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ECONOMIC, DEMOGRAPHIC, AND OTHER FACTORS AFFECTING SCHOOL PARTICIPATION AMONG CHILDREN IN URBAN AND RURAL HOUSEHOLDS: THE CASE OF PASAY AND EASTERN SAMAR

INTRODUCTION

The Philippine government has committed itself to the United Nations Millennium Development Goals (MDG) one of which is the universal access to primary education by year 2015. According to the Department of Education (DepEd), as of school year 2008 to 2009, the net enrolment rate is 85 percent. This percentage is an improvement from the 83.22 percent recorded for academic year 2006 to 2007, which is still well below the target of universal access to primary education.

According to the National Statistical Coordination Board (NSCB) the number of Filipino children that do not have access to primary education has increased to 16.8 percent in 2007 from 15.6 percent in 2006 because of high cost of living. The Western Visayas region registered the highest non-attendance wherein almost a quarter of the age cohort 6 to 11 is not attending elementary schools while the National Capital Region (NCR) has the lowest with only 7.1 percent non-attendance. Although there are regional differences in terms of school participation rate, what is interesting to explore are differences at the household level.

To address the MDG target on education, both supply factors and demand factors must be considered. Since more than 90 percent of students in elementary education are in the public sector, supply factors refer to the ability of the government to provide increasing resources to finance elementary education including the hiring of teachers, construction of school facilities and the provision of books, school supplies, and other educational inputs. On the other hand, demand factors refer to the household's decision to demand educational services. This can refer to a host of variables including household income, cost of education, and demographic characteristics of the

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households such as age structure and family characteristics.

From a strategic perspective what is crucial in the attainment of the MDG on education is to target the demand factors notwithstanding the importance and crucial role played by the supply factors. The increasing trend of non-attendance and withdrawal from the school system is likely influenced by demand factors including family income and opportunity cost more than the capacity of public institutions to provide of educational facilities. Once these demand factors are identified at the household level, various institutions like lower government units (LGUs) and non-government organizations (NGOs) can provide the appropriate interventions to address the non-attendance of children.

In this light, it is important to understand the various factors that may influence non-attendance. Consequently, it is interesting to determine the demographic, economic, and other factors that affect school participation of children among urban and rural households. As such, there is a need to measure the elementary school participation rate among urban and rural households; to identify demographic factors, economic factors, and other household characteristics that may influence elementary school participation rate among urban and rural households; to test the significance of these factors in determining elementary school participation rate, and to draw policy implication that LGUs and NGOs can undertake or intervene in addressing non-participation which can contribute in meeting the MDG.

This study is significant to policy makers in their attempt to answer the MDG on education by undertaking empirically-based interventions in enhancing school participation rate at the household level. This is more effective than the usual increase in budgetary allocations made by the national government to address the supply factors affecting school participation rate since the LGUs and NGOs can identify the relevant demand factors that affect the communities that they serve.

THE FACTORS AFFECTING SCHOOL PARTICIPATION

In tracing the impact of economic, demographic and other factors school participation among children in urban and rural areas, the 2008 household data from Pasay and 2007 household data from Eastern Samar available from the Community-Based Monitoring System (CBMS) will be utilized. The CBMS database is an appropriate dataset for this study because it is specifically used for needs identification, design and monitoring of program interventions at all geopolitical levels, and research.

Based on household data, it was empirically verified that the magnitude of household income does not significantly affect school participation. The same is true for the number of OFW's the household has. Since education is deemed to be consumption good, such result does not imply that the income effect does not hold true. As the income of households increases, they will also increase their expenditures on normal goods and services

including education. However, primary education in the Philippines is widely publicly provided. Hence, income will be allocated to non-educational expenditures. It might also be the case that households base their decisions including whether to send their children to school on permanent income rather than transitory income. The income reported by households when the survey was conducted was transitory income and may have been lower than what the household normally earns over a longer period of time.

Another interesting empirical result is the impact of population growth on school participation - as the family size increases, school participation declines. This result is a very strong argument for the need to manage the population growth of the country; otherwise, it may adversely affect the human capital formation at the household level in both urban and rural area. Since school participation is influenced negatively by family size, the issue of rapid population growth can significantly impede the ability of the country to maintain its competitive edge in the production of highly educated and skilled workers in the future since poorer and bigger families are investing less in human capital. Hence, there is really a need to address the issue of population growth.

Another important result of the study is the positive impact of the employment status and educational attainment of the household head to school participation. For the earlier, school participation can be assured if the household head is employed. For the latter, such result emanates from the culture of education where educated

parents beget more educated children. This dictum does hold true in Pasay and Eastern Samar where the estimated coefficients have shown significant impact on school participation evidencing that parent's educational attainment is indeed relevant as suggested in the literature.

Furthermore, socioeconomic development can also influence school participation significantly. Urbanization, which can be deemed part of socioeconomic development, improves access and proximity to schools by improving transportation and communication infrastructures. Urbanization also increases the school and labor market opportunities available. Such consequences reinforce the decision of household heads to send their children to school. However, urbanization must be accompanied by the provision of job opportunities that will provide households with permanent employment status and permanent income so that substitutability between education and other goods will be mitigated.

Meanwhile, the pervasiveness of hunger in a household, as indicated by the household's state of hunger, has a negative and statistically significant impact on school participation rate. Hence, to avoid a decline in school participation, households must have an access to a sufficient amount of food. On the other hand, access to water, as indicated by the distance of a household to the water source, has a positive and statistically insignificant impact to school participation rate in Pasay since children must be neat when attending school. However, in Eastern Samar, there is very

weak evidence that access to water source can lead to higher school participation rate. It can be argued that it does not necessarily hold that just because students are untidy, they cannot focus enough with their lessons. There is also weak evidence that if students are clean and neat, then students feel centered and can really get into the lesson. Furthermore, the presence and availability of electricity has a positive and highly statistically significant impact to school participation rate. School attendance is indeed influenced by the presence of electric power in the household since it is a complementary resource that will aid students in their studies especially when they have to do school works at home. Likewise, the strength and type of material used in the construction of the walls and roofs of the houses showed a positive impact to school participation rate. Indeed, aside from school environment, the physical environment at home also affects school attendance and performance. Lastly, whether the household is situated in the urban or rural area has, it has a highly statistically insignificant impact on school participation rate because of the following reasons. First, primary education is publicly and universally provided. Second, public schools are highly available whether in the metropolis or in the provinces. Also, although Eastern Samar has its own urban and rural area, the entire province is relatively rural.

CONCLUSION AND POLICY RECOMMENDATION

The primary objective of this study is to test the significance of various factors in determining elementary school

participation rate and to draw policy implication that LGUs and NGOs can undertake or intervene in addressing non-participation which can contribute in meeting the MDG. It has been empirically established that a positive and significant but infinitesimal relationship between household income and school participation exists. It has also been empirically verified that there is a negative relationship between population and school participation together with the positive relationship between the employment status and highest educational attainment of parents. Lastly, it has also been shown that the variables capturing the need for sufficient public services namely the

state of hunger, availability of electricity, and housing services have significant impacts on school participation. Thus, from the perspective of promoting universal access to primary education, there is a need to intervene using the abovementioned variables to improve school participation.

Promoting household economic status and employment, limiting family size, and providing access to quality basic public services will have positive impacts on children's school participation. Although intervention can be done using household income as an avenue, its impact on school participation is not as powerful if intervention will be done through the enhancement and provision of public

services such as food distribution, medical support, housing services, and employment generation. However, even if the impact of household income is very small, it must not be ignored because of the probability that households will use the additional income received to augment the insufficiency of public services that can aid in increasing school participation. Ultimately, priority must be placed on addressing population growth since the impact of household size has the greatest magnitude in affecting school participation. Hence, there is really a need to control family size.

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