## ABSTRACT.

Free Secondary Education policy was introduced in Kenya in 2008 with an aim of making secondary education affordable so as to enhance access, transition, retention and student academic performance. However this has not been realized in Mbita sub-county where the average primary to secondary education transition rate from 2010 to 2014 was at 46.94%, lagging behind the neighbouring Suba sub county and the national rates at 59.78% and 72.78% respectively during the same period .A recent study of transition in Mbita indicates an improvement in transition rate to 60% in 2016 which was still far below the targeted 100% national transition rate. The reviewed studies did not examine how gender difference is reflected in the transition rates in Mbita, hence there was need to establish the current transition rates in terms of gender in the sub county. While many studies indicate high cost of education as the main cause of low transition, no research has been done on forgone earnings as indirect component of education cost and its influence on transition in the sub county. Therefore, the purpose of the study was to determine the influence of forgone earnings on primary to secondary education transition in Mbita sub-county. The specific objectives of the study were to; establish the proportion of pupils transiting from primary to secondary education between 2013 and 2017, establish the main sources of forgone earnings and determine the influence of income of pupils on transition in Mbita sub-county. The target population included 111 head teachers, 1925 form ones, 1391 dropouts and 1 sub-county Quality Assurance and Standards Officer .The study sample consisted of 43 head teachers, 385dropouts, 385 form one students selected through simple random sampling and 1 Sub-county Quality Assurance and Standards Officer. The study was guided by a conceptual framework which postulates that the level of income of pupils in primary school influences their transition to secondary school. This study made use of descriptive and correlational survey designs. Research instruments were questionnaires and interview schedules. Pilot study was conducted among 4 head teachers, 12 dropouts and 12 form ones. Face and content validity of the instruments were established by research experts at the university. Through test-retest technique, the coefficient of reliability of the head teachers' and form ones' questionnaires were found to be 0.790 and 0.834 respectively. Qualitative data from interviews and open-ended questions were analyzed through content analysis and organized into themes and patterns corresponding to the research questions. Both descriptive and inferential statistics were used to analyze quantitative data. The results of the study indicate an average primary to secondary education transition rate of 60.71%, with girls at 60.28% and boys at 61.18% in the sub county between 2013 to 2017 showing that 39.29% of pupils enrolled in class eight still fail to transit to secondary school. The main sources of forgone earnings are fishing, Transport sector, charcoal burning/selling and peasant farming. By use of Pearson's r, a strong negative correlation of -0.789 was obtained between forgone earnings and transition. This means that an increase in forgone earnings would decrease transition. The study concluded that forgone earnings form the indirect component of education cost, raising the secondary education costs to levels unbearable by pupils especially those from poor households, hence they fail to transit to secondary school, the reason for the continued low transition even in the era of FTSE. The study recommends that the government should instigate effective machineries to fully mitigate the persistent high cost of secondary education. The findings of the study may inform education stakeholders on strategies to improve or redesign FTSE policy in order to ensure affordable secondary education and realize 100% primary to secondary education transition rate.