

Motivation

A knowledge gap existed in Lao PDR with regards to public expenditure management practices in the education sector at the district and facility levels.

Objectives

A PETS was undertaken to close this gap by analyzing management practices relevant to current public expenditures, providing advice to Lao PDR about how to improve basic service delivery in education and serving as an independent monitoring tool to assist government in improving accountability.

Main findings

Teachers are satisfied with their jobs and are highly motivated; their rate of absenteeism is low; ghost-teacher phenomenon is uncommon; parents and communities participation is active; leakage of teachers' salaries from the district level to the schools is low. Two factors constrain service delivery at the facility level: low salaries and frequent delays in the payment of teachers' salaries as well as inadequate operating funds. Both of these are the result of insufficient public expenditures for education.

Problems with expenditure management are compounded by weaknesses in budget execution, reporting, and capacity.

Ghost workers

There is no evidence of widespread ghost-teachers. The survey suggests that only 16 out of 1360 names recorded in the DEB (District Education Bureau) forms could not be matched to active teachers in schools; only 40 teachers registered on school records did not appear on DEB lists.

Absenteeism

Teachers' absenteeism rate is low in Lao PDR. Overall, just over 8 percent of teachers in survey schools were absent at the time of an unannounced visit. Absenteeism rate is slightly higher in rural areas (almost 10 percent) and in non Lao-Tai areas (about 13 percent). In addition, only about two out of five teachers who were absent from work were for reasons other than official reasons or sickness.

Other findings

Frequent payment delays make low salaries even less appealing, especially in rural areas. Throughout the country, fewer than one out of two teachers get paid timely every month; nearly two out of every five teachers get paid irregularly. 70% of teachers in urban areas get paid on time every month compared with 30% of teachers in rural areas.

Delays in tax collection and in money transfers from upper layers of authorities are among major reasons for delays in salary payment.

Sample

259 out of 8451 primary schools

17 out of 18 provinces, 56 out of 141 districts, and 252 villages

Sample design

4 levels: province, district and facility

Resources monitored

Salary payments from the district level to facilities

Recommendations

In order to build on the progress in education and health outcomes, it is important that Lao PDR allocates more resources to these two priority sectors and improve targeting of the neediest people.

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Main report

World Bank (2008) "Lao PDR Public Expenditure Tracking Survey in Primary Education and Primary Health: Making Services Reach Poor People," March.