Promoting Effective Public Expenditure Project (PEPE)

PNG’s Lost Decade?

Preliminary Survey Findings
PEPE Project:
Promoting Effective Public Expenditure

• Started mid-last year
• Joint NRI-ANU (Devpolicy) project
• Funding from AusAID through EPSP, ANU & NRI.
• Guidance from Steering Committee of key government departments, INA, UPNG, AusAID.
• 2-track approach: budget policy; survey analysis.
• Twice-yearly budget fora:
  – This is our third. Earlier ones featured Planning Minister, Finance Minister, Treasurer; Education Sec, and other senior government officials.
• Main initiative so far is the **2012 PEPE survey**
Background

There have been significant changes over the past 10 years in the education and health sectors in PNG:

• Massive increases in revenue
• Changes to funding mechanisms:
  – Growing function grants
  – Abolition of school fees
  – School subsidies with direct financing
  – DSIP
• Donor interventions:
  – Text books
  – Drugs
• Growing population
• **Have these changes made a difference for service delivery in PNG?**
• Not a finger-pointing exercise or a blame game but research to understand and help improve service delivery in PNG
Big increases in **per capita** spending in the last decade – and population has grown by 25-30%
PEPE Survey of primary schools and health facilities

The PEPE Survey builds on the Public Expenditure and Service Delivery (PESD) Survey conducted by NRI / World Bank in 2002.

Sampling: The PEPE study went to the same primary schools and health facilities, where possible, as the PESD.

- Eight provinces chosen purposively to represent the four regions of PNG:
  - Southern Papua region (Gulf, National Capital District)
  - Highlands region (Enga, Eastern Highlands)
  - Momase region (West Sepik, Morobe)
  - Islands region (West New Britain, East New Britain)
- Random selection of districts (2-3 randomly chosen per province)
- Random selection of primary schools
- Health facilities within an hour’s travel of schools (PESD 20 mins)
In Kikori, Gulf Province, survey teams had to take dangerous journeys by boats.
Kerema - Kikori
In Morobe Province, survey teams walked for 20 hours straight to get to some of the inland schools.

Survey teams travelled to Huon Gulf, Finschaffen and Tewai-Siassi.
Sandaun Province – Across
Telefomin District
Schools and health facilities by numbers

- The PEPE survey included the same number of primary schools and 25 more health facilities.
- 10 year comparisons are made between the same schools (166) and health facilities (63).
- Note slight increase in number of schools over this period, and corresponding decline in number of health centres/aid posts.

PEPE and PESD School and Health Facility Comparison

- PEPE (2012): 214 schools, 141 health facilities
- PESD (2002): 214 schools, 117 health facilities
Schools and health facilities by numbers

The results are weighted to better represent the number of facilities in each district/province and make the results nationally representative:

- Primary schools stratified by district
- Health facilities stratified by district or province (for the 10 year comparisons) and health facility type (Health Centre plus vs. Aid Posts).

About 60% government; 40% church
Survey instruments & questions (2012)

Survey instrument: face-to-face questionnaire, tailored to:

- Provincial health and education administrators
- District health administrators and Standards Officers
- Health Facilities: Officer in Charge, Workers, Users
- Primary Schools: Head Teachers, members of the P&C, Grade 5 Teachers, the BoM chair

In total: 1,267 interviews

PESD survey largely focused on education, whereas PEPE covers both in depth, asking questions on:

- school and health facility characteristics, textbook and drugs availability
- the amount, timing, sources, uses of and decisions over funds
- Community interaction and government oversight.

PEPE research was conducted between September and December, 2012. We went back last month for consultations with and feedback from provinces.
Findings from primary schools

Student, teacher and classroom numbers; school conditions
Students enrolled and present (at the time of survey) have increased by much more than the student age population.

10 year comparison of average student numbers per primary school

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number students enrolled</th>
<th>Total number students present on day of visit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>191</td>
<td>146</td>
</tr>
<tr>
<td>2012</td>
<td>298</td>
<td>242</td>
</tr>
</tbody>
</table>

2002: Blue; 2012: Red
The availability of teachers and number of classrooms per primary school has also increased, but not by as much.

10 year comparison of available teachers and classrooms
Conditions within schools have improved, or at least not got worse.
But class sizes are increasing and class rooms are becoming more crowded.

Student to classroom/teachers ratios, per school average

- Present students per EFFECTIVE classroom: 29 (2002), 40 (2012)
- Students present per working teacher: 21 (2002), 27 (2012)
Proximity changes are mixed, but key access indicators have worsened (except for telecom).

From schools, hours taken to get to nearest...

- Secondary school: 3.3 (2002), 3.3 (2012)
- PMV stop: 2.7 (2002), 2.7 (2012)
- MoH/Primary healthcare: 1.7 (2002), 0.9 (2012)
- Health facility: 0.9 (2002), 0.9 (2012)
- Bank: 5.1 (2002), 5.8 (2012)
- Building material store: 4.3 (2002), 3.7 (2012)
There are fewer books available *per student* now, but still more than one text book per student in Grades 5 and 6.

Textbooks per enrolled student in Grade 5 and 6

- Math textbooks: 1.9 (2002) vs. 1.3 (2012)
Teachers and head teachers reported improved but still low availability of resources.

Perceptions about teaching resources

- Sufficient textbooks for student use (Grade 5): 23% (2002), 38% (2012)
- Adequate or good provision of library (HT): 13% (2002), 28% (2012)
- Adequate or good provision of staff-rooms (HT): 16% (2002), 34% (2012)
- Able to produce teaching aids (Grade 5): 78% (2002), 84% (2012)
- Enough desks for all students (Grade 5)*: 52% (2002), 52% (2012)
- Money allocated for classroom use (Grade 5)**: 12% (2002), 30% (2012)
Findings from primary schools

Oversight and funding
Standards Officers visited 2/3 of schools

Standards Officer visits

- Met with Head Teacher: 94%
- Observed classes: 80%
- Met with teachers: 68%
- Checked records: 68%
- Met with BoM: 55%
- Met with P&C/parents: 29%

2002 vs 2012
Nearly all schools have a P&C and they meet frequently.
School fees have virtually disappeared and project fees have fallen after inflation.

Average school and project fees per student by current and constant 2011 prices
Fees are much more affordable. Parents look to government more to cover costs.

Parents/P&C members perceptions of cost...

- School fees too high: 34% (2002), 5% (2012)
- Project fees too high: 27% (2002), 11% (2012)
- Government should pay education costs: 40% (2002), 22% (2012)
- Parents should pay education costs: 21% (2002), 17% (2012)
- Both parents and government should pay: 57% (2002), 39% (2012)
With increased enrolment, school revenue per student (excluding teacher salaries) has increased (in current prices)...

<table>
<thead>
<tr>
<th>Revenues</th>
<th>2001</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kina per student (Current prices)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Fees (school and project)</td>
<td>40</td>
<td>53</td>
<td>18</td>
</tr>
<tr>
<td>Subsidies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monetary</td>
<td>16</td>
<td>177</td>
<td>257</td>
</tr>
<tr>
<td>In-kind</td>
<td>4</td>
<td>30</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>20</td>
<td>207</td>
<td>263</td>
</tr>
<tr>
<td>Total Fees + subsidies</td>
<td>60</td>
<td>260</td>
<td>282</td>
</tr>
<tr>
<td>Grants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From the Government</td>
<td>39</td>
<td>37</td>
<td>14</td>
</tr>
<tr>
<td>From NGOs/donors/private</td>
<td>75</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>Total Grants</td>
<td>114</td>
<td>61</td>
<td>30</td>
</tr>
<tr>
<td>Grand Total</td>
<td>174</td>
<td>321</td>
<td>312</td>
</tr>
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85% of schools reported receiving both subsidy payments in 2012
...though funding per student has slightly decreased after inflation.

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<td>177</td>
<td>236</td>
</tr>
<tr>
<td>In-kind</td>
<td>8</td>
<td>30</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>38</td>
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<td>241</td>
</tr>
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<td><strong>Total Fees + subsidies</strong></td>
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<td></td>
<td></td>
</tr>
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<td>From the Government</td>
<td>73</td>
<td>37</td>
<td>13</td>
</tr>
<tr>
<td>From NGOs/donors/private</td>
<td>141</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total Grants</strong></td>
<td>214</td>
<td>61</td>
<td>28</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>326</td>
<td>321</td>
<td>285</td>
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Findings from Health Facilities

Patients, health workers, drug availability and infrastructure
Some positive stories from health

![Graph 1: Average days a week open: Directly matching health facilities surveyed 2002 & 2012](image1)

![Graph 2: Staff per clinic receiving training that year](image2)

![Graph 3: Years in position of Officer in Charge](image3)

![Graph 4: Percentage staff who use their own salary to cover costs](image4)
“Retired” health workers, now volunteering
On a *typical day*, fewer people visited the same health facilities now compared to a decade ago.

**Patients visits in a typical day:**
Directly matching health facilities surveyed in 2002 & 2012

![Bar chart showing patient visits in 2002 and 2012 for different types of health facilities: All Facilities, Health Centre +, Aid Posts. The chart illustrates a decrease in visits for all categories.]
When asked how many people visited *yesterday*, the difference is even starker.

**Patients visits yesterday to health facility**

- **All Facilities**: 2002 (35.0) - 2012 (23.8)
- **Health Centre +**: 2002 (49.3) - 2012 (30.4)
- **Aid Posts**: 2002 (20.8) - 2012 (17.2)
The number of health workers posted is unchanged, and fewer turn up to work.

Health workers posted, turn-up and present at Health Facility

<table>
<thead>
<tr>
<th></th>
<th>Workers Posted</th>
<th>Workers Turn-up</th>
<th>Workers present</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>4.80</td>
<td>4.04</td>
<td>3.30</td>
</tr>
<tr>
<td>2012</td>
<td>4.84</td>
<td>3.62</td>
<td>2.95</td>
</tr>
</tbody>
</table>
The availability of key drugs and medical supplies has declined in the last 10 years.

Availability of six comparable drugs/medical supplies

- Panadol: 89% (2002), 75% (2012)
- Fansidar: 97% (2002), 96% (2012)
- Chloroquine: 100% (2002), 96% (2012)
- TB blister packs: 57% (2002), 29% (2012)
- Condoms: 95% (2002), 83% (2012)
- Liniment: 77% (2002), 73% (2012)

The average availability for each category is as follows:
- Panadol: 86%
- Fansidar: 96%
- Chloroquine: 95%
- TB blister packs: 59%
- Condoms: 86%
- Liniment: 73%
Availability of other important drugs and medical supplies (2012)

- Oral Rehydration: 84.5%
- Mala wan: 55.6%
- Measles Vaccine: 50%
- Baby books: 32.4%
- Pregnancy Tests: 15.5%

Legend:
- All
- HC plus
- Aid Post
Basic facility requirements are missing in most facilities

Health facility accessibility to electricity, refrigeration, ambulance and beds with mattresses (2012)
Carried out routine maintenance in 2012: 31%
Clinic Rooms needs rebuilding: 23%
Health worker housing needs rebuilding: 42%

Maintenance is sporadic and rebuilding requirements consequently high.

Quality of infrastructure:
Maintenance, Clinic Rooms and Housing (2012)
Findings from Health Facilities

Oversight and funding
Doctors, health extension officers and supervisors visit less than half of the facilities.
Community oversight limited
The percentage of facilities that offer free consultations has increased.

Percentage of health facilities that do not charge patients for consultations

- **All Facilities**: 30% (2002) vs. 38% (2012)
- **Health Centres +**: 26% (2002) vs. 33% (2012)
- **Aid Posts**: 34% (2002) vs. 43% (2012)
Drugs and medical supplies are more likely to be free of charge as well.

Percentage of health facilities that offer the following drugs free of charge
But charging for services is still fairly common: On average a health clinic raises K500 a month from user fees.

Health Facilities that charge adults for the following visitations:

- Maternal Care: 28.9
- Births / delivery: 31
- Tribal Fight: 55.6
- Domestic violence - Police report: 50
- Domestic violence - Care: 58.5
Health facilities receive some support from the health function grant, but not nearly enough to carry out basic services.

Only 23% receive direct funding, but a much larger number (82%) get in-kind support.

**Health Facilities that carried out minimum priority activities funded through the health function grant in 2012**

- Conducted more than 5 outreach patrols: 17%
- Carried out basic maintenance of health facility: 27%
- Had fuel to pick-up / deliver drugs most of the time: 26%
- Could transfer patients to referral health facility most of the time: 24%
District Service Improvement Program
DSIP an important source of funding, but there are concerns about completion and fairness.

Funding for and attitudes towards DSIP (2012)

Average DISP project values:
- Primary schools: 64,268 kina
- Health Centre plus: 121,752 kina
- Aid Posts: 40,050 kina

Average delay for DISP projects (conditional on being delayed):
- Primary schools: 13 months
- Health Centre plus: 12 months
- Aid Posts: 6 months
Some DSIP infrastructure
Averages can mislead: provincial variation
Nearly all health patrols in our sample occur in East and West New Britain

Average number health patrols conducted in 2012 per health facility
Huge variation in reliance in user fees

Average monthly user fee raised at health facilities

- ENB: 1019.74
- ENGA: 607.38
- MOROBE: 575.19
- EHP: 561.11
- WNB: 490
- NCD: 446.51
- SANDAUN: 129.93
- GULF: 59

All
HC plus
Aid Post
Average
Church v government facilities
Church-run health facilities appear to be better kept & equipped.
Conclusion
Both schools and health clinics face massive challenges.
But schools have done much better in terms of attendance...
Schools also show improving availability of resources ...
... and increased staffing.
What explains the difference? Both sectors have moved towards free service provision, education decisively.
More staff and funds are reaching schools

• Posted teachers per school grew by 16%; number of health workers posted to clinics grew by only 1%.
  – With likely decline in health centres, absolute decline in rural health workforce.

• Schools are more adequately resourced for non-salary needs.
  – 85% of schools received both education subsidies, which have largely prevented decline in funding per student.
  – Health facilities benefit from function grants, but not to the extent that allows them to carry out their basic functions.
Education has more oversight from the community...

Also, all schools have Board of Management
.... and from government.
A lost decade?

**Some progress for primary schools.** Plenty of challenges, but...
- Enrolments and attendance have grown faster than population growth.
- School facilities have improved and expanded, and number of teachers increased.
- We can see at least some of the doubling of increased education funding p.c. translated into increased outputs.

**A different story for health clinics**
- Decline in the number of users of the clinics, despite a shift towards free health.
- Drug availability has declined.
- Hard to see where the tripling of health funding p.c. has gone.
Why?

Needs more research, but need to look beyond free education/health to determinants of quality, such as:

• **Staffing:** Number of health workers has stayed flat or declined.

• **Facility funding:** Health facilities are starved of resources: health function grant system is not working.

• **Governance:** Community participation and government oversight in schools seems higher.

• **Maintenance:** Both health and education sectors still in neglect-rebuild mode. And lack of transport maintenance has reduced accessibility.
Last word

• This sort of monitoring doesn’t tell the whole story (e.g. education quality), but it fills a data gap and is critical for understanding and promoting progress in service delivery.

• These are just preliminary results and analysis. More to come (today and in future fora):
  – Provincial results
  – Church v government facilities
  – DSIP
  – Service delivery reforms
  – Regression analysis

• Welcome your feedback and comments.