

Ekonomia Edukasaun nian iha Timor-Leste

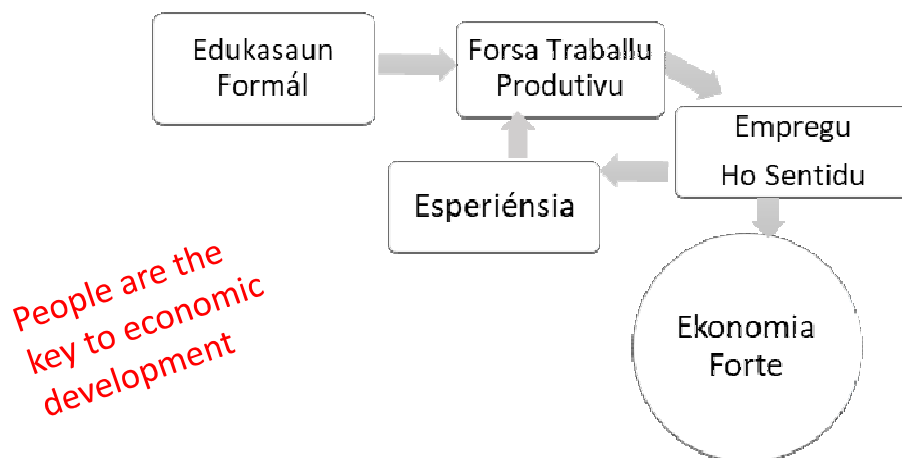
The Economics of Education in Timor-Leste

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Education drives Economic Development



How else can an economy grow?

1. Natural Resource windfall gains

- these don't last forever
- they distort the economic relationships in a society

2. Aid Aid Aid

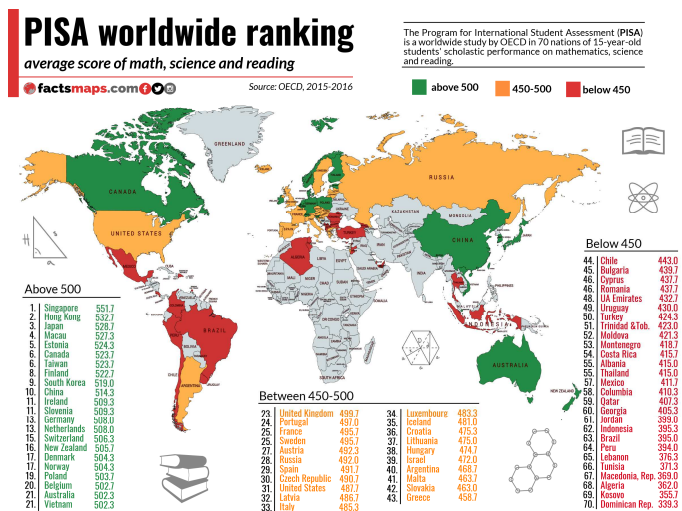
- Creates dependency

3. Labour Mobility

- Helps individuals and families
- Countries reliant on mobility must move to a phase of less reliance on it
- Trend is for more well-educated mobility

Evidence is Overwhelming: Education is Vital

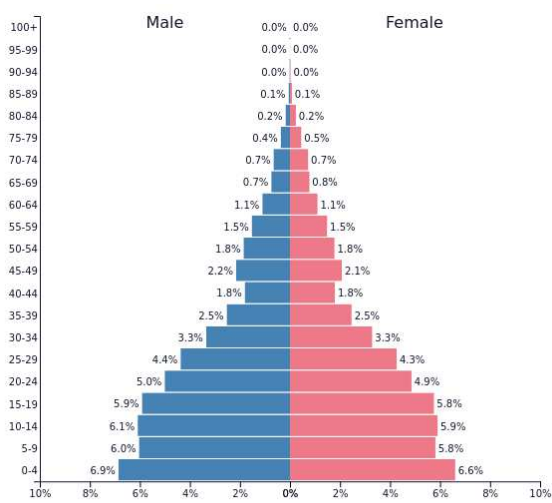
ASEAN Neighbours:
Education-led Development



Economic Impacts of Education

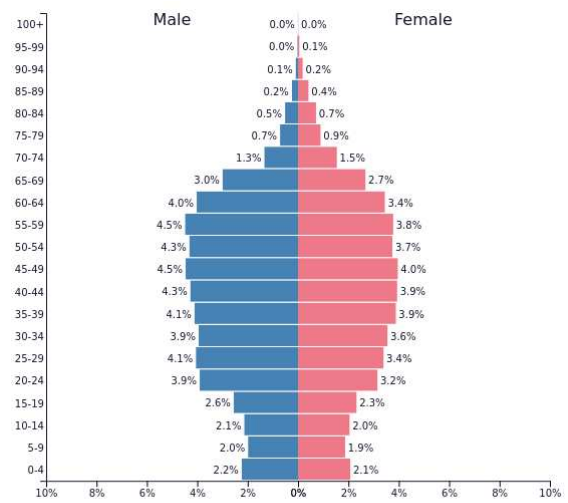
- Quality matters much more than Quantity –
Must move beyond targetting enrolments to measuring achievement
- Maths and Sciences are the best predictor of economic impacts of Education

The Youth Bulge and Education



PopulationPyramid.net

Timor-Leste - 2019
Population: 1,293,120



PopulationPyramid.net

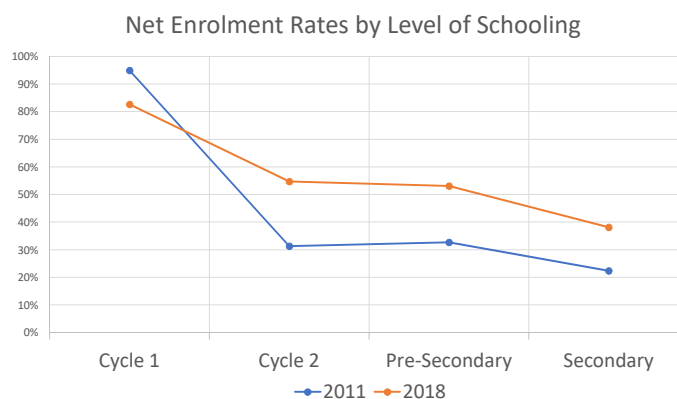
Singapore - 2019
Population: 5,804,343

Quality Education and the Employment Advantage

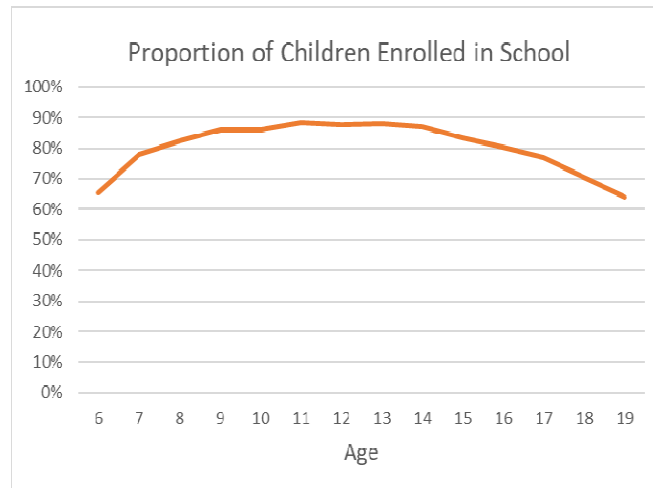
The Well educated ...

- Get the skilled jobs
- Get the unskilled jobs ahead of the less well educated
- Are more equipped to pursue alternative paths to employment: starting businesses, relocate in pursuit of work, retrain more easily...
- Are usually more effective entrepreneurs

Timor-Leste Education: Demand is High, Growth is Rapid!



School enrolments drop off in teenage years



Growing quickly, under stress

- Primary school enrolments dropping slightly
- Secondary enrolments have grown by 50% in the last 8 years
- Private secondary enrolments are growing faster than public
- Class sizes are growing rapidly in secondary schools

What about Performance?

- Late Starters
- Grade Progression
- Standardised Testing

Late Starters ...

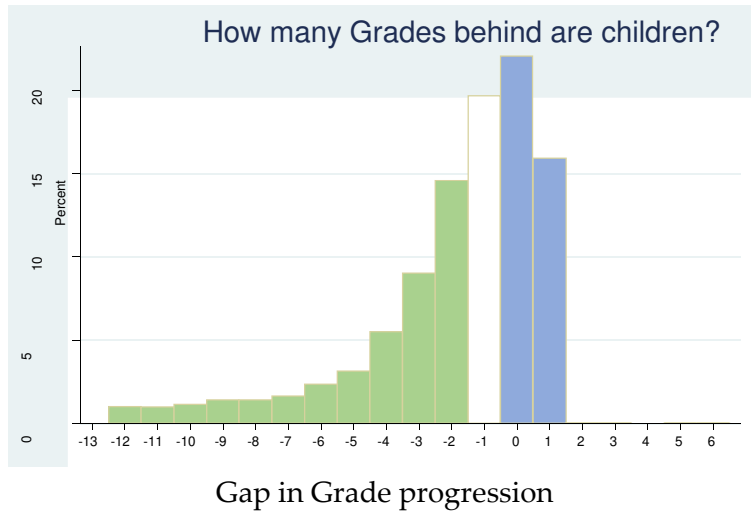
Diana: Lives in urban Dili, in a house with good quality floor, and a parent who works in paid employment and uses a bank account.

Jose: Lives in a rural area outside Dili, in a poor quality house with dirt floor, and his father is a subsistence farmer, does not use a bank account.

Jose is 32 percentage points more likely to have a delayed start to school.

If Jose had a disability, he would very likely never start school.

Slow Progression



Slow Progression

A 10-year old child who is progressing normally should have completed Grade 4 by this age. 28% of students are two or more grades behind already.

59% of 16 year-old students are two or more grades behind their expected grade.

N.B. 9.4% of children aged 12-18 have not completed any grades at school. Many of these are children with disabilities.

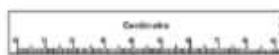
Grade Progression is a Socioeconomic issue

Diana	Jose
Urban	Rural
House with Good quality floor, flush toilet	House with Dirt floor, pit toilet
Parent in regular employment	Parents as Subsistence farmers
Mother attended school	Parents had no formal education

Jose is 70% more likely to be delayed at least two grades in his school progress.

This is a huge social and economic disadvantage.

Can you measure length?



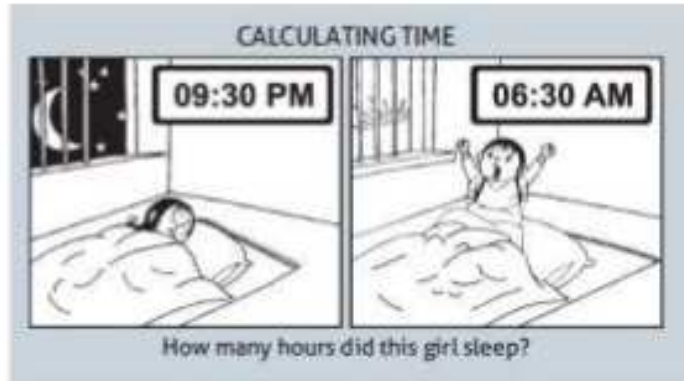
How long is the key?

86% of all youth get it right.



What is the length of this pencil?

Less than 40% could give the right answer.



India: Almost half of the University students gave the incorrect answer ...

The Global Learning Crisis

Much global spending on education is being wasted on poor quality education where students learn virtually nothing.

In low and middle income countries, half of 10 year-olds cannot read and understand a simple story.

Things are improving only very slowly.

More of the same will not work!

Achievement – “You are what you measure”

	2009 EGRA		2017 EGRA	
	Mean	Percent zeroes	Mean	Percent zeroes
Letters	55%	23%	34%	16%
Words	10%	67%	13%	56%
Nonwords	8%	71%	8%	70%
Text reading	12%	72%	12%	74%
Fluency	6.9 wpm	72%	7.2 wpm	74%
Comprehension	7%	84%	14%	76%

Achievement – Numeracy Grade 8 & 9

- Monash University / Ministry of Education Study, 2019
- 1830 children, 62 schools

Results not yet released, but the messages are:

- Learning is happening, but slowly
- Achievement by Grade 8 & 9 is well below what curriculum expects
- Some well-performing schools can be an example to others ...

What next?

- Develop a Plan
- Allocate resources
- Implement the Plan

New Education Strategic Plan 2011-2030

But resources are essential!

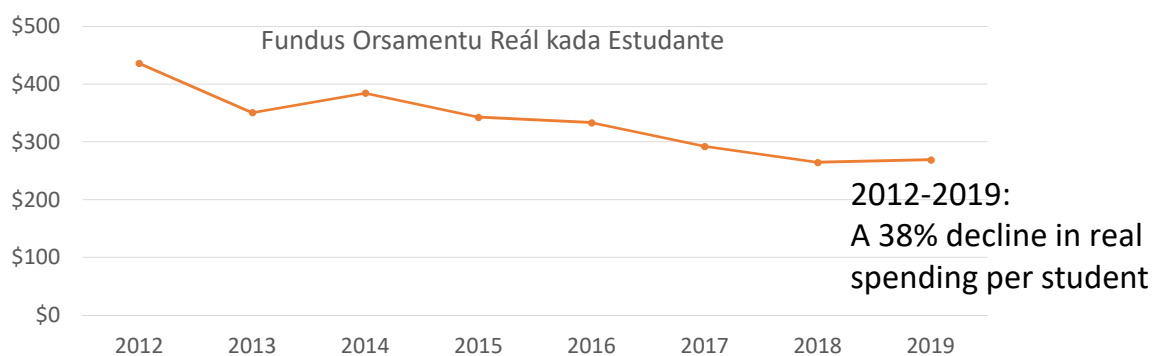
National Education Strategic Plan (NESP)

	2011	2015	2020
NESP Education Budget Projections	\$141.6m	\$258.7m	\$314.4m
Actual Education Budget (all sources)	\$77.1m	\$125.2m	\$105.0m (2019)
% Shortfall	45%	52%	67%

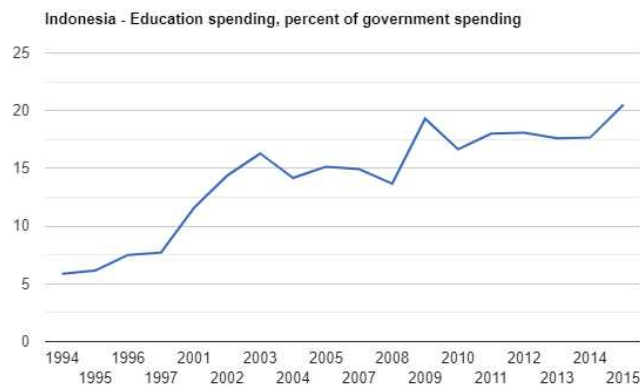
Compared to our Neighbours

	Timor-Leste (2015)	Indonesia (2015)	Malaysia (2015)	Thailand (2013)
Education spending as % of Government Budget	8.6%	20.5%	19.8%	19.1%

Funding per Student is Declining



Our neighbours are doing the opposite



Source: TheGlobalEconomy.com, UNESCO

The Funding Gap

- The Education Ministry Budget has virtually no money for investing in anything, except minor quality improvements.
- Less than \$1 million of the \$366 million Infrastructure Fund is allocated to Education. 100 years of investing in infrastructure will still be well short of what is needed.
- The Education budget peaked 2012 of \$135.7 million, and has been around \$100-\$130 million since. The 2018 and 2019 budgets were the lowest since 2011.
- School-Based Funding can barely meet general running costs of schools. There are no resources for minor improvements, IT equipment, extra-curricular activities, libraries, etc.

Creating the Political will ...

- **Strong leadership:** A visionary leader, a champion for the cause, with the political skill and capital to be able to influence change.
- **Broad-based commitment:** Education affects all – virtually every household in the country has a school-aged child. What better act of faith in one's citizens than to invest heavily in the next generation.
- **Ideas and Evidence:** Reform is more easily achieved when there exists a strong community of people and organisations that continually support the need for reform and help shape the best approaches.
- **Measurement:** Reliable and independent evaluation of student and teacher performance provides irresistible pressure for change.
- **Institutional Pressure:** A 2005 Constitutional amendment in Indonesia mandated at least 20% of all Government expenditure ought to be in Education. Today it sits at 21%.

Household Costs of Education

Public Education costs households \$28 per child per year

Private Education costs \$118 per child per year

37% of Secondary School Students are in Private schools. Very few are from low-income households.

Some Puzzles:

More wealthy families do not spend a bigger proportion of their income on Education.

Only 5.5% of Timorese children access private tutoring (Sri Lanka: 64%)

N.B. Poverty and Children

Poverty Rates in Timor-Leste (TLSLS, 2014):

- Overall: 42%
- Households with no children: 26%
- Households with 3 or more children: 50%

Household Costs of Education (*Implications*)

- Beware of a user-pays solution. Inequities are already large, affordability is an issue for the poor, and fees will only make this worse.
- Compared to other countries, private spending on education among the middle class is low.
- Private / Catholic School Sector offers a viable alternative of higher quality education. No real change to the funding model is needed.
- Private Tutoring is a potential boom industry!

Where to Next?

Common Traps

Trap 1: Trying to do everything (Premature Load-bearing), to the point that the task becomes overwhelming.

Trap 2: Uncreative Approaches (Isomorphic Mimicry): building an education system that imitates the form of education systems in developed countries, but is unrealistically ambitious and does not suit the context.

An Alternative way of thinking

Moving from

Best Practice guides **Best Policies** which tries to **improve practice**.

To:

Motivated People

explore **Better Practices**,

leading to **Better Policies**.

Steady Improvement -

After much investment and little improvement, Indonesia is moving towards:
A more localised approach - develop and implement step by step improvements.

- 1. Learning from *Our Best*:** Let's identify the well-performing schools in Timor-Leste, ask *them* "What is the key to your success?", and seek to pass on their wisdom and experience to others.
- 2. Active Learning:** Developing an approach to curriculum and a form of learning where students are encouraged to ask questions, and to work out the answers for themselves.
- 3. Technology and Internet are not Optional Extras:** An Education system built around technology can actually save money and resources in the long run. High speed internet, adequate equipment, online resources.