It is an undeniable fact that, investment in education sector is the core of all development, due to its role in creating a well-educated workforce (human capital). Already, the government has reflected the role of education (particularly, improvement in human capital) in improving the economy and accelerating the pace towards middle income (by investing significantly in education at all levels). However, one aspect that is of much importance (and which should be the output of education) is innovation. This has had adverse impact on the society.

Despite efforts to increase investment in the education sector in Tanzania the Service Delivery Indicator (SDI) is still low. 2018, Word Bank, Facing Forward: Schooling for Learning in Africa report shows that Tanzania improved primary Gross Enrolment Ratio (GERs) and out-of-school rates, while scoring an average of 40% in reading skills for grade four student for both languages Kiswahili and English below our neighbours Kenya and Uganda as per the figure.
Figure 0.5 Selected Reading skills, Fourth-Grade Students in Seven SDI Countries, by Group Most Recent Year

Data Source: 2018, World Bank Facing Forward: Schooling for Learning in Africa

Budget Execution by the Ministry of Education Science and Technology (MoEST) FY 2017/18

The Minister of Education Science and Technology reported through the budget speech of 2018/19 that as of 31st March 2018, the ministry had received 75% of the total budget allocated to her ministry of which they had implemented 77% of the recurrent and 75% of development expenditures. The fee free education policy has allowed children from all wealth backgrounds to go to school. This has reduced social exclusion as children from poor households could now afford to attend school. The Minister of Finance through his 20118 Budget Speech, reported that primary school enrolment has increased by 75.5% from 2015 to February 2018 due to implementation of fee free education policy where the government is paying Tshs 20.8 billion per month to implement the fee free policy. Again, the Minister of President’s Office - Regional Administrative and Local Government (PO-RALG) through the budget speech 2018 reported Tanzania to have increased primary schools in 2018 (16,140 primary schools) compared to 2016 (16,087 primary schools). Off which 16,004 primary schools have got classrooms for pre-primary education which is 99.2% of the set target.

1 Facing Forward: Schooling for Learning in Africa is the first comprehensive analysis of the prospects for countries in Sub-Saharan Africa to achieve good quality basic education for all
Overview of the 2018/19 Education Budget

Public spending in the education sector covers several education-related expenditures across several ministries, including the Ministry of Education, Science and Technology (MoEST), the Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC) and the President’s Office for Regional Administration and Local Government (PO-RALG). MoEST is responsible for the policy and strategic aspects of the education sector, and the management of higher education. Managing the implementation of the Basic Education Policy is the responsibility of PO-RALG. (UNICEF Education Budget Brief FY 2011/12-2015/16).

While the government invests heavily on education, little is dedicated to science, technology, and innovation. For instance, given the total allocation of budget in science and technology (53.4 Billion), we can argue that the government has not made enough initiatives to strengthen the role of science and technology, and hence its role in spearheading industrialization. This budget is little to bring in the required changes needed to realize industrialization (or middle-income economy so to say). Science and Technology program, the allocation only represents 3.8% of the entire education sector budget.

The Parliament approved Tshs 1,407 billion for the MoEST which is 5.3% higher than Tshs 1,337 billion for 2017/18. The budget distribution within the ministry is overwhelmed by higher learning student loans Tshs 427.5 billion, followed by Fee Free Policy Tshs 285.93 billion. The third priority area is the implementation of education development programs such as EP4R, EQUIP, SEQUIP & LANES allocated Tshs 142.20 billion.

Source: Ministry of Finance and Planning 2018/19 Citizen’s Budget Book

Education allocation accounts for 62% of the Local Government Authorities budget for FY 2018/19 which amounts Tshs 3,211.5 billion. Total budget allocated FY 2018/19 is Tshs 5,942.7 billion of which Tshs 4,133.1 billion is for recurrent and Tshs 1,019.3 billion for development expenditures. FY 2017/18 Total budget was Tshs 5,830 billion while the execution was 54% as of February 2018.

Source: MoFP 2018/19 Citizen’s Budget Book
Capitation Grants Inequalities between Schools

There has been challenges in administering capitation grants which results to some schools receiving insufficient funding consequently increasing inequalities between schools and rural-urban gap. The Capitation grants calculations are based on the aggregated number of students enrolled in the previous year, which does not reflect the real number of students and pupils in the current year. Again, the calculation of 10 USD is not adhered to, though even the rate indicated in the Primary Education Development Plan (2002-2006) with the exchange rate of $ 1 (Tshs 900) is far below the reality of $ 1 (Tshs 2230).

Policy Recommendations:

1. Stressing the role of science, technology and innovation: Currently, the role of science, technology and innovation is not a priority. Most of the focus is on the basic education sector improvement objectives, such as; construction of schools, renovation of schools and other buildings, establishment of new vocational training institutes and strengthening of ICT. There is a need to clearly stipulate the budget for innovation (and science and technology) in the budget, instead of indirectly reflecting it in another ministries’ budget.

2. Progressive budget improvement. Fee Free Policy have shown improvement in accessing basic education in the country, but there should be purposive measures to tackle specific needs for most vulnerable children such as children with disabilities.

3. Review of Capitation grant to ensure equity. There have been disparities in the allocation of education resources across local governments. The capitation grants’ formula has distended inequalities between schools and rural– urban gap. The equity formula should be considered to ensure schools receives funds according to the needs.

4. Higher Education Student Loan Board should be strengthened to use their own source and release a burden from the education sector budget as it accounts a big portion of the education development budget which burdened other development programs of the sector. The minister speech reports that, in 2017/18 HESLB collected back Tshs 132.4 billion which is a good indication that if proper mechanisms are in place HESLB can operate

5. There is a need for innovation funding to be channeled through the main budget for capacity building for innovation; use of economic instruments to spur incentives to innovate, example, support for joint research between research and development institutions and the private sector.

References

2. Minister of Finance and Planning (2018/19) Budget Speech
3. Minister President’s Office for Regional Administration and Local Government (2018/19) Budget Speech
4. Minister of Education Science and Technology (2018/19) Budget Speech
5. Primary Education Development Plan (2002-2006)