

POLICY BRIEF

Privatization of Public Schools in Pakistan

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Executive Summary

Since the 18th Amendment in 2010, education governance in Pakistan has shifted to provincial control, making education an enforceable right under Article 25A. This decentralization aimed to empower provinces like Punjab to ensure universal access to quality education. However, Punjab has faced persistent challenges, including funding shortages, high dropout rates, and significant numbers of out-of-school children. To address these issues, the province has increasingly turned to privatization through Public-Private Partnership (PPP) models, wherein low-performing public schools are handed over to private entities to manage.

The Punjab government initiated this approach in 2016 through the Punjab Education Foundation (PEF) and later expanded it under the Punjab Education Initiatives Management Authority (PEIMA), with thousands of schools now operated by private providers. Advocates argue that PPPs improve resource allocation and educational quality while offering cost savings and better management. Yet, critics, including educators and unions, highlight concerns over quality, teacher employment, and equitable access, fearing privatization may undermine public education's inclusivity and standards. Statistics underscore the urgency: about 9.6 million children aged 5-16 in Punjab remain out of school, with notable dropout rates as students' progress. Although PPPs provide short-term improvements, privatization alone cannot resolve systemic educational deficiencies. Experts recommend bolstering public infrastructure, resource allocation, and teacher training to fulfill the constitutional right to quality education for all.

This brief emphasizes that while private involvement may complement public efforts, sustainable progress requires strengthening public education to meet the needs of Punjab's substantial school-age population.

Introduction:

Education governance in Pakistan has remained a mixed federal and provincial subject until the 18th Amendment in 2010, when it was completely devolved to the provinces with legislative and financial autonomy. The amendment also introduced a new Article - 25A in the chapter dealing with fundamental rights in the Constitution. It states: “Right to Education—The State shall provide free and compulsory education to all children of the age of 5-16 years in such manner as may be determined by law.” Through this amendment in the Constitution, education has become an enforceable right¹. The devolution of education was more important and challenging for the provinces as they had to ensure the provision of free and compulsory education as a right. This means that the provinces had to develop education policies that could ensure universal access, enrollment, and quality education.

However, since devolution, the provinces have struggled with this challenge. Amid funding gaps and issues with the quality of education, all four provinces are experimenting with public-private partnership (PPP) models for education delivery. While Balochistan, Khyber Pakhtunkhwa, and Sindh have implemented PPP models for running schools in the provinces to a limited extent, the largest province, Punjab, is aggressively pushing for the privatization of primary schools through this arrangement.

In this backdrop, this brief takes stock of Punjab’s privatization policy for public schools.

The province of Punjab is under Pakistan Muslim League Nawaz (PML-N) rule since 2008. The only exception to this rather long rule has been the four years of Pakistani Tehreek-e-Insaaf (PTI), which remained in-charge of the province between 2018 to 2022. The two parties differ on many issues, but both pursued the privatization policy for public schools. The PML-N government started handing over low-performing primary schools to the private sector in 2016 through an arrangement with the Punjab Education Foundation (PEF)². The PTI government continued with this policy and introduced a new statutory authority, the Punjab Education Initiatives Management Authority (PEIMA), to implement the Public School Support Program. PEIMA has been handed over more than 4,276 schools ever since³. Both bodies hand over schools to the private sector—both profit and nonprofit—while the government confines itself to paying a specific amount per enrolled student, relinquishing its duties of managing buildings and teaching staff.

The Punjab government aims to complete the privatization of 13,000 primary public schools across the province to bring about ‘transformation’ in the education sector. In the first phase, 5,863 public schools have been handed over to the Punjab Education Foundation (PEF), which now has a total of 13,080 schools. The government is paying Rs. 750 to Rs. 900 per student to PEF-selected private contractors, who will be responsible for providing teachers and necessary infrastructure.

The provincial government has plans to further include 7,137 more schools under the PPP arrangement, for which the applications have been received and are pending scrutiny. This move has attracted criticism from both experts and public sector teachers, but the government is adamant that privatization will enhance the quality of education and increase accessibility for millions of students.

Why Provinces are Keen on Privatization?

Provinces were naturally happy with the devolution, and all political parties had almost unanimously agreed on the insertion of education as an enforceable right in the Constitution. While the constitutional scheme requires the provinces to invest more in public sector education, the question arises: why are provinces resorting to radical measures like the privatization of schools? Are the provinces shying away from their responsibilities, or is the provision of education too big a task for the governments to perform alone? To these and many other questions, the potential answers lie in the state of education. One simple answer is that provinces are desperate to find a solution as things are not moving in the right direction. One can safely claim that Pakistan's education is on a declining trajectory.

The country's literacy rate today stands at 60.7 percent, according to the latest Census Report of 2023, marking a marginal improvement of 1.8 percent from 58.9 percent in the previous Census of 2017. Out of a population of 71.2 million children aged five to sixteen in Pakistan, more than 25.3 million (36 percent) do not attend school. Punjab has a total population of 35.6 million children aged 5-16, out of which 9.6 million are out of school. This implies that approximately 26.97% or nine in every thirty-three children of school-going age are not studying in the largest province.

The Census Report 2023 reveals that out of 10 million children enrolled in the primary schools of Punjab, 3.1 million children dropped out before starting middle school that starts at grade six. Another six million left school before Grade 9. Around 1.5 million more dropped out before starting college education. Out of 10 million kids that started school in Punjab, only 2.3 million reached college. The census statistics show that Punjab has the highest rate of dropout in the age bracket of 14-16 years, with 21.87 percent of children in this age group having left school⁴.

The statistics are startling for any planner. Experts agree that the government is feeling overwhelmed by the education challenge, and in this course, it is drifting away from its constitutional duty of providing free and compulsory education to children.

Infrastructure Too Big or Too Obsolete to Manage?

According to the School Information System, Punjab has a total of [48,529 schools](#)⁶, out of which 32,371 are primary, 7,218 are middle schools, 8,089 are high schools, and 851 are higher secondary schools. Cumulatively, they have 12.16 million children enrolled. An additional 1.8 million children are enrolled in schools run by PEF, and 0.6 million are enrolled in schools under the PEIMA. Cumulatively, 13.62 million children are enrolled in the public-funded system⁶. Both PEF and PEMA are under the Education Ministry of Punjab.

There is a sizeable number of children studying in religious seminaries and informal schools. Despite the mushrooming of private schools, public schools still cater to the needs of 60 percent of the enrolled students.

The government's version is that schools in such enormous numbers have become a constant burden in terms of upkeep, oversight, upgrading, construction of more buildings and rooms, appointments of new teachers, and managing their salary bill. The government thinks that by

opting for a public-private model, it would improve the education standard and system in a cost-effective manner, which would also include savings to the tune of billions of rupees per year, allowing over 70,000 educated youth to be employed by the private sector. The privatization program also involves upgrading primary schools to middle schools. Outsourcing includes well-known school chains, where reputable NGOs would take them over, resulting in improvements in the state and performance of schools. There is some evidence that school buildings, sanitation, and laboratories have witnessed a marked improvement in privatized schools. The government also hopes that PPP will resolve the issue of out-of-school children, anticipating that these schools will become vibrant and functional, which is essential to restore parents' trust in schools.

Experts say that the government's decision has many considerations apart from resource management and the out-of-school children issue, including a common perception that public schools lag behind in the provision of quality education while private institutions employ better and updated educational techniques and administrative capacities. This will improve the quality of education, and schools will earn credibility. [According to experts, half of the public schools in Punjab have one to two teachers who cannot produce the required results](#)⁵. The government believes that the private sector can produce results at a lower cost. Perhaps the perception of cost-cutting leading to quality education prompts the government to seek ways to shift its responsibility regarding this basic human right, to the private sector.

Protesting teachers differ with government views. Punjab Teachers Union's General Secretary, Rana Liaqat Ali blames the ban on the recruitment of new teachers and the non-expansion of existing public sector infrastructure for the out-of-school children problem. The union believes that infrastructure has not been updated despite a massive increase in the population. Government statistics confirm this notion. The website of the School Education System lists the figures of sanctioned teacher seats at 450,801, out of which 124,377 are vacant⁶.

According to Rana Liaqat Ali, Pakistan's education infrastructure was built in the 1970s to meet the needs of the then population, wherein every sizeable settlement received a primary school, with a cluster of 5-6 primary schools feeding into a high school. By the 1990s, Punjab had 63,000 schools, including Masjid Maktibs (literally "Mosque Schools"). "Masjid Maktibs would attract parents who avoided sending their children to regular schools in favor of religious education. Masjid Maktibs offered both regular and religious education, with mosque imams in charge of these institutions. Masjid Maktibs were closed down during General Musharraf's regime, leading to a reduction in the number of schools in the province", he asserts.

According to the Teachers' Union, the first phase of PEF-led privatization was also prompted by the lack of teaching staff in public schools. PEF handed over these schools to NGOs. Instead of recruiting good teaching staff, the government hid behind the poor results of schools for handing them over to NGOs via PEF. According to the Union, the lack of teaching staff affected the quality of results in public schools, leading to parental mistrust and consequently the out-of-school children issue, as one or two teachers cannot manage 200 kids in a school and provide the necessary attention to each pupil's educational growth needs.

When the Pakistan Tehreek-e-Insaf (PTI) government took over in 2018, it also banned new appointments instead of recruiting new teaching staff. It created another authority, PEMA, to

further structure the PPP model, giving another 4,000 schools to the private sector. Some School Councils also attempted to appoint private teachers on their own with mixed results, but [privatization actually further boosted the dropout rate and out-of-school children problem](#)⁷. Successive governments' failure to devise a comprehensive education policy has added to the woes of education in Punjab.

Can Privatization Really Ensure Quality?

The claim that the private sector can offer better care and education is often based on socioeconomic differences. Research indicates that wealthier students in private schools have access to better resources such as technology and extracurricular activities. However, experts like Dr. Faisal Bari, a renowned educationist, claim that public schools perform just as well when properly resourced.

The surveys on the basis of which such perceptions are perpetuated factor out the economic background of children studying in private and public schools. Students of rich parents enrolled in private schools have better access to communication, TV, internet and other facilities while children of poor parents studying in public schools lack such facilities hence the difference in results. This is an issue of class not the types of school. "There is hardly any difference in low-fee private schools and public schools in terms of quality. PEF and PEIMA schools are also similar to low-fee private schools", Dr. Bari believes.

There is no uniformed quality assessment criteria for public and private schools till matriculation. Every school has its own internal assessment system after the abolition of standardized assessment systems at primary and middle levels. Private schools do not mark any student failed as a tool to keep appeasing parents. Public schools do not have such consideration and they operate on objective assessment criteria in which students can fail their exams and assessments. Both systems fare equal in objective assessment criteria of matriculation and intermediate where public schools produce results similar to that by private schools. In 2024 matric results, six of the nine top positions were clinched by students from public schools.

Experts think that public schools getting adequate resources and teachers perform well. Government needs to upgrade and improve entire infrastructure on similar grounds to resolve problems in public sector education. Experts like Dr. Faisal Bari are fearful of privatization of elementary and high schools. They think that private schools have some kind of perceptive edge in primary education but there is no considerable achievement of private schools in elementary and secondary education⁸. Also, elementary and secondary education requires more cost, infrastructure like laboratories, computer labs, playgrounds and libraries, and specialized teachers such as subject specialists. Secondary education is way too costlier for private schools which is reflective in a primary or a middle private school in every street and rare private secondary schools.

Privatization of schools can further hamper the standards of education and literacy. Anecdotal evidence confirms the Union's allegations that PEF and PEMA schools recruit untrained and unqualified teachers as private sector is running these schools as businesses in which their top priority is to make profits. Private sector contractors are enjoying as they did not have to invest

in buildings and they get books and grants for every pupil. Another fear is that these schools might eventually go to private sector for good and qualified teachers will not join these low-paying schools leading to further decline in the quality of education. Union alleges that PEF and PEIMA schools are even worse than public schools being directly run by the government.

Teachers' concerns regarding their future also seem valid. Thousands of teachers are employed in 13,000 schools being privatized. The government is not terminating their contracts and is instead transferring them to other schools but what would be the future of these teachers when those other schools are also privatized?

According to the Union, there are complaints of bogus privatized schools where contractors get government grants for ghost schools. PEIMA's report in June 2023 stated that the Authority had to cancel contracts for 533 schools outsourced to some NGOs, a school chain and private contractors and reassign them as their performance was found to be unsatisfactory for successive three terms or they were found closed on inspection. The report put the expenses of Rs. 4.8 billion for financial year 2022-2023 that were spent on 604,670 students enrolled in 4,276 schools⁹.

A small body of evidence shows that some of the poorest-performing public schools have achieved some improvements after transitioning to private management, suggesting that while privatization may provide immediate benefits, it does not serve as a long-term solution to systemic educational challenges.

The real question remains about the future of privatized schools: how long will the government continue to pay for these schools? Ultimately, these schools may be permanently transferred to private operators.

The privatization approach has also significant cost implications. The 2023-24 Punjab Education Sector Plan reports annual spending of Rs. 21,502 per kindergarten student and Rs. 12,625 per primary-level student, rising to Rs. 103,802 per student at the secondary level¹⁰. Given the number of current and potential students, the total costs run into billions. Education has become a lucrative industry, and this shift in funding to nonprofit and for-profit private entities could reshape private education dynamics.

Conclusion:

While private schooling may offer advantages in specific cases, it is not a comprehensive solution for public education challenges. Privatization alone cannot address the out-of-school children problem or ensure that all children receive quality education. Rather than extensive privatization, the government should consider reinforcing existing public infrastructure, which serves a significantly larger student base than the private sector. A well-resourced public education system, with upgraded facilities and adequate teaching staff, is essential for meeting the educational needs of all children in Pakistan.

About Accountability Lab Pakistan:

Accountability Lab Pakistan is part of a trans-local network of 13 independent, locally registered, governed, and managed organizations. As a locally registered think tank in Pakistan, Accountability Lab is committed to fostering transparency, accountability, and good governance. With a focus on driving positive change through innovative approaches, the Lab has been at the forefront of initiatives aimed at enhancing the democratic processes in the country.

The Lab's profound impact on the discourse surrounding women's empowerment in Pakistan is a testament to its commitment to catalyzing positive change through innovative and forward-thinking approaches. In the purview of strengthening women's role in the country's development, the Lab has consistently occupied headship by harnessing the power of innovative methodologies, actively contributing to the evolution of inclusive practices in Pakistan.

Central to the Lab's mission is its unwavering emphasis on factors such as social acceptability, institutional insulation, and the holistic strengthening of democracy. These core principles not only underpin the Lab's approach but also resonate deeply with the recommendations outlined in this policy brief.

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