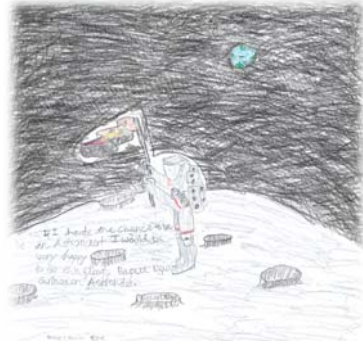


Achievements and Challenges in Education and Training



Notwithstanding the challenges discussed in the previous chapter, most PDMCs have come a long way in their education development. For most, universal literacy and universal primary education are not distant goals. Access to secondary education has increased remarkably in several countries. Many countries eliminated gender disparities at the primary level, and the gap is narrowing at the secondary level. Some PDMCs produce high-level scholars, who are serving not only their own countries but are contributing to the global economy as well. PDMC governments have consistently sought improvements in their education systems in both quantitative and qualitative terms. There is strong regional collaboration through the Pacific Islands Forum Ministers of Education meeting, which has endorsed a Forum Basic Education Action Plan (FBEAP). Yet, available evidence suggests that progress in education development in PDMCs remains uneven.²⁰

²⁰ Recently, Pacific leaders called for, through the April 2004 Auckland Declaration, a Pacific plan to address the challenges facing the countries. The plan emphasizes the importance of strengthening vocational training and its links to the labor market, initially by standardization of regional maritime training (Pacific Island Forum Secretariat 2005).

This section reviews progress in access to different levels of education, the challenges of quality, internal efficiency, and equity, the issues of planning, management, and institutional capacity in the education sector and ends with a discussion of the financial challenges to the sector. It is important to note the severe limitations of the data that the discussion is based on. There are problems with reliability, comparability, and consistency due to different definitions of terms and collection methods.²¹ Within a country, different agencies often report different numbers for the same indicator. Data for urban/rural and main island/outer islands breakdown are almost nonexistent. Incomplete population data make it difficult to analyze the coverage of the system. Little systematic information is available for the efficiency and completion indicators, and progress toward the education MDGs is difficult to document for many countries. Most importantly, detailed data on cost and efficiency of resource allocation is fragmentary at best.

Access

Early Childhood Education. The gross enrollment ratio (GER)²² at the preschool level (for ages 3 to 5) varies considerably among countries (Table A2.1, Appendix 2). It is strikingly low in Fiji Islands (15% for boys and 16% for girls), while, Cook Islands, Nauru, and Tuvalu enroll much higher percentages. Most countries enroll more girls than boys. NGOs, churches, or private operators provide most preschool education. Government support varies. Tuvalu, for example, provides grants toward the cost of up to three teachers' salaries per institution. In FSM and RMI, the government through the Head Start program provides preschool education. Most preschools charge fees and are available to a relatively small proportion of children. There usually is no government policy guideline or curriculum support at this level of education.

²¹ Some countries collect data irregularly, making it difficult to construct time series.

²² GER is all students in primary education divided by the primary school age population. NER is students of primary school age in school divided by the primary school aged population. In some countries, the GER may exceed 100% because of intake from younger or older age groups into the primary and secondary grades or because of grade repetition. It indicates system inefficiency.

Evidence from worldwide research and experience have shown a strong positive impact of investment in preschool education on achievement in subsequent levels. More than half of PDMC governments have developed policy guidelines, ranging from very brief statements to comprehensive documents for the provision of preschool programs. Some have incorporated them in national curriculum frameworks. To keep expenditures at manageable levels, most include cost sharing between central and local governments and parents, often combined with targeted support for disadvantaged groups. Few PDMCs have such policies.

Primary Education. Tables A2.2 and A2.3 (Appendix 2) show the progress toward achieving primary enrollment in many PDMCs, but important variations remain with the GER as low as 77% in PNG to as high as 143% in FSM. For the net enrollment ratio (NER), only PNG and Timor-Leste indicate lower than 80% enrollment.²³ Table A2.2 also shows gender gaps in favor of boys in Cook Islands, Palau, PNG, and RMI in favor of girls in Nauru and Vanuatu. On the whole, PDMCs have made significant progress toward universal access to primary education.²⁴ With the possible exception of PNG and RMI, PDMCs are well on track toward eliminating gender disparity in primary education (MDG 3).

Secondary Education. At the secondary level, the GER is very low in PNG, Solomon Islands, and Vanuatu which enroll less than one third of the students of secondary school age (Table A2.4, Appendix 2). Secondary enrollments in Kiribati, Nauru, and RMI are higher but remain in the 50% range. The other countries have made considerable progress in expanding access at the secondary level with FSM even reaching 132%. Gender gaps remain high in PNG, Solomon Islands, and Tuvalu.

²³ However, a recent sector study shows only 69% net enrollment ratio (NER) in Samoa. This probably is due to the late entry in primary school of many children. A similar situation may exist in other countries. It raises the question whether the NER as commonly defined is the appropriate yardstick for assessing progress towards the MDGs.

²⁴ The education development community shifted its emphasis from universal primary education to covering universal basic education that includes pre-primary to junior secondary and nonformal education.

Postsecondary/Tertiary Education. Education at this level is limited. Of the relevant age group, only about 7% enrolled at higher-level institutions in Samoa, 4% in Tonga and Vanuatu, and 2% in PNG (UNESCO Institute for Statistics 2004).²⁵ Most PDMCs offer some form of education and training at this level up to the associate degree level or its equivalent, but in most PDMCs students go elsewhere in the region or beyond for more advanced studies. PNG, the country with the largest population, has at least four institutions of higher learning: Papua New Guinea University of Technology, University of Papua New Guinea, Divine Word University, and University of Goroko. The National University of Samoa meets some of the higher education needs in Samoa. The College of Micronesia also plays an important role in offering courses at the tertiary level in FSM. The University of the South Pacific (USP) serves much of the region and is unique in terms of providing borderless education. It has campuses in Fiji Islands, Samoa, and Vanuatu and additional extension centers that offer distance and flexible learning programs in eight member countries. Teacher training colleges in Samoa and Tonga and education faculty in Kiribati also provide pre-service teacher training for other countries in the region, e.g., Tuvalu. Students from PDMCs also get scholarships from Australia and New Zealand for higher education in regional institutions such as USP.

Vocationally oriented colleges provide postsecondary technical and vocational education and training (TVET) programs. These cover such fields as agriculture, nursing, teaching, and seamanship. The region boasts of some vocational exemplars such as the Kiribati and Tuvalu Maritime Institute, graduates of which are in high international demand as seafarers. However, taken as a whole, provision of vocational technical education in the region has been supply rather than demand driven resulting in a mismatch between available human resources and market needs. Greater coordination between providers and employers to reduce the mismatch and wastage is required. There have been efforts to review the state of human resource development in PDMCs (ADB 1995a) to develop a comprehensive national plan for TVET in Vanuatu,²⁶ as well as reviews of the need to upgrade existing institutions such as the Samoa Polytechnic²⁷ and Vanuatu Institute of Technology.

²⁵ The average for all developing countries is 11%.

²⁶ In 2002, ADB supported the development of "Policy Framework for Technical Vocational Education and Training" in Vanuatu.

²⁷ Samoa Polytechnic has recently merged with the National University of Samoa.

Literacy Rates. Overall, PDMCs enjoy high literacy rates (Table A2.5, Appendix 2). However, literacy rates in PNG, Solomon Islands, Timor-Leste, and Vanuatu are still low, reflecting the fact that primary schooling has become widely available only recently. As a consequence of the traditional disadvantage of girls in access to primary education, these countries also show marked gender gaps in literacy. This represents a significant challenge as these four countries contain almost 85% of the population of the region.

Nonformal Education and Skills Training. Local communities, church groups, and NGOs offer functional literacy and skills development programs. Several target children in environments where formal schools are absent or where many students dropout or fail to be attracted by the formal system. Others provide flexible skills development programs emphasizing functional literacy, microbusiness, and other livelihood skills to help youth and adults with low educational attainment to develop their potential to generate income in informal sector self-employment and wage employment.²⁸

Quality

Concerns about quality are widespread in developed as well as developing countries. Most quality definitions highlight the different elements of the basic input-process-output model that commonly underpins education research and policy analysis (UNESCO 2002). They are guided by a concept of quality that emphasizes cognitive and affective results (mediated by quality inputs and processes) that are measured by the extent to which pupils achieve the knowledge, skills, and behaviors specified in a national curriculum. No matter the specifics of the definition, there is a broad consensus that the real measure of quality is one of outcomes, and that the quality of inputs is not an acceptable proxy for the quality of outcomes.

A well performing education system produces high quality, equitably distributed learning. In such a system, students not only enroll but, most importantly, acquire the knowledge, skills, and attitudes specified in the curriculum. The cognitive outcomes are most

²⁸ ADB has been supporting PNG in skills development and literacy training through its lending programs.

commonly measured by student performance on standardized criterion-referenced tests or, less effectively, by performance on examinations. But quite clearly, society and parents expect more than good test scores; they also have expectations regarding students' attitudes and behavior that are not easily measured on tests but which do affect public perceptions of the quality of schooling.

Classroom processes and instructional practices are major determinants of student learning. Poor quality teaching, lack of instructional materials, and overloaded and poorly structured curricula have been found to have adverse effects on student learning outcomes. In turn, the quality of schooling is an important determinant of enrollment and retention.

Almost all PDMCs have identified quality as an overarching concern. The Pacific Islands Forum Education Ministers have expressed concerns about the level of learning achievement. Actual learning outcomes vary, with relatively high standards and improvements in some countries and low performance in others. Many children cannot demonstrate mastery of the expected knowledge, skills, and attitudes. Concerns about quality have been reinforced by declines in examination scores in several countries such as Samoa and Tuvalu. A study in the Cook Islands found that only about 70% of the students achieved minimum competency in English and Math, and only 30% achieved high competency.²⁹ In RMI, 60%, 50%, and 70% of students are placed in at-risk categories for English, Marshallese, and Math respectively. Private schools, including those run by church groups, tend to demonstrate higher learning outcomes than public schools.³⁰ Their performance is an example that quality improvement is possible given good school management and committed teachers and parents. Several factors account for the often disappointing achievement of students in public schools: inadequate textbooks and learning materials, poor quality and motivation of teachers, curricula with limited relevance to the local context, and ineffective instruction. Unfortunately, much of the PDMC evidence on the causes of low performance is impressionistic and anecdotal,

²⁹ Measured by Pacific Islands Literacy Levels tests which are used in the region for measuring literacy and numeracy at grades 4 and 6; however, there is concern about the reliability and validity of these tests. Test results reported in UNESCO 2000b.

³⁰ This information was gathered by interviewing parents and teachers during the field visit to PDMCs for this paper.

but taken together, it is strongly suggestive and consistent with the balance of international empirical findings.

Textbooks and Learning Materials. These are a key input for quality learning. Shortages of teaching and learning materials are common in most schools in the region. Many countries do not allocate the resources necessary to provide a set of textbooks in core subjects for each student let alone other reading materials. The situation is worse the further the schools are from the main island. Poor procurement management often limits availability. Even when textbooks are centrally available they may not reach schools because of poor distribution networks. Sometimes the materials are available in a school but are locked in storage rooms and not distributed to the students. Many textbooks have poor instructional designs and often contain factual inaccuracies. AusAID has been providing textbooks and materials for PNG, Samoa, Tuvalu, and other PDMCs to address this need. NZAID is also active in this area in their priority countries. Nevertheless, the need for books continues to outstrip the supply. In the absence of textbooks and learning materials, instruction is wasted on copying text from the blackboard and teachers use ineffective rote learning pedagogy as a substitute.

Teachers. The competence and motivation of teachers are universally recognized as key determinants of the quality of education. Sustained teacher development, both pre-service and in-service, is essential for improving the quality of education. Recurrent school-based, in-service teacher training can encompass practical methods of teaching major subjects, ways to adapt the curriculum to the social and physical environment of the students, understanding how children develop and learn, methods of evaluating teaching and learning, management of classrooms, and parent-teacher and community relations. Unfortunately, many teachers in PDMCs have not been adequately prepared or do not have the appropriate professional teaching or subject matter qualifications.³¹ There is a need across the region to improve teacher competence.

Subject matter and pedagogical competence are not enough. Low teacher morale leads to high rates of teacher absenteeism and to

³¹ See for example Heine and Chutaro 2003.

attrition as in the cases of Samoa and Tuvalu. Teacher absenteeism reduces students' learning time,³² while teacher attrition requires additional expenditures on initial teacher training. The causes of poor motivation vary and may include poor working conditions, insufficient career advancement opportunities, weak support services, and unattractive salaries. Furthermore, in many countries, career and salary advancement seldom depend on performance. Salaries tend to be tied to civil service pay scales with monetary awards based on paper qualifications and length of service rather than on performance. Thus, there are few incentives for teachers to perform well. In some PDMCs, such as FSM, PNG, Samoa, Tuvalu, and Vanuatu, teachers have demonstrated weak motivation, low morale, high absenteeism, and frequent turnover all of which have a negative influence on student motivation and learning.

Standards of teacher supply in the region are mixed. On average the student-teacher ratio (STR) is highly favorable by international comparison.³³ In fact, the benefits of the low ratio are reduced by oversupply in some areas and undersupply in others. For example, many urban schools are overly crowded, while rural schools have very few students. This suggests that teacher deployment to schools based on standard STRs could lead to significant gains in efficiency. In the lowest income countries, constraints on the government budget are the major cause of teacher shortages and relatively high STRs. Supervision and management of teachers by the departments of education is inadequate across PDMCs. Teachers do not receive professional academic guidance for classroom teaching nor is there any strong mechanism to reduce teacher absenteeism.

Relevance. An important dimension of the quality of education is relevance. A key issue is defining education content for a labor market that is changing rapidly as regards the skills demanded. Schools prepare students for a working life that is likely to stretch 30

³² Time-use studies show that when teachers devote more time to instruction, students learn more. Sufficient instructional time is particularly important in the early grades and for children from impoverished families who spend few of their out-of-school hours on learning. For elaborate discussions on this issue see Lockheed and Verspoor 1991.

³³ World Bank research found small differences in impact on learning achievement for STR between 20:1 and 40:1 and suggests that in many countries the marginal return on expenditures on instructional materials will exceed those on teachers' salaries.

years or more into the future, during which most people will change jobs several times and in which the job content is likely to change dramatically. In the past, education catered to a select few. It guaranteed wage employment in government and church organizations. With the expansion of enrollments and limited new jobs, students, parents, and governments question the content and the value of formal education. A common solution proposed is the provision of vocational subjects or programs at the secondary level. International experience has suggested, however, that—especially when done too early in development when the modern industrial sector is small—this is often costly and ineffective and diverts time from preparation in fundamental skills like language and mathematics (ADB 1995a). In most instances, youth unemployment is more a problem of economic development than of education. Training does not create jobs. Students with a strong general foundation can be trained fairly quickly for a variety of occupations once the demand is there.

In fact, the content of vocational training is evolving dramatically. Some vocational skills such as typing have become part of general education. Other general skills such as mastery of English have become an entry requirement for specific jobs (e.g., in call centers). Communication skills, problem solving ability, capacity to learn, and personal attributes such as initiative and willingness to adapt and accept change are often at a premium in modern job markets. Few countries in the Pacific region have considered the implications of these changes for skills development. This is especially important for those PDMCs where emigration to industrialized countries is a realistic option, especially for the better educated.

The relevance of the curricula is often jeopardized by poor scope and sequencing. Inappropriately targeted curricula (either too difficult or too easy) frustrate students and increase the possibility of failure. A central issue of curriculum design and instructional practice concerns the medium of instruction. Most PDMCs have adopted the language of their former rulers as one of their official languages. Yet, research is conclusive on the effectiveness of the use of the mother tongue in teaching and learning. Compelling international evidence suggests that with well-prepared teachers and appropriate instructional materials, students who start in their mother tongues outperform students who start in the international language. This in no way obviates the importance of a high level of competency in an international language as a language of national communication in

multilingual societies reinforced by the economic potential of English fluency. A common strategy as adopted in Kiribati, Samoa (ADB 2004h), Tonga, and Tuvalu (ADB 2004k) is to teach in the mother tongue in the lower primary grades and to make a gradual transition to English in the upper grades reaching full English instruction in secondary education and beyond. But for either bilingual or international language instruction to be successful, teacher mastery of the international language is essential. Evidence from RMI, Samoa, and Tuvalu suggests that many teachers lack proficiency in English even at the secondary level so they use their mother tongues in school.

A final but important relevance issue is the extent to which curricula are designed to preserve and transmit national culture and customs. The Pacific Islands Forum Ministers of Education have on several occasions emphasized the importance of this issue. Responding to this concern makes it imperative to involve local education specialists who are deeply familiar with the different island cultures in curriculum work and textbook development.

Internal Efficiency

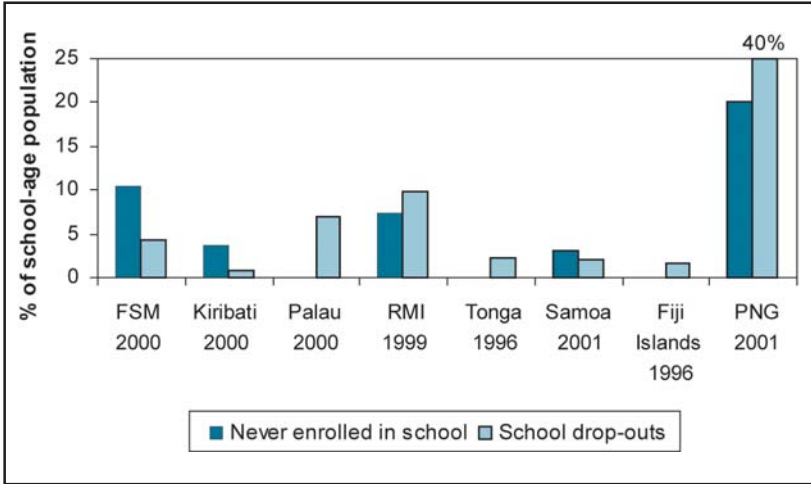
Basic education completion rates remain low in several PDMCs. Several countries remain off-track (Figure 1) for reaching the goal of retention of all students who enter grade 1 through grade 5 by 2015 (MDG 2, indicator 2).³⁴ In these countries, repetition and dropout rates remain high. In PNG, for example, 60% of children starting grade 1 drop out by grade 6 (Government of Papua New Guinea 2004).

High dropout rates during the transition period from primary to secondary school are a concern in several PDMCs including RMI, Samoa, Tonga, Tuvalu, and Vanuatu. Dropout rates are about 52% at the end of grade 6 and 56% at the end of grade 10 in Vanuatu, and 25% between grades 8 and 9 in RMI. In Samoa, only 87% of the students made the transition from year 8 to year 9 in 2002–2003. Yet these rates are strongly affected by policy. In Tuvalu, once automatic transfer to secondary education was eliminated and a selection test introduced, the dropout rate increased substantially. In 2003, only 30% of the

³⁴ In many of these countries, the main problem with NER is one of late entry, which indicates that these countries are off track. However, completion rates are very high in many of these countries.

Figure 1

Percentage of Children Who Never Enroll and Who Drop Out by Grade 5 in Selected Pacific Developing Member Countries



Source: World Bank and Statistical Departments of Pacific Island Member Countries 2004. Data for PNG from ADB, AusAID, and World Bank 2004a.

children of the relevant age group were enrolled in grades 11 and 12; of these, half failed the final examination and dropped out.³⁵ In Samoa, the transition rate from year 11 to 12 increased from 70% in 1999 to over 90% in 2002 as a result of policy reforms that provided year 12 classes and eliminated the national examination at the end of year 11. In many Pacific countries, the problems of retention are likely to be related to inequities in the quality of instruction and opportunity to learn, as well as to the ability of parents to afford the direct and indirect cost of schooling. A recent study by the World Bank suggests that children from poorer households in the Pacific islands are more likely to dropout and less likely to make the transition to secondary school (World Bank and Statistical Departments of Pacific Island Member Countries 2004).

³⁵ Data for various countries collected during various missions, country sector studies, and also from some unpublished sources.

The internal efficiency of education has an important impact on the cost per graduate. Statistics are limited, but anecdotal evidence suggest that it may take more than 10 to 12 years to give students a chance to complete eighth grade in the case of FSM, Samoa, and Tuvalu where repetition is allowed. While there are no analytical study data readily available in the Pacific, an example from India indicates that a 50% reduction in dropouts and repeaters will decrease the number of years of schooling required to produce a fifth grader from 8.67 to 6.37 and will reduce the unit cost of producing a fifth grade graduate by 25% (World Bank 1993).

Equity

Gender Disparities. While gender is not a significant issue at the primary and secondary levels in most PDMCs, it is an issue in PNG and the Solomon Islands where girls lag behind boys in enrollment and performance at all levels.³⁶ Limited provision and unaffordable costs have kept many girls away from secondary schools in Melanesian countries. The gender gap is highly country specific. As Table A2.4 in Appendix 2 indicates, in some countries girls' enrollment rates surpass boys'. However, sometimes the gender balance in aggregated rates masks disparity that increases as the girls advance through the grades. For example, in Tuvalu in years 7 and 8, female students comprise only 39% and 43% of the total enrollment respectively. Although there was gender imbalance in enrollment in tertiary education in earlier years, the gap has narrowed in some, e.g., Kiribati, but remains significant in others, e.g., Vanuatu (ADB 2002e). Gender bias has persisted in tertiary education with women disproportionately studying traditionally "female" subjects like education and health care (ADB 1998). A Pacific regional postsecondary education study, encompassing Fiji Islands, Kiribati, Samoa, Solomon Islands, Tonga, and Vanuatu found that only 30% of scholarships were allocated to women indicating that access was skewed (Subbarao, Dundar, and Haworth 1994). In addition, the comparatively low number of women enrolled in mathematics, science, and business courses is a concern

³⁶ There is an emerging gender disparity in most Polynesian PDMCs, Fiji Islands, and Kiribati, where girls are staying at school longer and doing better than boys. This is becoming quite marked and there are concerns that boys may need special attention.

throughout the region. Outstanding female students may be supported on scholarship programs to study at universities in other Pacific countries, Australia, New Zealand, or the US.

Rural-Urban Inequality. Detailed data comparing enrollment and performance of students on disadvantaged remote outer islands and in rural areas on main islands with urban areas are scarce. This precludes firm conclusions regarding equity issues. In some countries (e.g., PNG), many poor children do not enroll. But in most, the key challenge of equity is one of disparities in the opportunity to learn and in results. Data from the Cook Islands (UNESCO 2000b), for example, summarized in Table 1 suggest that students living outside the capital island of Rarotonga may be at a significant disadvantage. Similarly in PNG, variations between provinces in student retention and examination performance are significant (ADB, AusAID, and World Bank 2004b).

Table 1

**Cook Islands, Performance of Grade 4 Students
on the Pacific Islands Literacy Level Tests**

	% of students achieving minimum standards			% of students achieving high standards		
	Maori	English	Math	Maori	English	Math
Northern Group	84	35	48	43	8	4
Southern Group	78	53	78	69	25	37
Rarotonga	63	82	76	25	54	46
National	71	66	72	32	38	39

Source: UNESCO 2000b.

A deeper analysis is needed to understand the extent of equity issues in basic education to design appropriate policy interventions that address the needs of the poor. In urban areas, educational disadvantages can be found among children from poor urban families, but undoubtedly the challenges are most pronounced in the outer islands where schools are dispersed, often under-equipped, and staffed with inadequately trained teachers. Despite public provision

of free primary education in many countries, families have to contribute to direct costs of supplies, uniforms, and transportation fees. Many of the poorest families find this difficult.

Rural-urban disparity is probably even more serious at the secondary level as secondary schools are mainly located in urban areas. Students from outer islands need to board, the fees for which may not be affordable for poor parents. Some countries are taking initiatives to address this. The Government of Cook Islands has expanded correspondence-based secondary education in the outer islands. Kiribati started a program in 1998 to build junior secondary schools in all the inhabited outer islands. The program has recently concluded and has significantly increased access at this level. Inequity in access is even more apparent at the postsecondary/tertiary level. Where there are local institutions, they are typically located in urban centers that favor the better-off urban population.

Planning, Management, and Institutional Capacity

In many PDMCs, the weak capacity to manage the system and effectively deploy resources is a major issue jeopardizing the quality and efficiency of the education system. In several countries, education policies have not successfully balanced demands for local priority treatment with broader national policy objectives. Databases are often weak, and where data exist, they are often not adequately analyzed or used for policy formulation. Policy processes are frequently haphazard and driven by donor agendas rather than national priorities. Financial management systems often lack transparency. Several of these issues are a direct consequence of “smallness.” Most countries only have a limited number of managers and technical specialists, often subject to considerable turnover, which makes it difficult to establish an adequate core of trained personnel and capacity in the system. Key sector institutions are often starved for financial resources or have failed to develop staff with up-to-date technical skills. Several small countries lack adequate institutional arrangements for curriculum development, teacher supervision, policy analysis, planning, and monitoring.

Strengthening the capacity for strategic planning and management is essential to making the education system more efficient. There is a need for long-term strategies that focus on quality,

that help PDMCs to deploy their resources to maximum advantage, and that are closely linked to the overall national development program and budget framework. While most PDMCs have an education plan, the quality varies considerably.³⁷ Some PDMCs—e.g., Fiji Islands, FSM, RMI, Samoa, and Tonga—have extensive education plans. Samoa has been evaluating its achievements and is preparing its second long-term policy and strategic plan for 2006–2014. Tonga has completed its first long-term education policy framework for 2004–2019. Similarly, Tuvalu is in the process of completing its first 10-year education and training sector master plan to strategically address associated issues. The lack of such comprehensive plans partly explains the less than satisfactory performance of many fragmented projects in the past.

Countries are recognizing the importance of the planning and management challenges to education development and the potential for regional cooperation to help address some of the capacity issues. In the Pacific, there exist over 30 regional educational institutions initiated by various religious, governmental, and philanthropic groups.³⁸ Regional organizations such as PIFS play an important coordinating role in the education sector for their member countries. In doing so, they contribute to regional cooperation and the development of regional education strategies. The largest regional educational entity is the University of the South Pacific (USP), which was set up in 1968. It offers a variety of courses at the tertiary level for 12 member countries. The South Pacific Board of Educational Assessment (SPBEA) is committed to providing services to individual countries to enable them to implement their own assessment activities to overcome the challenges of scale. A major donor-supported regional project was the Basic Education and Literacy Support Project 1993–2001, funded by AusAID, UNDP, United Nations Educational, Scientific and Cultural Organization (UNESCO), and United Nations Children's Fund (UNICEF) and later joined by NZAID. The program aimed at raising the quality of basic education and provided services, e.g., teacher in-service training, which some member countries, due to their small size, did not have the capacity to provide by themselves.

³⁷ A PRIDE survey indicates that almost all PDMCs have some kind of plan.

³⁸ For a long list of various regional institutions and rich discussions on services they provide and challenges they face, see Crocombe 2001.

The commitment to regional cooperation for capacity building and institutional strengthening in the education sector has intensified in recent years. The Pacific Islands Forum Education Ministers adopted in 2001 a basic education action plan designed to refocus formal and informal education and skills development activities to better support private sector needs for educated and trained manpower. A central theme is the need to strengthen national planning and policy formulation for education development. The plan puts considerable emphasis on the need to ensure equity and improve quality in basic education, to develop appropriate strategies for skills development, and to develop partnerships with civil society organizations and improve coordination among and between donors and stakeholders, including governments. The EU and New Zealand are supporting implementation of the action plan. Particularly important is the EU- and NZAID-supported Pacific Regional Initiative Delivering Basic Education (PRIDE), which is designed to strengthen the capacity of Pacific education institutions to effectively plan and deliver high-quality basic education. The project is expected to result in strategic plans for education in all participating countries, formulated through wide consultation with all stakeholders including teachers, parents, pupils, communities, and private sector groups. The project will also help countries implement, monitor, and evaluate such plans by way of capacity building activities at the national and regional levels, particularly through distance learning programs. Encouraging effective donor coordination at national levels will be an important project activity.

Financing Education

PDMCs allocate substantial resources to education. The sources are multiple and include allocations from the government budget, support from external development partners, and funding from parents and nongovernment providers. Table A3.1 in Appendix 3 provides the percentage of gross national income (GNI), GDP, and total government expenditure for education for various years. Table A3.2 in the same appendix summarizes available data on public spending, percentages allocated to primary education, unit costs for primary and secondary education, and percentages of education budgets that go to teachers' salaries in PDMCs. Funding from aid agencies forms a

large part of education spending in PDMCs. Much of it is not reflected in the official budget. But it is clear from Organization for Economic Co-operation and Development/Development Co-operation Directorate (OECD/DAC) data that the social sectors, particularly education, receive considerable external support, albeit with considerable variation by country (World Bank and Statistical Departments of Pacific Island Member Countries 2004).

Private resources provided by church groups, NGOs, individuals, and parents also contribute significantly to the financing of education. Except for FSM and RMI, preschool education in the region is largely community provided and managed, primary education is a government responsibility, and secondary education is predominantly church run. Government and church collaboration is the usual way to expand the provision of education services where public funds are scarce. In Fiji Islands, PNG, Samoa, Solomon Islands, and Vanuatu, the governments pay the teachers of all registered schools, but management and maintenance lies partly or wholly with the community and churches. In Kiribati, for example, a student in a church secondary school costs the Government \$300 a year as compared with \$2,000 in a government school (ADB 2002e). Parents contribute to school financing by paying direct and indirect miscellaneous fees in basic education and tuition and miscellaneous fees in post-basic education. In Vanuatu, parents pay a \$46.95 equivalent per year for primary and a \$93.90 equivalent for secondary school. School fees are estimated to amount to some 13% of recurrent expenditures for primary and secondary public schooling (ADB 2000e). School committees govern the schools and are responsible for the physical maintenance of buildings. Parent-teacher associations help to raise funds to acquire equipment and facilities and to maintain schools. These different sources of funding make it difficult to do a comprehensive assessment of the total resources available for education development.

A central question is how efficiently these resources are used to achieve the education development goals of equity of access, quality of learning outcomes, and relevance to the needs of social and economic development that are desired by all countries. Only scattered data with uncertain reliability are available at this point. Several key points stand out.

- Education expenditures as a percentage of GDP are relatively high by international standards.
- The share of education in the national budget averages about 17% which is at par with other developing countries (UNDP 1999) while Fiji Islands and Vanuatu commit a higher proportion.³⁹
- The share of primary education is comparatively low in Cook Islands, RMI, and Tuvalu. Some analyses (World Bank and Statistical Departments of Pacific Island Member Countries 2004) suggest that in some countries relatively generous funding of secondary education may deprive primary education of the resources it needs to be able to function effectively.⁴⁰ In others, tertiary education absorbs a disproportionate amount of resources (ADB 2003f).⁴¹
- STRs are low in several countries, resulting in relatively high costs per student. Many countries in Asia and in other regions have achieved acceptable levels of student learning with class sizes of around 30 (e.g., STR in Korea is 32).⁴² There is not a lot of research evidence that suggests that very low STRs result in high levels of student learning. The impact of textbooks and other instructional materials and time spent learning appear to be much more important.
- Allocations for nonsalary expenditures are very low. Most of the recurrent budgets go to staff salaries. This makes it necessary for governments to seek other sources of funding, notably external assistance, for curriculum development, teacher training, equipment procurement, and school buildings. In PNG and Samoa, government revenues largely support recurrent budgets, and aid funding supports development initiatives. In FSM and RMI, the education budgets rely heavily on US compact funds.

³⁹ See Appendix 3. It is worth noting that the ratio of government spending to GDP is very high in several PDMCs.

⁴⁰ In fact there is considerable variation in the share of the budget allocated to secondary education: Fiji Islands and Vanuatu allocate about 50% of the education budget for this purpose and PNG less than 10% (UIS data).

⁴¹ Palau, for example, spent in 2000/01 more than 30% of its education budget on post secondary education (UIS data).

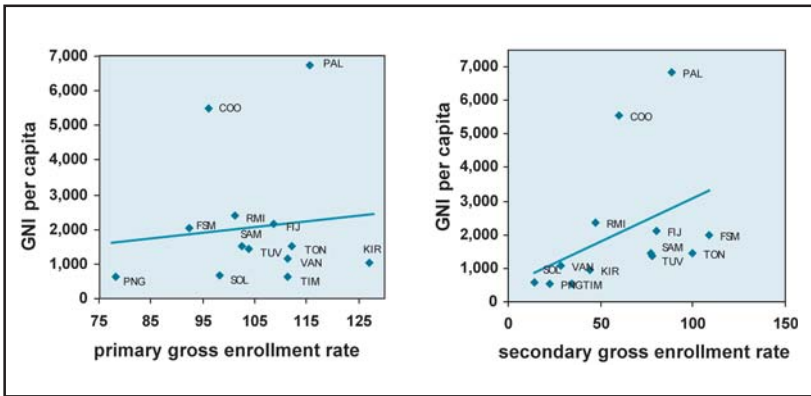
⁴² The EFA fast-track framework suggests a maximum of 40.

Information on the financing of education in the Pacific is weak and precludes a meaningful analysis of budget allocations and cost per student in different countries. Regional cooperation and cooperation with institutions outside the region may need to be developed more systematically at the tertiary level where the per-student costs are high and are particularly sensitive to economies of scale. ICT may offer opportunities to address issues in a cost-effective way.

Cross-national studies generally suggest a positive correlation between the level of economic growth and that of educational development. However, Figure 2 shows no clear relationship for PDMCs between NER and GNI per capita at the primary level and a very mixed relationship at the secondary level. In any event, interpretation of these relationships must take account of very different and specific national dynamics underlying education development, although it is clear that very different levels of enrollment can be achieved at the same level of GNI.

Figure 2

Primary and Secondary Gross Enrollment Rates by Gross National Income Per Capita in Selected PDMCs



Source: ADB 2004c.

This raises the question of why the educational performance of some countries is disappointing in spite of high levels of expenditures.⁴³ In several of the higher income PDMCs, student learning achievement is unacceptably low and secondary enrollment much less than could be expected given their levels of income. For example, in the lower income countries (PNG, Solomon Islands, and Timor-Leste) secondary gross enrollment varies between 14% and 34%. In the middle-income countries (GNI \$1,000–\$2,000), secondary enrollment rates range from 28.6% in Vanuatu to 109% in FSM. Skills development remains a challenge to be addressed in virtually every country in the region. Clearly, there are important issues of resource allocation and utilization that need to be tackled if progress toward quality, relevance, and equity is to be accelerated and sustained. Many of these issues are typical of the education policy challenges in low-income countries.⁴⁴ It is not surprising that they dominate the policy environment in the low-income Melanesian countries, but it is disappointing to see that they remain to be addressed effectively in several of the other higher income PDMCs. Clearly, it is government policy that matters. At all levels of income, efficiency in the allocation of public resources between levels of education and different inputs is of paramount importance as is the effectiveness of the processes that converts resources to learning results in schools and classrooms. While a dispersed population settlement pattern makes it a challenge to realize economies of scale, it is important to explore alternatives to existing service delivery strategies to enhance cost-effectiveness. Many PDMC governments already allocate a large proportion of their national resources to education and training, and it is unlikely that they will be able to afford to increase it.

⁴³ There is no NER available for FSM, and GER looks very distorted indicating that there is no system of collecting appropriate data. The documents on school enrollment collected during the field visits provide different enrollment numbers by grade and province without indicating parallel numbers of population in the age brackets making calculation of enrollment rates from one grade to the next impossible.

⁴⁴ See for example the work of Alain Mingat on Africa.

The Challenge of Education Development in Pacific Developing Member Countries

In conclusion, all PDMCs face considerable, although different, challenges in education development. Most important are equity and quality. In the larger Melanesian countries, issues of access still loom large. They, as well as several Micronesian countries, also need to address significant problems of dropping out and of retention. All PDMCs are deeply concerned about the low quality of instruction in many of their schools and about the failure of many students to perform at the level specified in the curriculum. Almost all PDMCs recognize the need to better understand the prevalence of disparities within countries, including gender disparities, at all levels of education and to adopt effective policies to redress them. Important and urgent questions are being asked about strategies for skills development at secondary and tertiary levels that can help support policy to further private sector development and to spur economic growth.

Addressing these challenges will require a pro-poor policy perspective. The evidence is overwhelming that the poor, the people who face hardship, and those who cannot access social services need to be the primary focus of education policy and public action. This implies first and foremost that all children must have the opportunity to complete the basic education cycle with mastery of the knowledge, the skills, and the personal attributes specified in the curriculum. Supplying a basic, high-quality service will go a long way toward resolving demand problems and the resulting disengagement from education, especially among the disadvantaged groups in society. There is considerable evidence from around the world that quality, affordability, and easy access to schools are key elements that determine the demand for education. It is not surprising that where education is of poor quality, expensive, and far away from home, demand is low.

But providing a high-quality basic education will often not suffice to support national development aspirations, especially in middle-income countries. All PDMCs face—in different ways—the challenge of providing students who complete basic education opportunities for further learning and skills development. A good number will want to and be able to continue their general education in upper secondary schools. Others will immediately enter skills development programs,

but all will need to be ready to pursue their education throughout their working lives. Providing these opportunities in a way that is both financially sustainable and responsive to national development needs and personal aspirations is the second goal of education policy that few countries will be able to ignore.

The foregoing analyses also indicate that systemic solutions are required to increase performance. Policy reform is often at the heart of education development. Where governments have implemented the right policies, performance is better.⁴⁵ Where strong institutions support these policies, progress will be continuous. Where resources are allocated efficiently and used effectively, the results can be sustained. Designing and implementing an appropriate national sector policy framework and investment program, monitoring progress toward development objectives, and evaluating the lessons of experience are essential elements of successful education development. These represent major challenges for small countries with limited numbers of education managers and technical specialists. PDMCs are fortunate that they can call on significant support from development partners as they tackle this task.

⁴⁵ Mauritius and Cape Verde are examples of island countries that have made great strides in education.