

JUNE 13, 2018
ISSUE NO: 20, FY19**EMPTY PRIMARY GOVERNMENT SCHOOLS
IN INDIA: ARE WE LOSING OUR
DEMOGRAPHIC DIVIDEND ?**

New trends are being observed across states. Take for example, Karnataka. The student enrolment ratio in Private Schools has been continuously increasing, while the same is on a declining trend in Government schools.

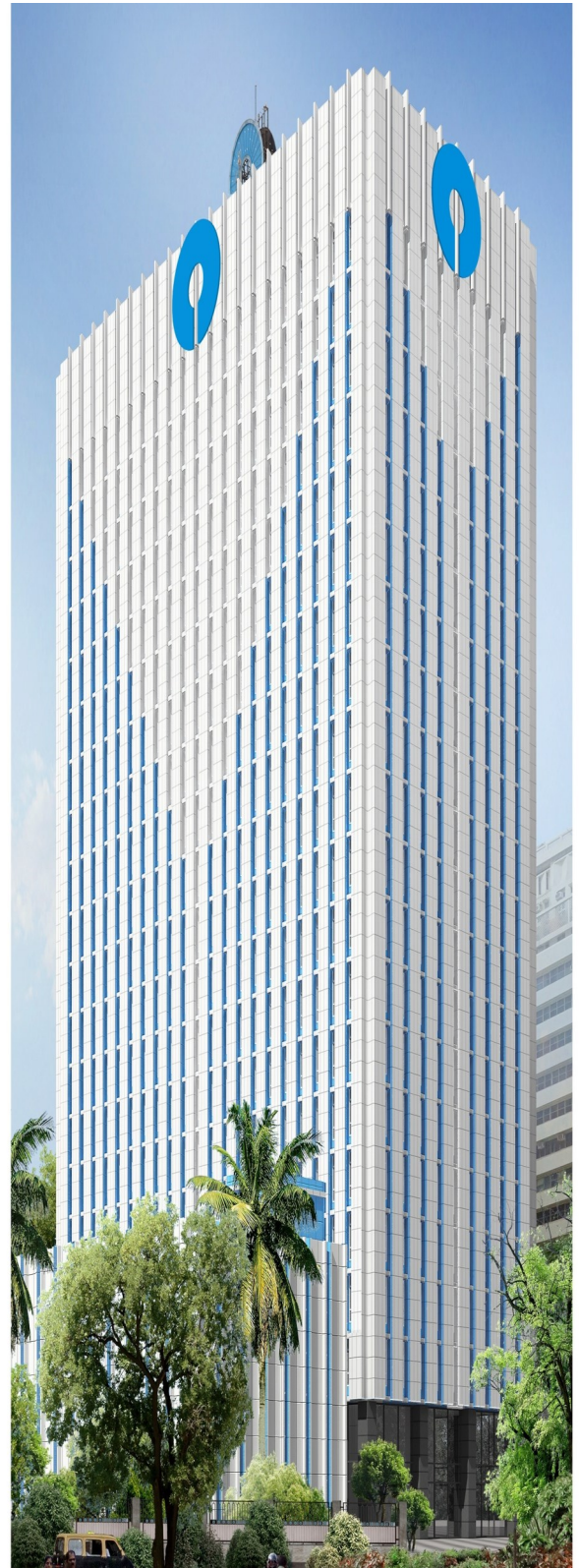
One of the many reasons for such a declining enrolment of students at Government schools is to do with a changing demographic profile.

For example, look at the demographic profile of Karnataka. The population of Karnataka is ageing with less number of babies born. In 1971, there were only 17.9 lakh (6.1% of total population) 60+ population in Karnataka which has increased to whopping 57.9 lakh (9.5% of total population) according to the census of 2011. This along-with lower number of babies born is making Kannadigas richer. The richer Kannadigas now have better choices for their children. Hence the importance and demand of private schools are increasing.

The need of the hour is thus to improve the overall situation of Government schools across states. They need better classrooms, English as a medium of teaching, more qualified teachers and better remuneration. Recommendations such as, relieving teachers from non-teaching work like Census Survey and confining them only to teaching, introducing English as a language from class I, stop granting funds to private schools under RTE and using them to upgrade infrastructure in Government schools, etc. need urgent consideration.

There is a larger picture here. How the Karnataka Government will handle this problem of ageing? We believe this is a problem across other states too and India's strength of demographic dividend could actually turn into India's disadvantage by 2030.

The moot point of this discussion is that India has perhaps now only a limited window of a decade to get into the developed country tag, or stay perpetually in emerging group of economies. Policymakers, wake up and smell the coffee!



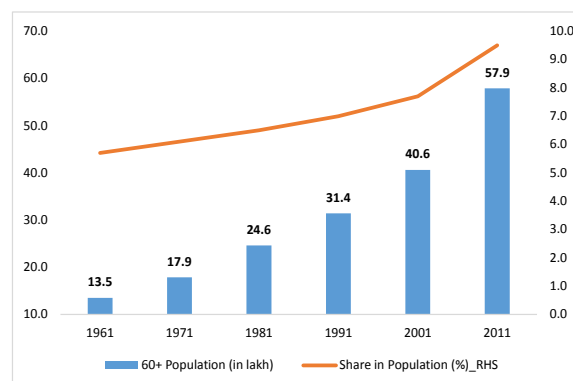
STATUS OF PRIMARY SCHOOLS ENROLMENT IN KARNATAKA

- ◆ Aristotle said that 'a civilized society is one where good people become good citizens'. In a civilized society each generation expects the next to be better in all aspects. For this the role of schools, especially primary schools, is of paramount importance. The purpose of education is to produce citizens who are not only strong emotionally, physically, mentally, spiritually and ethically but also strong in character. They should be able to face any situation with confidence. Schools – irrespective of whether it is Government-run or private-run – are the centres of formal education.
- ◆ In the real world, there has always been a competition among the private schools to attract more number of students through enabling infrastructures and extracurricular commitments that ideally commands a monetary premium. The Government schools however stay away from such commitments.
- ◆ Against this background, new trends are being observed across states. Take for example, Karnataka. The enrolment ratio in private schools has been continuously increasing, while the same is on a declining trend in Government schools.
- ◆ In Karnataka, there are in total 54.5 lakh students in primary classes as on 2016-17 which largely remained stagnant from 2010-11 but 2.77 lakh less than the 2006-07. While, the enrolment ratio in private schools in primary education has increased from 23% to 43% in a decade; boys increased from 25% to 47% and girls from 21% to 38%. We believe that if this enrolment ratio trend in private schools continues, in the next 10-15 years the ratio is expected to touch to 75%, which is a serious concern for the Government schools where only 25% of total students will study.

Status of Primary Schools Enrolment in Karnataka					
Year	Number of Students (in lakh)				Enrolment ratio in Private Schools
	Gender	Total	Government	Private	
2016-17	Boys	28.2	12.5	13.2	47%
	Girls	26.3	13.8	10.1	38%
	Total	54.5	26.3	23.3	43%
2010-11	Boys	28.0	15.8	9.5	34%
	Girls	26.1	15.9	7.7	29%
	Total	54.1	31.7	17.2	32%
2006-07	Boys	29.6	19.4	7.4	25%
	Girls	27.7	19.1	5.9	21%
	Total	57.3	38.5	13.4	23%

Source: Dept. of Public Instruction, Govt. of Karnataka, SBI Research

Chart 1: 60+ Population in Karnataka



Source: Govt. of Karnataka, SBI Research

WHY STUDENTS' STRENGTH IN GOVERNMENT SCHOOL IS DECLINING?

- ◆ To appreciate the reasons behind this trend, we have to closely look at the demographic profile of Karnataka. The population of Karnataka is ageing with less number of babies born. In 1971 there were only 17.9 lakh (6.1% of total population) 60+ population in Karnataka which has increased to whopping 57.9 lakh (9.5% of total population) according to census of 2011. This along-with lower number of babies born is making Kannadigas richer. Between 2001 to 2011 census when the total population of Karnataka increased by 15.6%, the population in the age band of 0-6 years declined by 0.3%. The richer Kannadigas (per capita income of Karnataka was Rs 1.57 lakh compared to India's average of Rs 1.04 lakh as of 2016-17), with per capita income of Bengaluru Urban was as high as Rs 3.2 lakh) now have better choices for their children. Hence the importance and demand of private schools are increasing.
- ◆ Apart from this another crucial reason is infrastructure of Government schools. In Karnataka there were 21,441 Government and 4,279 Private schools (for primary level) as of FY17. Government schools have 53,154 classrooms (with only 66% in good conditions) while private schools have 20,405 classrooms (with almost all have the good rooms). In the last decade 3,446 Government schools have closed while 1,036 new Private schools opened.

- ◆ The quality of teachers at Government schools is also a matter of grave concern. In the last decade around 8,500 teachers left/retired from Government schools and hence the school teacher ratio remains stagnated at 2.0. The importance of English language is undisputed and in Karnataka only 0.07% Government students are studying in English medium compared to the private schools' figure of 57%. Government is also spending meagre amount on education. During FY17, Karnataka Government spend Rs 20,210 crore (only 1.82% of GSDP compared to national level of 3.65% of GDP) on education. In terms of expenditure, out of one rupee spend only 12 paise was allocated to education.

Situation of Primary Schools in Karnataka				
Item	2016-17		2006-07	
	Government	Private	Government	Private
Total Schools	21441	4279	24887	3243
Total Rooms	53154	20897	-	
Good Rooms	34943 (66%)	20405 (98%)		
Rooms need Repair	18211 (34%)	492 (2%)		
Total Students	26,29,440	23,27,534	19,35,302	7,44,864
Number of Teachers	42,117	16,838	50,653	13,547
Teachers per School	2.0	3.9	2.0	4.2
Rooms per School	2.5	5	-	-
Students per School	123	544	78	230
Students per Room	49	111	-	-
English Medium (%)	0.07%	56.99%	0.20%	32.40%
Source: Dept. of Public Instruction, Govt. of Karnataka, SBI Research				

SERIOUS IMPLICATIONS

- ◆ The implications of increasing private enrolment are more bad than good. Given the situation of private schools in Karnataka (the number of students in private schools has jumped 2.5 times in last decade), the burden on private schools is increasing exponentially. Alternatively, with the enrolment in Government schools declining, the huge physical and social infrastructure in Government schools will become redundant. Government is planning to hire more teachers for Government schools but this will not solve the problem, instead will aggravate further.
- ◆ The need of the hour is thus to improve the overall situation of Government schools across states. They need better classrooms, English as a medium of teaching, more qualified teachers and better remuneration. We strongly believe that the Karnataka Government should seriously think of implementing the recommendations of Kannada Development Authority report on strengthening Government schools. Recommendations such as, relieving teachers from non-teaching work like Census Survey and confining them only to teaching, introducing English as a language from class I, stop granting funds to private schools under RTE and using them to upgrade infrastructure in Government schools, etc. need urgent consideration.
- ◆ Another point is how the Karnataka Government will handle this problem of ageing? We believe this is a problem across other states too and India's strength of demographic dividend could actually turn into India's disadvantage by 2030. The population growth trend indicates that incremental population growth was stagnant for the past 2 decades (approx. 18 crores) and fertility rates are quite diverse across states.
- ◆ The moot point of this discussion is that India has perhaps now only a limited window of a decade to get into the developed country tag, or stay perpetually in emerging group of economies. Policymakers, wake up and smell the coffee!

ABOUT US

The Economic Research Department (ERD) in SBI Corporate Centre is the successor to the Economic and Statistical Research Department (E&SRD). The latter came into being in 1956, immediately after the State Bank of India was formed, with the objective of “tendering technical advice to the management on economic and financial problems in which the Bank has interest and which required expert analysis”.

After the first reorganization of the Bank, when specialized departments like Management Science, Management Information Systems, Planning and Market Segment Departments took over the statistical work of E&SRD, the Department was renamed as ERD.

However, with the ERD team now taking on multidimensional functionalities in the area of risk management , corporate analytics, strategy and so on, who knows, the time may have come to rename it again!

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