

# Federated States of Micronesia 2013/2014 HIES Education



## Executive summary

**92%**

of the population aged 6 and above in FSM ever attended school



**USD 465**

average annual household spend on education (5,6% of the total household cash budget)

**85%**

of the students attending tertiary education belong to high income quintile



**57%**

of students in tertiary education receive a scholarship

## Introduction

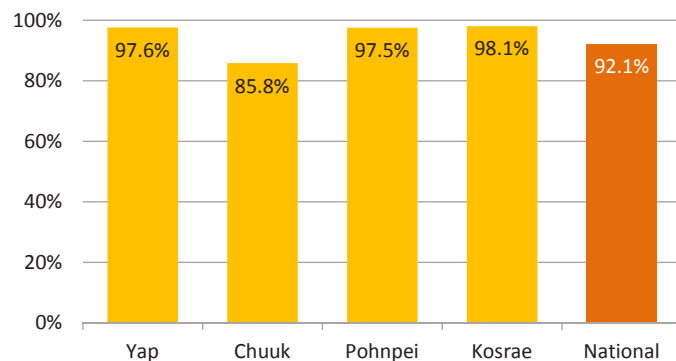
This factsheet addresses educational matters in Federal States of Micronesia (FSM). It presents school attendance, level of schooling and education expenditure through different variables (state, cash income quintile, and characteristics of the household (HH) head, including highest education level attained and gender) and by categories. The non-schooling category includes people who never attend school or pre-school only, elementary education covers years 1 to 8, secondary runs from level 9 up to level 12. Vocational education consists of specific programs (academic or occupational) and tertiary comprises of university and college.

## School attendance

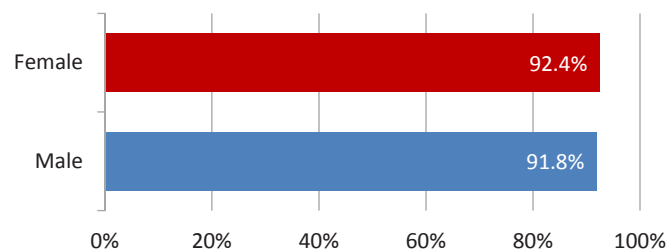
In FSM, 7.9% of the population aged 6 and more never attended school. This national figure hides a large degree of disparity between states as Yap, Pohnpei and Kosrae show that 2% of the population aged 6+ never attended school, while in Chuuk it is more than 14%. School attendance by gender is equal (around 92% for male and female). The level of income and the level of education of the HH head appear to determine school attendance ratio (Chart 1).

Chart 1: School attendance ratio (%) by state (a), gender (b), quintile (c) and HH head level of education (d)

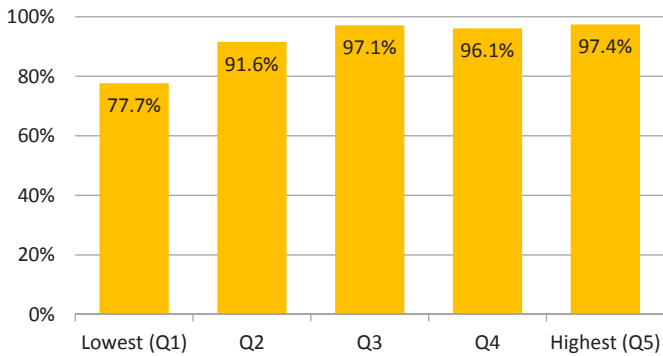
### State (a)



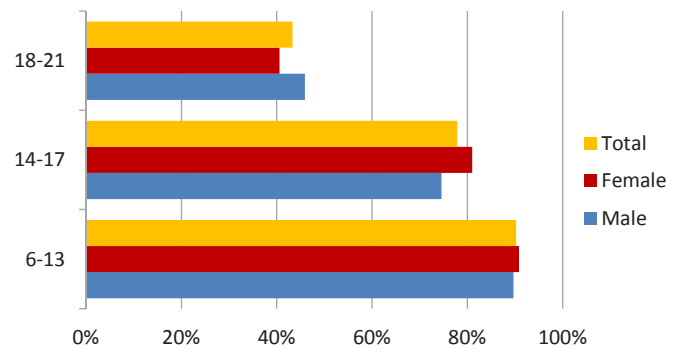
### Gender (b)



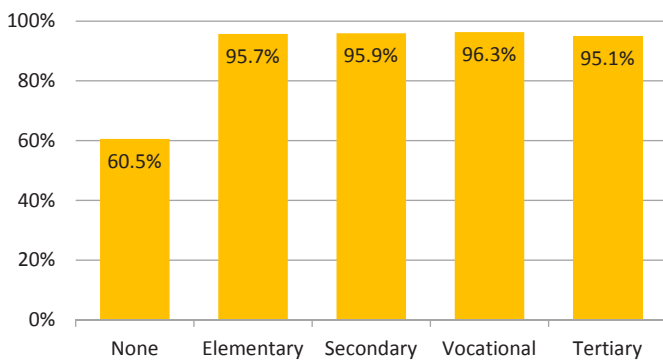
Quintile (c)



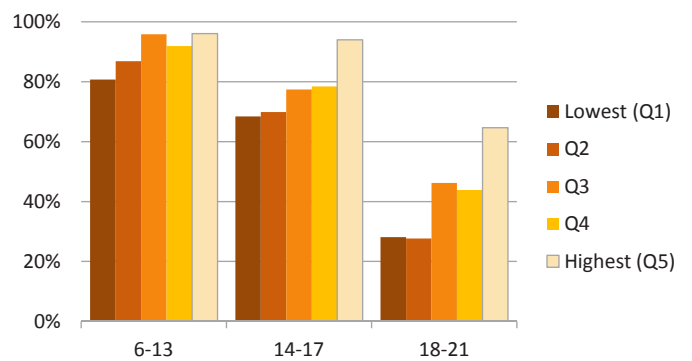
Gender (b)



HH head level of education (d)



Quintile (c)



Looking at the population aged 6 to 21 years old divided in 3 groups according to the level of education (elementary from 6 to 13, secondary from 14 to 17 and tertiary or vocational 18 and above) it is clear that: Chuuk demonstrates a lower school attendance ratio in all 3 groups, gender is not discriminant in all groups (equal ratios in all groups), the gap in school attendance between wealthy HHs (Q5) and low cash income HHs (Q1) is more important as the level of education is higher (more than 65% of the population aged 18-21 years old is still attending school in Q5 and only 28% in Q1). Same comment regarding the level of education of the HH head, which is highly correlated to the cash income quintile (Chart 2).

HH head level of education (d)

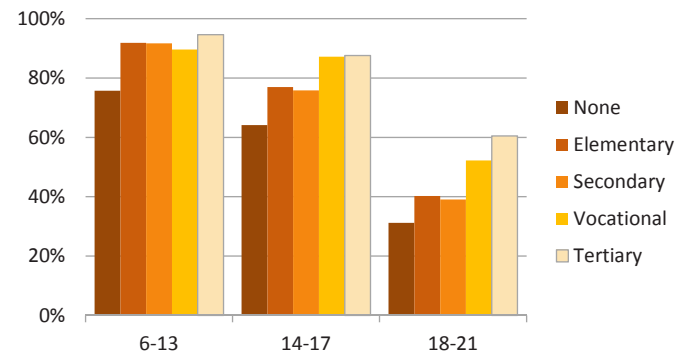
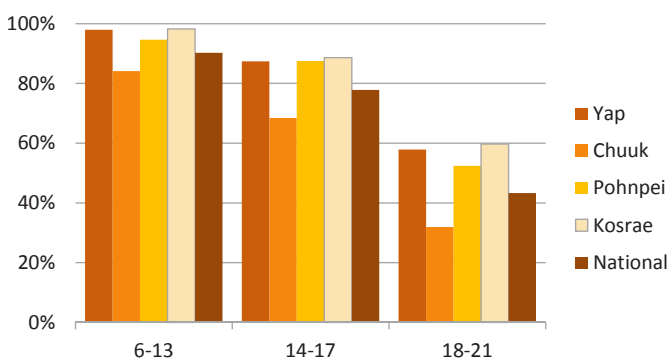


Chart 2: School attendance ratio (%) by age group according to state (a), gender (b), quintile (c) and HH head level of education (d)

State (a)



## Level of education

**11%**

of the population aged 25+ graduated from vocational or tertiary school



In FSM, 43.7% of the population aged more than 25 years<sup>1</sup> old completed at least secondary education and only 11.3% graduated from vocational or tertiary school (Chart 3 (a)), meaning that three quarters of the population who complete secondary school fail in vocational/tertiary or do not pursue

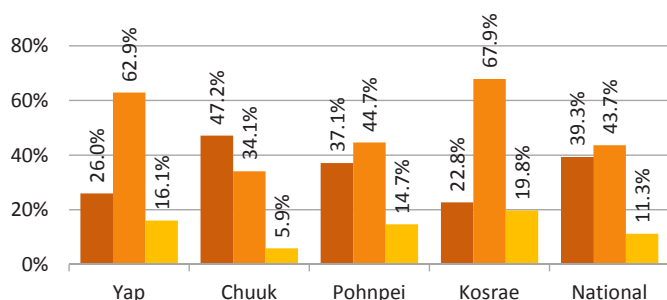
<sup>1</sup> Less than 1% of the population aged 25 and above is still currently attending school.

any further study. The main reasons why those who graduated from secondary school did not achieve any higher degree (either vocational or tertiary) are “personal reasons” (32%), “complete desired schooling” (29%) and “find a job” (20%).

**Chart 3: Percentage of population aged 25+ by level of education complete by state (a), gender (b), quintile (c) and HH head level of education (d)**

- Did not complete any education
- Complete secondary
- Complete vocational/tertiary degree

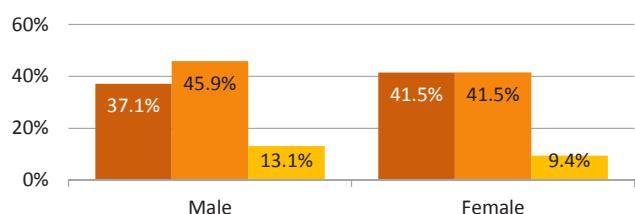
**State (a)**



Chuuk shows the lowest proportion of the population aged 25 and above who completed secondary school (34.1%) and only 5.9% graduated from vocational or tertiary (4% vocational and 1.9% tertiary), meaning that 8 out of 10 people who completed secondary did not obtain a further degree. On the other hand, 47% of the Chuuk population aged 25 and above did not complete any education level, compared to 23% in Kosrae, 26% in Yap and 37% in Pohnpei. The highest proportion of the population who completed secondary school is Kosrae (67.9%) and it shows the highest proportion of further degrees as well (19.8% of the population in Kosrae graduated from vocational or tertiary). However, regarding university education strictly, Pohnpei presents the highest proportion of population that graduated from tertiary school (5.7%).

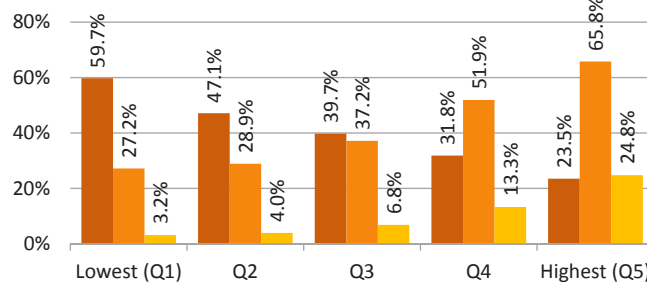
In FSM, males have slightly higher level of education than females: 41.5% of the females did not complete any education level compared to 37.1% of the males. In terms of tertiary or vocational degree, 13.1% of males graduated compared to 9.4% of females.

**Gender (b)**



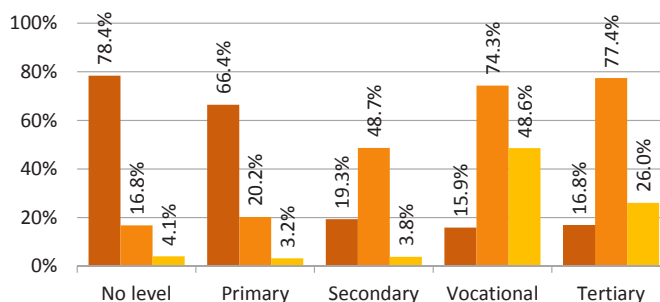
HH income levels have a significant impact on education levels: 24.8% of the wealthy population (Q5) completed a vocational or tertiary degree (3.2% in Q1).

**Quintile (c)**



It is interesting to note the strong linkage between the education level of the HH head and the education level of the people residing in that HH (mainly children). It can be seen that a high proportion (79%) of people living in a HH where the head has not completed any education also have not completed any education. Conversely, it can be seen that a high proportion of HH members who have an educated HH head, are also educated. For example, 78% of HH members aged 25+ who are living in a HH headed by a person who has completed tertiary education have completed secondary school.

**HH head level of education (d)**



**Education and activity status, youth**

**53%**

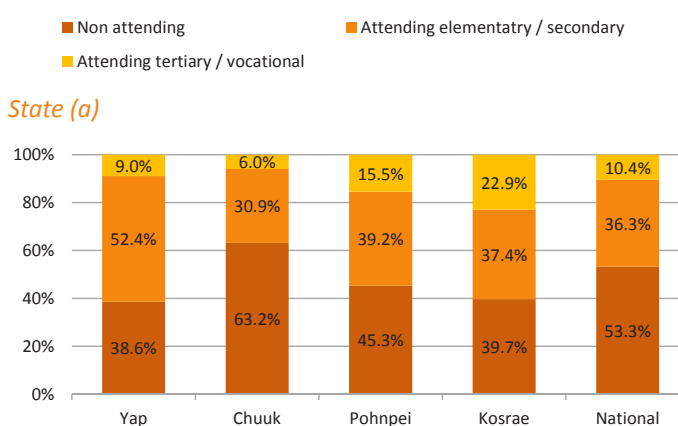
of the youth population (15 to 24 years old) do not attend school



In FSM, more than half of the youth population (15 to 24 years old) do not attend school; 33% attend secondary school; and 9% tertiary, 2.6% is still attending elementary education and 1.4% vocational. Kosrae and Yap demonstrate the highest proportion of youth still attending school (around 60%, Chart 4), and looking at tertiary school Kosrae reports the highest proportion of youth attending (20%). Again Chuuk shows the higher proportion of youth population not attending school (63%) and the lowest proportion attending tertiary education (6%).

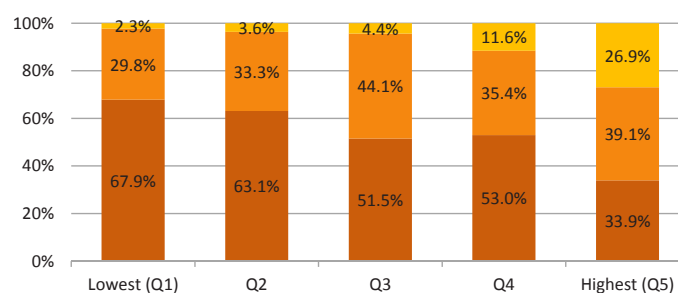


**Chart 4: Youth population - education status (%) by state (a) and quintile (b)**



Tertiary education is mainly reserved to high income HHs (Q5) and 67.9% of the youth population in Q1 is not attending school. The level of income greatly impacts the proportion of youth population not in school and attending tertiary education.

**Quintile (b)**

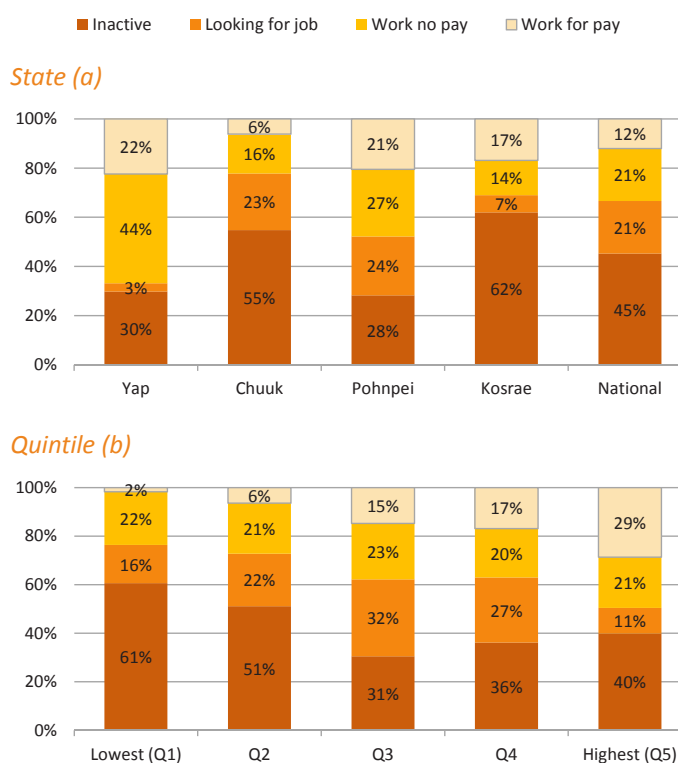


The main reason why youth population leave school is “personal reason” (40%) followed by “had to help at home” (17%). Only in Yap the second main reason is “complete desire schooling” (29%) and in Chuuk “family problem” is higher than in other states (16%). 22% of females aged 15 to 24 years old had to leave school to help at home (compared to 13% for males). The youth population who left school in Q5 mention as main reason “personal reason” first (46%) and “complete desire school”, “find a job” and “had to help at home” each in 15% of the cases. In the lower quintiles HHs, the second main reason why youth left school is “family problems” (26%) after “personal reason” (29%).

In Yap, 44% of the youth population not attending school are subsistence workers (working for own production, without

pay). Other states show a higher proportion of youth out of school staying at home (inactive or mainly looking after home duties). Except for mid-level income (Q3) where there is a higher proportion of job seeker, across all other quintiles home duties is the main activity status for the youth population not attending school (Chart 5).

**Chart 5: Youth population – activity status of population not attending school (%) by state (a) and quintile (b)**

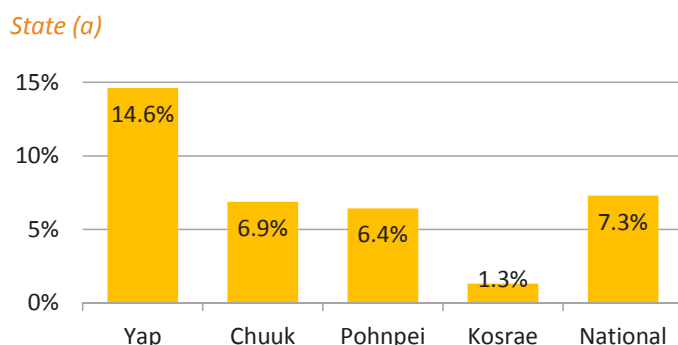


## Type of school

In FSM, 7.3% of the population who currently attend school go to a private school (Chart 6) and this proportion is similar for primary, secondary and tertiary levels.

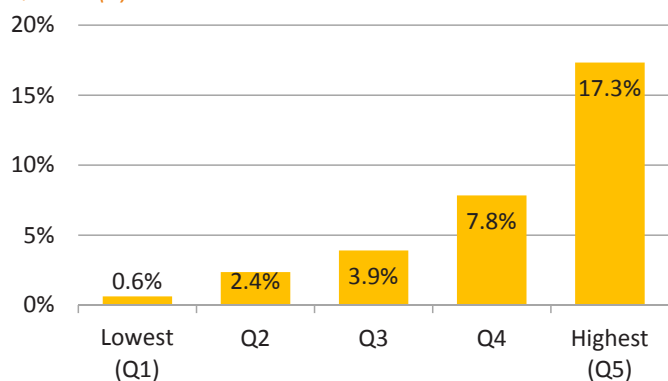
A higher proportion of students attend private educational institutions in Yap (14%) compared to Chuuk and Pohnpei (6%). In Kosrae only 1% of students attend private school.

**Chart 6: Proportion of the population currently attending school that attend a private school (%) by state (a) and quintile (b)**



Mainly high-income HHs can afford private schools in FSM as Q5 shows the highest percentage of students in private school (17% are in Q5).

Quintile (b)



## Share of education in HH budget

According to COICOP<sup>2</sup>, the education division accounts for 3.4% of HH cash expenditure and 2.7% of the total expenditure (including home production). However, when considering school uniforms (clothing division), school bags (miscellaneous items division), stationery and school books (recreation and culture division), boarding school and school canteen (restaurants and hotels division) and donations to school (non-consumption expenditure), education expenditure amounts to 5.6% of the total HH cash budget in FSM and 4.5% of total expenditure<sup>3</sup>. HHs in Pohnpei and Kosrae dedicate the highest share of their cash budget to education (6.4% and 6% respectively) compared to Yap and Chuuk (Table 1).

Table 1: Share of education in HH budget

	COICOP %		EDUCATION %	
	Cash exp.	Ttal exp.	Cash exp.	Ttal exp.
Yap	3.4	2.4	5.2	3.6
Chuuk	3.1	2.4	4.3	3.4
Pohnpei	3.5	2.8	6.4	5.2
Kosrae	3.8	3.6	6.0	5.6
FSM	3.4	2.7	5.6	4.5

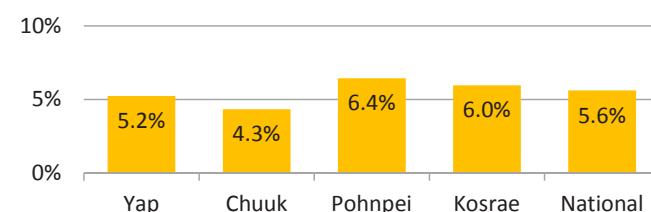
High income HHs dedicate a larger percentage of their expenditure to education (Chart 7), as they tend to send their kids in private school more frequently and they have more kids who currently attend tertiary education (which is more expensive in terms of school fees).

<sup>2</sup> COICOP: Classification of Individual Consumption According to Purpose is a reference classification published by the United Nations Statistics Division that divides the purpose of individual consumption expenditure incurred by the HHs into 12 divisions. Education expenditure (School fees) is division 10.

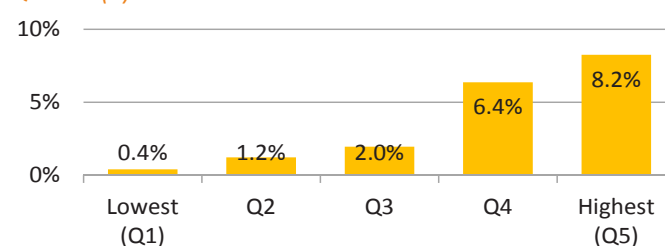
<sup>3</sup> Total expenditure includes cash expenditure and the value of items produced and consumed by the HHs themselves (mainly food items from primary production) estimated at the price of the nearest market.

Chart 7: Share of education expenditure in cash HH budget (%) by state (a) and quintiles (b)

State (a)



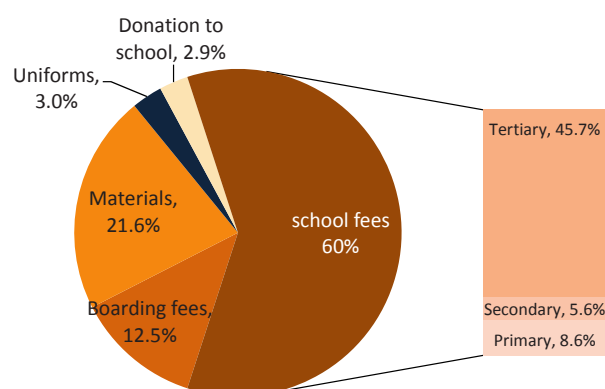
Quintile (b)



## Breakdown of educational related expenditure

The main component of the school expenditure is the school fee accounting for 60% of total educational related expenditure (46% tertiary and vocational education, 5% secondary and 9% primary). School materials (stationeries, books, bags) account for 22% and boarding fees account for 12% of the education budget. Uniforms and donation to school share the rest of the education expenditure all individually contribute less than 3% (Chart 8).

Chart 8: Breakdown of educational related expenditure (%)

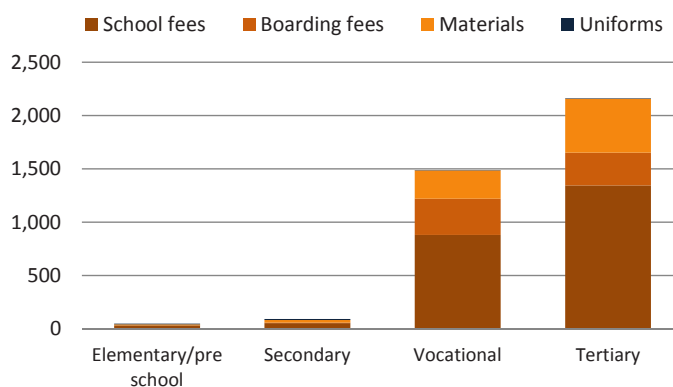


## Cost of education

The higher the level of education, the more expensive it is for the HHs. On average, one child attending elementary or pre-school education costs USD 50 annually, USD 90 in secondary school and USD 2,200 in tertiary education (USD 1,500 in vocational – Chart 9).



**Chart 9: Average amount spent per student in school by level of education (total students) (USD)**



On average, one child attending school in FSM costs USD 250 a year, however only 54% of the children that attend school incur educational expenses (tuition fees, accommodation, materials or uniform) meaning that 46% of the kids in school do not incur educational expenditure. Of the population that incurs educational expenses, HHs pay, on average, USD 430 a year per kids in school (Table 2).

Regarding primary education, only 51% of attendees pay, and of those who pay, on average, they pay USD 95 per year. The main item is school fees, but it is paid by only 12% of students (on average USD 270 a year, mainly private school).

Only 16% of students pay tuition fees and this proportion is higher for tertiary education (68%). On average, when students pay for tertiary education, it costs USD 2,000 per year.

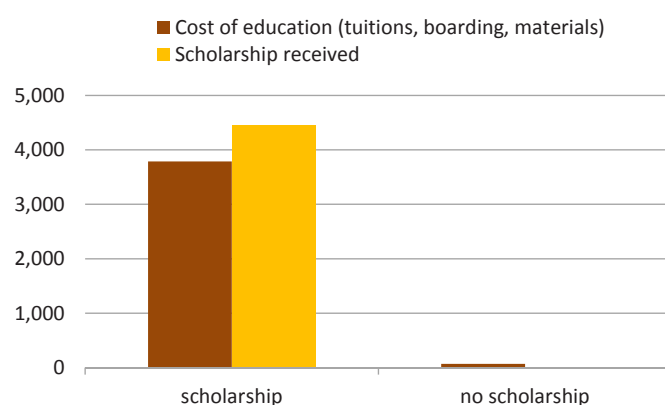
Overall, 76% of students who attend tertiary education have to pay for education related fees, and the cost of a student at this level amounts to USD 2,840 per year.

## Scholarships and support

Scholarships are mainly given to students who attend tertiary education. At the national level, 57% of students who attend tertiary education receive scholarship and they get, on average, USD 4,450 a year. These grants allow them to pay

school fees (USD 2,360 per year), boarding fees (USD 540) and school materials (USD 880). In regards to the students who are not eligible to the scholarship, most of them do not incur any tertiary school fees, and they spend only USD 70 annually for tertiary education (Chart 10).

**Chart 10: Average annual amount spent on education and received as scholarship for student who received scholarship and those who do not (USD)**



Scholarships largely cover the cost of a student who attend tertiary education, for the students who do not receive any scholarship, most of the fees are covered (75% do not incur any school fees) and they do not incur any boarding fees.

**Table 2: Proportion of students who pay for education items and average annual amount they pay by type of education item and level.**

	Pre-school / elementary		Secondary		Tertiary		Average education	
	% Students	Amount spent (USD)	% Students	Amount spent (USD)	% Students	Amount spent (USD)	% Students	Amount spent (USD)
School fees	12	270	11	460	68	2,000	16	890
Accommodation	0	0	0	0	47	660	4	700
Materials	43	25	50	50	66	760	47	115
Uniform	27	20	32	30	8	43	27	25
Average Education	51	95	58	157	76	2,840	54	430