

A STUDY ON THE RELATIONSHIP BETWEEN EDUCATION AND EARNINGS OF PEOPLE BASED ON LOCALITY GENDER AND COMMUNITY

***DR. SUMA JOSEPH, ** DR. P. P. SHAJIMON**

*Associate Professor, Mount Carmel College of Teacher Education for Women,
Kottayam, Kerala, India

**Assistant Professor, St. Thomas College of Teacher Education, Pala, Kerala, India

ABSTRACT

Economics of Education' is one of the developing branches of Economics. A good number of research studies have been carried out to establish the relationship between Education and Earnings. The present study is to determine the relationship between Education and Earnings of people in an educationally backward, but economically advanced district of Idukki in the state of Kerala. The study is based on 2254 earning members selected from 1500 households from Idukki District of the State of Kerala. Hence Survey Method is adopted. The relationship between Education and Earnings; and the difference in the relationship with respect various categories of people were analyzed using appropriate statistical techniques. The study revealed that there exists significant correlation between Education and Earnings of people classified on the basis of Locality, Gender and Community. And also, the extent of relationship is not significantly different in the case of Locality and Gender groups but different in the case of Community groups.

Key Words; Education, Earnings, Locality Groups, Gender Groups, Community Groups, Rural, Urban, Male, Female, Scheduled Castes, Scheduled Tribes, Other Backward Community, Forward Community.

INTRODUCTION

Education is the supreme form of wealth and is the fulcrum of every kind of development. It is the process of human enrichment for the achievement of higher and better quality of life. It transforms the raw human beings into human resources, otherwise known as human capital. Education is an asset having high economic and non-economic returns. It is a means of social improvement and material well-being, especially for the economically and socially backward people. It provides them the capacity of acquiring new skills and develops in them the right attitude to wealth, savings and work. The present study is to study the relationship between Education and Earnings of various sections at people in an educationally backward but economically advanced district of Idukki.

NEED AND SIGNIFICANCE

In India considerable progress has been achieved in terms of literacy, school enrolment, network of schools and spread of higher education institutions including technical and professional education. Expenditure on education, both governmental and parental is on the increase. But this rise in expenditures is justifiable, if it provides higher productivity in terms of higher earnings and security to households. Many economists believe that there exists a positive relationship between education and earnings of individuals irrespective of the sector of employment. But there exists alternate views among economists and educationists regarding the contribution of education to earnings. This broken relationship demands further investigation. Also, the influence of the factors like locality, gender and community also requires special attention.

OBJECTIVES OF THE STUDY

The major objectives of the study are the following;

1. To find out whether there exists any significant relationship between Education and Earnings of people in the sub samples based on Locality, Gender and Community.
2. To find out whether there exists any significant difference in the relationship between Education and Earnings of people in the sub-samples based on Locality, Gender and Community.

METHODOLOGY

The present study is indented to find out the relationship between Education and Earnings of various categories of people in Idukki District. The investigator adopted Normative Survey Method for the study. The study is based on 2254 earning members from 1500 sample households in Idukki District. Households are selected using Stratified Random Sampling Technique. To study the relationship between Education and Earnings, it was essential to determine the scores on education and earnings of individual members. To quantify education weightages to different levels of education are given and average monthly earnings with respect to each individual member is taken into consideration. Data are analyzed using appropriate statistical techniques namely Karl Persons Product Moment Co-efficient of Correlation and Test of Significance of the Difference between Correlations.

ANALYSIS AND INTERPRETATION

The correlation coefficients for the relationship between Education and Earning of people were calculated for the Locality Groups (Urban and Rural), Gender Groups (Male and Female) and Community Groups (Scheduled Castes and Scheduled Tribes-SC/ST, Other Backward Community-OBC, and Forward Community-FC). To find out whether there exists significant difference between the correlations, the obtained correlation co-efficient in each group were compared.

LOCALITY GROUPS

The correlation coefficients for the relationship between Education and Earnings of people and the difference between correlations in the Locality groups (Urban and Rural) is given in Table 1.

Table-1: Correlation between Education and Earnings based on Locality

Locality	No.	Correlation (R)	Difference in Correlation (z)
Urban	484	0.47 **	0.51
Rural	1770	0.49 **	

** Significant at 0.01 level

Table shows that the correlation between Education and Earnings of people in the Urban ($r=0.47$; $P<0.01$) as well as Rural ($r=0.49$; $P<0.01$) people are significant at 0.01 level. And the correlations are not significantly different even at 0.05 level ($Z=0.51$; $P>0.05$).

GENDER GROUPS

The correction co-efficient for the relationship between Education and Earnings and the difference between correlations in the Gender Groups (Male and Female) is given in Table 2.

Table 2: Correlation between Education and Earnings based on Gender

Gender	No.	Correlation (R)	Difference in Correlation (z)
Male	1714	0.50 **	0.46
Female	540	0.52 **	

** Significant at 0.01 level

Table shows that the correlation between Education and Earnings of Males ($r=0.50$; $P<0.01$) as well as Females ($r=0.52$; $P<0.01$) are significant at 0.01 level. And the correlations are not significantly different even at 0.05 level ($z=0.46$; $P>0.05$).

COMMUNITY GROUPS

The correlation coefficients for the relationship between Education and Earnings of people and the difference between correlations in the Community Groups (SC/ST, OBC, FC) is given in Table 3.

Table 3: Correlation between Education and Earnings based on Community

Community	No.	Correlation (R)	Difference in Correlation (z)
SC/ST	514	0.59 **	3.17 **
OBC	836	0.46 **	
SC/ST	514	0.59 **	2.33 *
FC	904	0.49 **	
OBC	836	0.46 **	1.02
FC	904	0.49 **	

*Significant at 0.05 level **Significant at 0.01 level

Table shows that Education and Earnings of SC/ST ($r=0.59$; $P<0.01$), OBC ($r=0.46$; $P<0.01$) and FC ($r=0.49$; $P<0.01$) significant at 0.01 level. And the correlations in the SC/ST and OBC ($z=3.17$; $P<0.01$); and SC/ST and FC ($z=2.33$; $P<0.05$) are significantly different, except in OBC and FC ($z=1.02$; $P>0.05$) which is not significant even at 0.05 level.

MAJOR FINDINGS OF THE STUDY

The major findings of the study are the following;

1. The correlation between Education and Earnings of people is significant in the sub-samples based on Locality (Urban, Rural) Gender (Male, Female) and Community (SC/ST, OBC, FC).
2. The correlation between Education and Earnings is not significantly different in the case of (i) Males and Females (ii) Urban and Rural people.
3. In the community groups the correlation is (i) greater in the case of SC/ST when compared to OBC and FC (ii) not significantly different in the case of OBC and FC.

CONCLUSION

The present investigation is aimed to study the role of education in determining the Earnings of people. It is revealed that Education is correlated with the Earnings of people irrespective of Locality, Gender and Community. Education can be widely considered as a means for increasing the Earnings of people. This relationship is evident in almost all categories of people. Since the correlation between education and earnings is greater in the case of backward communities compared to others, more stress should be given for the educational development of these groups for their economic betterment.

REFERENCES

1. Best, John, W.& Kahn, James V. (2008). Research in Education. New Delhi: Prentice Hall of India Pvt. Ltd.
2. Buch, M.B. (ed.) (2000). Fifth Survey of Educational Research. Vol. II. New Delhi : NCERT
3. Gupta, S.P. (1984). Statistical Methods. New Delhi: Sultan Chand & Sons.

4. Rao. V.K.R.V. (1996). Education and Human Resource Development. New Delhi: Allied publishers, Pvt. Ltd.
5. Schultz, T.W. (1963). The Economic Value of Education. New York: Columbia University Press.
6. Shajimon, P.P. (2010). Education and Economic Growth in Idukki District, Ph. D Thesis, Mahatma Gandhi University.
7. Sharma S.R. (2001). Methods of Educational Research, New Delhi: Annol Publications Pvt. Ltd.
8. Sheehan, John (1973). The Economics of Education. London George Allen and Unwin Ltd.
9. Sidhu K.S. (1996). Methodology of Research in Education: New Delhi: Sterling publishers Pvt. Ltd.
10. Suter, W.N. (2006). Introduction to Educational Research. New Delhi: Sage Publishers.

