.39%	74.38%	74.23%	79.73%	78.44%	79.43%
Public						
<b>4. Completion Rate</b>						
Public and Private	73.28%	72.18%	72.11%	75.24%	73.55%	75.06%
Public	63.34%	63.47%		57.65%	58.05%	
<b>5. Drop-out Rate</b>						
Public and Private	6.02%	6.28%	6.29%	7.45%	7.95%	7.79%
Public	8.85%	8.84%		14.62%	14.70%	

Source: Department of Education

# Access and Participation (Basic)

	ELEMENTARY (Ages 6-11)			SECONDARY		
	Population	Enrolment	Out-of-School	Population	Enrolment	Out-of-School
SY 07-08	13,470,672	10,173,516	3,397,156	8,191,327	3,708,670	4,482,657
SY 08-09	13,785,800	10,415,797	3,370,003	8,382,982	3,821,938	4,561,044
SY 09-10						
SY 10-11						

*Source: Department of Education*

# Access and Participation

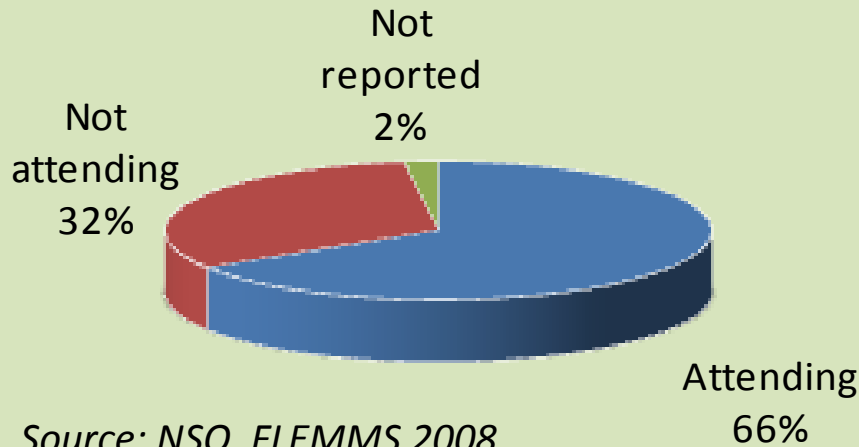
- Annual Poverty Indicators Survey (APIS) 2010 pointed to **high cost of education, employment/looking for work** and the **lack of interest in learning** as the main reasons for not going to school.
- Even the Philippine Development Plan 2011-16 acknowledged that this was “mainly due to the high cost of education that has to be fully shouldered by the households.”

# Access and Participation (Higher)

- According to CHED, only 2 out of 10 high school graduates went to college in 2011.
- According to the 2007 Annual Poverty Indicators Survey (APIS), the proportion of dropouts was worst at the tertiary level (16-24 years old).
- Out of every 100 college enrollees, only 19 will receive their college degrees (CHED Higher Education Indicator, as of July 24, 2012).

# Access and Participation

## Working Children by School Attendance



**4M working children (5-17 years old)**

- 66% attending school, 32% not attending school
- 1.2M in urban areas, 2.8M in rural areas
- 63% male, 37% female

# Quality (Facilities)

- **Textbooks, classroom and other facilities.** Classrooms in basic education are over-crowded. Government's classroom shortage estimates for SY 2011-12 vary from 66,800 to 152,569. Moreover, there were wide disparities in classroom-student ratios across regions, with a 1:78 ratio in elementary in NCR and 1:82 in high school in the Autonomous Region of Muslim Mindanao in SY 2009-10. There is a shortage of more than 151,000 water and sanitation facilities and some 13.23 million school chairs. There is also a need for around 95,600,000 textbooks. Computers are virtually inexistent especially in rural public schools.
- DepEd targets to fill all these shortages by 2014.

# Quality (Pupil-Teacher Ratio)

- **Teachers.** Government estimates of teacher shortage is pegged at around 104,000. For years now, teacher-student ratios in primary and secondary education are static at around 1:36 and 1:39, respectively. Teachers Dignity Coalition (TDC) contends the figures are higher--1:60 and 1:45, respectively.
- In order to accommodate more students, teachers are using two-shift or three-shift schemes – with an average of 60 to 80 students – divided between morning and afternoon shifts.

# Quality (Pupil-Teacher Ratio)

## Pupil-Teacher Ratio among Asian Countries

	Primary			Secondary		
	1990	2000 <sup>a</sup>	2007-2008 <sup>b</sup>	1990 <sup>c</sup>	2000 <sup>d</sup>	2007-2008 <sup>e</sup>
China	22.3	19.4	17.7	14.6	17.1	16.4
India	46.0	40.0	32.7	28.7	33.6	32.7
Indonesia	23.3	22.4	18.8	12.9	15.8	13.0
Japan	21.2	20.7	18.5	17.1	14.0	12.2
Malaysia	20.4	19.6	15.7	19.3	18.4	17.0
<b>Philippines</b>	<b>32.7</b>	<b>35.2</b>	<b>33.7</b>	<b>33.3</b>	<b>36.4</b>	<b>35.1</b>
Republic of Korea	36.3	32.1	25.6	27.7	21.0	18.1
Singapore	25.8	25.6	19.3	17.9	19.4	16.4
Thailand	20.3	20.8	16.0	16.2	24.0	21.2
Vietnam	34.2	29.5	19.9	18.0	28.0	20.7

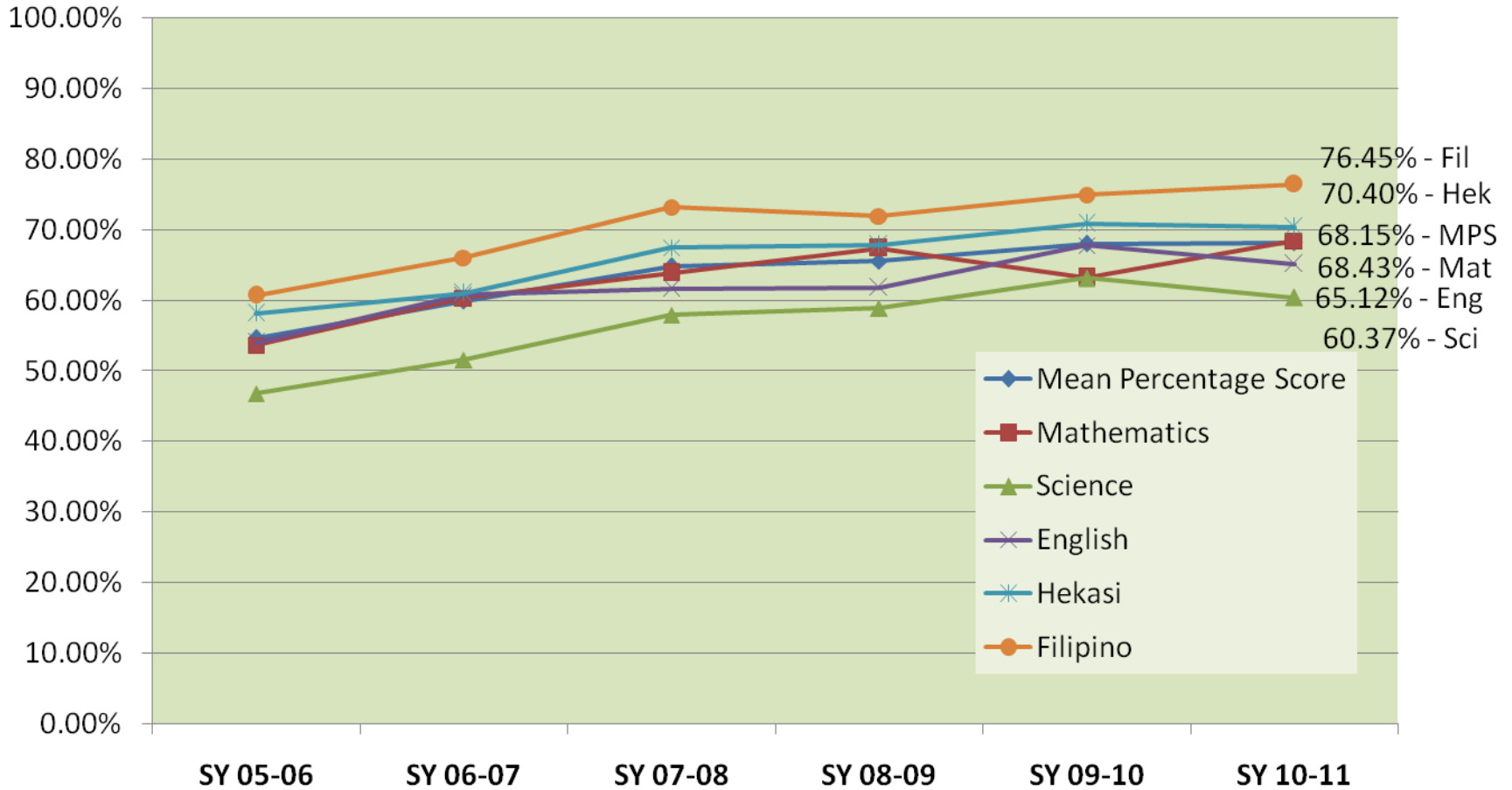
Sources: ADB and UNESCO

Note: a - China 2001, Philippines 2001; b - India 2004, Malaysia 2006; c - Singapore 1991; d - China 2001, Philippines 2001, Singapore 1999, Thailand 2001; e - India 2004, Malaysia 2005



# Quality (Achievement Rate)

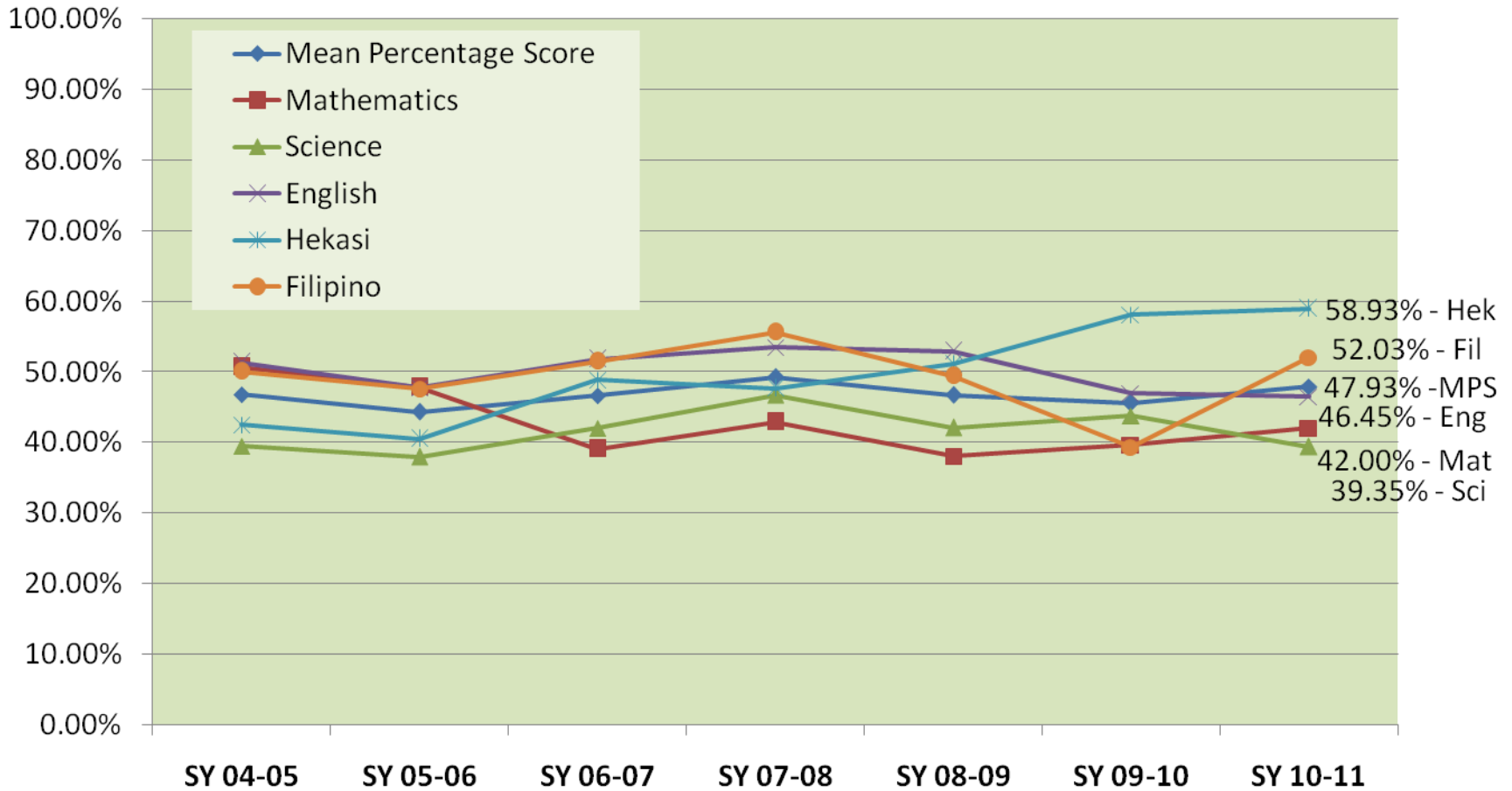
## National Achievement Test (NAT) results - Elementary



Source: National Education Testing and Research, DepEd

# Quality (Achievement Rate)

## National Achievement Test (NAT) results - Secondary



Source: National Education Testing and Research, DepEd

# Quality (Achievement Rate)

	ELEMENTARY			SECONDARY		
	SY 08-09	SY 09-10	SY 10-11	SY 08-09	SY 09-10	SY 10-11
<b>1. National Achievement Test (Mean Percentage Score)</b>						
<b>Public and Private</b>	<b>65.55%</b>	<b>68.01%</b>	<b>68.15%</b>	<b>46.71%</b>	<b>45.56%</b>	<b>47.93%</b>
Public	65.33%	69.21%		47.40%	46.38%	
Private	52.47%			44.17%	42.59%	
<b>2. School Readiness Assessment Results, % Gr. Assessed (Public)</b>						
<b>Pre-Assessment</b>						
Ready	36.0%	40.0%				
Not Ready	64.0%	60.0%				
<b>Post-Assessment</b>						
Ready	69.0%	81.0%				
Not Ready	31.0%	19.0%				

*Source: Department of Education*

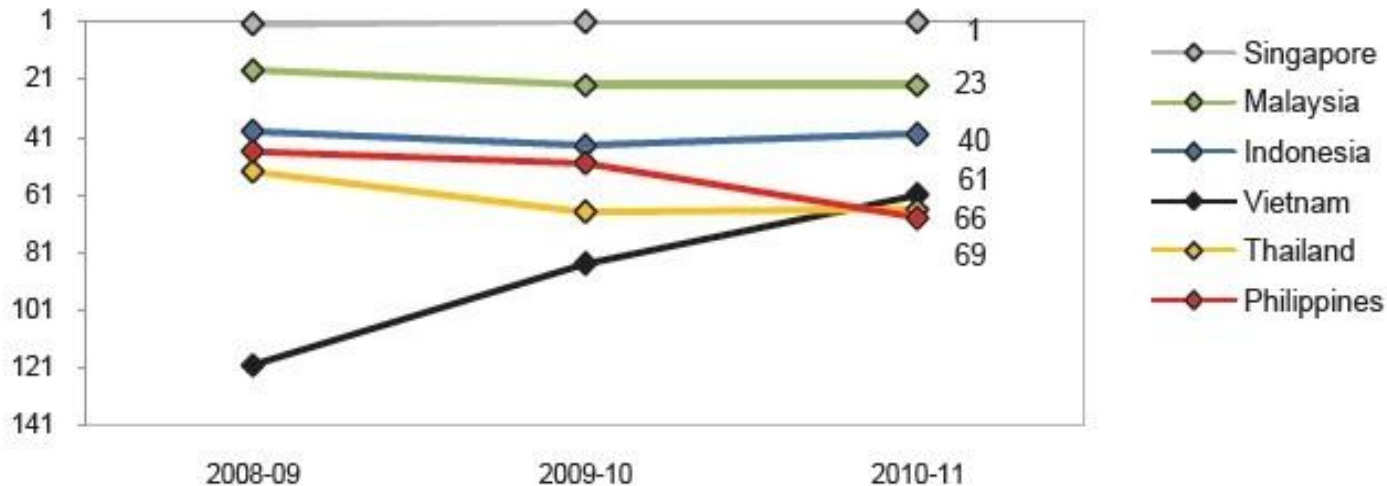
# Quality (Achievement Rate)

	ALTERNATIVE LEARNING SYSTEM			
	FY 2008	FY 2009	FY 2010	FY 2011
<b>3. Accreditation and Equivalency Results</b>				
No. of Learners	319,200	332,500		
No. of Test Takers	210,725	120,741		
No. of Passers	54,219	25,487		
<b>% Test Passers based on Takers</b>	<b>26%</b>	<b>21%</b>		

*Source: Department of Education*

# Quality (Global Competitiveness)

In the World Economic Forum's (WEF) 2010-11 Global Competitiveness Report, the Philippines ranks 69<sup>th</sup> of 139 countries for quality of the education system, just behind Thailand and Vietnam.



Source: WEF; Total countries evaluated: 2008-134; 2009-133; 2010-139

For quality of math and science education, it ranks the Philippines as 112 of 139 countries, far behind Thailand (57<sup>th</sup>) and Singapore (1<sup>st</sup>).

# Perennial Underinvestment to Education

- Of the ASEAN-6, the Philippines has the lowest education spending in proportion to the total budget (except Singapore), as percent of GDP, and per student (as % of GDP per capita). The country's spending level is below the East Asian regional average of 3.6 percent of GDP and South Asia's average of 3.8 percent.

PER STUDENT					
	PRIMARY (% OF GDP)	SECONDARY (% OF GDP)	TERTIARY (% OF GDP)	TOTAL (% OF GDP)	TOTAL (% OF GOV'T EXPENDITURE)
Indonesia	10.6 (2010)	8.8 (2010)	23.1 (2010)	3.0 (2010)	17.1 (2010)
Malaysia	14.6 (2009)	20.2 (2009)	60.7 (2009)	5.8 (2009)	18.9 (2009)
Philippines	9.0 (2008)	9.1 (2008)	9.2 (2007)	2.7 (2009)	15.0 (2009)
Singapore	11.5 (2010)	17.4 (2010)	28.7 (2010)	3.3 (2009)	10.3 (2010)
Thailand	24.4 (2009)	15.4 (2010)	17.6 (2010)	3.8 (2010)	22.3 (2010)
Vietnam	19.4 (2008)	17.0 (2008)	60.6 (2008)	5.3 (2008)	19.8 (2008)

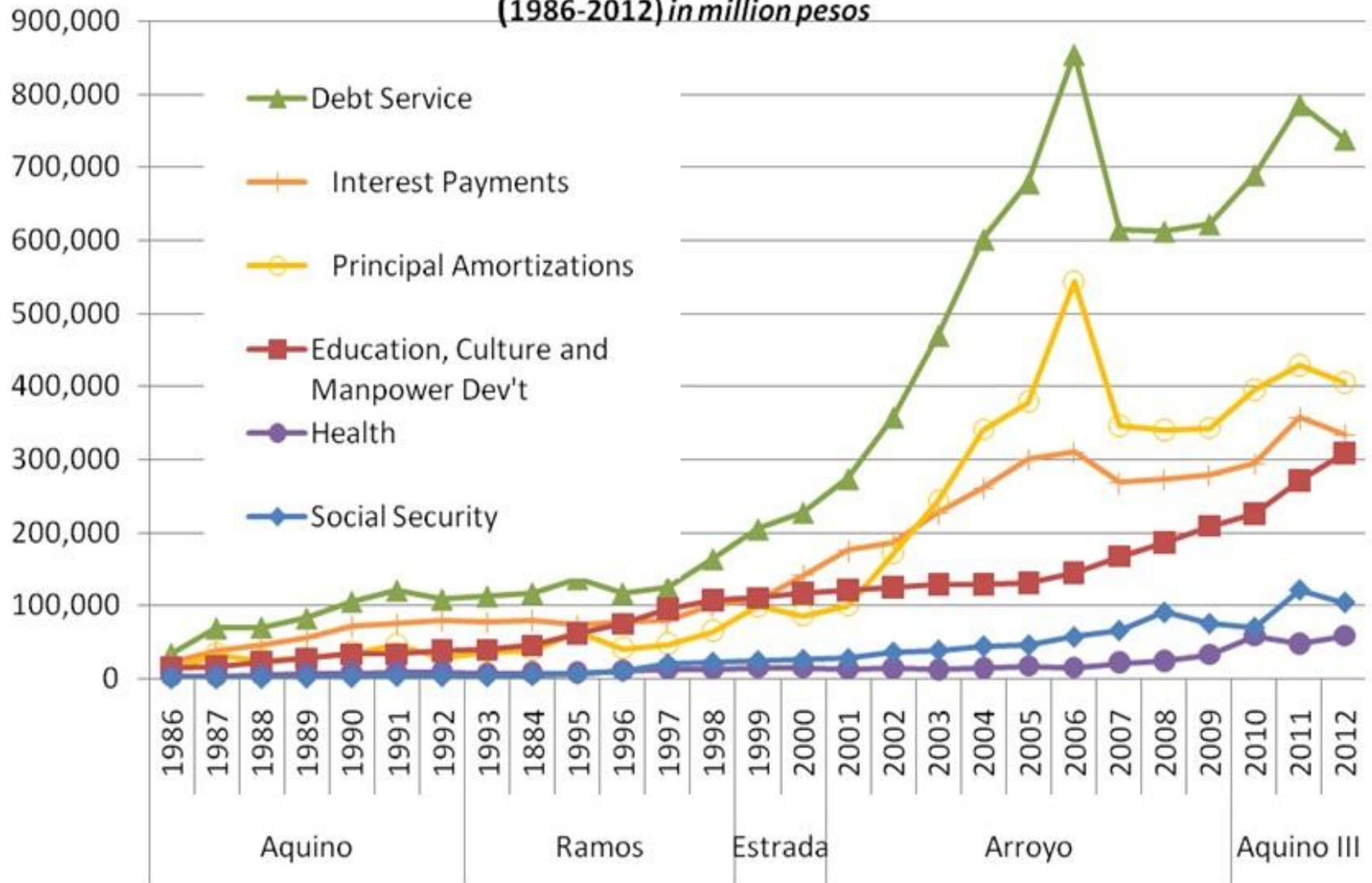
*Source: UNESCO, World Bank*

- When classified per each country's income categories, the spending level of the Philippines (a middle-income country) on education is even lower than the median (3.9 percent of GDP) expenditure of countries belonging to the lowest income group.

# Policy Double-Talk

- Financing is the most concrete reflection of public policy.
  - “The State shall assign the highest budgetary priority to education...” (Sec 5(5), Article XIV, 1987 Constitution)
  - Despite this, from 1986-1996 and 2000-2012, interest payments exceeded education spending.
  - In 2012, budget for **principal and interest payments (P 739 billion)** was **three-fold** compared to that for **education (P 224.9 billion)**.

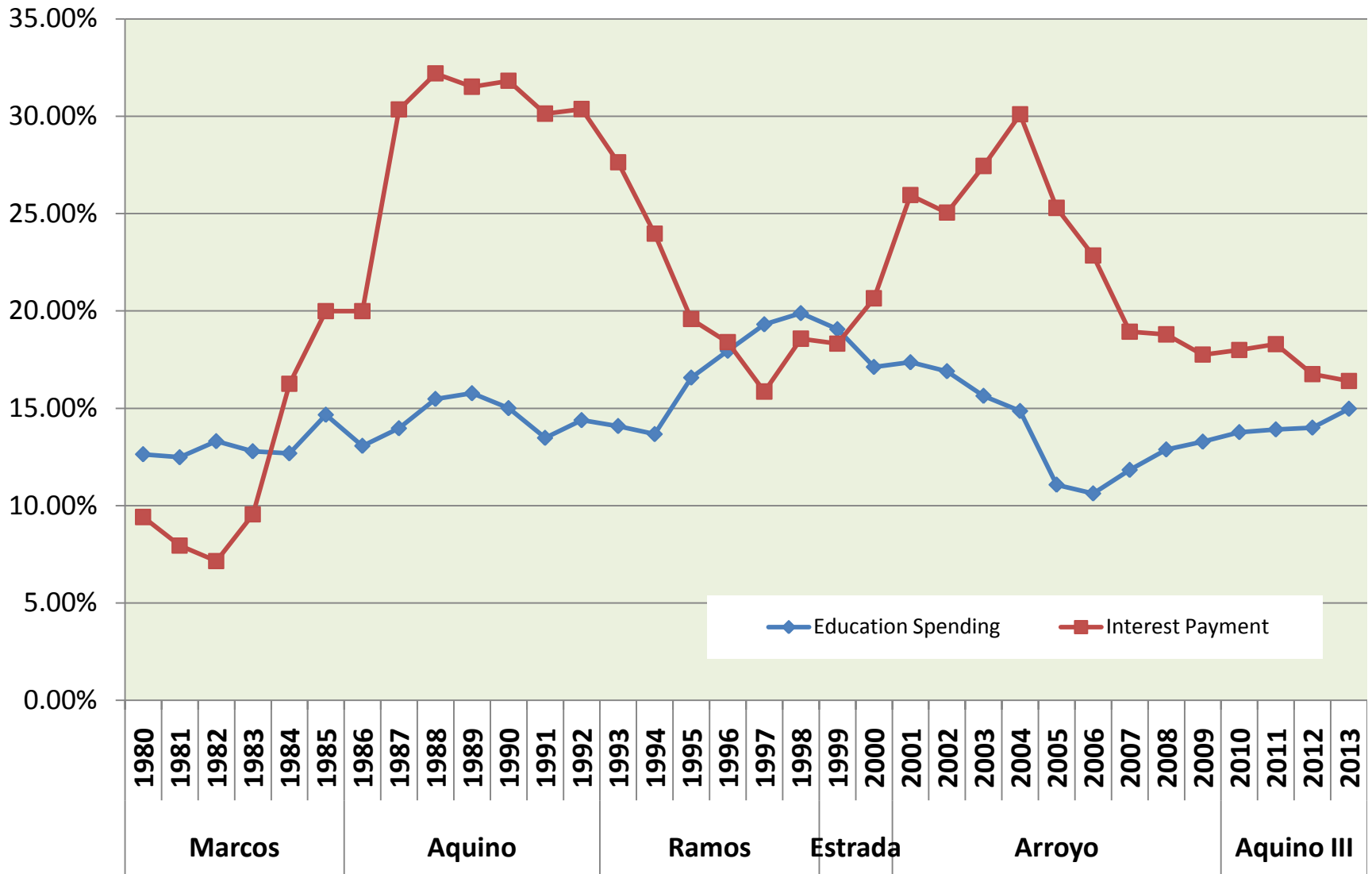
## Comparison - Debt Service and Social Service Spending (1986-2012) in million pesos



Source: Department of Budget and Management-Budget Expenditures and Source of Funding



# Education Spending as % of the NG Budget



Source: Department of Budget and Management (DBM)

# “Limited Budget”, Lack of Priority

- However, the phrase "limited budget for education" so often bandied about by government technocrats does not mean that this is all that could conceivably be allotted for education; rather this is all that could be allotted given the degree of priority, or lack thereof, which the state assigns to education.
- **Structural Adjustment Programs (SAPs)** - massive reduction of social spending and privatization was implemented in order to ensure the payment of the massive public debt, including odious dictator debts. Thus, came the era of state abandonment of its core obligations to its people, and the parallel, flimsy pretext of “limited budget” the Filipino people were forced to swallow.

# Nominal Increases, Spare Change

From its peak of 30.78% share of the entire budget in 1955, budget allocation to education shrank to a deplorable post-EDSA administrations' average of 15.03% (1986-2012). For 2013, earmarked education spending is even lower than the post-EDSA average, at a meager 14.97% of the national budget.

# The Social Debt

- Social debt - the State's unfulfilled obligations to its citizens, which can be approximated from the State's commitments in its Constitution and its laws, the socio-economic targets set by all previous development programs and plans, and the international standards set by the United Nations and other international covenants.

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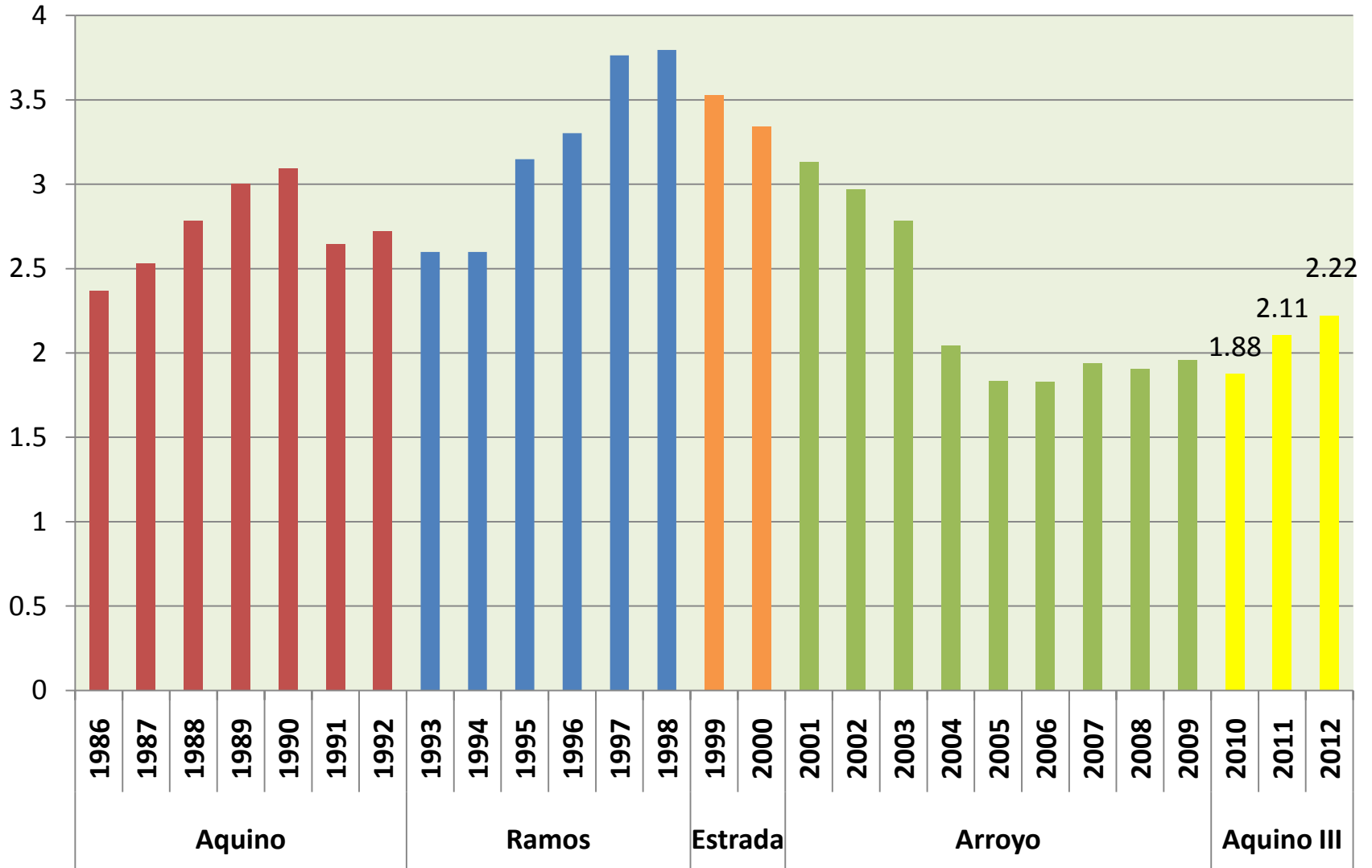
# UNESCO Standards

- In 1996, four years before the MDG Declaration, the United Nations Educational, Scientific and Cultural Organization (UNESCO) released a report on education, highlighting the necessity to invest more on education.
- The International Commission of Education in the Twenty First Century, headed by former European Commission President Jacques Delors, submitted a report to the UNESCO entitled “Learning: the Treasure from Within.”



- The report, among others, influenced the Commission to set the following principles:
  1. Education, formal and non-formal, must be society's instrument for fostering the creation, advancement and dissemination of knowledge and science, and by making knowledge and teaching universally available;
  2. Equity, relevance and excellence must prevail in any education policy;
  3. Education reform must be the result of profound and thoughtful examination;
  4. All approaches must take into account basic and agreed-upon values and concerns of the international community and of the United Nations system; and,
  5. Education is the responsibility of the whole of society.
- To realize these principles, the report recommended six percent (6%) of GNP to education, now referred to as the UNESCO Delors benchmark for education. Over a hundred countries, incl willfully accepted this standard.

# Education Spending as % of GNP



Source: Department of Budget and Management (DBM)  
 and National Statistical Coordination Board (NSCB)

Administration	Average Education Spending % of GNP
Aquino (1986-1992)	2.736
Ramos (1993-1998)	3.201
Estrada (1999-2000)	3.434
Arroyo (2001-2009)	2.267
Aquino III (2010-2012)	2.068

# SOCIAL DEBT TO EDUCATION

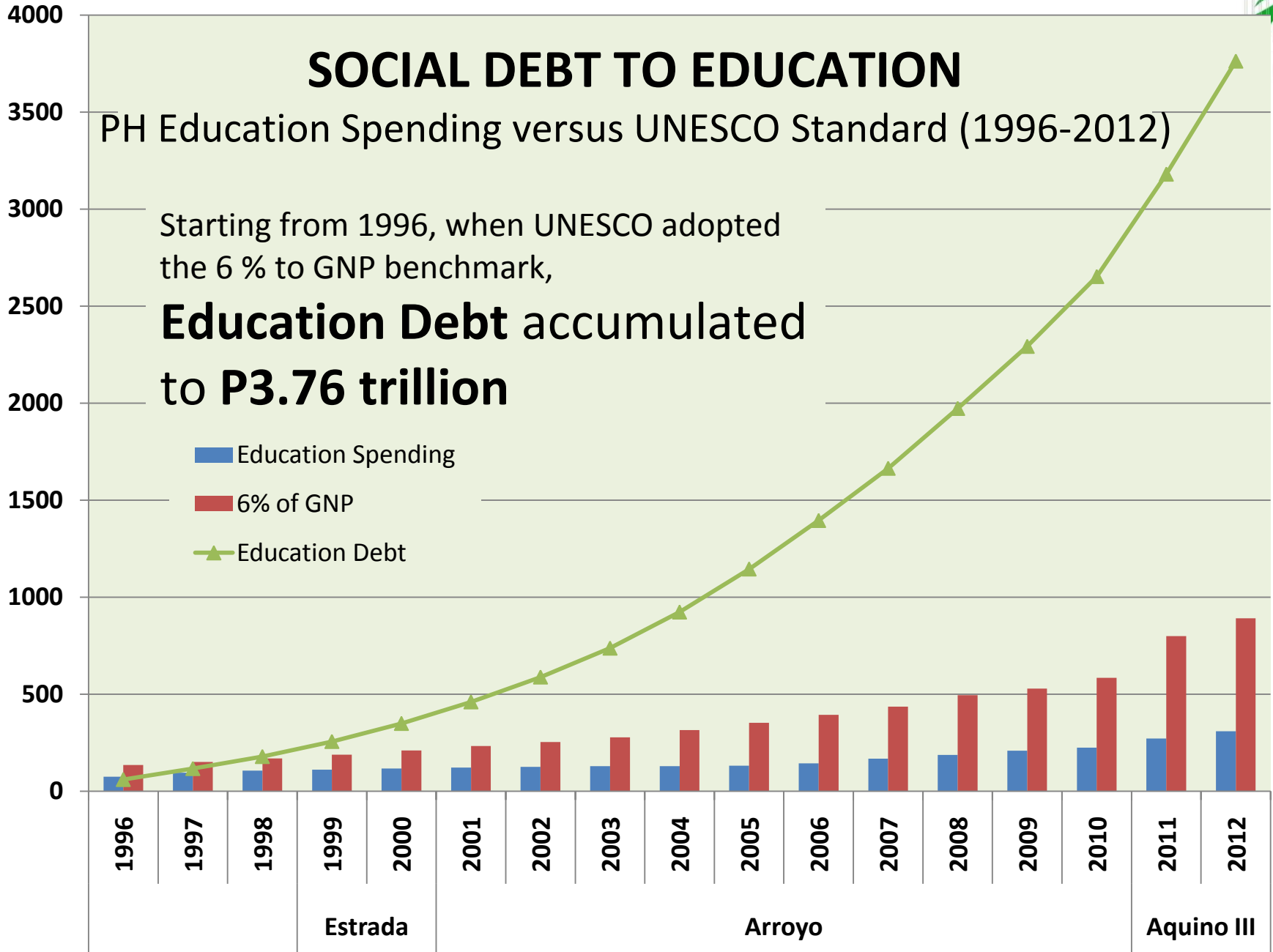
## PH Education Spending versus UNESCO Standard (1996-2012)

Starting from 1996, when UNESCO adopted the 6 % to GNP benchmark,

**Education Debt** accumulated to **P3.76 trillion**

in billion pesos

- Education Spending
- 6% of GNP
- ▲ Education Debt



Estrada

Arroyo

Aquino III

- 12.3 Million out-of-school youth
- 4 Million working children
- 6.29% and 7.79% drop out in primary and secondary levels, respectively
- 8 out of 10 high school graduates who do not go to college
- Grossly disappointing and embarrassing 68.15% and 47.93% MPS of NAT takers in primary and secondary levels, respectively
- 2.894 Million unemployed Filipinos
- Around 9 Million overseas Filipino workers