

RESEARCH UPDATE

Is Elementary Education really free?

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There are no free lunches, economists keep reminding us. What about primary education which the government claims is free? Our Constitution enjoins upon the State to provide free elementary education to all children in the 6-14 age group. To achieve this, all State Governments have abolished tuition fees in government schools and in primary schools run by local bodies. It is also mostly free in private schools that enjoy government grants-in-aid but are run privately. Other costs of education such as textbooks, stationery, school uniforms, transport, etc. are also borne by the government mainly for primary school children belonging to SC/ST categories and girls.

But is elementary education really free? Does it mean the parents do not have to or do not incur any expenditure at all on their primary school going children?

There is limited data on household expenditures on education in India and the two main sources are - National Accounts Statistics (NAS), the data published every year by the Department of Statistics, Planning Commission on household expenditures based on the estimates made by the National Sample Survey Organisation (NSSO), and the surveys conducted by individual researchers and research organisations like Tilak (1987), Panchamukhi (1990), etc.

Tilak, JBG (2002) concludes that there is nothing like 'free' education in India. Household expenditure on education is sizeable; households from even lower socio-economic background - Scheduled Castes/Tribes, low income groups - spend considerable amounts on education, specifically elementary education, although it is expected to be provided free to all by the State. Also, even at the primary school level 'indirect' costs, such as books, uniforms and examination fees are very high and government-run schools are no exception.

An NCAER survey conducted in the early 1990s put the household expenditure per student on (free) elementary education in rural India at Rs.378, with a high of Rs.842 in Himachal Pradesh and a low of Rs.253 in Orissa. Further, it showed that per student direct expenditure on elementary education by households in rural India was substantially

different between government schools and private schools and between aided and unaided private schools (NCAER).

According to another study on the impact of the cost of primary education in rural India on school attendance ("Does Cost of Primary Education Matter: Evidence from Rural India", based NSSO survey (1998) conducted between July 1995 and June 1996) the average expenditure per student pursuing primary education in rural India for students going to local body schools, private aided school and private unaided school was Rs 223, Rs 622 and Rs. 911 per annum respectively. Cost of education varies across the states and the average expenditure per primary school student in Rural Karnataka in 1995-96 was Rs. 132 (NSSO, 1998). The NCAER (1994) and NSSO (1991, 1993) studies suggest that every year parents spend amounts ranging from Rs. 100 to Rs. 4000 per child on primary education.

It is in this background that a study was conducted by Azim Premji Foundation to find out how money was being spent by rural households in Karnataka on the primary education of their wards. The focus here was on Bidar, Gulbarga, Bijapur, Raichur, Bellary, Bagalkot, Koppal and Yadgir districts of North East Karnataka. Chronically drought prone, this area provides little scope for continuous year-round employment. Data collected from 4179 households covering 7512 children in the 6-14 age group, belonging to classes 1 to 7 was analyzed. Of the sample of children, 55% were boys and the rest were girls; 26.60% belonged to SC category, 15.85% ST category and 57.55% general category.

The field work was carried out in October 2005 by 24 area coordinators identified for the study. From each randomly identified village, the area coordinator collected household information using the questionnaire developed for the study. From each village the data was collected from 10 households. Each household had to have at least one child going to school in the age group of 6-14 years. Data gathered through questionnaires pertained to:

- 1) Socio-economic variables - sex, social status, occupation of father & mother, education of father and mother, total number of family members, number of children,

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annual income of the family- agricultural and non-agricultural; and

- 2) Expenditure incurred on education of children by class, school, and its components fee, books, stationery, uniform, transport, private tuition, sports and other activities.

For a majority of the households it was difficult to give a breakup the expenditure. Hence the analysis is limited to the estimation of overall expenditure. Only the direct costs are estimated, though an attempt is made to estimate the opportunity cost.

Household Expenditure per child, by gender and social status:

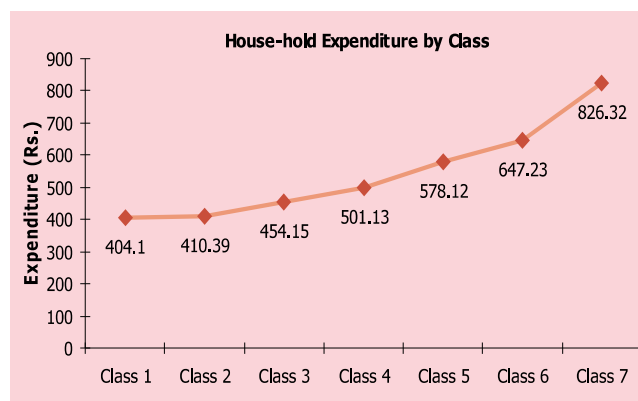
The study reveals that the average household expenditure per child per annum on elementary education in rural North East Karnataka is Rs 539.84 - Rs. 567.12 on a male child and a slightly less Rs. 506.40 on a girl child. In terms of social status the expenditure per child is: Rs. 447.36 for a Scheduled Caste child; Rs. 521.36 for a Scheduled Tribe and Rs. 593.79 for a general category child. On an average each household spends Rs 1038.29 on children's education.

Household Expenditure by type of school:

Household expenditure on education is substantially different between government schools and private schools, and between aided and unaided private schools. The difference is about Rs. 1470 between government schools and aided schools and Rs. 633 between aided schools and private schools. The average annual expenditure incurred by the household is Rs. 484.30 per child for government schools; Rs. 1954.05 for aided school; and Rs. 2587.80 for private schools.

Household Expenditure by class:

Household expenditure increases as the level of class increases. See graph above.



4.5 Other Findings

Do school going children in the 6-14 age group contribute to the economic activities of the family? It was found that about 10.4% children - 6.6% boys and 3.8% girls - were engaged in economic activities like baby sitting, household chores, cattle grazing, agricultural labour and non-agricultural labour, etc.

Private tuitions: About 11.8% of the children, comprising 6.9% boys and 4.9%, go to private tuitions. The average amount spent per annum on tuition is Rs. 445.12 per child Rs. 520.23 for boys and Rs. 338.50 for girls.

Conclusion

This confirms the findings of JBG Tilak that households spend a lot on acquiring education for children even in rural India. "Household expenditures on education are quite sizeable. A typical household has to spend Rs.341 per child per year on its primary education. The corresponding figure increases to Rs.474 if the child is enrolled for upper primary education. On an average, a household has to spend as much as Rs.387 per year on acquiring free elementary education in rural schools" (JBG Tilak 2004).

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