

EDUCATIONAL COSTS AND DEMAND FOR PRIVATE SECONDARY SCHOOLS IN AKWA IBOM STATE, NIGERIA

Dr. Sunday I. Efang and Mr. Gomiluk O. Idante

Department of Curriculum Studies,
Educational Management and Planning,
University of Uyo, Akwa Ibom State, Nigeria.

ABSTRACT: *The thrust of this study was to articulate the base of knowledge and empirically test the relationship between the component of educational costs and the demand for private secondary education in Akwa Ibom State. Three null hypotheses were formulated to direct the study. Six hundred students and thirty principals were drawn, through proportionate stratified random sampling technique from three senatorial districts in the study area were used. Data collection was through structured questionnaire. Data were analyzed using Pearson Product Moment Correlation Statistics and population t-test analysis at .05 level of significance. The findings showed that there was a statistically significant relationship between educational costs and the demand for private secondary education in Akwa Ibom. Based on the findings, recommendations were made including that government should award scholarship to students in private secondary schools as this would reduce the effect of high cost of private schools on the youths of low socio-economic status.*

KEYWORDS: Educational Cost, Opportunity Cost, Demand, Indirect Cost

INTRODUCTION

From the point of view of an educational planner, secondary education is the education children receive after primary education and before the tertiary stage. With its consumer and producer status, secondary education not only determines the fate but also dictates the pace of education at the primary and tertiary levels. According to the constitutional provisions, education in Nigeria, is provided by the Federal, State and Local Governments (FRN, 1999). However, parents mostly elites who want the best of education for their children patronized private institutions (from kindergarten to University). These parents are always willing to pay huge fees and bear whatever cost in order that their children could receive high quality education (Ajayi, 2008).

In the private education sector, the price of education is the costs of education, while the demand for education is viewed as total number of individual who are willing and able to acquire a given type of education at any given time. Agabi (2002) viewed demand for education as quantitative expression in terms of the total number of persons who have expressed the desire to acquire a given type of education and simultaneously possess the capacity and willingness to pay for it. Before processing to the analysis of the demand for private secondary schools in Akwa Ibom State of Nigeria, a few cost concepts have to be clarified so as to eliminate possible misinterpretations. In

view of the fact that the following concepts will be used in this paper, our discussion here will be limited to the following:

- Educational cost
- Direct and indirect costs
- Private or personal cost
- Social costs

Educational Cost

Owolabi (2006) defines that educational cost as all forms of resources used up in the process of providing education for an individual or for a group of individual. This cost is made up of both direct and indirect costs. Direct cost is the monetary value of all tangible and intangible resources invested in education. It is necessary to define educational costs in term of the total opportunity costs. The real cost of education is the alternative opportunities that have to be sacrificed or forgone in the process of providing education services. For instance, the opportunity cost or true cost of construction of a new secondary school building is the alternative projects that are foregone such as road project or agricultural development.

Private or Personal costs

Mbipon (2010) averred that it is the responsibility of parents and guardians to care for the youths of the community, in the process of undergoing formal education. These consist of expenditures on tuition fees, clothes, books, transportation and accommodation. The decision to go to school is personally costly to the student. The student foregoes the opportunity to work and contribute to family income earnings.

Social Costs

Social costs of education are those costs that individual student do not bear personally. They are the costs born by the society, represented by the cost incurred by the federal, state and local governments in the process of providing education for citizens.

Education possesses many characteristics of a public good which makes it to generate considerable externalities. Thus, the decision of a household to invest in formal education will necessitate him incurring certain costs, which are direct to him, but also have a spillover effect on some of his family members either in form of the money they would spend or in terms of what has to be foregone while in school. Similarly, the benefits that accrue to the individual are private, but some other benefits also accrue to the whole economy in terms of additional to the human capital stock plus other people who will be feeding from his future income (Edame, 2008).

Psacharopoulos (1973), in synthesizing the findings of 53 studies in 32 countries, found that both private and social rate of return for education were generally higher than returns to investment in physical capital. This suggests that per capital income difference among countries can be better explained by differences in the endowments of human rather than physical capital.

In a related view, Okodoko (2008) studies investigated the correlational study of educational cost and demand for teacher education. A correlational research design was used in the study with a sample size of 400 school teachers while Education Cost Demand for Teacher Education Questionnaire (ECODTEQ) was the instrument used for data collection. The study indicates a significant relationship between educational cost and demand for teachers' education in Bayelsa State. This finding can be extrapolated to private secondary schools. In line with the study, Ndakor (2009) conducted a study on the direct cost and demand for private secondary education in Rivers South-East Senatorial District, River State. The simple random sampling technique was used to draw one thousand eight hundred and ninety (1890) students and 22 administrators of private secondary schools as samples. The main instrument for data collection were two sets of questionnaire. The study revealed that there is a significant relationship between direct cost and demand for private secondary education in Rivers State. This may have been informed by the fact that Rivers State is industrialized and is highly populated. The increases in population and loss of confidence in public secondary schools by parents due to structural decay and ineffective learning environment tend to accentuate the demand for private secondary education.

This paper is based on Marshall theory of demand which examines the relationships between price and demand. Thus, it expresses that there is an inverse relationship between price and demand. For the purpose of this study, the price referred to the real cost of acquiring education and the demand as the number of students who enroll in private secondary schools. The focus of this study therefore is to carry out an assessment of the relationship that exist between educational cost and demand for private secondary education in Akwa Ibom State.

Research Hypotheses

The following null hypotheses were formulated to guide this study;

1. There is no significant relationship between educational costs and the demand for private secondary education in urban area of Akwa Ibom State.
2. There is no significant relationship between educational costs and demand for private secondary education in rural areas of Akwa Ibom State.
3. The educational costs of private secondary education is not significantly high in Akwa Ibom State.

METHODOLOGY

Design of the study

The design used for this study was ex-post facto research design, which involves studying phenomena after they have occurred.

Population of the Study

The population of this study consisted of the total number of students in both rural and urban areas in private secondary schools as well as the school managers who are directly involved in private secondary education. The population consists of twenty four thousand five hundred (24,500) students who enrolled in fifty (50) private secondary schools in Akwa Ibom State in 2013/2014 academic session (State Ministry of Education, 2014).

Sample and sampling technique

The samples for this study were 630 students from rural areas and urban areas. The subjects that constituted the sample for this study were drawn through stratified random sampling technique. The basis of stratification is the senatorial districts. The population of the study was therefore stratified into 3 groups, namely Eket Senatorial District, Uyo Senatorial District and Ikot Ekpene Senatorial District, while location of the schools ensured the representation of subject for both rural and urban schools. In each school, students and the school principal were randomly drawn using 'hat and draw' method.

Instrumentation

The instrument used in this study was a structured questionnaire called Educational Costs and Demand for Private Secondary Education Questionnaire (ECDPSEQ) which was developed by this researcher. It has two sections A and B. Section A contains demographic variables viz name of institution, type of institution, sex, marital status. These variables have no vital role to play with regards to data analysis but are just there to indicate the caliber of the people that constitute the sample. Section B is a 20 item on a four point rating scale questionnaire which respondents were to indicate their agreement or disagreement.

Validation of the Instrument

The instrument for the study was face validated by three experts. The validate criticism, comments and suggestions form parts that guided the structuring of the instrument.

Reliability of the Instrument

To ascertain the reliability of the instrument, split-half method was conducted by administering to 50 students and 10 principals who did not take part in the actual study. Using their response score, Cronbach Alpha reliability coefficient was computed.

Procedure for data collection

The instrument was administered personally by the researcher, with the assistance of some teachers who served in the schools sampled for the study. The mortality rate was zero.

DATA ANALYSIS

Data abstracted in this study were analyzed using Pearson Product Moment Coefficient (PPMC) and Population t-test analysis for testing the null hypothesis at 0.05 level of significance.

RESULTS**Hypothesis 1**

The first null hypothesis speculated that there is no significant relationship between educational costs and the demand for private secondary education in urban areas of Akwa Ibom State.

Table 1: Pearson Product Moment Correlation Analysis (r) of the relationship between educational costs and demand for private secondary education in urban areas of Akwa Ibom State

(N = 630)

Variable	$\sum x$ $\sum y$	$\sum x^2$ $\sum y^2$	$\sum xy$	r-cal	r-crit
Educational costs in urban areas (x)	7681	95473	428575	0.792*	0.062
Demand (y)	34611	1939429			

* Significant at $P < 0.05$, $df = 628$, $r\text{-crit} = 0.062$

Table 1 presented information on the tested hypothesis as measured by PPMC (r-value) to determine the significance or otherwise of the relationship between educational costs and the demand for private secondary education. The result showed the value of calculated coefficient of $r = 0.792$ with degree of freedom 628 which is greater than the critical r-value of 0.062 at 0.05 level of significance. Thus, the null hypothesis was rejected and the alternative hypothesis retained. The educational implication of the analysis was that educational costs has a significant relationship between educational costs and the demand for private secondary education in Akwa Ibom State.

Hypothesis 2:

The second null hypothesis stated that there is no significant relationship between educational costs and the demand for private secondary education in rural areas of Akwa Ibom State.

In order to test the hypothesis, PPMC analysis was employed to test for the significant or otherwise.

Table 2: Pearson Product Moment Correlation Analysis (r) of the relationship between educational costs and demand for private secondary education in rural areas of Akwa Ibom State

(N = 630)

Variable	$\sum x$ $\sum y$	$\sum x^2$ $\sum y^2$	$\sum xy$	r-cal	r-crit
Educational costs in rural areas (x)	8232	108860	457385	0.732*	0.062
Demand (y)	34611	1939429			

* Significant at $P < 0.05$, $r\text{-cal} = 0.732$, $r\text{-crit} = 0.062$

As presented in Table 2, the statistics showed computed r-value of 0.732 at 628 degree of freedom. Since the calculated r-value of 0.732 is greater than the critical r-value of 0.062 at 0.05 alpha level, the null hypothesis is rejected and the alternative retained. This implies that there is a positive relationship between educational costs and demand for private secondary education in the rural areas of Akwa Ibom State.

Hypothesis 3

The third hypothesis stated that the educational costs of secondary education are not significantly high in Akwa Ibom State 2010 – 2014.

Table 3: Population t-test Analysis showing the rate of educational costs of private secondary education in Akwa Ibom State (ECDSE)

Variable	N	\bar{X}	SD	t-cal	t-crit
ECDSC	5	121	8.80	23.2	2.80
Reference mean	-	5.00	-		

When population t-test was applied, a significant t-value of 23.2 was obtained. When compared with the critical t-value of 2.80, the null hypothesis was rejected in favour of the alternative. This implies that the demand for private secondary education in Akwa Ibom State from 2010 – 2014 is significantly high.

DISCUSSION OF FINDINGS**Educational costs and demand for private secondary education in urban areas**

The finding in this aspect of the study showed that there is a significant relationship between educational costs and the demand for private secondary education in urban areas of Akwa Ibom State. This finding is in line with the work done by Ndakor (2009) who affirmed that there is a relationship between direct costs and demand for private secondary education in urban areas of Rivers State. This finding may have been informed by the lost of confident in public secondary schools by parents due to frequent strike by teachers in public schools.

Educational costs and demand for private secondary education in rural areas of Akwa Ibom State

The finding of this hypothesis showed that there is a positive relationship between educational costs and demand for private secondary education in rural areas of Akwa Ibom State. This finding is in agreement with the study of Okodoko (2008) who found out that there is a significant relationship between education costs and demand for private secondary education in rural areas. This finding may not be unconnected with the decay in infrastructure and poor teaching materials in rural areas that make parents to lack faith in public secondary education system. However, other factors such as nearness to home may encourage parents' patronage of private secondary education in rural areas of Akwa Ibom State.

The rating of educational costs of private secondary education in Akwa Ibom State

The finding of H_{03} revealed that educational costs is significantly high in Akwa Ibom State. This finding did not agree with Marshal theory of demand. This is informed by the fact that parents habits have changed significantly in recent time. Parents who put education in their priority (opportunity costs) and high taste demand more of private secondary education without consideration for high costs. Treating secondary education as a market product may severely affect

knowledge production and will lead to knowledge capitalism. This would generally restrict access to secondary education, and widen education inequality within the state.

CONCLUSION

The conclusion drawn in this study was that there is a significant relationship between educational costs and the demand for private secondary education in Akwa Ibom State of Nigeria. That despite the high costs of private secondary education, many parents are still demanding for private secondary education in Akwa Ibom State. Based on the findings of the study it was concluded that theory of demand do not operate in private secondary education system in Akwa Ibom of Nigeria.

RECOMMENDATIONS

1. Government should award scholarship to students in private secondary schools. This is informed by the fact that a large numbers of youth in rural areas belong to low socio-economic strata.
2. Government should make learning environment of public secondary schools attractive in order to restore the confidence of the parents in the system.

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