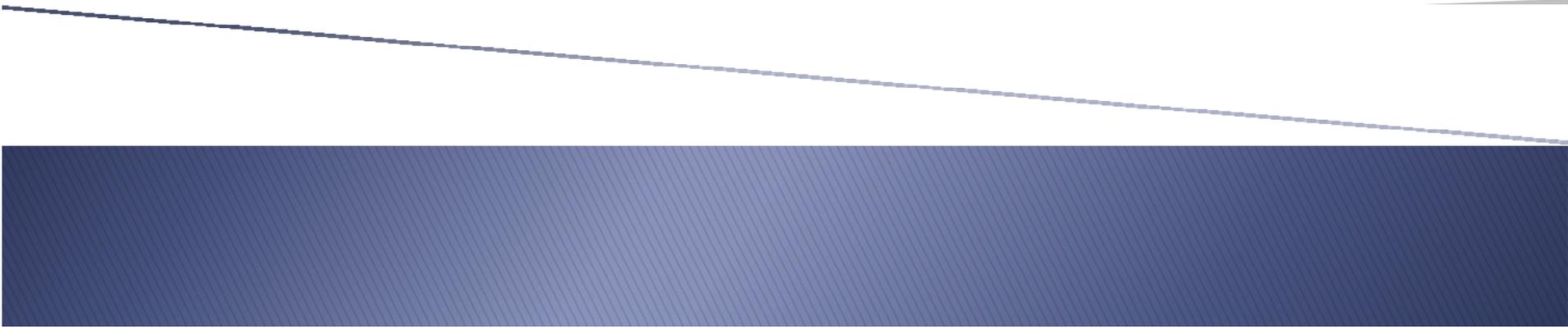


The Demographic Dividend: A Perspective on Education Effects of Population Change in Pakistan

Naushin Mahmood

December 2008



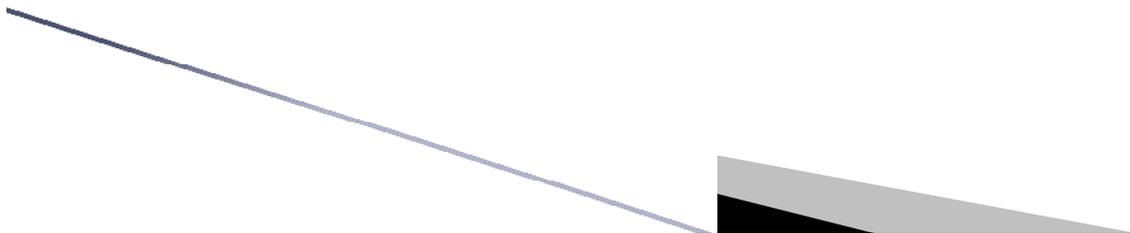
Outline

- The Demographic Transition and its Dividends
- How dividend effect can be maximized
- Focus on education effects
- Objectives
- Data Sources and Method
- Findings
- Conclusions and Policy Recommendations



Demographic Transition and its Dividends

- Changes in age structure of population resulting from declining fertility
- Reduced proportion of dependent children and an increase in the share of working age population
- The bulge is 'Demographic Bonus' as potential workforce to deliver dividends
- One-time opportunity----lasts for 2-3 decades
- Pakistan's situation



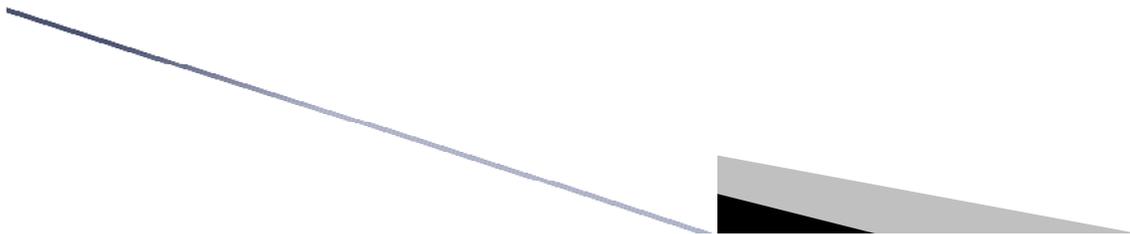
Maximizing Benefits of Demographic Dividend

- Effective socio-economic policies and investments
- Improve education levels and skills
- Enhance employment opportunities
- Accelerate fertility decline
- Example: 'East Asian Miracle'



Objectives of the Study

- How changing demographics in Pakistan contributes to improved educational attainment of youth population during the next two decades (2005-2025)
- Particular focus on primary and secondary education, seeing the effect on achieving UPE, a target of MDG and transition to secondary education
 - a) Assess Pakistan's demographic bonus
 - b) Forecast education attainment levels
 - c) Assess the gap between changing population and enrolment increase

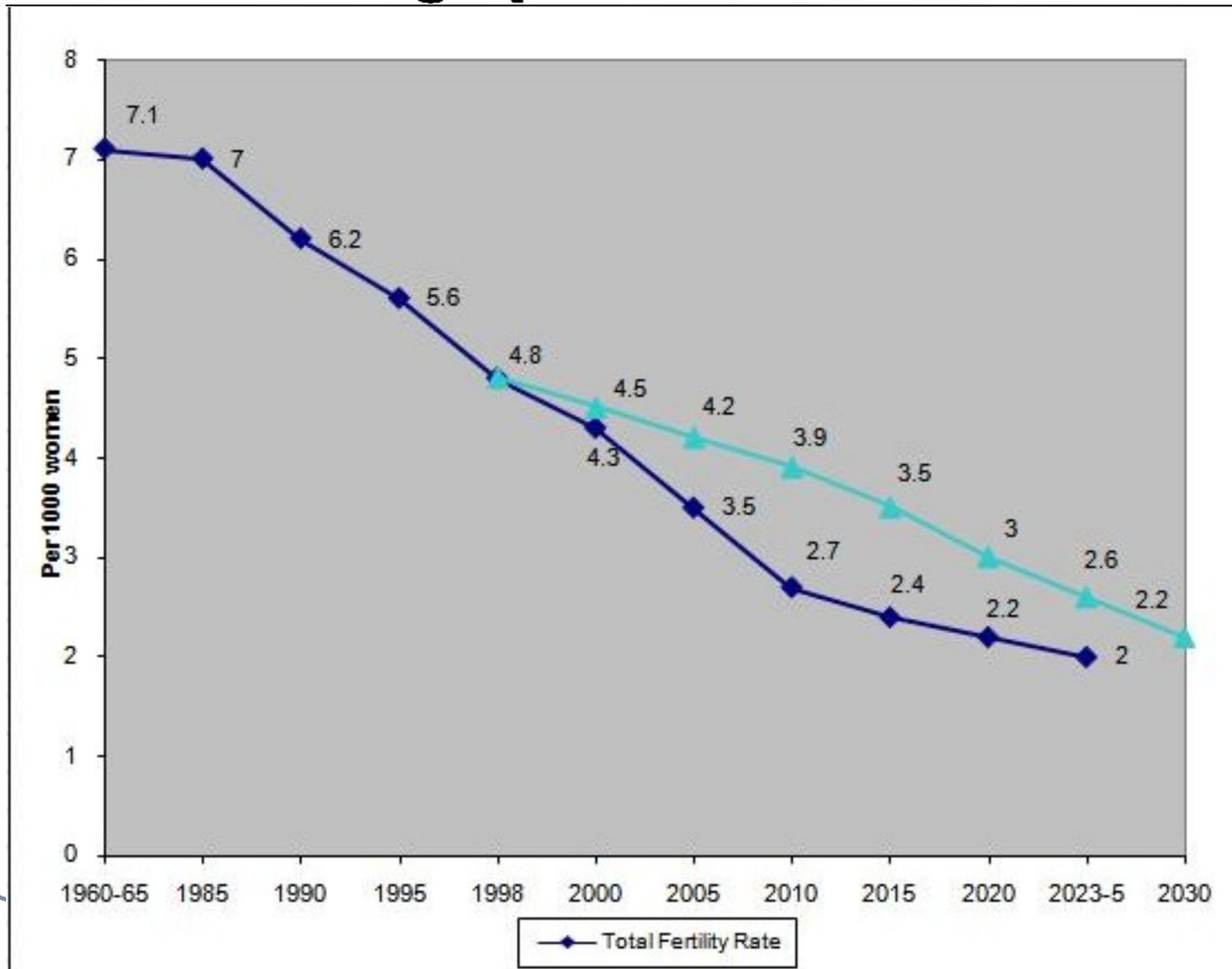


Data and Methods

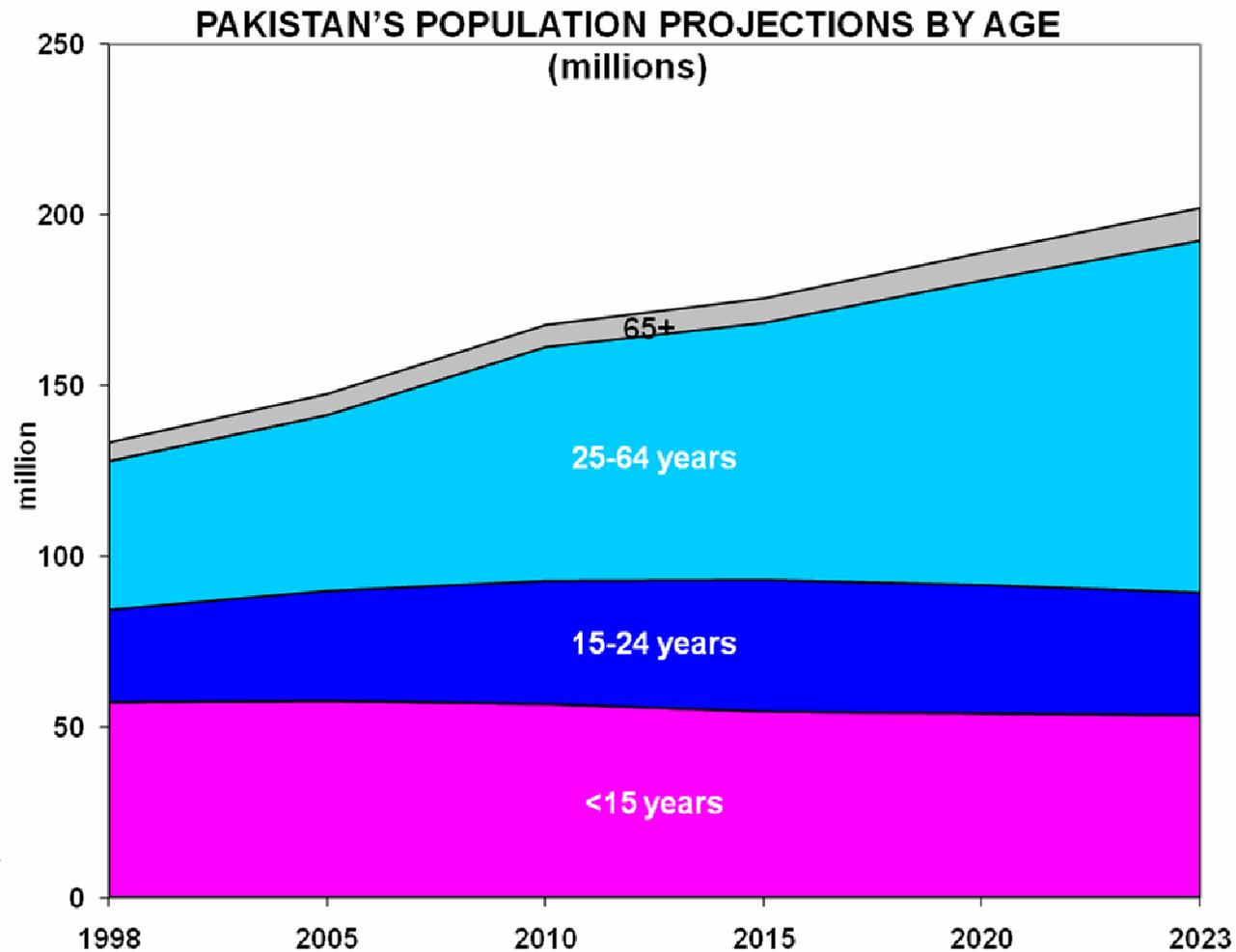
- Population projections for 2005-2023 with 1998 census as base year
- Enrolment Data from PIHS and PSLM (2001--2005-06), and educational attainment data form census
- Education Projections for primary, secondary and post-secondary levels
- Assumptions used for population and education projections



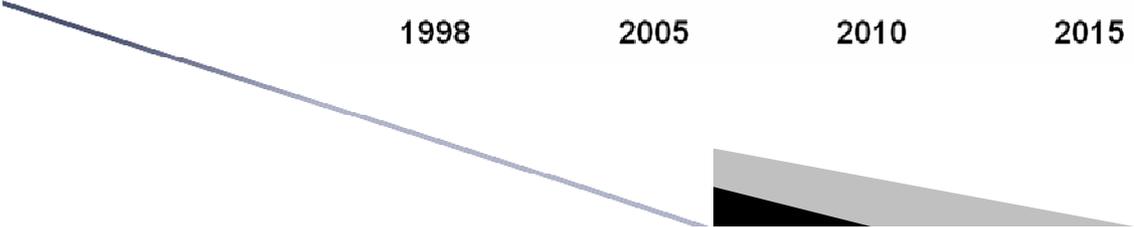
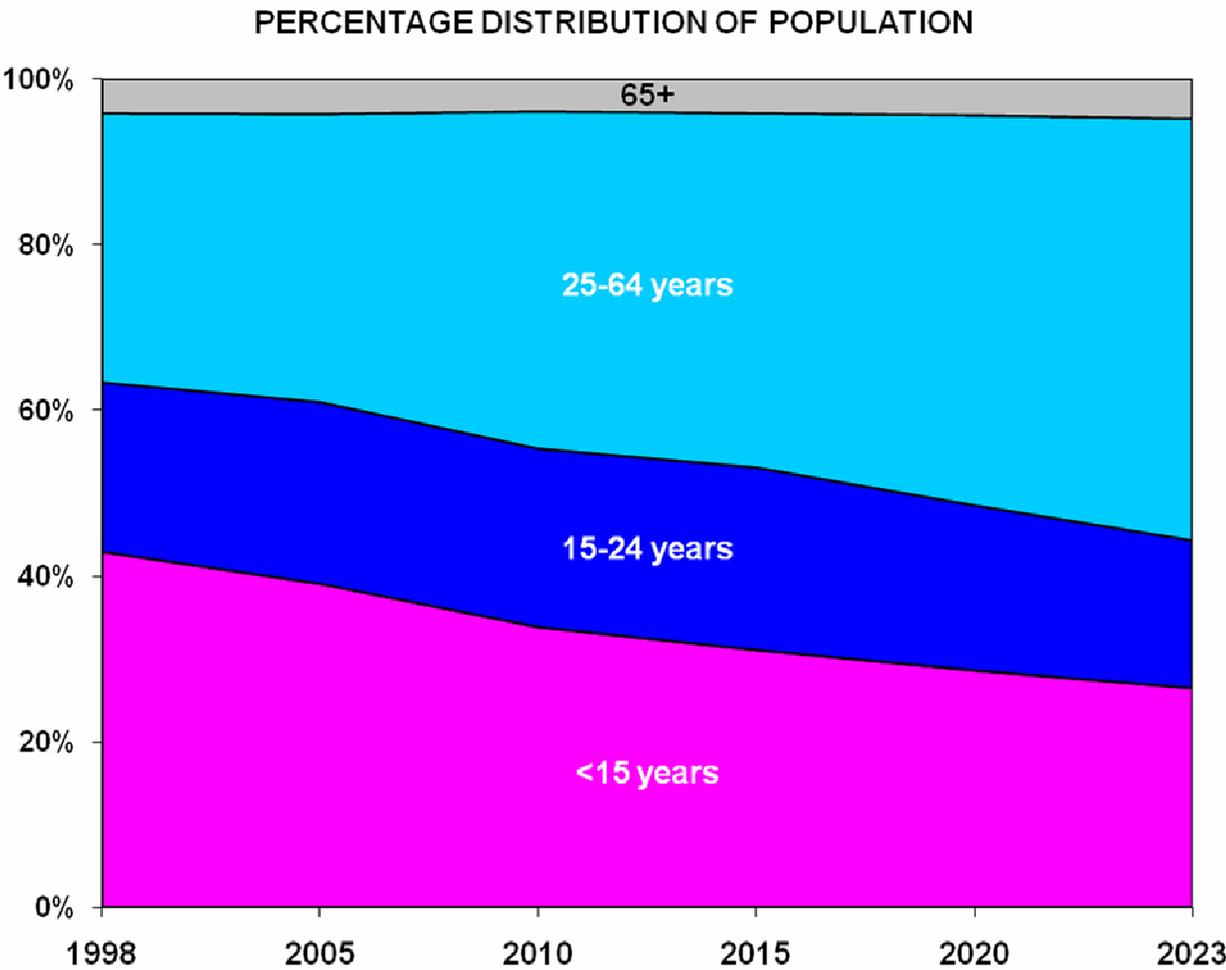
Pakistan's Demographic Transition



Demographic Bonus: Opportunity or Challenge?

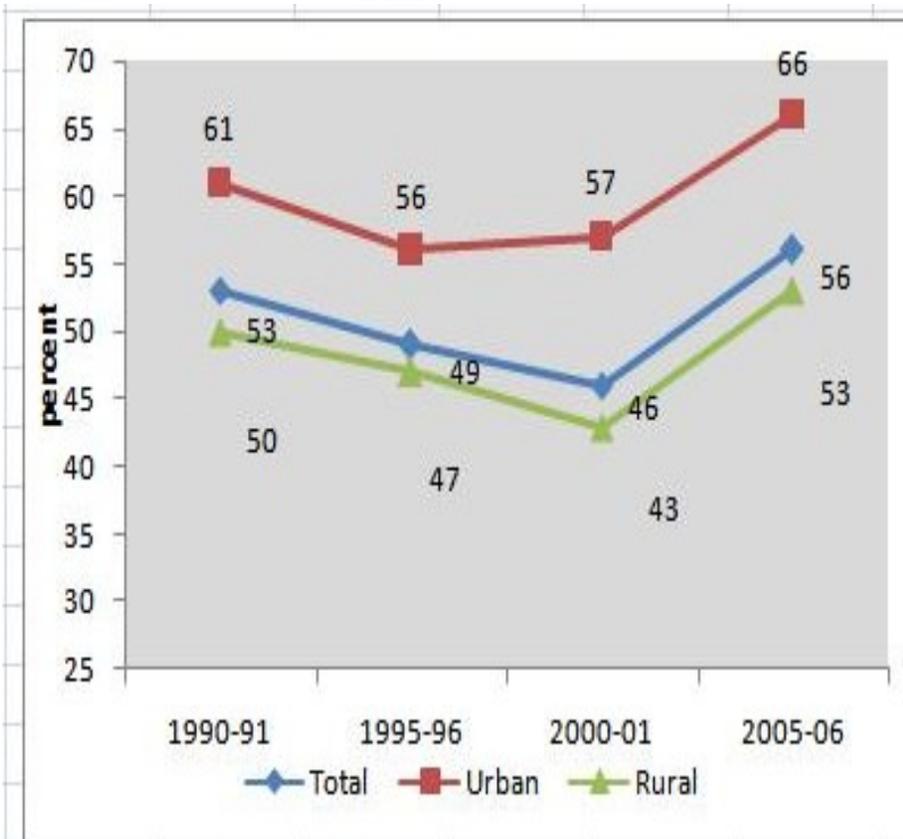


Demographic Bonus: Opportunity or Challenge?

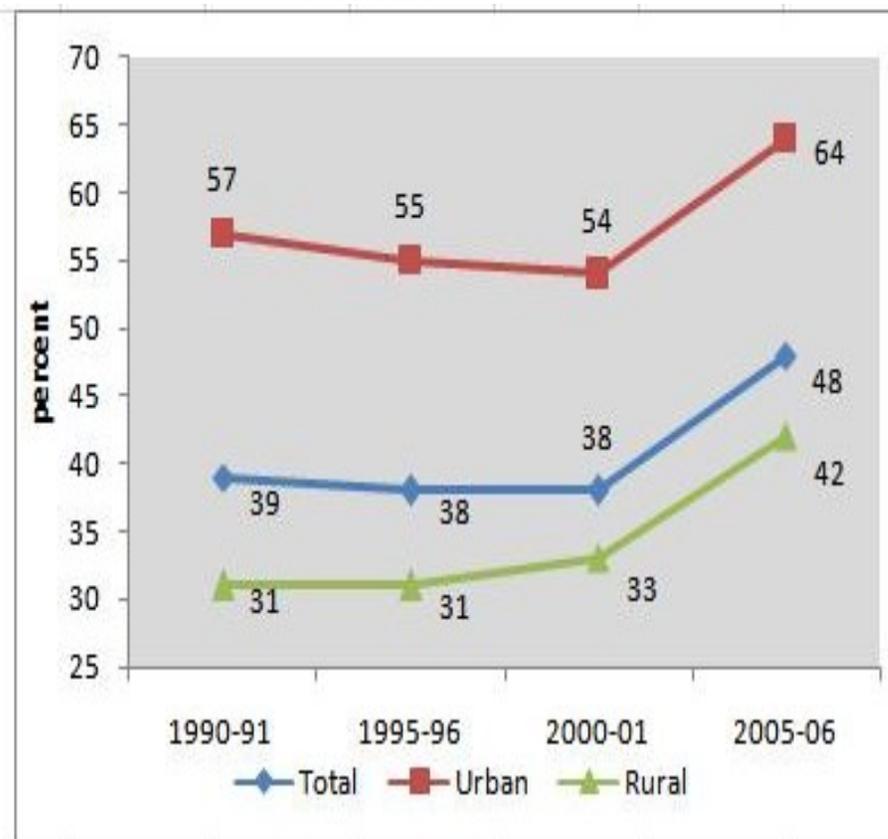


Pakistan's Education Status since the 1990s: Primary Level Net Enrolment Rates

Male



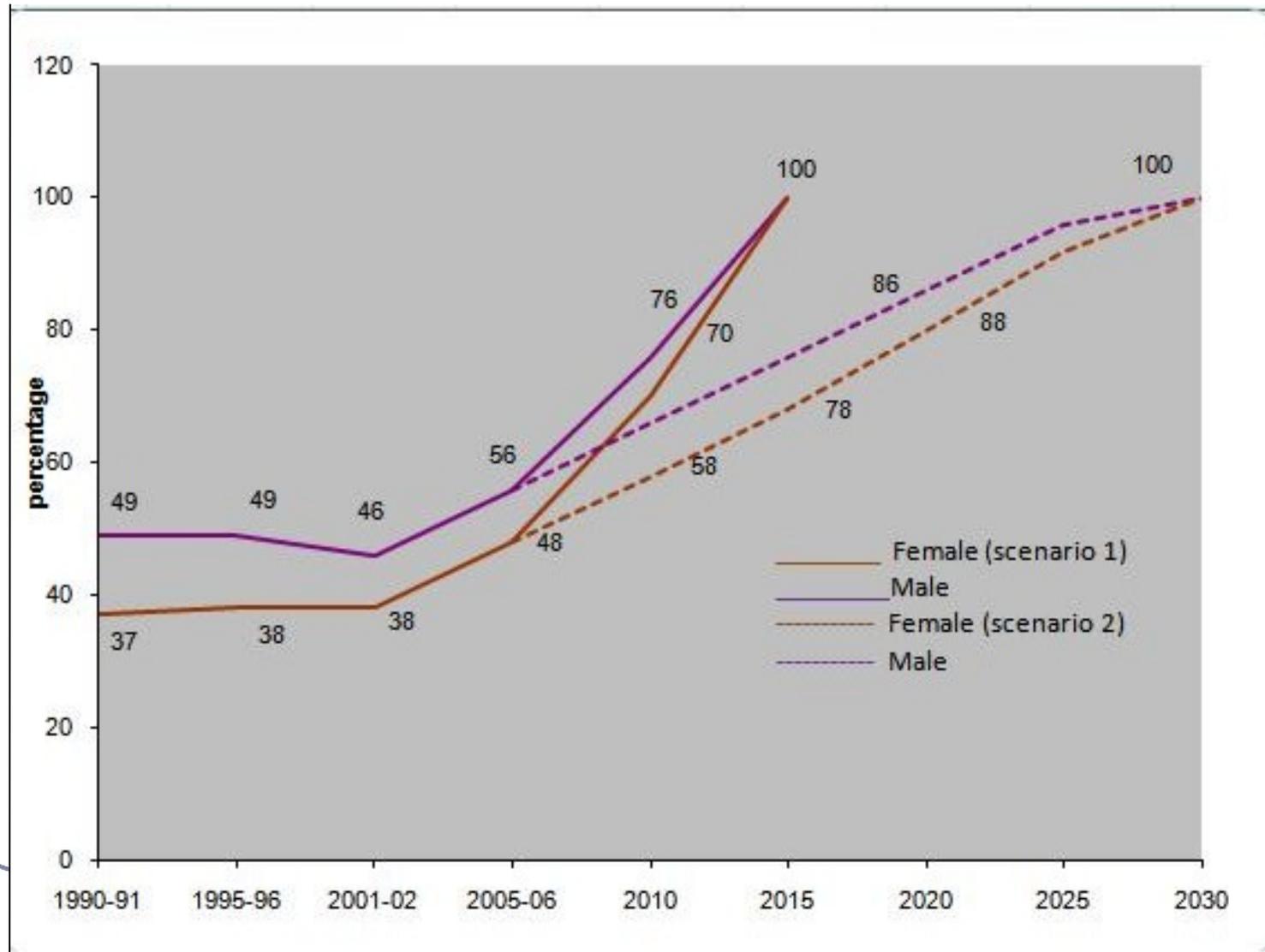
Female



Education Projections: Assumptions Used

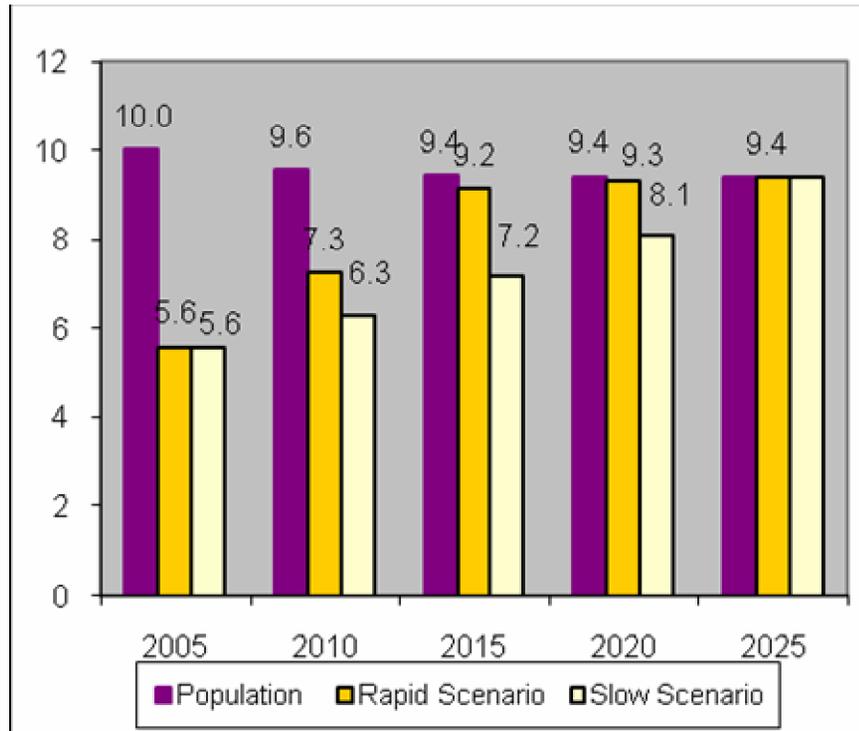
Year	Primary (5-9 years)				Secondary (10-14 years)			
	Scenario 1		Scenario 2		Scenario 1		Scenario 2	
	Male	Female	Male	Female	Male	Female	Male	Female
2005	56	48	56	48	30	21	30	21
2010	76	70	66	58	40	30	35	25
2015	96	92	76	68	50	40	40	30
2020	100	100	86	80	60	50	45	35
2025	100	100	96	92	70	60	50	40

Actual and Projected Primary Level Enrolment Rates



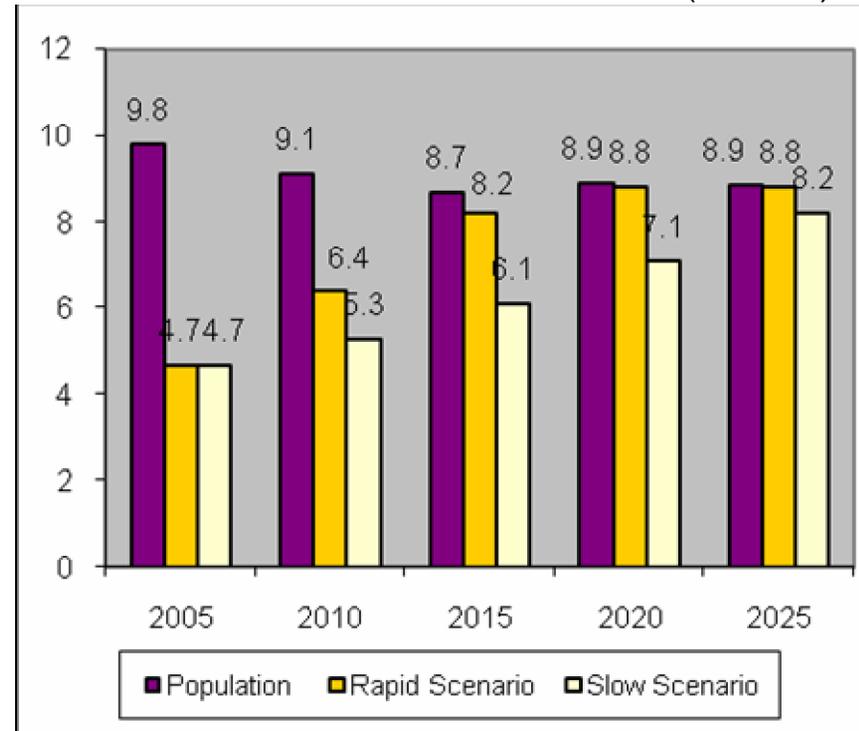
Achieving Universal Primary Education

Male



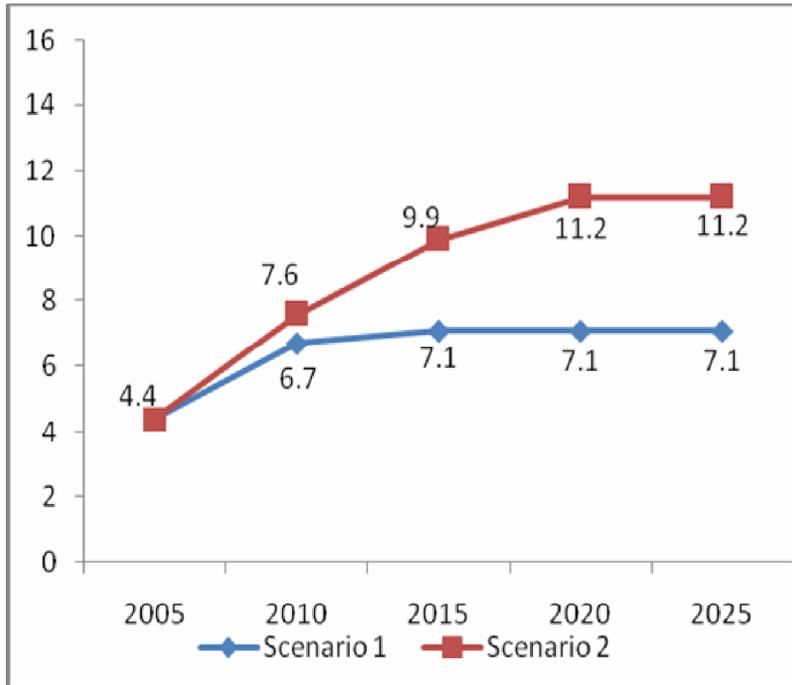
Female

(millions)

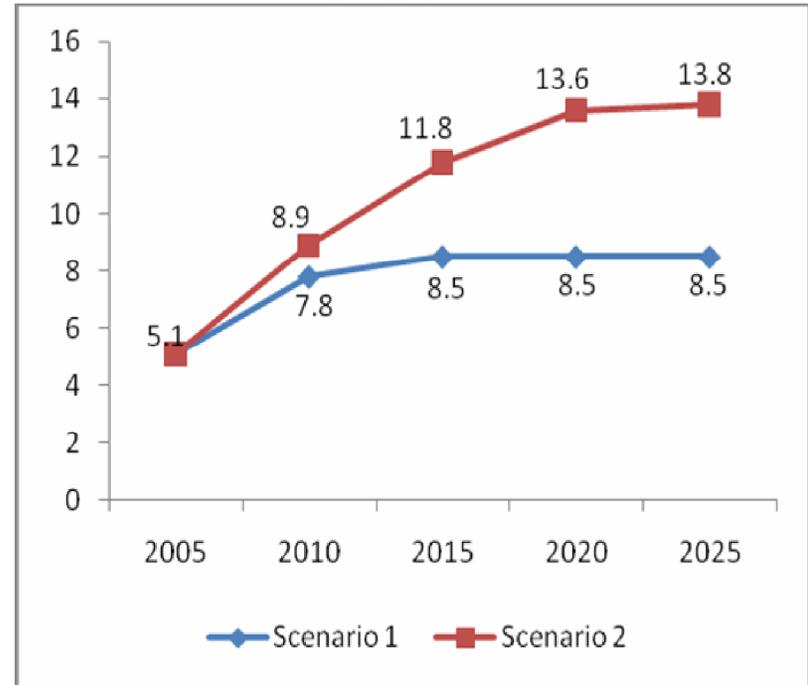


Out of School Population: 2005-2025

Male

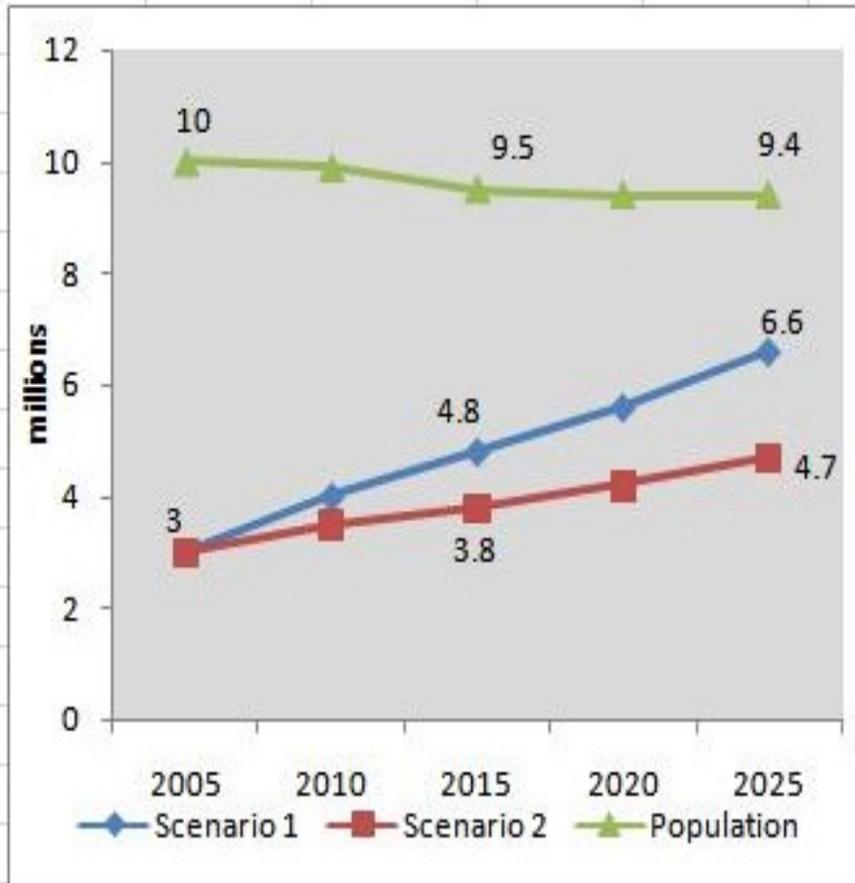


Female

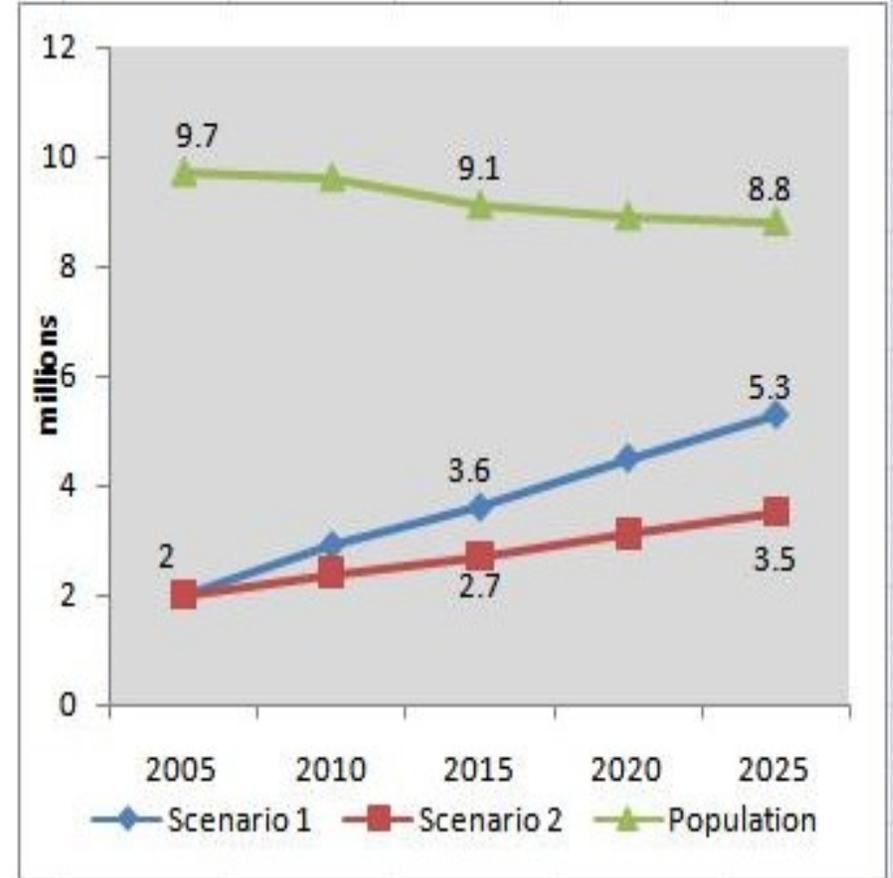


Projected Secondary Level Enrolment

Male



Female



Post-secondary Education and the Deficit

Year	Estimated Population	Simulated Enrolment	Population-education gap	Estimated Population	Simulated Enrolment	Population-education gap
High Secondary (15-19 years)						
<u>Males</u>				<u>Females</u>		
2005	9.34	1.40	7.94	8.73	0.87	7.86
2010	10.0	2.20	7.80	9.40	1.40	8.00
2015	9.90	2.98	6.96	9.22	2.21	7.01
2020	9.49	3.61	5.88	8.67	2.77	5.90
2025	9.51	4.28	5.23	8.70	3.50	5.20
Tertiary Level (20-24 years)						
2005	8.32	0.85	7.47	7.74	0.62	7.12
2010	9.30	1.40	7.90	8.68	1.04	7.64
2015	9.97	2.00	7.97	9.36	1.50	7.86
2020	9.90	2.50	7.40	9.20	1.93	7.27
2025	9.36	3.00	6.36	8.55	2.40	6.15

Source: Population Projections (NIPS, 2005); Enrolment Simulations (Author's calculations)

Main Conclusions and Messages

- The prospects of achieving ‘universal primary education’ remain daunting and challenging for Pakistan—a prerequisite to ensuring benefits of demographic dividends
 - With more than 15 million children aged 5-9 expected to remain out-of-school by 2015 and likely to increase to approximately 25 million by 2025 are *warning signs* for quality of future human resource in Pakistan
 - The chances of reaping demographic dividends remain obscure given the large backlog of children who have already missed school and passed the age of entering formal system of education
- 

Some Policy Recommendations

- Address the needs of out-of-school children as part of social protection and poverty reduction strategy
- Focused interventions on districts with literacy and enrolment rates of less than 20%
- Radical campaign/actions to increase secondary level enrolments, especially for girls in rural areas
- Special attention to expand and strengthen technical and skilled education for Pakistani youth
- Most importantly, increase in near-term investments in education, particularly at primary and secondary levels---factors conducive to increasing capability of delivering dividends



Thank You!

