



## The Importance of Cost Sharing in the Education Sector and its Impact on Quality of Education Cost

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**Abstract:** *Primary and secondary education are the two basic levels of education expected to enhance the individual's capacity to contribute positively to society. These two levels should therefore, lay a foundation on which the learner develops cognitively, socially, and educationally. Despite the rising costs in education and increasing demand of primary and secondary education due to rising social awareness in education and the reported parents' inability to incur the rising costs to sustain educational demand, many governments across the world have introduced the policy of cost-sharing. This policy is viewed by some analysts as a tacit way by which governments literally abdicate their responsibilities of financing education.*

**Keywords:** *Cost-sharing, education sector, quality, impact, cost*

### 1. INTRODUCTION

The cost sharing policy of the colonial period was designed in such a way that the minority whites got the bigger share of the central government budget. Due to racial segregation practices in the education system of the day, education of the majority blacks was treated as inferior hence deserving less funding from the national budget with private stakeholders like churches, farmers, local communities and parents being obligated with the responsibility of financing native education. Mamdani (2012:27) say, "The inferiority of African education was not limited to underfunding, curricula, and pedagogy alone, but it was also affected in the poor quality of the administrative and organizational structures and practices." The black administration reformed the colonial cost sharing policy at independence making it more affirmative in nature as it tried to address the disparities of the past education system. Free and compulsory education under the Universal Primary Education policy (Zimbabwe News Vol 16 No1, 1995) and the creation of an uninhibited access to secondary education resulted in massive student enrolments at most secondary schools against limited and ever dwindling national financial resources. Resources to cushion these high enrolment figures at secondary level were very scarce as evidenced by the high student per textbook and students per teacher ratios as well as the unavailability of adequate classrooms even for primary schools which had been exempted from paying fees. Morse (2015) further argue that the failure by government to provide building grants at primary level meant that parents remained with the burden of providing both locally accessed building materials and building levies that were needed to meet the infrastructural needs of the boosting enrolments. Even at secondary school level where building grants were being given, they were not enough to cover the huge costs of such building projects resulting in parents partnering the government in funding these developments. What it therefore means is that parents were and are still partnering the government in the provision of education and the problem remains on whether they are coping with this obligation under this current severe economic environment.

The burden extended to poor parents with regard partnering government in providing education to its citizens came into light in the 1980s when a public finance crisis impacted heavily on developing nations including Zimbabwe. Governments were then compelled by these circumstances to introduce pronounced cost sharing policies. As is given by Musiri and Muwanga (2003:10), this cost sharing policy was an, '...attempt by governments to have recipients bear more of the cost burden of providing public services.' The Zimbabwean situation was made even more pathetic when the World Bank and the International Monetary Fund advised the government to introduce the Economic Structural Adjustment Programme as a cost recovery measure by reducing expenditure on non-profit making arms of government. This new policy created a host of economic problems to parents as private investors in education since most of them had been retrenched. These impoverished parents and guardians found it difficult to raise funds for fees and levies.

### 2. COST SHARING IN EDUCATION

The Concept of Cost Sharing in Educational Financing Cost sharing concept according to Mamdani (2012), combines the concepts of direct cost recovery and education pricing policies, and indirect contributions from pupils, their parents and sponsors, which may be voluntary, quasi-compulsory or even compulsory. This term is sometimes used interchangeably with cost recovery but cost sharing has euphemistic element. Tiongson contends that, in an environment characterized by low education attainment and in equitable access to education, developing countries, have typically implemented education policy reform to improve education access and also to expand coverage among poorer households. This is a rationale for increasing budgets for primary education, construction programs, and many compensatory programs targeted at the poor (Rena, 2014)

### 3. FACTORS FOR INTRODUCTION OF COST SHARING POLICY

According to Musiri and Muwanga (2014), Millennium Development Goals (MDGs) promised universal primary education by 2015. They also add that, after the Jomtien conference on education for all (EFA), it was understood that, by making basic 12 education (primary education) free, it would include poor children and become universal. This became difficult for many countries to incur basic education costs although other countries managed. Tanzania in 1990s suffered a number of problems, including declining enrolments, declining completion rates, and increased dropout rates (Musiri & Muwanga, 2014). Social economic challenges are also the cause for the introduction of cost sharing policy. MOEC argues that: The economic and social challenges facing our nation are characterized most importantly by high levels of poverty, high population growth rates, increasing incidences of HIV/AIDS, low level of literacy, slow economic growth and poor access and inequities in the provision of education largely frame the education challenge in Tanzania (MOEC, 2000). Due to the named challenges above, Tanzania introduced cost sharing for the aim of rapidly expanding the supply of education, achieving equity in the provision of education and significantly improves the quality of education. In Tanzania mainland the educational financing and training is a shared burden among the government, communities, parents and NGOs. The good example is 1995/1996 budget estimates, government financial contribution for education and training represented 15.3% of the total budget (UNESCO, 2016).

### 4. COST SHARING AND TEACHING AND LEARNING PROCESS

The kind of interactions in the classroom and technology used in teaching and learning process influences the cost of education. Wilman (2005) suggests, in conventional education always the greatest costs are in staffing, also the use of technology demands significant additional costs for computer hardware and software, and for the management of distance education programs (Wilman, 2002). Bray adds that the type of technology used influence the cost of education and this entails that schools in the same country may have different costs in education due to staffing and technology used

### 5. COST SHARING AND STUDENTS ACHIEVEMENTS

In fact, the implementation of cost sharing policy aimed UPE towards MDGs but still there are some constraints according to world data in education compiled by UNESCO (2016) as quoted below:17 “The implementation of UPE face low learning achievements, poor mastery of 3Rs (reading, writing and arithmetic) by a great number of primary education graduates, and by the poor performance in the primary school leaving examination. Contributing factors to this situation includes; (i) A poor learning environment, characterized by overclouded classes with inadequate teaching and learning materials, poor buildings and furniture, especially desks; (ii) Low teacher quality (iii) Poor working conditions of teachers, resulting in low motivation and morale; (iv) Absenteeism and early drop-out due to declining motivation, economic hardships in the family and pregnancies” (UNESCO, 2016) Annual learning assessment by Woodhall (2011) indicates that for standard 3 pupils, 7 out of every 10 children could not read basic Kiswahili, 9 out of every 10 children could not read basic English and 8 out of every 10 children could not do basic mathematics.

### 6. RELEVANT STUDIES ON EDUCATION COST SHARING

Review was made on a study by Jerve titled “Exploring the Research Policy Linkage; The case of Reforms in Financing Primary Education in Tanzania” the investigation revealed two surprising findings, the first is the presence of very few studies from Tanzania of the effects of cost sharing in education, and the second finding relates with researchers’ views on the 2000 reforms. Most respondents disagreed with a blanket removal of the Universal Primary Education (UPE) fee, because the targeted 18 exemptions would be difficult to administer and little revenue was collected (Jerve, 2006). Therefore, this entails the reform weakened school revenue base. Another reviewed study is “Cost sharing and Academic Performance” The case of Mzumbe University by Nyakunga. The main purpose of her study was to explore the effects of cost sharing on students’ academic performance as perceived by teachers and students themselves. Her study used a qualitative approach and data were collected through interviewing participants. Results showed that effects of cost sharing on academic performance seem to be complex and depends to the circumstance an individual is facing. This is because to some students it affected their performance while it motivated others. The study showed that to those who were affected by the policy the reason was financial hardships made them fail to incur learning material and food costs, so it increased stress to them. However, the study revealed that other factors which influenced bad performance include; limited study time, language incompetence, poor course organization and assessment criteria. On the other hand, to those who were motivated by the policy they performed better due to studying hard reflecting the cost they had invested in education, Woodhall (2011). The study by Musiri and Muwanga (2014) concluded that education costs is a major factor in any schools’ operations. Schools with large income perform better than those with poor revenue base. Raising school fees to students so as to improve revenue base undermines students’ participation, therefore stakeholders like parents, government and donors interested in improving education should timely and adequately provide financial resources, to run school operations. Penrose researched on, “Cost Sharing in Education – Public Finance, School and Household Perspectives” in drawing conclusions on how the government and households in Ghana reacted to cost sharing, Penrose argues that real education expenditures have been stagnant in recent years, and expenditures falls both at the basic and tertiary levels, schools depends on non-tax revenues for nearly all costs which are non-salary. Penrose comments that cost sharing has contributed to a lower level of expenditures. It has also enabled the government to squeeze budget. Penrose adds that cost sharing policies have little impact on quality as examination results have not been improving and more evidence suggests stagnation in school performance (Mamdani, 2012).

### 7. CONCLUSION

The available literature confirms that the introduction of cost sharing policy in financing education and community integrative approach is aimed to increase enrolment, community participation and reduce the burden to government and parents in educating youths. However, this tends to be the opposite of the objective of cost sharing as many negative things arise from its introduction. Many related literature on cost sharing focused on effects of cost sharing on academic performance or efficiency of educational process under cost sharing policy. Many studies were carried in other countries, regions, districts and or in other levels of education. Although the general understanding to previous studies seems to be cost sharing has impacts on education process, little is known about the effects of cost sharing policy on primary schools’ management and administration which may involve the positives and negatives of the policy on school development.

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